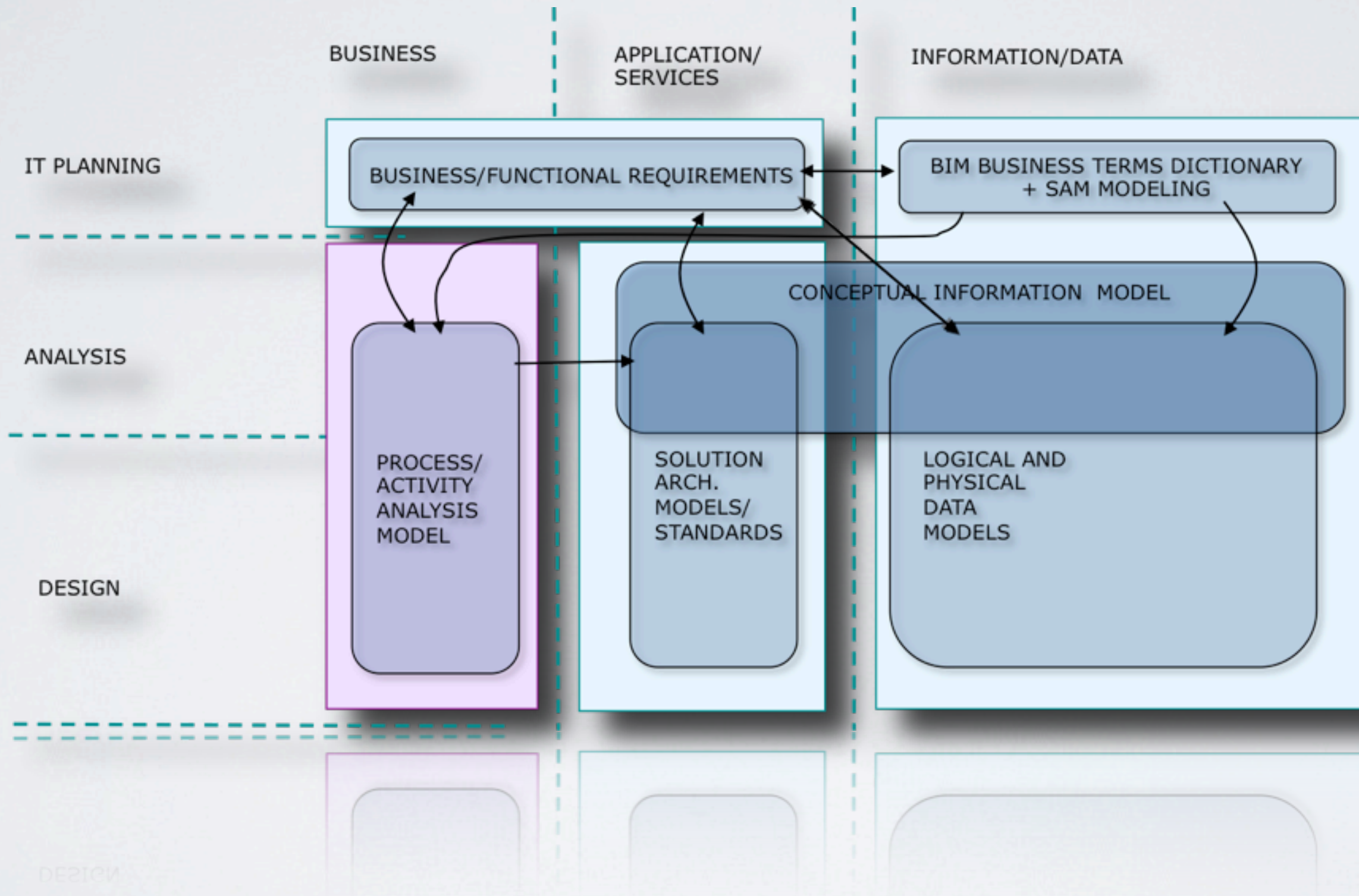


AGGREGATE PROJECT PLANS

Russ Martin

June 8, 2011
CSPP 51075

WE HAVE LEARNED A LOT



...BUT NOW WHAT?

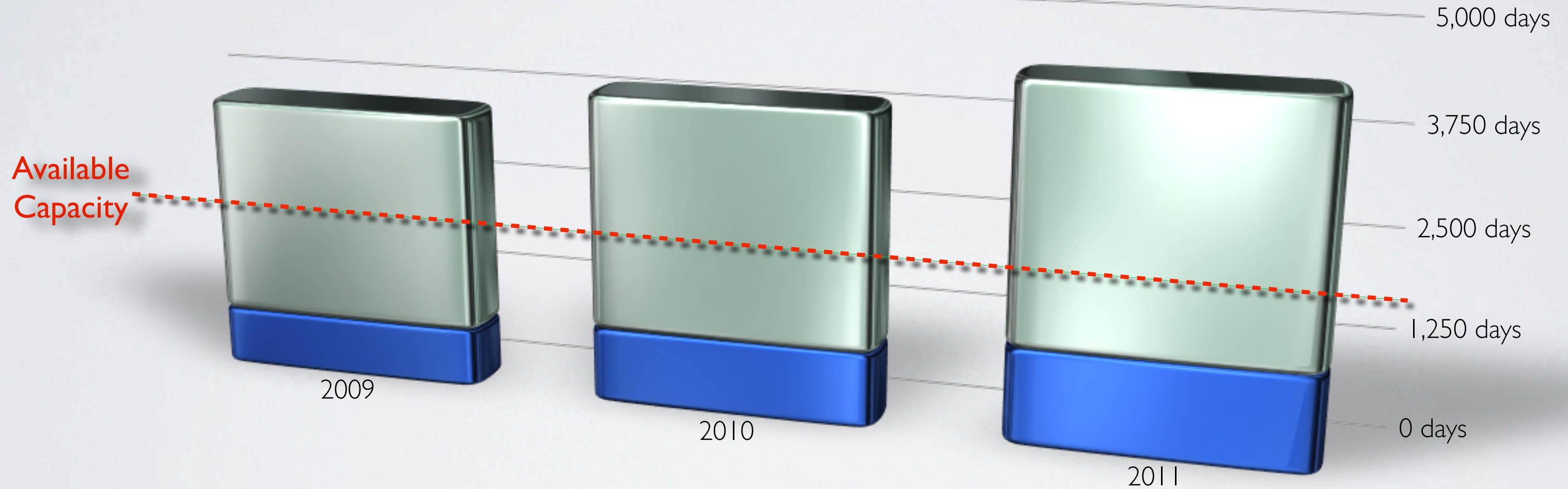
THE CHALLENGE

- Late projects
- Project budgets increasing but completed projects decreasing
- Projects in pipeline no longer reflect needs of the business
- Project teams not focused on projects most critical to the business
- More and more time gets spent on non-project work like support
- Many projects underway at once - more than organization can support
- Quality begins to suffer as corners cut (*tyranny of the urgent!*)

POOR RESOURCE PLANNING

■ Support Time

■ Project Time



CAUSES

- Resources moved or added to crisis projects
 - The more projects added, the more productivity drops
 - Reshuffling causes delays in other projects, the effects cascade
- Projects added for the wrong reasons
 - Developers find technical problems challenging
 - Person requesting project has clout in the organization
- No formal process for choosing projects

A SOLUTION

Aggregate Project Planning

RATIONALE

- Too much time spent dealing with short-term pressures
 - Not enough time spent on projects related to strategic mission
- Management focuses too much attention on individual projects
- No single project defines a company's future
 - The key is the “set” of all current projects
 - Companies should focus on managing the evolving mix of projects
- Simply adding projects to a list endangers link to strategic mission

BENEFITS

- The Plan allows managers to see gaps in development strategy
 - More informed decisions about types of projects to add and when
- Informed sequencing of projects provides better resource utilization and development
- The Plan can reveal where development capabilities can be strengthened

HOW IT WORKS

- Two dimensions
 - Degree of technology / data architecture change
 - Degree of business process change
- Greater the change in either the more resources required



HOW IT WORKS

- Three categories
 - Derivative
 - Platform
 - Breakthrough

Breakthrough

Platform

Derivative

DERIVATIVE PROJECTS



- Add-ons or minor enhancements to existing systems
- Clearly bounded and require few development resources
- Completed quickly - ongoing management involvement is minimal

BREAKTHROUGH PROJECTS



Breakthrough

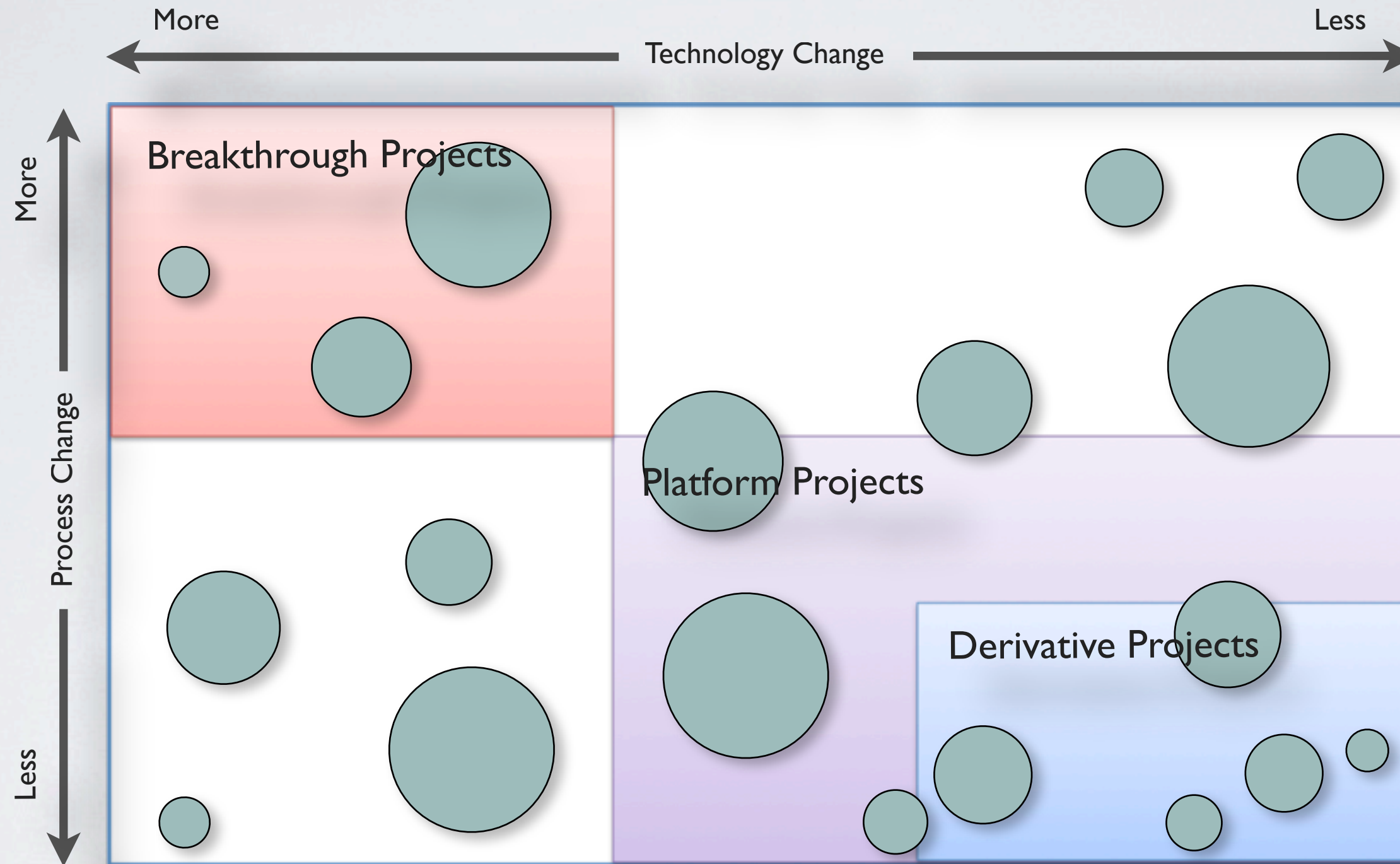
- Significant changes to both technology and business processes
- Establish new core systems that differ fundamentally from previous
- Large degree of change - cross many functional areas
- Require large resource allocation and heavy management involvement

PLATFORM PROJECTS

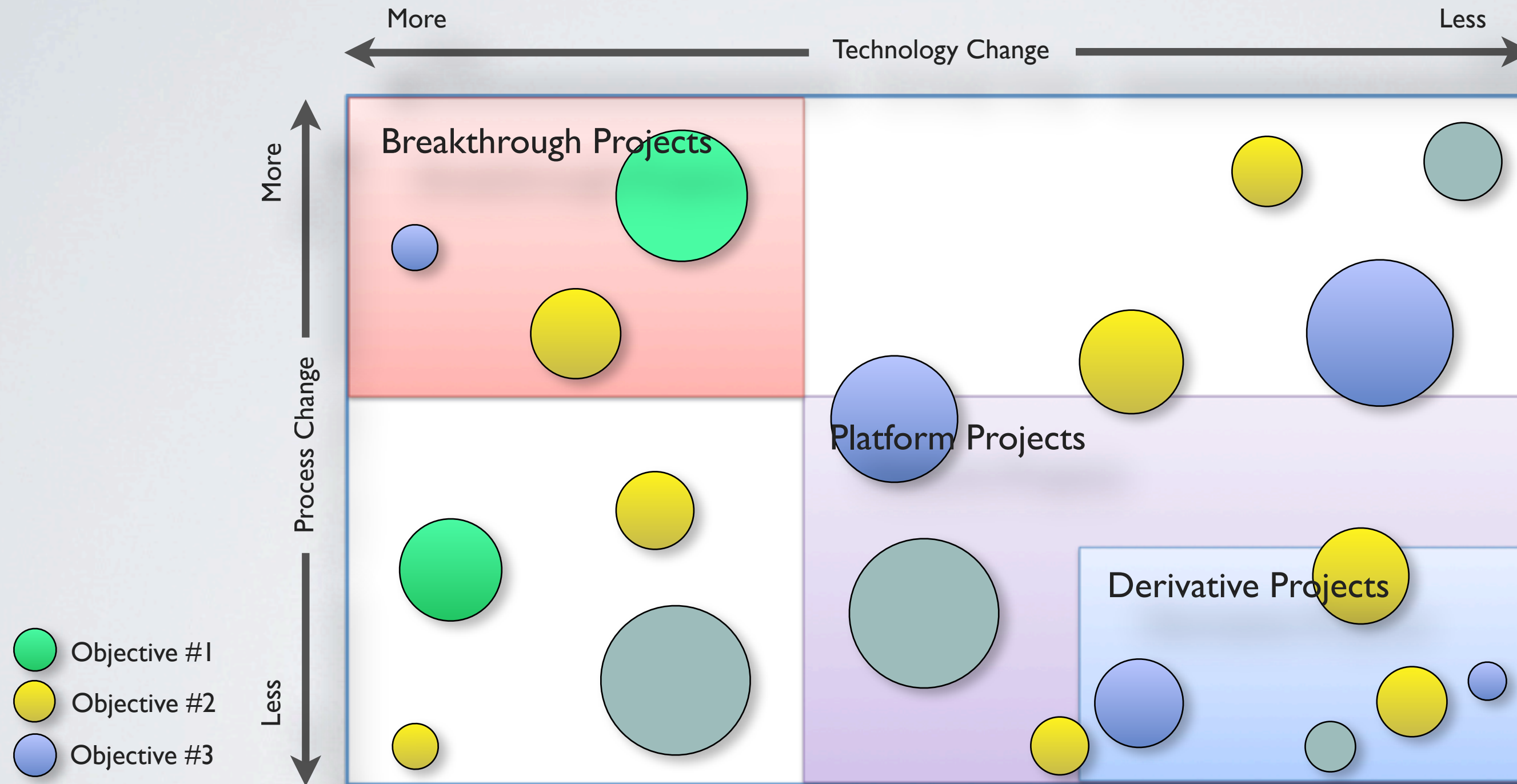


- Cross between derivative and breakthrough
- More technology change than derivative but not completely new, untried systems like breakthrough
- Fundamental improvements over range of performance dimensions (speed, functionality, reliability, etc.) rather than just one or two
- Require significant planning and management involvement
- Designed for future expansion/improvement

BRINGING IT ALL TOGETHER



BRINGING IT ALL TOGETHER



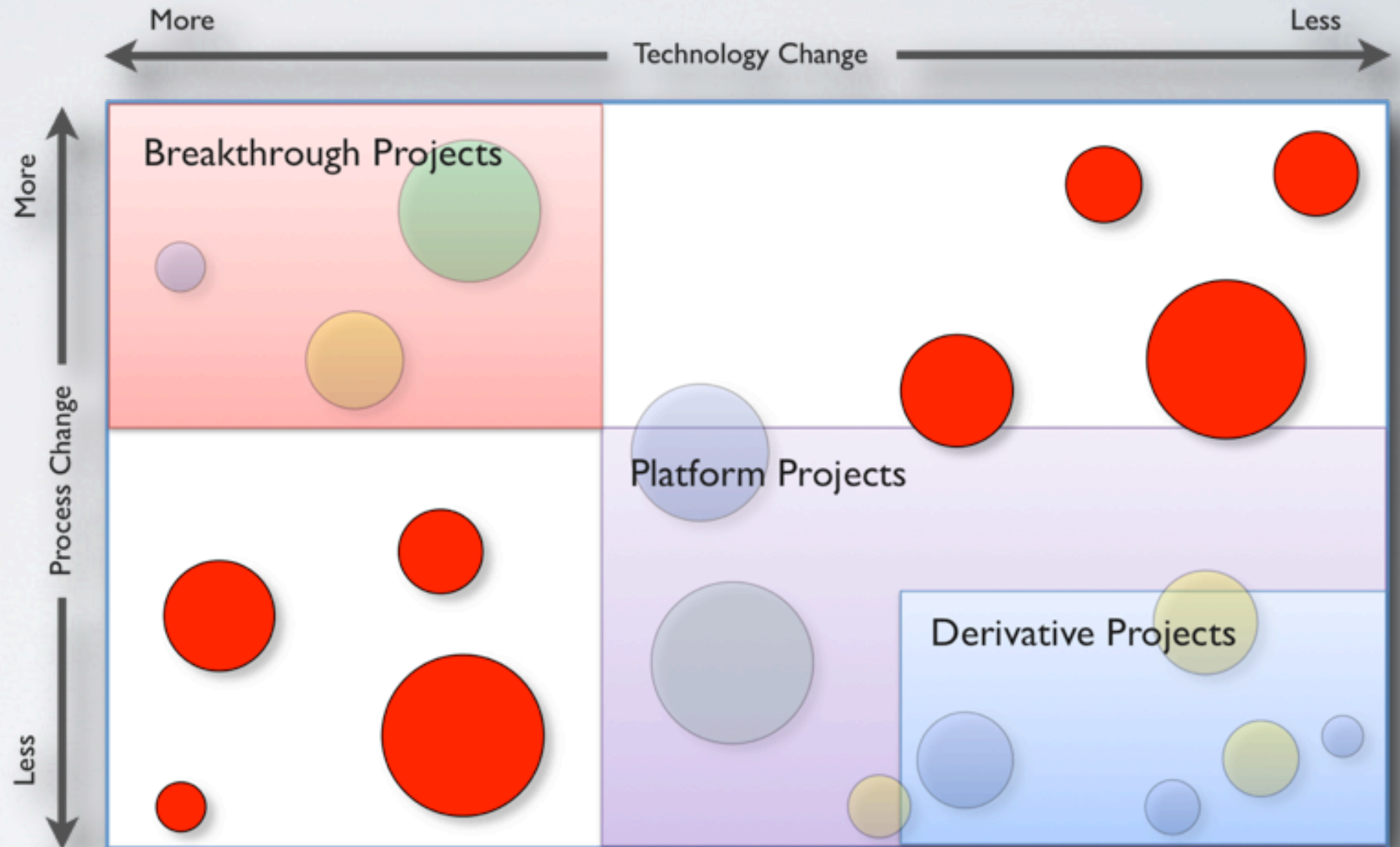
ONCE THE CHART IS DONE

- Identify existing resource capacity
- Determine the desired mix of projects
 - Derivative, platform, breakthrough
 - Large vs. small
 - Strategy alignment
- Estimate number of projects existing resources can support
- Decide which specific projects to pursue

ANALYSIS

Look for:

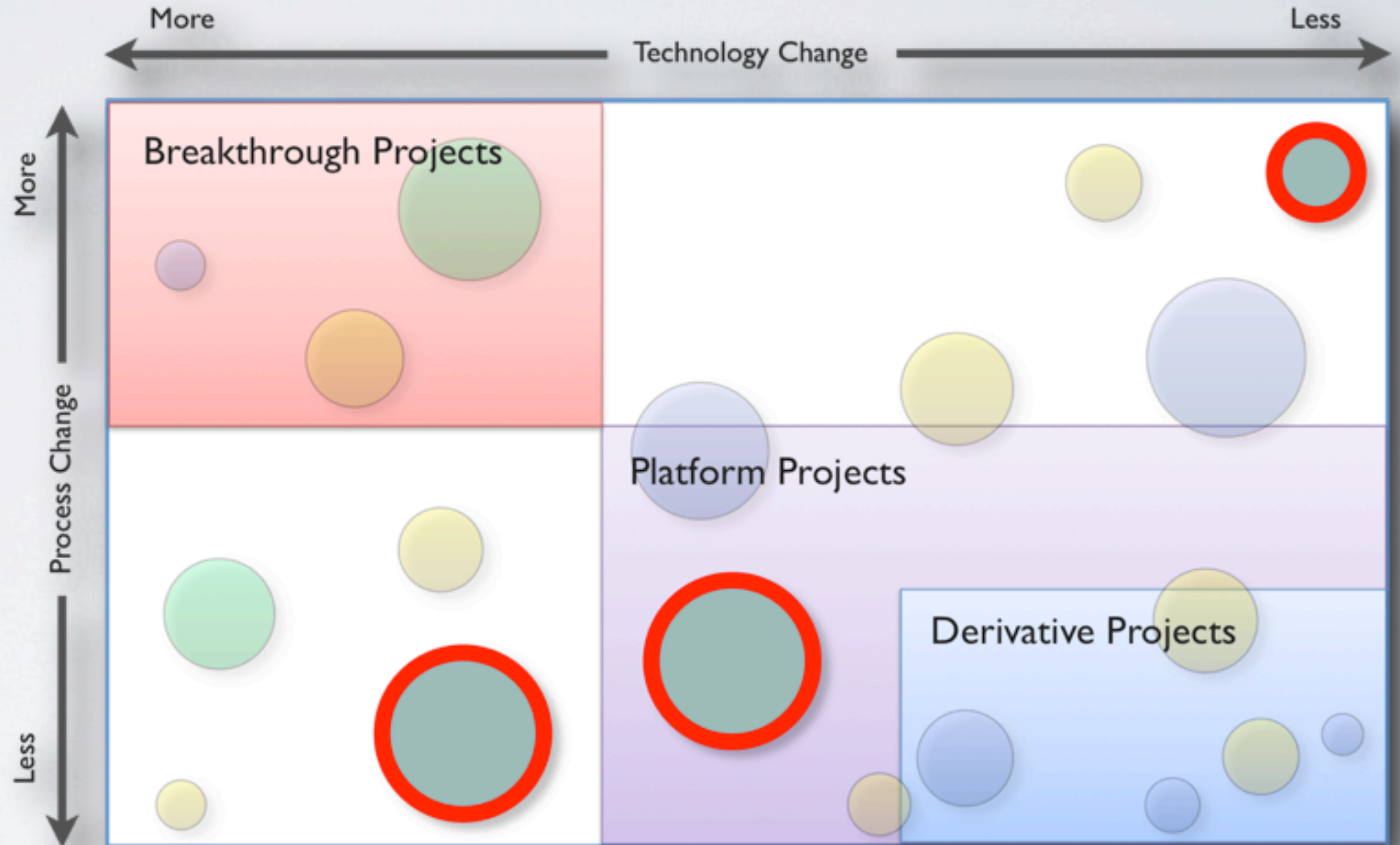
- Outlying projects
- Projects lacking strategy links
- Imbalance in strategy mix



ANALYSIS

Look for:

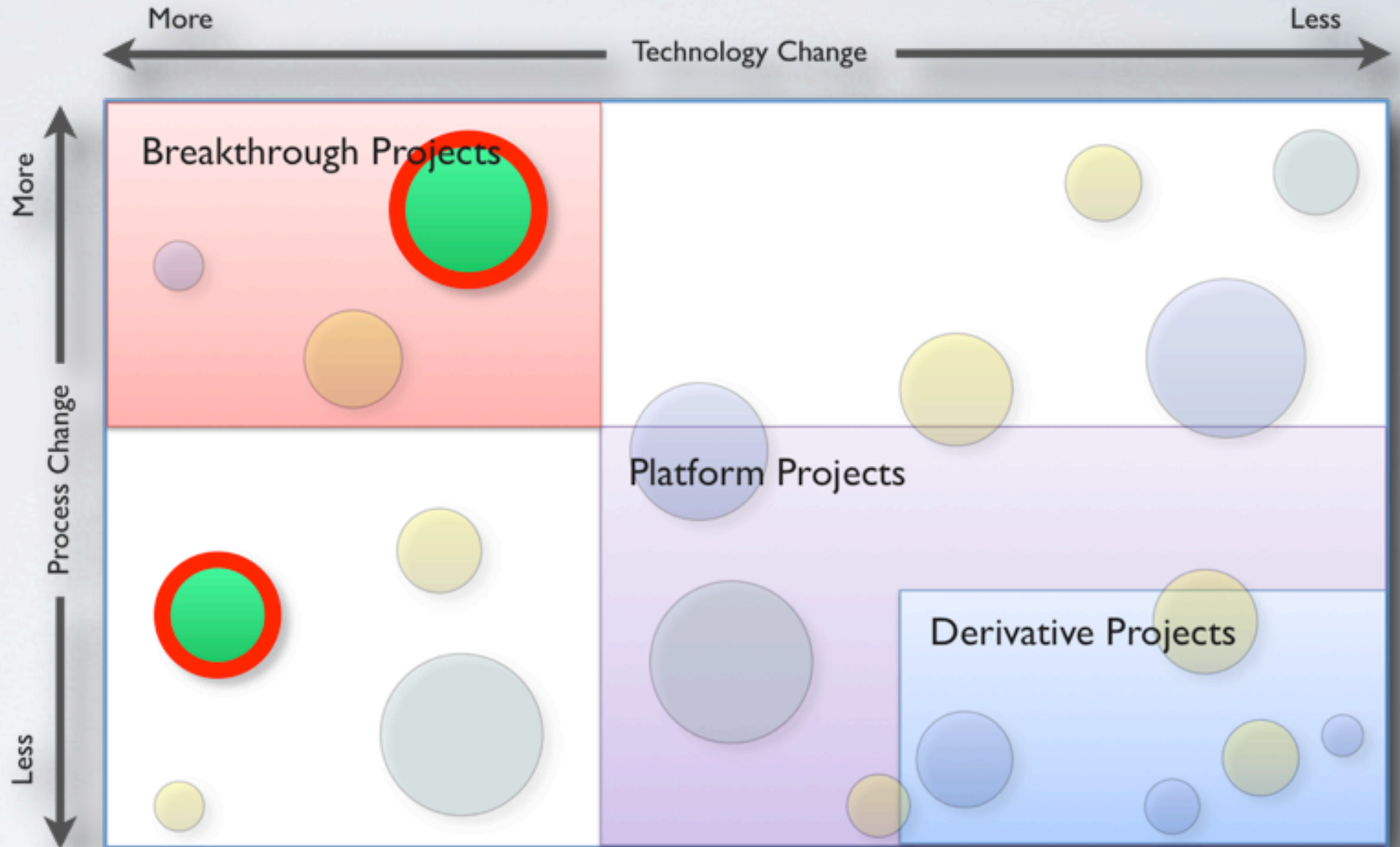
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ANALYSIS

Look for:

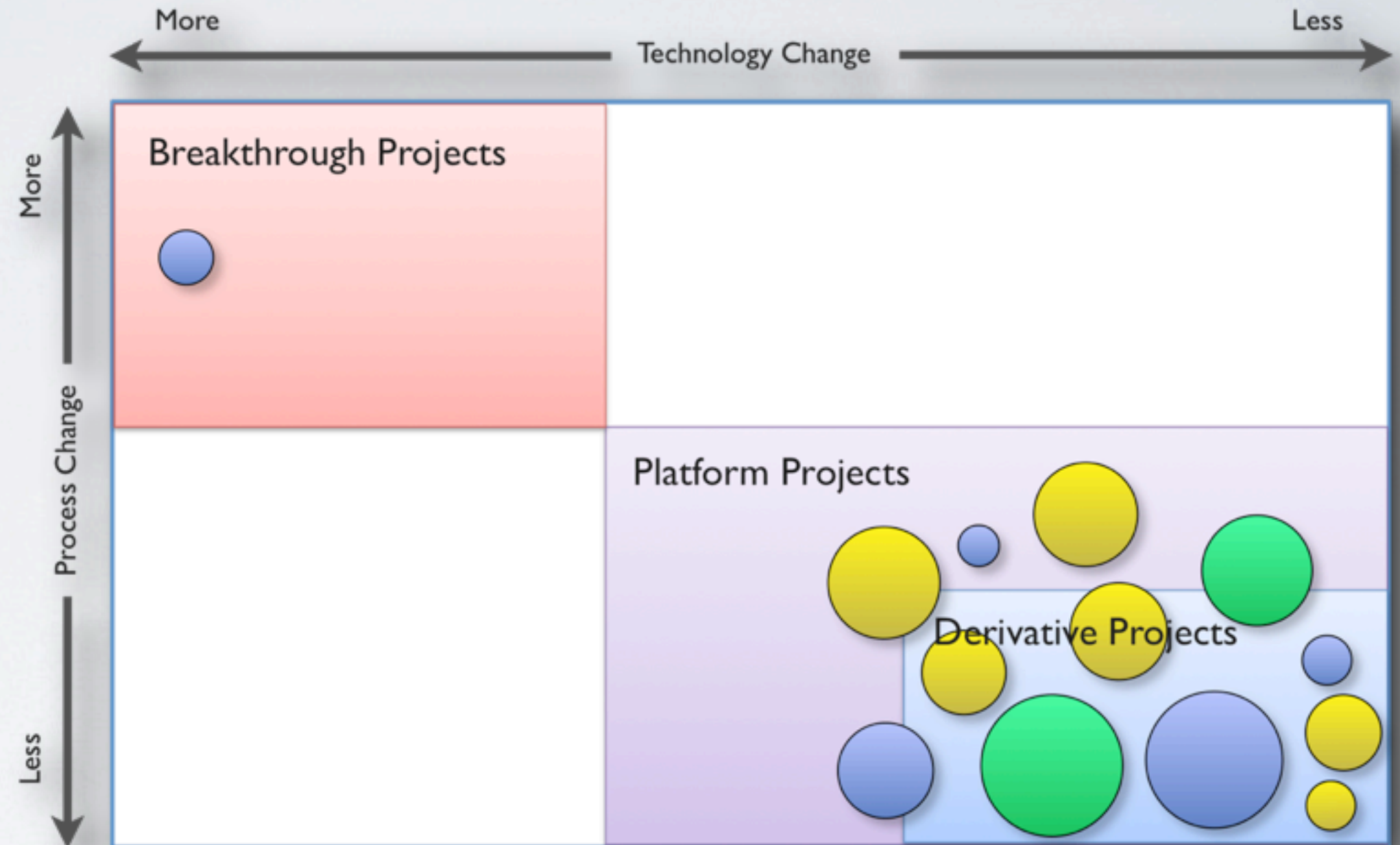
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ANALYSIS

Lower Right Cluster:

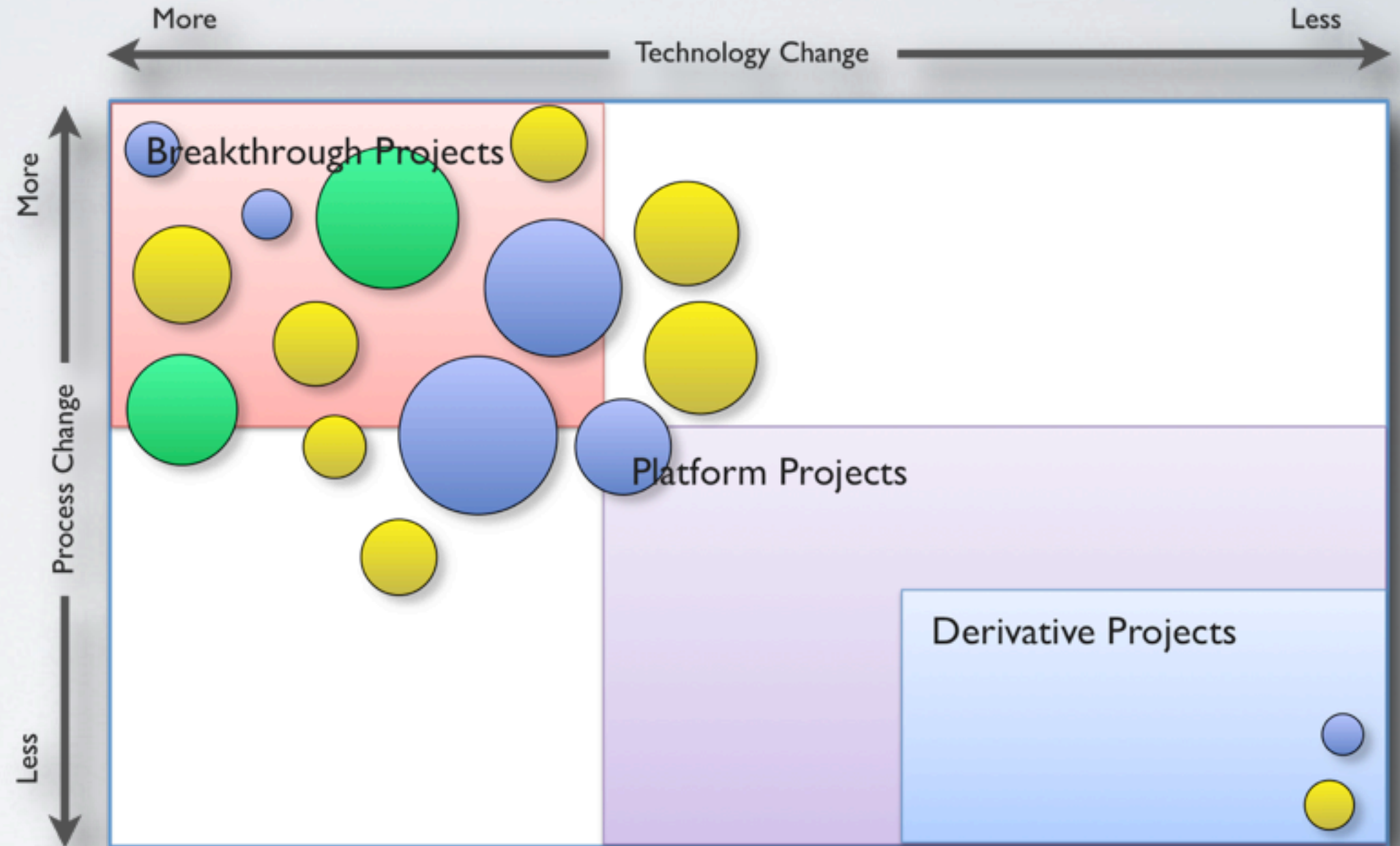
- May be a sign of inadequate investment in technology systems and processes
- Risk of not keeping up with changing business needs
- Business may be a follower rather than a leader



ANALYSIS

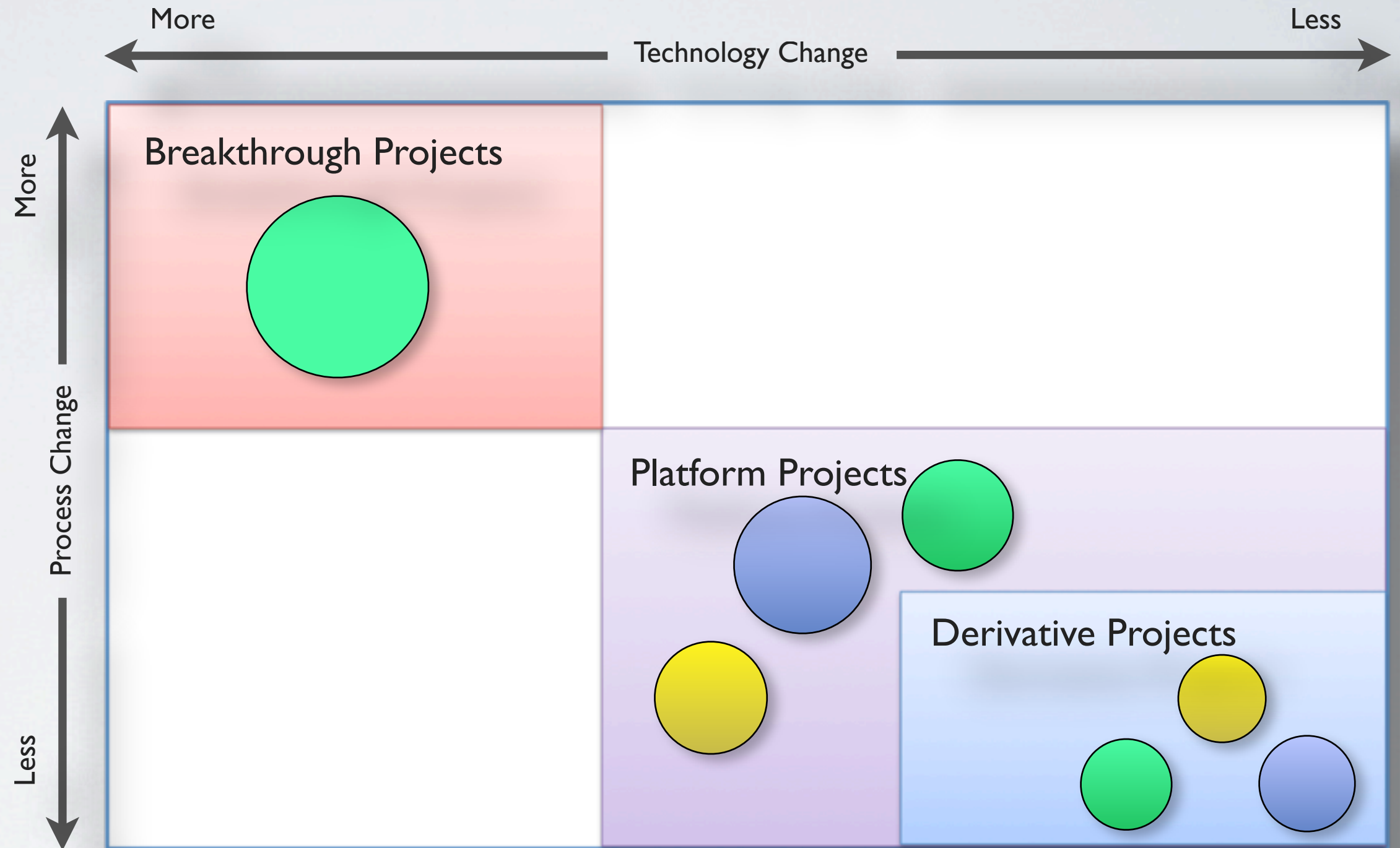
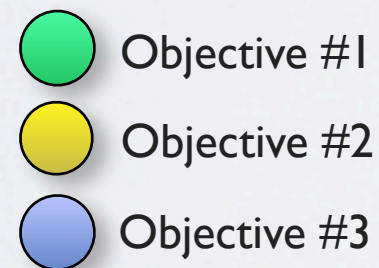
Upper Left Cluster:

- Large proportion of high-risk projects
- Resources may be taxed and projects fail
- Indicates lack of support for existing systems

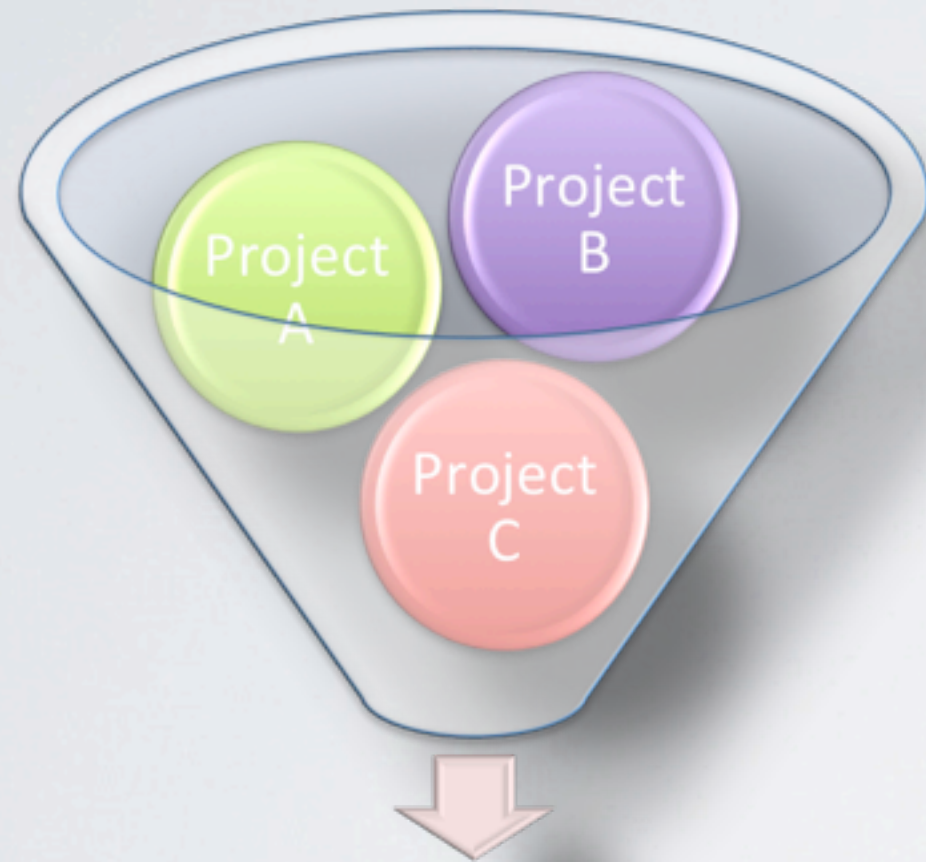


THE GOAL

- Well-balanced portfolio
- Types, strategy, size
- Achievable
- All categories important
 - Optimum mix different for each organization



THE RESULT



The “Select Few”

- Must make some difficult choices
- Many existing projects will be eliminated or postponed to make way for the “Select Few” - the more worthwhile projects
- A list of projects that can actually be achieved, not a growing list
- Technology projects that are directly linked to the future success of the organization
- Good balance between short and long term projects

TIPS FOR SUCCESS

- Use the methodology to drive resource development
- Get the entire organization involved
- Do not be afraid to kill projects
- Upper management MUST participate in planning

FOR MORE INFORMATION

Creating Project Plans to Focus Product Development

by Steven C. Wheelwright and Kim B. Clark

 Harvard Business Review

QUESTIONS?

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