

Agile Project Portfolio Management

A Resource Constrained Approach

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Introduction to the Contemporary Project Landscape

To build an Agile PPM Process you need to know ...

- How to define the portfolio strategy
- How to propose projects to the portfolio
- How to prioritize proposed projects
- How to choose which projects to support
- How to define portfolio performance metrics
- How to establish a balanced portfolio
- How to monitor portfolio performance
- How to maximize expected business value

Introduction to the Contemporary Project Landscape

What is your organization's project environment?

THE PROBLEM

- Projects are of high complexity and uncertainty
- Project failure rates are too high
- Client scope change requests are out of control
- There are too many inter-project scheduling conflicts
- There are too many 11th hour staffing changes
- There are too many poor staffing assignments
- Availability is too often treated as a skill
- The acceptance of a project into the portfolio does not consider resource availability



Introduction to the Contemporary Project Landscape

What is your organization's project environment?

THE SOLUTION

Establish an agile process for managing a resource constrained project portfolio.

Working in partnership with you this workshop will prepare you to design an agile process tailored to your needs.



Introduction to the Contemporary Project Landscape

Any of these projects can populate the portfolio

SOLUTION

Clear Not Clear

GOAL

Not Clear

MPx

xPM

Clear

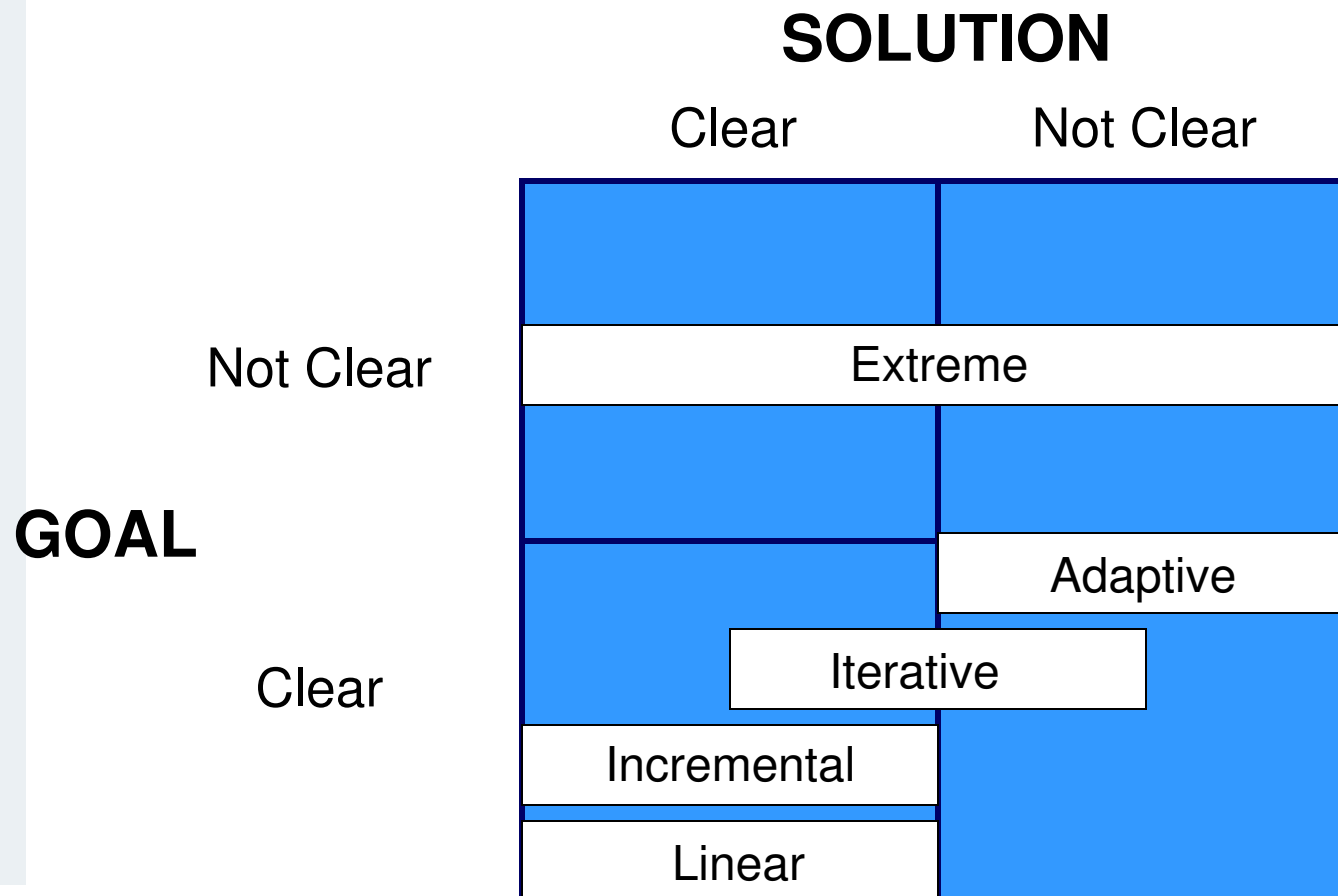
TPM

APM



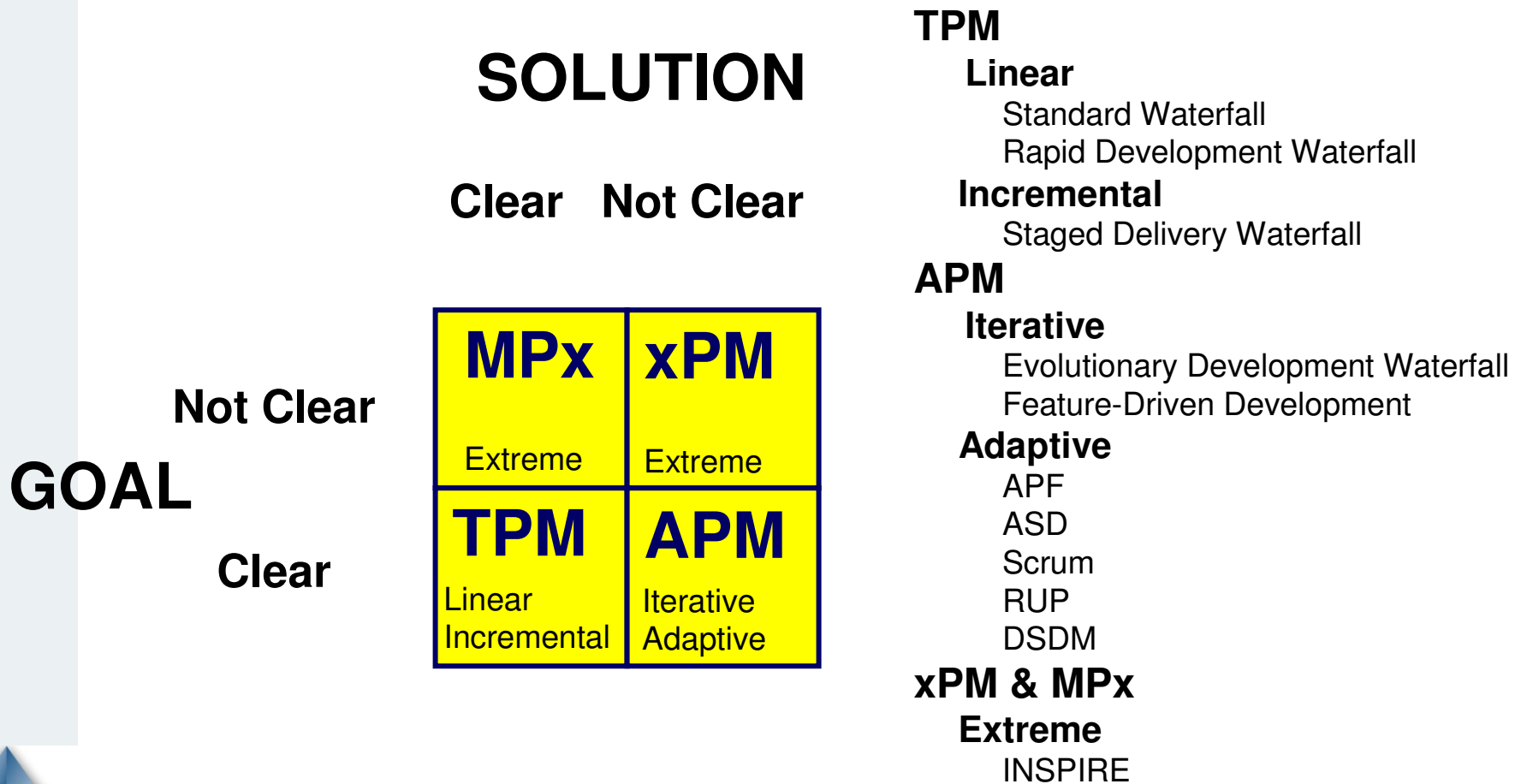
Introduction to the Contemporary Project Landscape

PMLC models mapped onto the Project Landscape



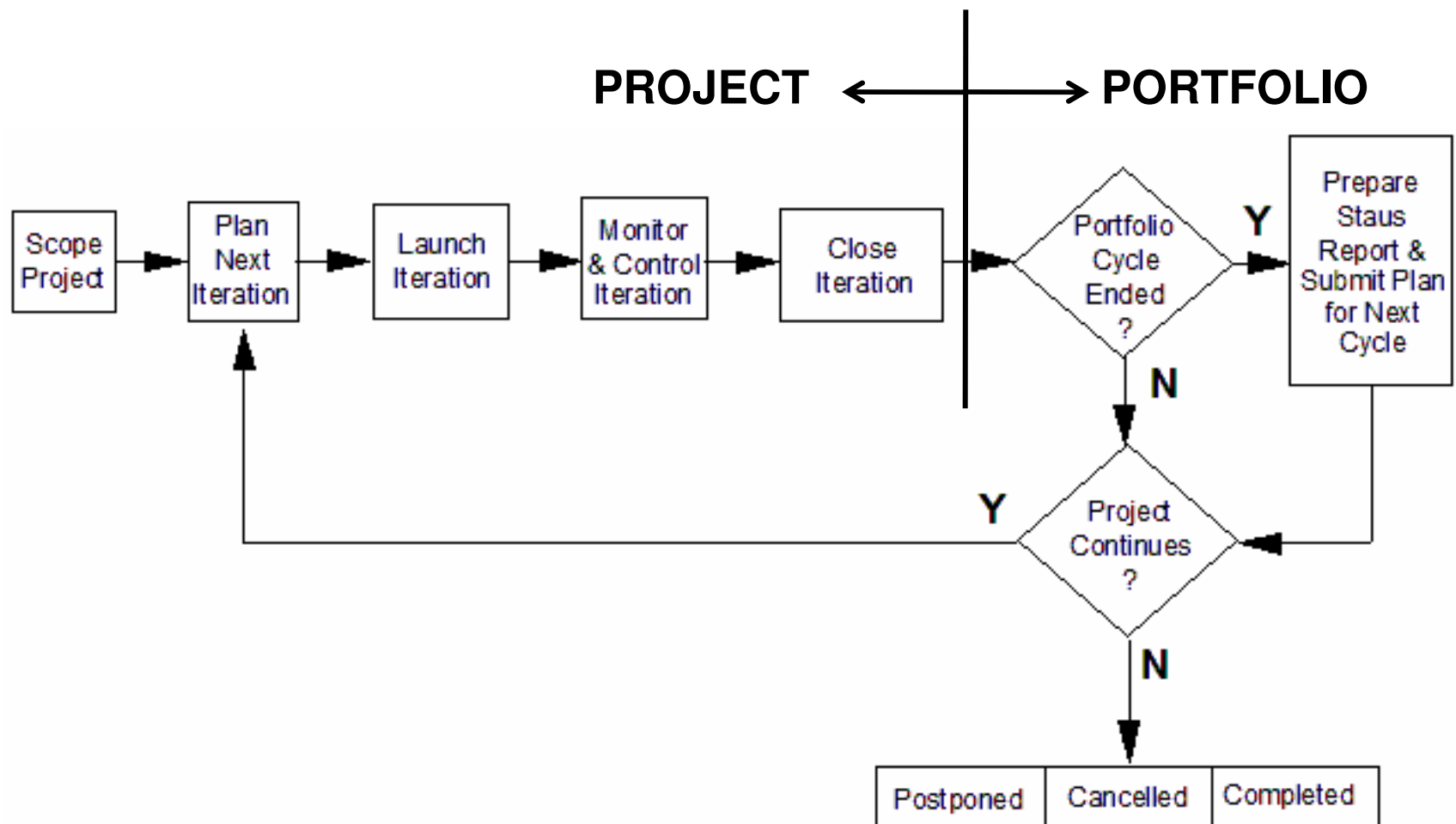
Introduction to the Contemporary Project Landscape

SDLCs map directly into this Project Landscape



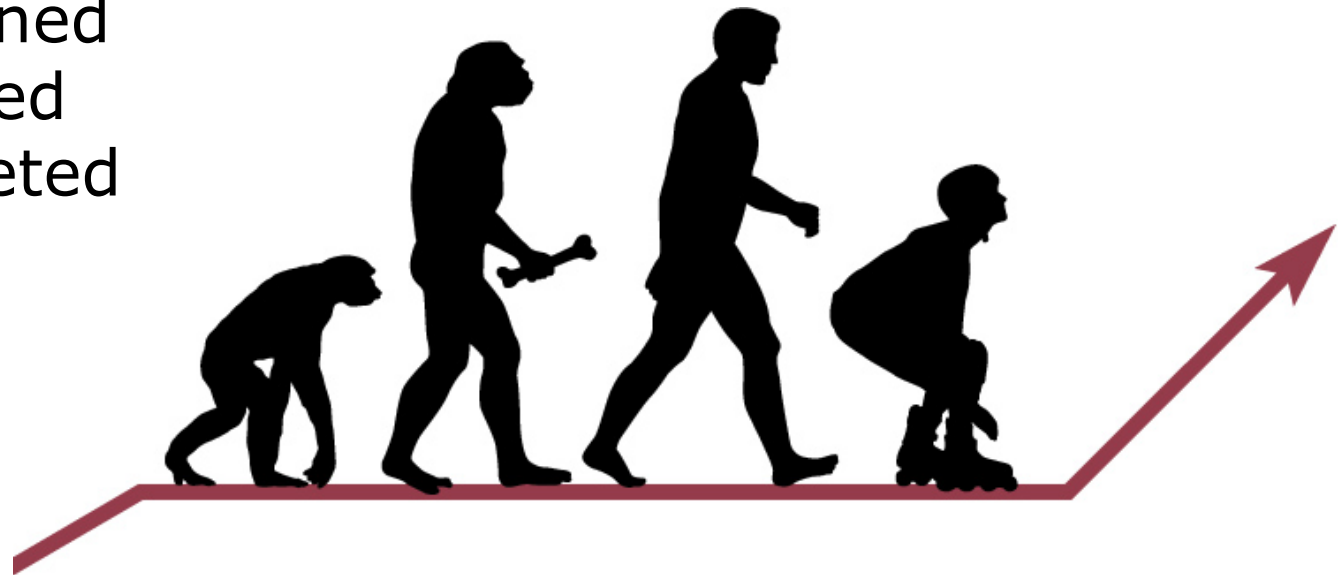
Introduction to the Contemporary Project Landscape

PPM & PMLC Model Integrated at the Phase Level



8 stages of the project life cycle

- Proposed
- Aligned
- Prioritized
- Selected
- Active
- Postponed
- Canceled
- Completed



An Agile Project Portfolio Management Life Cycle

What is Agile Project Portfolio Management?

Agile Project Portfolio Management includes:

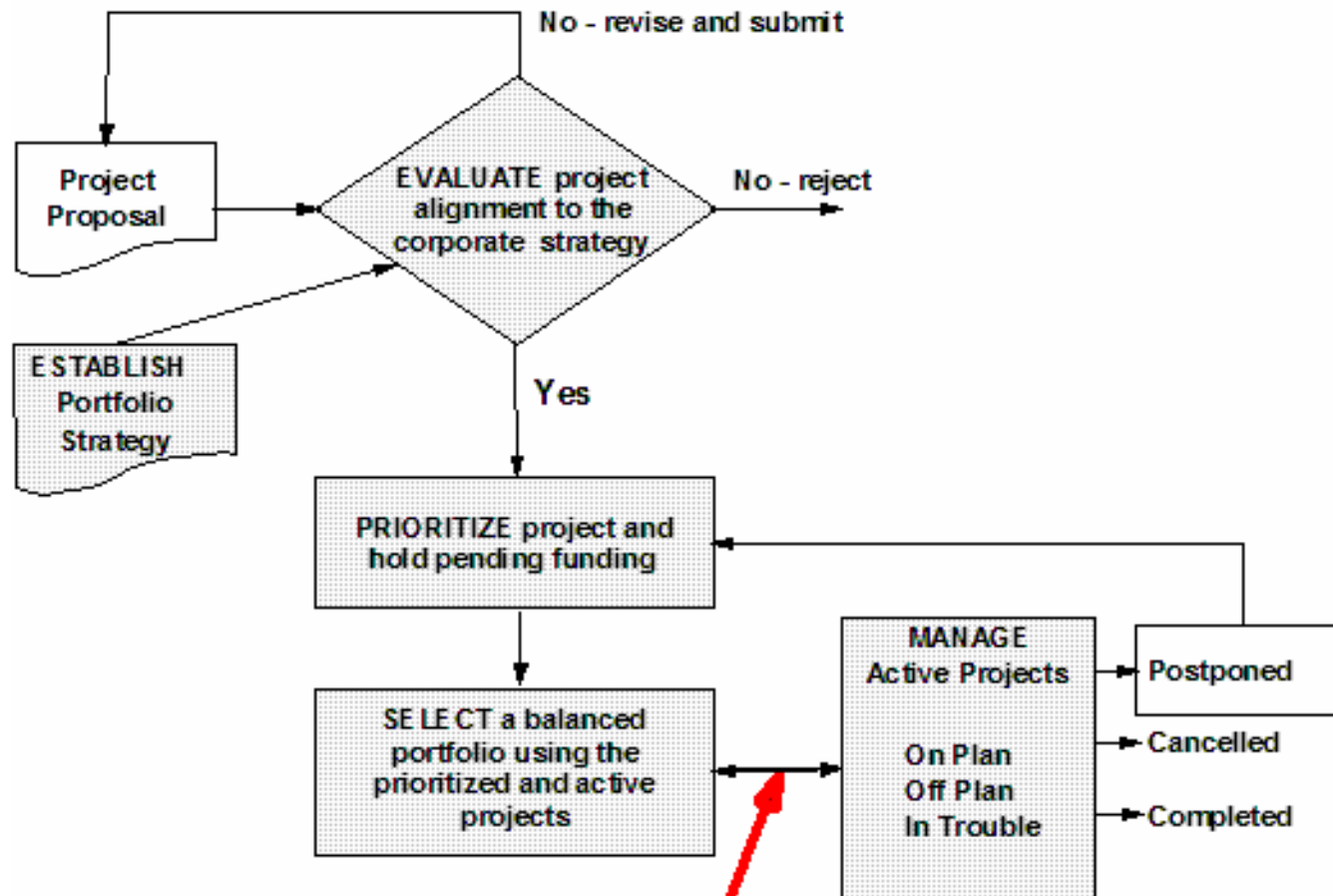
- Establishing the investment strategy of the portfolio
- Evaluating and prioritizing proposed projects
- Constructing a balanced portfolio that will achieve the investment objectives
- Monitoring the performance of the portfolio
- Periodically adjusting the contents of the portfolio to maintain alignment to the investment objectives

NOTE: Agile applies to the portfolio not the project type. The portfolio can contain projects of all types.



An Agile Project Portfolio Management Life Cycle

Agile PPM Life Cycle Template



NOTE: A right-facing arrow is the standard PPM life cycle
A two way facing arrow is the agile PPM life cycle

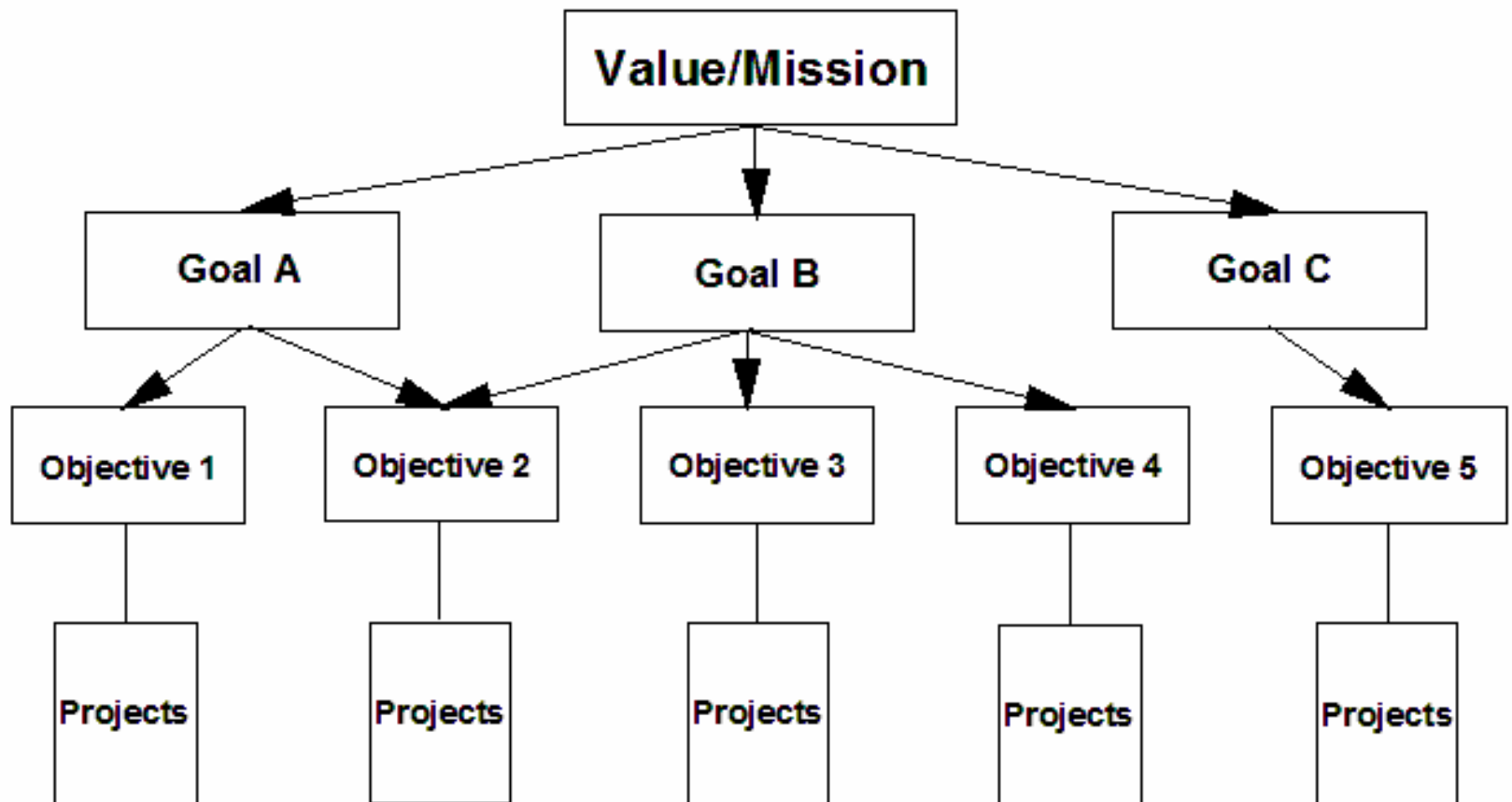
What is a portfolio strategy?

A portfolio strategy includes:

- Defining categories or types of projects that will be supported
- You may decide to have multiple portfolios
- Allocating resources to each portfolio and each category within a portfolio based on the importance of the category to the business

Establishing a Portfolio Strategy

Strategic Alignment Model



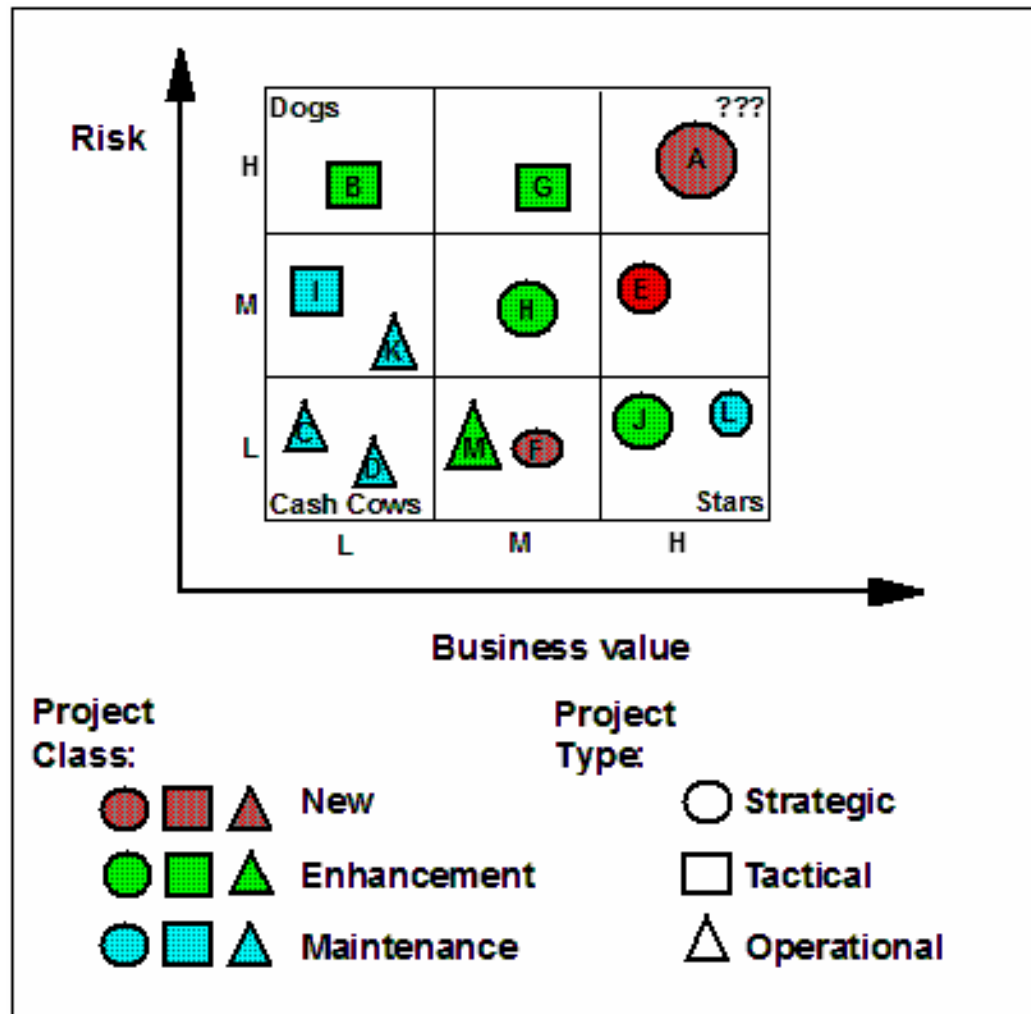
Establishing a Portfolio Strategy

Project Distribution Matrix

Project Focus	New	Enhanced	Maintained
Strategic			
Tactical			
Operational			

Establishing a Portfolio Strategy

Risk vs Business Value – A Hybrid Model



How to Prioritize Proposed Projects

Nonnumeric

- Forced Ranking
- Must Do – Should Do - Postpone

Numeric

- Criteria Weighting
- Paired Comparison
- Risk Analysis



Forced Ranking

Project #	A	B	C	D	E	F	Rank Sum	Forced Rank
1	2	5	3	2	1	6	19	2
2	4	3	2	7	9	10	35	6
3	7	4	9	8	6	3	37	7
4	1	8	5	1	2	2	19	3
5	3	6	8	4	7	5	33	5
6	8	9	10	9	10	8	54	9
7	5	1	1	3	3	4	17	1
8	6	2	4	5	4	1	22	4
9	10	10	7	10	8	9	54	10
10	9	7	6	6	5	7	40	8

Must Do – Should Do - Postpone

Must Do:	3, 4, 7
Should Do:	1, 2, 5, 8
Postpone:	6, 9, 10

MoSCoW

Must do
Should do
Could do
Won't do

ABC

123



Scoring Model: Criteria Weighting

Criteria	Criteria Weight	Very Good (8)	Good (6)	Fair (4)	Poor (2)	Very Poor (0)	Expected Level Weight	Expected Weighted Score
Fit to Mission	10	1.0					8.0	80.0
Fit to Objectives	10	0.2	0.6	0.2			6.0	60.0
Fit to Strategy	10			1.0			4.0	40.0
Contribute to Goal A	8				1.0		2.0	16.0
Contribute to Goal B	6	0.2	0.8				6.4	38.4
Contribute to Goal C	4		0.5	0.5			5.0	20.0
Uses Strengths	10				0.6	0.4	1.2	12.0
Uses Weaknesses	10	0.7	0.3				7.4	74.0
								340.4

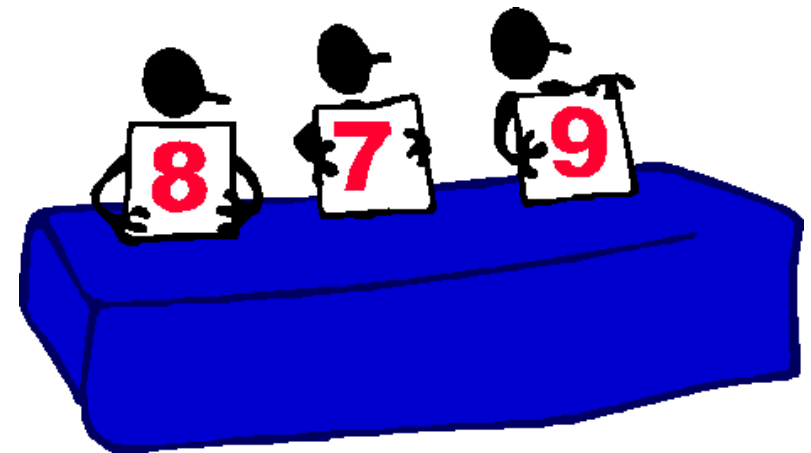
Prioritizing Projects

Weighted criteria scores for all 10 projects.

Project #7	340.4
Project #4	320.6
Project #1	300.2
Project #5	270.0
Project #8	265.8
Project #2	226.4
Project #3	200.0
Project #10	198.2
Project #6	178.8
Project #9	172.6



Staff projects in the order listed until no additional projects can be staffed

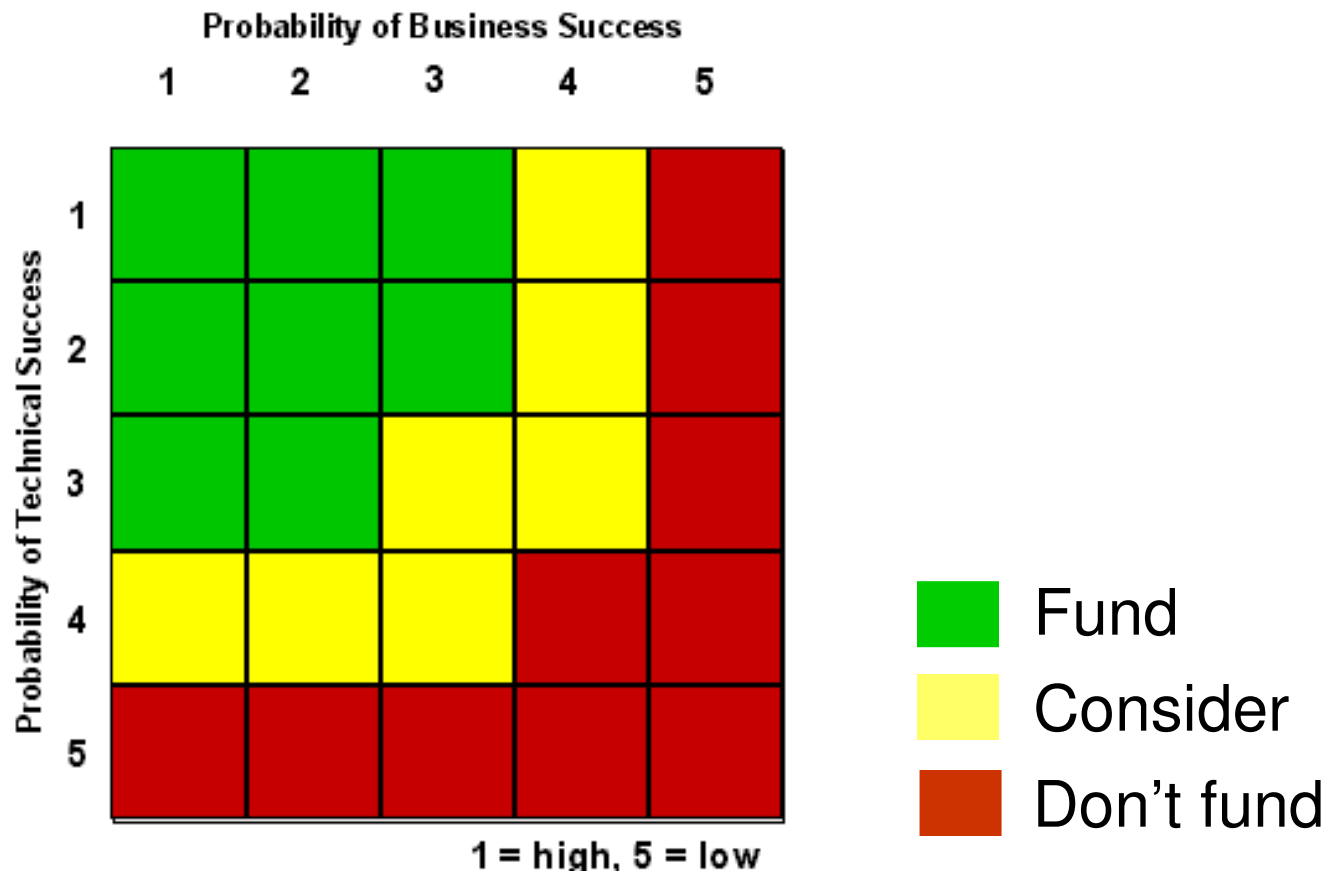


Prioritizing Projects

Scoring Model: Paired Comparisons

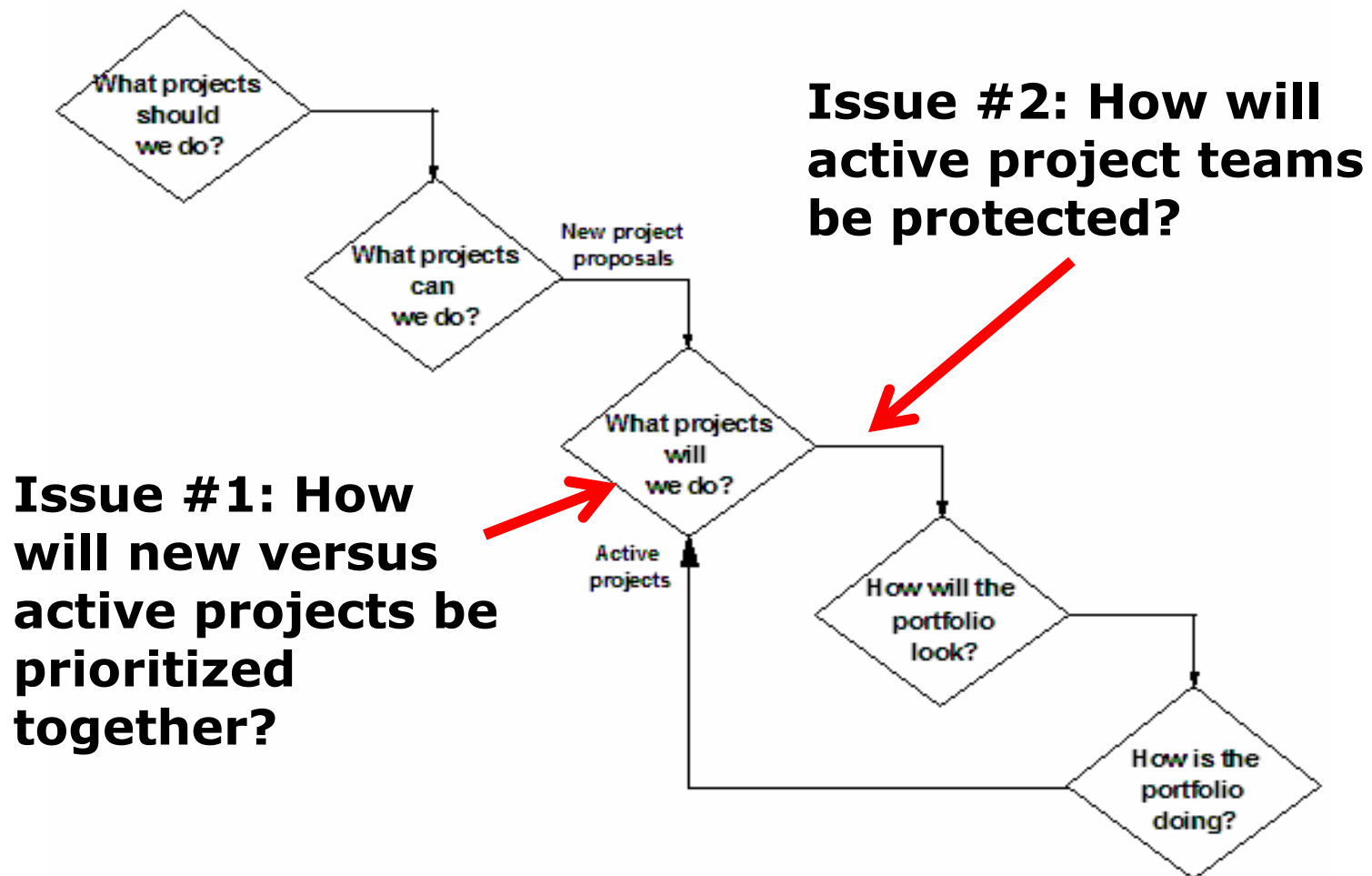
	1	2	3	4	5	6	7	8	9	10	SUM	RANK
1	X	1	1	0	1	1	0	1	1	1	7	2
2	0	X	0	0	1	1	0	0	1	1	4	6
3	0	1	X	0	0	1	0	0	1	1	4	5
4	1	1	1	X	1	1	0	0	1	1	7	2
5	0	0	1	0	X	1	0	0	1	0	3	7
6	0	0	0	0	0	X	0	0	1	1	2	8
7	1	1	1	1	1	1	X	1	1	1	9	1
8	0	1	1	1	1	1	0	X	1	1	7	2
9	0	0	0	0	0	0	0	0	X	0	0	10
10	0	0	0	0	1	0	0	0	1	X	2	9

Scoring Model: Risk Analysis



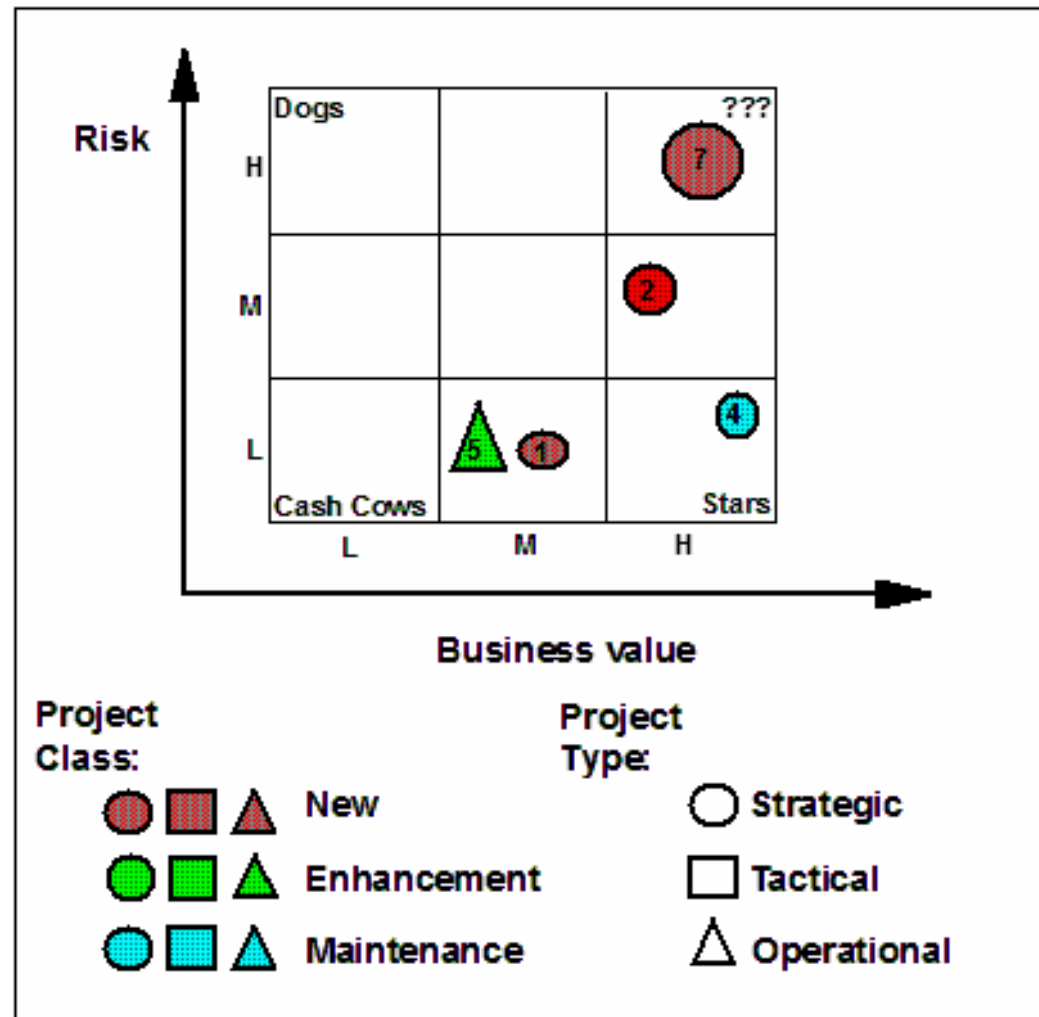
Selecting a Balanced Portfolio

SELECT – Graham-Englund Model – Agile Version

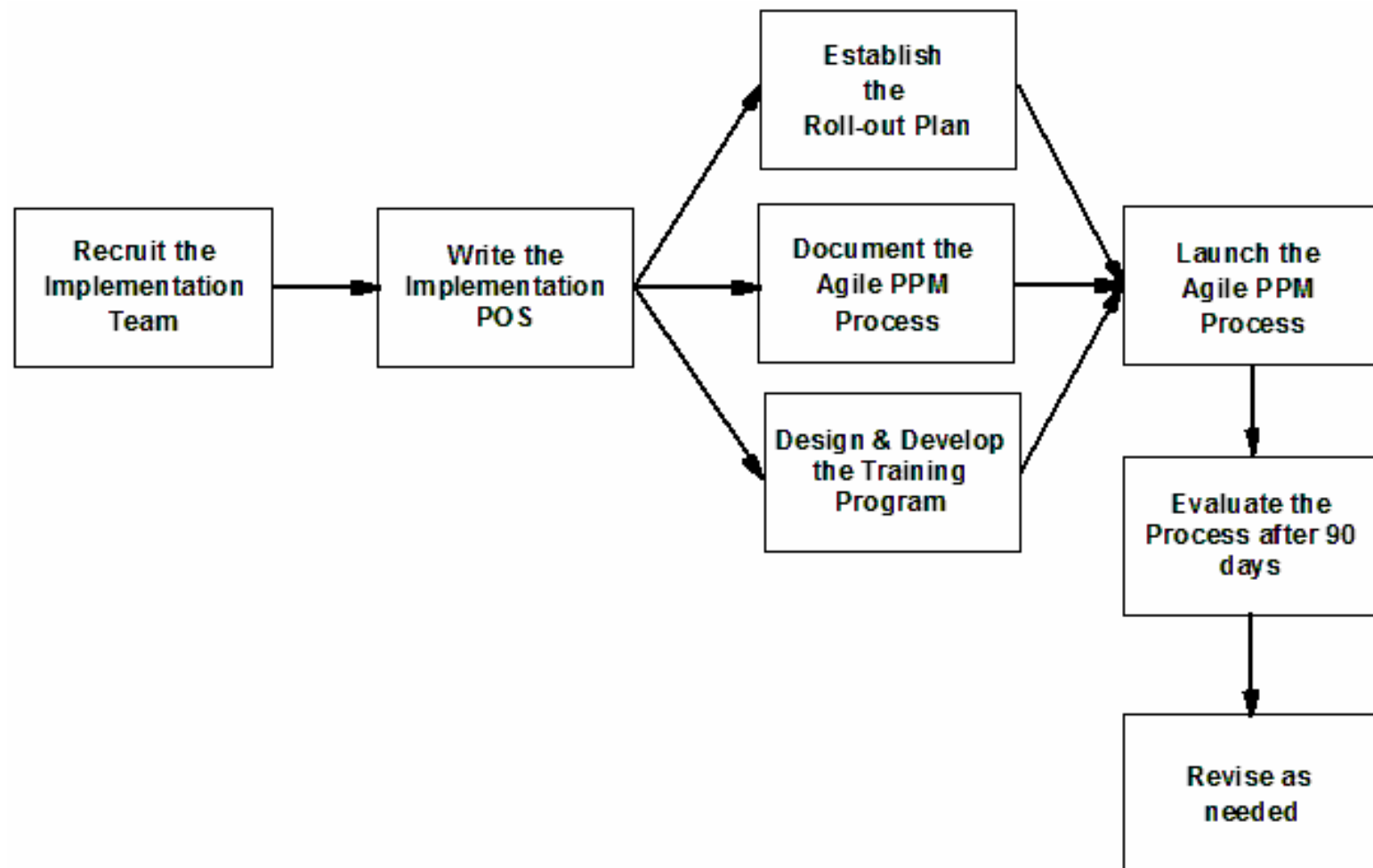


Selecting a Balanced Portfolio

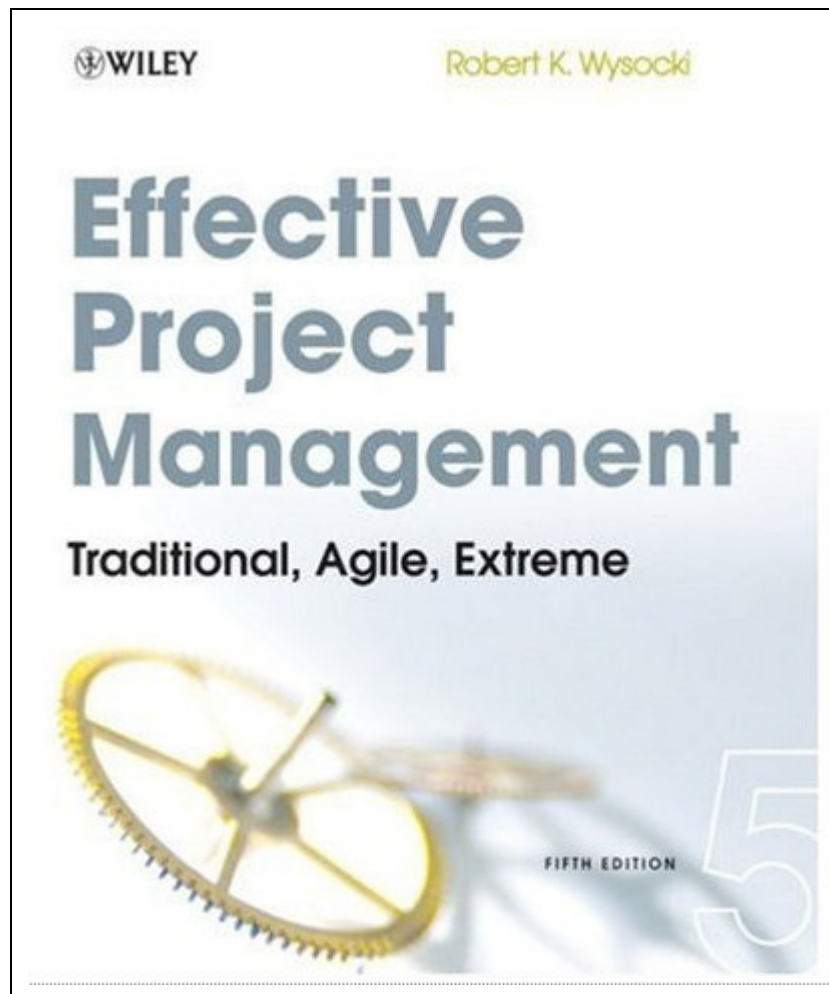
A Final Check for Balance in the Portfolio



An Implementation Plan Template



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Thanks for the opportunity!!!



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