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**Managing the Project Portfolio:
*Delivering Balance, Alignment, and Optimization***

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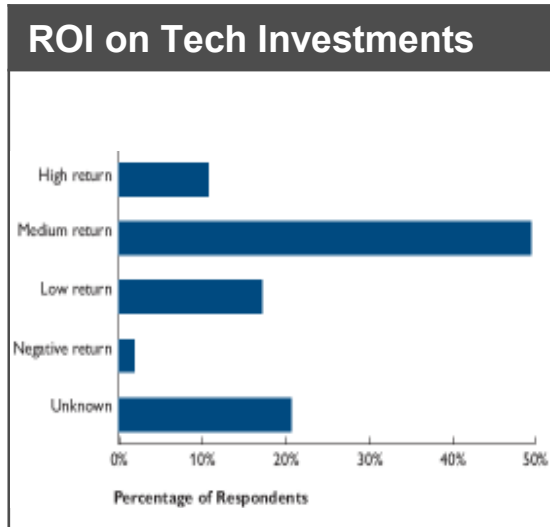
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Agenda

- An Alignment Problem
 - Why Align & Optimize?
- Potential Usage Scenarios
- Oracle Project Portfolio Analysis
 - Why Oracle Project Portfolio Analysis?
 - Customers & Usage
- Product Perspective
 - Portfolio Lifecycle
 - Portfolio Selection and Prioritization
 - Product Demonstration
- Wrap Up and Q&A



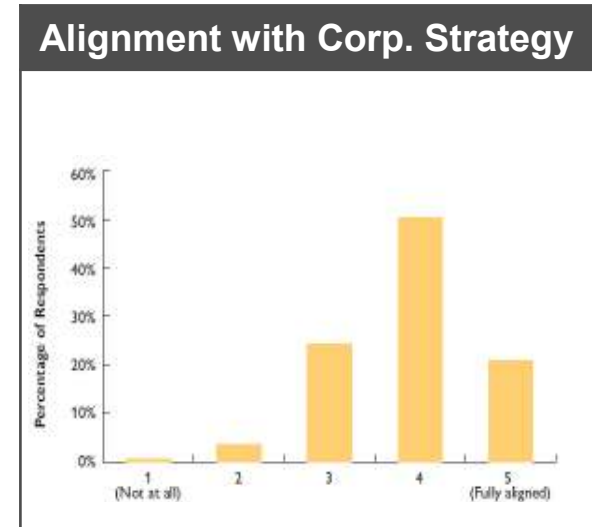
An Alignment Problem



- 11% believe that they are obtaining a high return
- 40% believe they are obtaining a low, negative or unknown return



- Formal planning efforts remain low
- Direct link between organized planning and positive returns



- Nearly 2/3 with a plan report good or full alignment with corporate strategy
- Formal planning facilitates credibility and BU synergy

Source: Ninth annual joint publication of Financial Executives International and Computer Sciences Corporation



Why Align & Optimize?

The Facts

- 90% surveyed do not believe they have control over the project pipeline –
Harvard Business Review
- 60% of all projects fail to meet budget, deliverables, or delivery dates –
CHAOS report
 - Strained relationship between IT and business
 - Poor/Non-existent alignment with business goals

Benefit

- Material alignment
- Prepares organization for recurring, robust portfolio selection and alignment process
- Low-risk catalyst to educate organization on portfolio management

Value

- Increased credibility with business units
- Shared accountability with business partners
- Establish organization as a value center
- Increased customer satisfaction
- Increased ROI potential for all investments



Is This You?

Challenges faced in one or more of the following areas:

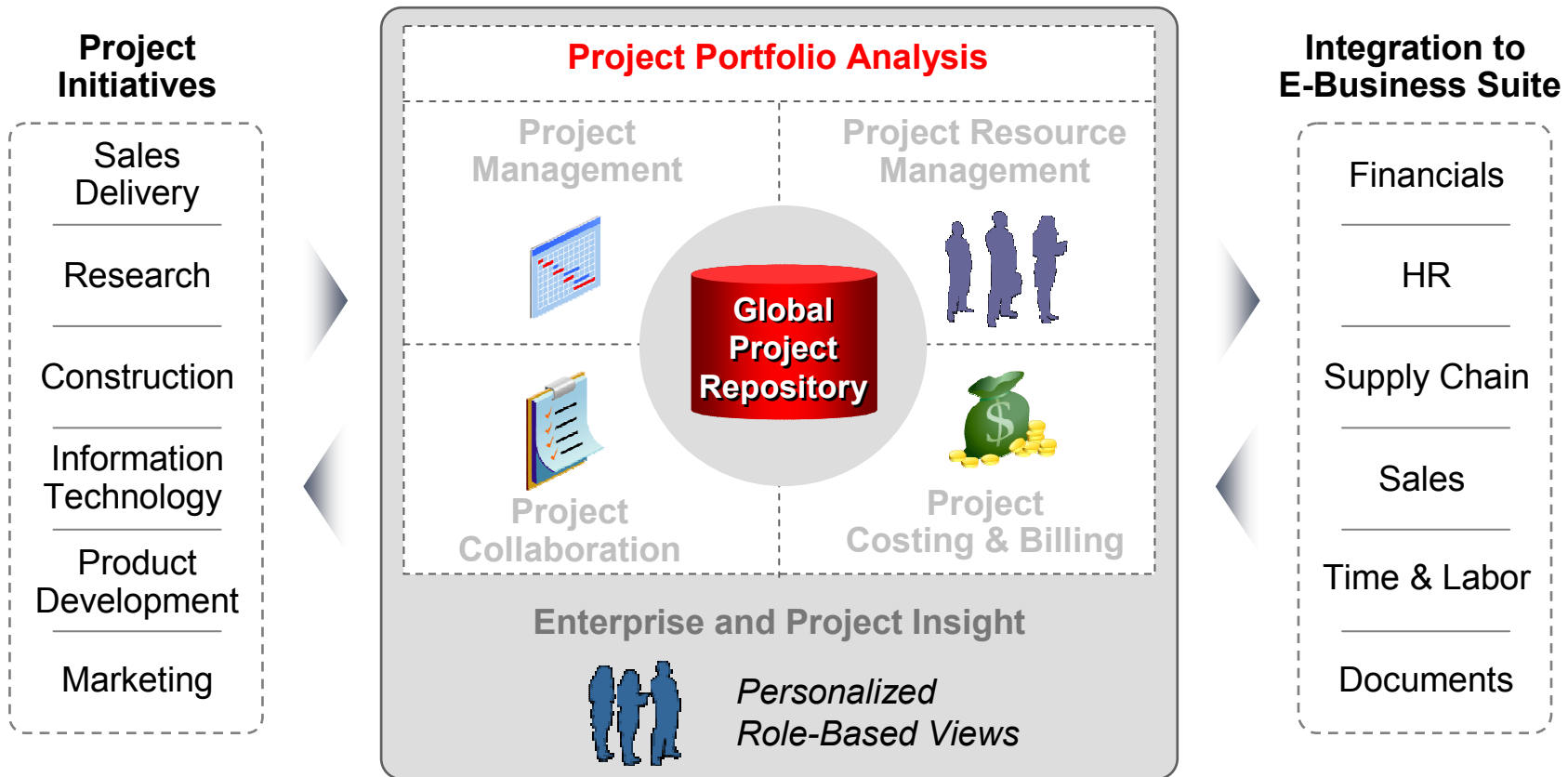
- ❑ Initial portfolio optimization at entry into budgeting cycle
- ❑ Portfolio rebalancing/optimization during the financial year
 - Accommodating mid-year budget changes
 - Funding new programs and projects
 - Canceling or delaying existing projects
 - Finding additional resources to complete non-discretionary projects
- ❑ Organizations with:
 - No formal process for project evaluation, or a process for INDIVIDUAL project evaluation
 - Overly focused on cost, rather than benefits
 - Second guessing of decisions by management
 - Disconnect between spending and business value
 - Informal portfolio management is conducted



Potential Usage Scenarios

- Portfolio rebalancing/optimization during the financial year
 - Accommodating mid-year budget changes
 - Funding new programs and projects
 - Canceling or delaying existing projects
 - Finding additional resources to complete non-discretionary projects

Oracle Project Portfolio Analysis



Customers Intended Use



Focus resources on most promising projects. Eliminate redundant projects



Ensured investments are well thought out, cost-effective, and support the missions and business goals



Manage their portfolio of capital projects including airport & runway maintenance, airport and runway upgrades, new projects etc.



Ensure IT investments align with organizational goals



The creation of an end-to-end income and cost planning and work planning capability through the support of software



Manage the pool of funds allocated for decision making. Assist with their regulatory requirements around their capital projects

A Few More Customers...

Customers in Diverse Industries

Engineering & Construction, Professional Services, Government, Education, High Technology, Financial Services, Utilities, Life Sciences, Aerospace, Telecommunication, Entertainment, Consumer Goods, Transportation, Others

Project Portfolio Analysis: Product Perspective



Project Portfolio Analysis

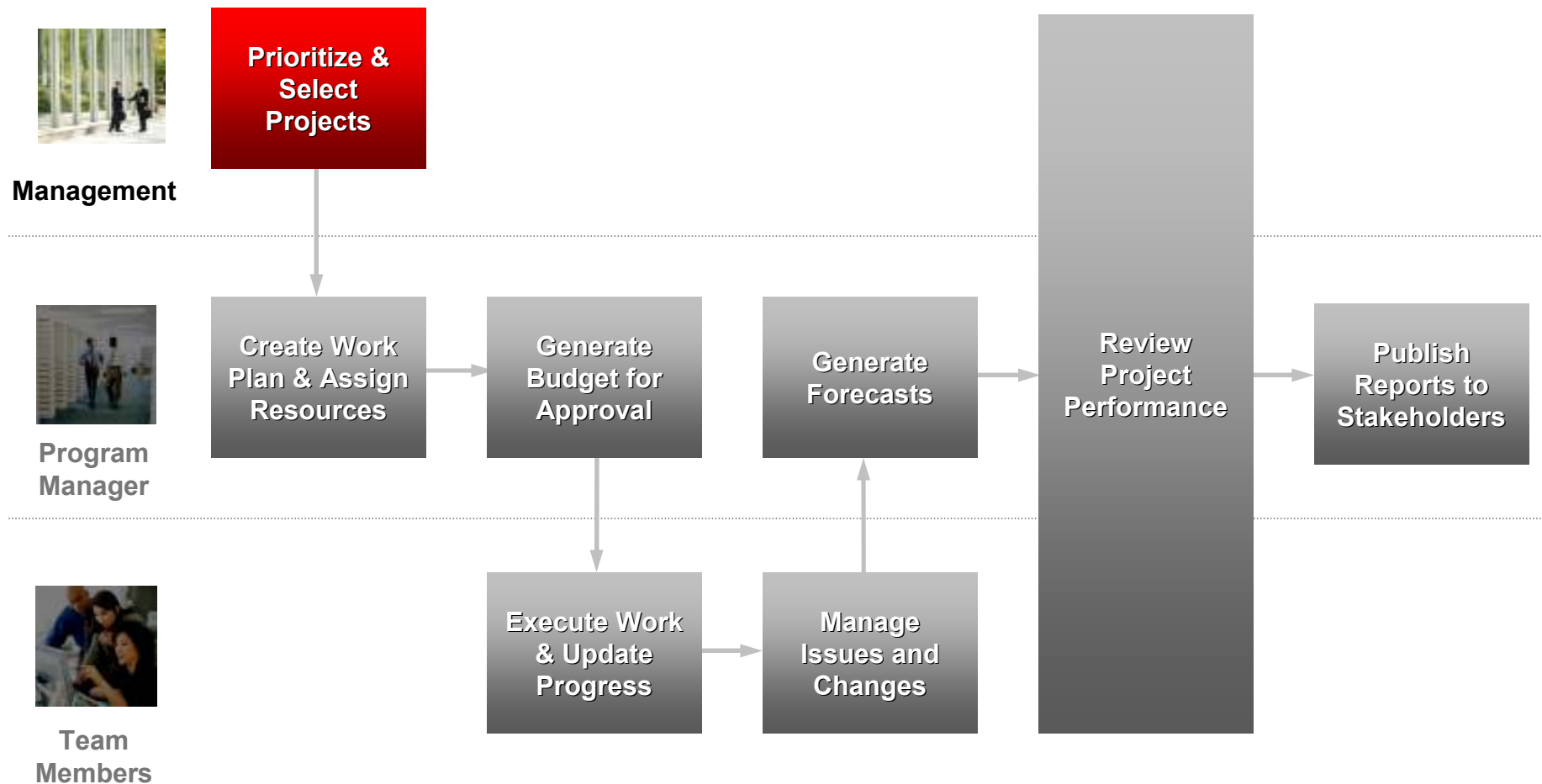
- Define criteria
- Collect project information
- Rank projects
- Balance portfolio



- Approve plan
- Allocate funds and resources
- Launch approved projects

- Monitor schedules
- Manage to budgets
- Review resources

Prioritize & Select Projects



Prioritize & Select Projects



Collect & Rank Projects



- Investment Criteria
- Financial & Non Financial Metrics

- New Proposals
- Approved Projects
- (Carried out by Project Manager)

- Common Criteria
- Financial Justification
- Strategic Alignment



Analyze Portfolio



- Analyze multiple portfolio scenarios to identify best fit.



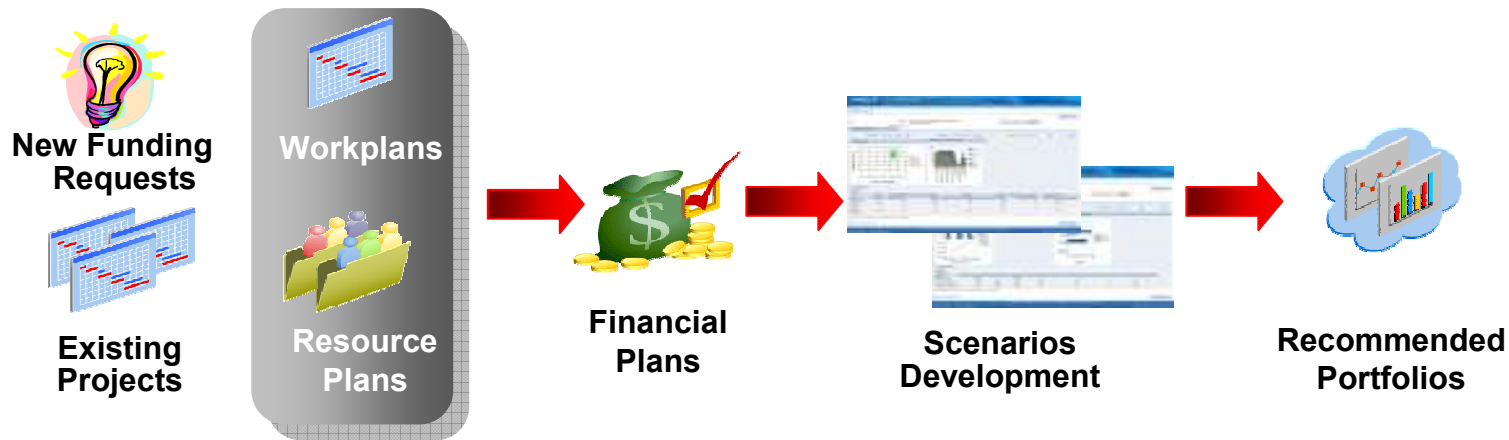
Recommend Scenarios and Execute Portfolio

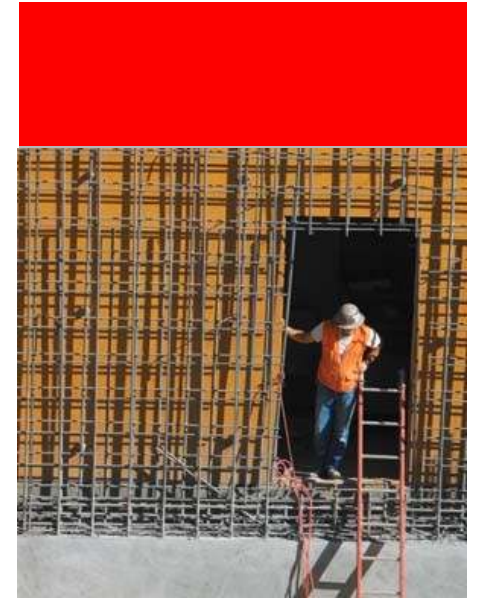
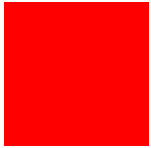


- Recommend Scenario(s) for Approval

- Approve Scenario(s)
- (Carried out by Portfolio Approver)
- Launch approved projects

Prioritize & Select Projects





QA

QUESTIONS
ANSWERS



For More Information

<http://search.oracle.com>

Oracle Portfolio Analysis



or

<http://www.oracle.com/applications/ppm>

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