WHITE PAPER

How to Maximize the Return on Your IT Portfolio

The Need

Organizations facing an increase in demand for projects, limited resources, and broken portfolio management processes, are searching for ways to fix their IT operations to increase ROI. Your company may be experiencing these challenges.

> "Across the board, companies are finding they're unable to properly align IT investment to corporate strategy and thus do not maximize the return..."

Across the board, companies are finding they're unable to properly align IT investment to corporate strategy and thus do not maximize the return for several key reasons:

- There is not a process specifically focused on maximizing return.
- They do not have the tools designed for this purpose.
- Goals are not aligned across the organization.

This white paper will explain how to address each of these issues and enable your organization to transform the management of the IT portfolio to ensure maximum return. There are several important benefits that are realized by companies who can address the challenges listed above.

- *Predictability* – expected returns can be accurately forecasted.
- Efficiency – the right resources working on the right projects.
- *Transparency* – the entire organization can view the results.

Why go through the effort to maximize the return on the IT portfolio? A study from Forrester Research Group concluded that effectively addressing these issues and focusing on maximizing return can produce an expected ROI of 255 percent.

Many companies across a variety of industries are turning to PPM solutions to maximize the return on their IT project portfolios while maintaining governance and transparency throughout the process. If your goals for your IT department are similar then the system outlined in the next section will provide the process and capabilities needed.

The Solution

Maximizing IT portfolio return begins with incorporating an end to end process for the management of the portfolio. Without a sound methodology you risk losing control and then losing revenue. Generally, ownership of the solution is held by the CIO, PMO (Project Management Office), or a Project Manager (PM).

There are 3 core elements that a successful solution must incorporate:

- Ability to determine which projects are selected for inclusion in the portfolio.
- Management of the projects to ensure success.
- Analysis of the benefit to the portfolio.

In addition, a system must be easy to use for all stakeholders, from the casual dashboard consumer to the frequent power user. And the entire process must be simple to implement and maintain to ensure continued utilization across the enterprise.

Here is a closer look at each of the 3 elements:

1. Portfolio Optimization

Choosing the right projects to include in the portfolio is THE most important part of the process. Each portfolio should have a risk/reward profile to provide a guideline for determining its composition. Only those projects that fit within this framework should be considered for inclusion.

Without adopting this first step organizations risk budgeting projects that do not align with their overall goals. Even the most well managed project is not desirable if it does not contribute to the return on the portfolio.

Maximizing IT portfolio return begins with incorporating an end to end process for the management of the portfolio. Without a sound methodology you risk losing control and then losing revenue.

Projectric
43763 Cog Hill Terr.
Ashburn, VA 20147
www.projectric.com

2. Project Management

Ensuring project success is vital – the right resources, timelines, budget, and successful delivery all contribute to the overall portfolio return. One must also be able to track these metrics and proactively manage any possible issues before they can negatively impact the portfolio. Top-down views are required so that any corrective taken on a project level is done within the context of the entire portfolio.

3. Hindsight Analysis

Reviewing individual project results and measuring their contribution to the overall return on the portfolio is the final key element to successfully maximizing return. Using this information to optimize future portfolio selections allows organizations to improve the process and continually increase performance.

Finally, in order to maintain transparency and governance across the organization, a solution will need to provide on-demand access to other departments who need to learn more about the composition and performance of the portfolio.

But don't just take our word for it:

According to a study from the Aberdeen Group, organizations that use a PPM tool are 44 percent more likely to complete projects on time or early, 38 percent more likely to complete projects on budget, and 52 percent more likely to hit the expected ROI.

The Return

Organizations need to maximize the return on their IT portfolios to gain competitive advantages and to align their investments with corporate strategies. By focusing on a top-down process that addresses 3 key areas – portfolio composition, project management, analysis and measurement - organizations, like yours, can take back control of the portfolio and maximize return. Solutions that combine ease of use with powerful project selection criteria are favored as they can support these needs with minimal setup and training while providing maximum value.

A solution focused on maximizing IT portfolio performance can benefit your organization in many ways, including:

Organizations need to maximize the return

on their IT portfolios to gain competitive advantages and to align their investments with corporate strategies. By focusing on a top-down process that addresses 3 key areas - portfolio composition, project management, analysis and measurement - organizations, like yours, can take back control of the portfolio and maximize return.

Projectric
43763 Cog Hill Terr.
Ashburn, VA 20147
www.projectric.com

- Increased predictability on the financial return of the portfolio via powerful selection and analysis capabilities.
- More efficient use of resources across the enterprise as the proper projects are selected and managed from a central solution.
- Transparency of the process from end to end allows finance and IT to be aligned.

…and much more.

Projectric is a Cloud-based PPM solution providing the 3 main capabilities that organizations need. By focusing on Portfolio Optimization, Projectric ensures that organizations are applying resources to the proper initiatives, projects, and programs.

Contact us today at info@projectric.com to learn more about our solution and to see how we've helped organizations across industries increase the return on their IT portfolio.

Projectric

Projectric
43763 Cog Hill Terr.
Ashburn, VA 20147
www.projectric.com