



Program & Portfolio Management
Symposium Community

Trip Report

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Symposium Community

Members: 550

This year's Gartner Symposium/ITxpo — held from 12 through 16 October in Orlando, Florida — was organized around the theme of IT and the economy. This report offers an overview of what was on attendees' minds and what they learned from Gartner analysts and each other.

Key Takeaways

During the opening keynote at Symposium, Gartner Fellow Richard Hunter told attendees that projects must deliver business performance improvements. "Look at every project with the same mind-set, starting with the business and working back from there. Ask, 'Do you have the right team, the right capabilities, and the right technology to deliver?' Decide what needs to be spent, not just what needs to be cut," he said.

Program and Portfolio Management (PPM) leaders were told not to let the economy scare them into inaction. This sentiment resonated throughout the week in the PPM track, where attendees were given tools to help them read between the lines and maintain good practices and decisions throughout the economic downturn. PPM leaders focused on portfolio management and prioritization strategies, in particular.

Conference Highlights

PPM Maturity: Walking the Walk

CIOs and senior IT executives choose to invest in PPM to achieve clear and consistent communication with business executives, to gain an overview of commitments and plans and to improve resource management and facilitate prioritization. This session introduced Gartner's PPM maturity model, which is based on five dimensions: people, PPM processes, technology, financial management and relationships. The model emphasizes processes and relationships over technology and numbers.

Recommendations:

- Assess your current level of maturity. The key is to bring your PPM initiatives to maturity in ways that are achievable from your current state. Do not assume that the highest level of maturity is a "one size fits all" goal.
- Develop a plan for processes and tools to address your immediate needs.
- Match tools to your level of maturity — too much sophistication and complexity can defeat your purposes.

Scenario for Program and Portfolio Management Leaders: Small Steps and Quick Wins

The appropriate way to support management of projects, programs and portfolios tends to be different depending on an organization's maturity level and culture. This session introduced Gartner's PPM Activity Cycle and provided targeted advice for improving the full spectrum of project-based activities, from defining investment opportunities, to selecting the right initiatives, to project execution, to creating and monitoring project portfolios. The presentation highlighted tools that project managers can use to define and prioritize projects and communicate business value.

Recommendations:

- "Just enough" should be the mantra of PPM leaders — just enough process, data and standards to make the organization more effective. Too much leads to frustration and paralyzing levels of administration.
- Empower project managers to "fail fast" to succeed. Project managers need to help the organization make appropriate and timely risk-based decisions about the projects they work on, not blindly execute project plans.
- Define and select project opportunities based on visible and transparent processes. This ensures decisions will be defensible and correctable.

Getting Started With Enterprise Portfolio Management: Your IT Investment Storefront

Establishing and gaining support for portfolio management requires a strong focus on what the discipline's benefits are, and how those apply to IT. This session compared portfolio managers to investment managers and outlined three tasks common to the roles:

- Review potential new investments for suitability and potential return.
- Assess current investment performance.
- Make and recommend decisions or actions to "buy," "sell," or "hold."

The session also detailed 10 questions portfolio managers need to answer to get support from their business sponsors.

Recommendations:

- Map a beginning benchmark and agree on value, ROI and progress with business sponsors.
- Work to the business plan and 30/60/90-day plans.
- Hold reviews with your sponsor and satisfaction round tables with investors.

Workshop: Project and Portfolio Management Challenges: Executing Change and Evaluating Priorities

About 80 IT leaders attended a workshop to identify their key challenges in PPM. Participants worked with Gartner analysts and their peers to describe ideas, practices, or new approaches to address these challenges immediately, within six months and further into the future. Prioritization of investments was the most important topic for the majority of PPM workshop attendees. Prioritization challenges included dealing with shifting expectations, ad hoc requests and multiple stakeholders with different priorities. Key findings included examining what the PPM leader has control over, what they can influence, and what they can't control. This is largely a job of influence, although the group determined that having control over the information collected and how it is presented to the organization and executive management provides quite a bit of control over the story that gets told and how it is received. This provides an excellent platform for change efforts. The group proposed a series of solutions including:

- Implementing a governance board – ensuring the right people are involved, looking at the right information, with clear scope and decision rights.
- Developing a prioritization model with clear metrics and scoring, and communicating it throughout the organization.
- Establishing the value of standards and developing effective frameworks for them.

PMO: Meeting the Needs of All Your Constituents

The project/program management office (PMO) has three groups it needs to satisfy: executives, project managers and extended stakeholders. Getting the right mix of activities to keep everyone happy takes some balancing and creativity. While PMOs play a large part in project success, more than half fail. This is often because PMOs' methods, processes and practices don't match their maturity, or because they struggle to meet demands from multiple stakeholders. In addition, PMOs can often find it a challenge to build a project culture within organizations that reflect role, familial or networked-based cultures.

Recommendations:

- Assess your corporate culture to identify if you have a true project culture and to ascertain what you will need to do to build one within which the PPM practices can operate if you're not there already.
- Shift the project organization toward a focus on value to sponsors and stakeholders as opposed to process and compliance.
- Work on capturing tacit knowledge through communities of practice and lessons learned.

Keynotes

Welcome Address and Analyst Keynote

Most IT budgets will take a hit from global economic problems, but the situation is not as dire as IT leaders who lived through the dot-com bust might expect. Gartner's recent surveys of CIOs show that at worst, IT spending worldwide likely will increase 2.3% in 2009, down from Gartner's earlier projection of a 5.8% increase. IT spending, at worst, will be flat in the U.S. and down in Europe.

IT budgets will be largely spared because IT runs almost all aspects of business, and IT is increasingly viewed as the means to improve and transform the business, but IT leaders still have to deliver. Economic downturns tend to amplify disruptive technologies, so IT leaders should research virtualization and modernization opportunities. IT leaders also should take stock of the whole IT portfolio to see what the business can run for less or live without. For every application and system, ask:

- Why is this needed?
- What does it cost?
- How can it be implemented with fewer resources?

Mastermind Keynotes Show Other Organizations' Strategies

Gartner analysts interviewed three IT leaders to gain insights about their strategies and outlook for 2009:

- John Chambers, CEO of Cisco Systems, said Cisco plans to work on dozens of projects in 2009 that aim to expand the company's scope past just networking into networked-enabled processes to improve productivity. Cisco will use partnerships to help customers boost scale and speed. Cisco has a unique opportunity in the economic downturn to help its clients enable transformative business strategies, Mr. Chambers said.
- Joseph Eng, Executive Vice President, Systems and Technology at JetBlue Airways, urged IT leaders to show how IT can help transform and differentiate the business, as his group has done to make JetBlue a customer-centric airline. Mr. Eng described how JetBlue customers are empowered to make their own decisions and are provided with perks to make the trip better. This strategy has greatly helped JetBlue grow and has provided more opportunities for revenue.
- Steve Ballmer, CEO of Microsoft, insisted that what has been an apparently slow uptake of the Vista operating system among enterprises doesn't indicate a problem with Vista. In fact, he said, Vista's uptake is roughly comparable to the uptake of Windows XP at a similar stage. Ballmer also said Windows 7, Vista's follow-up, will be a true release, not a mere update. He acknowledged competition from Google, but was critical of Google Apps, saying that it is "just not good enough today" for enterprise-level adoption. Cloud computing will also be a challenge for Microsoft, he said, since it involves a paradigm shift, but he predicted the company will adapt. Cloud computing will be delivered "piece by piece by piece," he said. "This is a technology that Microsoft is embracing, but it won't be ready the day after tomorrow."

What People Asked About

What metrics should I use to measure project success?

Traditional measures of “on time, on budget” do not automatically equate to project success. These kinds of metrics guide predictable project execution, but they don’t predict how well the deliverables of the project will meet the organization’s overall criteria for success. In addition to time and budget issues, measure adoption readiness and perception of efficiencies to be gained, and percentage coverage of user needs. These can be moving targets, as user expectations change over the course of a project. But that’s what makes them such important measures – they ensure the project delivers not to an obsolete plan of record, but to users’ needs as they exist at time of delivery.

What roles and skills should I have in my PMO?

A PMO doesn’t need a lot of people to be effective. It needs people who can leverage their knowledge across the organization for maximum impact. That generally means staffing starts with a leader with senior level credibility in the organization. This is often an internal hire who has been successful in bringing change and innovation in other areas of the organization. Another potential hire is a consultant who has been performing engagements to start PMO processes within your organization.

A support role is needed to handle reporting, logistics and administration. Senior people in the PMO should not do these tasks, even in the start-up phase, because they get positioned in the organization as support players, not the credible change agents they need to be.

Do not centralize project managers in a PMO, but rather have a small number of senior project managers directly report to the PMO. These project managers can directly manage large projects that span organizational silos and also be the mentors and role models for project managers throughout the organization. If the PMO is responsible for portfolio management, this should be staffed as a sub team within the PMO, separate from the project management execution specialty.

What are the characteristics of successful PPM leaders? How do we find them?

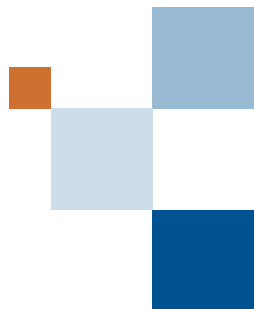
Be very deliberate about the people you get to fill these roles in the organization. Seek leaders, who have the credibility and stature to affect change. Research repeatedly shows that the best leadership style for a full-time project manager is that of a “benevolent dictator.” In effect, the project manager possesses 51% of the vote and a willingness to make the decisions that no one will make.

One misconception is that project management leads you to program and portfolio management. What we see in exceptional organizations is that there are three different types of people. The project management is an execution discipline; it’s methodical and mechanical. Program management requires coordination, looking at dependencies and championing program outcomes. For portfolio management, you really need someone who can negotiate and leverage the politics of the organization. It’s really investment governance.

Things to Watch For

Project Management as a Discipline is Changing: Initially, project management provided a structured way to approach a project, emerging from industries such as construction. In construction, projects need to be risk-averse and change resistant. But in the IT sector, you have to expect change. Gartner analysts are starting to see traditional project management methodologies crumble under the specific needs of technology projects. This is leading to agile methodologies in areas such as development, and Gartner sees the trend toward iterative execution, smaller and faster projects as emerging trends in PPM.

Leadership Matters: A key focus by Gartner’s PPM team is leadership. PPM leaders need vision and the ability to affect changes in business culture and processes. However, many people get lost in the detail and don’t see the big change initiatives they need to go through. This is something PPM leaders need to proactively plan. PPM leaders must pay attention to change management. This starts with leaders that have the credibility and stature to implement and manage change.



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