


Business Prioritization Workshop

**CREATING BUSINESS
PRIORITIZATION FOR PROJECTS
AND PORTFOLIOS**

By: **Chris Vandersluis**



www.epmguidance.com

© 2016 Chris Vandersluis

Today's Agenda

- Agenda
- Introductions
- What is PPM for you?
- What is Project Portfolio Management?
- Break
- Defining a Project Prioritization Process
- Creating project prioritization
- Lunch Break
- Pairwise comparison exercise
- Stage Gating
- Break
- Automation of the PPM process
- Deploying Business Prioritization Process
- Pitfalls and Sinkholes
- Pitfall Avoidance
- Wrap up

© 2016 EPMGuidance.com and Chris Vandersluis

Chris Vandersluis

Chris.Vandersluis@gmail.com

- President and founder of HMS Software based in Montreal, Canada. HMS is the publisher of the popular TimeControl timesheet system for project management environments
- An economics degree from Montreal's McGill University
- Over 30 years of experience in the automation of project management and timesheet systems.
- Member of the PMI since 1986
- Was on the Microsoft's Enterprise Project Management Partner Advisory Council for 5 years (2003-2008)
- Published in numerous publications including Fortune Magazine, the American Management Association's Project Management handbook, a columnist for Computing Canada, PMI's PMNetwork, Project Times magazine and Microsoft's TechNet
- Author of the popular blog EPMGuidance.com

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Want the presentation?

This handout:

www.epmguidance.com/resources/pmimn2015.pdf

The slides:

www.epmguidance.com/resources/pmimn2015slides.pdf

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Introductions

- Let's figure out who's in the room
 - Industries?
 - Has an existing PPM process
 - Has been mandated to create a PPM process
 - Hope to create a PPM process in the future

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Today's Agenda

- Introductions
- What is PPM for you?
- Defining Project Portfolio Management?
- Defining a Project Prioritization Process
- Creating project prioritization
- Stage Gating
- Pairwise comparison exercise
- Automation of the PPM process
- Deploying Business Prioritization Process
- Pitfalls, Sinkholes and avoiding both

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

A slide with a blue and white wavy background. The text reads: **DISCUSSION**
WHAT IS PROJECT PORTFOLIO MANAGEMENT (OR PORTFOLIO PROJECT MANAGEMENT) FOR YOU?

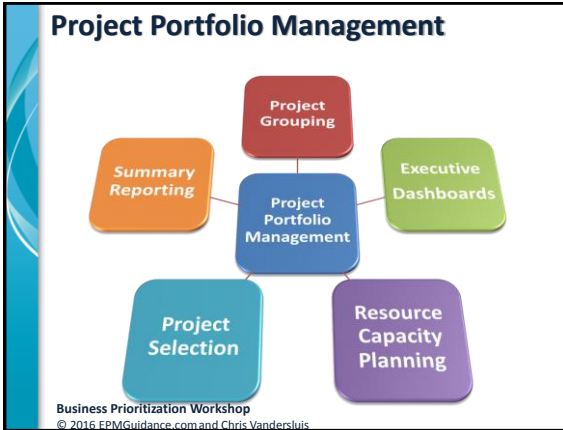
A slide with a blue and white wavy background. The text reads: **WHAT IS PROJECT PORTFOLIO MANAGEMENT?**

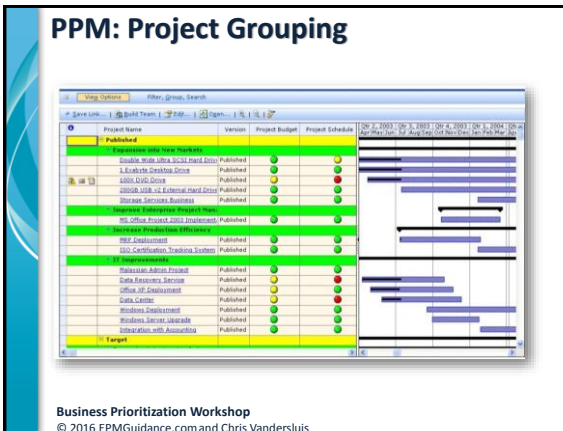
A slide with a blue and white wavy background. The text reads: **Defining Project Portfolio Management**

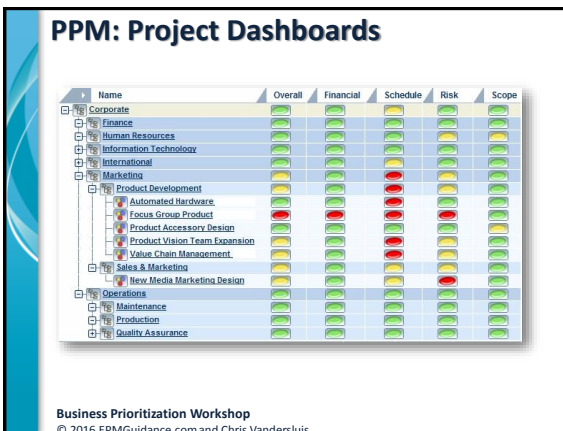
- This is a highly topical subject, but what do we mean by it?
- Project Tracking at the summary level?
- Annual Budgeting?
- Project Grouping?
- Project Selection
- Product Lifecycle Management

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

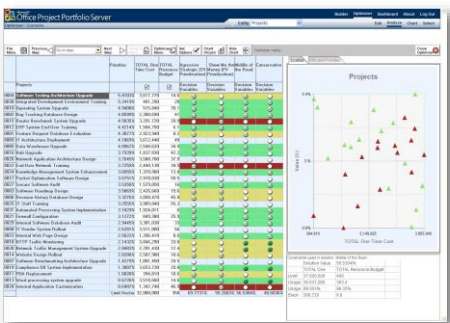






Business Prioritization Workshop

PPM: Project Selection




The screenshot displays the Microsoft Project Portfolio Server interface. On the left, there is a table listing various projects with columns for Name, ID, Budget, and other metrics. On the right, a scatter plot titled 'Projects' shows the relationship between different variables, with data points represented by colored triangles. Below the main interface, there is a small summary table with columns for 'Projects', 'Budget', and 'Risk'.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

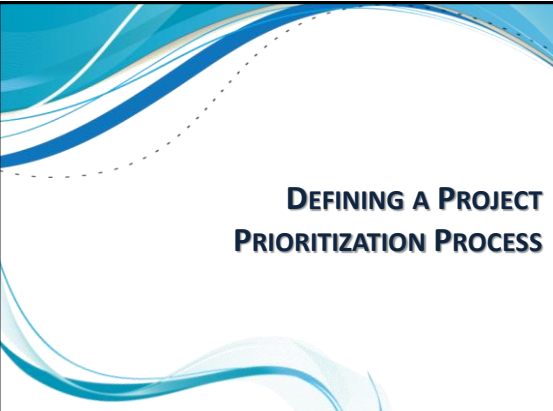
EPM vs. PPM

“If EPM is about doing projects right, PPM is about doing the right projects”



Ben Chamberlain
Microsoft Product Manager
Project Portfolio Server

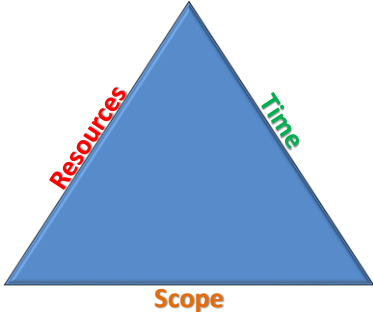
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis



DEFINING A PROJECT PRIORITIZATION PROCESS

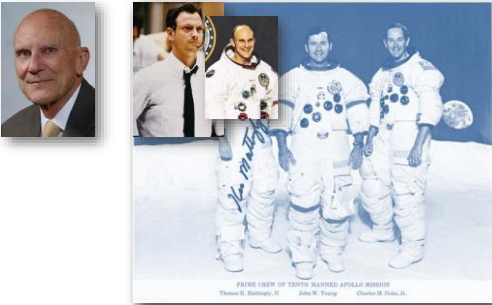
Business Prioritization Workshop

Project Constraints



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Ken Mattingly



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

What is project management?

“What is a project? It is an exercise of producing a defined result with insufficient resources.”



*Rear Admiral, Ken Mattingly
Apollo 13 Astronaut, VP Lockheed*

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

No prioritization? Then why have PM?

No one has an abundance of resources

...nor should they

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

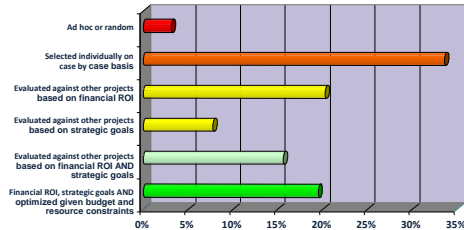
Between 1999 & 2001 American companies spent \$130 billion on technologies never used

Mastering the Three Worlds of Information Technology
(Harvard Business Review, A. McAfee
Nov. 2006, pp. 141 -149)

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

PPM Selection survey

How are Projects Currently Selected in Your Organization?



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis. SMT Poll Responses from 128 Webcast Attendees, February 7th, 2006

Business Prioritization Workshop

Project Prioritization

- ❑ “When project initiatives are assessed only as a narrative, prioritization becomes a battle of narratives”.
- ❑ The result is that:
 - ❑ All projects are listed as priority 1
 - ❑ All projects have, in theory started
 - ❑ Prioritization is done on an ad-hoc basis
- ❑ The goal: “Find a process that breaks ties”

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

What do Executives need?

A sip from the firehose



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

What do Executives need?

- ❑ The biggest challenge for Business Decision Makers is the deluge of data; data from all sorts of various sources and in myriad formats.
- ❑ There is no shortage of data but a profound lack of knowledge and, by extension, of decision making ability
- ❑ Business Decision Makers want data volume decreased and decision making increased.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

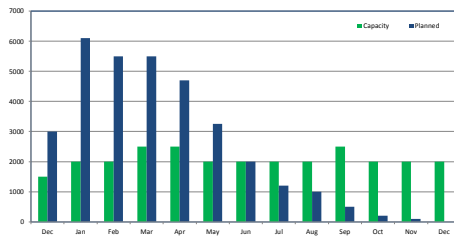
According to a survey done of 385 IT and Finance VPs, 82% do not possess information which is of sufficient quality, trustworthiness or usefulness to manage their operations.

Computing Canada, April 7, 2006

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

CREATING PROJECT PRIORITIZATION

Non-prioritized projects



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

The Portfolio Prioritization Process

- ❑ Identify Business Drivers
- ❑ Develop questionnaires for measurement in each category
- ❑ Determine the inter-driver impact through pairwise comparison
- ❑ Assess answers for the questionnaire for each project
- ❑ Calculate priorities based on the questionnaire answers
- ❑ Prioritize a summary schedule based on the priority listing and identify which projects would be done first based on the priority and which will not be accomplished based on limited resources
- ❑ Review the results and force projects into the priority list where required with the understanding that other projects would then not be completed.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Drivers vs KPI's

- ❑ **Business Drivers** are short sharp statements that express the shared focus of the organization in actionable terms.
- ❑ **Key Performance Indicators** are Measurements of past performance that empower management to action when results are not occurring as expected.
- ❑ New Project initiatives are based on Business Drivers

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Rules for Business Drivers

- ❑ Choose 4 to 8 business drivers
- ❑ Have the drivers align to goals that are recognizable by all of management
- ❑ Include relevant managers in the selection and relevance of the business drivers (These are the same managers who are requesting projects)
- ❑ Look to your mission statement, strategic goals, current business challenges, global or regional initiatives to find business drivers

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Business Driver Characteristics

- Business Drivers should be:
 - Measureable
 - Action oriented
 - Unique
 - Leveled
 - Attainable
 - Clear to all decision makers

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Driver Examples

- Become the industry leader Actionable?
- Replace the mainframes Driver or Project?
- Enhance IT environment
- Grow number of new clients
- Increase clients Duplicate
- Reduce competition Not Attainable
- Increase employee retention and productivity 2 Drivers
- Grow change management capabilities
- Improve service delivery

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Driver Matrix

| | Improve Market Share | Increase customer satisfaction | Project Risk | Alignment to Strategy |
|-------------------------------|----------------------------------|--------------------------------|--|--|
| Improve Market Share | Market Share through new product | Customer Satisfaction | Market Share to Strategic Areas Important | Customer Satisfaction to Strategic Areas Important |
| Improve customer satisfaction | Customer Satisfaction | Customer Satisfaction | Customer Satisfaction to Strategic Areas Important | Customer Satisfaction to Strategic Areas Important |
| Project Risk | Project Risk | Project Risk | Project Risk to Strategic Areas Important | Project Risk to Strategic Areas Important |
| Alignment to Strategy | Alignment to Strategy | Alignment to Strategy | Alignment to Strategy | Alignment to Strategy |

Improve Market Share: Increase market share by 20%

Increase customer satisfaction: Increase overall customer satisfaction by 20% as measured by the quarterly customer satisfaction survey

Project Risk: Exposure to project risk as assessed in our project risk matrix scoreboard

Alignment to strategy: Degree of alignment to one of the 6 key strategic goals as published by the board of directors for this year

| Description | Score |
|-------------------------------|-------|
| Extremely more important than | 5 |
| More important than | 4 |
| Equally important than | 3 |
| Less important than | 2 |
| Extremely less important than | 1 |
| Not important than | 0.5 |
| Not important than | 0.111 |

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Business Driver Matrix Score

| | Improve Market Share | Improve customer satisfaction | Project Risk | Alignment to Strategy |
|-------------------------------|----------------------|-------------------------------|--------------|-----------------------|
| Improve Market Share | 21 | 59 | 0 | 1 |
| Improve customer satisfaction | 1.22 | 3 | 0 | 1 |
| Project Risk | .771 | 2 | 4 | 3 |
| Alignment to Strategy | 12.33 | 35 | 0 | 1 |
| Total | 35.321 | 100 | 8 | 103 |

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Driver Matrix Scores

| Driver Matrix | Weighting | | Scores | | | | |
|-------------------------------|---------------|------------|-----------|------------|------------|------------|------------|
| | | | Project 1 | Project 2 | Project 3 | Project 4 | Project 5 |
| Improve Market Share | 21 | 59 | 0 | 1 | 2 | 3 | 4 |
| Improve Customer Satisfaction | 1.22 | 3 | 0 | 1 | 2 | 3 | 4 |
| Project Risk | .771 | 2 | 4 | 3 | 2 | 1 | 0 |
| Alignment to Strategy | 12.33 | 35 | 0 | 1 | 2 | 3 | 4 |
| Total | 35.321 | 100 | 8 | 103 | 198 | 293 | 388 |

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Project Questionnaire

Create multiple choice answers for fundamental questions to determine the impact of each project on each project driver:

- Extreme
- Strong
- Moderate
- Low
- None

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Driver Questionnaire Examples

| Business Drivers | An Initiative's Impact on this driver is: |
|---|---|
| Enhance Quality of Products and Services | Extremis - if it increases business partner satisfaction by $\geq 3\%$ |
| | Strong - if it increases business partner satisfaction by $\geq 2\%$ |
| | Moderate - if it increases business partner satisfaction by $\geq 1\%$ |
| Improve Accuracy of Core Processes | Extremis - if it improves FCI or EPMO by 33% on one process or 5% across all processes |
| | Strong - if it improves FCI or EPMO by 20% on one process or 5% across all processes |
| | Moderate - if it improves FCI or EPMO by 10% on one process or 4% across all processes |
| Reduce Cycle Time for Key Processes | Extremis - if it improves cycle time by 25% in one process or avg. of 2% across multiple processes |
| | Strong - if it improves cycle time by 17% in one process or avg. of 4% across multiple processes |
| | Moderate - if it improves cycle time by 7% in one process or avg. of 2% across multiple processes |
| Effectively Manage Operational Risk | Extremis - if it improves operational risk stability by $\geq 2\%$ |
| | Strong - if it improves operational risk stability by $\geq 1\%$ |
| | Moderate - if it improves operational risk stability by $\geq 0.5\%$ |
| Enhance Transparency of Products and Services | Extremis - if it increases transparency score in business partner satisfaction by $\geq 3\%$ |
| | Strong - if it increases transparency score in business partner satisfaction by $\geq 2\%$ |
| | Moderate - if it increases transparency score in business partner satisfaction by $\geq 1\%$ |
| Reduce Cost of Operations | Extremis - if it reduces ongoing expense by $\geq \$1.0M$ |
| | Strong - if it reduces ongoing expense by $\geq \$0.6M$ |
| | Moderate - if it reduces ongoing expense by $\geq \$0.3M$ |
| Create Opportunities for New Revenue | Extremis - if it provides revenue growth opportunities for 4 or more bus. partners |
| | Strong - if it provides revenue growth opportunities for 3 or more bus. partners |
| | Moderate - if it provides revenue growth opportunities for 2 or more bus. partners |
| Improve Associate Satisfaction | Extremis - if it reduces turnover by $\geq 1.33\%$ and increases associate satisfaction by $\geq 1\%$ |
| | Strong - if it reduces turnover by $\geq 1.23\%$ or increases associate satisfaction by $\geq 1\%$ |
| | Moderate - if it reduces turnover by $\geq 7\%$ or increases associate satisfaction by $\geq 5\%$ |

© 2016 EPMGuidance.com and Chris Vandersluis

Real World example of questionnaire

| | | |
|---------------------------|----------------------|---|
| Compliance | Extreme threat | Threat to the institution's existence or major criminal or civil liability |
| | Strong threat | Threat to the institution's reputation |
| | Moderate threat | Threat to operational requirements |
| | Weak threat | Threat of minor sanctions |
| | No threat | Does not affect Compliance |
| Strategic Need | Extreme Benefit | Strategic objective cannot be performed without this project |
| | Strong Benefit | Strategic objective would be significantly advanced |
| | Moderate Benefit | Strategic objective would be advanced |
| | Weak Benefit | Strategic objective would be slightly advanced |
| | No Strategic Benefit | There is no strategic benefit |
| Operational Business Need | Extreme Benefit | Function cannot be performed without this project |
| | Strong Benefit | Operational efficiency and/or quality would be significantly improved |
| | Moderate Benefit | Operational efficiency and/or quality would be improved |
| | Weak Benefit | Operational efficiency and/or quality would be slightly improved |
| | No Business Benefit | There is no operational business benefit |
| Risk | No risk | Risk is not a factor in this project |
| | Minimal risk | There are minimal risks to this project |
| | Some unknowns | This project has some unknowns. There is a slight probability this project will be over time and over budget. The skills required to complete this project are weak or unavailable internally. There is a significant probability this project will be over time and over budget. |
| | Skills unavailable | There are many unknowns of technology and/or architecture. There is a significant probability this project will not be successful. |
| | Extreme risk | There are many unknowns of technology and/or architecture. There is a significant probability this project will not be successful. |
| Number of Stakeholders | All | Affects every stakeholder in the institution |
| | More than 10,000 | Affects more than 10,000 stakeholders |
| | More than 5,000 | Affects more than 5,000 stakeholders |
| | More than 1,500 | Affects more than 1,500 stakeholders |
| | Less than 1,500 | Affects less than 1,500 stakeholders |

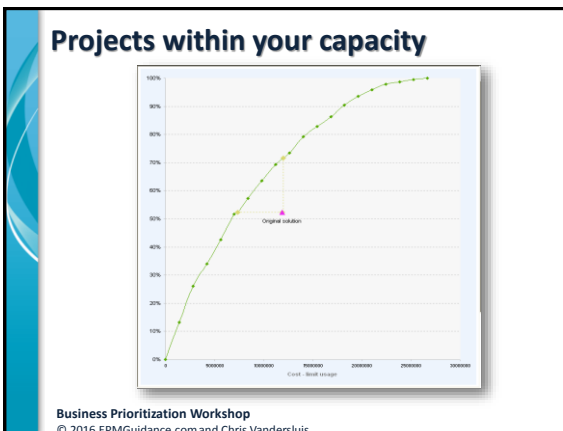
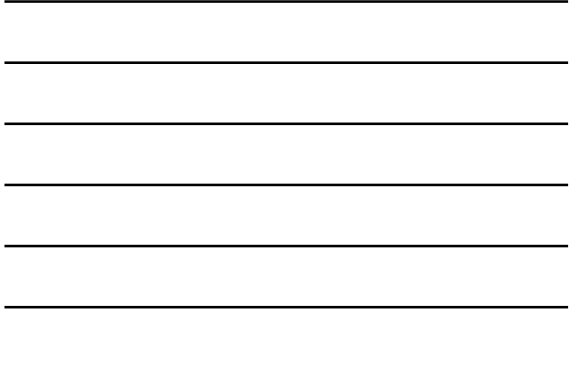
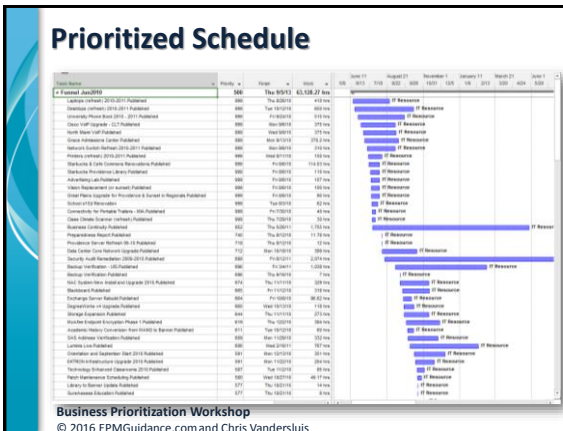
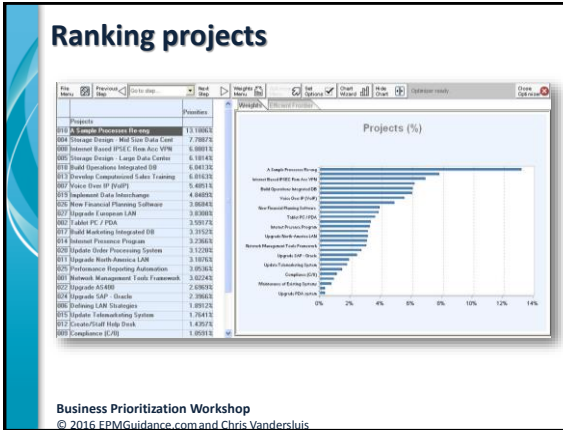
© 2016 EPMGuidance.com and Chris Vandersluis

Prioritized project list

| Projects | Value |
|--|---------|
| 0004 Software Testing Architecture Upgrade | 5,41633 |
| 0020 Integrated Development Environment Training | 5,24139 |
| 0010 Operating System Upgrade | 4,94683 |
| 0002 Bug Tracking Database Design | 4,85932 |
| 0015 Feature Branch System Upgrade | 4,58370 |
| 0012 ERP System End User Training | 4,42142 |
| 0001 Feature Request Database Evaluation | 4,38772 |
| 0003 IT Architecture Deployment | 4,18070 |
| 0005 Data Warehouse Upgrade | 4,09070 |
| 0014 PDA Upgrade | 3,79393 |
| 0026 Network Application Architecture Design | 3,75452 |
| 0027 End User Network Training | 3,72592 |
| 0024 Knowledge Management System Enhancement | 3,69970 |
| 0017 Packet Optimization Software Design | 3,57012 |
| 0027 Secure Software Audit | 3,53683 |
| 0003 Software Roadmap Design | 3,50870 |
| 0006 Revision History Database Design | 3,32762 |
| 0025 IT Staff Training | 3,29503 |
| 0021 Automated Processing System Implementation | 3,18292 |
| 0021 Firewall Configuration | 3,17272 |
| 0029 Internal Software Database Audit | 2,94453 |
| 0008 IT Vendor System Rollout | 2,82812 |
| 0023 Internal Web Page Design | 2,56272 |
| 0018 IT ITP Traffic Monitoring | 2,14272 |
| 0028 Network Traffic Management System Upgrade | 2,04633 |
| 0014 Website Design Rollout | 2,02603 |
| 0007 Software Benchmarking Architecture Upgrade | 1,42770 |
| 0013 Compliance DR System Implementation | 1,36670 |
| 0011 PDA Replacement | 1,08203 |
| 0013 Server processing system upgrade | 0,87262 |
| 0028 Internal Application Customization | 0,64872 |

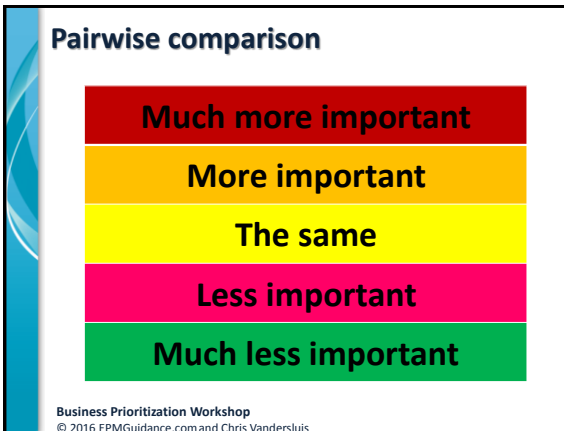
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop



Business Prioritization Workshop







Business Prioritization Workshop

Ongoing prioritization

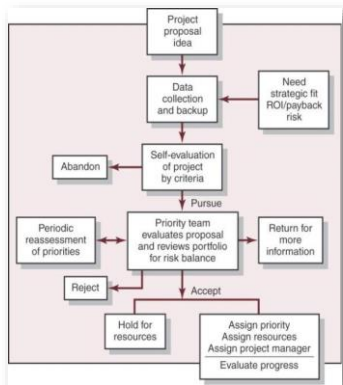
- We've just covered project selection and initiation so far, but if we go any further, it's worth talking about stage-gating.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Stage-gating

- The term Stage Gate was coined in Montreal at McGill University
- The concept was the result of the study of the effective practices of a large number of organizations by Dr. Robert Cooper

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop



Can you cancel a project?

Cancel a project?

If you can't cancel a project, the value of PPM becomes questionable

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

PPM Pitfalls

- "We have stage gating, it's just that all the gates are open"
- "We have project cancelling criteria, we're just not allowed to cancel the project"
- My compensation is tied to the success of this project, not its cancellation

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Quitting? It's not in our nature!

- ❑ Project Managers are hard-wired not to quit.
- ❑ We are the results oriented, challenge-motivated, never-say-die, make-it-happen, see-the-glass-half-full kind of people
- ❑ So it goes against the grain when someone wants to talk about cancelling a project.
- ❑ Cancel? I want to be in the session where we save the cancelled project.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

It'll make it...

We're the folks who are cheering for the boat to make it over the wave in the movie The Perfect Storm



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

A note on giving up from H. Ross Perot


Most people give up just when they're about to achieve success. They quit on the one yard line. They up at the last minute of the game one foot from the winning touchdown.



H. Ross Perot

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis


Business Prioritization Workshop



How do you know if it's time to stop a project?

Business Prioritization Workshop
© 2016 EPMGuidance.com

When the Horse Dies:Dismount!



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Beating a Dead Horse

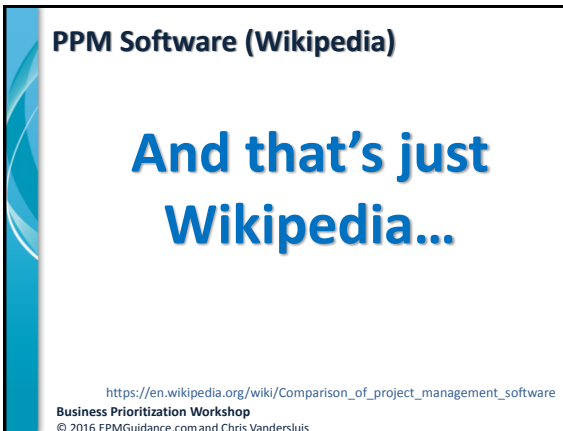
Dakota tribal wisdom says that when you discover you are riding a dead horse, the best strategy is to dismount. However, project managers sometimes try some of the following ideas they:

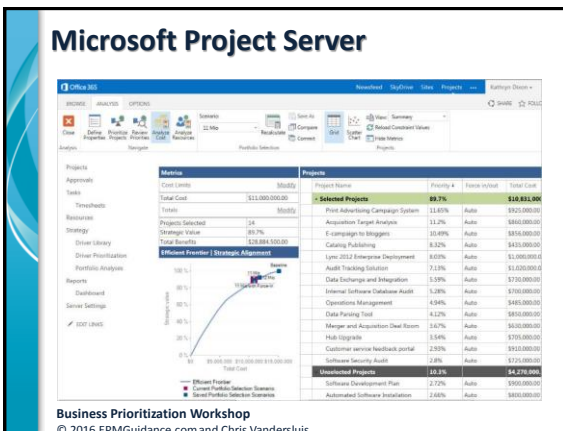
- Change riders
- Buy a bigger whip
- Rename the horse
- Stay very quiet while on the dead horse and hope no one notices
- Appointing a committee to study the horse.
- Send the rider for additional training
- Outsource the riding of horses
- Do a study of dead horses
- Harness two or more dead horses together to see if the cart will go any faster
- Add funding to increase riding performance
- Say things like, "This is the way we have always ridden this horse."
- Automate the dead horse to see if software can make it ride faster
- Rewrite the description of horses to ensure yours can't be defined as either dead or even a horse
- Reclassify the horse as "living impaired"

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

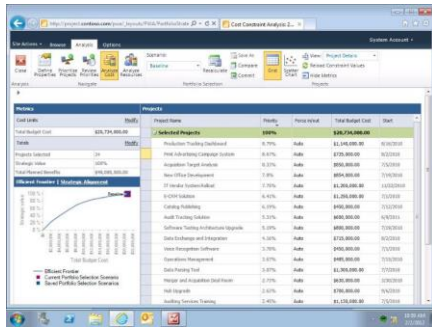






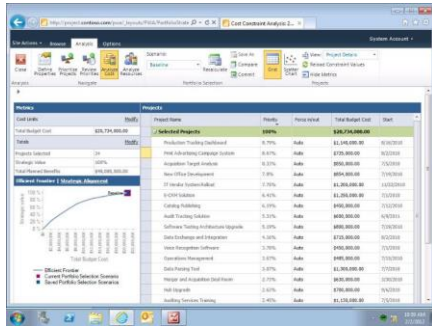
Business Prioritization Workshop

Microsoft Project Server



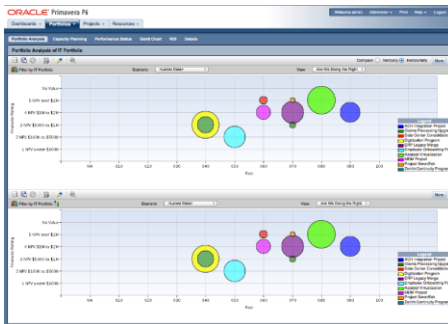
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Microsoft Project Server



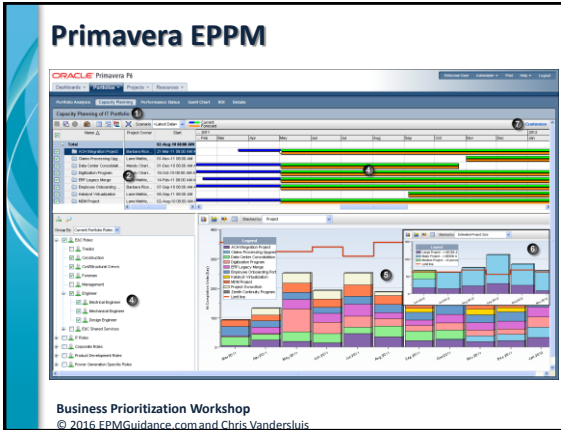
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

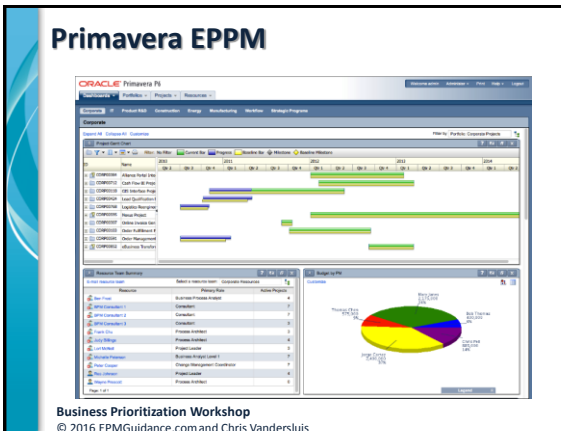
Primavera EPPM



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

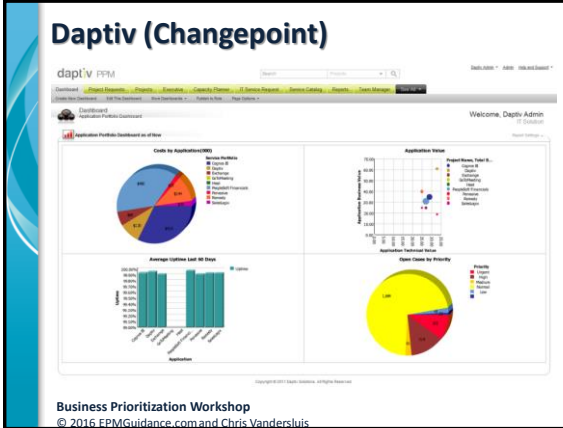
Business Prioritization Workshop







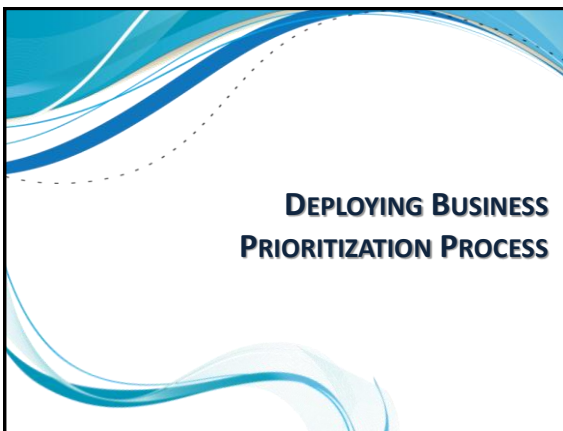
Business Prioritization Workshop



Successful automation tips

- ❑ Don't automate until you know what you're automating (And don't let the tail wag the dog!)
- ❑ Process, process, process will always be more important than the look and feel of a screen
- ❑ Make sure you budget expertise (internal or external)
- ❑ ... and training
- ❑ ... and time.


Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis



Business Prioritization Workshop



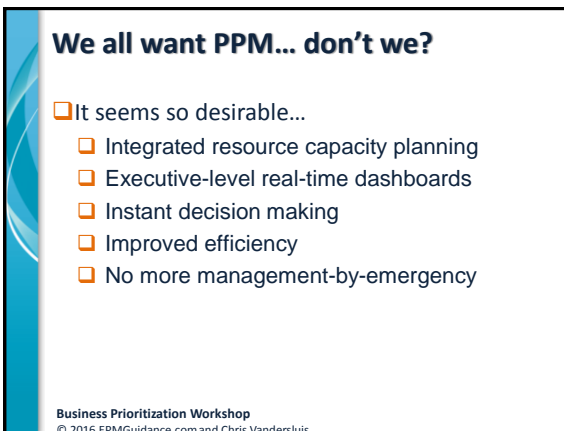
SHARE YOUR DEPLOYMENT EXPERIENCES FOR PPM



Deploying Business Prioritization

- Common expectations
 - Technology will solve everything
 - It can be done by Friday... this Friday
 - All employees will adopt without objection
- It's not a technology project, it's change management
- Instituting organizational culture change

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis



We all want PPM... don't we?

- It seems so desirable...
 - Integrated resource capacity planning
 - Executive-level real-time dashboards
 - Instant decision making
 - Improved efficiency
 - No more management-by-emergency

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

But what does it take?

Yes, an objective analytical approach to prioritizing our projects based on our business priorities sounds great but do you have what it'll take to deploy it as a culture?

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Common expectations

- It will be ready instantly
- It is all about the technology
- It's just like we do now but on the Web
- No one will require training
- It will never affect my projects

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Most common request

"We just bought this PPM Software product...
Can you come make it work?"

Our most common response:
"What would you like it to do?"

Most common reply
"Don't you know?"

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Establish deployment team

- ☐ Identify Key Stakeholders
- ☐ Identify internal expertise resources
- ☐ Engage external expertise (if required)

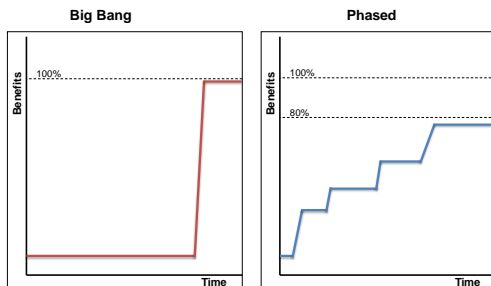
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Identify Business Objectives

- ☐ Executive and Stakeholder workshops
- ☐ Identify management role impact
- ☐ Prioritize business objectives and create a Master Deployment Plan
- ☐ Establish milestones and metrics

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Big bang or phased deployment?



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Big Bang or Phased implementation?

- Big Bang
 - Better chance of reaching 100% of originally perceived benefits
 - Better chance of reaching 0% of benefits because:
 - Project is cancelled
 - Team changes
 - Priorities change
 - Organization changes
- Phased
 - Better chance of not getting to 100%
 - Chances of getting some benefits are close to 100%
 - Secret is targeting the biggest initial benefit for the lowest risk

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Phased deployments are lower risk

- It's natural to want to push every vector at once
- We ask:
"For the first phase, what is the minimal deployment, the deploying of which will return a positive return on investment every cycle going forward?"

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

PITFALLS AND SINKHOLES

Business Prioritization Workshop

Montreal Sinkhole (2013)



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Tampa Sinkhole (2013)



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

So... we're done... right?

- Sorry, no.
- Just because you know how to create a project prioritization process doesn't mean it will be adopted with open arms by everyone
- There are still barriers to overcome and pitfalls and sinkholes to avoid

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Challenges

- ❑ Resource Capacity Analysis and Management
- ❑ Nature's barriers to prioritizing
- ❑ Common pitfalls
- ❑ More pitfalls
- ❑ User resistance

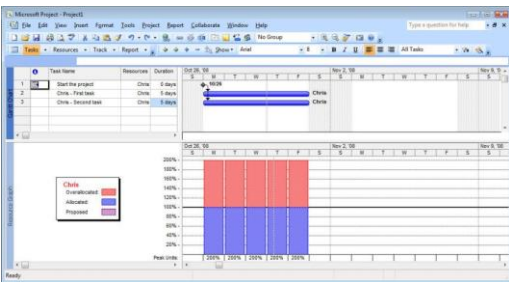
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Resource Capacity Challenge

- ❑ Our end goals are to:
- ❑ Determine what projects can be accomplished
- ❑ Determine that we are doing the projects which will give the best return on investment to our organization
- ❑ Ensure that the most important projects get priority access to our resources
- ❑ So, shouldn't we resource level down to the individual?

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Individual Res Leveling challenge



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Individual Res Leveling challenge

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Individual Res Leveling challenge

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Individual Res Leveling challenge

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Resource level from the top down

- ❑ Do your resource capacity planning from 30,000 feet
- ❑ Resource level first at the total manpower level
- ❑ Then, if successful, go to a skill/category level with a small number of skills/categories.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Nature's barriers to sharing

- ❑ Project managers have gotten used to controlling their own data. The advent of low-cost, easy-to-use pm tools means that virtually anyone can produce 1st class project reporting. Project managers like having the ability to do their own analysis before anyone in management sees it.
- ❑ As hard as it is to believe management in some organizations may actually punish those who deliver bad news.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Nature's barriers to prioritizing

"Tag. You're it!"

- ❑ Even if they are not punished management in some organizations may inundate a project manager with questions and concerns if they could see project data in real time.
- ❑ No manager wishes to make their project a second priority. Everyone thinks their work is the most important possible.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Set the rules before the game starts

- Getting buy-in for a new procedure or the way data will come together is much easier if we are talking theoretically.
- Try to avoid establishing these rules on the fly with live production data.
- The problem with live data is that the impact of usage changes is instant and has a real and immediate effect on the very employees trying to establish an organizational standard.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Set Management's rules before they play

- Same goes for management. If we talk about general rules for prioritizing projects then there is a chance of getting them accepted.
- If we just try to prioritize existing projects, the emotional attachment to moving a project to anything other than top priority makes the exercise almost impossible.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Hot tips to encourage prioritizing

- Set up the rules long before you try prioritizing live projects
- Create a metric for determining what makes a high vs. low project – not a subjective opinion
- Define a referee for any desired exceptions before the process is implemented. Get agreement that the referee's word is final ("we don't argue balls and strikes")
- Get senior management support early on. There are bound to be concerns as the process is implemented. Make sure you've got the backing you need before they arise.

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Project Portfolio Management (or is it Portfolio Project Management?)



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

PPM: Project Selection



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Dashboard madness



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

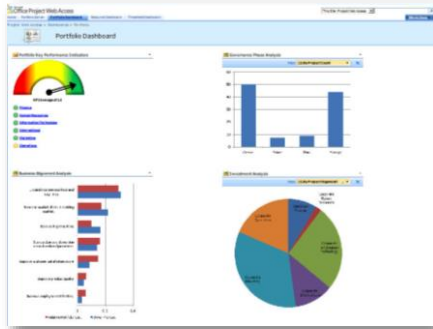
Business Prioritization Workshop

Dashboard examples 1



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Dashboard examples 2



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Common pitfalls

- No project planning for the project portfolio system
- No requirements or scope established
- It's all about technology – once it's installed, the problem is solved!
- No budget allocated
- No executive sponsor support or too short term

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

User Resistance

In completed EPM deployments, what challenges were experienced as an "extremely" or "somewhat challenging" aspect of deployment?

| Challenge | Percent experienced |
|--|---------------------|
| Culture change (user resistance) | 100% |
| Lack of knowledge on EPM system and requirements | 100% |
| Executive sponsorship | 80% |
| Importance of PM to the Organization | 60% |
| Long-term funding | 60% |
| Current state of PM processes and practices | 40% |
| Technological capabilities | 40% |
| Competing initiatives | 40% |

*Historical Results of EPM System Implementation Benchmark Survey, Center of Business Practices, 2009

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Some *more* Pitfalls

- Real Time Project Management
- Dashboard madness
- Big Bang Deployments

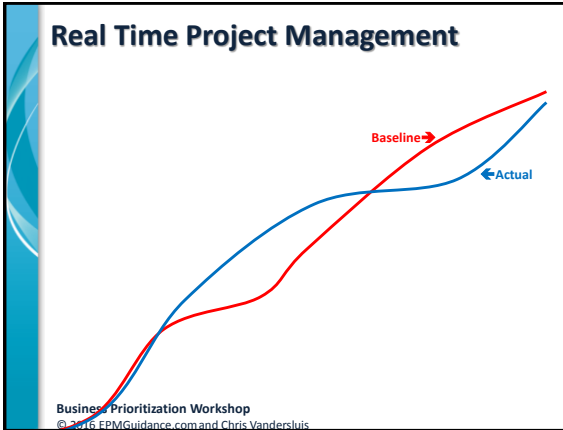
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Real Time Project Management



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop



- ### So, if it's not real time, how real is it?
- How often should you review your business priorities?
 - How often should you change priorities?
 - There is a cost to change
 - How fast can you make strategic level decisions
 - What about projects in progress?
- Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis



Business Prioritization Workshop

Avoiding the pitfalls

What we see most often:

- No charter
- No schedule
- No executive sponsor
- No budget except for software
- No dedicated team
- No success metrics
- No expectation of changes in culture

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Change Management is key

- Some of the challenges you'll face include:
- Acceptance of centralized standards and who gets to make them
- Creating a common coding structure so data comes together
- Convincing everyone to participate
- Convincing management to support the project long-term

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Overcoming change resistance

- Tools in your arsenal?
 - You control the display
- Have a plan and manage like a project
- Have management sponsorship
- Return on investment for each type of user
 - People will need to invest time and effort – what will they get back?

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Overcoming change resistance

- ❑ Become the path of least resistance
 - ❑ Templates
 - ❑ Do it manually or on a white board so everyone can follow the process and not blame the software
 - ❑ Easy to follow process
- ❑ Consider objections and ways you can overcome them.
 - ❑ e.g.:
 - ❑ Consider a temporary amnesty
 - ❑ Consider establishing rules for project prioritization
- ❑ Communicate, communicate, communicate
 - ❑ Seminars, lectures, white papers, presentations

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Overcoming Change Resistance

- ❑ Get sufficient authority and then impose the change
 - ❑ How can employees thwart this method?
- ❑ Be democratic, take a majority vote
 - ❑ What are the negative implications of this?
- ❑ Trim-tab

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Buckminster Fuller

- ❑ Who was Bucky Fuller?



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop

Buckminster Fuller

Who was Bucky Fuller?

In 1927 Fuller resolved to think independently which included a commitment to "the search for the principles governing the universe and help advance the evolution of humanity in accordance with them... finding ways of doing more with less to the end that all people everywhere can have more and more."



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Turning the ship



Queen Elizabeth circa 1940

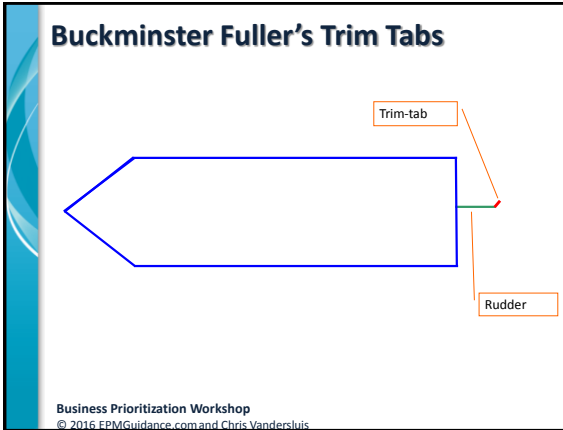
Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

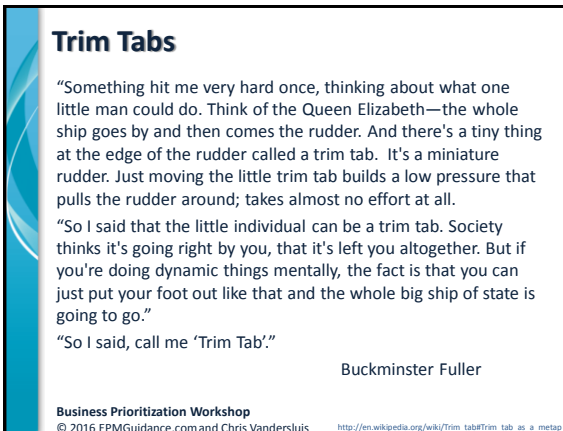
Ship Rudder



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Business Prioritization Workshop







Business Prioritization Workshop

Creating your PPM environment

1. Define what PPM is and should be to the organization
2. Define the business drivers
3. Agree on the questionnaires and their answers
4. Get agreement for the process not the results
5. Activate, monitor and adjust
6. Automate

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

WRAPPING UP

WHAT HAVE BEEN YOUR TAKE-AWAYS FROM TODAY'S SESSION?

Business Prioritization Workshop

Wrapping up

We've discussed:

1. What is Project Portfolio Management?
2. Defining a Project Selection Process
3. Deploying Business Prioritization Process
4. Pitfalls and Sinkholes
5. Pitfall Avoidance

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

A battle plan lasts, until
contact with the
enemy.

Napoleon Bonaparte



Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis

Contact information

- This presentation:
Handout: www.epmguidance.com/resources/pmimn2015.pdf
Slides: www.epmguidance.com/resources/pmimnslides2015.pdf
- EPM Guidance Blog: www.epmguidance.com
- Email Chris Vandersluis: chris.vandersluis@gmail.com
- LinkedIn: www.linkedin.com/in/cvandersluis
- Chris Vandersluis speaker site: www.vandersluis.name
- TimeControl website: www.timecontrol.com

Business Prioritization Workshop
© 2016 EPMGuidance.com and Chris Vandersluis
