

# Project Portfolio Management: Practitioner's Approach

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A practical methodology for delivering your organization's strategic portfolio



## Seminar Focus

- Learn how to use project evaluation criteria and selection models to rank projects
- Apply the right metrics to track, control, and successfully manage the portfolio
- Learn how to use a scorecard for strategic alignment of projects in portfolios
- Discover practical project valuation using quantitative financial models
- Review major commercially available portfolio management software tools
- Develop a personal action plan to apply your learning back at work

## Overview

### Why are so many of today's technology projects "dead on arrival"? Maybe we are selecting the wrong projects for investment

Why are resources our most common "bottle neck"? Perhaps we don't understand our project priorities. Why do so many projects turn into "money pits"? Maybe we don't know when to terminate them. This seminar provides you with the tools and techniques that will help you select the right projects for investment, prioritize them against the other projects competing for the same pool of resources, terminate them when they don't meet the target objectives, and complete them successfully to meet organizational goals. This "how to" seminar introduces an integrated project portfolio management methodology that will help you meet your organizational goals and maximize business value. The focus of this seminar is a management framework called Portfolio Scorecard (PSC) that directly links business strategy to desired results – an ideal fit to measure, manage, and maximize the performance of a project portfolio. PSC can be easily integrated into a Balanced Scorecard (BSC) if your organization is already using such a system. PSC promotes strategic alignment and eliminates projects that have little or no strategic value. Furthermore, it provides a metrics - driven discipline for assessment, prioritization, selection, tracking, and management of projects in a portfolio. Through case studies and real world examples you will learn how to enhance business value and return on investment through managing projects in a portfolio using a scorecard approach.

## Benefits of Attendance

### This seminar will focus on a management framework called "Portfolio Scorecard" that directly links business strategy to desired results ~ to measure, manage and maximize the performance of a project portfolio

Consequently, progressive companies and their executives should be aware of the importance of identifying potential benefits, involving and getting commitment of stakeholders and set up the proper structures to deliver the benefits. This seminar will explain these processes and more specifically:

- Discuss the four building blocks of portfolio management and an overall project portfolio management (PPM) methodology.
- Learn how to introduce a portfolio scorecard (PSC) that synthesizes and integrates the numerous and complex metrics related to different portfolio management processes into one framework.
- Illustrate how PSC can be integrated into a Balanced Scorecard, a strategic management framework many organizations are already using.
- Learn how the Initial Project Assessment (IPA) and Mid Project Assessment (MPA) processes can be implemented.
- Present quantitative techniques to objectively assess a project for its own merit and its relative merit against other projects.
- Build a business case for each project and prioritize projects based on strategic fit, risks, opportunities, and other key criteria. Also use weighted scoring models
- to quantify project intangible benefits.
- Apply proper criteria to reprioritize projects when resources become limited or determine when a project no longer serves its purpose.

## Who Should Attend

- Program and portfolio managers that are involved in evaluation, selection and termination of projects
- PMO managers and senior managers responsible for initiating or streamlining program and portfolio management processes
- Project managers that work closely with program or portfolio managers in evaluating projects

**This course is in line with PMBOK Guide 5th edition and provides certified PMPs with 24 PDUs**

## Course Topics

### DAY 1

#### INTRODUCTION TO PORTFOLIOS

- Why Project Portfolio Management (PPM)?
- PPM Discipline Today

#### PPM METHODOLOGY

- Life Cycle of Portfolio Components
- Funnel & Filters®: A Portfolio Representation
- PPM Phases and Processes

#### UNDERSTANDING PORTFOLIO DESIGN

- Basic Portfolio Theory
- Portfolio Comparison: Financial vs. Project
- Portfolio Design Building Blocks

#### PORTFOLIO DESIGN PROCESSES

- Strategic Alignment
- Portfolio Balancing
- Criteria Selection
- Tools Identification

### DAY 3

#### BUILDING A PORTFOLIO SCORECARD (PSC)

- Spider Charts
- Bubble Diagrams
- Dashboards
- PPM Software

#### HOW TO CONSTRUCT PORTFOLIOS

- Portfolio Construction Processes
- Project Identification
- Project Categorization
- Project Assessment
- Project Prioritization
- Project Screening
- Project Selection
- Project Business Plan

#### CONTROLLING PORTFOLIOS

- PPM Control Processes
- Mid Project Assessment
- Why Terminate a Project?
- Portfolio Redistribution
- Portfolio Assessment

### DAY 2

#### PPM TOOLS & TECHNIQUES

- Numeric Models
- Scoring Models
- Scorecards

#### FINANCIAL MODELS EXPLAINED

- Net Present Value
- Discounted Cash Flow Analysis
- Decision Tree Analysis
- Monte Carlo Simulation
- Real Options Analysis
- Challenges with Financial Modeling

#### HOW TO USE SCORING MODELS

- Unweighted Scoring Models
- Weighted Scoring Models
- Ranking Models

