

Portfolio Governance Review

Determine Your State of Readiness

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Agenda

PPM Governance Review

| | |
|-------------|---|
| 9:00-9:30 | Introductions and Engagement Rationale Review Info-Tech Audit Standard |
| 9:30-10:00 | Review Materials for Completeness and High-Level Fit |
| 10:00-10:15 | Break |
| 10:15-10:45 | Current State Assessment – <i>Audit Standard Triage Tool</i> |
| 10:45-12:00 | Review Findings Develop Roadmap Discuss Next Steps |



The standard for project portfolio management

Info-Tech's Audit Standard

for project portfolio management adopts the view of the *shareholder* as the primary stakeholder. Consequently, the standard exposes and enforces the most fundamental obligation of the fiduciary to act in the best interests of the shareholder. We expect that decision makers approve the “right amount” of projects, but the standard does not specify a particular approach to ensuring that is the case. The standard expects that projects be appropriately managed, but it does not specify a particular methodology or tool set.



PPM

- Sponsorship
- Spending authorization
- Execution oversight
- Spending cessation
- Benefits attainment
- Process



PM

- Project management plan
- Charter
- Estimates
- Knowledge
- Quality
- Resource management
- Risk
- Procurement
- Communications
- Stakeholders
- Closure



OCM

- Change impact assessment
- Adoption
- Change management
- Communication
- Benefits attainment

The *Audit Standard* examines the accountability of project sponsors and approvers for costs and benefits.

The foundational principle for project and portfolio audit involves **fiduciary duty**: the obligation of management to act responsibly, in the best interest of the shareholder.

| Fiduciary Duty for Project and Portfolio Management | | |
|---|------------|---|
| Fiduciary Duty | Request | <i>What is in the best interests of the corporation?</i> |
| | Approve | <i>What has been reasonably justified in terms of costs and benefits?</i> |
| | Initiate | <i>What has a believable and validated likelihood of success?</i> |
| | Execute | <i>What was promised with diligence and visibility?</i> |
| | Continue | <i>What is on track to produce the promised outcomes?</i> |
| | Reposition | <i>What needs a new commitment to time, cost, scope, or quality expectations?</i> |
| | Cease | <i>What will fail to deliver as promised?</i> |
| | Close | <i>What has delivered the intended change?</i> |
| | Measure | <i>What outcomes were promised and forecasted?</i> |

Most organizations have too many projects, or they haven't set realistic and achievable delivery timelines for their projects. Formalized accountability for the costs and benefits leads to realistic goals and increases the likelihood of project success.

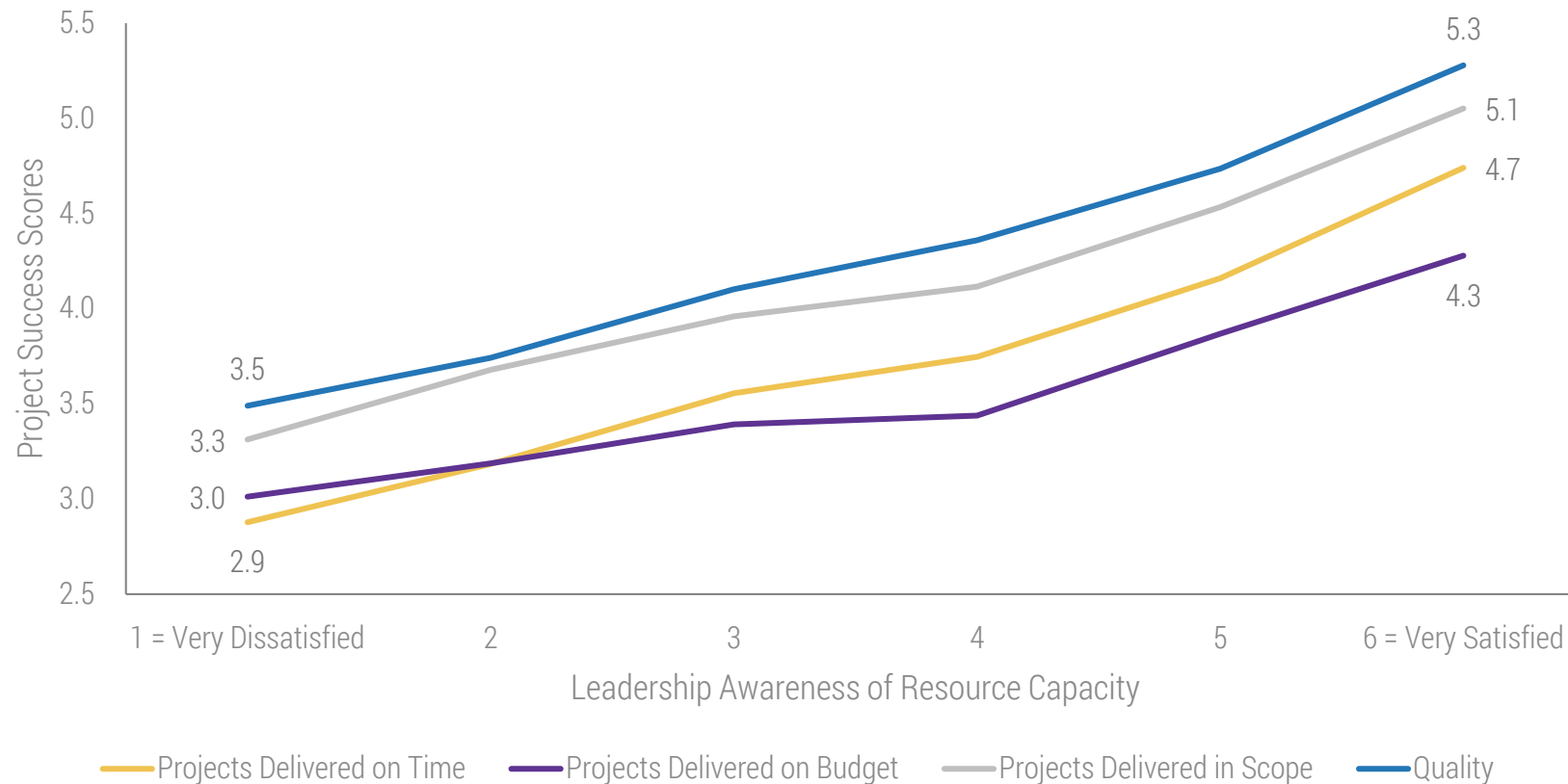
“You can either take action, or you can hang back and hope for a miracle. Miracles are great, but they are so unpredictable.”

– Peter Drucker

Burden of spending approvals

Leadership's capacity awareness is directly related to project success.

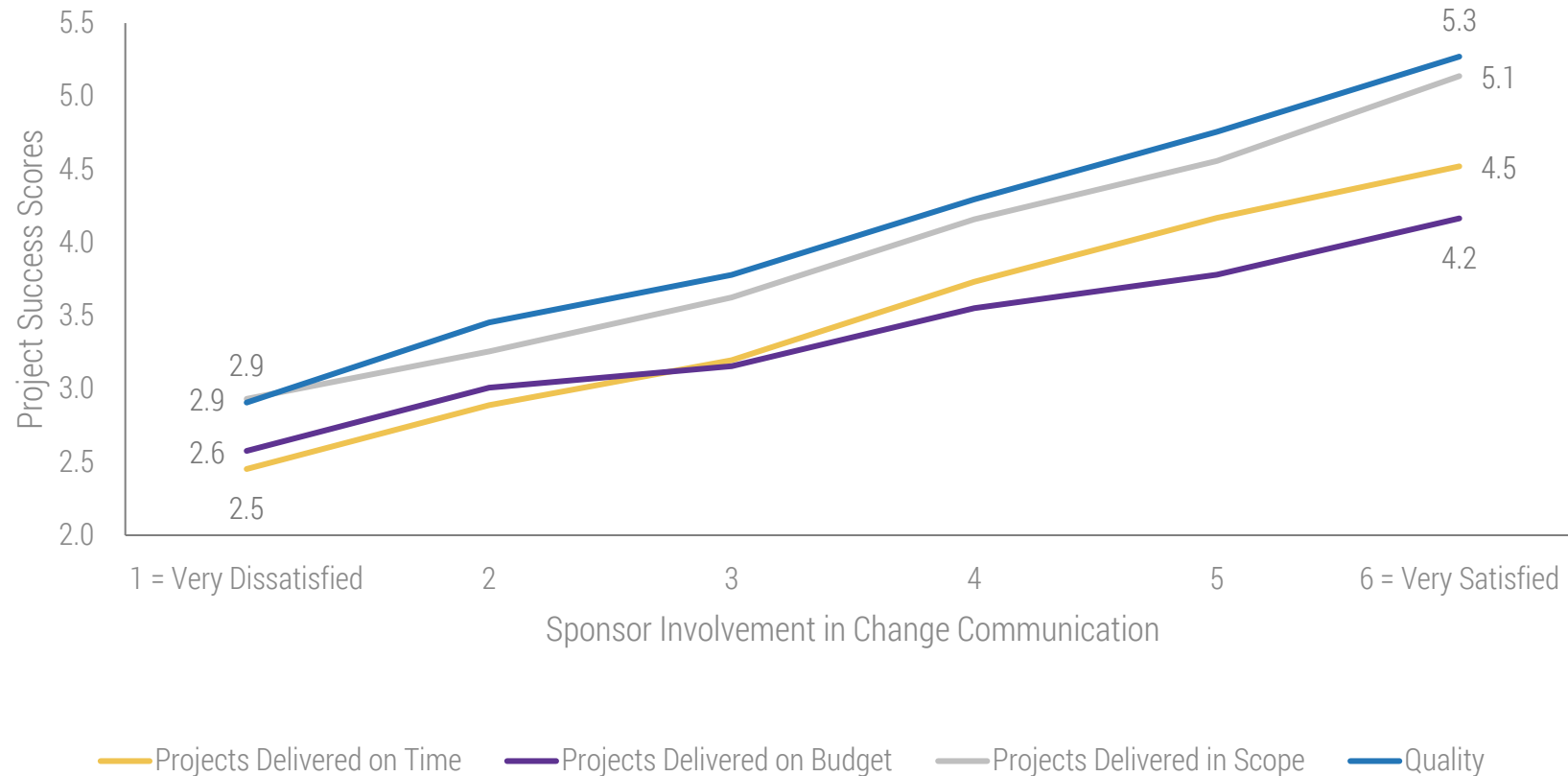
As the leadership becomes more aware of the organization's resource capacity, projects become more successful.



Commitment of sponsors

Sponsor commitment directly improves project success.

As the sponsors increase their involvement in change communication, projects become more successful.



INFO-TECH'S AUDIT STANDARD LANDSCAPE



What is a portfolio?

Portfolio criteria should be determined by three defining constraints:



The PMI describes a portfolio as:

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.

(PMI, Standard for Portfolio Management, 4th ed.)

The *Info-Tech Audit Standard* defines a portfolio as a collection of proposed, pending, ongoing, and completed projects. The portfolio is likely to have common linkage to the person or committee approving the projects, the budgets for those projects, and/or the personnel working on those projects.

Info-Tech Insights

The most successful portfolio managers are focused on right-sizing: pacing the project commitments based on available time and money.

The background of the slide is a light cream color, decorated with abstract patterns of triangles in various shades of blue and teal. These patterns are located in the top-left, top-right, and bottom-left corners, creating a modern, geometric aesthetic.

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