

How Technology Supports Project, Program and Portfolio Management

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CA CLARITY™ PPM

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Executive Summary

Challenge

Creating, maintaining and maturing a PMO are fundamental to today's mandate for IT organizations — whether internal or provided by professional services firms. Regardless of the source, the task is substantial. Achieving success in project, program and portfolio management requires utilizing a variety of technology solutions and services to overcome the challenges of driving down the cost of implementing PMO best practices while increasing the success rate and value to the organization.

Opportunity

This white paper, the fourth in a four-part series from CA, will detail how to use reference architectures and technology to optimize process and best practices, and deliver project completion, value, and manageable costs. The paper discusses which CA products and services are targeted at providing rapid time to value for clients at the appropriate level of PMO maturity.

Benefits

Organizations can benefit from proven technology and implementation best practices to:

- Drive efficiency and value while reducing costs
- Manage its services, projects, products, people and financials.
- Gain real-time views into the organization's investments, initiatives and resources
- Empowers project managers to deliver controlled and predictable execution of projects and programs

SECTION 1

How Technology Supports Project, Program and Portfolio Management

Driving Up the Success Rate and Value While Driving Down Cost

When managing projects, programs or portfolios, success generally comes down to the three following factors:

1. **Driving Up the Success Rate** Setting up the project for success by identifying the right team and scope, as well as determining the relationship between the project and its alignment with the organization's overall charter. The success rate is directly connected to the ability to find the best resources for a job (i.e. the ability to establish a charter that maps IT needs with the strategy and objectives of the overall business). This in turn, helps streamline costs of not only the resources but other cost elements in a project.
2. **Driving Up Value** Creating value is dependent on the ability to optimize your team and ensure investments are aligned with business objectives, thereby maximizing ROI.

Driving up value requires the following processes:

- **Skills Development** Creating a skill development path mapped to your business needs is crucial. For example, project managers should have the ability to record in a data repository the existing staff skills and development resources needed, and then interface with HR to get the correct training.
 - **Streamlined Execution** Developing repeatable templates and processes to use across the organization is also an important step. This is especially true in new product development where you need to ensure projects follow a repeatable process with every new initiative. For example, by developing an application for the sales and marketing teams following a proven and repeatable process, you can ensure their success and accelerate delivery.
 - **Understanding Program Risks** Consolidate and manage information from different projects aligned to the same goal for a realistic view of the impact that risks and changes would have on the costs and success of the program.
3. **Driving Down Cost** Institute good financial management with an IT portfolio system that prioritizes investments and accountability. This will allow you to allocate the real cost of projects, programs and IT services — from inquiry and access, to development and rollout of an application.

SECTION 2

Getting Started with a Reference Architecture

CA Services

CA Services specializes in the design and implementation of CA's Enterprise IT Management (EITM) solutions in complex environments. Our proven methodology is built on best practices gained from thousands of successful deployments, as well as industry standards and frameworks.

Starting from the analysis of your business requirements and the current state of your IT environment, CA applies Reference Architectures as valuable tools for defining a future PMO, speeding implementation, and lowering risks.

CA Reference Architectures document both process and implementation, and comprise the following:

- **Reference Process Model** Founded on industry and CA best practices
- **Reference Implementation** Built using CA's technology
- **Process and Technology Configurations** Designed to meet solution requirements

CA Services solution designs are created by highly trained and certified CA architects, and identify hardware, customization and integration requirements. The solution designs are expressed in Solution Architecture Specifications (SAS) and consider the impact on your entire IT operation, including processes, people and technologies. In addition, the use of CA Reference Architectures ensures that your solutions adhere to key industry standards and have been implemented in other customer environments.

Following is a top-line review of how CA can address the needs and technology requirements for each of the three key management offices: Project, Program and Portfolio.

Mapping Technology to Your PMO

The Project Management Office provides efficient, on-time and on-budget delivery of discrete projects by utilizing appropriate resources and best practices. In order to achieve this, however, they need to define the project scope, work breakdown structure (WBS) and all activity definitions and sequencing (i.e., defining process steps from start to finish). The project management office is also responsible for defining a charter, setting goals, developing measurement matrices to monitor goal achievement and establishing a communications plan to enforce implementation throughout the organization.

By using CA Clarity PPM™ you can create simple project plans for the collaboration and tracking of key tasks and milestones, or detailed plans for capturing all of the information in a complex project. Plans can also include key tasks, WBS hierarchies, estimates, dependencies and deliverables, and staff assignments. CA Clarity PPM also enables the creation of project templates to establish repeatability and speed up project creation. The templates leverage the extensive workflow capabilities of CA Clarity PPM enforcing the execution of all the underlying milestones to complete the project. CA Clarity PPM also records time and resource usage for each project. Once a timesheet is submitted through workflow management, managers with time-approval rights can review it for accuracy and completeness before approval is granted.

CA Clarity PPM also makes it easy to schedule key tasks and milestones and manage project and resource calendars – all within a web-native environment. For advanced scheduling and baselining, CA Clarity PPM provides out-of-the-box connection with both Microsoft Project and Open Workbench.

The document management functionality in CA Clarity PPM allows users to easily store and share documents. Administrators can apply the Precision Security™ management features to secure documents not only by user, group or role, but also by organizational breakdown structure (OBS), ensuring that everyone has access to the documents they need and nothing more. With document management, users can control document versions, use powerful search functionality, and route documents with workflow for review and approval.

When all activities are identified, CA Clarity PPM allows PMOs to create a platform to track staff utilization for each project. Once a project is defined, the project manager can search for the right resource based on skills, availability and cost. Finally, CA Clarity PPM allows managers to conduct capacity management by geography, department and roles, and link this analysis to current and even future project demand.

CA Clarity PPM also creates the critical connection needed between the IT organization's service and project functions. It records all the demand from outside and from within the project management team (for instance, project requests, service requests, incidents and ideas for new projects). End users can leverage idea management, a key feature of CA Clarity PPM, to capture, catalog, evaluate and approving product or technology ideas, project requests and early-stage initiatives. Once ideas are approved, users can automatically convert them into the appropriate project, application or product record. At that point, portfolio planning, resource allocation and time and cost tracking will begin immediately.

The recording of demand can be achieved through an end-user web form capturing all the information required, or integrating with other IT Service Management tools like CA Service Desk (or third-party help desk) via CA Clarity PPM XML Open Gateway, thereby linking the project demand to incident or change management.

The Program Management Office: Efficient, Responsive Delivery

The Program Management Office answers business demands and reduces time to market by understanding program costs and utilizing a pool of resources across multiple related projects simultaneously.

Once the foundation of the project management office is set, you can begin to manage new levels of cost, risk and quality complexities brought on by a collection of interrelated projects. Program Management Offices can introduce work breakdown and project structures that are more in-depth and further aligned with executive management. For example, if a new request generates multiple, interrelated projects the project management office can combine the requests into a single view that taps a particular pool of talent and budget for the sake of efficient project delivery.

CA Clarity PPM can add even more value in the Program Management Office. With little configuration, CA Clarity PPM can be used to effectively manage programs. When you need to manage large programs with a related series of projects, CA Clarity PPM provides top-down budgeting and forecasting, as well as bottom-up risk, status, cost and schedule reporting for subprojects. For the program manager, it is crucial to gain visibility across multiple linked projects in order to see the full impact that one change can make to an entire program — from budget to project progress.

At the resource level, what you do on a small scale for a single project, you now need to do on a larger scale. CA Clarity PPM provides the HR department with reports on skills and resources, as well as log new skills gained with experience. It can then help determine where you might need to hire for additional skill sets that are not currently part of the team. It also creates an efficient and orderly mechanism for communicating resource requirements to resource managers or the HR organization. In addition, it provides resource managers the information they require to quickly find people who meet the needs of a project or program.

The Portfolio Management Office: Move from IT Tactics to IT Governance/ Business-Driven Maturity

Portfolio Management Offices map potential IT investment to business imperatives, creating visibility to prioritize use of resources, staff, budget and outsourcing options.

In order to achieve these objectives, portfolio management offices need to keep improving program quality through reports, and introduce program budgets and program costs; create a link with management; and track financial management.

By instituting the following four steps, a portfolio management office can make the transition to a much more strategic business driver and valued partner, moving beyond project and program delivery to true IT governance. IT governance helps the business make crucial investment decisions and to subsequently manage “lights on” investments, new growth/R&D investments, and risk and compliance management investments from the IT shop.

- 1. Define Criteria** The first phase of IT portfolio management is defining the investment evaluation criteria applicable to the organization. CA Clarity PPM provides key metrics, including true benefit and true cost capture, resource capacity and demand, alignment to goal rating, milestone schedules and risk profiling. With point-and-click configuration, it is straightforward to create, prioritize and evaluate investments against the organization's own metrics, such as return-on-investment and break-even analyses, cost avoidance or revenue enhancement goals, quality statistics and business value assessments.
- 2. Define Portfolio** The second phase consists of taking inventory of the current and proposed investments that comprise an IT service portfolio — assets, applications, projects, ideas and products — to be evaluated against the selected criteria. You can enter investments through the user interface, or easily import them in batch or real time from external systems using the CA Clarity PPM XML Open Gateway or CA Clarity Web Services.
- 3. Empower Decision Making** CA Clarity PPM provides a complete set of tools and reports to enable the budgeting, analysis and “What if?” scenario planning in the third phase of portfolio management. When the number of investment choices grows, you need a systematic method to determine the optimal set of investments. Efficient Frontier, a feature of CA Clarity PPM, enables you to specify a set of constraints, including budget, risk, time, and resource role capacity. The system evaluates all potential combinations to find the Efficient Frontier, an optimized set of portfolio choices that provide the highest return for the lowest cost.
- 4. Communicate, Execute and Assess** This step consists of communicating decisions to department, resource, project and IT relationship managers so that detailed plans can be put in place. With seamless integration across all functional areas of CA Clarity PPM you ensure that decisions are well communicated, initiatives are well executed, and performance is well tracked.

Furthermore, across the maturity levels of project, programs and portfolio management offices, adhering to budget and accurately tracking and billing the business for services and strategic initiatives has become a critical component of IT governance. CA Clarity PPM offers a single system-of-record that maps IT costs to services consumed, dynamically analyzes the impact of budget changes, provides detailed invoices for IT services, and provides an audit mechanism for all IT cost changes.

SECTION 3

Leveraging CA Technology

Drive Efficiency and Value While Reducing Costs

CA products and services are targeted at providing rapid time to value for clients. Whatever level PMO you have, CA provides both the technology and reference architectures that best suit your needs and help drive optimal performance in your organization. In addition, these architectures and tools provide a clear path to efficiently and effectively growing your organization's maturity — from "Active," to "Efficient," to "Responsive," and ultimately, to the most strategic and "Business-Driven" state.

SECTION 4

Conclusion

CA can help, and is committed to your success. CA Services specializes in designing, implementing and optimizing PMO solutions to help you achieve the efficient IT performance that drives superior business results through a five-step, rapid time-to-value approach that delivers results quickly and incrementally. CA also offers a variety of professional services packages to help implement a PMO rollout and reduce risk.

SECTION 5

Recommended Reference Material

- <http://www.ca.com/us/eitm>
- <http://www.ca.com/us/products/category.aspx?ID=7005>
- http://www.ca.com/Files/ServicesBriefs/ppm_services_brief.pdf

SECTION 6

About the Author

A Certified ITIL Manager and author of many best-practices documents and Solution Architectures, Enrico Boverino is a Senior Architect for CA's Business Service Optimization practice, based in the UK. As a certified CA Architect, Boverino has led numerous technology implementations and is also responsible for publishing and reviewing CA Solution Architecture documents in order to promote the CA Delivery Methodology to clients and the CA Architect community.

CA, one of the world's largest information technology (IT) management software companies, unifies and simplifies complex IT management across the enterprise for greater business results. With our Enterprise IT Management vision, solutions and expertise, we help customers effectively govern, manage and secure IT.

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