

Office of Government Commerce

# P3O® Online Repository

Portfolio, Programme and Project Offices: P3O  
Appendix D Portal Content, Version 1.0

**Some of the examples provided in this document are large and complex diagrams. They have been included for illustration of their complexity and will require expansion to read the detail.**

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## OVERVIEW

### Context

The sample tools and templates provided in this online repository are designed to supplement the concepts and descriptions provided in the P3O® guidance.

As such, the information is designed to provide insight and understanding; it is not intended to provide robust templates for use every day in a functioning P3O®. It is critical that the actual tools and templates designed and implemented are part of a cohesive business model that is designed, agreed and embedded into your organization.

### Tools and techniques

Each of the tools and techniques provided in this online repository is categorized against the project, programme and portfolio management elements (or domains) of portfolio management, Managing Successful Programmes (MSP™) and PRINCE2® as described in Figure 1.



Figure 1 Project, programme and portfolio management elements

## ORGANIZATION

### Governance model

#### Overview

A governance model should be described in terms of:

1. The physical governance **structures** in place: for example, Senior Responsible Owner (SRO), Project Executive, Change Control Board, Design Management Board, Investment Review Board.
2. The **accountabilities** of each of the groups within the governance structure: for example, the CEO takes ultimate accountability for the achievement of the enterprise's portfolio of projects; the Change Control Board is accountable for approving Requests for Change presented by the projects within the programme.
3. The governance **themes** that will be within the scope of these accountable groups: for example, Benefits Realization Management, Leadership and Stakeholder Engagement, information management, etc.

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## Approach

A useful approach when designing and embedding a governance model is:

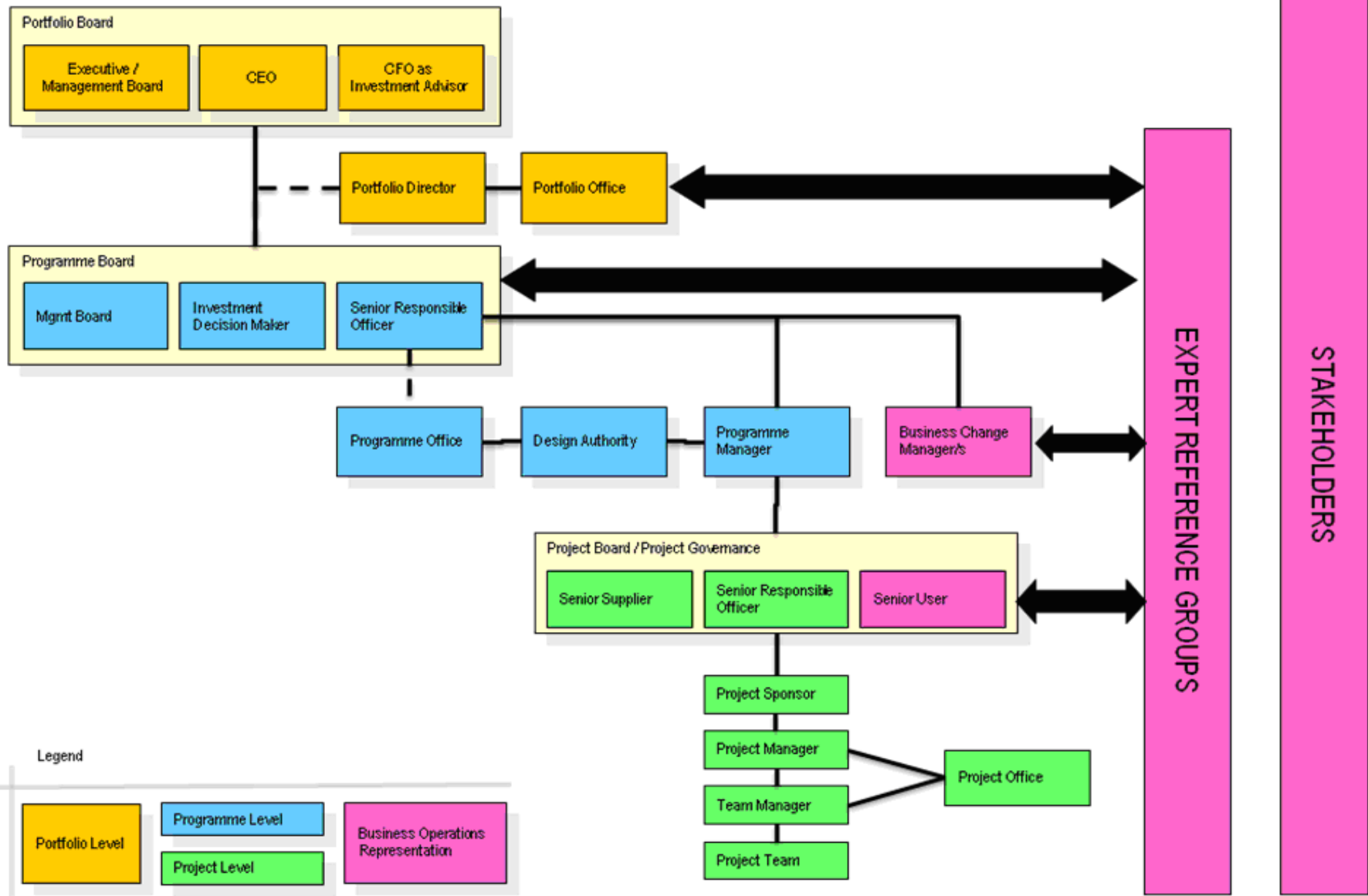
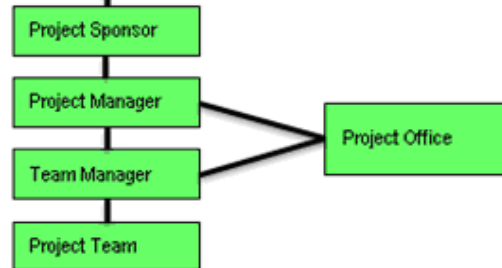
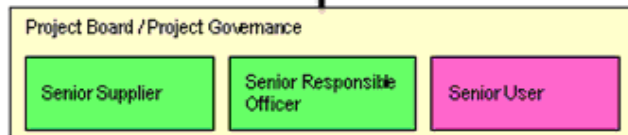
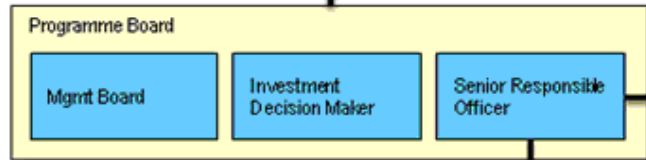
1. **Conceptual:** Represent the proposed governance model on a page with all impacted in-scope layers (e.g. portfolio, programme and project) against governance, capability delivery and operational management. Propose as a draft to senior stakeholders as you are asking them to manage their business within these parameters and seek refinement and commitment. Work with each of the senior stakeholders to build consensus and agree the model. This may involve alignment of other established governance structures.
2. **Functional:** Develop a governance charter that describes the overall process as a single point of truth, providing a repeatable process that can be continuously improved once operational. Develop terms of reference for each of the governance groups derived from the governance charter providing governance group-centric subset views to each of these groups.
3. **Implementable:** Determine specific membership of each of the governance groups, develop a stakeholder pack relating to their role and meet with each to gain commitment. Commence the governance group meeting with appropriate decision support information provided by agreed governance domains (for example, status reporting, Requests for Change, exception reporting, risk reporting, etc).

It is important to note that the P3O® should be capable of undertaking reporting processes to provide the decision support information before establishing the governance groups.

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## Tool

Figure 2 provides a conceptual governance model as a 'starting point' on a page that can be refined or tailored with input from senior stakeholders.



**COMPLEX MULTI-AGENCY TRANSFORMATION PROGRAMME**  
**Governance Model on a page (Outline Structures)**

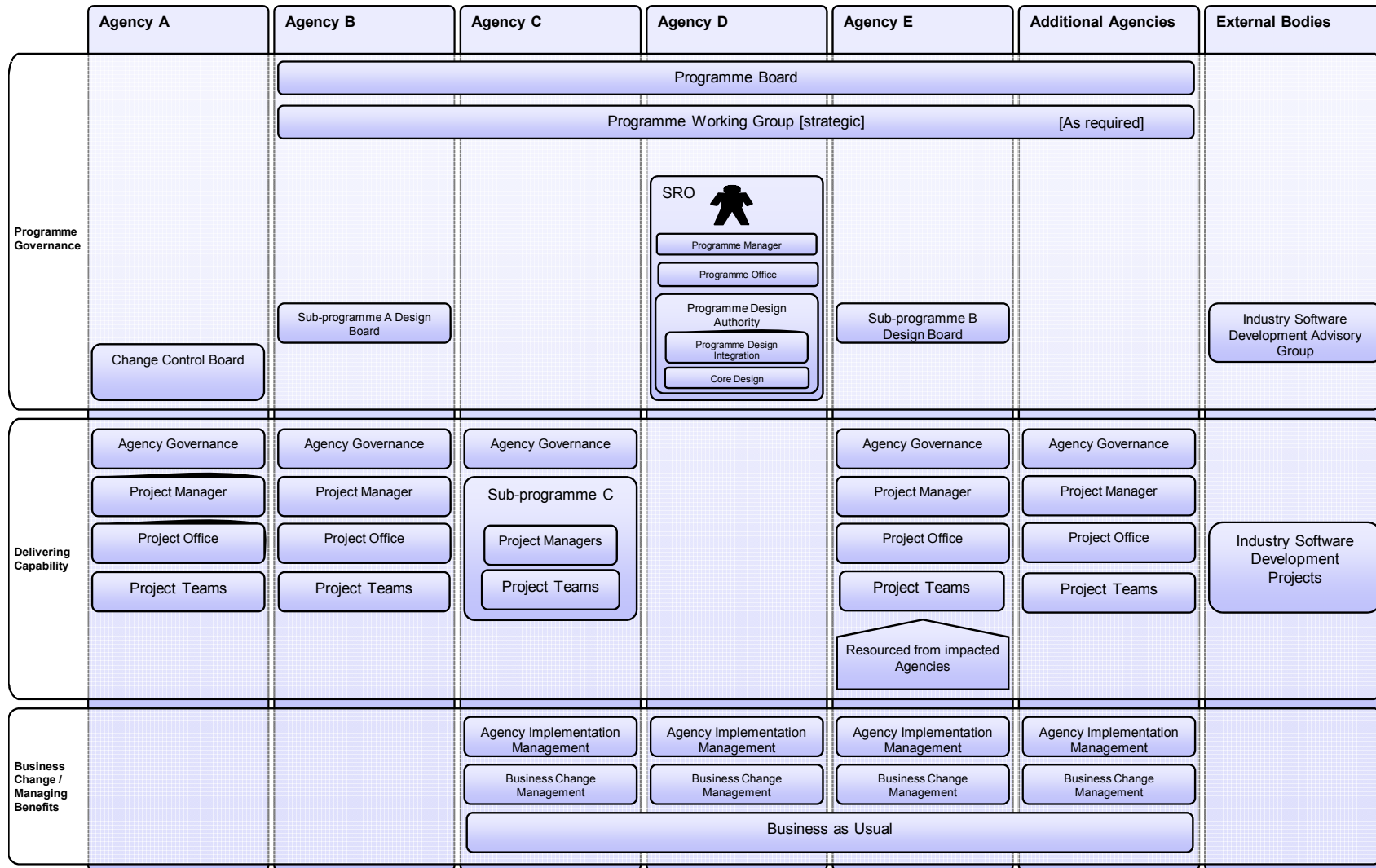


Figure 3 Example Governance model for a complex multi-agency transformation programme

# ENTERPRISE LEVEL PRIVATE SECTOR ORGANISATION

## Governance Model on a page (Outline Structures and Accountabilities)

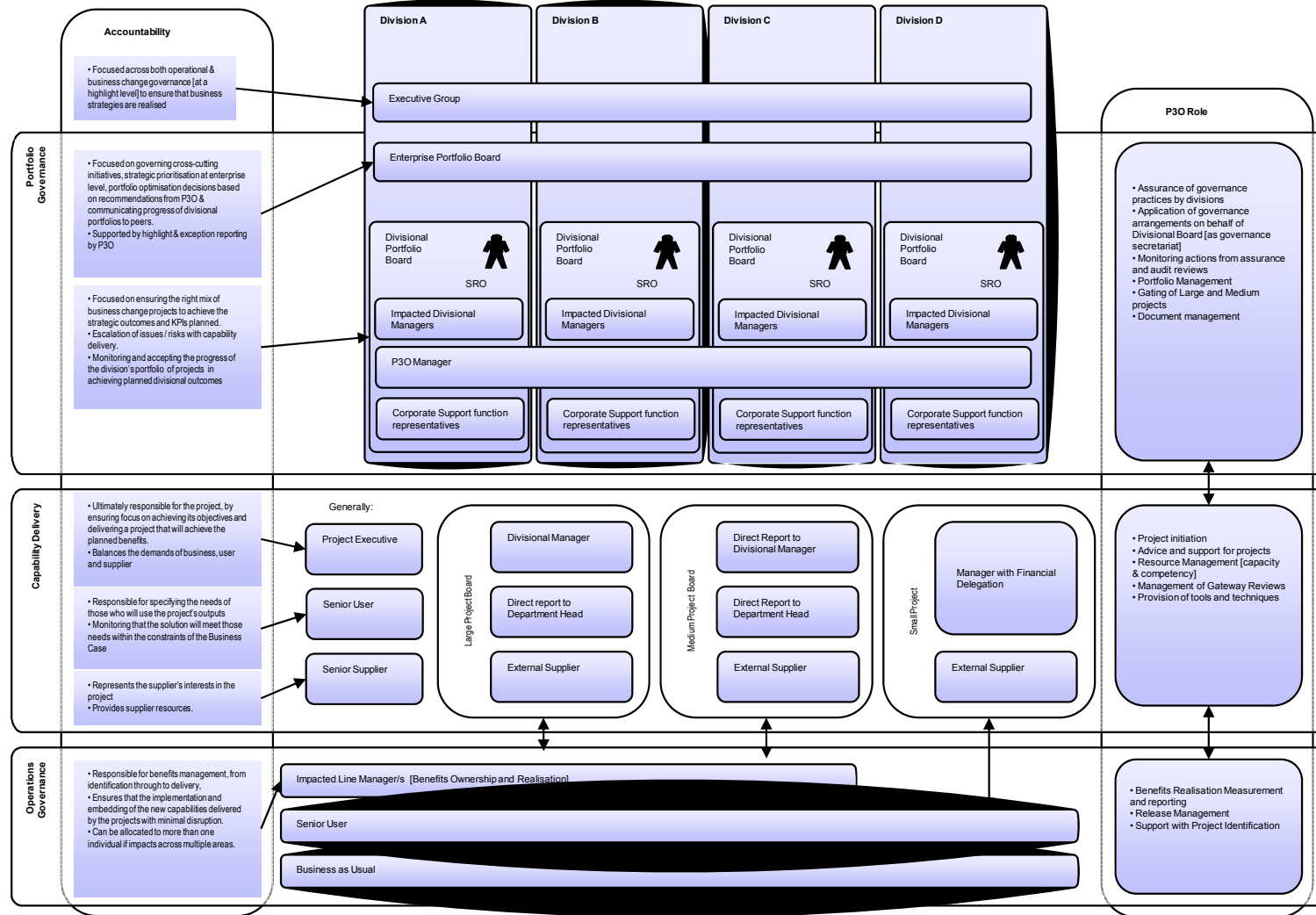


Figure 4 Example Governance model for an enterprise-level private sector organization



## PORTFOLIO MANAGEMENT APPROACH/VISION

### Prioritization model

#### Overview

A prioritization model provides a decision support tool to assist senior management (such as a Portfolio Board) to prioritize those programmes and projects that represent the best alignment to strategic drivers, with the least risk of achievement.

A prioritization model takes a list of potential programmes and projects and assesses each to identify the optimum portfolio, acknowledging organizational constraints such as availability of investment funds and resources.

This prioritization model assesses two components of the potential programme or project:

1. The 'idea' itself and level of alignment to strategy, including returns on investment and size in terms of total cost.
2. The delivery and execution capability of the organization to be able to manage and deliver the programme or project outcomes.

To enable programme and project prioritization to occur, it is necessary to collect key information about a programme or project proposal. This is usually undertaken using a portfolio project assessment and prioritization form, which has two goals:

1. To allow business operations to register an idea with the P3O® for investment evaluation and to make a potential funding decision through governance arrangements.
2. To collect only enough information for the P3O® to evaluate the proposal in a prioritization model before significant work commences.

The form is generally not developed to the level of a Project Brief or Programme Mandate; it precedes these in a portfolio-managed environment.

It is important to note that this form is generally used as the entry point to an investment stage gating process, which assesses the ongoing viability of a project or programme at key points of its lifecycle and into benefits realization.

#### Approach

The portfolio model is generally populated as part of the business planning process and should be updated periodically (such as quarterly) to assess potential new programmes and projects for merit against the existing portfolio.

It is critical that the information used to populate the prioritization model is not developed in isolation by the P3O®. Stakeholders should be carefully identified and used to build a level of consensus as to the weightings of each of the parameters.







When tailoring or developing your own portfolio model it is advisable to utilize clear parameters or metrics to remove subjectivity where possible. It is also necessary to review and refine the weightings and parameters periodically to ensure that it remains relevant.

When the results of the prioritization model are produced, it is recommended that this information be used as the basis of a facilitated workshop with key stakeholders (such as representatives of the Portfolio Board) to validate and refine where necessary. This acknowledges that the prioritization model provides decision support only and provides an opportunity for strategic discussion to support buy-in to the planned portfolio.

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## Tools

The content provided in the following tools is Example only.

Portfolio model	Portfolio project assessment and prioritization form
 Microsoft Office Excel 97-2003 Worksl 	 Microsoft Office  Word 97 - 2003 Docu
Business criticality matrix	
 Microsoft Office Excel 97-2003 Worksl 	

The actual prioritization model that you implement will need to be tailored to include the columns that represent value to your organization and the parameters for each level based on testing against the project portfolio. It is recommended that this is developed collaboratively with the area or function responsible for strategy in your organization.

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## Example

Figure 5 provides an example matrix for the prioritization of projects against the parameters of:

1. Project type
2. Strategic fit
3. Net present value
4. Cost
5. Customer satisfaction
6. Resources
7. Delivery risk.



Figure 6 illustrates a complexity/risk matrix for prioritizing projects.

Place a 1 in column B, C or D	B	C	D	WEIGHTING	SCORE	FACTOR NOTES
If project strategic to group mark col. B; if to individual businesses C; if neither D	1			10	100	Group-critical = 10; business-critical = 5
If across multiple businesses mark col. B; multiple business units C; neither D	1			8	80	Yes = 10; multiple business units = 5; no = 3
If the project is innovative mark col. B; complex C; routine D			1	9	63	Innovative = 10; complex = 7; routine = 4
If the total whole life costs (cap. + rev.) are >£1m mark col. B; £500k to £1m C; <£500k D			1	9	63	>£1m = 10; £500k–£1m = 7; <£500k = 5
If the end date is critical mark col. B; if fixed C; if movable D			1	7	49	Critical = 10; fixed = 7; movable = 3
If duration is longer than nine months mark col. B; if three to nine months C; less than three months D	1			2	20	>9 months = 10; <9 months = 7; <3 months = 4
If requirements are obscure mark col. B; if they need clarification C; if clear D	1			4	40	Obscure = 10; clarification needed = 6; clear = 4
If the team size is greater than 50 mark col. B; 20 to 50 C; 1 to 20 D	1			4	40	>50 = 10; >20 + <50 = 7; >1 + <20 = 4
If the resources are scarce mark col. B; fairly difficult to get C; available D	1			8	80	Scarcity of skills high = 10; medium = 5; low = 2
If two or more third parties are involved mark col. B; one company C; none D			1	6	30	> two external companies = 10; one external company = 5
				<b>Overall scoring</b>	<b>565</b>	
On a scale of risk from 1 to 10, this project has a level of		<b>8</b>				
and is therefore categorized as		<b>High</b>	Risk			

Figure 6 Complexity/risk matrix for prioritizing projects

## Force ranking

### Overview

The force ranking technique shown in Figure 7 assists in determining the relative weighting of various strategies or business drivers in a portfolio model by comparing the relative importance of each driver against the other drivers.

It can be useful where strategies or business drivers across different parts of an organization appear not to be connected to each other.

Is the Business Driver in the left hand column "more or less important" than the Business Driver in the top row?						
	A	B	C	D	E	F
A		more important	less important	equally important	more important	much less important
B			much less important	much less important	equally important	less important
C				more important	extremely more important	equally important
D					much less important	more important
E						much less important
F						

Figure 7 Force ranking technique

## Approach

It is recommended that this process be undertaken with the group of senior stakeholders responsible for the development and management of strategic and business drivers in a facilitated workshop environment. The output of this process can be used to set the weightings for a portfolio prioritization model.

The key steps are:

1. Determine the strategies or business drivers to be compared and enter on the spreadsheet. Note that some of the cells in the table have been blanked out as it is not possible to compare something against itself and it is not necessary to duplicate comparisons.
2. Within the remaining cells, compare the strategy or business driver in the row with the one in the column. For each cell, decide with the senior stakeholder group the level of relative importance and use the drop-down list to enter the result. It is critical to promote discussion around the business drivers' relative importance to build consensus.
3. As this is a process to facilitate discussion and consensus amongst the stakeholders, validate the output with the group to ensure that the output table reflects sentiments.
4. Utilize the agreed output in the development of the strategic alignment parameters and weightings of your prioritization model.

## Tool

The content provided in the following tool is an example only.



## Management Dashboard

## Overview

The objective of the Management Dashboard technique is to provide key decision support information across a portfolio using highlights and exception-based reporting, such that it provides a rolled-up view of more detailed information. It is generally provided as a top-tier report (exception-based) with links to programme and project information to enable the board to drill down to detailed information if required.

Its key benefit is to supplement larger volumes of detailed reporting allowing the decision-makers to determine progress more effectively and understand where attention and management intervention may be required.

The key input into the Management Dashboard is information and progress reporting from the programmes and projects within the portfolio. It should be highlighted that the dashboard will only be valuable if there is confidence in the information and this is directly related to the quality of the programme and project information, P3O® processes and skills and the level and quality of the challenge and scrutiny role within the P3O®.

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## Tools

The content provided in the following tools is an example only.

Example portfolio report using Microsoft Project



Microsoft Office  
Project Document







Example portfolio report using Microsoft Word



Microsoft Office  
Word 97 - 2003 Docu

The Management Dashboard shown in Figure 8 demonstrates highlight reporting of the portfolio using red-amber-green (RAG) indicators.

Portfolio indicators













	↔	<u>Benefits realisation</u> – 20/130 projects benefits at risk (\$20M)		↑	<u>Risk</u> – 20/130 projects not managing risks effectively		↓	<u>Time</u> – 90/130 projects behind schedule
	↑	<u>Budget</u> – 20/130 projects over budget (\$10M at risk)		↓	<u>Resource</u> – 10/130 projects are short of critical resources		↔	<u>Embedding Change</u> – 30/130 projects are following the project mgmt standards



Consolidated & Analysed

Project indicators

- 1** management & control (i.e. how well the project is being managed, project health)
- 2** actual performance/delivery (i.e. how well the project is delivering benefits)

Name	ID	Type	Priority	Project Owner	Business Unit Owner	Stage Gate	<b>1</b> Management & Control		<b>2</b> Delivery		Notes	Finish date	R
							This mth	Last mth	This mth	Last mth			
Project 1	11	Efficiency	1	B. Wilson	Div C	Deploy	 R ↓	 A	 A ↓	 G	PM not allocated since last month's request	Feb-11	✓
Project 2	21	Compliance	3	F. Petrou	Div B	PIR	 A ↑	 R	 G ↑	 A	Critical systems issue addressed	Jun-09	✓
Project 3	35	Revenue	2	P. Ternouth	Div A	Initiate	 A ↔	 A	 A ↔	 A	Reporting not improved since last month, review scheduled	Mar-10	✗

The project's alignment to agreed strategic drivers

Force Ranking of project priority against strategic drivers, complexity [risk] and planned benefits

Key project ownership information

Summary of how well the project complies with embedded project management standards e.g. Schedule, risk, quality etc.

Summary of the actual status of the project compared to its approved plans as at the reporting date. For example:

- actual progress against planned schedule
- actual spend against planned budget (& use of contingency)
- benefits realisation progress
- level of risk

Has reporting been submitted on time and to the required quality?

Figure 8 Example Management Dashboard using RAG indicators

The investment in an enterprise project management (EPM) or portfolio, programme, project risk management (P3RM) tool is recommended when:

- The capability maturity of the organization is at an appropriate level (generally 2.5+)
- The scale of information required to be collected, analysed and reported warrants it
- It supports the P3O® processes across geographic dispersion of the P3RM community.

However, it is possible to utilize Microsoft Project to provide portfolio reporting, taking advantage of its scheduling features. Figure 9 treats each task as a project and provides traffic light reporting utilizing custom fields for the key elements of the project.

The key benefit of this approach is that you can quickly provide a Management Dashboard and analyse projects; the P3O® can periodically update the information based on discussion with project managers and Project Highlight Reports with less effort than with spreadsheets or manual approaches. It is also possible to include resource information against each project and produce resource plans.

It is not recommended to utilize the 'master project' feature or to link multiple Microsoft project files for this purpose.



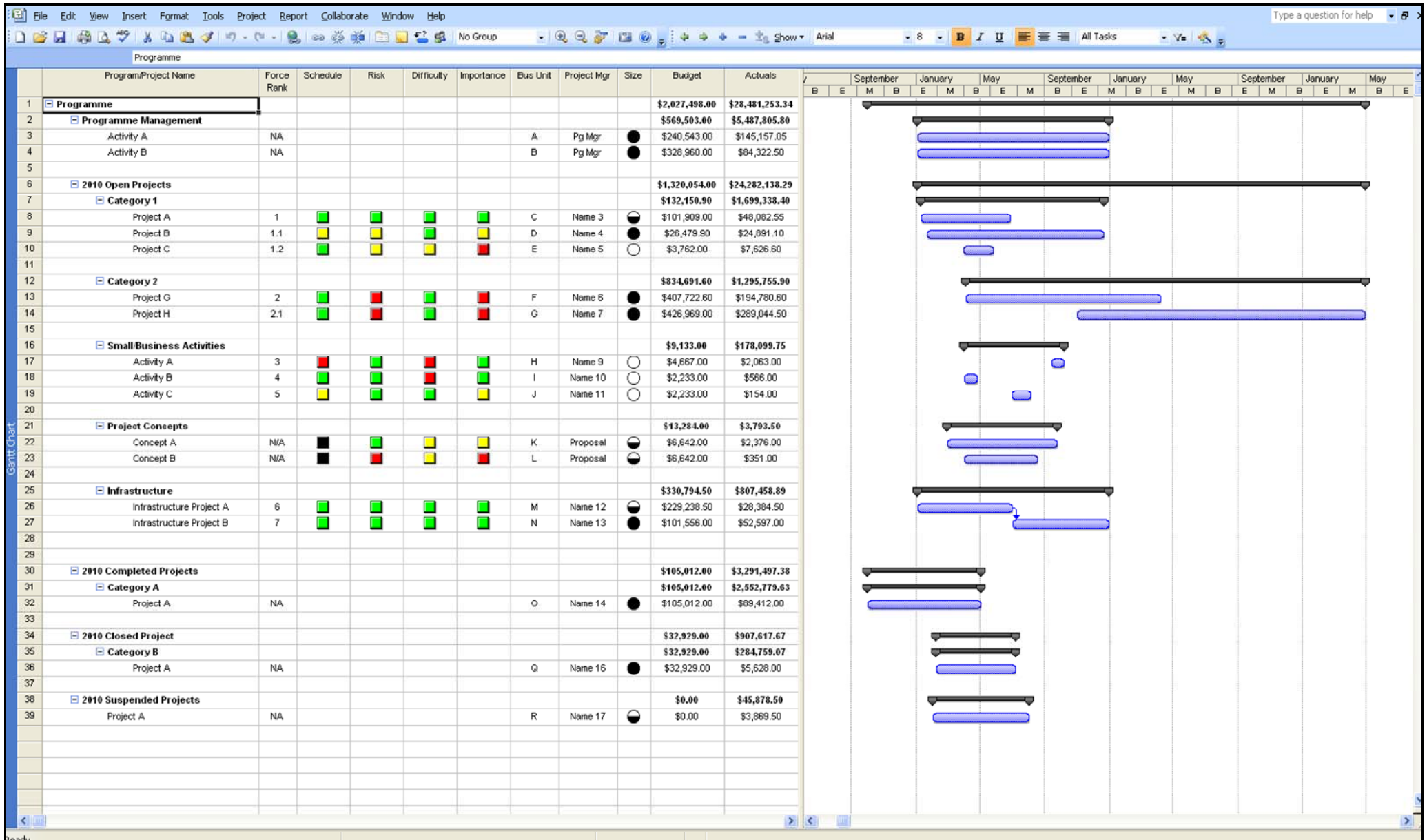


Figure 9 Portfolio management using traffic light reporting

## LEADERSHIP AND STAKEHOLDER ENGAGEMENT

### Agendas

#### Project start-up workshop agenda

##### Objectives

1. To formally launch the project.
2. To ensure a common understanding of the project purpose, organization structure, roles and responsibilities, methods and work practices to be followed whilst working on the project.

1	Introduction/ownership	5 mins	<b>Project manager</b>
2	Scene setting/logistics	5 mins	<b>Facilitator</b>
	<b>Agree and sign off the following:</b>		
3	Project objective/high-level deliverables or work streams	20 mins	<b>Project manager</b>
4	Project scope (what's in and out)	20 mins	<b>All</b>
5	Project constraints (the 'musts'): time, money, resource	10 mins	<b>All</b>
6	Organization structure: resources/roles and responsibilities	20 mins	<b>All</b>
7	Project reporting/meetings	15 mins	<b>All</b>
8	Project controls: overview of project filing/document control, issue resolution, risk management, quality	20 mins	<b>All</b>
9	Project finances – recording of project expenditure, both money and time	10 mins	<b>All</b>
10	Brainstorm the implications/impact of the following areas on the programme/project: <ul style="list-style-type: none"> <li>● Network planning</li> <li>● System security</li> <li>● Procurement/supplier management</li> <li>● Legal</li> <li>● Audit</li> <li>● Marketing</li> <li>● Public relations</li> <li>● Communications</li> <li>● Compliance (regulatory/company policy)</li> <li>● Configuration and release management (software)</li> </ul>	20 mins	<b>All</b>
11	Interfaces/dependencies	10 mins	<b>All</b>
12	The way forward: <ul style="list-style-type: none"> <li>● actions</li> </ul>	5 mins	<b>P3O® facilitator</b>

	<ul style="list-style-type: none"> <li>● owners</li> <li>● dates</li> </ul>		
13	Date of next meeting/close		<b>Project manager</b>

## Risk workshop agenda

### Objectives

1. To identify and assess the threats and opportunities that may affect the delivery of this project.
2. To ensure that key risks have an appropriate owner and actionee.

1	Introduction/ownership	15 mins	<b>Project manager</b>
2	Scene setting/logistics	5 mins	<b>P3O® facilitator</b>
3	Risk identification – brainstorm and validate	60 mins	<b>All</b>
4	Risk assessment	30 mins	<b>All</b>
5	Response planning/assignment of owners/actionees	40 mins	<b>All</b>
6	The way forward: <ul style="list-style-type: none"> <li>• actions</li> <li>• owners/actionees</li> <li>• dates</li> </ul>	10 mins	<b>P3O® facilitator</b>

### Instructions to participants

1. To include any background reading and pre-preparation required.
2. To consider the issue of brief/Project Initiation Document – if available.

## Planning workshop agenda

### Objective

To put in place a high-level plan of deliverables, deliverable flow and interdependencies.

1	Introduction/ownership	5 mins	<b>Project manager</b>
2	Scene setting/logistics	5 mins	<b>P3O® facilitator</b>
3	Deliverable brainstorm (product breakdown structure)	60 mins	<b>All</b>
4	Generation of deliverable flow diagram	30 mins	<b>All</b>
5	Stage and deliverable review points	10 mins	<b>All</b>
6	Allocation of interdependencies/resources/timings	30 mins	<b>All</b>
7	The way forward: <ul style="list-style-type: none"> <li>● actions</li> <li>● owners</li> <li>● dates</li> </ul>	5 mins	<b>P3O® facilitator</b>

## Lessons learned workshop agenda

### Objective

To gather valuable lessons learned from project team.

1	Introduction/ownership	5 mins	<b>Project Manager</b>
2	Scene setting/logistics	5 mins	<b>P3O® Facilitator</b>
3	Review of project specifics: <ul style="list-style-type: none"><li>• project organization and structure</li><li>• management of the project team – meetings, project reporting, communication</li><li>• performance against the objectives</li><li>• performance against the plan</li><li>• issue resolution</li><li>• project links – internal business departments, third parties</li></ul> For each of the above we will identify: <ul style="list-style-type: none"><li>• what went well</li><li>• what went badly</li><li>• what we could do to improve things</li></ul>	2 hours	<b>All</b>
4	How did the project go? Personal views	15 mins	<b>All</b>
5	Summary/closedown	5 mins	<b>P3O® facilitator</b>
6	The way forward – lessons learned dissemination: <ul style="list-style-type: none"><li>• actions</li><li>• owners</li><li>• dates</li></ul>	5 mins	<b>P3O® facilitator</b>

## BENEFITS REALIZATION MANAGEMENT

### P3O® benefits model

#### Overview

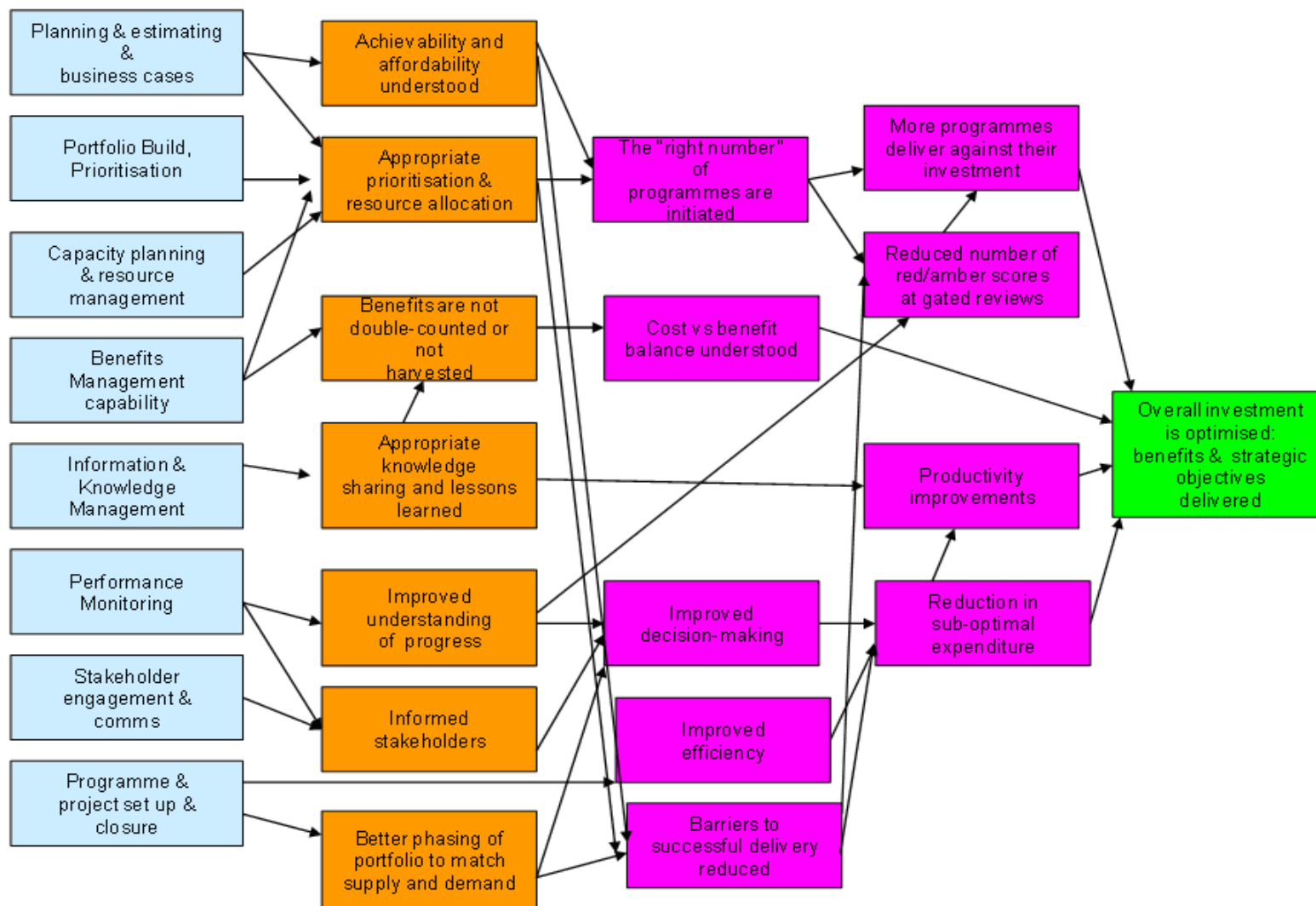
In planning the establishment of a P3O® and improving capability to deliver projects and programmes successfully, developing a benefits model for P3O® can be a useful way to determine activities and prioritize effort.

It is especially critical for ensuring that the value of the P3O® is clear and then delivered on.

The benefits models shown in Figures 10 and 11 provide examples for a Portfolio Office (Figure 10) and Programme Office (Figure 11) aligned to the outcomes and benefits described in the guidance, which may be tailored to suit your organization.

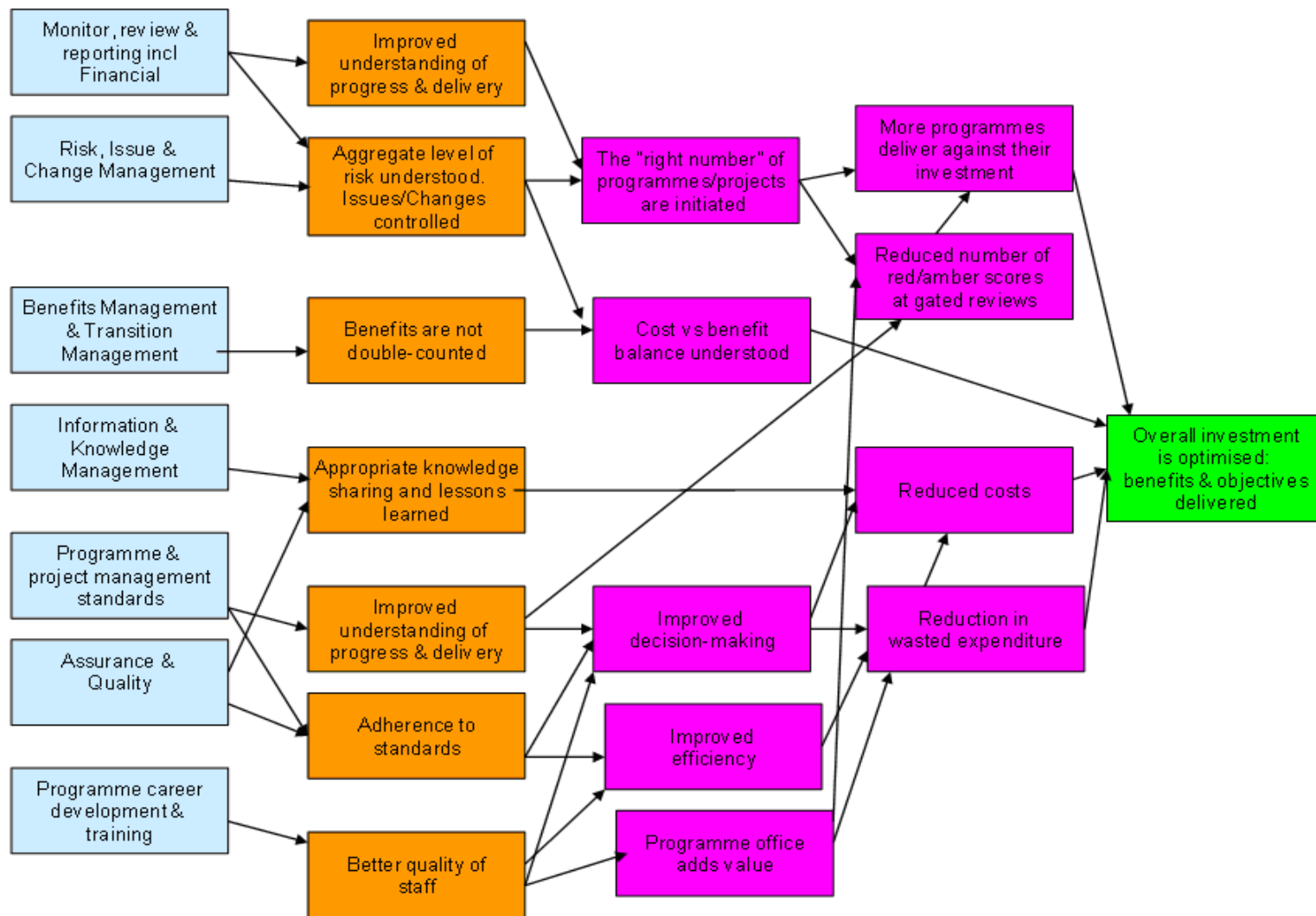
Portfolio Office example

Current capability	Future state capability
Programmes and projects are selected on the basis of who is championing the programme, available budget within a department or business unit, or who is the most persuasive.	Programmes and projects are selected on the basis of strategic alignment and known constraints. The right number and type of programmes and projects are initiated to achieve planned strategic outcomes and the available capacity of the organization.
Benefits are rarely quantified, are quantified inappropriately, are not realistic or are used for investment justification purposes only.	Expert review of benefits ensures appropriate measurement and achievement of benefits. Benefits are not double-counted.
No learning of lessons – the same mistakes are repeated time and time again by new programmes.	Knowledge management ensures ever-improving estimating, planning and the implementation of appropriate measures to ensure mistakes are not repeated.
Decision-making is based on 'pet projects and programmes'.	Decision-making is based on strategic alignment and level of benefits delivery, leading to appropriate prioritization of resource allocation and programmes delivering benefits.
Overall investment is poor value for money.	Overall investment is optimized to ensure delivery of key benefits and objectives.
Portfolio office seen as an overhead, not adding value to the organization.	Portfolio office adds value by providing expert challenge, decision support and improved understanding of organizational investment.
Aggregate level of risk is not known and the organization is taking on more risk than they are aware of or can bear.	Aggregate level of risk is understood leading to appropriate level of risk-taking.
Programme management best practice is poorly understood by staff, leading to failure to adhere to minimum standards.	Programme management standards are tailored to programme and organizational needs, leading to appropriate application of best practice and greater programme control.
Business cases are not validated independently and are often over-optimistic. Achievability is not assessed.	Business cases are validated independently for achievability and capability to deliver.



Portfolio Office example

Current capability	Proposed future capability
There is no common approach to managing programmes across the department or organization.	Programme management standards are tailored to programme and organizational needs, leading to appropriate application of best practice and greater programme control.
There is poor understanding of the differences between projects and programmes and the roles of programme manager and programme office.	Roles and responsibilities within the programme team are well defined, understood and communicated. The added value of the programme office is acknowledged.
The culture is project-centric, focusing on delivery of outputs rather than transition management and the achievement of outcomes and benefits.	The culture is outcome- and benefits-centric, ensuring that projects deliver outputs that will enable benefits to be achieved and appropriate transition management takes place.
There is no training route map for individuals to develop programme management disciplines. People are expected to 'get on with it'.	Training development plans exist to enable individuals to develop their programme management capability. Programme management and programme office roles are considered to be appropriate career paths.
There is no department or organization-wide picture of progress against plan and limited financial control.	Overview of progress and delivery against plan and strong financial control.
No learning of lessons – the same mistakes are repeated time and again by new projects and programmes.	Knowledge management ensures ever-improving estimating, planning and the implementation of appropriate measures to ensure mistakes are not repeated.
No review of project delivery and compliance with project management standards.	Assurance and review of project delivery and compliance with project management standards.
Risks are managed at a project level with no aggregate view of risks.	Aggregate level of risk is understood leading to appropriate level of risk-taking.





Nil.

### PLANNING AND CONTROL

#### Programme status reporting swimlane

##### Overview

The objectives of business process swimlanes are to develop standardized business processes, ensuring appropriate linkages (often across multiple divisions or business units within an organization), and agree accountabilities.

The key benefit of this technique is to provide 'repeatable processes' for capability maturity and set process baselines that can be continuously improved through lessons learned. A documented and agreed business process swimlane can then inform the development of templates, procedures, guidance and P3O® roles.

##### Approach

When developing business process swimlanes:

1. The key stakeholders of the process should be identified.
2. A basic process should be developed as a starting point.
3. A working group of representatives of each of the stakeholders should be established to agree the process objectives, confirm their role in the process and refine the process to integrate it into the organization's overall processes.
4. Once agreed, this information can then be implemented via P3RM community channels such as intranet sites, project management procedures and governance strategies.

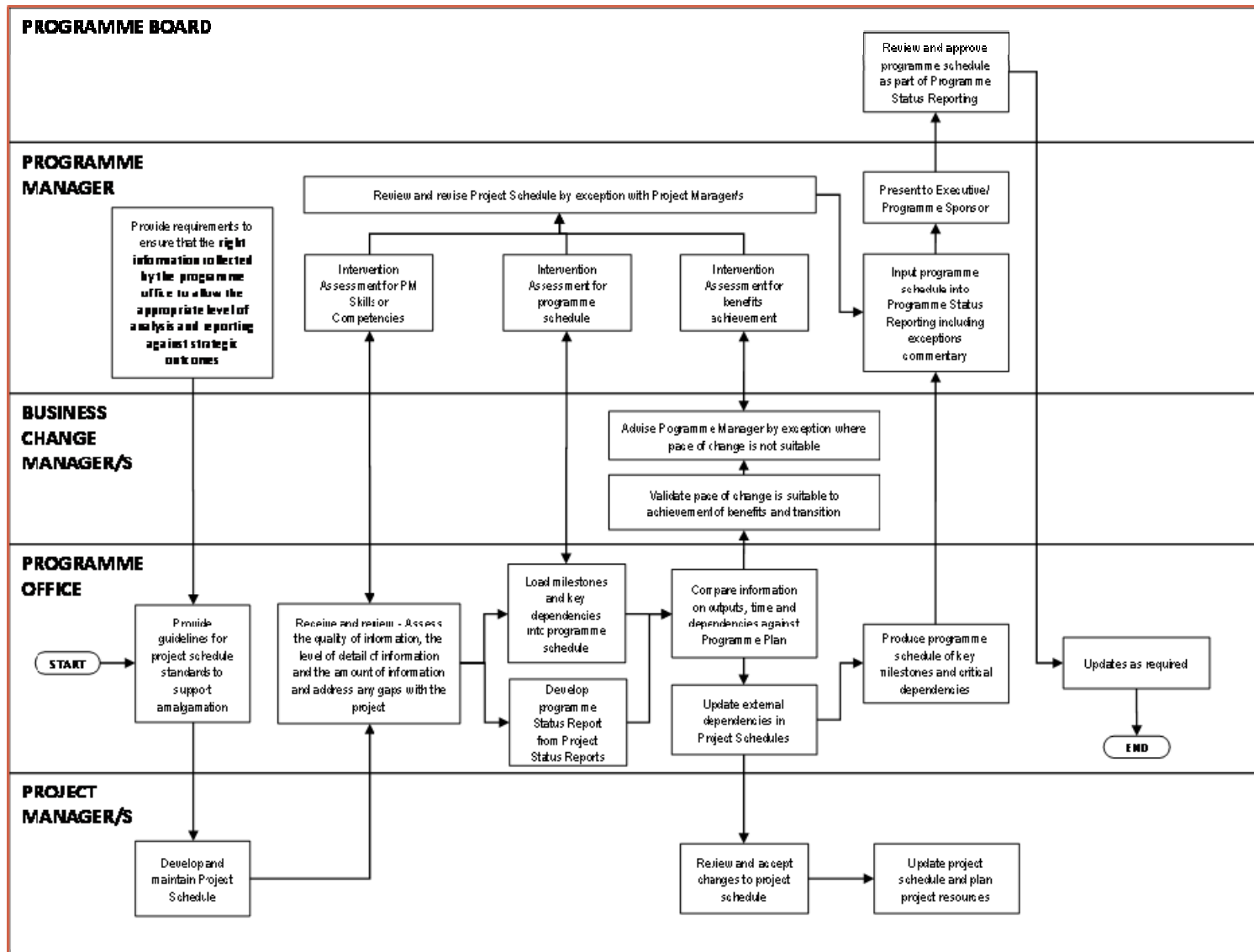


Figure 12 Example Business process swimlanes

Example information for programme status reports may include:

1. Project name
2. Project manager (supply side)
3. Project manager (business side)
4. Planned start date
5. Planned end date
6. Actual or projected start date
7. Actual or projected end date
8. Delivery status (red, yellow, green)
9. Financial status (red, yellow, green)
10. Budget costs
11. Actual costs
12. Project predecessors
13. Project successors
14. Strategic objective/s supported
15. Top three issues and status
16. Top three risks and status
17. Top three opportunities to accelerate project delivery
18. Percentage of critical path/chain completed
19. Percentage of contingency consumed
20. Tolerance level/issues
21. Planned outputs for next reporting cycle
22. Requested help from programme
23. Date reported
24. Reporting period.

## Programme linkage report

### Overview

Given the complexity of some programmes and the interdependencies within that need to be represented to programme management as the programme progresses, a programme linkage report can provide a way to represent this complexity 'on a page'. It can be used for planning and representing a programme's delivery of capability and for progress reporting. It can also be used to display how critical issues are impacting the critical path.

### Approach

A programme linkage report should be developed as part of the portfolio design of a programme and be based around work streams, with each stream being designed and built up and interdependencies added subsequently.

It is important to ensure that the level of granularity is appropriate to the stakeholders of the report (such as the programme manager or Programme Board).

When representing this report to stakeholders for the first time, it is advisable to display and discuss each stream independently and then display the linkage report as a whole, as it can be confusing without the appropriate context.

Representing a programme as an interdependency or linkage report (see Figure 13) with 'traffic-lighting' shows approach, progress and critical information quickly and also shows where issues will impact subsequent delivery.

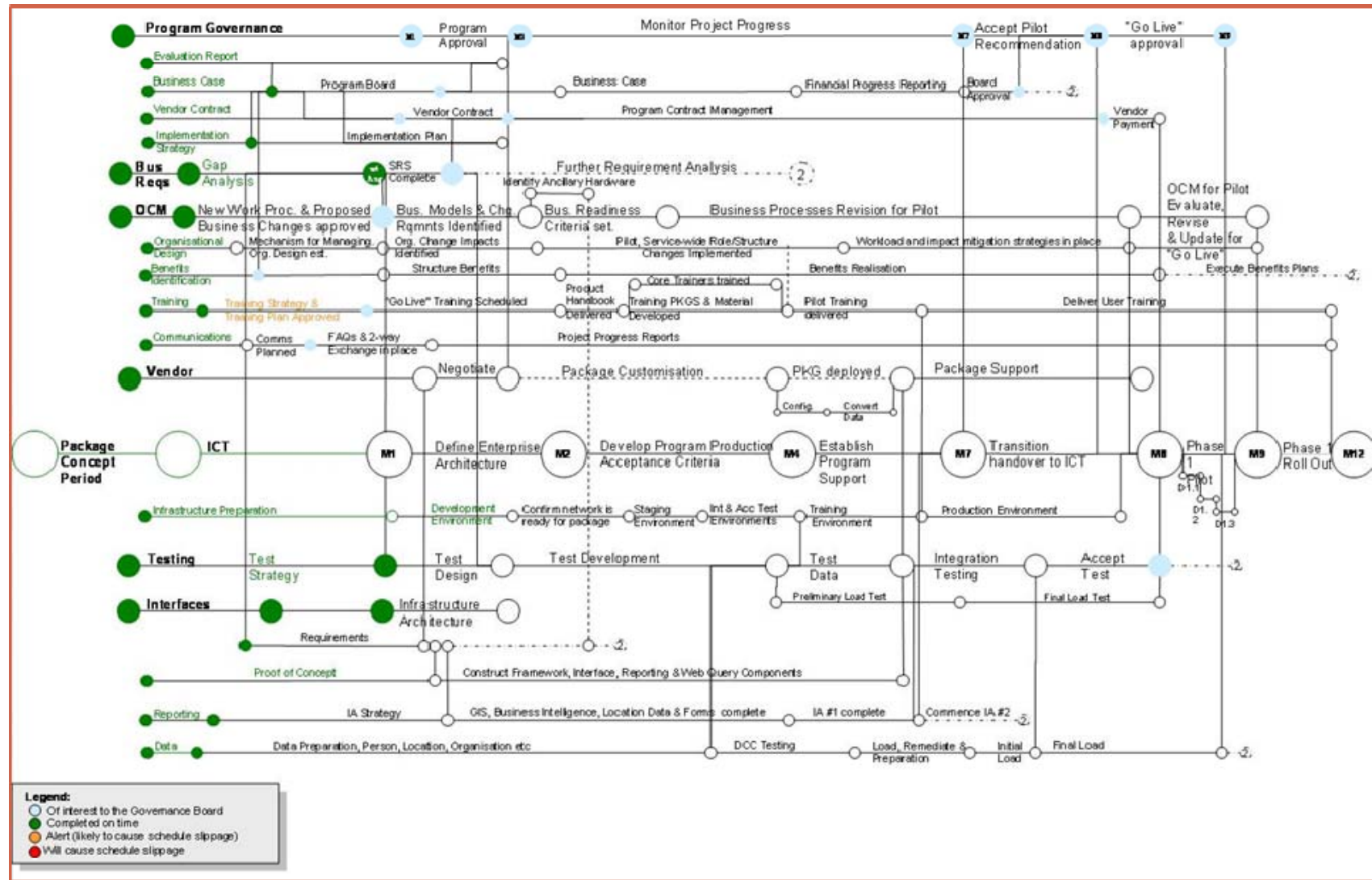


Figure 13 Example Programme linkage report

## BUSINESS CASE

### Business Case guidelines

#### Example

The following document provides a sample of a set of Business Case guidelines that may be implemented across an organization as a policy or governance strategy.



Microsoft Office  
Word 97 - 2003 Docu

## RISK MANAGEMENT/ISSUE MANAGEMENT/CHANGE CONTROL

### Risk management swimlane

#### Overview

The objectives of business process swimlanes are to develop standardized business processes, ensuring appropriate linkages (often across multiple divisions or business units within an organization), and agree accountabilities.

The key benefit of this technique is to provide 'repeatable processes' for capability maturity and set process baselines that can be continuously improved through lessons learned. A documented and agreed business process swimlane can then inform the development of templates, procedures, guidance and P3O® roles.

#### Approach

When developing business process swimlanes:

1. The key stakeholders of the process should be identified.
2. A basic process should be developed as a starting point.
3. A working group of representatives of each of the stakeholders should be established to agree the process objectives, confirm their role in the process and refine the process to integrate it into the organization's overall processes.
4. Once agreed, this information can then be implemented via P3RM community channels such as intranet sites, project management procedures and governance strategies.

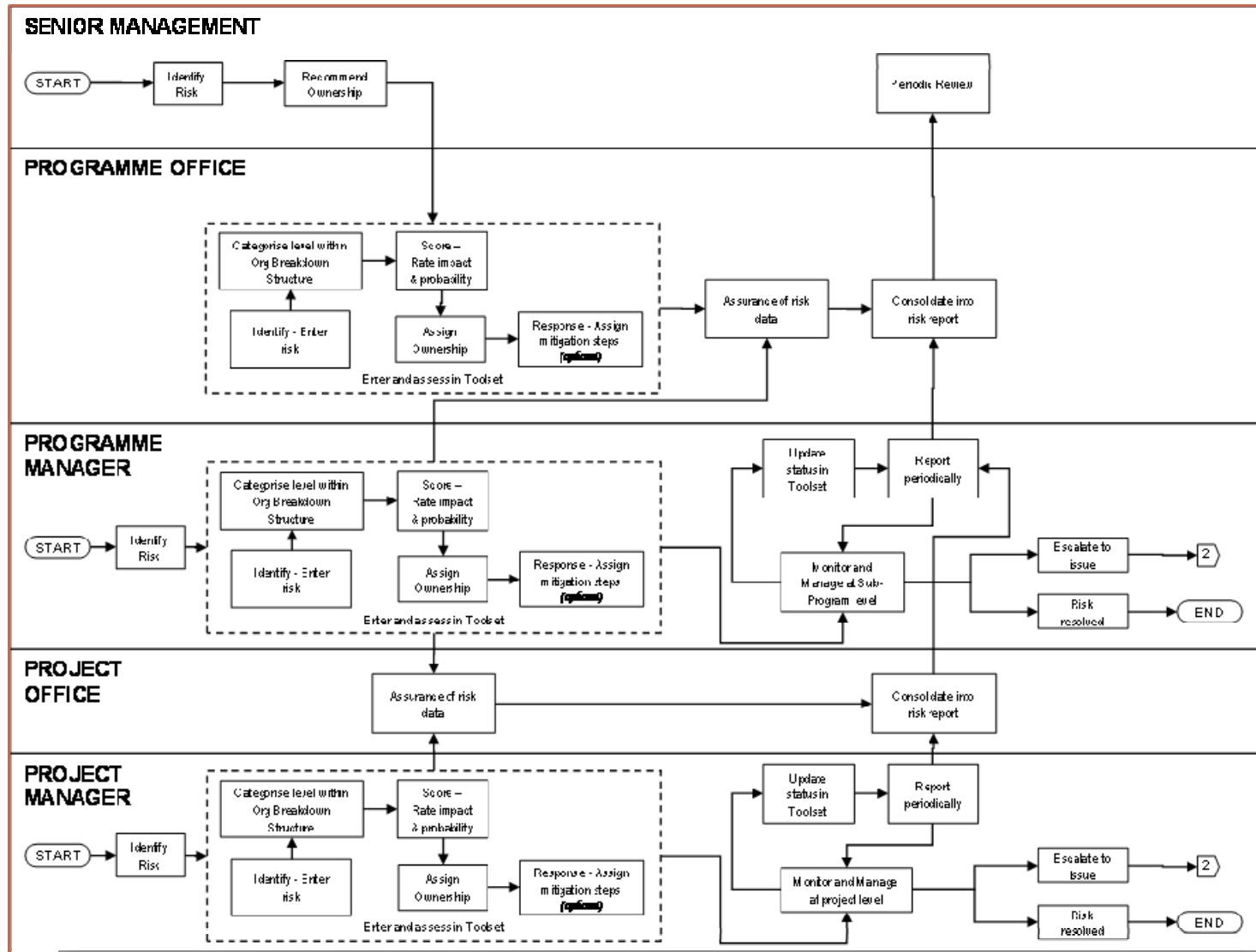


Figure 14 Risk management swimlane

### Change control swimlane

#### Overview

The objectives of business process swimlanes are to develop standardized business processes, ensuring appropriate linkages (often across multiple divisions or business units within an organization), and agree accountabilities.

The key benefit of this technique is to provide 'repeatable processes' for capability maturity and set process baselines that can be continuously improved through lessons learned. A documented and agreed business process swimlane can then inform the development of templates, procedures, guidance and P3O® roles.

#### Approach

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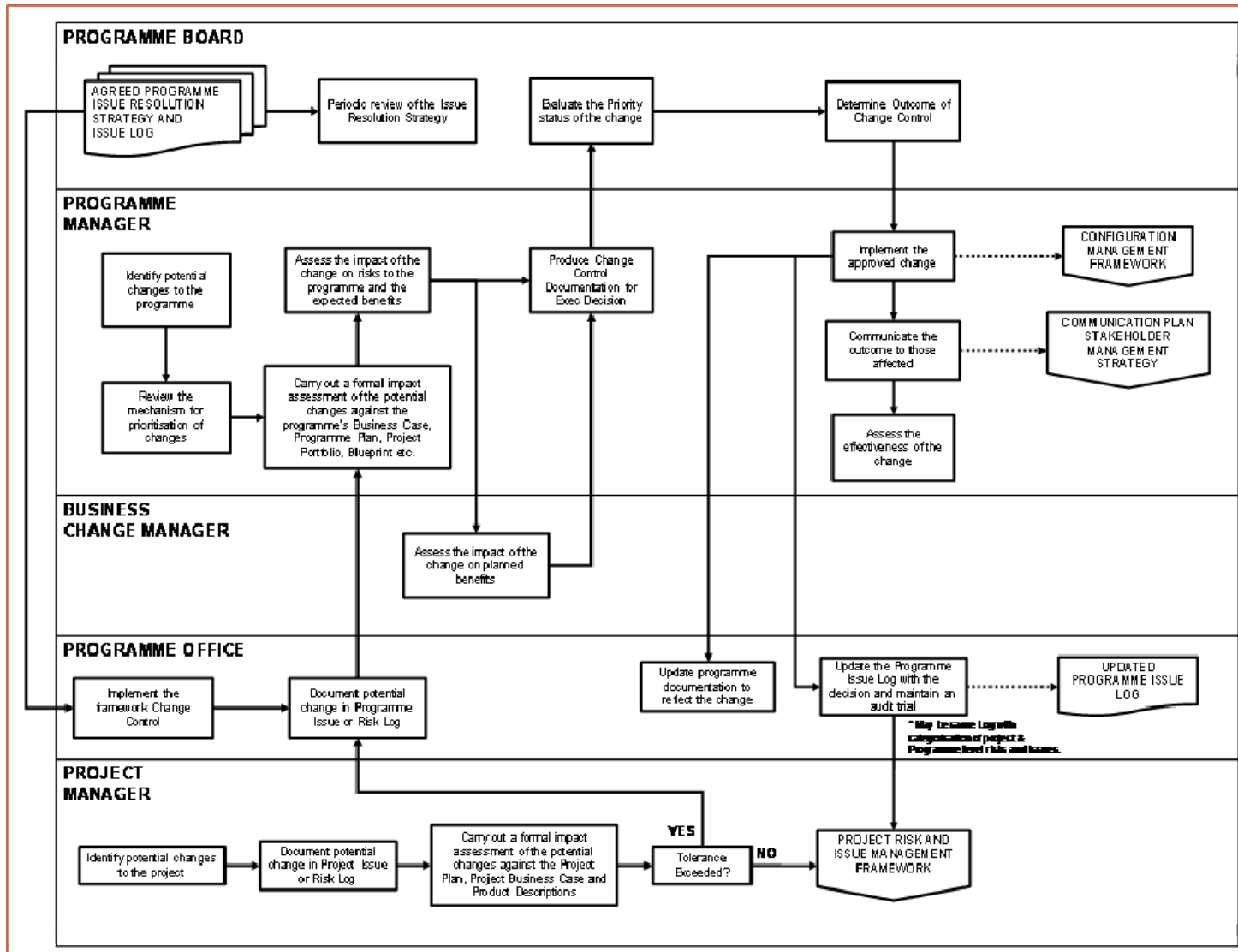


Figure 15 Example Change control swimlane



## Health checks

### Overview

'Health checks' are one method to assess quality that can be designed to focus on all or some elements of the P3O® scope. They can be used to:

- Provide a way for the portfolio director, programme manager or project manager to maintain accountability for the delivery of capability, but provide 'peace of mind' that project outputs are on track and aligned with objectives
- Validate highlight or progress reporting provided by project managers and programme managers
- Assess the technical and business requirement aspects of outputs to ensure that they will meet the needs of the business and that there isn't excess expenditure on out-of-scope elements that may not lead to planned benefits
- Ensure that all risks and issues that may affect the project, programme or portfolio are being identified and managed appropriately.

### Considerations

To enable a health check process to 'assure' that projects are delivering outputs that meet strategic objectives, it is recommended that a 'blueprint' of the outcomes for the programme or a portfolio plan to describe what the portfolio is seeking to achieve is maintained. These documents can form the basis of health checks in relation to 'assuring' that deliverables are 'fit for purpose' and technically sound.

Generally, causes of failure fall into five key areas:

1. Design and definition failures – where the scope of the project is not clearly defined and required outputs are not described with sufficient clarity.
2. Decision-making failures – due to inadequate level of sponsorship and commitment to the project, governance arrangements or because there is insufficient authority to be able to resolve issues as they arise.
3. Project discipline failures – including poor approaches for managing risks and managing changes to requirements.
4. Supplier or contract management failures – including a lack of understanding of the commercial driver for suppliers, poor contractual arrangements and management.
5. People failure – including a disconnection between the project and stakeholders, lack of ownership and cultural impacts.

Designing a health check that assesses each of the factors within your organization's context will achieve better proactive outcomes than a health check that only focuses on project management processes.

All projects in a programme or portfolio will not be equal. The project health check process should be scalable for small, medium and large projects. Also, an assessment of a project's criticality (for example, critical path) to other projects in a programme or portfolio will help to determine its requirement for periodic 'health checking'.

Ensure that any outputs of the health check are presented back to the project or programme teams that may have been interviewed during the health check.

### Approach

1. Determine what is to be assured through the health check. Some examples are:
  - a. P3RM processes
  - b. Key documents
  - c. Specific stakeholder requirements

- d. Management and team skills and experience (competency)
  - e. P3RM organization effectiveness
  - f. Understanding of the project, programme or portfolio
  - g. Business solution impact
  - h. Effectiveness of governance arrangements
  - i. Environmental factors
  - j. Supplier effectiveness
  - k. Organizational change management effectiveness.
2. Determine how, when and by whom health checks will be undertaken. This could be an appropriate P3O® function or carried out by an external service provider.
  3. The timing of project health checks needs to be considered within the context of any stage gating processes in place.
  4. Standardization across projects and programmes helps to assess relative health.
  5. Agree the outputs of the project health check function:
    - a. Standard report with summary information/ratings
    - b. Action plan and remediation steps.
  6. Develop a process for refining the health check process.
  7. Post-implementation review recommendations incorporated to repeatable processes as lessons learned.
  8. Can be a topic within P3RM forums or communities of practice.
  9. Can align to the P3M3™ Capability Maturity Model.

Figure 16 shows an example approach to undertaking a project health check.

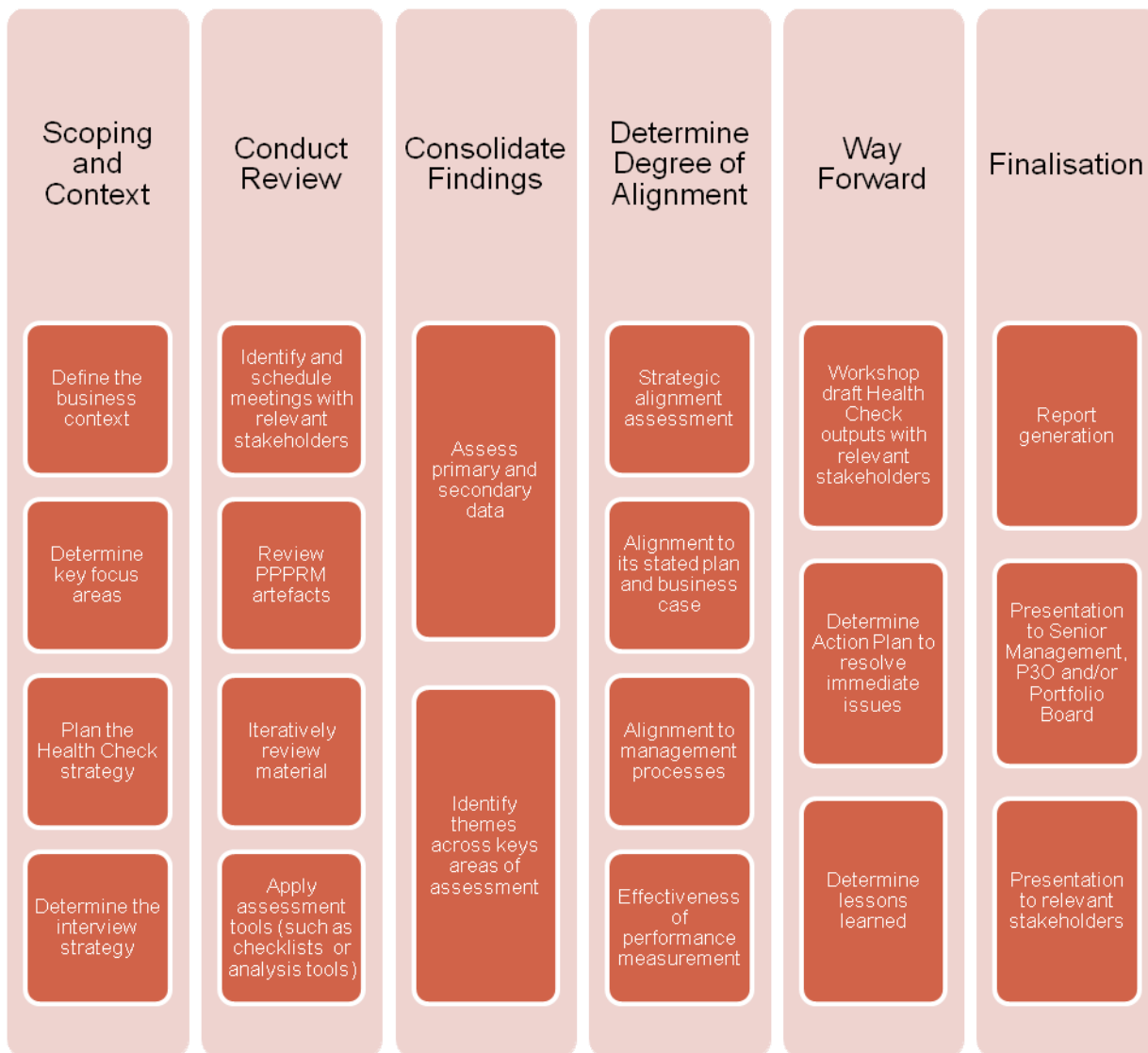


Figure 16 Project health check

### Tool

The content provided in the following tool is example only.



Microsoft Office  
Excel 97-2003 Worksl

### Example

As displayed in Figure 17, the results of the health check can be summarized in a diagram format to provide decision support. Careful consideration of the level of tolerance and the areas of consideration is required.

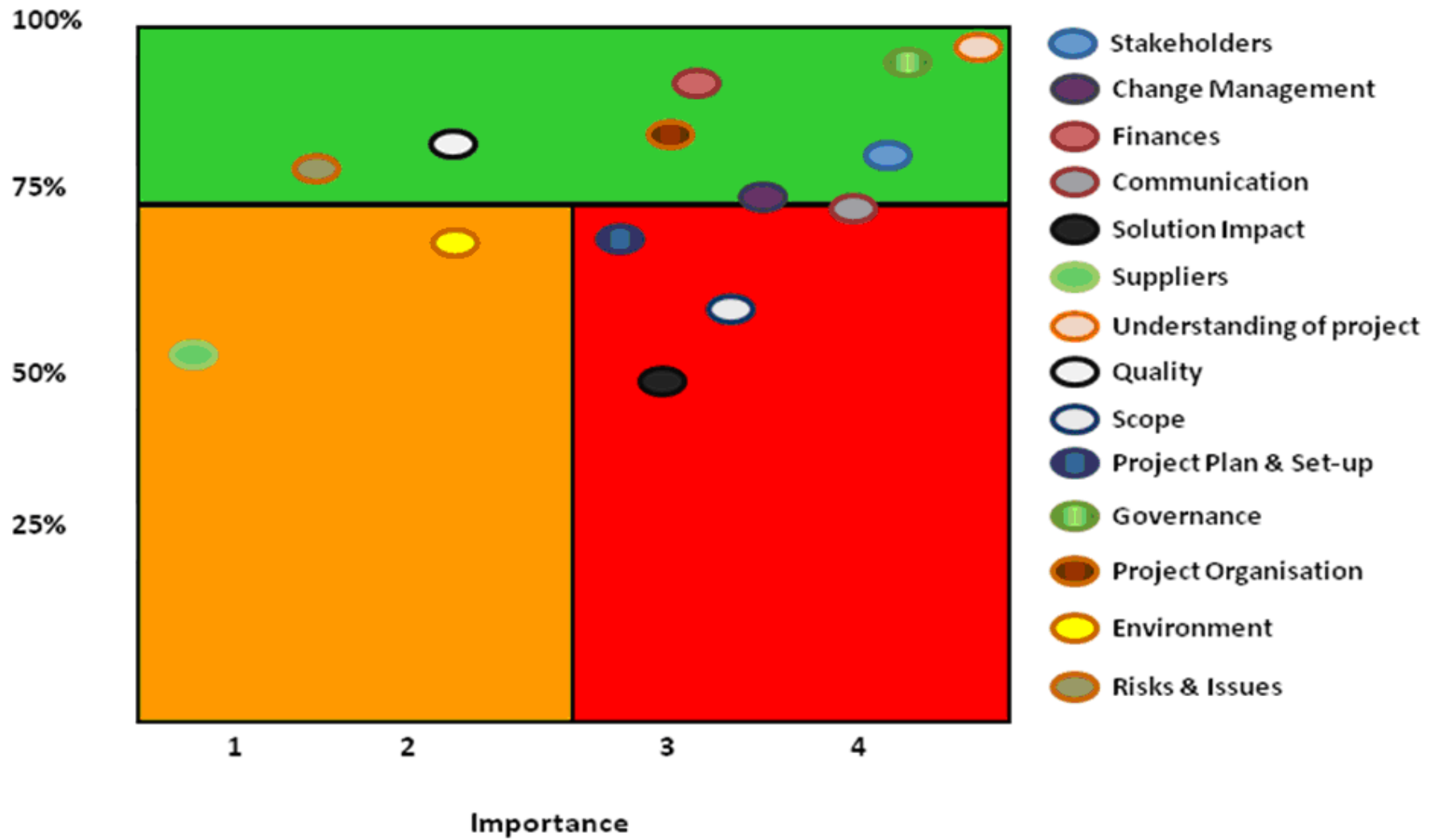


Figure 17 Summary of health check results

## INTEGRATED PPM/MSP™ TRANSFORMATIONAL FLOWS/PRINCE2® PROCESSES

### PRINCE2® PROCESS TAILORING FRAMEWORK

#### Overview

When implementing PRINCE2® for project management as part of the P3O® providing standards and processes, it is often necessary to provide for flexible project management approaches based on the size or complexity of the project.

A tailoring framework can be utilized to advise the P3RM community of mandatory, optional and recommended requirements to ensure that there is an appropriate balance between governance requirements and risks mitigated by following project management standards.

#### Example

Figure 18 demonstrates the tailoring of PRINCE2® processes based on the scale of the project using the following key:

O – Optional

R – Recommended

M – Mandatory.

SCALE OF PROJECT	SMALL 1-2		MEDIUM 3-7					LARGE 8-10		
PROCESS	1	2	3	4	5	6	7	8	9	10
Pre Project										
Project Sponsor	M	M	M	M	M	M	M	M	M	M
Project Mandate	O	O	M	M	M	M	M	M	M	M
Start Up										
Project Board	O	O	R	R	R	M	M	M	M	M
Project Assurance Team	O	O	O	O	O	R	R	M	M	M
Authorisation from PB/Sponsor	M	M	M	M	M	M	M	M	M	M
Written Project Brief	M	M	M	M	M	M	M	M	M	M
Enter in Project Register	M	M	M	M	M	M	M	M	M	M
Initiation										
Project Initiation Document	M	M	M	M	M	M	M	M	M	M
Project Initiation Meeting	O	O	R	R	R	M	M	M	M	M
Project Plan	M	M	M	M	M	M	M	M	M	M
Product/Deliverable checklist	O	O	R	R	R	R	R	M	M	M
Product Descriptions	O	O	R	R	R	R	R	M	M	M
Product Flow Diagram	O	O	R	R	R	R	R	M	M	M
Product Breakdown Structure	O	O	R	R	R	R	R	M	M	M
Implementation										
Quality Reviews	M	M	M	M	M	M	M	M	M	M
Highlight Reports	O	O	R	R	R	M	M	M	M	M
Review Meetings	O	O	R	R	R	M	M	M	M	M
Exception Reports	O	O	R	R	R	R	R	M	M	M
Milestone Charts	O	O	R	R	R	R	R	M	M	M
Closure										
Project Sign-off/Closure/Handover Docs	R	R	M	M	M	M	M	M	M	M
Lessons Learned Report	O	O	R	R	R	R	R	M	M	M
Review										
Post Implementation Review	R	R	M	M	M	M	M	M	M	M

Figure 18 Tailoring PRINCE2® processes