

Big Change Navigating the Directive and Adaptive PPM Dilemma



Introduction

The new mandate for IT PPM is an organization that can successfully walk the line between directive and adaptive methods using tools to empower enhanced collaboration and enterprise-wide strategic value.

The digital business model—ever changing, always iterative—requires that business project managers retain a fluidity and flexibility in their processes. However, your value often lies in the disciplines of classic project management.

What's more, many experts agree that the adaptive management techniques you need for product-development-like projects require more mature project leaders and teams because they have moved from a work-management structure toward PMO-level practices.

In this guide, we will show you how technology enables control over the rapidly shifting priorities inherent in these kinds of projects—yet also empowers you for core disciplines like demand planning, risk management and resource allocation. This book delivers a set of clear directives for leveraging these “new models of customer demand” across the enterprise and answers these questions:

- How are the new digital business models affecting IT PPM?
- How do I adopt a bimodal approach to managing inbound project demand?
- How can we use work categorization and scenario modeling to create IT project flexibility?
- What are the best tools to help IT PMs, PPMs and PMOs gain strategic power?
- How do we deliver enterprise-wide value with a single tool?

Your resources probably don't allow you to create a parallel project path for every single project—but even adaptive projects need to be grounded using a directive approach, with their deliverables vetted against the rules of risk management that are built into our “project management DNA.”

You can use the same risk-averse practices you've always used, if you can structure your projects appropriately. Someone once said, “**Fear is only a story you tell yourself.**” If you start your project planning with a clear idea of how these different types of project behave, where they usually derail, and how successful project managers structure them to take care of these danger zones, you will be able to tell yourself a very different story.





Chapter 1

Evolving Tools that Meet the Enterprise Project and Work Management Challenge | Fluid, Flexible or Fearful?

Is This You?

Resource demand and capacity planning—using the appropriate technology—helps you control the flow of effort across your portfolio and optimize every activity to keep costs and risks down. You achieve this by tracking clear work streams and only managing capacity to those needs. Then, when you approach your decision points, you have not travelled too far down the road with your capacity investment in any one area.

In the bimodal age, not every project is protected by this classical buffer. That might have been fine in a pre-digital world, but your projects behave differently now. However, using the right tools, you can manage them in a more predictive way if you've identified the danger zones in advance. A continual awareness of typical agile work streams helps you manage these risks throughout. You have visibility into your resource capability from start to finish. And, especially for those of you in the IT PPM space, you have decision-support for every project—from those that are just barely a project to those clusters of projects whose outcomes represent the competitive value of your business.

From Necessary Evil to Key Contributor

The next generation of strategic planners must institute a work execution platform that supports both adaptive and directive PPM. To do so, your teams must use classic strategic planning practices and integrate these with the more adaptive resource alignment strategies inherent in agile business management.

Everyone's focus and everything you might have prioritized yesterday changes when the market and/or customers demand. Your demand planning practices must remain responsive to these pressures, because these are the pressures that your business partners face. Coming alongside them with a solid response to these demands will go a long way into transforming your project portfolio management practices from a necessary evil to a key contributor.

What is Adaptive Project Management

Adaptive Project Management describes projects initiated with a clear goal in mind, but due to the nature of the work to be done within the project, the specific activities are not known or the level of effort required to conduct some project activities is unknown. Adaptive projects are those with clearly defined goals—but uncertain tasks—and activities needed to achieve those goals. When project conditions meet the criteria of an Adaptive project, the methods of project management used for Traditional projects will not work well. A detailed list of activities, typically documented in a Work Breakdown Structure, cannot be developed. Without this detailed list of tasks, a precise schedule, budget, and resource list cannot be determined.

In this approach, a high-level project plan or outline is established based upon the major project deliverables, key milestones and project decisions that must be made to achieve the goal of the project—which is known and understood. This high-level plan is the key to success and the basis for project management. Once the high-level plan is set, a detailed plan leading up to the first milestone or decision point is developed. This first stage of the project is approved and executed. As the first stage completes, a detailed plan leading to the next milestone or decision point is developed. This second-stage plan builds on the results of the first stage. Many aspects of the project that were not known at the beginning of the project may now be clear, allowing the project management team to develop a realistic plan for the second stage. This process continues throughout the project from stage to stage until the project goal is achieved.

<http://www.projectmanagementguru.com/>

Who Will Lead Your Project Management Transformation?

Speaking of skills, what characteristics should your project leaders possess to arm themselves for the demands of managing projects during the digital transformation of nearly every business?

Your project and portfolio managers must possess qualities similar to the qualities that characterize an adaptive project: Flexibility and focused discipline. Those with a strong sense of what quality means in their particular organization will flourish.* This includes being able to navigate early-stage projects using the bellwethers of investment strategy and strategic goals as guardrails.

From Traditional to Adaptive Project Management

We think this is great guidance, but we have a few more characteristics to share about the A-teams you'll need to truly power up your adaptive/directive/bimodal portfolio management. These characteristics have to do with work management styles; the ability to clearly manage roles in the adaptive environment; analytic and big-data-management skills as they translate to reporting and executive progress reporting; and their respective abilities to communicate, manage change and clear away obstacles to portfolio success.

Are you ready? Your company and its business leaders are—they have to be. Become an adept, adaptive PM and you'll be at the table with them for the most exciting business decisions your company makes. You and your team will be the only ones who can take their ideas to execution and maintain readiness to conquer the next market-differentiating project that comes along.



What is Directive Project Management

Directive Project Management is used for “traditional” projects—those where both the project goals and project activities are clearly defined at the beginning of a project.

When a project meets this set of assumptions, a detailed project plan can be established at the beginning of the project. That detailed plan identifies all of the tasks needed to achieve the clear project goal. In addition, the detailed plan includes the resource, often by name, who will do the activities and can realistically estimate how much effort the resource will require to do the work. Given the identification of the resource and the estimated effort required to do the work, the estimated budget and schedule for the project can be established.

The major difficulty with this approach is that projects often don't fit the set of assumptions that Traditional project management is based upon. When the goal is uncertain or is in flux—or the necessary project activities are unknown—the application of a Traditional project management methodology leads to one of two problems:

The project is excessively delayed in an attempt to gain enough information to fully define the goal and the required activities, which leads to missed opportunity and delayed strategy deployment.

A project plan is put in place that the project team knows is not correct, but they don't know with certainty what the deficiencies might be.

This latter condition leads to cynicism about the value of project planning and project management throughout the entire team. In addition, the stakeholders and senior management may not realize the high level of uncertainty and risk inherent in the plan because they don't realize that fundamental assumptions about the project were untrue. This condition often leads to unrealistic assumptions by the stakeholders and disillusionment with the project management skills of the project team. - www.projectmanagementguru.com

INTERNET OF THINGS



Chapter 2

How Are the New Models of Digital Businesses Affecting IT PPM

Become an Agent of Change

IT leaders should act as change agents by adapting their thinking, their methods and their technologies to support fluid change and by becoming proponents of digital technology. By focusing on what kinds of projects require different project management approaches, project and portfolio managers can help guide business partners to more innovative project structures. These project structures should be identified according to their purpose within the enterprise.

Managing Bimodal IT is a business imperative even if your company is not in the business of delivering IT products or services. By taking enterprise work management to the next level with the right PM tools, IT leaders and teams take the complexity out of managing complex projects.

Synchronize PM Tools with Work Management Approaches

Enterprise work management tools have built-in collaborative power, include mobile capabilities to allow for visible resource management and scheduling for everyone in the company. They keep IT managers fast on their feet when reacting to the pressures of digital business models on either the functional or enterprise level.

What's more, it is now a business imperative for IT project leads to integrate role-based usage in every PM solution. Why? People managing adaptive projects need to track adaptive roles and resources with accuracy to control costs. They must remain fluid and responsive in the face of disruptive change to manage the opportunities that present themselves in the markets they serve.



What is Bimodal IT

Bimodal IT categorizes applications based on their value to the business, thus determining the right resources (or mode) for development and fast-tracking strategic business innovation projects.

Characteristics for Mode 1: Development projects related to core system maintenance, stability or efficiency. These require highly specialized programmers and traditional, slow-moving development cycles. There is little need for business involvement.

Characteristics for Mode 2: Development projects that help innovate or differentiate the business. These require a high degree of business involvement, fast turnaround, and frequent updates. Mode 2 requires a rapid path (or IT “fast lane”) to transform business ideas into applications.

By separating into two modes, IT teams can ensure that they have the right people, processes and technology to support business initiatives without impacting long-term maintenance projects.

“Bimodal” Project Management describes how one uses these project “mode characterizations” to drive not only IT projects, but also business-enabling projects as classified above. Even though this term originally described the two kinds of project management techniques for IT projects—one project path that is adaptive and one that is directive/or “classic” today—bimodal PM, therefore, most often describes a hybridized approach across a portfolio that allows for both kinds of projects based on their specific needs or which mode they are. -

http://www.reinventingprojectmanagement.com/010_APM.html

Understand the Project's Risk and Significance to the Enterprise

There are three types of work-management problems to solve in the digital age:

- Activities that don't fit the traditional definition of a project
- Business as usual projects
- High-profile projects that provide internal (functional) or external (marketplace) differentiation for a company

What do you manage the most?

Look at your normal work stream needs across all of your projects. You will be able to see which projects have “star” potential and which exist to protect company assets or shore up infrastructure. You can do so by employing these two best practices:

- Identify the executive-level sponsors and how embedded they are in iterative project phases
- Identify how time-sensitive the business deliverable is—in other words, figure out during the planning phase when a *late* project will become a *dead* project because the environment has changed or the opportunity is lost.

Weighting your projects according to these two characteristics gives you the ability to plan for adaptive PM practices in the earliest stages of planning.



Not All Projects Are Created Equal

As you know, planning for business as usual projects is no less important. If your PM tools and practices are too complex to be used by the teams who manage these, then they won't grow with you or your enterprise. Getting too "agile" too soon is often a misstep when your portfolios contain 50% or more of these kinds of projects. Be honest when evaluating this—you don't want to come up with a solution that's seven steps ahead of reality.

You also need to know that many of your projects aren't proper projects, anyway—they're simply repetitive work that needs to be managed. They use resources and cost money, but do not require in-depth planning or PMO support.

If you have too much managed work in the mix, your PMO will look like their efforts cost more than necessary and that all of your business benefits are being delivered more slowly. Unless these projects can be managed in teams, or by work groups using a one-size-fits-all PM technology, your stakeholders won't want to put their star projects into your hands at all.

Let's face it-- most of us are face-to-face with quite a few enterprise-wide "projects." There may be fewer agile, high-profile projects on the docket. But you are expected to excel with both.

What's more, it's difficult to track project status for agile projects using the same metrics as those needed for business as usual or even high profile projects. And you might as well forget tracking complex service delivery or consulting projects' status. These can often become so variable and their quality profile so difficult to measure that many PMs don't even try.

Compounding the issue: We're not just talking about enterprise-wide IT projects. Every functional area in your enterprise has been impacted by digital disruption. The key to becoming more effective is managing inbound project demand within functions and companywide with the appropriate tools.

You can also use status reporting to help: What business goals did your portfolio meet last quarter? Were they aligned with market differentiation and competitive advantage or were they aligned with "business-as-usual" or "managed-work"? Did you mostly provide the infrastructure to innovation, not necessarily the innovations themselves?

Move into your "innovations provider" role by shoring up your resource management capabilities. Get a tool that manages these with unparalleled visibility and you can build out a PM machine to take care of all of the stakeholders on your list.



Agile Project Management and Resource Management

If your business model includes IT professional services and support delivery, it's key to manage your resources wisely. Products often change scope in the middle of a project to meet additional needs for clients or for your internal customers. Your people resources will and must change when agile PM is in play.

Combat this issue by keeping a close eye on identifying needs at the outset of the project and by controlling portfolio investments. You also become extremely disciplined about your after-action reporting phase. These benchmarking opportunities will pay for themselves—especially when you are ready to estimate for Mode 2 IT services delivery or product/solutions development projects.

By gathering the appropriate tools to report on what happens with projects mid-flight, you gain a clearer picture of how your work streams and teams handle demand across rapidly shifting priorities. The moving target of these consultative service delivery projects illustrates an important point for agile project managers: Your strategy across such projects won't look the same in every phase. When you improve strategic resource management in this way, you can improve delivery, satisfaction and expectations on the client side. That's true competitive advantage.

Of course you know that the scaled agile framework has been mostly used with enterprise IT projects. As you also know, every business is an IT business these days. That means that using this framework for enterprise-wide project management makes good sense. Experts agree, however, that organizations must first ensure that the projects they launch will not work as well using classic, directive PM.

In the next chapter, we'll uncover how technological enablement will allow you to manage adaptive change across each type of project. We'll discuss the organizational, cultural and business needs that create the environment you must master to make the most of project investments. And we will characterize the work process tools that make it all work in the real world.

How to Select the Right PM Approach

- Approving investments by categorizing the kinds of work they will need and making sure these work streams are differently sourced according to whether they are innovative or baseline projects.
- Investing in collaborative software that allows for deep-dive scenario modeling to ensure portfolio-level resource demand is continually monitored.
- Ensuring that service delivery and consulting operations delivery are both directive and adaptive. We believe it's rare to use only agile PM for services and consulting operations portfolios—there are so many opportunities to provide additional innovations during client work. However, some major metrics must remain open during the course of a contract. That means that agile benchmarking should be used to ensure project value is mined throughout.
- Managing demand on the portfolio level with a full picture of all adaptive and directive programs: the “hybridized” projects and what they mean for portfolio-level work management, and using one solution to manage reporting and status for the entire enterprise.



Chapter 3

How to Adopt a Bimodal Approach to Managing Inbound Project Demand

Excel In Project Execution

We all spend our days (and some of our nights) executing appropriately to meet project deliverables and business goals. However, when we pull the cameras back and view the entire portfolio, it's often too easy to lose the details within those projects that will set us apart as business partners and create real value for our enterprise.

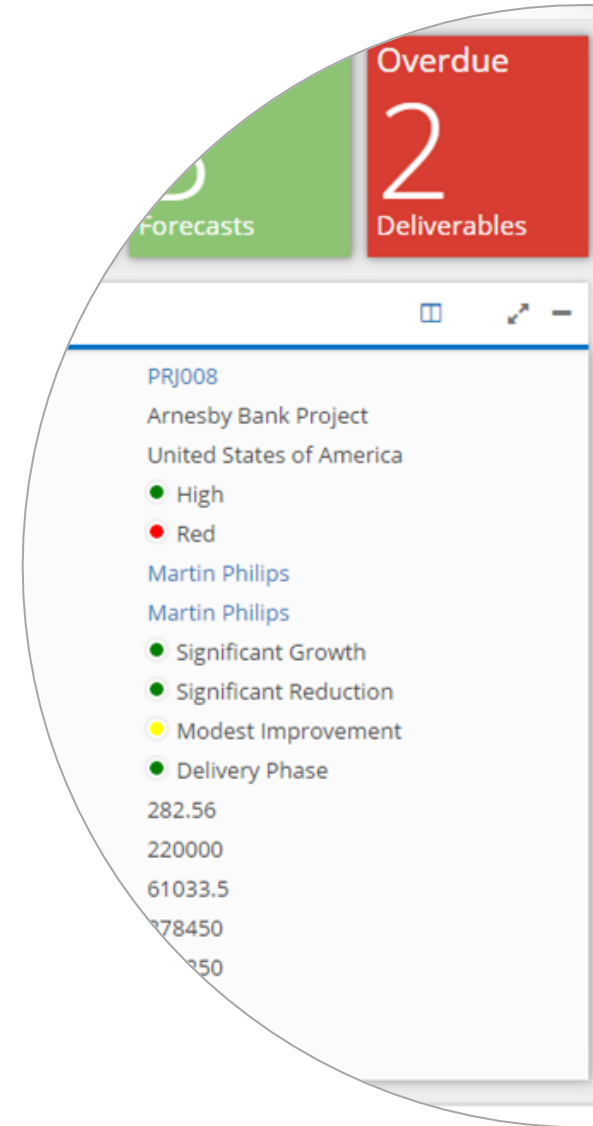
Keeping tight control on all of the moving parts from both a project and a portfolio level has become even more difficult as digital disruption accelerates in every industry. That's why managing inbound projects using both directive and adaptive approaches will ensure that you excel in project execution while delivering enhanced portfolio value.

During the needs identification phase, you will often be able to tell what kind of project you're sourcing—strategically crucial or what we call a “stepping stone” project. These projects might be very important, but centrally, their raison d'être is to provide an iterative step toward a goal or some crucial piece of infrastructure on which to hang the truly innovative projects. They might not be directly tied to business strategy - but you still need to get them done.

Often, these projects can be identified by the kinds of tasks inherent in them. The talent necessary to execute them might actually be more cost-effective than the talent you need to execute on strategic projects. Not less valuable, just more task-oriented and with fewer opportunities to innovate.

We understand there is a good reason to stay directive when you can—but everyone who's worked on successful strategic projects agrees that holding on to tried-and-true methodologies won't serve you if they don't ultimately serve the project. And with IT PM, most projects have elements of agility to them, whether we like it or not.

During the needs identification phase, you can sometimes tell if you'll need to be agile based on the amount of executive collaboration you'll require. If you've got senior leaders checking in on fairly granular aspects of the project(s), chance are you're working on something with heavy strategic impact. A good reporting tool can help you immensely.



Executive Interaction

There is often a huge disparity between giving leadership a window into project activity and whether or not they have the time or inclination to look into it. Your portfolio manager will often have anecdotal evidence about which leaders will take advantage of collaboration platforms and meetings to keep apprised—and why.

Using adaptive PM with these high-profile projects might seem scary—if sponsors have enhanced visibility, they may get nervous and draw conclusions that aren't supported by the actual project activity. Executive education about the fluctuations in resource demand inherent in bimodal IT management is an important line-item in many projects.

These leaders specialize in controlling change in a way that makes sense to the business—they'll be quick to see when and where transitional phases in these strategic projects allow more value to seep into the portfolio as a whole. If you take the time to brief these decision-makers appropriately, they can become your biggest champions. Your project team will rise in the estimation of the people who decide whether you're a true business partner or just really good at executing to plan.

You are at the point where you are examining whether the entire portfolio is worth the money. When you're working to become more agile, ask yourself: How close is the project to the customer? How much differentiation will it provide? Is it digital or cloud-based? Chances are if you are answering “yes” to any of these questions, you'd better use adaptive models and invest accordingly. For these and for other bimodal projects, you have to make investment decisions more quickly in tighter specification timeframes. You'll also build an organization that can readily re-scope midstream.

In the next chapter, we'll look at how the most successful organizations use adaptive and directive PM tools to manage service-level projects, IT projects, marketing and software development projects. Can you manage your work streams using adaptive PM after getting through the phases we've just discussed? It's much better to find out now than later.



Business Decisions

Importance

← NEXT EXIT

Urgency

NEXT EXIT →

Chapter 4

Using Work Stream Management and Scenario Modeling to Create IT Project Flexibility

Organize and Prioritize Efforts

Project management in an ever-changing world comes with its own risks and rewards. When you manage multiple projects in large portfolios, you're definitely in for one wild ride. To tame these portfolios, you need to learn how to manage work and master scenario modeling for every type of project on your plate.

You've used adaptive and directive PM tools to manage service-level projects, classical, enterprise-wide IT projects (infrastructure included), marketing and software development projects

So, you know that some tools work better than others. Adjusting the initial review process (as detailed in the last chapter) will help you classify your projects to maximize the value of these four kinds of projects.

Now we're ready to identify the opportunities inherent in adaptive and predictive approaches and choose a strategy that works on every level and as a strategic lever. We will also help you prioritize projects according to strategy by using scenario modeling. Finally, we will describe how managing the evolution of your work will optimize your portfolio.

In our digitally disruptive world, project management capabilities need to cross functions and silos with ease. Savvy IT PMs and IT PMOs manage this by creating opportunities for interoperability and collaboration in their project management systems.

Let's face it: IT-based project management practices came into being because deeply entwined IT projects had too many ways to go wrong across too many phases in a project. Agile PM came into being based on these unknowable outcomes—the best PMs found ways to switch direction on a dime because implementation issues were, quite literally, legion. Today, we know enough about managing digital PM to tame these demons once and for all.

Enterprise IT Projects

When working with enterprise-wide IT projects, including those involving infrastructure and/or systems of record, scenario modeling often will require scaling up from business-unit or departmental projects. The small-scale projects in their respective silos can show you quite a bit about the way their company-wide big brothers will play out. During planning, protect your projects' strategic value by making sure it's the right project at the right time at the right size—based on what you've done before. Don't reinvent the wheel with cost profiles and resource allocation. Just build a bigger one using the data points you've gathered before.

Marketing Projects

For marketing, all bets are off. If you've ever worked within this category, you know that IT enablements happen virtually every week. If you're on this kind of project, you might not have a single element from which to build a scenario—it's all new, with innovation being the name of the game. In our experience, the closest relation to these projects is in the R&D realm. If you've got marketing IT projects, they'll often behave like your product development projects. Start scenario modeling from here, using the basic elements of resource and financial planning, and you're usually on a solid path.

When Work Management Capabilities Work For You

We knew a manager in leadership of an enterprise IT organization who used to say at the end of almost every project discussion, “It’s gotta have legs.” By that, he meant, yes, you’ve achieved your end point; yes, we’ve technically checked off the boxes. But as mentioned before, that’s not enough anymore.

If you have the right tools, you can identify ways to strategically and holistically become more agile to meet business goals—that’s the next-gen IT PM’s job. And it’s done before Day One.

If you’ve got a portfolio to manage with mixed adaptive and predictive projects within it—and if most of those projects are IT-based—scenario modeling can help you organize and prioritize the effort.

In agile PM, identifying your work management vs. project capabilities becomes a singular effort.

There’s a lot of buzz out there about how agile PMs can ensure teams retain their predictive work management practices (linear, pre-determined) in the face of constantly changing project mini-goals. (You know the ones—we used to call them milestones but now they’re too nebulous for that!)

We’ve seen some great guidance on this recently, and have also experienced some wins with clients in managing relatively simple work management projects, investment/infrastructure/system of record projects or agile/innovation projects or programs in IT environments.

Service-level Projects

For service-level projects, your moving target during adaptive PM is often contract management and upgrades. When you examine the ways you’ve handled these pressure points in the past, you will be well on your way to reining in the risks involved.

Your constraints in these projects are often out of your control because many companies handle contracts and upgrades as if they’re graven in stone. Understand your financial- and resource-impact KPIs and revisit these project guardrails often. It’s normal PM practice to build in contract and upgrade reviews during your risk profiling. Make sure you examine opportunity risks in this step, as well. And make sure your contract teams know why.

Software Development Projects

For software development projects. Your decision points (for agile PM, this often translates as “trouble spots,” as you may well know) tend to scatter out in a predictable way, especially if you’re using the same resources for all of them. A good rule of thumb when modeling for these? Watch your resources and finances.

Making Sense of Scenarios

Breaking it down, we've seen mature IT PM organizations develop reporting and analytic phases into their agile portfolio management. The time-based, stage-specific character of most predictive project maps, even during agile projects, is pretty cut-and-dried. They can also be pulled out whole from a project and analyzed, separate from who worked on what and when.

Here's a quick way for you to steal this best practice right away to ensure you've plotted your projects appropriately. You can plan to attach a dollar sign and a resource allocation quantity to your most-common activities—the more basic, the better. Then, when it's warranted, you can feel safe making the speedy adjustments inherent in your most strategic, iterative and agile projects. The difference between base costs and agile costs often can be predicted.

Time Sensitive Projects

Time-sensitive, short duration projects are less complicated. When managing these, watch three main areas—time, resource planning tools and talent management. Using one of our built-in algorithms, one of our clients tied dollar-specific amounts to these three elements—so during the investment phase, they had a way to compare projects within the portfolio and new projects with these.

Cross-Functional Projects

Do you remember the famous scene in Ghostbusters where Egon cautions the team not to “cross streams” for safety's sake? You've probably experienced that same sense of risk with projects that require collaboration across functional areas. One of the best ways we've seen to control this element of IT PM is to enable a collaborative PM platform for everyone involved.

Bottom-up Projects

Do you automate the role and resource allocation elements of your projects to ensure you've got accurate time-reporting capabilities for the people fulfilling the work? Managing projects from the bottom-up requires a granular approach to both talent management and resource demand planning. For IT-based projects that create enhanced value for the entire enterprise, you must have control of this simple element—or your projects will cost more money than you've planned.

Keep these three areas in mind to help you continue to adjust to the more agile practices inherent in the modern portfolio—without losing control.

In this chapter, we'll see how using these next-gen project management capabilities empower you to become more strategic in your work management. You'll be able to better plan the deployment of your projects by aligning resources, using analytics and executing appropriately on an iterative scale without losing the peace of mind that you're used to having with directive PM.



Chapter 5

The Best Tools To Help PMs, PPMs and PMOs Gain Strategic Power

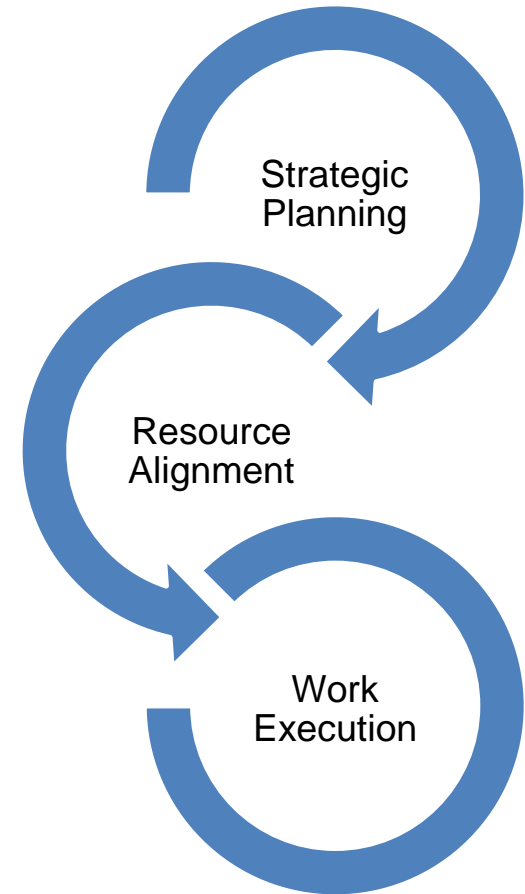
Enabling Enterprise Work Management

We have seen companies institute portfolio management systems that are not as dynamic as they could be. They are not applicable for project teams who need firm control of work management while executing along an agile framework.

These agile management tools deliver on enterprise-wide strategy, to be sure. They often can take care of portfolio-level deliverables, as well. They'll be able to grow with the business as digital disruption seeps into every functional area. But they must also:

- Include all project participants from all functions
- Allow for collaborative scheduling and resource allocation elements
- Have bottom-up configurations with a dimension for top-down control
- Include execution-level software to be aligned with your business goals as they exist today

Why? With the advent of big data projects that touch nearly everyone on the front lines—marketers, developers, IT architecture specialists, finance girls and guys, you name it—managing projects with this data requires the utmost in work management discipline. The problem is that while you may be trying to get portfolio-level tools for your company, the rest of the company is wasting time and money buying licenses for work management tools (or worse, overly-simple project collaboration tools) that can't grow with these new models of business. To get the right people on the right projects at the right time, PMO-level tools can't help you really nail Enterprise Work Management.



Take Another Look

Examine your business needs first. Then, review the characteristics of the tools to get you there. You probably need a hybrid version that includes features of “mature, execution-level” tools coupled with stable work management tools—this is what we call Enterprise Work Management. Here are a series of questions to delineate what this might look like for you. Based on our “quick and dirty” needs assessment at right, you will be well on your way to building portfolio-level PM strength from the bottom up.

Here’s the good news: Let’s say your current “toolbox” has all of these bases covered! The bad news: Your company will probably not be OK with this for very long. You’re going to need to arm yourself with the tools you’ll need when you reach the next level of agile IT PPM. Your senior executives need to sign off on these tools because the way that you plan, execute and fund projects in the digital landscape will determine whether or not your company thrives. Think about it: Projects are quite literally the engine that makes your company “go.” Who wants a car without an engine?

That’s why there are additional strategic categorizations to check off your list as an IT PMO, PM or PPM. We know it’s a business buzzword that we’re all sick of by now, but how can you continue to “add value”? Because let’s face it—your commitment to managing laser-focused, strategic, enterprise-wide projects and portfolios to successful completion can be all that stands between your company and oblivion.

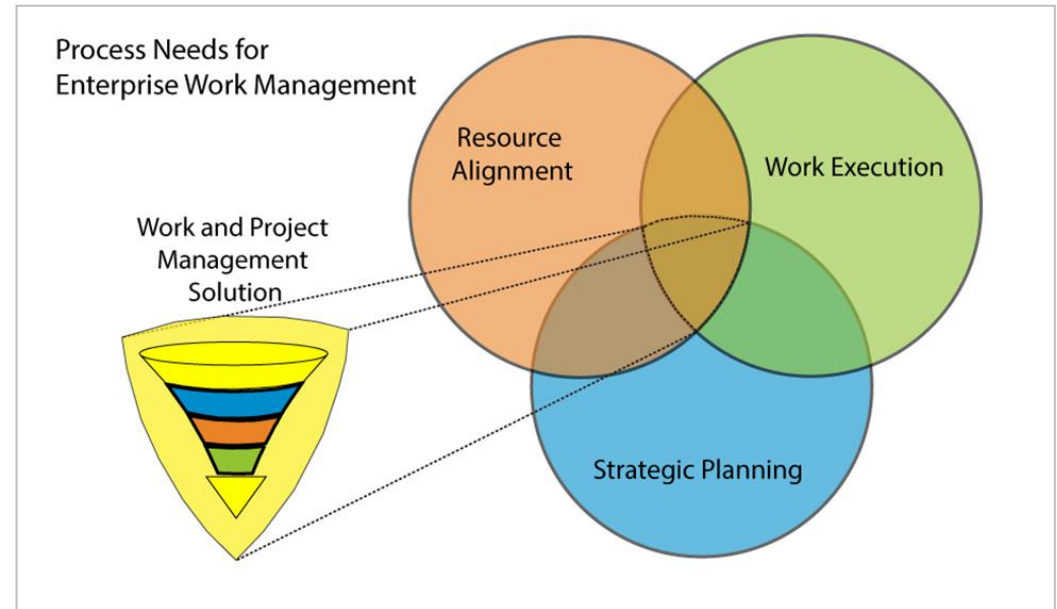
PMO/PM/PPM Common Needs	Characteristics	Agile/ Directive PM-ready
Execution-level tools track progress, deliverables	Collaborative, functionality focus, highly-automated	✓
Pervasive use in the enterprise (for everyone)	Reporting and analytics support functions; connectivity to legacy systems	✓
Resource management is aligned with cost/risk management	Tools provide built in algorithms to manage investments	✓
Supports all kinds of projects/portfolios: service/product/IT development	Scalable for business growth; work management models adaptable to all project levels	✓

Enterprise Work Management

Enough with the dramatics, though. Let's look at a real-life example of how enterprise work management tools help your company:

- Run your project organization according to either agile or directive processes
- Gain more visibility for projects within portfolios and support portfolio-level decisions with transparency
- Work from a unified platform to track not only deliverables, but strategic action across the enterprise

Next time, we'll look at four key areas to achieve successful adaptive and directive PPM using tools for strategic planning, resource alignment, analytics, project and work execution. We'll show you exactly how to build these capabilities in your organization using the right PM tools. You will look at the stability of your environment and how corresponding work management processes help manage this stability to help you perform better. And we'll check out what needs to happen in the project review phase so you can make sure that these elements work together to help you gain greater control of your IT projects and portfolio.





EMPOWERMENT

Chapter 6

Four Key Areas for IT PPM Empowerment with Digital “Oomph”

The Best Tools to “Get It Done”

Let’s dive right in. What four things do you have to solidify before you can run either adaptive or directive projects within a highly-strategic portfolio that empowers the business?

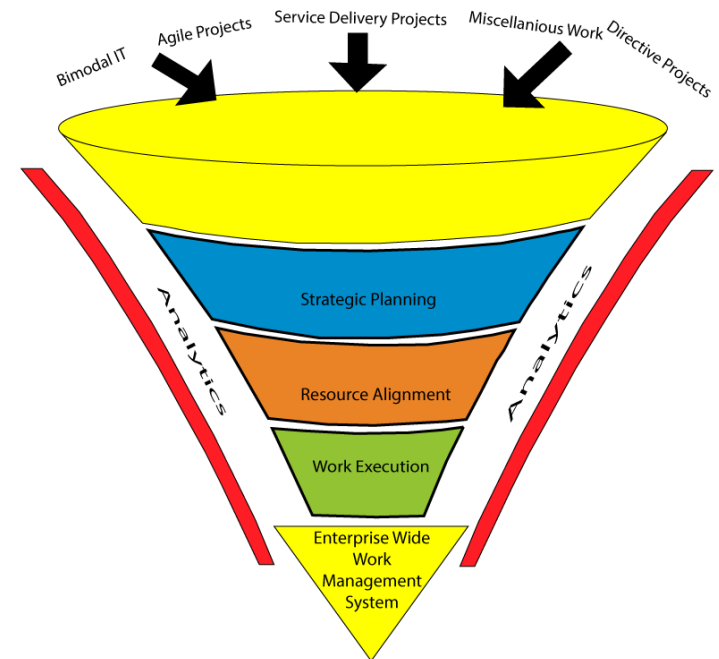
1. Strategic planning
2. Resource alignment
3. Analytics
4. Stable work execution

We knew of an IT shop that was shopping for a PM platform. They wanted to check off all of the boxes for mature, enterprise-wide PM tools—even though 80% of the work was on the low end of complexity—work management projects with little or no executive involvement managed ad hoc by disparate, functionally-based project teams. We counseled them to buy for their current project requirements—but also buy for tomorrow’s evolution.

Here is how we helped them align their actions in reality rather than in wishful thinking.

In this graphic, all enterprise work and projects sift through the layers of strategic resource prioritization. The system yields benefits within a solid, stable PM environment no matter how agile your IT projects are. Look for the analytics capability of your tools, because backing up and reviewing what went well and what didn’t on a portfolio level remains one of the most valuable things you can do. Next, review how resource alignment across your most basic projects sets you up to achieve even the most complex of goals. Finally, look at the strategic planning capabilities you have, which boils down to how you back up your decisions and if/when these decisions have enterprise-wide value.

Creating an Enterprise-Wide Work-Management System



Benefits

- Stable Work Execution
- Strategy Alignment
- Role Based Usage
- Top Down Resource Management & Capacity Planning
- Enterprise Visibility

The Right Strategy

Strategic Planning: If you haven't taken the time to know the difference between "work that must be managed" and a true "project," you're going to be chasing your tail. If you've been reading thus far, you know that this kind of planning includes a good grasp of your talent costs (in time and money), a handle on which executives will be involved (and when) and work execution controls. Making sure your IT PMs accurately plot these out to optimally manage risks, costs and the complexities of the tasks at hand—well, that's the gold standard, isn't it? Once there are processes in place to allocate resources effectively and get a handle on work execution across all of the project teams you manage, you can get as strategic as you like.

Align Effectively

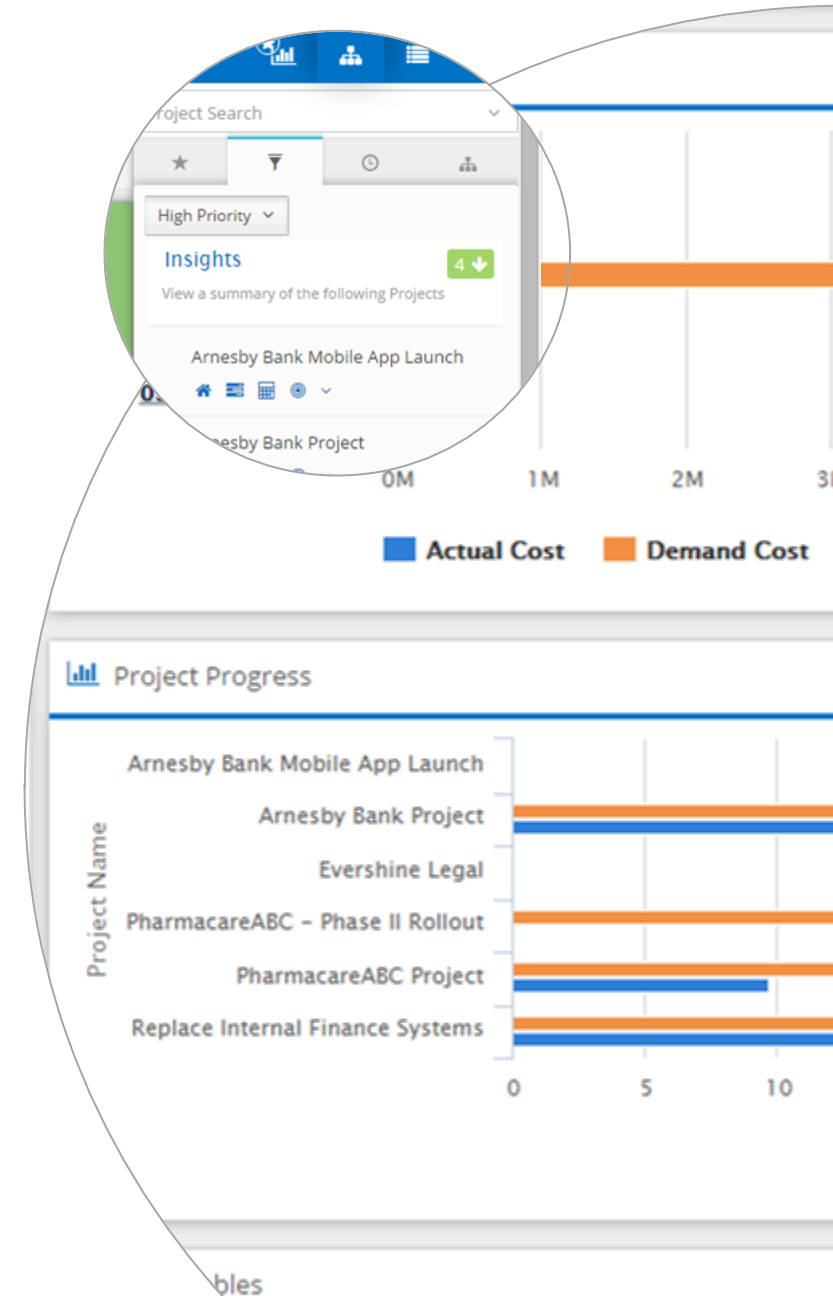
As you know, aligning resources is the same, independent of whether we are looking at a traditional or agile project. In both cases, you begin by forecasting resource demand by role.

For traditional IT projects, you do so by pulling your resource needs from a task-based plan. For an agile project, you use the skills, knowledge and accuracy of the forecaster to begin to align your resources.

You will also assign resources in different ways. For example, on a traditional project, you schedule resources directly against project tasks. For agile projects and managed work, we can allocate (or supply) resources for the duration of the project so that they are removed from any future resourcing capacity while still allowing for collaborative management.

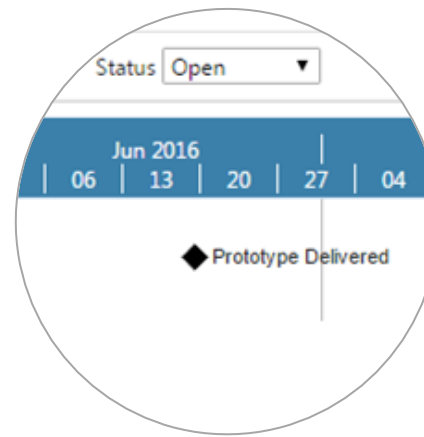
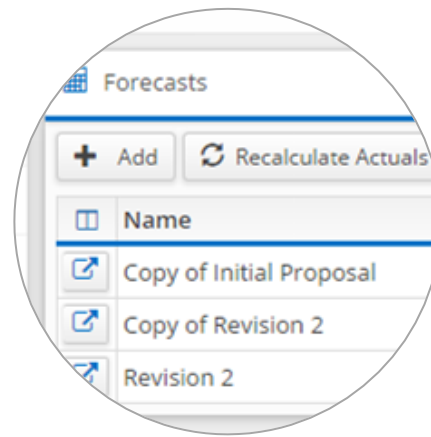
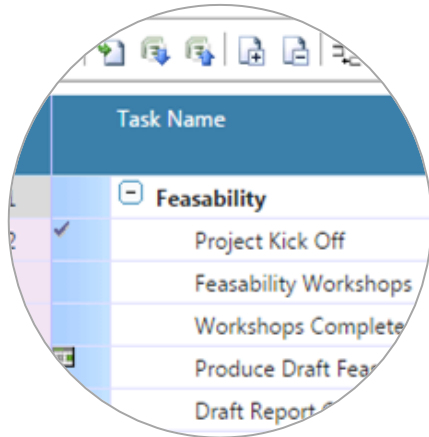
For tasks-based resource alignment, you can simply direct-schedule people. From an alignment perspective, these types of tasks are usually business-as-usual and can be reflected in a resources-available hours algorithm built into your PM-level tool.

Resource Alignment: Let's look at the ways that a company might align their resources according to this kind of strategic plan.



Agile or Traditional Resource Alignment—You Need Both Capabilities

You need a tool that can align your resources both ways—plus, for agile PM needs, you need the right kind of analytics to execute against enterprise-wide strategic needs. Your forecaster needs good information about all of the moving parts among your project teams.



A circular screenshot of a project management tool showing a risk matrix. The matrix has columns for "Impact" and "Risk Value". The rows show different risk levels, indicated by colored dots (yellow, red, green).

Impact	Risk Value
Yellow	Green
Red	Yellow
Red	Red
Yellow	Green

Spend Time in Review with the Right Analytics

We talked earlier in this book about using “needs identification, transparent investment, and execution” to empower your IT PMO to excel in delivering strategic value. You can’t get to these without solid analytics. Your agile PMs can’t manage IT projects wisely unless you have the big picture of:

- Where you’ve invested thus far and how cost-efficient/strategic/wise those investments turned out to be
- How you have heretofore identified your needs. Have you been using the best practices we’ve already outlined, such as work-management complexity, allocation of talent, etc.?
- Where your organization hits its common danger zones during execution, and if you’ve got the tools to analyze these moments and plan to never let them happen again (or, to be more practical, to avoid them as often as possible).

Three Characteristics of Effective Enterprise Work Management

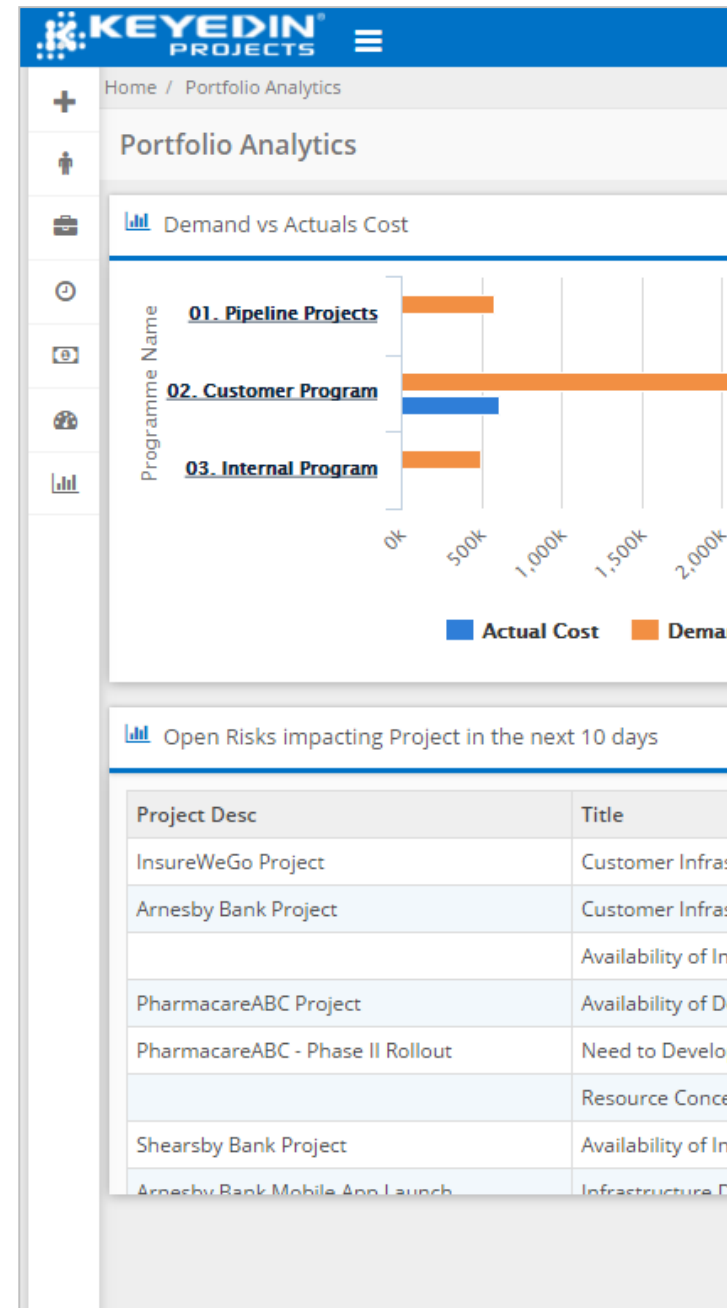
Agile project management requires a solid project and work execution platform to manage rapidly moving targets. That's why decision points are so important during execution.

Remember everything we have discussed so far about investing resources wisely during project review and execution? Here, we can boil it all down to whether or not:

- You're running your project portfolio with the goal of building strategic value. You can tell by looking at the investment strategy, executive involvement and by analyzing the complexity of your talent needs.
- You execute according to plan but also according to whether or not the project and/or group of projects delivers strategic value. This means you can let go of those projects that have lost their ability to truly impact the company in favor of the projects that do. Note that we are IT people, too. We're not counselling you to let your infrastructure age and your servers get out of whack. We're just saying that you can better manage demand using strategic parameters rather than wasting time on task-oriented, work management execution.
- Your project and work execution habits not only deliver the IT contributions that your leaders need to move the business forward—they help everyone who works on them or with them feel comfortable by delivering not only “features and functions...but quantified strategic goals.”*

To deliver on strategic goals, you must often move between service delivery projects, consultancies (internal and external) and work with supra-functional transformation offices to get them done. We'll show you how to manage adaptive and directive PM with all of these projects in the next few pages.

Then, we'll be in the home stretch! We'll make sure to pull it all together to help you harness your portfolio today. After reading this book, we're confident that you will be able to bring more innovation to the table. And we want to make your IT PM team the valued strategists and change agents we know you can be.





Chapter 7

Delivering Enterprise-Wide Value with a Single Voice

Categorize and Characterize

So far we've seen how crucial it is to categorize and characterize the kinds of work you need to manage. Then you can master enterprise work management strategically, without limiting yourself with a portfolio-wide system that doesn't include your simplest to most complex tasks.

There are some compelling trends in IT PM right now that make this capability even more crucial. Whatever your IT environment—service delivery; consultancies (internal and external) or supra-functional transformation offices—you require the baseline functionality of traditional tools along with strategically-empowered tools.

Digital Project Ecosystems

We don't know about you, but we are all about jumping on a trend before it sweeps us away! An example: Transformation and Strategic Offices that are put together so that digital transformation in an enterprise has a centralized control center. These “centers of excellence” have come into existence to protect the ways a single company uses digital-project strategies empowered by the Internet of Things to reach out to customers and partners.

As the title of this chapter indicates, project teams must deliver enterprise-wide value with a single voice. And you, as an IT PM leader, need to lead the chorus.

This trend is not going away because the digital marketplace demands this holistic approach. Your IT departments and projects are expected to incorporate digital innovations to drive company growth in one portfolio. You are not seen as merely an infrastructure provider upon which these activities must run, even though five of your ten projects might fit the bill.



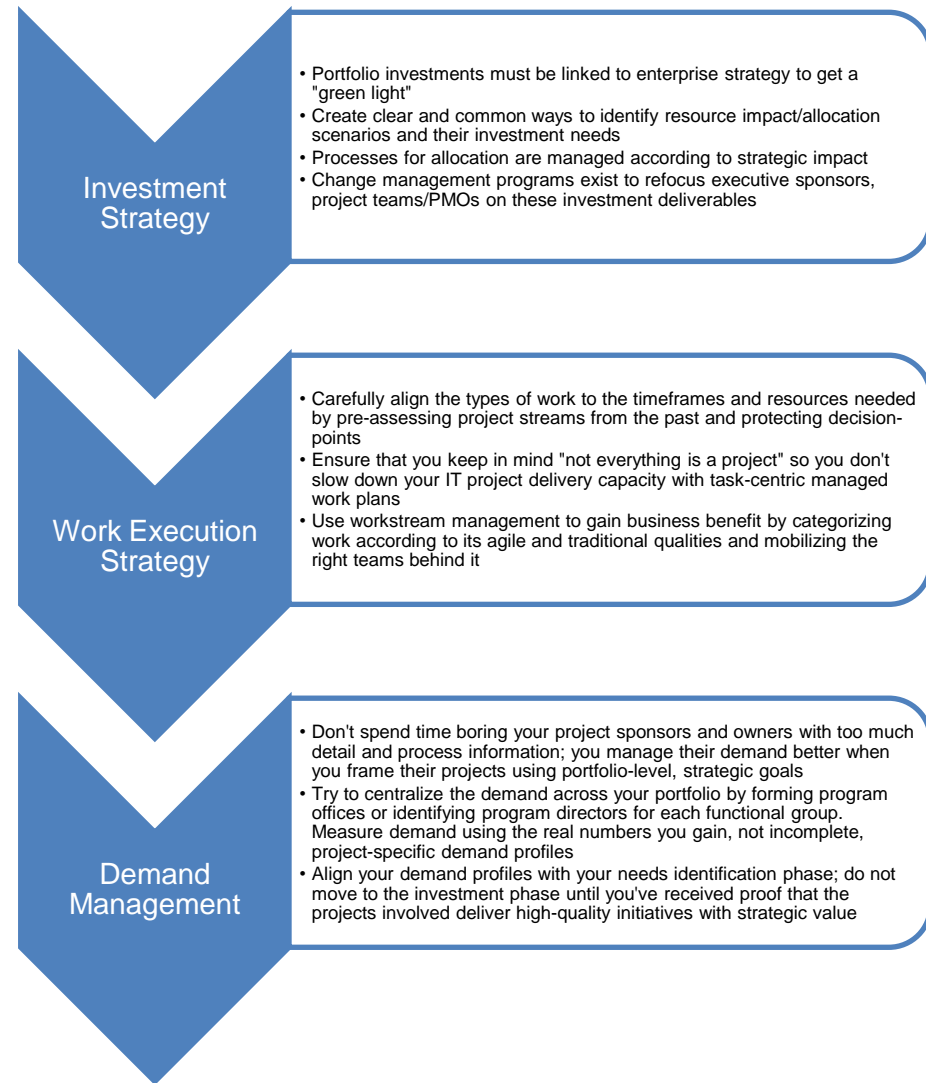
Digital Project Ecosystems

By that, we mean that the old, siloed, functionally-based project management styles are ill-equipped to manage innovations on a company-wide level. But don't call in the cavalry just yet—you still need the basic principles of project management to meet agile project needs, and a tool that can do both.

Even the smallest organizations need a collaborative work management platform with next-gen, enterprise work management functionality. These host an array of tools to manage strategic service delivery, implementations and consultancy projects and portfolios. They won't overwhelm most users. They can evolve to support agile and directive projects. Finally, they help IT PMs avoid earmarking scope-time-cost resources on low-risk, low-complexity tasks that masquerade as projects.

We have seen real-life IT PMs truly move the needle for strategic value by concentrating on the three areas: Investment Strategy, Work Execution Strategy and Demand Management.

There are obviously many more moving parts in your portfolio. But if you start with these elements first, you can quickly come up to speed on the others. There's no reason to wait—start here and now. Your relationships among your functional partners will benefit if they know you are asking yourself these questions.



IT PMs Have Three Problems to Solve

You can help your project teams, Transformation offices and Program Management offices develop laser-like vision to improve portfolio value, one project at a time. You need to show project sponsors that you have your eyes on the prize—and that you've already made sure to identify strategic value.

Remember, you have three main problems to solve with your Cloud-based IT PM tool:

Problem 1

We've shown you that if your company isn't getting a payoff for a project or if project failure doesn't pose much risk, you're not looking at a project—you're managing work. These take up resources they don't deserve. That's your first problem.

Problem 2

Second, in many companies you still need to incorporate this managed work in your project array; that's not ideal, but it's become the status quo. These often hijack your investment in infrastructure or system of record projects—and clog up the works so much that you don't have time to even try to be strategic.

Problem 3

Third, you've got agile, iterative and adaptive projects that show your strategic value to the organization. But you aren't quite sure how to manage them with your classical PM training using your SharePoint or MS Project-like tools.

In this book, we've provided a myriad of evaluation processes to solve these three problems.

Think of these projects this way: If they help you command your market, are proactive to customer needs or reactive to customer pressure, they're going to make or break your company's business. Agile PM lets you move rapidly to leverage these opportunities. Make sure you have the tools to deliver transparency about when and why you do—and sell it all up front before you've shown up, hat in hand, to beg for additional resources.

You've got to become your project teams' biggest advocate for continuous improvement, transparency and change management communications. You have to deliver on project goals that really help the company compete. You can't deliver any of these things without the proper tools.

Conclusion

We don't want our portfolios to consist of an unrelated group of projects. As IT PMs and PPMs, we want to create an ecosystem—one that enhances every project it touches. This ecosystem should include all of the cultural, leadership and change management elements that create an atmosphere of strategic value.

Using adaptive and directive project approaches based on the guidance in this book will ensure your success. We believe that the key to agile PM is to standardize whenever possible using only those tools that enable you right now. That means that if you have functionally-based project teams operating in silos, they can use your tools today—not send out RFPs for substandard work-management and collaboration platforms. They also can't use unwieldy portfolio tools that slow down your progress and create resistance to their use.

There's no bigger barrier to organization-wide change enabled by project management than siloed information that's doomed to stay in its department of origin. By assuring resource alignment for all kinds of project-based, enterprise work management, from the simplest to the most strategic, you can remain agile while empowering your project teams to execute to goal. You will learn how to get the right people on the right project at the right time—every time.

If you'd like to talk to us about enabling you on your journey, you can find us at www.keyedin.com.

