finding the right
balance

a well balanced portfolio can make all the difference to your business

by **Dr Christopher Worsley**

CEO: CITI

"**S**HOW me your portfolio and I'll show you your strategy". How much better it would be if the strategy drove the portfolio content so that you could "show me your strategy" and from it I could describe what projects I would find in your portfolio!

It can be done that way round, but there have to be some changes to the way things normally get done. First, you do need a scale of values so that you can rank projects in order of value; nothing too sophisticated, though, it's a means, not an end. Getting a corporate consensus is good, though less common than you'd think, simply because it's extremely difficult. It does mean moving away from "I want it", to a measure of desirability. Secondly, you need to find out what's actually do-able within the constraints of your organisation. The way to do that is to make the maximum possible use of your scarcest resources, which means adopting tactics other than making sure everyone is busy — the rather Victorian, "least idle time" measure. Thirdly, it is sensible not to have too many of the projects all depending on the same thing, whether it's your favourite supplier, your pet market, or even SAP.

balance the desirable

The trick is to balance the desirable with the do-able, and that can be harder than it looks. Even moderately-sized candidate lists for next year's portfolio present large numbers of combinations, of which only a few offer best value-for-money from the portfolio investment. If you have just eight candidate projects, there are 256 different unique portfolios; one comprising all eight projects, eight with seven, and so on. If you have 28 candidates, you now have a staggering 256 million choices of portfolio! Add the complicating factor of interdependent projects and it is no wonder that portfolio selection committees get it wrong, especially when someone wants to add "just one more"!

There are some tools available, but most are awkward to deploy, or harder to apply than using native intelligence. Those that started from a financial management system tend to focus on the management and flow of capital expenditure, which distorts and limits their usefulness. Those that have grown out of project scheduling and monitoring betray their roots by treating portfolio decision-making as being driven from the bottom-up, employing aggregating algorithms that again distort and limit their usefulness. Those that have been written from some other basis display their immaturity by providing uneven support for the end-to-end process of managing the portfolio.

There is one though, supported by a tried and tested process, that is good! Developed by CITI in collaboration with clients, it provides excellent support to those who need to make choices and manage their firm's project prioritisation. It allows for mandatory and dependent projects, and takes into account financial and strategic value, risk and resource availability. Contact us today for a demonstration of what can be done.

keeping pace with the online race
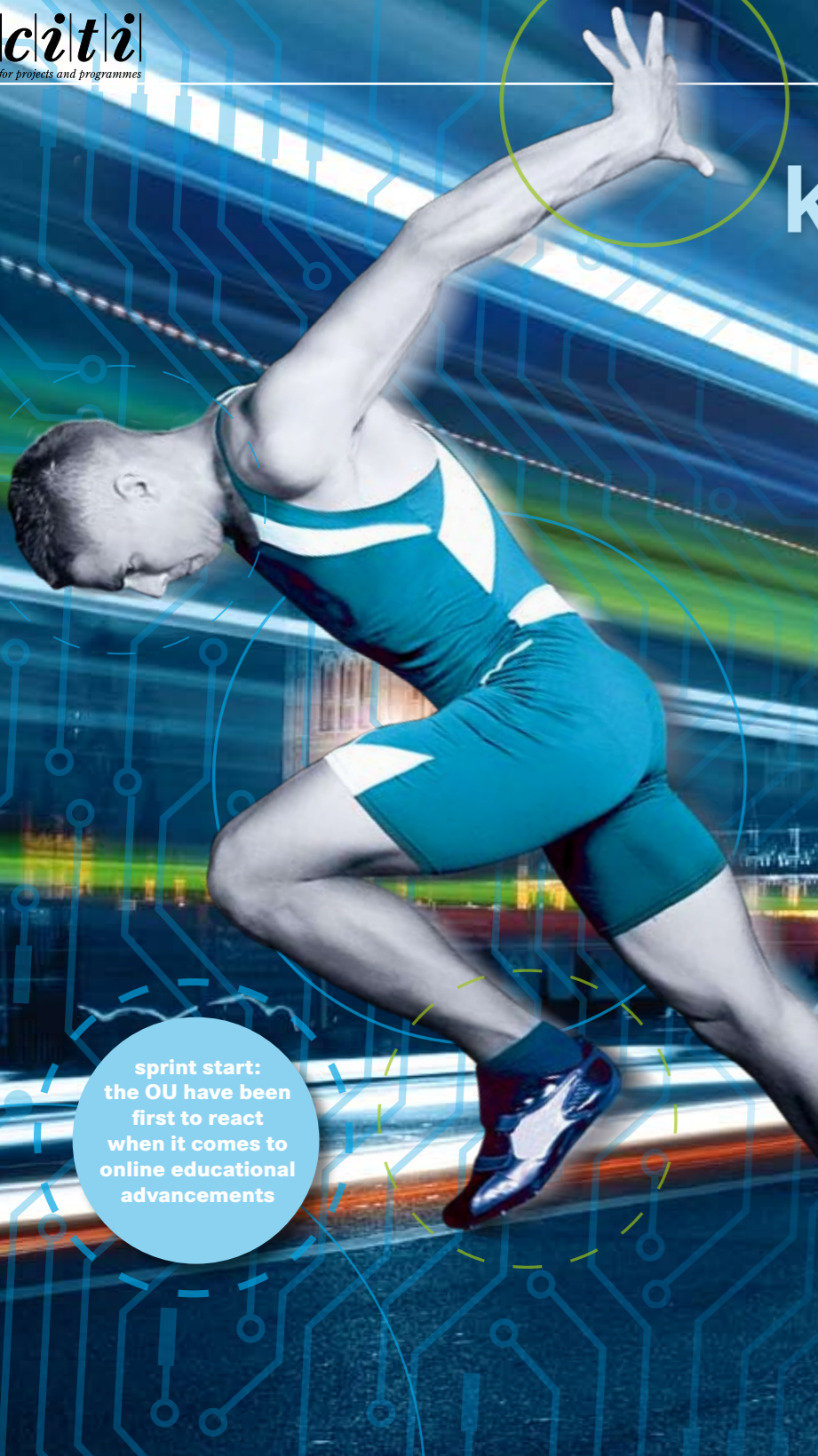
A S the Open University (OU) celebrates its 40th anniversary, it has become the UK's largest university, teaching almost 200,000 students each year.

by **Nigel Pigott,** Strategic Projects Manager – OU and **Nick Bullen**, Principal Consultant – CITI

Since its establishment in 1969 it has helped over two million students further their career development or fulfil their lifelong learning ambitions.

Following the 1964 Labour election win, Prime Minister Harold Wilson appointed Jennie Lee to take on the 'University of the Air' project. Since then the OU has changed the face of the higher education system through the exploitation of technology as a tool to make distance learning accessible to all. Fundamental to this achievement was the ability of the organisation to manage innovation and change through projects.

Its immense success has, in recent years, been to a large degree based on its advanced ability in online technology development. So it was only natural that when the OU embarked on a project to review and refresh its in-house project and programme management methodology it wanted to support it by a 'best in class' online

project management resource. Rather than reinvent the wheel it turned to partnering with CITI, the UK's leading experts on project and programme management.

Having seen demonstrations of CITI's online project management best practice tool, the e:PMguide, the OU saw a unique opportunity to further develop and tailor the guide for its internal use.

A vital factor in the OU's decision to partner with CITI was our ability to tailor the online resource so that the OU style, standards, approach and templates could be seamlessly integrated into the existing guide, greatly enhancing its business relevance and thus ability to obtain the support of the many stakeholders across the University.

Dean Taylor, Head of Strategic Projects Support at the OU, recognised the need for consistency of approach and terminology, given the many changes the OU is undertaking to expand its services and improve efficiency. He said: "In collaboration with our Human Resources Development Team we have embarked on a University-wide project management best practice programme which encompasses many facets, including developing project

leadership and project management capabilities and enhancing project governance and assurance practices. The foundation of our work is the refinement of the OU project management methodology and approach which will be embedded through the online e-PMguide and linked resources."

The e-PMguide has been structured for everyday use, with the emphasis on what must be done to achieve a project's objective, as opposed to all the things that could be done. The guide provides an essential set of templates and examples of their use. Again, the focus is on success and flexibility, with each project receiving an amount of management effort that is optimally geared to its size and complexity.

As well as best practice guidance, the e-PMguide contains a method 'handbook', which is based on ten project disciplines and seven project roles. This enables all members of the project community to understand their responsibilities within projects so that they can contribute to successful project delivery.

Nigel Pigott, Strategic Projects Manager at the OU, commented: "The great thing about the guide is that it combines very rich content with the flexibility and ease of use which makes it accessible and helpful to managers across a wide range of projects."

sprint start: the OU have been first to react when it comes to online educational advancements

bridging the 'leadership gap'

CITI and People Deliver Projects form an important new partnership…

A MAJOR report on professional development[1] placed leadership at the centre of the development model in which programme and project management are prominent core skills.

CITI, specialists in portfolio, project and programme management development and People Deliver Projects, recognised for their fresh and dynamic approach to personalised experiential learning, have formed an alliance that delivers these key project leadership skills.

Each of the partners is well-known and respected in the project and programme marketplace and by joining together they have created a 'one-stop' shop for organisations that need the strong leadership skills combined with excellent programme and project disciplines.

"In today's high pressure environment, project and programme managers must have a sound grasp of the project approach. Even more, they must have the wisdom to know how to apply it, and the people capability to lead others to success — it is the complete set that we can now bring to client organisations", commented Andy Taylor, Director of People Deliver Projects. "The relationship is a great fit for both organisations," added Christopher Worsley, CEO, CITI.

As a recent survey carried out on 160 project managers by People Deliver Projects confirmed, more than 80% of project and programme managers believe that people factors are more challenging, and have more impact on success, than either the technical content, or the project management approach.

This reinforces what Kotter[2] said in 1999, "The issue of leadership is centrally important because leadership is different from management, and the primary force behind successful change is leadership, not management".

Christopher Worsley believes, "The commonly perceived 'lack of leadership' in the project community in the UK has been exacerbated by the over reliance on method — a 'by-the-book' approach to managing projects. Many UK training suppliers have misled organisations by underplaying the fundamental team leadership skills for project managers. The inevitable result is project and programme managers who fail to deliver lasting benefit or valuable change."

Andy Taylor concludes, "I am convinced that the leading project organisations in the future will master methodology AND build strong team and leadership capability. As service providers we must respond to this need, and I see the partnership between CITI and ourselves as the first complete offering in UK project management."

[1] 'Professional Skills For Government', May 2005
[2] John P. Kotter "What Leaders Really Do", Harvard Business School Press, 1999

navigating the hurdles surrounding the 2012 Olympics

WITH 2009 as the mid-point in staging the London 2012 Olympics, now is a good time to review how the complexity of such an initiative is being managed.

What was described in 2005 as a project — and still thought of in those terms by many — has correctly become a mixture of portfolios, programmes and projects.

Arguably one of the most critical decisions made relatively early was to separate out the major construction

By Dr Thomas Docker, CITI Chairman

products from the uncertainty that surrounds much of the vision that is now manifested in five promises, which include 'Make the UK a world-leading sporting nation', 'Transform the heart of East London' and 'Inspire a generation of young people'.

The non-departmental public body, the Olympic Delivery Authority (ODA),

is responsible for the portfolio that will deliver the permanent venues and infrastructure, and with a budget of over £8billion, commands the vast majority of the expected total budget. As ODA chairman John Armitt pointed out recently, "The big challenge is the sheer scale of activity and the logistical challenge of managing the workflow."

However, care does need to be exercised. Concern expressed by Boris Johnson, London's Mayor, on the lack

of legacy planning has led to the Olympic Park Delivery Company being set up, which is due to take over responsibility this autumn for transforming the games site. Baroness Ford, an urban regeneration expert, is Chair of the company and has already stated that the legacy capacity of 25,000 for the Olympic stadium is to be reviewed.

If the clear product focus of the ODA is to be maintained then

it is critical that legacy issues are generally focused on adapting what is committed to be built, post London 2012, and not during the next year or so. What is a complicated construction portfolio should not be allowed to become a complex programme with uncertainty surrounding the deliverables.

leap of faith: the big challenge of olympic management

up and coming

Visitors to this exceptional event will gain real practical value and a very worthwhile learning experience. CITI's CEO Dr Christopher Worsley will be presenting on 'Sponsors — guide, guardian or guru?'. Distilled from thousands of sponsor interactions, this session explores how the project mission provides the sponsor with a mechanism to fulfil the governance role, what's good, what's essential, and what can safely be ignored.

This year, in view of the generous support received by GSK, the event is free of charge to UK members. The theme for this year's event is project failure and recovery. Amongst the leading experts presenting on this subject, Geoff Vincent, CITI Principal Consultant, will discuss 'Finding out what went wrong: the forensic approach'.

David MacLeod, CITI Principal Consultant, will be presenting 'But in the real world ...' at the APM Swindon Chapter on best practice project planning and how it can work in a deadline driven business world.

The eighteenth meeting of CITI's Centres of Excellence Club will be held at Abbey, London. The topic for the day will be 'Leadership in projects and programmes'.

onwards and upwards

Delivering Strategic Programmes

Are you a programme manager, business change manager or executive charged with making change happen throughout your organisation by managing a programme? This course will show you how to apply management approaches to set up and execute programmes, to plan and work with others to develop the brief and structure the work to deliver a successful programme. Using two real cases, you will live through the experience of a programme.

**module 1: 1-2 October
module 2: 9-10 November**

Making Projects Work

The purpose of this course is to give you the tools and techniques to run your projects with a degree of expertise, using the disciplines of project management with understanding and confidence. It focuses on the problems associated with the delivery and implementation of new processes, services and products. You will learn how the application of a disciplined approach to the running of projects significantly reduces the risk of failure. As a result you will be able to plan more effectively, focus on project achievement, and use estimating and monitoring techniques that are appropriate to your project.

**module 1: 5-7 October
module 2: 9-10 November**

Creating Valuable Project and Programme Support Offices

12–13 October

Attending this interactive course will give you the specialist skill set, and more importantly the understanding, of how you can establish and manage the type of PSO or PMO most suitable to your organisation. A working model of a PMO with exemplar tools is used to illustrate how some of the ideas can be translated into effective actions. This course will help you to ensure that your PMO meets both the needs of senior managers charged with maximising value and the needs of project and programme managers as they carry out their delivery responsibilities.

Mastering the Art of Stakeholder Engagement

Managing stakeholders well is often the cornerstone of programme and project success. If you are responsible for delivering projects or programmes involving a complex range of stakeholders, this master class will provide you with a radical and illuminating assessment of all key issues in stakeholder engagement and practical techniques for maximising the potential benefits of correctly aligned stakeholders. You will understand what success means to them and ensure the project or programme delivers that definition of success.

14 October

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change starts here

www.citi.co.uk