Establish corporate visibility and environment

7.1 Managing PPM as a change project

Continuous change is the only constant that will ring a bell with those who are in business today. The META Group study showed that 50 per cent of Global 2000 companies adopted some form of project portfolio management. Yet less than 10 per cent of the companies’ execution drove the portfolio value up by as much as 30 per cent, while each of the other attempts became just another failed project!

The execution of PPM has to be managed not only as a project, but as a change management project. Our own experience has shown that introducing the PPM process is a business process change initiative; as a result, the leadership involvement and cultural change expected from the stakeholders are fundamental to the successful implementation of the portfolio process.

There are many good texts available on managing change in organisations, so we will not attempt to rehearse them here. We will confine ourselves to two considerations. First, to highlighting Egan’s model of change scenarios, shown in Figure 26, which involves generating action that produces valued outcomes or results for the organisation. Planning for change is important, but only if it leads to valued, organisation-enhancing outcomes. The valued outcome of introducing a PPM process must be well rehearsed by the project portfolio management team (PPMT), and a detailed communication plan to obtain buy-in from stakeholders must be prepared before the execution stage. In the execution of the PPM process we need to ensure that managing change among our users and stakeholders is uppermost in our implementation strategy.

Second, there are many different models and ways of looking at organisational change and the role of a change leader. The role of a portfolio sponsor is to be a change leader. To support our approach to implementing the project portfolio process as a change project, we encourage
organisations to look at a model drawn from the work of management writer Ralph Stacey (1997). See Figure 27.

The value of this model is to help you identify where your change project lies in relation to the two dimensions of ‘agreement’ and ‘certainty’. This in turn will help you to define the most appropriate leadership and management skills to use.

Our experience has shown that when you prepare and organise the PPM solution as discussed in Part II of this book, the project will tend to be in quadrant 1 of Figure 27, and at worst in quadrant 2. If there are no

Figure 26 Change management scenarios

Figure 27 Understanding change