POWERING POTENTIAL

transparent choice

INTELLIGENT PORTFOLIO MANAGEMENT

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Introductions

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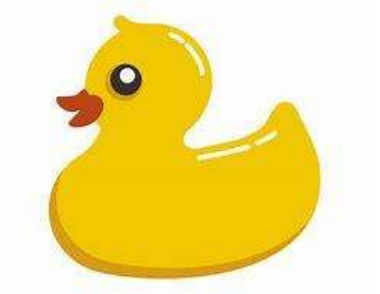
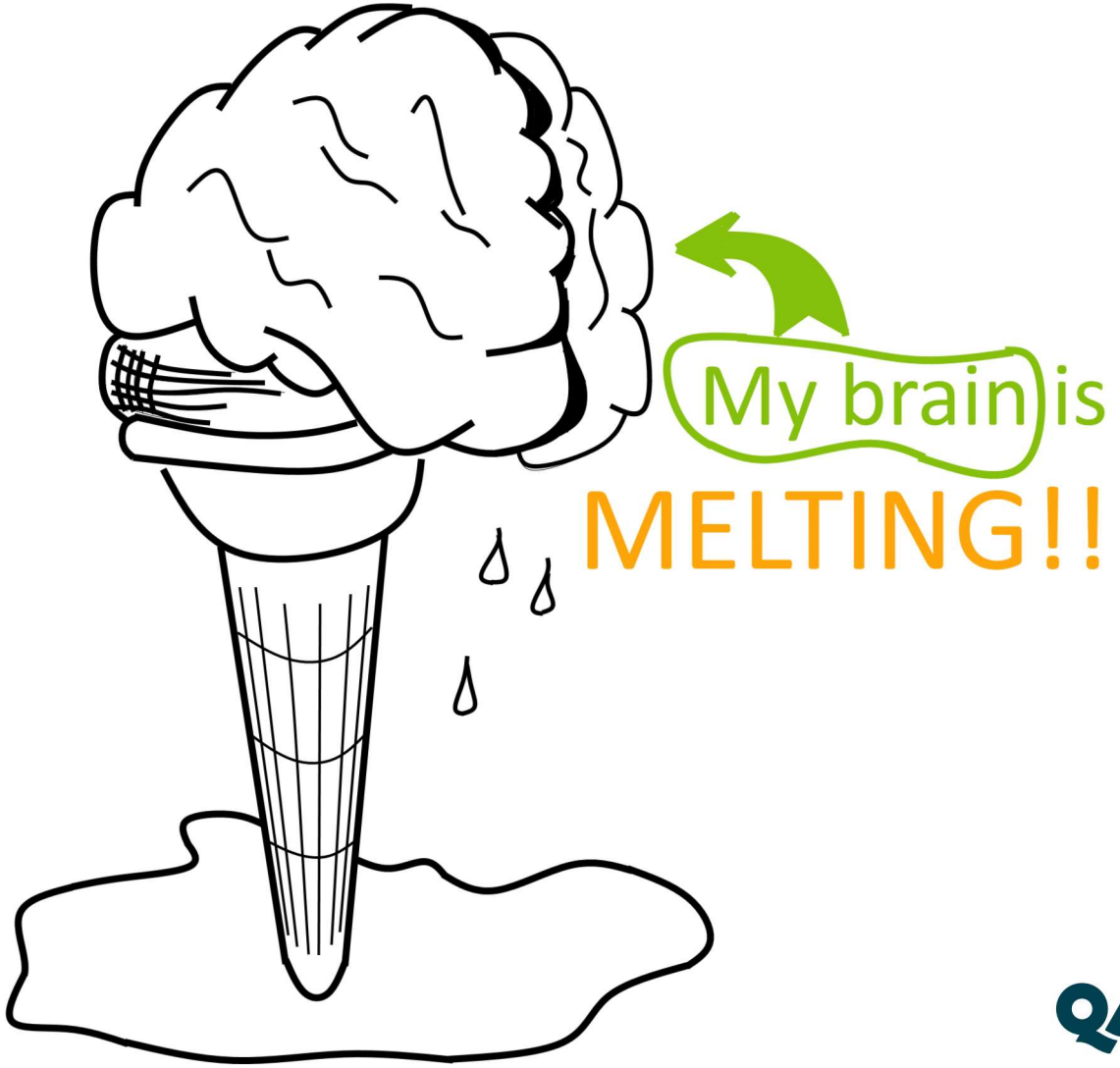


What we will cover:

How to completely transform PMO performance!



Defining ‘Intelligent’

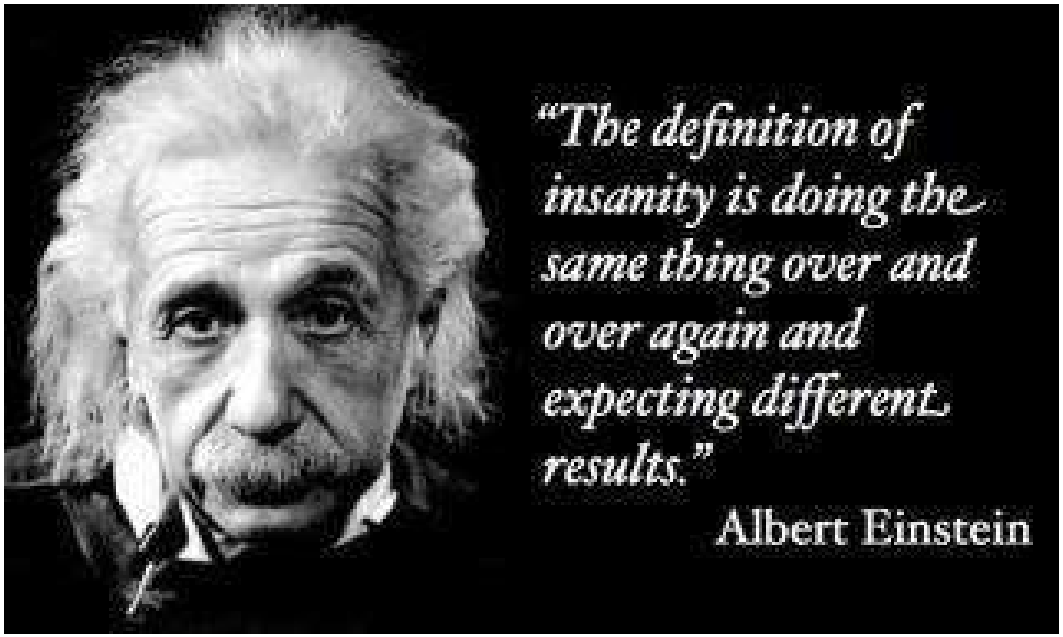
Cambridge Dictionary:

“able to learn and understand things quickly and easily”

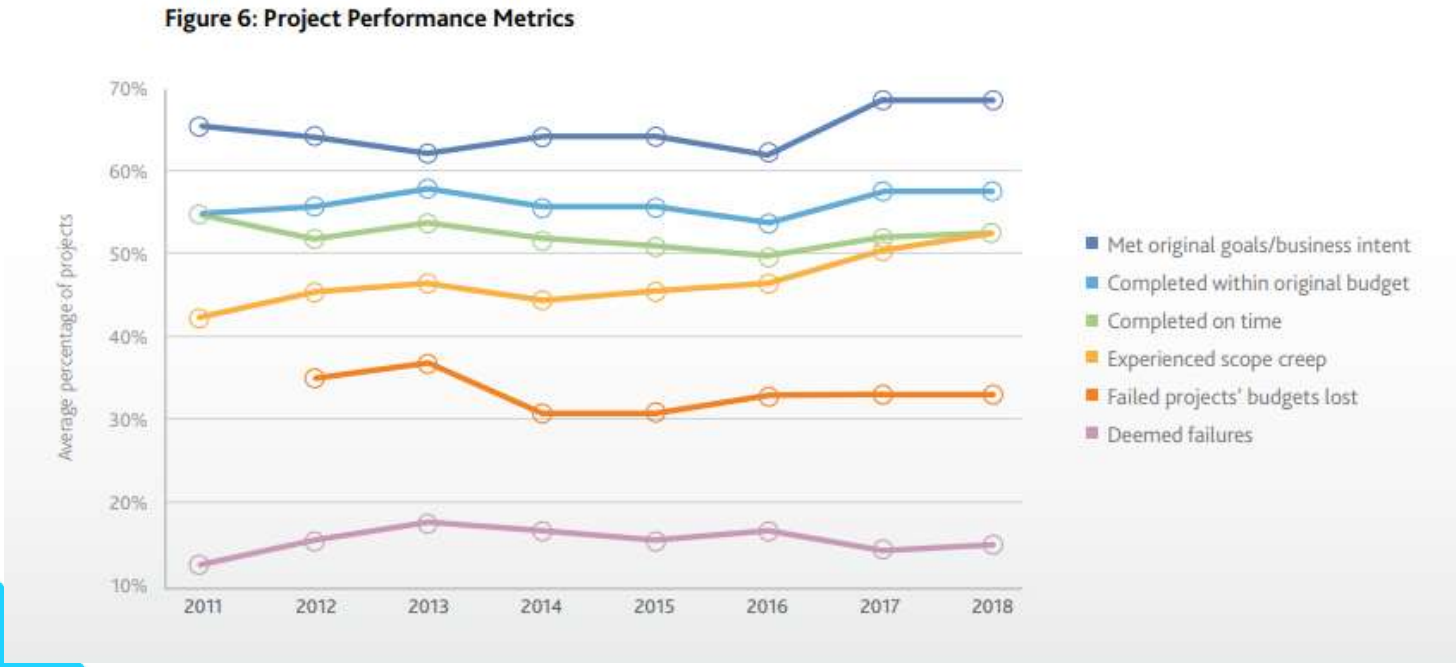
Merriam Webster:

“revealing or reflecting good judgement or sound thought”

Defining ‘Insanity’



Defining ‘Insanity’



PMI data compiled at https://www.workamajig.com/blog/project-management-statistics

Strands of Portfolio Management

- **Which initiatives – to start / continue?**
- **Scheduling**
- **Overseeing portfolio delivery**

Strands of Portfolio Management (take 2)

- **Bigger / better eggs**
- **More eggs**
- **Fewer broken eggs**

Common Problems with Portfolio Decision Making

- **Just too many projects** > less is more!
- **Poorly aligned projects** > against corporate strategy (not always obvious)
- **A need to cut costs or increase value delivered**
- **Prevalence of pet projects** > politics

Where to Start?

- Unlikely to be ‘greenfield’ site - projects already exist
- Decide what’s included / not in PMO scope – consistent data?
- Big bang & top down / emergent
- Importance of categorising / sub-categorising initiatives

Priority conflicts between decision makers?

Prioritization:

Even a 5-year-old can do it!

Are your projects efficient?

20%

OF PROJETS ARE WASTE!

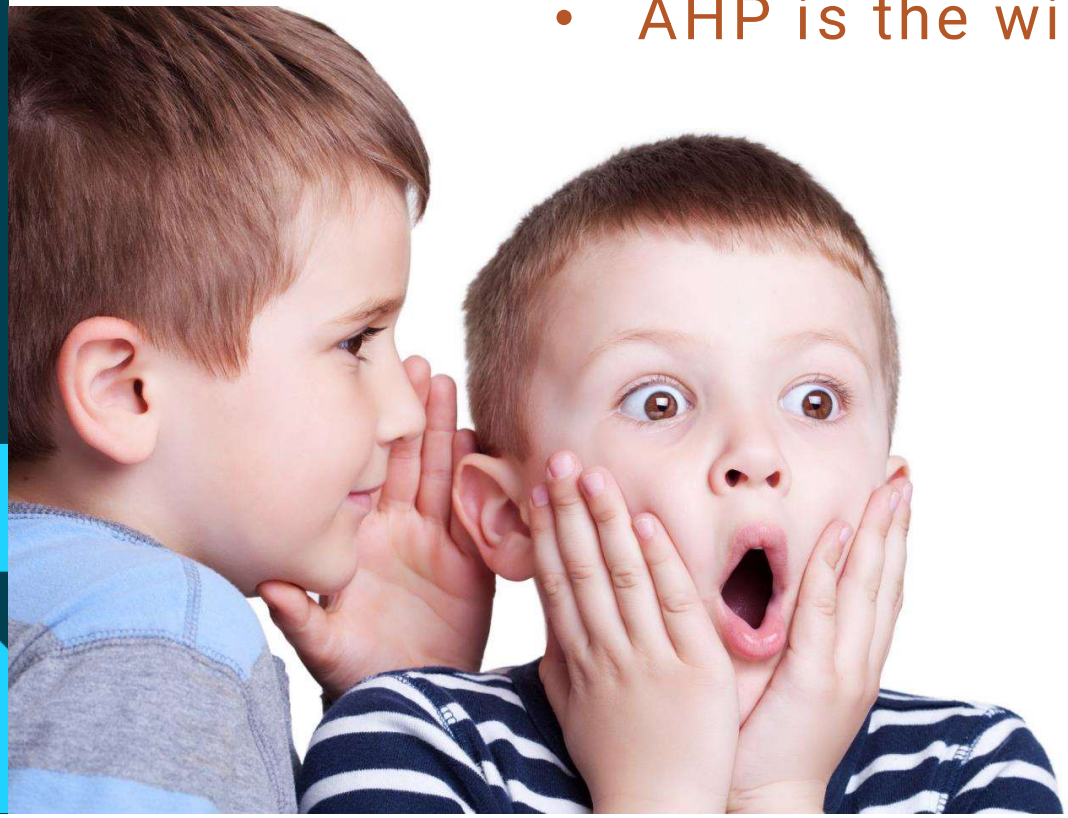
According to the PMI and the Economist Intelligence Unit, 20% of projects are so badly aligned with business goals that they should be stopped.

Want to know
a secret?

There is a RIGHT
way
to prioritize projects

Want to know a secret?

- 100+ methods
- Only 2 are suitable
- AHP is the winner



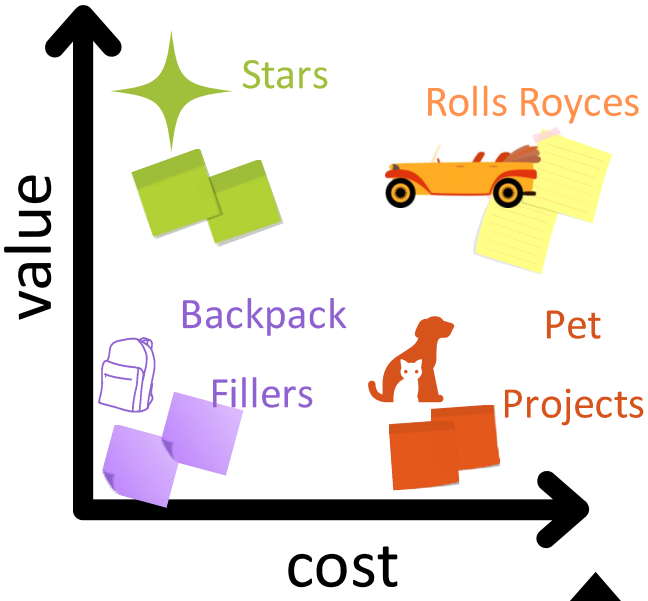
High-level process

Define goals → Convert to criteria → Weight criteria

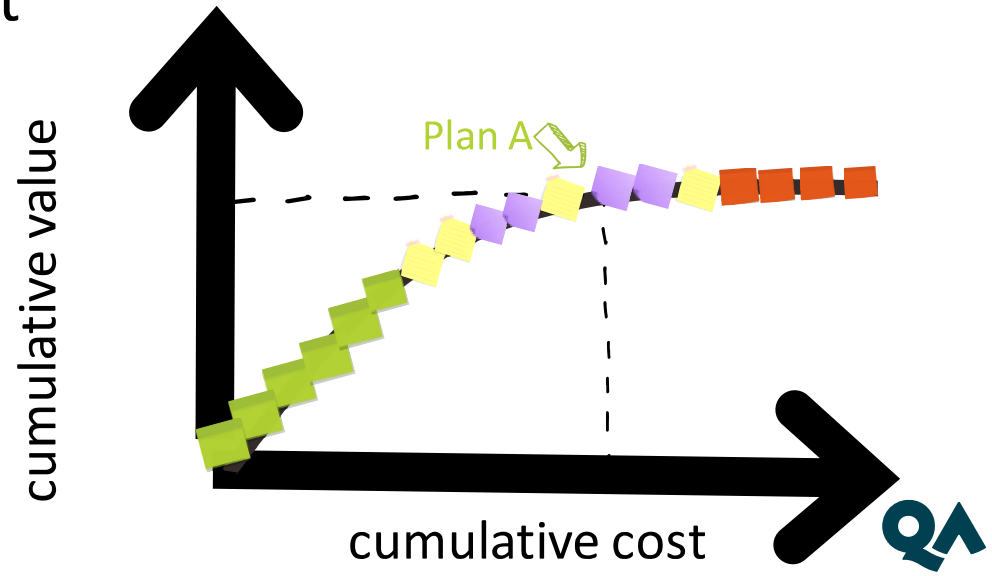
Collect Projects → Score projects against criteria → Aggregate data

Roll out projects

Effective prioritization needs these charts

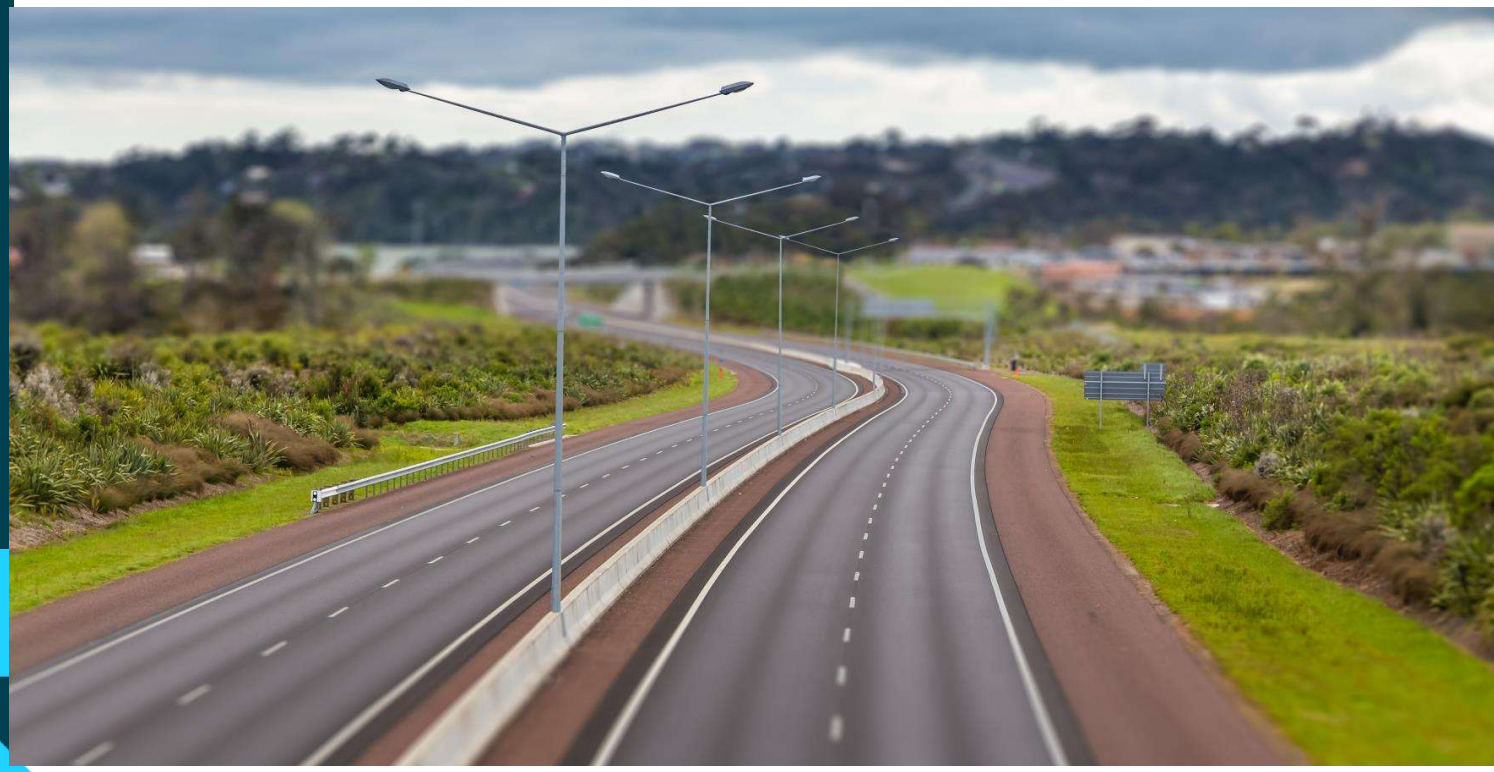


Determining project value & project cost is the foundation of any effective prioritization model



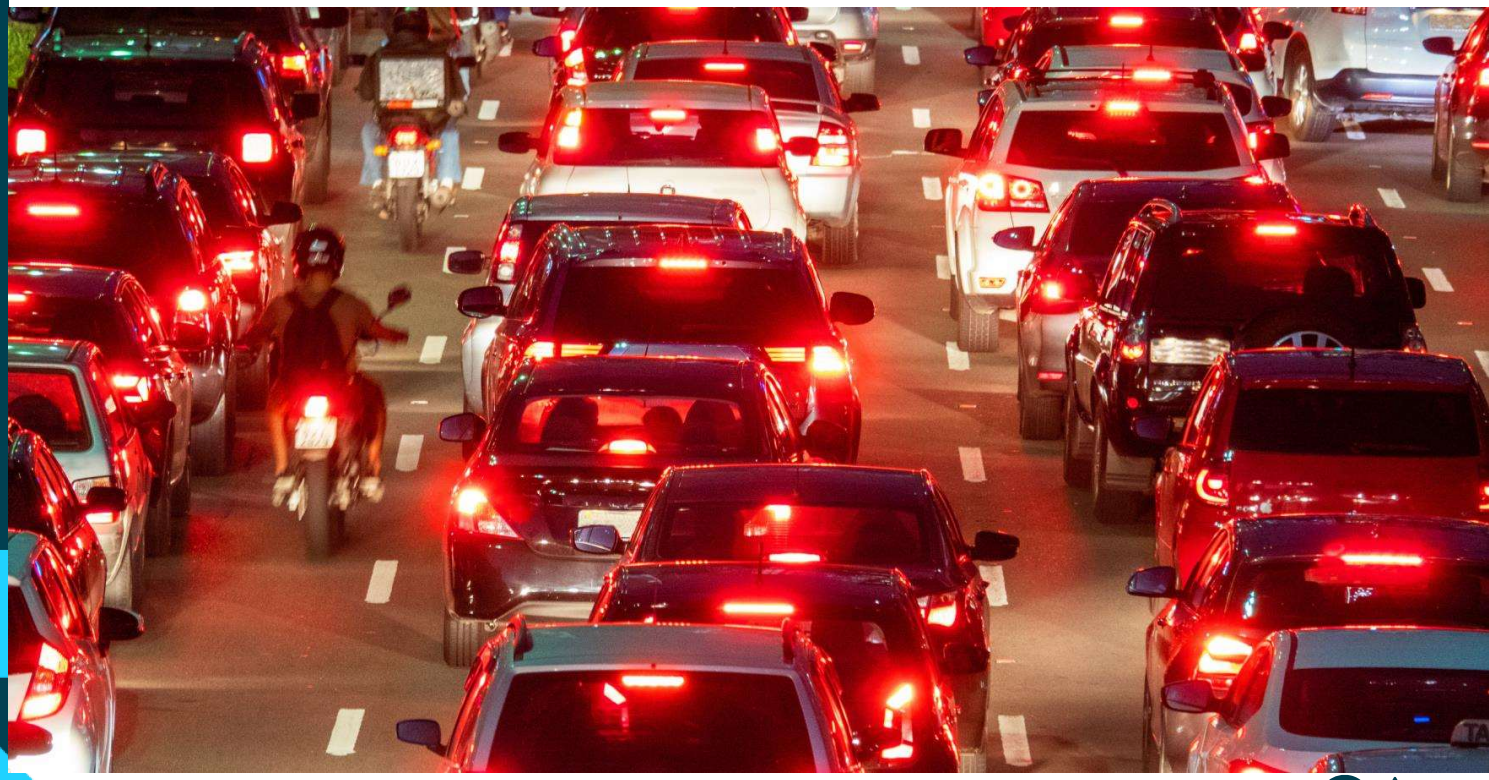
0%

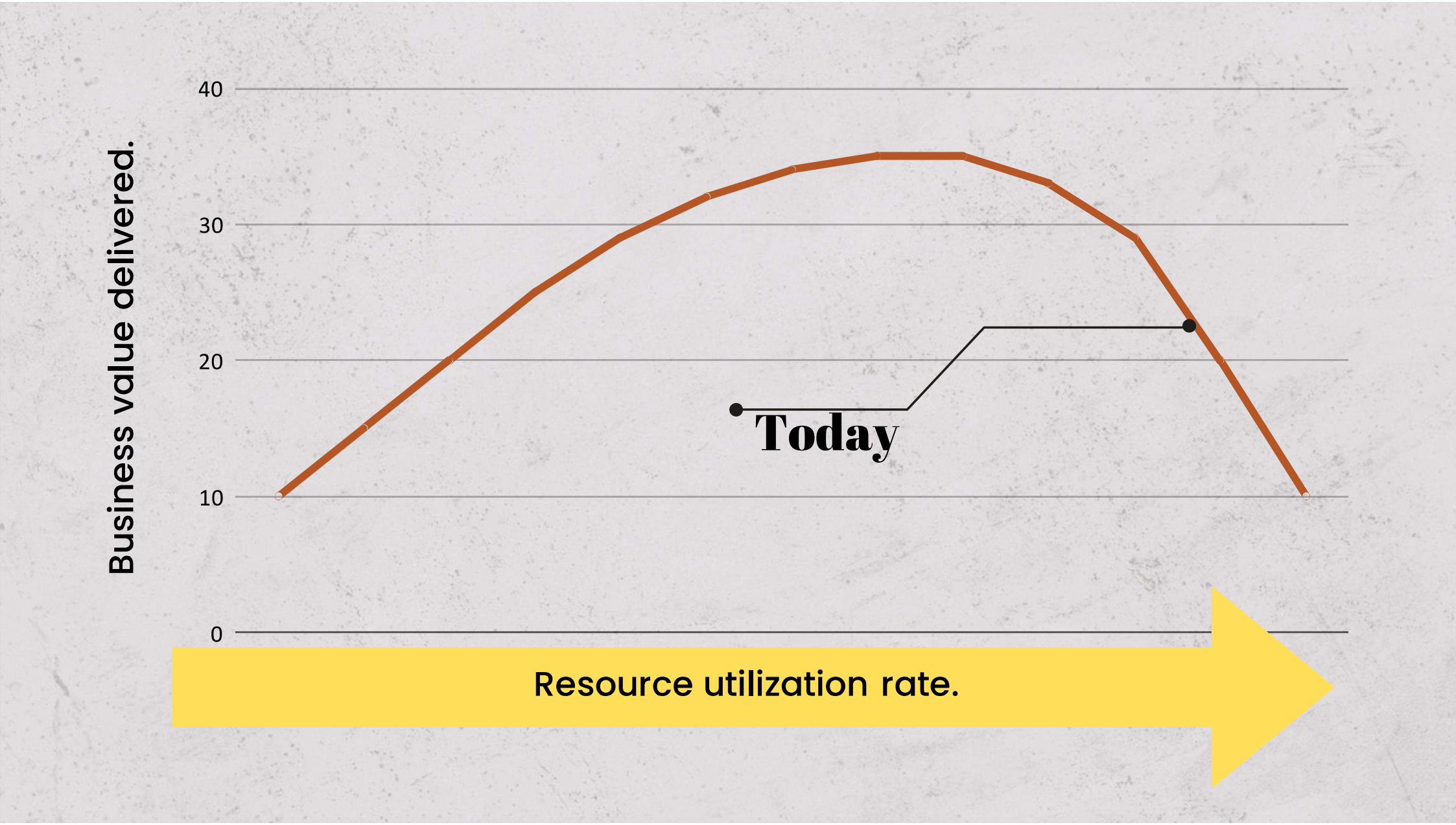
UTILIZATION OF RESOURCES

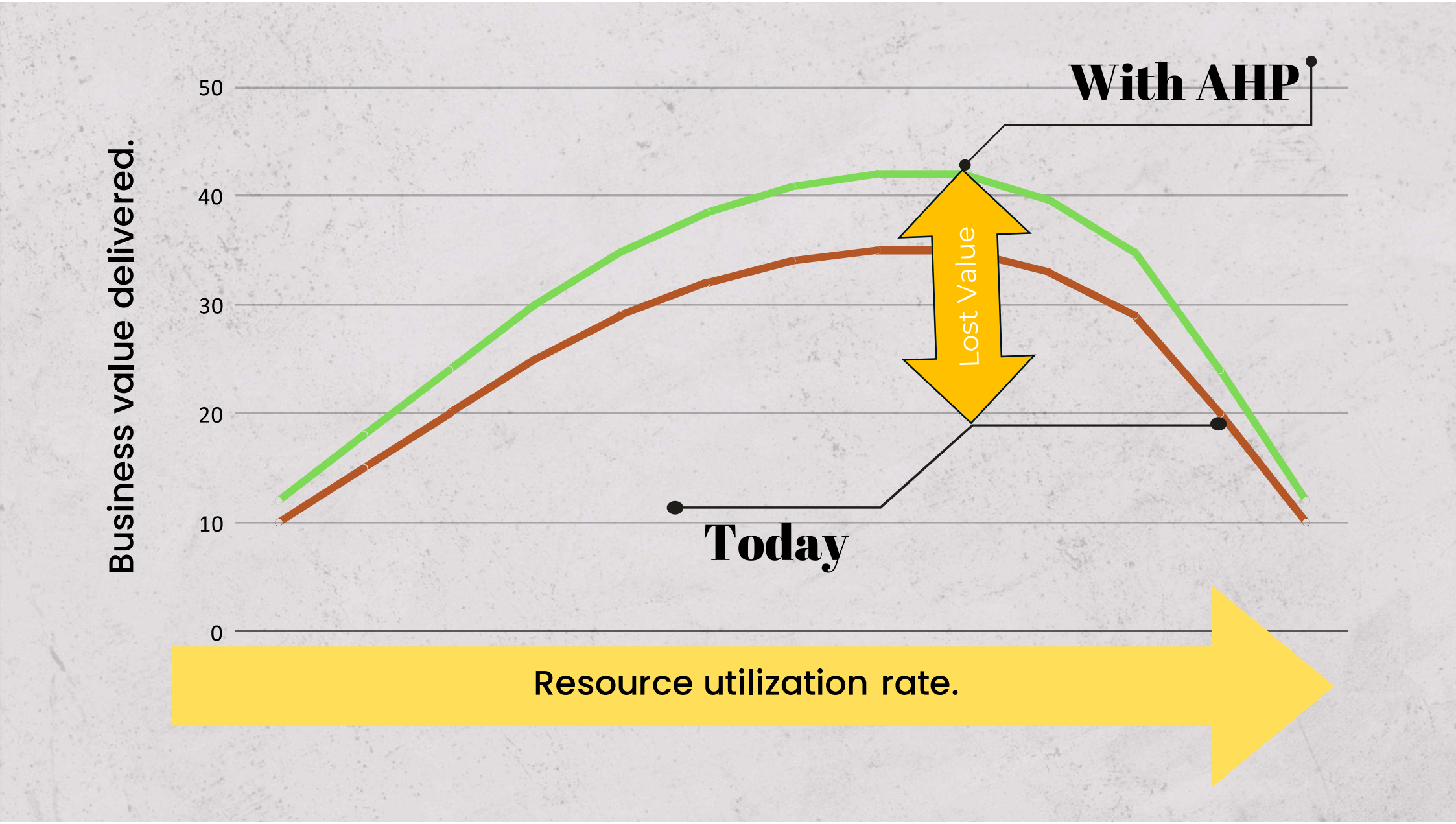


100%

UTILIZATION OF RESOURCES




Business value delivered.
40
30
20
10
0
Today
Resource utilization rate.


With AHP
Today
Lost Value
Business value delivered.
50
40
30
20
10
0
Resource utilization rate.

Root cause analysis of project failure

Courtesy of LauraBarnard at PMO Strategies

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Strands of Portfolio Management (take 2)

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Impact of different prioritization models?

Advantages / disadvantages of each?

- **Devolved budgets** (for BAU & Change within a directorate / division)
- **Initiatives over ‘£x’ value** subject to central portfolio governance
- **All programme / projects requiring a business case** (complete separation from operational budgets)

The future ?

AHP

Prioritize

Optimized portfolio

Auto-schedule / iterate!!!!

Better / bigger eggs

More eggs

Fewer broken eggs

Conclusion

… any questions?

- **PMOs are there to deliver business value**
- **Intelligent portfolio management can massively boost the value being delivered**
- **Prioritization is the foundation**
- **Then stagger your projects**
- **Tools (AHP and AI) are changing everything!**

TransparentChoice.com

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THANK YOU