

7 Deadly Sins of Project Portfolio Management

Bay3000 Corporate Education



Presentation to the GTA ISLIG by Gina Davidovic, PMP

What's Up

1. Project Portfolio Management (PPM)
2. The Benefits of PPM
3. The 7 'Sins' of PPM implementations



Three P's – PMI Definition

Portfolio

- ❑ A collection of projects or programs and other work that are grouped together to facilitate effective management of that work to meet **strategic** business objectives. The projects or programs of the portfolio may not necessarily be interdependent or directly related

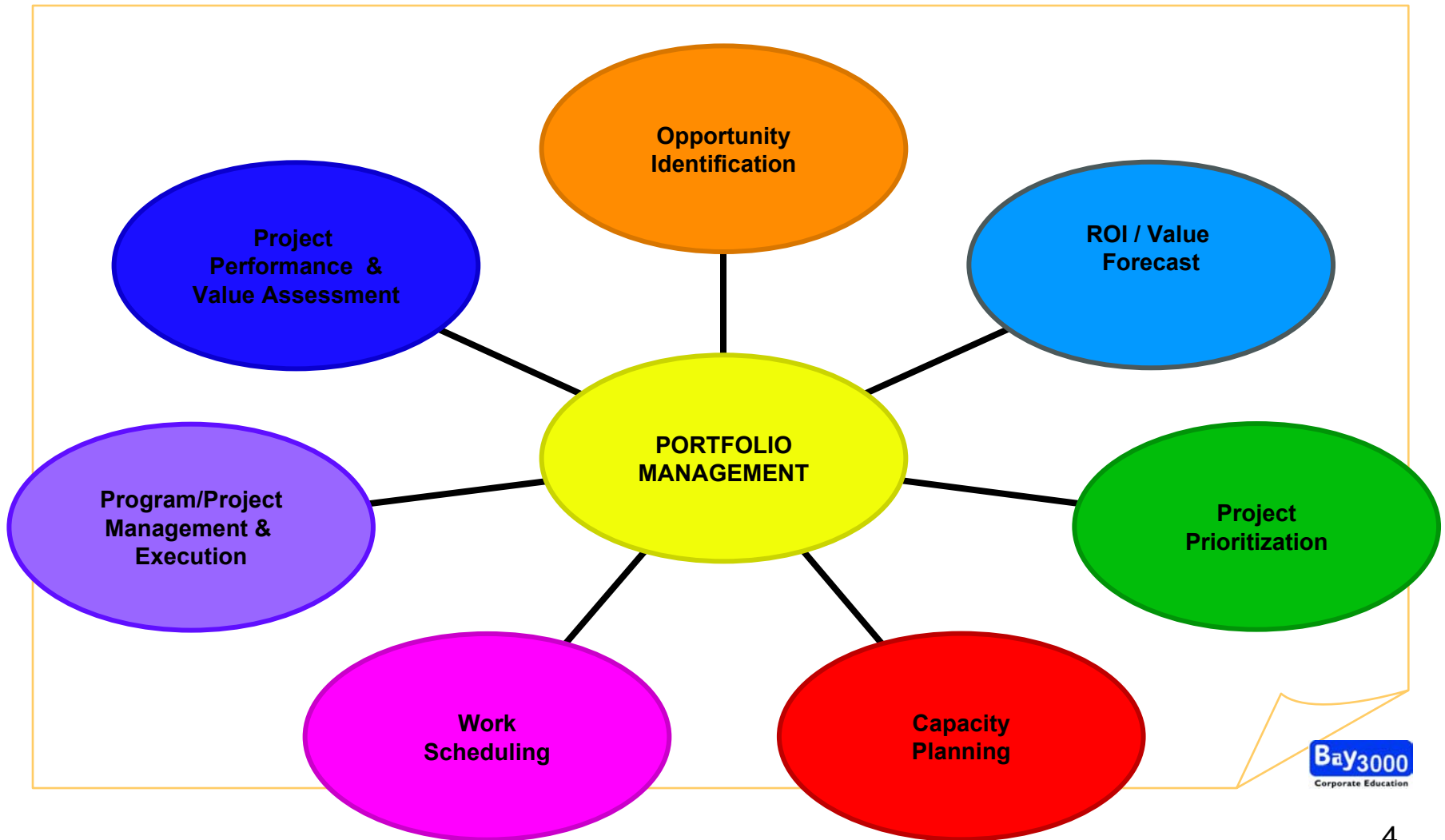
Program

- ❑ A program is group of **related projects** managed in a coordinated way to obtain benefits and control not available from managing them individually. Programs include an element of ongoing work and may include elements or related work outside the scope of discrete projects in the program

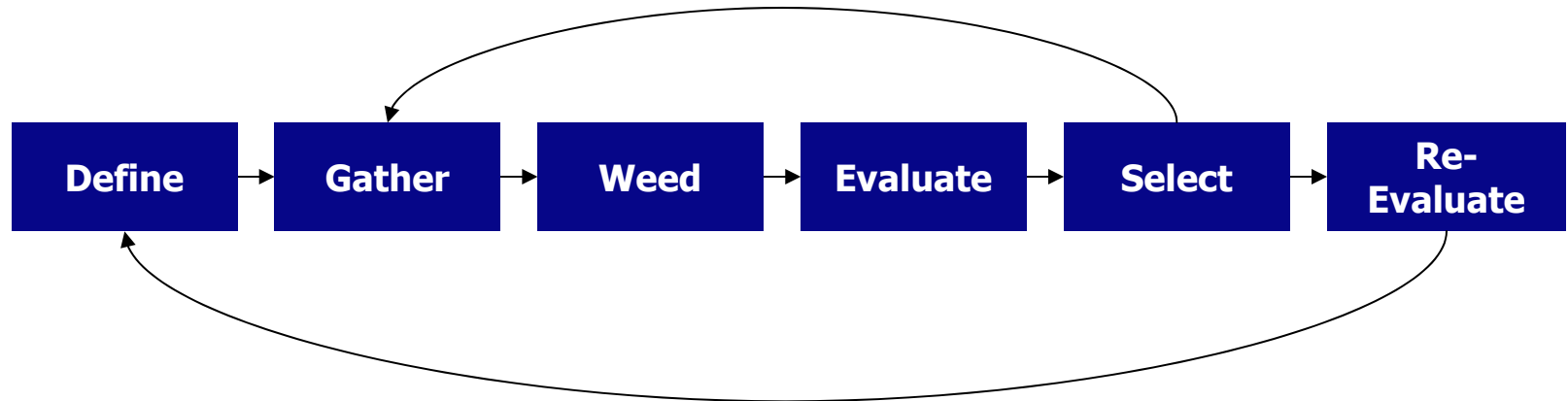
Project

- ❑ A temporary endeavor undertaken to create a **unique** product, service, or result

Scope of PPM



Portfolio Management Model



Select, prioritize and manage portfolio of projects

Project Screening Matrix

Criteria Weight	Stay within core competencies	Strategic fit	Urgency	25% of sales from new products	Reduce defects to less than 1%	Improve customer loyalty	ROI of 18% plus	Weighted total
	2.0	3.0	2.0	2.5	1.0	1.0	3.0	
Project 1	1	8	2	6	0	6	5	66
Project 2	3	3	2	0	0	5	1	27
Project 3	9	5	2	0	2	2	5	56
Project 4	3	0	10	0	0	6	0	32
Project 5	1	10	5	10	0	8	9	102
Project 6	6	5	0	2	0	2	7	55
⋮								
Project n	5	5	7	0	10	10	8	83

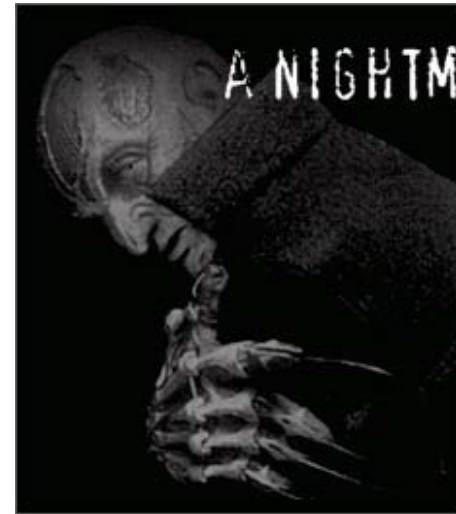
Benefits of PPM

- Links project selection to strategic metrics.
- Allocates resources to projects in alignment.
- Balances risk across all projects.
- Justifies killing projects that do not align.
- Improves communication.
- Improves morale.
- Improves throughput of projects.



7 Deadly Sins

- Pride
- Envy
- Gluttony
- Lust
- Anger
- Greed
- Sloth



**Pope Gregory VIII*

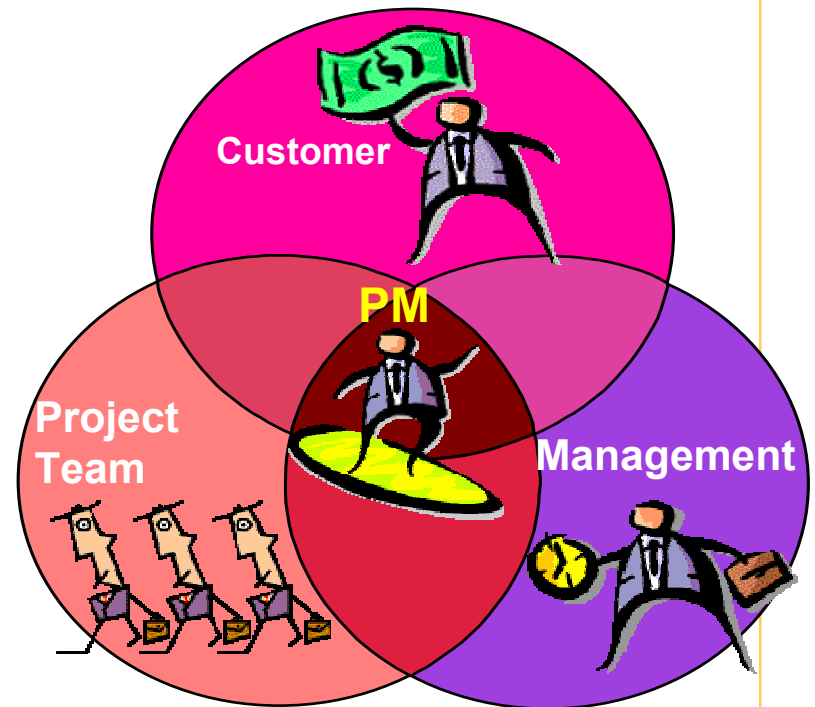
Sin 1: Pride

- Stakeholder Management
- Learning from Others

Where you need to start may not be where you want to start!

It is not a matter of IF you will meet with resistance, it is a matter of WHEN you will meet with resistance.

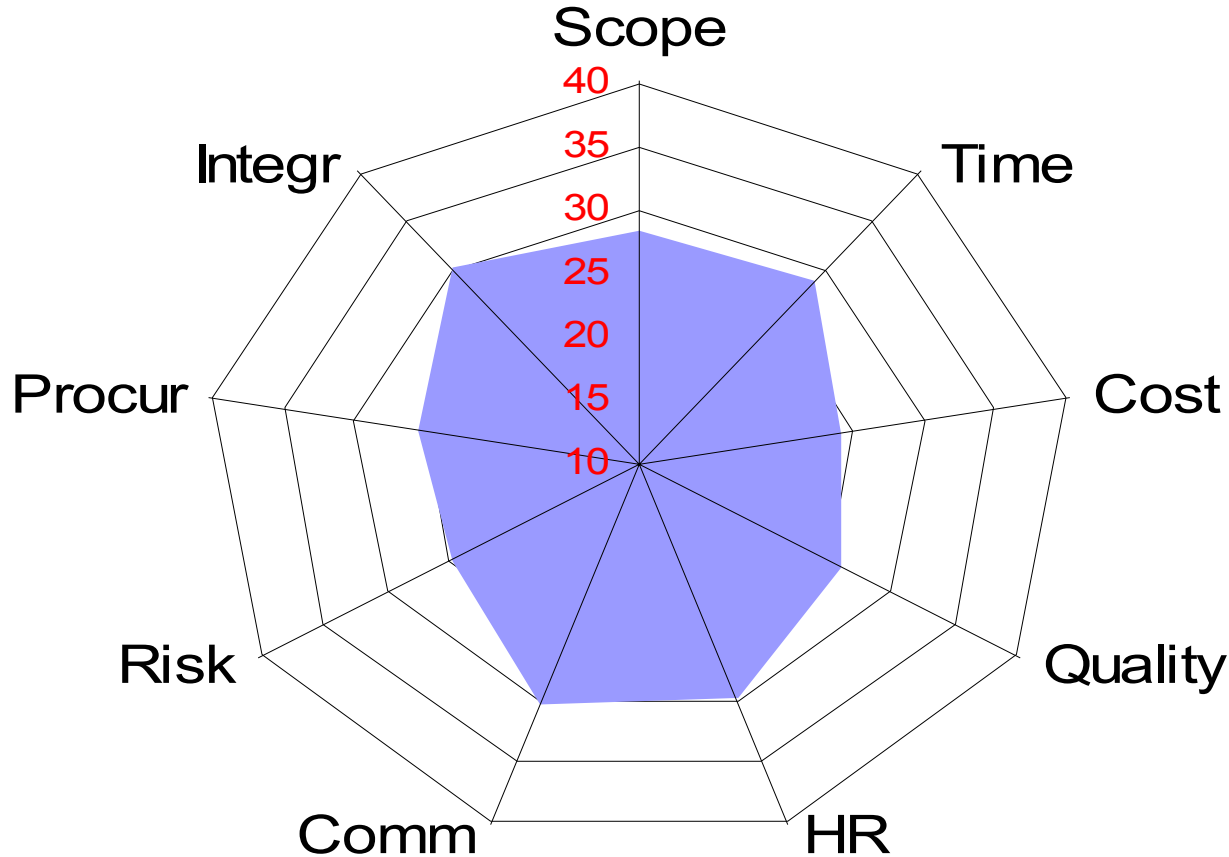
“If it wasn’t for the people, projects would go just fine”



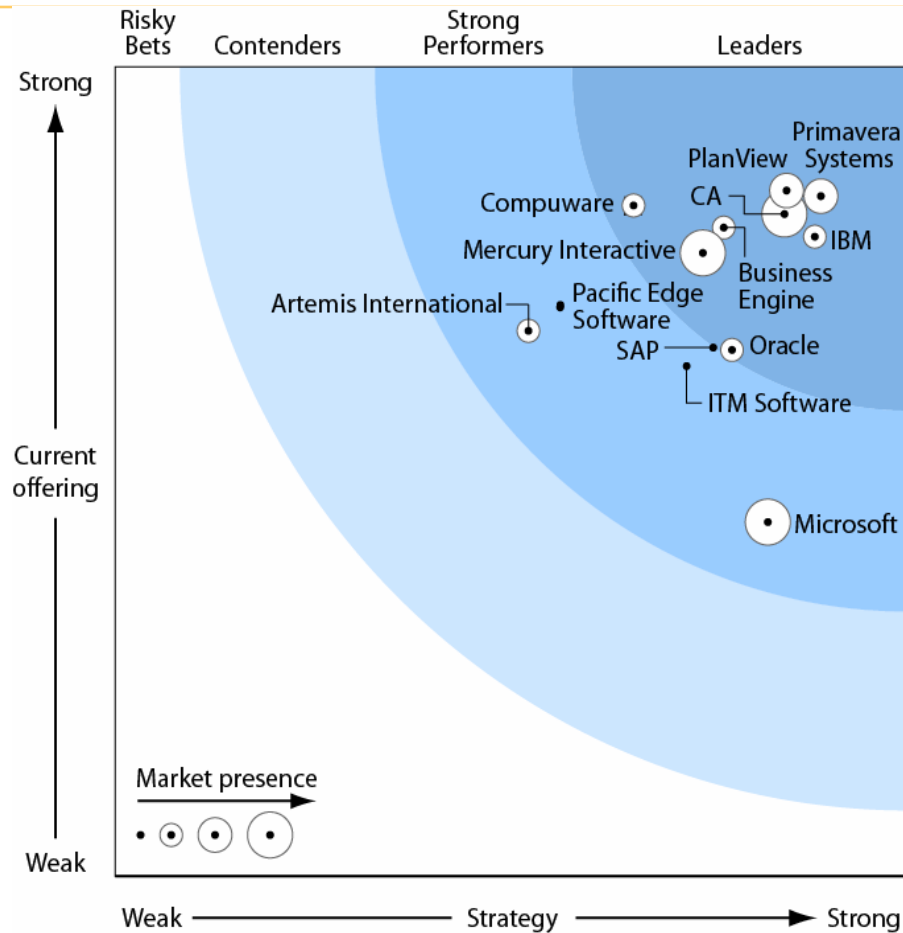
Stakeholder Management

- Project team perspective:
 - Whose cooperation will be needed?
 - Whose agreement or approval will we need?
 - Whose opposition would keep us from accomplishing ?
- Stakeholders' perspective:
 - How do the stakeholders view the project?
 - What is the status of our relationships with the stakeholders?
 - Where is the power and influence today?
 - Where will the power and influence be tomorrow?

Project Management Maturity

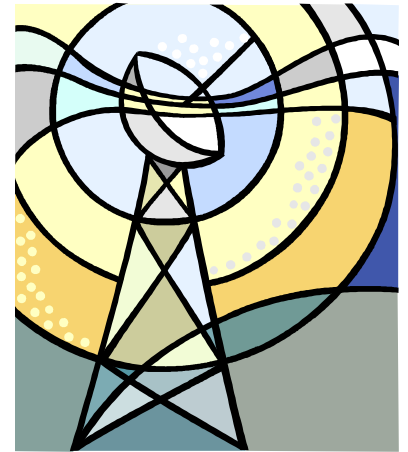


PPM Technology



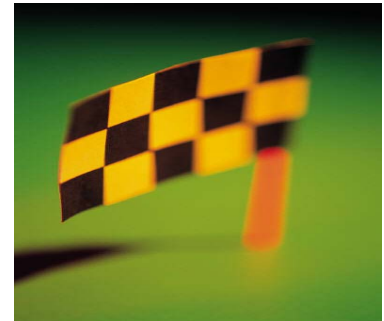
Sin 2: Envy

- Selecting a software or process based on what others are doing
- The three pillars are People, Process, & Technology - raise the bar across all three.
- Technology should not be elevated above People or Process.



Sin 3: Gluttony

- Trying to implement all aspects of PPM at the same time
- Choosing software that is more mature and has more features than you will ever leverage



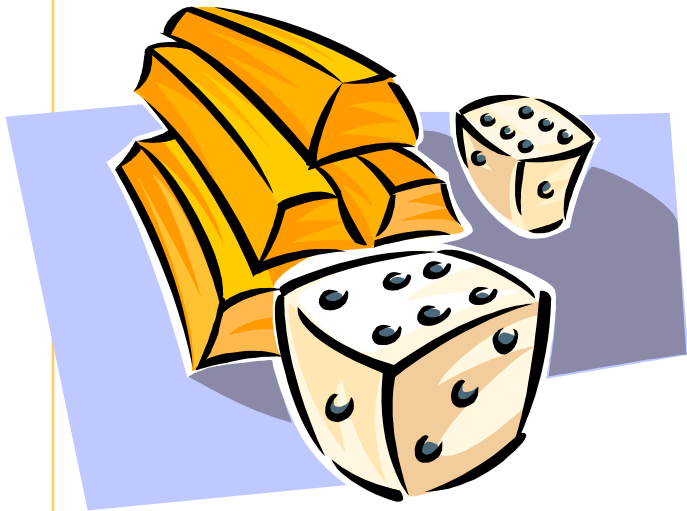
“Ninety percent of what we call ‘management’ consists of making it difficult for people to get things done.” – Peter Drucker

Sin 4: Lust



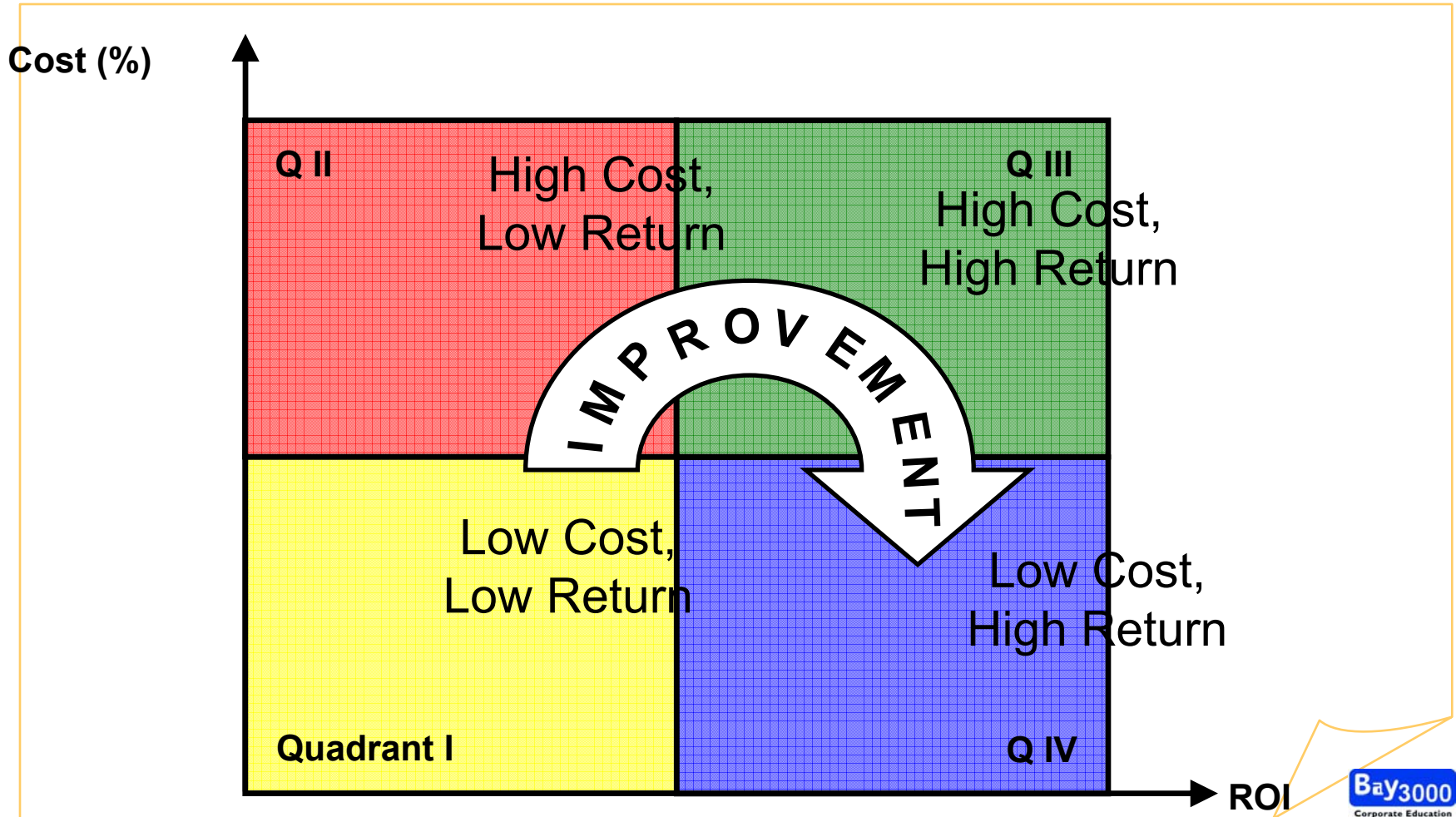
Could not think of any analogy for this one – so we'll leave it to your imagination!

Sin 5: Anger

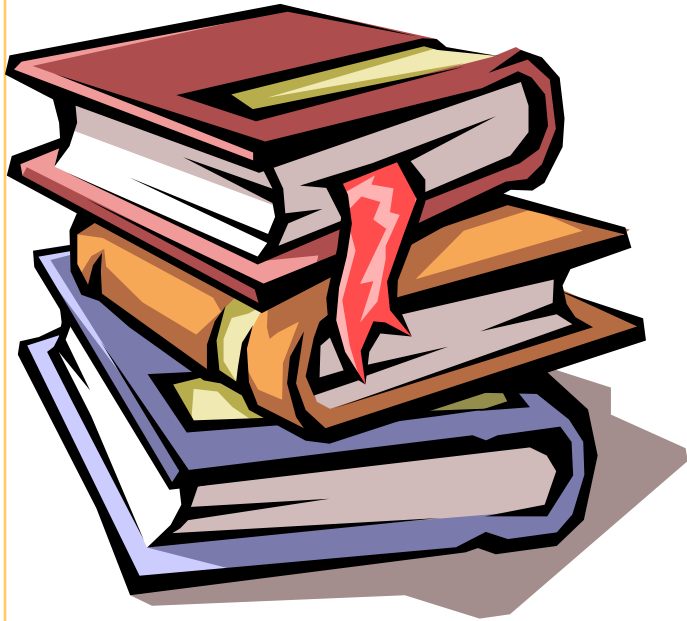


- Resisting PPM for fear of power loss or position loss
- Lack of organizational change management strategy and tactics

The Cost/Return Cycle

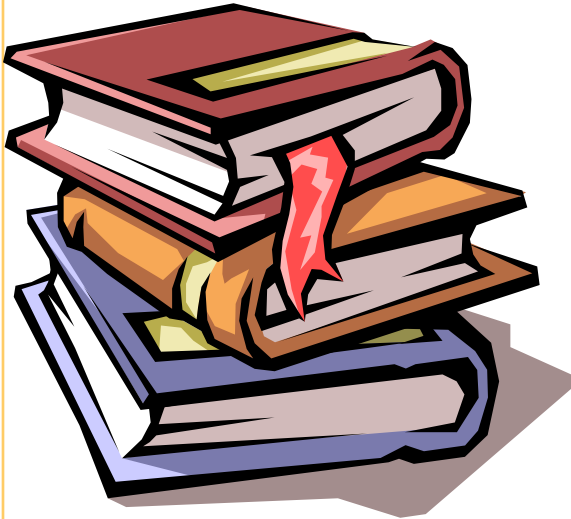


Sin 6: Greed



- Don't embark on PPM because it is a resume builder
- Manage the entire implementation of PPM like a project
- Don't bite more than you can chew!

Sin 7: Sloth



- Too much talk; not enough action – start now somewhere
- Inappropriate execution and continuous improvement
- Lack of recognition that PPM takes a lot of work and does not just happen
- Collecting insufficient data on projects and capacity

Final Thoughts

- PPM brings ***realism*** to an organization's planning processes.
- PPM brings ***rationality*** in the allocation of resources, both human and financial. For some companies, the scarcest resource isn't money but project managers. A critical factor in project selection thus becomes: Do we have a PM who can manage it?
- PPM brings ***visibility*** to project work and people. Without a system for knowing what each person in the pool of potential project personnel is capable of, and when they will be available, you cannot be said to manage a portfolio.

Thank you!

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