

CIOs

Think Before you Buy

5 Rules to Adopt

When Buying a PPM Solution

Guidebook

cora

Executive Summary

This guidebook analyzes recurring trends – and mistakes – in the buying process of chief information officer (CIOs) when it comes to adopting enterprise-wide project and portfolio management (PPM) solutions.

The lessons are culled from over 50 years' personal experience of one of the leading thinkers in the PPM industry. The benefits and value of selecting and utilizing an effective PPM system cannot be over emphasized. The process of selection is critical. Mistakes in buying and implementing a "bad" PPM system can be devastating. Hear about the good, the bad, and the ugly of using a PPM system in today's project delivery environment, including the five golden rules CIOs should adopt before they commit their organizations to complex PPM buying decisions. A PPM solution is expensive. It pays to do it right, the first time. Learn how.



Author Bio

Lee R. Lambert (PMP, PMI Fellow CEO Lambert Consulting Group) has logged 50+ years of project management experience and is considered one of the world's thought leaders on project management methods and how they can be utilized to create and sustain value-added leadership and collaboration capabilities. He is one of only 70 in the world to receive the honor of PMI Fellow. He is a past president of the Central Ohio PMI and was one of the founders of the Project Management Institute's project management professional (PMP) credential. His book, *Project Management: The Common Sense Approach*, is a bestseller in the field.

As VP of Staff & Organizational Development for the Project Management Division of the largest contract research organization in the world, Lee was responsible for creating and implementing a Leadership Development program focused on improved performance for project managers and supporting functional/line managers.

During his decades of platform training Mr. Lambert has provided learning opportunities to more than 50,000 professionals in 23 countries. He is regularly called upon to provide Keynote presentations on Leadership, Communications and other Project Management topics. He has also provided consulting support to dozens of major corporations, including General Electric, IBM, Motorola, Citigroup, Sprint, AT&T, Roche, Nationwide Insurance and Westinghouse to name a few. He has earned his nickname as a "Pragmatic Evangelist".

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PREFACE

Whenever today's CIO is tasked with making a PPM software recommendation, the topic of value proposition will unquestionably raise its ugly head. The recommendation to purchase and implement enterprise PPM software may be one of the CIO's most significant value add (and expensive) decisions so it is understandable that the question of return on investment (ROI) is utmost in management's minds.

Sadly, many CIOs fail to follow a proven approach. They fail to ask the right questions when evaluating and selecting the most beneficial product and instead become enamored with the “glitz” of the system and the idea of “more is better”. Obviously when an enterprise PPM software solution is installed across the organization, information needed to make critical, timely decisions will be “in there” somewhere.

Thorough and extensive assessment of the specific organization’s decision support information needs must be considered early and often. A comprehensive network of “users” of the information must be established and involved in any software recommendation that is ultimately made. Information NEEDS must drive the selection process – NOT information WANTS!



Picture 1: CIOs: It’s time for a reality check. Do you want your project management system to provide mountains of “data” or targeted and formatted decision support “information”? Remember MORE is not necessarily BETTER!



CHAPTER 1

1970s



CAUTIONARY TALES FROM DECADES OF PROJECT MANAGEMENT - 1970s

In my 50+ years of working in the project management field (when I started as an engineering designer in 1966 I used a slide rule for calculations and my project management tools were paper and pencil, lol). I have seen the good, the bad, and the ugly when it comes to purchasing and implementing automated information systems.

For me, the best example of an organization that erred on the side of “more is better” came in 1977 when I was in the position of Manager, Project Control for a large not-for-profit (also not-for-loss) National Laboratory conducting multimillion dollar projects for the United States Department of Energy (DoE). I had accepted the Project Control position after being one of the drivers of a Validated Earned Value Management System (EVMS) for General Electric’s Fast Breeder Reactor Division.

In the new position, DoE was utilizing the same very powerful enterprise project management software that had been developed in-house for other large DoE and Department of Defense (DoD) project applications. I was responsible for liaison with the DoE Project Control Officer at government HQ and these responsibilities included preparation and delivery of the monthly project management report.

At the end of August, my first month on the job, it was time to deliver my initial report to DoE (I had not had the opportunity to contribute to its content). I asked my administrative assistant to get me the report so I could hand carry it to the headquarters building downtown.

A few minutes later he came in my office pushing a large hand truck loaded with a stack of computer paper about 5 feet tall. I looked at him. I looked at the stack of paper. I quickly asked; “What is that?!” He replied; “That is the monthly report!” I snapped: “Impossible!” This is only a \$300-million-a-year laboratory. There is no way this much information is needed to effectively manage the Lab and its projects. But, my job was to deliver it! So off I went to meet the Project Control Officer.

After the introductions my admin wheeled in the report. I immediately pointed to the hand truck and asked; “What is this?” He replied; “You brought it, it’s the monthly report.” I said; “I know I brought it, but why is it so big?” The government Project Control Officer explained; “I have twelve Project Control Specialists and they swear by this report. They tell me they wouldn’t be able to effectively manage their respective Laboratory technical divisions without it. In fact, he said, they have suggested asking for MORE detail”.



I said that was impossible and that I was sure they were not even using all of the information contained in the existing report. I was so sure that I offered a wager. I said: "if I can prove you are not using all of this information would you be willing to raise the reporting level?" He confidently agreed, but reminded me that they may well ask for more. We shook hands and the bet was on.

The September report was the first month for the bet. Since I hadn't yet "proven" the information was not being used I could not raise the level—YET! We were reporting at the seventh level of the work breakdown structure (WBS). So, before I delivered the report I "salted" it with some information that if anyone was actually reading it I was certain I would get a call. Down it went. Nobody ever called.

To me that proved that no one was using the information. So in October I raised the level to 6th and the report

went from 5 feet tall to about 3 feet. I "salted" it again expecting to get a call. Nothing, zip, nada. More proof! It was time to end the game. I raised the level to 5th and now the report was only about 2 feet tall. But this time I "salted" it with something about the Project Control Officer's hair loss and sent it down.

The report hadn't been there more than 10 minutes when my phone rang. Now in 1977 we didn't have caller ID but I was sure I knew who it was. I answered and asked him; "what I can do for you"? He bellowed; "I don't know what you're trying to pull here, Lee, but you aren't going to get away with it"!

I asked what the problem was and he replied; "I'll tell you the problem. This report came in about 10 minutes ago and I have been staring at it ever since and something is wrong." He continued: "Lee didn't this report used to be a lot thicker"? He still hadn't read it!!


Four years later, before I left the laboratory to take a senior position at a new Project Management Division, we were reporting monthly to the DoE on a 24-page report. We had reduced the amount of reporting from 5 feet to 24 pages without any noticeable negative impact on decision making.

MORAL OF THIS STORY:

Don't provide information that doesn't add value. Just because your project management software is capable of producing data it doesn't mean it is valuable in the decision-making process. There may be a high volume of data available that will only be useful as backup or supporting detail as required to confirm the efficiency of the decision-making process.

The significance of using enterprise project management is that the projects being planned and eventually executed will "touch" almost every component of the organization's decision-making process. It's not just the management of projects that will benefit from the information generated. Most other parts of the organization, where the execution of projects will have impact such as contracting, human resources, procurement, quality, facilities, transportation, IT, support services, legal, etc., are users of the information generated from an enterprise PPM system.

All this enterprise PPM system data must be thoughtfully integrated and agreed upon. Successful implementation of the enterprise approach requires extensive and thoughtful discussions by all of these organizational components BEFORE selecting which enterprise information structure will best meet the specific needs of the organization. The project manager's job is to convert data to decision support information. These conversations are crucial.



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I "salted" it with some information
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1980s

In 1984 I made a career changing decision to leave the corporate world and spend my time sharing my project management knowledge with others who had chosen this career. My first client was a midsize telecommunication company in Denver. I completed an extensive evaluation and made recommendations regarding what needed to be done to implement enterprise project management.

Eventually management decided implementing PPM would be too disruptive and expensive so they thanked me and sent me on my way. Two years later several of this company's major projects failed and they filed Chapter 11. Would PPM have prevented this outcome?

Thankfully, another company Boehringer Mannheim (Roche Diagnostics) would have a serious need for someone like me. They were, at the time, a \$1-billion-a-year producer of medical diagnostics equipment primarily for diabetics. Their primary revenue source came from an in-home use product that provided the patient with blood glucose levels.

The product essentially consisted of an electronic meter and a carrier strip for the chemistry. At the time (1987) they commanded the market. I became involved as a result of Johnson & Johnson (J&J) introducing a similar product that was easier to use, faster and more accurate.

J&J was rapidly taking large amounts of market share from Boehringer. Boehringer management

made a decision that if they were not able to develop a product significantly better than J&J's it would be their demise. Therefore, a decision was made to develop and produce a new meter/strip/chemistry product within 18 months (normal development time for similar products had been three years).

I was retained to "help" make this happen. I had trained some of their staff in public seminars and they had suggested I could help them achieve their very optimistic schedule. They had the intellectual capability but had no clue how to organize and execute a "fast-track" project.

Boehringer did not have an enterprise PPM system. In fact, they had very little in the way of project management information. There wasn't time to evaluate and select a software package. We created a WBS, developed a rudimentary plan and input the integrated logic network into the CA Super Project scheduling package so we could look at options for fast tracking the project.

Once we had the schedule information and iterated it dozens of times it became obvious that 18 months was impossible – working eight-hour days. Using PPM software, I input dozens of potential combinations only to find that no matter what approach we took it would take a super human effort and incredibly complicated integration of all of the activities.

The people responded. This team of 205 professionals worked an average of 14 hours a day for those 18 months and, thanks to the ability of being able to quickly evaluate critical path options using PPM software, a new and

significantly improved product was delivered to the marketplace. Boehringer regained market share rapidly and as a result of the success of the new product a few years later Boehringer was acquired by Roche Labs for \$11 billion.

MORAL OF THIS STORY:

Projects are successful because of people!
The automated systems provide people with the information THEY need to make the decisions that create potential for success.

“They had the intellectual capability but had no clue how to organize and execute a ‘fast-track’ project.”



1990s

Once again the real world confirmed the importance of a sophisticated project management information capability.

In 1993 Lou Gerstner was selected to “save” IBM (some projections suggested an \$8 billion loss that year). Gerstner had no obvious background in project management during his tenures at American Express and RJR Nabisco yet early on in his efforts to “turn IBM around” he proclaimed that there were far too many projects being undertaken and that they had lost control of their ability to manage them.

The ability to focus on those projects that

would return the highest value was missing and managing projects had become somewhat of an ad hoc process.

He declared that a rigorous enterprise wide PPM approach would be implemented and he established the IBM Project Management Center of Excellence (equivalent to what we now typically refer to as the Project Management Office) under the direction of Carol Wright. Gerstner often stated: “Project management will provide the thread that holds the organization together.”

I had the pleasure of providing PPM training to hundreds of IBM project managers during this project management system implementation and learned without question the importance of having the right information at the right time. Decision makers were asked what information was needed to enable them to be successful in meeting the demands of the rapidly changing marketplace. Using the answers, IBM created an

enterprise PPM system that was the envy of its competition. IBM's Project Management Center of Excellence became, and remains, the world's benchmark for PMOs.



Project management will provide
the thread that holds
the organization together.

Lou Gerstner, Chairman and CEO, IBM



2000s

As a majority of organizations are committed to the matrix approach to executing projects, a new challenge presents itself: How to effectively manage individual projects in this new “multi-project, shared-resource” environment.

I had two large organizations (one engineering driven and one research driven) approach me to help them address this challenge. In addition to the allocation of necessary resources to individual projects there was a desire to consider how to measure and improve productivity of supporting resources.

Today's sophisticated PPM systems capability makes this challenge easy to overcome. We established a WBS down to the actual work package level. Then all that was necessary to create the foundation for measuring resource allocation disconnects was to collect resource assignment information for two streams: a)

the project and b) the functional organization assigning the resources.

I suggested that the ability to determine under- or over-allocated resources would be easily achieved and communicated – provided we could track each resource as it was assigned to specific projects and then amalgamate all of the project assignments for that resource and for the respective functional owner's resource pool to illustrate over or under commitments therefore supporting resource leveling efforts. With the appropriate WBS and functional numbering system the PPM system would be able to provide this information on demand or through regular reporting cycles



If tracking and improving resource productivity is an objective, this project information foundation can make it easy, providing the individual organizational resources have been given a productivity rating (unfortunately this is not the case much of the time — typically it is “a body is a body is a body”) and has been assigned to the work package based on that skill set productivity rating (skill set match).

Once the project begins execution the PPM system can provide analysis of actual productivity rate per resource per work package. While this data is useful in determining plan vs. actual productivity rates it is also useful in determining resource professional development needs.

Note: In many cases when actual productivity rates fall below 1 they are artificially adjusted by the resource working longer hours thus distorting the realistic productivity rate of that resource. I call this the organizational “Free Lunch Program”. The problem is if we can’t quantify actual resource productivity rates, meaningful variance analysis is difficult to achieve.

MORAL OF THIS STORY:

The PPM system provides considerably more than project cost and schedule information. When management makes a decision regarding what they want to measure as part of the enterprise, it's almost certain their need can be satisfied using the enterprise PPM.

“ In many cases when actual productivity rates fall below 1 they are artificially adjusted by the resource working longer hours thus distorting the realistic productivity rate of that resource. I call this the organizational 'Free Lunch Program'.



2010s

One of America's leading insurance companies has invested years in experimenting and defining PPM needs for its many lines of business (insurance, hospitals, entertainment, etc.) and dispersed geographical locations. They have evaluated the most comprehensive and appropriate approach to integrating very diverse information across the many functional organizational components (silos) of a complex matrix configuration.

Realizing the need for a holistic approach, the effort invested in evaluating the many options was extensive. The maturity of this organization

and the resulting patience made it possible to commit the time and resources necessary to assure that the "best value" PPM solution decision was made and eventually implemented. Once implemented, the quality of the planning, evaluating risks, assigning of resources, monitoring of the execution, managing change, and capturing of the "as built" condition proved to be vastly improved.

Management has admitted that the selection process probably took significantly longer than necessary, but the ROI has already begun to be realized.

MORAL OF THIS STORY:

Don't rush the decision. Be thorough.

Involve all potential users.

Confirm availability of vendor support.

Be willing to reconfigure where needed.



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Be thorough.
Be willing to reconfigure
where needed.



CHAPTER 2

5 Rules to Adopt When Buying a PPM Solution

Answers You Should Get Before Making a “Buy” Decision

1.

Will the PPM solution produce reports or will you have to develop them?

2.

Does the PPM solution easily integrate with other business intelligence tools?

3.

Are configuration modifications easily made?

4.

Is the PPM vendor stable with a strong record of client success?

5.

Is the PPM solution easily implemented — what is the average time from buy to beneficial used?



CHAPTER 3

How Cora Systems Powers Enterprise PPM & Transformation

Key Aspects of the Cora Solution

Cora Systems is a worldwide leader in providing enterprise PPM solutions to global organizations and government agencies, such as Honeywell, Allergan, PwC, City of London and the UK's National Health Service.

Cora is a proven foundation for the delivery of projects, digital transformation and strategic objectives. Fully digitizing program and project lifecycles, providing total transparency, empowering decision-making, and streamlining governance and reporting. Every day, across more than 50 countries, over \$20 billion worth of projects are managed on the Cora platform.

Powering Enterprise PPM & Transformation

Cora PPM contains a comprehensive suite of functionality that provides the strategic capabilities to optimize capacity, analyze scenarios, track benefits, inform all stakeholders and integrate across the enterprise. The platform acts as the bedrock for delivering major transformation programs.



Complete Enterprise Project & Program Management

Cora PPM provides the control, governance and insight required to identify, prioritize and authorize extensive enterprise portfolios that align to strategy and deliver ROI.



Digitize & Streamline Business Processes

Cora PPM digitizes all your portfolio, program and project processes, surfacing information when, where and how it's needed. Transform the way you manage your program lifecycle, providing the transparency, intelligence and decision-making capability to drive change across your enterprise.

"With Cora, we're able to sit around the table at senior management level and understand where we are much better than previously."

Paul Moody

Director of Global Engineering Projects,
Allergan Pharmaceuticals



"We are happily using Cora to manage the portfolio of projects that makes up our £1.7bn Superfast Program, and our £294m Local Full Fibre Networks Program. It works well at a low level for project planning, risk and issues, change logs, benefits tracking, weekly reports, etc. Then the PMO can roll up and summarize that low-level data into a full program/ portfolio view."

Justin Leese

Program Director, Local Full Fibre Networks,
Department for Digital, Culture, Media & Sport (UK)





Integrate, Centralize & Consolidate

Cora PPM acts as a single point of entry for all project data and facilitates easy integration with any enterprise technology architecture. Providing you with an immediate, consolidated view of all your project portfolios and deliverables. Complete visibility and insight are acquired through instant information “roll-up”, linking top-down goals with bottom-up contributions of each and every initiative.



Swift Enterprise Deployments

Accelerate time to market and improve return on investment by leveraging best-practice implementation supported by our team of experts.



Mapped to Your Processes

Cora PPM is configured to each client’s specific business processes, and we are methodology agnostic – we’ll tailor the platform and the templates to fit your chosen project methodology be it Agile, PMBOK, PRINCE2 or other.

“It’s great to have that cascade of information to highlight issues and risks for the right people who can then intervene. The functionality to do that in a more controlled environment, to take it through the different authorization layers, we see as really valuable.”

Patrick Beattie,
Director, PwC



“Cora really allows us to drill down into information so we can give our senior management the key decision-making information to make informed decisions on all our schemes.”

Ian Thrupp
Head of Planning and Project Controls, WSP



“Cora as a platform gives us that single source of truth to what’s going on in the organization and also gives us the ability to prioritize what’s really important to us. Being able to put that information in front of our board and our executive team to say, ‘Here is all of the change that’s going on. What’s the most important to you?’ and then actually allocate the resources and funding for those projects to help move us into that strategic position is invaluable.”

Sarah Malin
Head of Program Management, CityFibre



The Value

Digitize your programs and lifecycles, gain greater insights, more informed decision-making, and streamline your governance and reporting.

✓ Strategic Insights

Roll out failsafe, strategically-aligned projects that utilize resources and deliver maximum value.

✓ See The Full Picture

Quickly view data dashboards that visualize the health of your portfolio and drill-down to focus in on any issues.

✓ Support Governance

Ensure the right people have the right oversight with multi-level access protocols.

✓ Easily Scale

Small to large, local to global, all in the cloud.

✓ Complete Control

Manage scope, financials, progress and quality of project delivery in one centralized system.

✓ Seamless Collaboration

No matter the team – internal or contractor, desk-based or mobile – integrations make workflows seamless.



\$20 BILLION

Worth of projects managed on Cora PPM.



400,000+

Projects live on Cora at any one time.



50+

Countries where Cora is in use.



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Platform & version of the truth.



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