Manage Your Project Portfolio: Increase Your Capacity and Finish More Projects

What’s the Problem?

- Too many simultaneous projects
- Too much interrupting work
- Technical work and multitasking is invisible to management
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What Are You Supposed to Do First?

What Some Project Portfolios Look Like

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
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<tbody>
<tr>
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What These Portfolios Are Missing

<table>
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<tr>
<th>Month/Projects</th>
<th>January</th>
<th>February</th>
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<tbody>
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<td>Unstaffed Work</td>
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Combination View:
Low and Mid Level
What is the Project Portfolio?

• Organization of all the projects (and all the work) the organization is attempting to manage
  – When they start
  – When they end
  – Which one is #1
• Decide when projects are done--or done enough
  – Decide when to stop, kill, or cancel projects

So What?

• The portfolio of work-in-progress tells you what is happening and when you can change it
  – Similar to a sprint backlog
Use the Portfolio to Make Decisions, Tradeoffs, and Assignments

- Move between the strategic view to the tactical view
- Create a rolling wave plan
- Provide transparency into the organization’s work

Consider Lean

- Think in terms of value. Producers create value, but customers define it.
- Know how you create value. What is your value stream?
- Create process flow to make problems more transparent. The team delivers small chunks and fixes problems as they arise.
- Use pull systems to avoid overproduction.
- Level out the workload to eliminate multitasking.
- Stop when there is a quality problem.
- Use visual control so no problems are hidden.
When to Make Decisions

- When a project finishes (the project cycles)
- When you have enough information about the next version of a product (the planning cycles)
- When it's time to allocate budget and people to a new project (the business cycles)

How to Make Decisions

- Qualitative questions
- Quantitative questions
- Only do work that’s currently valuable
Qualitative Questions

- Should we do this project at all?
- How does this project fit in with all the others?
- What is the strategic reason for this project?
- Is there a tactical gain from completing this project?
- To make this project successful, are we ready to adequately fund it?
- To make this project successful, are we ready to adequately staff it?
- Do we know what success looks like for this project?
- Is there waste associated with the lack of this project?

Quantitative Questions

- When will we see any monetary return from this project?
- What's the expected revenue curve for this project?
- What's the expected customer acquisition curve for this project?
- When will we see retention of current customers from this project?
- What's the expected customer growth curve?
- When will we see reduction in operating costs from this project?
- What's the expected operating cost curve?
- How will this project move the organization forward?
Doing Work that’s Currently Valuable

- Rank the products
- Rank the features for a product
- Requires market knowledge to know when the team has done enough

Collaboration: The Difficult Part

- Collaboration: to work jointly with others or together especially in an intellectual endeavor
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Discussion

• How have you worked across the organization? How have you been successful?
• What has been less than successful?
• What have you tried where you can’t tell?

Build Trust: Prerequisites

• Deliver what you promise to deliver
• Be consistent in your actions and reactions
• Make integrity a cornerstone of your work
• Be willing to discuss, influence, and negotiate. Don't get stuck on your position
• Trust in yourself and your colleagues
• From Solomon, Building Trust in Business, Politics, Relationships, and Life
Build Trust for Project Portfolio Management

- Identify your goal
- How will you deliver consistently

Consider How Your Mission Drives Your Portfolio Decisions

- Your mission, which is what drives you (and your group) to succeed
- Missions guide principles and positions
  - A principle is: a guide to your values that helps you make decisions
  - A position is: a decision that you will not change
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Portfolio Evaluation Meeting

• Evaluate each project (should we do it at all?)
• Rank each project
• Commit/kill/transform
• Publish project portfolio

Ways to Rank (Show Value)

• Points
• Single-elimination
• Double-elimination (a form of pair-wise comparison)
Why Manage the Project Portfolio?

- Project staff can only work on one project at a time
  - Some people can only work on one task at a time
  - Many people like to have several related tasks to trade off among
  - Multi-project context switching is a huge waste of time
- Project portfolio makes it clear where the time is being allocated—and where the time is not allocated
- Managing the portfolio makes it possible to staff the most important work and not staff the least important work

Why Does Agile/Lean Work?

- Agile helps:
  - Finishing running, tested features
  - Have release-able product periodically (every timebox)

- Lean helps
  - Creating a culture of not having a lot of work in process
    - Instead, finish things and move on to the next one
It’s Not Easy

- But it’s necessary if you want to be successful

References and Resources

- Managing Product Development blog: jrothman.com/blog/mpd
- If you want to me to stay in contact with you, sign up for my email newsletter, The Pragmatic Manager, jrothman.com/pragmaticmanager/