

Project Portfolio Management

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1. Introduction

Project Portfolio Management (PPM) looks to empower organisations to realise the full potential of their projects and the benefit that these projects have on the organisation as a whole.

There have been great steps taken in project performance over the past few years with organisations undertaking various methodologies to 'do projects right'. Alongside project lifecycle management, PPM is a methodology that an organisation can employ to 'do the right projects'.

PPM methodology has a number of wide-ranging benefits including aiding organisations to invest in opportunities with the best ROIs, reducing expenditure, focussing on strategic value and therefore encouraging faster prioritisation and resource allocation for the more valuable projects.

Measures and initiatives are now being taken within the Programme Management Team to review and streamline processes and to provide a more consistent set of management information about projects. In response to feedback from the National Audit Office and also with the RACI responsibility for developing a plan for programmes sitting with the Head of Programme Management, the PPM strategy has been trialled and is now being used within Global IS to assess projects.

The initial trial included projects that are already underway within the IS Efficiency and IS Business programmes. The methodology is now being rolled out to the Business Process Management (BPM) team for use when assessing the feasibility of SAP projects and it has also been extended for use with new project proposals within Global IS, mainly from the Account Management and Strategy teams.

2. Management Summary

- Programme Management has successfully implemented a series of improvements designed to streamline and centralise project reporting, communications and status visibility.
- Project Portfolio Management (PPM) is a recommended method which has been trialled using the current portfolio of projects and we are now seeking to utilise in order to assess and prioritise our proposed sets of projects across GIS.
- PPM methodology has also been passed over to the BPM team for use when assessing SAP-related projects.
- Successful implementation of this method using the projects being led by the Programme Management Team has encouraged all GIS functions becoming involved in project assessment and prioritisation and has also led to a more-defined process for project submission and approval.

3. Scope

The scope of this document is to;

- provide an overview of Project Portfolio Management;
- provide defined criteria for assessing projects;
- define the project portfolio framework to define how PPM will be used and by whom; and to
- assess the governance and processes that will need to be in place within Global IS and the BPM Team to encourage and facilitate the use of PPM;

4. What is Project Portfolio Management?

Project Portfolio Management can be defined as *‘the management of the project portfolio so as to maximise the contribution of projects to the overall welfare and success of the enterprise. PPM is the management of that collection of projects and programmes in which a company invests to implements its strategy. A PPM process can utilise various techniques to provide tangible results for your business, ensuring that project investments contribute directly to realising your corporate goals.....[PPM is] the organisation of a series of projects into a portfolio consisting of reports that capture project objectives, costs, timelines, accomplishments, resources, risks and other critical factors.’* (‘Project Portfolio Management’, Shan Rajegopal, Philip McGuin & James Waller, 2007, Page 11)

PPM provides an organisation with a structure for deciding which projects, programmes and initiatives to fund and deliver. It can remove any element of so called pet-projects, which may or may not feed into the overall organisation strategy, by providing a process by which the right projects and programmes can be selected using an agreed set of criteria.

One of the major challenges of PPM is to define and understand how the projects are selected, approved and prioritised. The initial hurdle is that many organisations often have no idea of what projects are underway or in the pipeline to be completed.

The Programme Management Team in Global IS has started to address that challenge by compiling a detailed inventory of the projects that the team is currently delivering and also listing work that we know has been suggested as future projects. This ‘dashboard’ is now sent out weekly and the GIS team is now ready to start assessing new project initiatives so that they can be scored and ranked against tactical criteria and strategic objectives.

5. How will PPM be used within the British Council?

Project Portfolio Management is a required element of the Transformational Government Agenda;

“The Reliable Project Delivery Programme is a key element of the ‘Transformational Government Enabled by Technology’ Strategy and has been set up to develop measures to increase the success rate of the government’s major IT related programmes and projects” and “To ensure that we **Do The Right Projects** we are working with the government CIOs and their organisations to introduce a **Common Approach to Portfolio Management** across all government. This will enable us to:

ensure that the right programmes and projects (those we should be doing) are tackled in the first place and that the wrong projects (those we shouldn’t be doing) never start, or if they do are stopped;

provide the opportunity for proactive management of government’s overall investment in IT and the major programmes and projects it is delivering, across government as a whole; and

maintain an holistic view of that investment. (Cabinet Office Transformational Government website - http://www.cio.gov.uk/reliable_project_delivery/index.asp)

PPM was initially trialled within the Programme Management Team in Global IS and the method has now been extended to the BPM team to assist the prioritisation of proposed SAP-related projects.

PPM will allow informed choices to be made when approving projects, bidding for funds for the right projects and also to help indicate which projects should perhaps take priority over others when assigning resource.

6. Proposed Method

In Tony Bright's original document on PPM, the proof of concept was completed using the Cost/Benefit Analysis (CBA) method to analyse and score 17 IT-enabled projects within the British Council. This is the method used by the Office of Government Commerce (OGC) and looks to score a project based on:

- Strategic alignment
- Impact and Reach
- Negative Response & Reputation Risk
- Achievability
- Financial Appraisal

Scores from each of these assessment areas are consolidated to produce one score for Strategic Value. It was highlighted in a response paper by Wendy Richardson (Account Management Team) that the 'value of the results for both strategic value and risk & complexity is totally dependent on the accuracy and reliability of the individual component scores. Assuming that the component scores are reliable there is a risk that assigning scores to important factors and combining them together in this way may obscure very important facts such as project costs, return on investment and fit to strategy. If the underlying data is subjective, inaccurate or weighted inappropriately the overall result may be misleading or worthless.'

Gartner suggests that this risk is mitigated by having the scoring carried out by a group of 10-20 informed individuals. It is also important to remember that it is just one of the tools available to support decision making, the underpinning data must still be available to the decision makers.

Our initial proposal was to use the criteria detailed in Section 6 to score a number of known projects from both the IS Efficiency and IS Business programmes. The criteria were made as specific as possible so as to eliminate potential guesswork or subjective scoring by the evaluator(s). This is effectively a 'proof of benefit' stage and it is envisaged that this PPM methodology will be rolled out corporately across all projects once the trial has been started within Programme Management.

A further advance by the Programme Management Team has been the introduction of the outline business case template which is submitted prior to scoring using PPM. This template has been designed to reflect the categories of PPM scoring and hence encourages the author of the business case to tailor the information towards the scoring.

6.1 Experience So Far

An initial scoring session was carried out to try to validate the criteria proposed in this paper; success during this round led to a second round of scoring, using the same projects from the IS Efficiency and IS Business programmes, with the Account Management, Strategy and Programme Management teams all represented.

Again, this scoring has been a successful exercise and will be completed in the near future when the risk scores have been finalised by the three departments.

We have identified that the criteria for Achievability needed to be changed slightly, ensuring that projects which are in the very early proposal stage aren't penalised for not having the required project documentation. The

requirement for submitting a project is the completion of the 'Outline Business Case' which then provides enough information for the project to be reviewed and scored.

We have also added in 'Business Efficiency' into the Strategic Alignment criteria as this has been added to the organisational goals.

These scoring sessions have also prompted GIS to review the whole process for submission of projects and the outcome of this work is shown in section 12.

6.2 Gartner Review

The initial scoring results were sent over to Gartner for analysis and a teleconference was subsequently held with Programme Management, Strategy and a Gartner representative.

The meeting was generally very positive and our feedback from the Gartner specialist was that we are putting in place all the things that have made PPM a success in other organisations.

Some of the key points given to us by Gartner were:

- Organisations that have a form of steering group/investment review board with the mandate to approve the larger, more expensive requests are successful in determining where to spend money.
- There is generally a group sitting in the middle, a PMO or portfolio management office, which will actively manage the scorecard and PPM process.
- Work with a small group to propose the score card, priorities and weightings etc. Refine the scoring and weighting as you go along. If the senior management team questions the scores, then question the weightings and refine again.
- For organisations that use PPM successfully, it is generally the business side that completes and owns the business cases for projects – IT can help by interpreting the headings in the business case.
- IT doesn't succeed in nominating projects but an IT analyst is often helpful when defining projects/business cases.
- Keep a separate portfolio for the 'keeping the lights on' IT projects.
- When is a project a project? Keep the threshold relatively high because of the administrative overhead or bundle work up.
- Keep in mind that PPM is a good starting model, but the metrics need to be tuned to what the organisation thinks is valuable as the British Council has a unique mission. Adapt the method for the British Council and refine every 6 months.

7. Proposed Criteria

7.1 Strategic Alignment

| Strategic Alignment - the extent to which the project achieves strategic objectives. | |
|--|---|
| Score | Definitions |
| 5 | <p>The project <u>directly assists</u> the achievement of a <u>long-term or intermediate</u> goal, efficiency target or legislative requirement. This project contributes directly to the aims of one of the current programmes of work.</p> <p>These long-term major goals, targets and requirements are:</p> <ul style="list-style-type: none"> • More flexible & responsive To be more flexible in the way we use people from both inside & outside the organisation to constantly respond and reshape ourselves, to seize external opportunities to maximise our cultural relations impact • More expertise To have greater capacity collectively and individually to grow our business and be more expert in developing and delivering large-scale cultural relations programmes which make an impact in the world • More freedom of action To be more confident in our autonomy and freedom to act at arms length from government to respond to medium term opportunities and challenges to achieve long term cultural relations impact • Stronger profile To grow our profile to ensure that we are widely understood and valued in the UK and are a partner of choice for UK Government as well as governments, institutions, not-for profits and businesses in the UK and worldwide who want to work with us based on an understanding of our strategy, purpose, strengths and our scale of impact • Greater scale of operation To grow the scale of our operation to achieve maximum cultural relations impact in the world, attract the best partners and increase the value placed on us by stakeholders and the public |
| 3 | <p>The project makes <u>some contribution</u> to the achievement of a <u>long-term or intermediate</u> goal, efficiency or legislative requirement. This project contributes directly to the aims of one of the current programmes of work.</p> <p>These long-term major goals, targets and requirements are:</p> <ul style="list-style-type: none"> • More flexible & responsive To be more flexible in the way we use people from both inside & outside the organisation to constantly respond and reshape ourselves, to seize external opportunities to maximise our cultural relations impact • More expertise To have greater capacity collectively and individually to grow our business and be more expert in developing and delivering large-scale cultural relations programmes which make |

| | |
|--|--|
| | <p>an impact in the world</p> <ul style="list-style-type: none"> • More freedom of action To be more confident in our autonomy and freedom to act at arms length from government to respond to medium term opportunities and challenges to achieve long term cultural relations impact • Stronger profile To grow our profile to ensure that we are widely understood and valued in the UK and are a partner of choice for UK Government as well as governments, institutions, not-for profits and businesses in the UK and worldwide who want to work with us based on an understanding of our strategy, purpose, strengths and our scale of impact • Greater scale of operation To grow the scale of our operation to achieve maximum cultural relations impact in the world, attract the best partners and increase the value placed on us by stakeholders and the public |
|--|--|

7.2 Impact and Reach

| Impact & Reach – the extent to which a project will improve operational performance and the achievement of corporate outputs and and outcomes | |
|---|--|
| Score | Definitions |
| 5 | <p>Successful delivery will directly result in significantly improved business performance.</p> <p>To score 5 a project must show in a completed business case that the following will be measured as part of the benefits management:</p> <ul style="list-style-type: none"> • Significant reduction in time to carry out defined tasks (>30%) • Improved turnaround of work (>30%) • The number of groups of employees around the world that are positively impacted by the project (>50% of all BC Offices) |
| 4 | <p>Successful delivery will directly result in improved business performance.</p> <p>To score 4 a project must show in a completed business case that the following will be measured as part of the benefits management:</p> <ul style="list-style-type: none"> • Reduction in time to carry out defined tasks (>15%) • Improved turnaround of work (>15%) • The number of groups of employees around the world that are positively impacted by the project (>25% of all BC Offices) |
| 3 | <p>Successful delivery will help enable significantly improved business performance.</p> <p>To score 3 a project must detail the following in a completed business case. However, the benefits may be intangible and not measurable as part of this project:</p> <ul style="list-style-type: none"> • Reduction in time to carry out defined tasks • Improved turnaround of work • The number of groups of employees around the world that are positively impacted by the project |

| | |
|----------|--|
| 2 | <p>Successful delivery will help enable improved business performance.</p> <p>To score 2 a project must have a completed business case which will detail how the delivery will enable improved business performance. However, the benefits may be intangible and not measurable as part of this project.</p> |
| 1 | <p>Successful delivery may influence business change.</p> <p>To score 1 a project must have a completed business case which will detail how the delivery will influence business change. There will be no identified improvements to business performance as a direct result of this project.</p> |
| 0 | <p>The project has no obvious benefits for impact and reach, i.e. the project will not improve business performance or influence business change at all.</p> |

7.3 Negative Response & Reputational Risk

| Negative Response & Reputational Risk – the consequences of postponing or not doing the project | |
|--|---|
| Score | Definitions |
| 5 | <p>If the project is postponed or not done, there will be catastrophically damaging effects on the organisation including high damage to reputation, e.g.</p> <ul style="list-style-type: none"> • lost or mislaid personal data • systems impact – from viruses, worms • no disaster recovery • negative impact on British Council services/customers • negative stakeholder/public perception, e.g. bad press, whistleblower information |
| 4 | <p>If the project is postponed or not done, there will be severely damaging effects on the organisation with some damage to reputation, e.g.</p> <ul style="list-style-type: none"> • lost or mislaid personal data • systems impact – from viruses, worms • no disaster recovery • negative impact on British Council services/customers • negative stakeholder/public perception, e.g. bad press, whistleblower information |
| 3 | <p>If the project is postponed or not done, there will be severely damaging effects on the organisation but no reputational damage, e.g.</p> <ul style="list-style-type: none"> • no disaster recovery for systems/telephony for internal offices, i.e. no external customer impact • negative impact on employees and employee satisfaction but not on external customers • systems impact but does not prevent staff from working |
| 2 | <p>If the project is postponed or not done, there will be moderately damaging effects on the organisation, e.g.</p> <ul style="list-style-type: none"> • negative impact on employees and employee satisfaction but not on external customers • systems impact but does not prevent staff from working |
| 1 | <p>If the project is postponed or not done, there will be some damaging effects on the organisation.</p> |
| 0 | <p>If the proposal is postponed (programme/project) is postponed or not done, there will be no damaging effects on the organisation.</p> |

7.4 Achievability

| Achievability – the extent to which the project is well defined, based on a proven approach or requires new capability to be successful | |
|--|---|
| Score | Definitions |
| 5 | <p>This project is highly feasible with clearly defined outputs and outcomes. All of the following information is available and has been presented along with the project request:</p> <ul style="list-style-type: none"> • Proof of Concept (pilot) has been completed, with documented outcomes • PID • Business Case, including specific, measurable benefits • Project has been logged as a request with the Programme Management Team and is in the pipeline • The project has been reviewed by the business analyst • Draft high-level timescales are available • No new capability (skills and/or organisational process) is required |
| 3 | <p>This project is feasible with clearly defined outputs and outcomes. All of the following information is available and has been presented along with the project request:</p> <ul style="list-style-type: none"> • Outline business case |
| 0 | <p>This project does not have clearly defined outputs or a proposed plan. The outline business case has no specific, measurable benefits.</p> |

7.5 Economic Appraisal

| Economic Appraisal – the extent to which a project is financially viable | |
|---|---|
| Score | Definitions |
| 5 | <p>This project is an excellent return on investment. The financial benefits far outweigh the costs and there are significant direct non-financial benefits. The following documentation is available:</p> <ul style="list-style-type: none"> • Business case, including solution options. • Benefits map, showing both financial and non-financial benefits • Measurement details about how the benefits will be measured • Costs, including kit costs (h/w & s/w), contractor costs, travel costs for all options • Resource estimates based on high-level timescales |
| 4 | <p>This project is a good return on investment. The financial benefits outweigh the costs and there are significant direct non-financial benefits. The following documentation is available:</p> <ul style="list-style-type: none"> • Business case, including solution options. • Benefits map, showing both financial and non-financial benefits • Measurement details about how the benefits will be measured • Costs, including kit costs (h/w & s/w), contractor costs, travel costs for all options • Resource estimates based on high-level timescales |
| 3 | <p>This project is good value for money. There are realisable financial benefits offsetting a large proportion of the costs and significant non-financial benefits. The following documentation is available:</p> <ul style="list-style-type: none"> • Business case, including solution options. • Benefits map, showing both financial and non-financial benefits • Measurement details about how the benefits will be measured • Costs, including kit costs (h/w & s/w), contractor costs, travel costs for all options • Resource estimates based on high-level timescales |

| | |
|----------|---|
| 2 | <p>This project offers value for money. Together, the financial and non-financial benefits outweigh the costs. The following documentation is available:</p> <ul style="list-style-type: none"> • Business case, including solution options. • Benefits map, showing both financial and non-financial benefits • Measurement details about how the benefits will be measured • Costs, including kit costs (h/w & s/w), contractor costs, travel costs for all options • Resource estimates based on high-level timescales |
| 1 | <p>This project is poor value for money. High costs offer few financial benefits or direct non-financial benefits. The following documentation may or may not be available:</p> <ul style="list-style-type: none"> • Business case, including solution options. • Benefits map, showing both financial and non-financial benefits • Measurement details about how the benefits will be measured • Costs, including kit costs (h/w & s/w), contractor costs, travel costs for all options • Resource estimates based on high-level timescales |
| 0 | <p>This project offers an inadequate return on investment. There are high costs with few financial, mainly indirect, benefits. Not all documentation is available and therefore reassessment may be required.</p> |

7.6 Financial Appraisal

| Net Present Value as % of outlay | Internal Rate of Return as % | Payback period in years | Score |
|---|-------------------------------------|--------------------------------|--------------|
| >30% | >40% | Up to 1 | 5 |
| >20% | >30% | Up to 2 | 4 |
| >10% | >20% | Up to 3 | 3 |
| =0% | >10% | Up to 4 | 2 |
| <-10% | >0% | Up to 5 | 1 |
| <-20% | <-10% | Greater than 5 | 0 |

8. Proposed Weighted Values

The weighting of each criterion in relation to the other criteria is indicative of the significance that the organisation puts on that criterion. The criteria detailed above are not all equal in terms of project delivery and each organisation would map a value onto each of these criteria differently, depending on their relative strategic or business emphasis.

The PPM methodology is new to the British Council and the weighting of criteria is an area which needs to be questioned and reviewed as the scoring model matures. It was decided that we should initially avoid weighting the criteria when scoring the projects chosen for the proof of concept.

GIS Efficiency projects were used to test the methodology and scoring system without weightings. These projects were well known enough for the scoring panel to be able to judge whether or not the scoring output reflected the importance and validity of the project and it was felt at the time that weightings weren't necessary. The final scoring and ranking did seem to reflect the panel's initial thoughts about the projects.

It must also be noted that if projects are assessed as part of a programme of work, e.g. as part of the IS Business or IS Efficiency programmes, then the weighted values can be altered to reflect the importance placed on values by that part of the organisation. If all projects are assessed as part of a 'pot' of work across all of Global IS then the weightings for each criterion must remain the same.

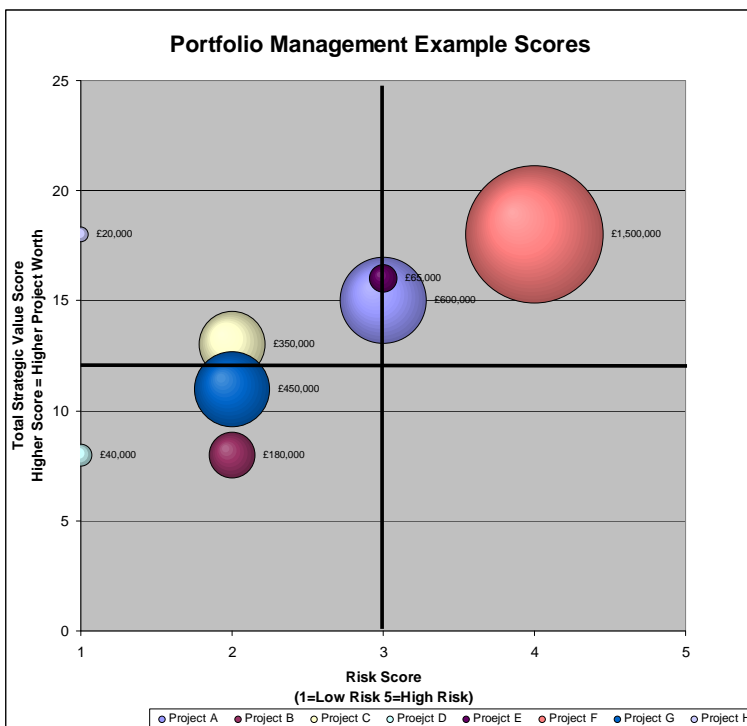
Within the Business Process Management team work is underway on PPM and the Investment Board will be asked about weightings.

9. Project Ranking

Project ranking is simply placing the project work in descending order according to the results of the scoring model. This essentially assigns a priority to each of the projects and hence, available resource can be assigned to provide the greatest benefit.

Within the British Council we are measuring strategic value, risk and cost to provide the results of the PPM scoring in a bubble diagram (see below). This is helpful when reviewing which projects fit into the organisation's strategy towards risk – if a project is high risk and low strategic value then the benefits of completing the project might be queried by the investment team.

Project ranking is not the main goal within the British Council when completing PPM; it is the process by which we can identify the overall validity of completing the project that is more helpful.



However, it can also be argued that a scoring model cannot replace good common sense, e.g. if a project is deemed regulatory and therefore mandatory, it would be prudent to prioritise the project above other projects which perhaps have a higher overall score.

10. Risk Potential Assessment

The OGC has a risk analysis spreadsheet tool which can be used to score each project for risk and complexity. This is shown in Appendix A. The OGC has developed a series of questions that are designed to identify the risk in several areas of the business change programme or project. These are answered using a simple 1 to 5 scale for low to high risk as outlined below:

- If the answer to the question is "Yes" then the Score = 1 (Low risk)
- If the answer to the question is "largely" then the Score = 2 (Medium low risk)
- If the answer to the question is "to some extent" then the Score = 3 (Medium risk)
- If the answer to the question is "partially" then the Score = 4 (Medium high risk)
- If the answer to the question is "No" then the Score = 5 (High risk)

The risks are divided into:

| | |
|--|--|
| Inherent risks, i.e. Those risks that relate to the organisation itself. | Business Vision |
| | Business Process |
| | Business Environment & Constraints |
| Acquired risks, i.e. Those risks that arise as a consequence of doing the project. | Scope of programme, project or procurement |
| | Project organisation and control |
| | Team capability, experience and support |

It is recommended that this tool is used for each project assessed using the PPM methodology.

Each of the projects can then be further compared by assessing the risk against the overall value scored in the scoring matrix. This may enable senior managers to reassess how they rank each of the projects and/or decide which projects to progress.

11. Project Portfolio Framework

In 'Project Portfolio Management' (Shan Rajegopal, Philip McGuin & James Waller, 2007, p23) there is a list of best practice considerations which they recommend should be considered while deploying PPM;

- Who: Engage the right people
- Why: Identify the benefits of deploying PPM
- What: Select the right tools
- How: Test the tools and processes
- When: Avoid a 'big bang' deployment

11.1 Who: engage the right people

The initial stages of deploying the PPM process have shown that the whole of Global IS needs to be involved in the project prioritisation and planning process. The main participants in the scoring have been Account Management, Strategy and Programme Management, all of whom represent different angles of work and opinion.

The Programme Management Team will consult the Account Management Team and the Strategy Team to work on implementation of the PPM model described in this document.

It is envisaged that the PPM assessment of projects will continue to involve these three teams as and when they are submitted for consideration.

11.2 Why: identify the benefits of deploying PPM

The benefits of PPM are widespread and are being used more and more frequently in major organisations to ensure that the right projects are being completed at the right time and with the correct resources.

The British Council is currently reviewing all processes used by the Programme Management Team and it is therefore considered a favourable time to deploy PPM and allow the process to embed before possibly rolling out to the rest of Global IS.

11.3 What: select the right tools

PPM is a methodology which stretches beyond the scoring and prioritisation of projects. PPM software tools are widely available but not absolutely necessary for the British Council Programme Management team to deploy the initial method.

The 'Programme Management Dashboard' is now up and running, providing a full overview of all projects and programmes currently underway or in the pipeline for delivery. This document has provided the first step in gathering together project information and can be used as a basis for PPM deployment.

The central PSO in London is currently trialling software called ChangeDirector which will also be trialled within the Programme Management Team and should provide a platform for logging and recording benefits. It may be possible to extend the use of this tool to further improve the PPM process.

11.4 How: test the tools and processes

The initial projects that were scored as part of the initial trial were from both the IS Efficiency and IS Business Programmes.

- The Telephone Network – Cheaper Calls
- ROAM
- IT Management Systems (SMS)
- Multi-Functional Devices
- VPN Decommissioning
- Service Rationalisation
- Internal Collaboration
- Personal Information Security
- Interim External Collaboration

The results were largely as predicted and there doesn't appear to be an immediate need to alter the scoring or add weightings to the criteria. The Programme Management team is working closely with the Account Management and Strategy teams in GIS to ensure that all three teams has input into the PPM scoring. We are also pulling together a high-level project submission process, including development of the outline business case template which is tailored towards PPM.

We are now starting to push new project initiatives that are emerging across GIS through the PPM process to identify their strategic value and hence priority for completion.

11.5 When: avoiding a 'big bang' deployment

It is recognised that deploying Project Portfolio Management within an organisation can actually be something of a shock to the system – in particular where 'pet projects' projects are simply part of life. These types of projects can absorb scarce resources and generally fall outside an agreed project management process, deflecting priority away from those that would actually benefit the organisation the most.

PPM will prevent that from happening, especially if there is executive sponsorship of the process.

In the British Council a phased deployment across Global IS is recommended – with Programme Management trialling and refining the process first to ascertain the complexity of the process and possible issues. If this implementation is supported and successful then the organisation will be able to minimise project risks, foster greater integrated working and deliver identified benefits across the business.

PPM should encourage better project decision making and feed directly into other key performance indicator tracking.

12. Portfolio Execution and Monitoring

In most organisations, the portfolio of projects is likely to keep changing throughout the year, with new projects being suggested and on-going projects changing.

Portfolio Management is an on-going exercise and the proposal is that the current project planning team within the Programme Management Team is responsible for monitoring, replanning and reassessing the workload.

It is essential that this monitoring takes place to understand the impact of project scope changes, projects being cancelled and the submission of new project requests which may take higher priority against the current portfolio of projects. Typical steps that the team will need to undertake are shown in Appendix B.

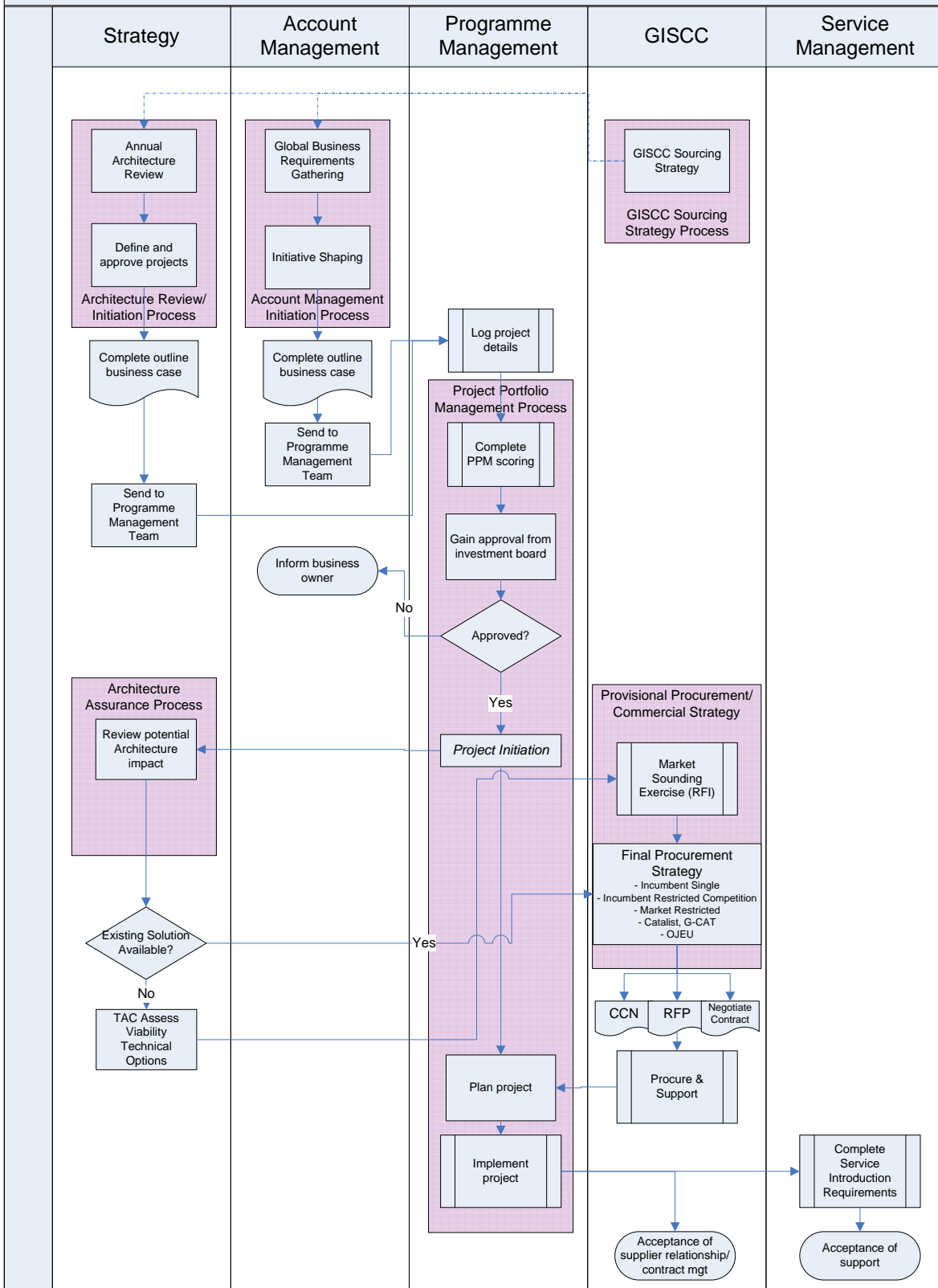
Across the rest of the GIS department, a process has been put in place to try to capture new project initiatives and to push them through the PPM scoring model. This is shown below and captures the high-level process across all of the teams.

13. Steps Taken to Date (as of March 2009)

The initial proof of concept completed in 2005 identified a number of improvements and changes to methodology, process and procedures in order to effectively implement Project Portfolio Management. The table below identifies improvements that have already been introduced and areas where work will need to be consolidated alongside PPM deployment.

| | Original Identified Improvement | Current status |
|---|---|---|
| 1 | Improve supporting notes for Strategic Value scoring criteria, especially for the components Strategic Alignment and Impact and Reach | Completed |
| 2 | Consider removing 'Negative Response/Reputational Risk' from Strategic Value criteria as it makes little contribution to the scoring | This has been included in the criteria and we would recommend that it remains in place. The recent publicity surrounding government departments losing personal data etc suggests that the BC should monitor project impact even more closely |
| 3 | Increase the number of people applying the criteria to improve the reliability and validity of the results | The initial PPM scoring has been completed by the Heads of Department for Business Relationship Management Management, Strategy and Programme Management and is seen as effective. |
| 4 | Ensure project and programme managers calculate costs including all BAU costs and calculate ROI. | Outline business case template now in place to capture info |
| 5 | Investigate the possibility of producing a tool for determining risk that more accurately reflects the British Council's view of Risk and Complexity | The Rapid Risk Assessment provided by the OGC is the tool in use. |
| 6 | To produce separate reports for projects at different stages in the lifecycle. One for prioritising and making commissioning decisions, the other to monitor progress and for making decisions regarding corrective action | The process is that the business case is tracked for all projects. If the business case changes at any point during the project then it is recommended that a second PPM assessment takes place. Two separate reports are now being trialled |
| 7 | To extend PPM methodology for monitoring progress of projects and programmes. The areas covered may include: costs, resource utilisation, timeframe, benefit realisations, scope, achievement of milestones and the quality of deliverables | Project progress is being monitored via a 'programme management dashboard'. |
| 8 | Buy in to be secured from the required stakeholders | Ongoing. |
| 9 | Set up a PPM function with the British Council to develop the methodology, produce and promote standards and monitor and report on our portfolio | Ongoing – we have addressed this with the PSO and will continue to provide assistance where requested so that roll out can be extended successfully |

Global IS High-Level Project Process v1.0 – April 09



14. Appendix A

RAPID RISK CHECK

Key to scoring system

- YES (Low risk) score: 1
- Largely (Medium Low) score: 2
- To some extent (Medium) score: 3
- Partially (Medium High) score: 4
- NO (High risk) score: 5

Corporate risks (external to the project)

A Business vision

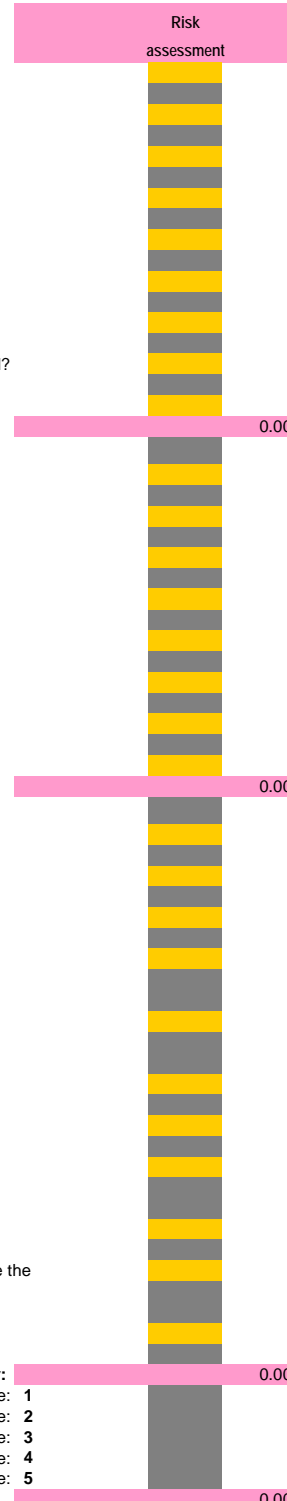
- A.1 Are the business needs, assumptions and outcomes clearly understood?
- A.2 Is the impact of business change small?
- A.3 Has the organisation delivered comparable change before?
- A.4 Is it clearly stated how the changes will affect the business?
- A.5 Is the requirement clearly defined and related to business objectives?
- A.6 Do those affected by the change know how they will be affected and why?
- A.7 Is the delivery team able to translate the business requirement into a detailed specification?
- A.8 Is it clear how the new programme or project fits with existing business and any conflicting priorities resolved?
- A.9 Is it clear why the change needs to be made?

B Business process

- B.1 Is it clear how existing business processes will be affected by the change?
- B.2 Will critical business processes be unaffected?
- B.3 Will existing ways of working remain unchanged?
- B.4 Is the likely impact of other change on this minimal?
- B.5 Are the people who will work in new ways all in one place?
- B.6 Is the business process that underpins the change already in place?
- B.7 Are existing communication lines between programmes/projects and stakeholders adequate?
- B.8 Does the organisation learn from relevant experience?

C Business environment & constraints

- C.1 Does the organisation understand the current state of its infrastructure?
- C.2 Are the proposed changes to the technical environment straightforward?
- C.3 Is the impact on the existing technical environment (including facilities and services) well understood?
- C.4 Is the business familiar with any proposed technology and does it have available the core skills and competencies to exploit it?
- C.5 Are the technical components of the change basic 'off-the-shelf' items and / or compliant with relevant industry standards?
- C.6 Has the entire life-cycle of the project been adequately considered in terms of cost/budget and flexibility?
- C.7 Has the need for modular/incremental delivery been addressed, where appropriate?
- C.8 Are customers likely to be confident about the reliability of the existing technical infrastructure and quality of existing services?
- C.9 Will the implementation of the change be straightforward?
- C.10 Does the organisation have (or can readily obtain) the necessary capability and capacity to own and manage the business change?
- C.11 Do the senior managers responsible for delivery of this programme acknowledge and accept their responsibilities?



- YES (Low risk) score: 1
- Largely (Medium Low) score: 2
- To some extent (Medium) score: 3
- Partially (Medium High) score: 4
- NO (High risk) score: 5

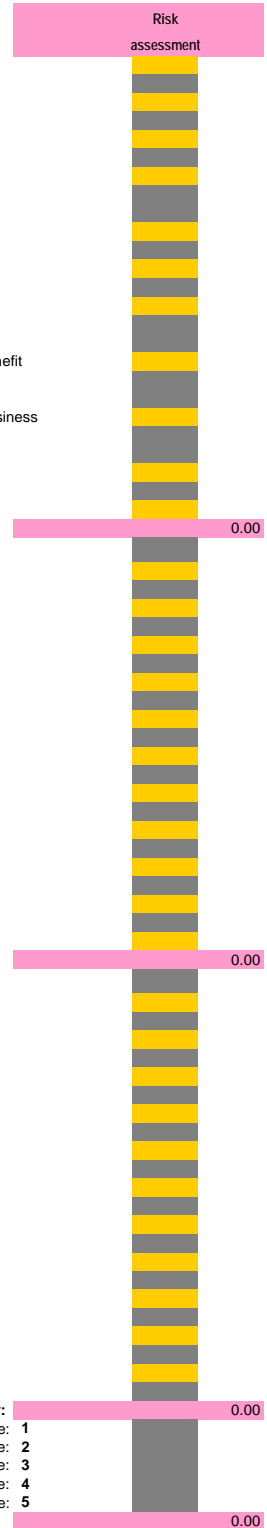
RAPID RISK CHECK

Key to scoring system

- YES (Low risk) score: 1
- Largely** (Medium Low) score: 2
- To some extent** (Medium) score: 3
- Partially** (Medium High) score: 4
- NO (High risk) score: 5

Project-specific risks

- D Scope of Programme, project or procurement**
- D.1 Is the 'project' scope well defined and agreed in terms of what the project should deliver?
 - D.2 Is the 'project' well defined and understood by the project team and all stakeholders?
 - D.3 Does the scope of the 'project' include all of the business areas affected?
 - D.4 Does the scope of the 'project' address modular and/or incremental delivery, each with clear business scope and business case, where appropriate?
 - D.5 If the project fails to deliver the expected outcome, will the business be able to continue?
 - D.6 Does the 'project' have some flexibility on delivery dates?
 - D.7 Are the business processes being supported or enabled by the technical infrastructure (solution) well understood, well defined and formally documented by the project team?
 - D.8 Do all the people who have a stake in the project agree on what the project should deliver and how it will benefit the business?
 - D.9 Is there a business case that clearly states why the changes are needed, what the changes are, how the business will benefit and how benefits will be measured?
 - D.10 Has the necessary funding been approved and allocated, with budget holders identified?
 - D.11 Have you considered how changes will be dealt with in the future?
- E 'Project' organisation and control**
- E.1 Are the stakeholders committed in their support of the 'project' and its objectives?
 - E.2 Are customers and/or users able to commit sufficient time to the 'project'?
 - E.3 Is the 'project' plan complete and considered to be achievable?
 - E.4 Are good relationships established between the project team, customers and suppliers?
 - E.5 Are the project management approach and milestones approach understood by all parties?
 - E.6 Is there adequate budget provision (risk allowance) for contingency actions?
 - E.7 Are the project interfaces defined and being managed effectively?
 - E.8 Is the project fully under control, in terms of progress against milestones, budget and deliverables?
 - E.9 Are there appropriate processes for managing change to requirements?
 - E.10 Are there established and effective communications between the project and all stakeholders?
 - E.11 Are the project dependencies clearly identified and being managed effectively?
- F Team capability, experience and support**
- F.1 Are the necessary project skills available within the project team?
 - F.2 Are team members able to commit sufficient time to the project?
 - F.3 Is there sufficient fall back for critical resources?
 - F.4 Has the team access to the specialist expertise needed, when required?
 - F.5 Is the team adequately supported in terms of accommodation, administrative support and tools?
 - F.6 Is there enough time and resource within the schedule for necessary information gathering?
 - F.7 Has the team access to people who understand the business domain and the business needs?
 - F.8 Is there a good mix of leadership and other key attributes within the project team?
 - F.9 Are roles and responsibilities clearly defined both within the team and third party interfaces?
 - F.10 Are the customer and/or user roles clearly defined and understood?



- Risk assessment answer:**
- YES (Low risk) score: 1
- Largely** (Medium Low) score: 2
- To some extent** (Medium) score: 3
- Partially** (Medium High) score: 4
- NO (High risk) score: 5

15. Appendix B

