

Project Budgets and Portfolio Value - A marriage built to last?

Steve Wake, Chairman

Association for Project Management

United Kingdom

<http://www.concept.ntnu.no/english/>

Steve Wake
Chairman

Association for Project Management
UK



Project Budgets and Portfolio Benefits. Steve Wake and the quest for the Project Management Holy Grail.

maybe

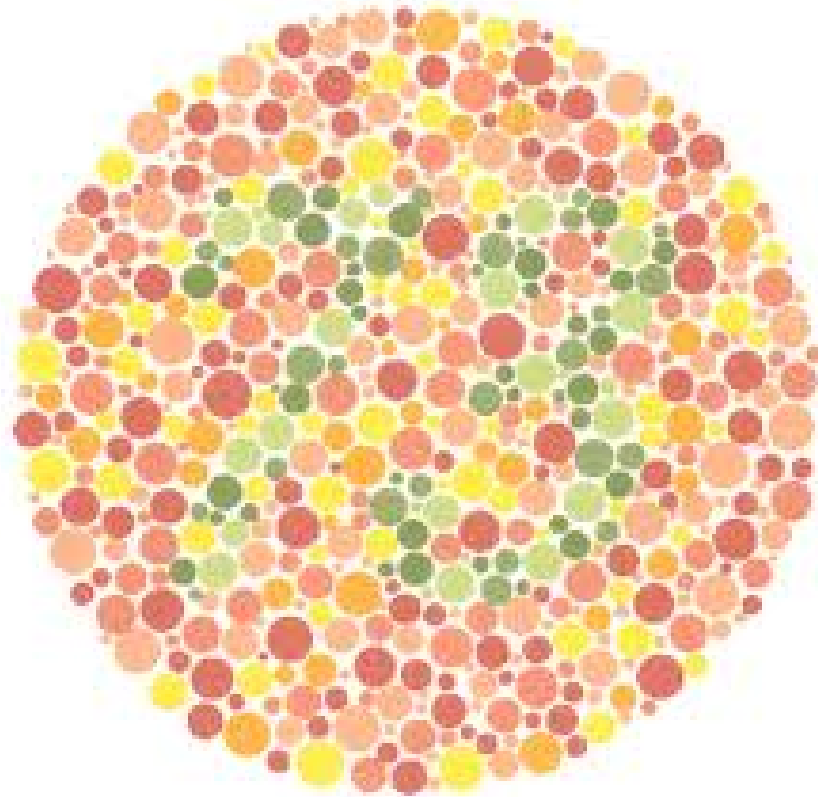


What do we want all
our projects to do?

SUCCEED!



How many projects fail
in the uk?



%



What is a project failure?



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London 2012





\$225m
approx



What can we do?



Who has the influence?





Politics is the art of the possible.
And so is project management.
Focus on what you can influence.





Stakeholders

Enablers

Disablers

Who is?

Sponsor

Competition

Customer

Project Manager

Champion

Health and Safety

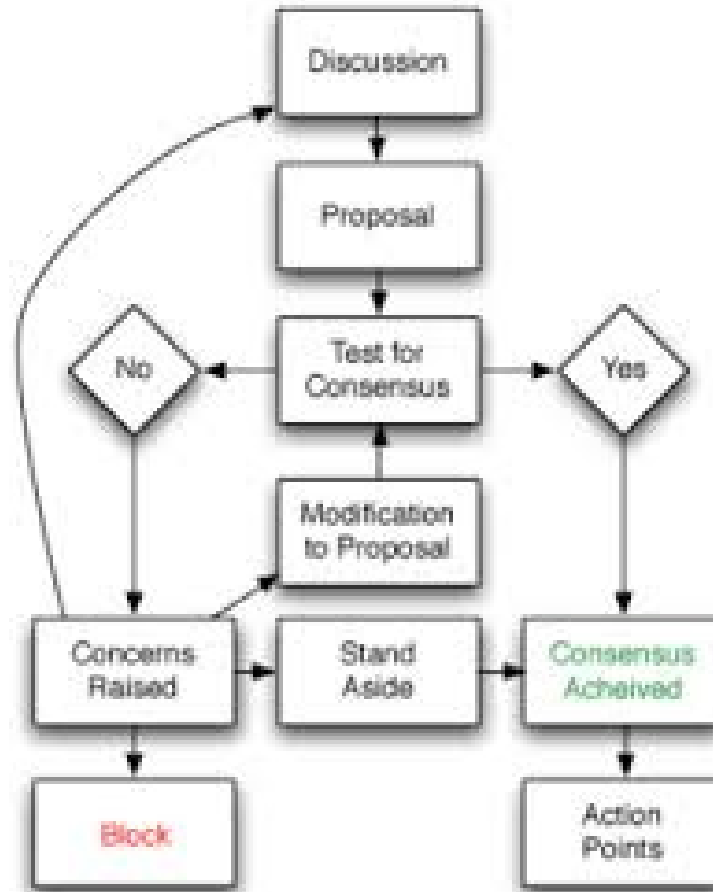
Rival team

What makes a successful project?



Widespread agreement that it is a success

Consensus Building
(Collaborative Problem Solving)



What is the reality of Consensus?



What is success for us?
Realisation of the benefits.
Financial and/or Social.
Commonly agreed.
Even if you are not
a beneficiary.

How do we do this with projects?

for det første

We clearly define the benefits.

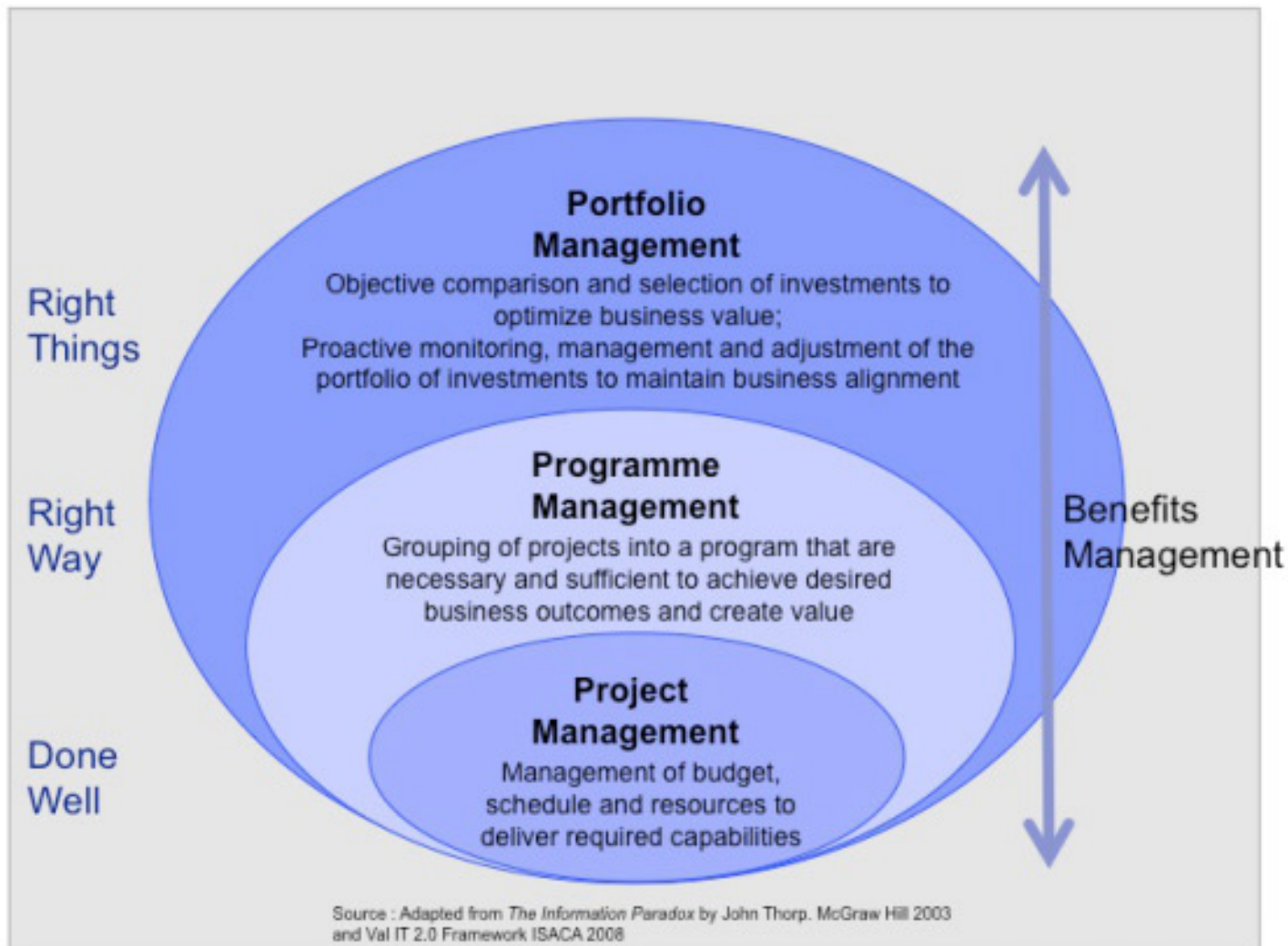
Dernest

We Program the changes required
to achieve the benefits.

for det tredje

We clearly define the projects
needed to achieve the changes.

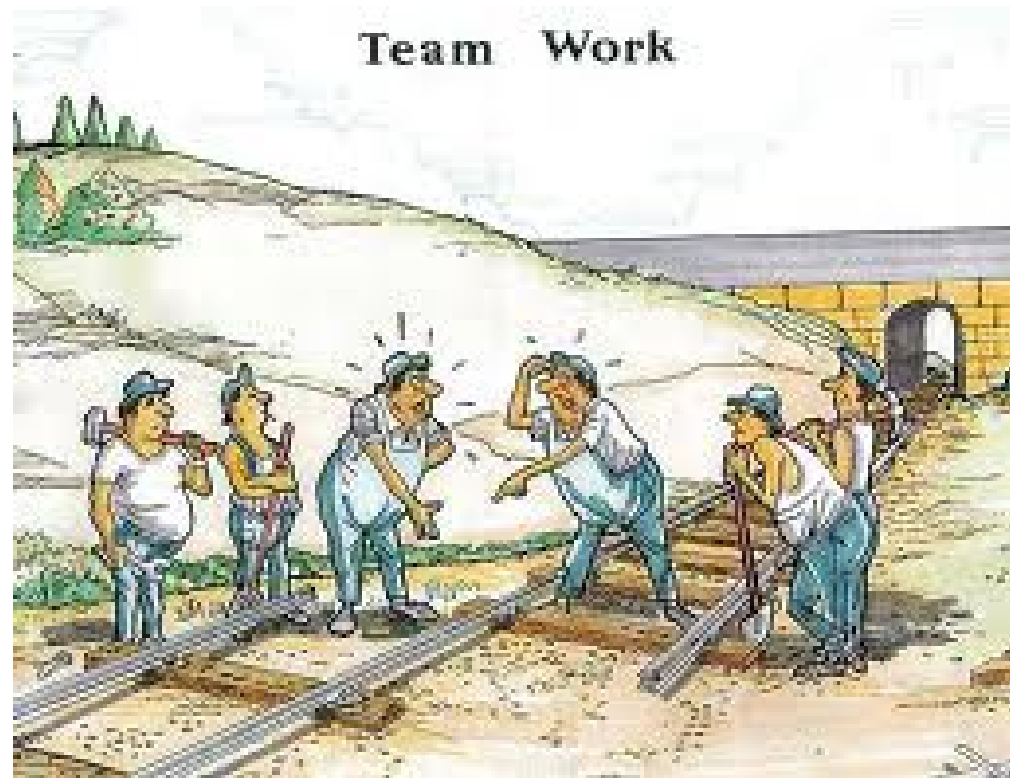
What have I just described?



The Problem

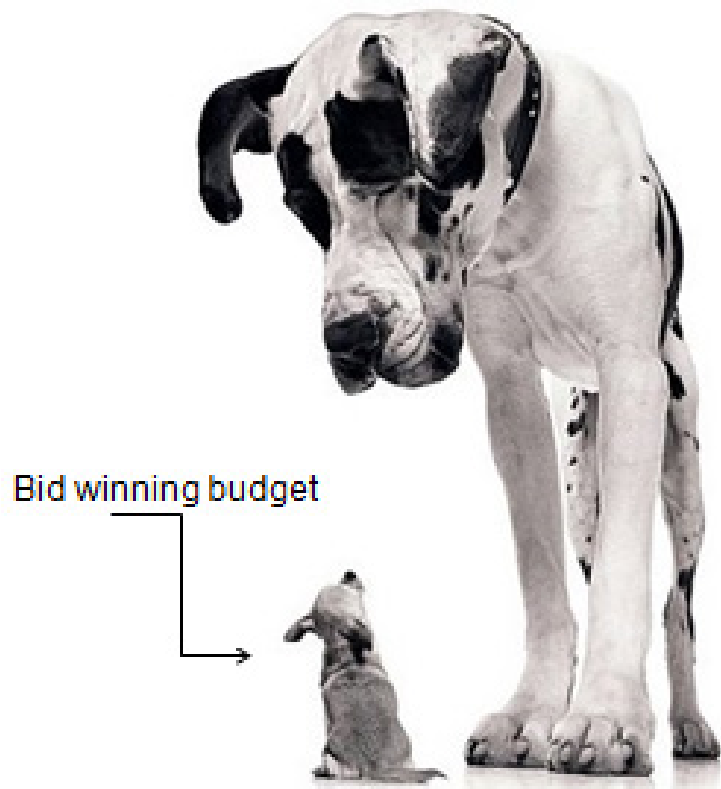
- We just don't do it!(properly).
- Projects are created without reference to benefit.
- Portfolios do not retain their dynamic links with the projects they created.
- The Board and senior management just look at the Portfolio and assume the links with the project are there.

The Result is project failure
Lots of effort. No result.



Portfolios today are generally houses built on sand, and that is why projects continue to fail.





What it really costs

We live in a world
where we accept this
as normal behaviour

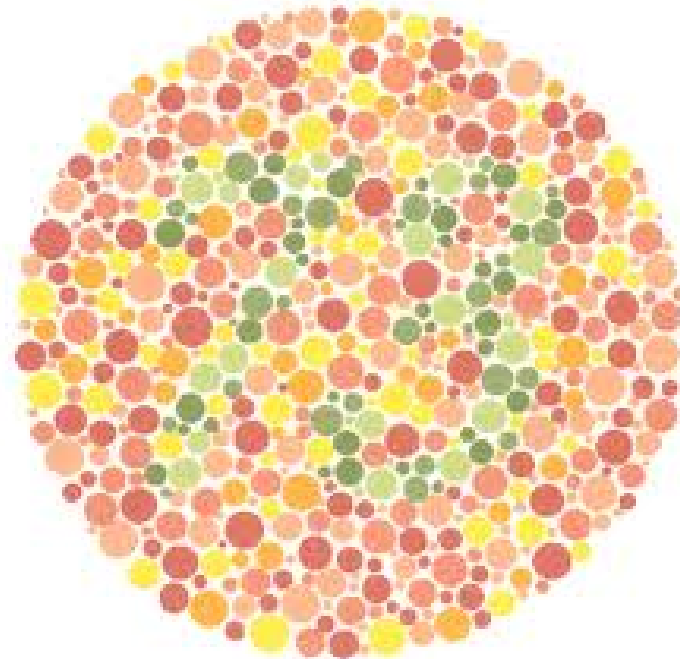
We lie or cheat to win business



Bid winning budget



What it really costs

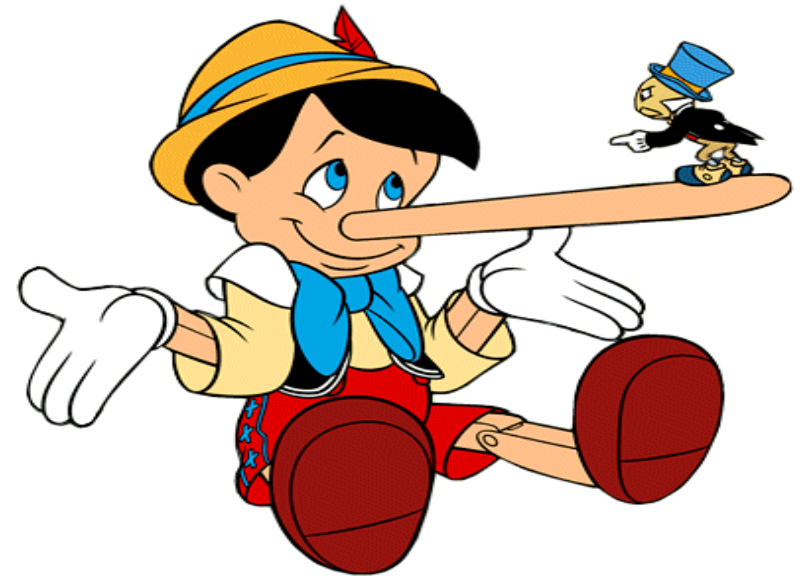


%

We have to decide who we are



or



We must become Professional

In English English Professional can mean ,
Someone who acts with integrity.
Someone who is mercenary and cynical.

Interestingly for leaders



We have to become trusted
for the accuracy and reliability
of the data under our control.
Then
Management can manage.

But always remember...



there are some you can never trust!

Where am I on the quest?



The vessel in the center of the map represents the spirit of the Western Mystery Tradition as a whole. The vessel can be likened to Cerridwen's cauldron, the magician's chalice, and the Holy Grail of the Arthurian mysteries. It represents a cyclical regenerative process that takes in and gives forth anew.



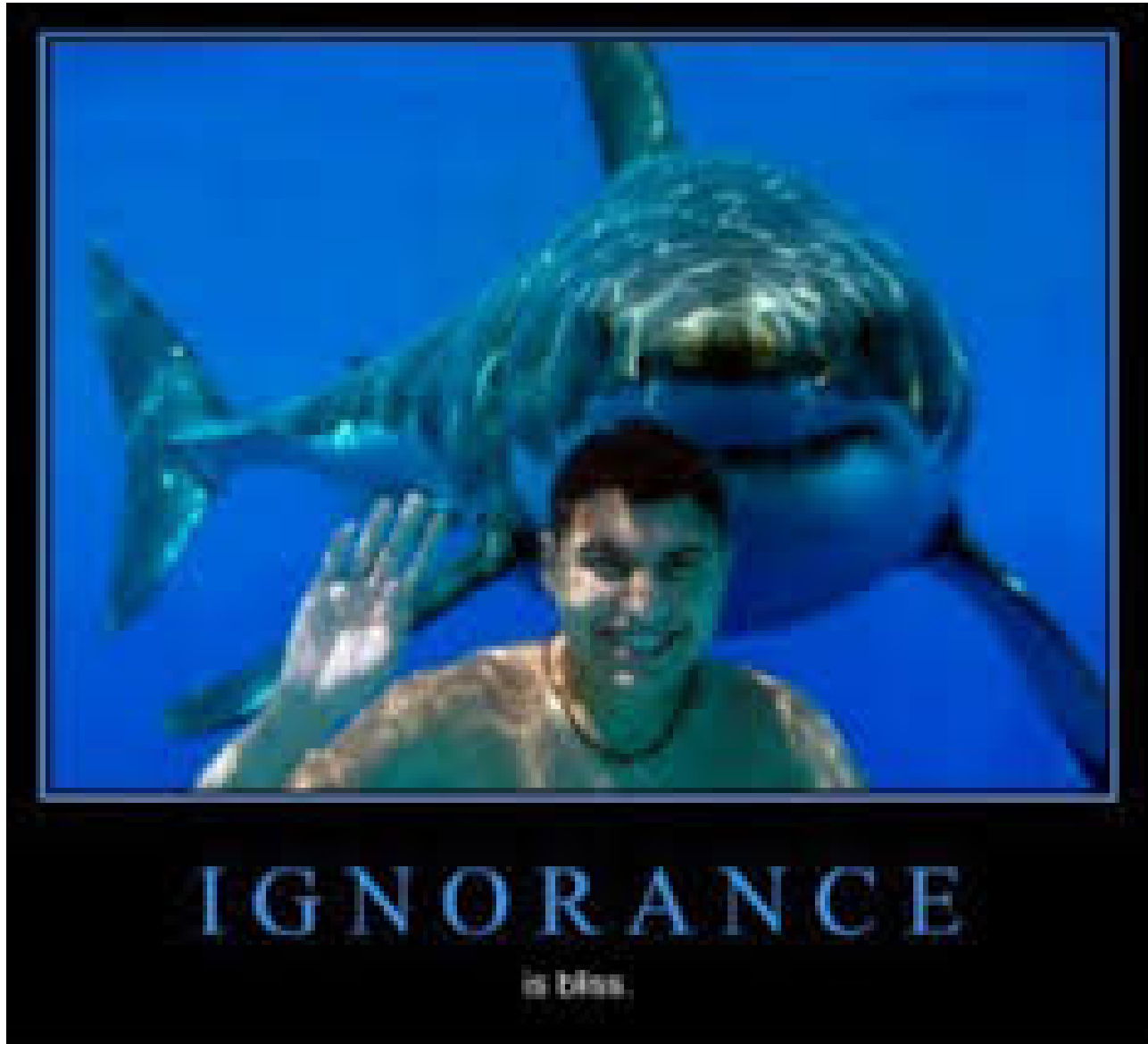
Is this the Holy Grail?

Portfolio Management

=

It represents a cyclical regenerative process that takes in and gives forth anew.

In the real world we are here



Who will show me the way?



Phil Driver

OpenStrategies Ltd

phil@openstrategies.com

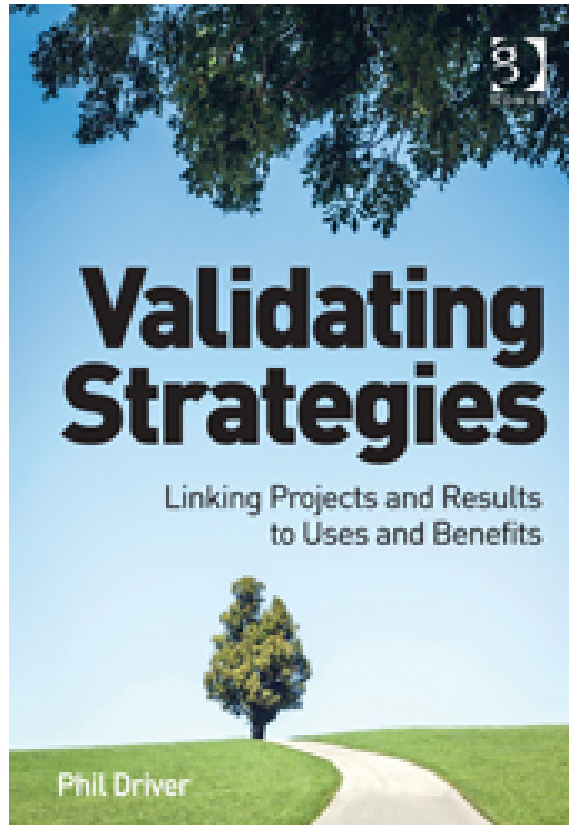
+64 (0)21 0236 5861

Ian Seath

Improvement Skills Consulting Ltd

ian.seath@improvement-skills.co.uk

+44(0)7850 728506



<http://www.gowerpublishing.com/isbn/9781472427816>

PRUB

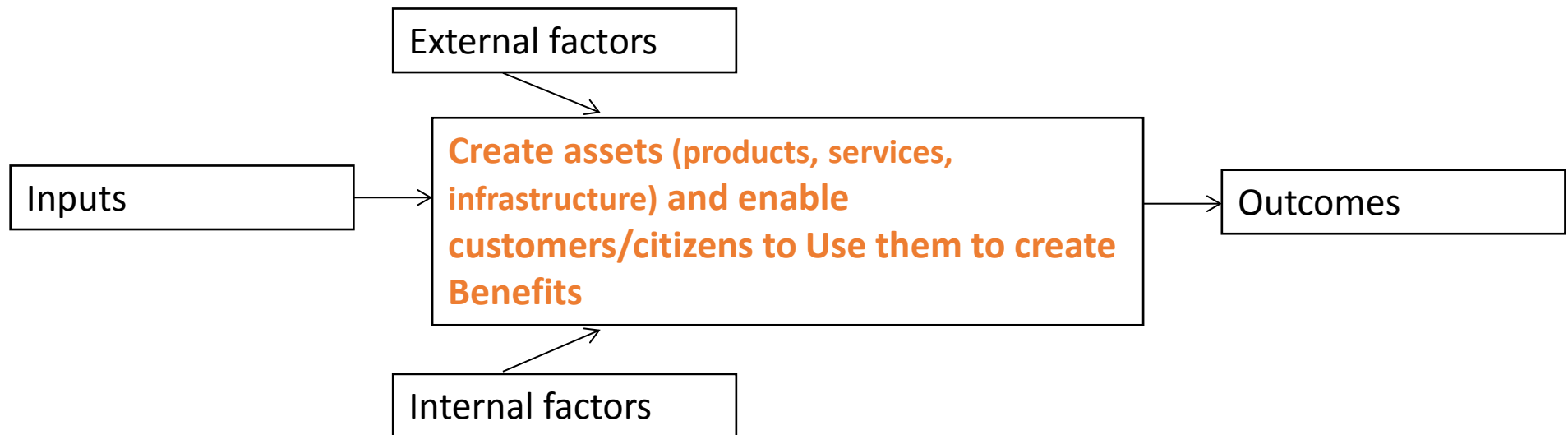
*Organisations run **P**rojects*

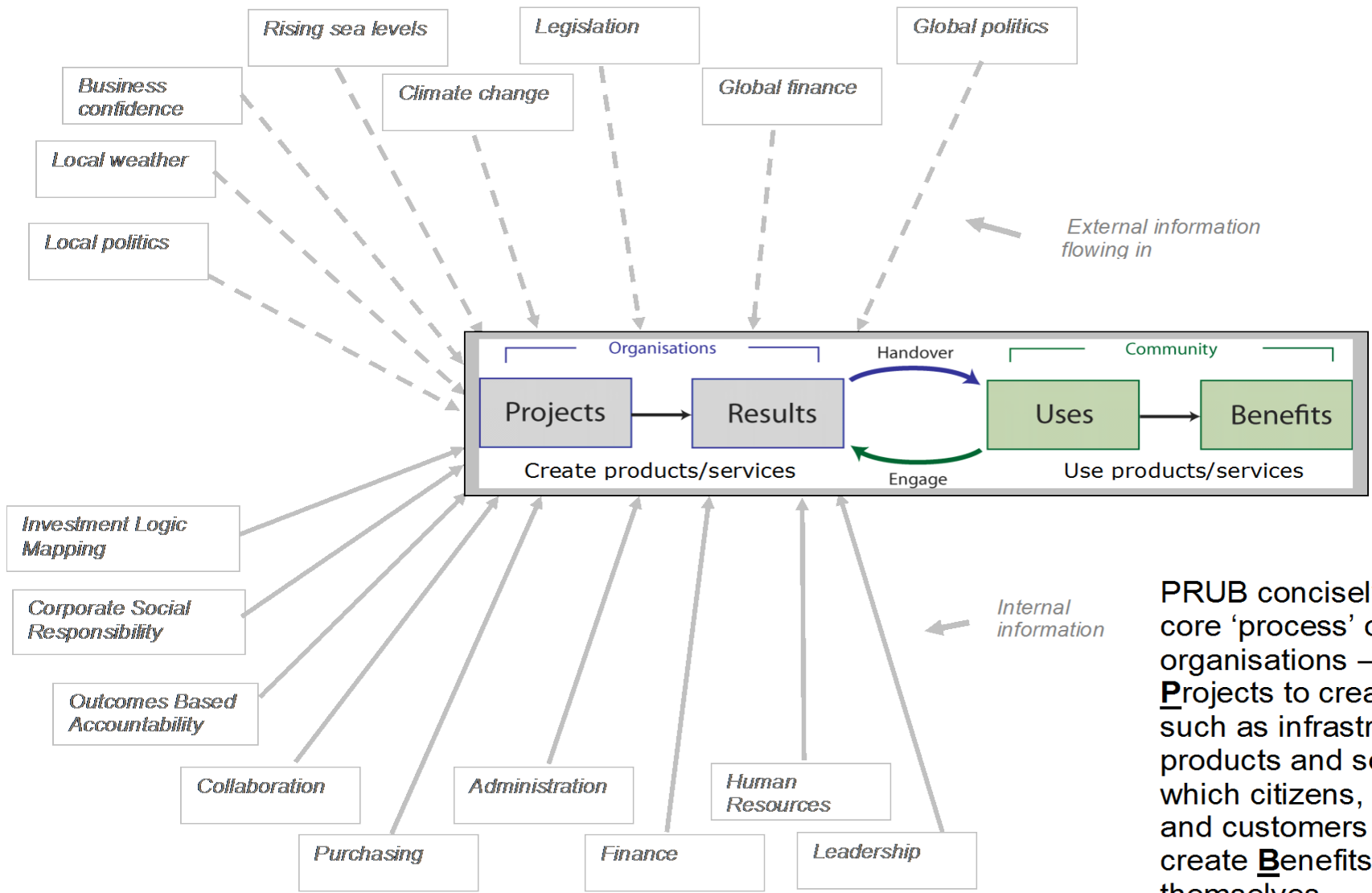
*which produce **R**esults (outputs/assets)*

*which people **U**se*

*to create **B**enefits (outcomes)*

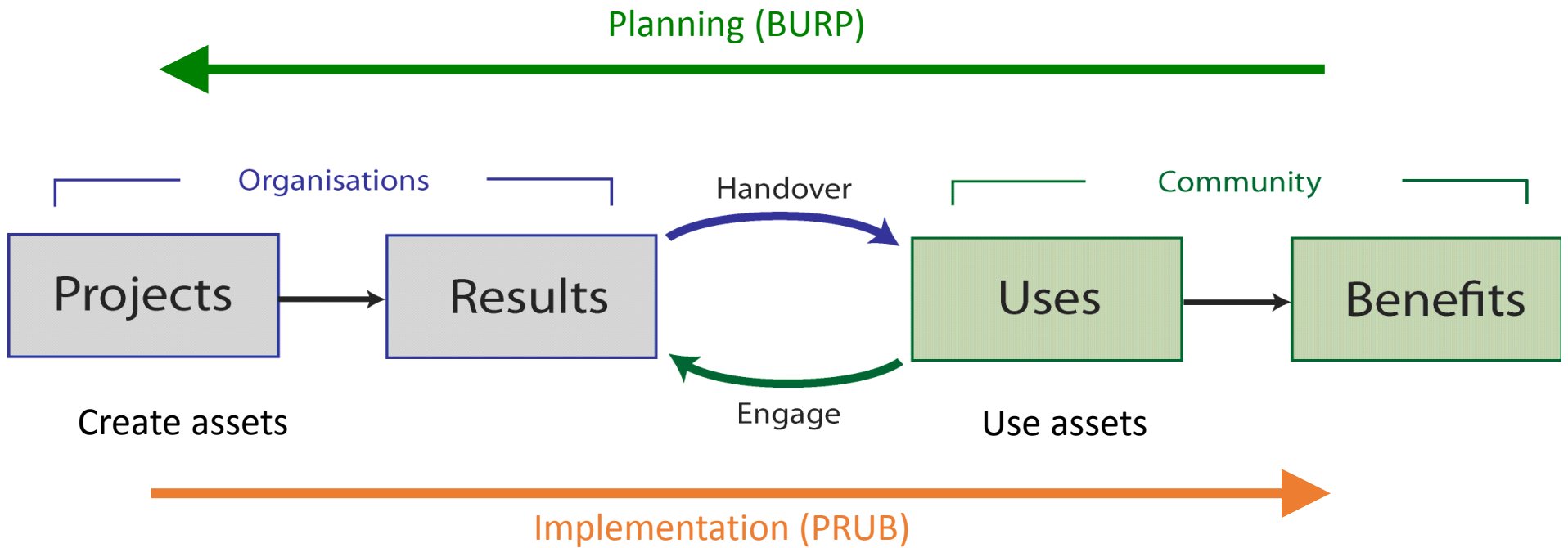
The core functions of organisations and their customers/citizens





PRUB concisely defines the core 'process' of organisations – ie running **P**rojects to create **R**esults such as infrastructure products and services which citizens, communities and customers **U**se to create **B**enefits for themselves

PRUB / BURP



Projects Results Uses Benefits

Assess customer's needs based on what they want to do and achieve with our company's potential new product

Information available on what customers want to do and achieve with our company's potential new product

Use this information to design, build and test market new products to enable customers to do and achieve what they want to do and achieve

Accurate product and customer-use data is available relating to our company's potential new product

Sustainably manufacture, distribute and market our company's new product

Our company's new product available to customers together with relevant product marketing information

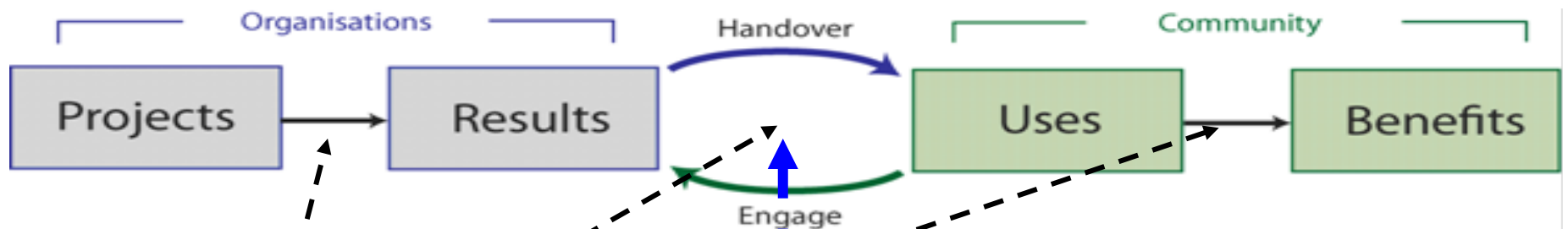
Customers buy and use our company's new product to do & achieve what they want

Happy customers because they have done and achieved what they wanted to do and achieve

Our company is sustainably profitable

how

1. Define what *ideally* needs to be done
2. Provide cause-and-effect Evidence that it will actually *work*
3. Demonstrate that it is *worth it*



Evidence sits on the Links between Projects, Results, Uses and Benefits

The most important cause-and-effect Evidence sits on the Links between Results and Uses

Performance management Data sits within each Project, Result, Uses and Benefit and has no cause-and-effect information

Orphan Results



Abandoned
Orphan Result



Adopted Orphan
Result





Organisations run **Projects** that produce **Results**, which citizens or communities **Use** to create **Benefits**.

The main point to remember is that

Results

(deliverables/outputs/products) of a Project or Programme can

NEVER be Benefits.

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Making Projects Fly

*"After 19 years the best UK Project Control and Earned Value
event goes international with AIRBUS in Toulouse"*

Focus is on:

Competencies

Behaviours

Business Psychology

Getting the team to
work