

## PROJECT PORTFOLIO MANAGEMENT AUDIT

This list of project portfolio management questions is one of the tools used by Procept Associates Ltd to assess project management maturity and formality. It can be used “as is” in an informal assessment, or the questions can be crafted into various tools as part of a formal benchmarking.

Because project portfolio management is an immature discipline, we think that open-ended questions like these are most appropriate. (Project management is much more mature as a discipline, so we created closed-end questions for that questionnaire.)

**1. What’s the approximate annual sales revenue of your entire company?** (select only one)

- |  |   |
|--|---|
| <input type="checkbox"/> Less than \$10 million        | <input type="checkbox"/> \$500 million to \$1 billion   |
| <input type="checkbox"/> \$10 million-\$50 million     | <input type="checkbox"/> \$1 billion to \$3 billion     |
| <input type="checkbox"/> \$50 million to \$100 million | <input type="checkbox"/> \$100 million to \$500 million |
| <input type="checkbox"/> More than \$3 billion         |   |

**2. How important is project portfolio management to your organization?** (select one only)

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Very important       | <input type="checkbox"/> Important     | <input type="checkbox"/> Moderately important |
| <input type="checkbox"/> Of little importance | <input type="checkbox"/> Not important |   |

**3. At what level is project portfolio management done in your organization?** (select one only)

- Both business unit and enterprise levels
- Enterprise level only
- Business unit only
- Other

**4. How long has a project portfolio management process been in place?**

- No defined process
- Less than 6 months
- 6 months- 2 years
- 2 -5 years
- More than 5 years

**5. Who is primarily responsible for project portfolio management in your organization?**

select one only)

- An individual C-level executive (CEO,CIO, CFO)
- A committee of C-level executives
- An individual business unit executive (VP, Director)
- A committee of business unit executives
- Strategic planning committee
- Project office steering committee
- Project manager
- Other

**6. How mature is your organization's project portfolio management process?** (select one only)

- Level 1: No portfolio management (ad hoc processes only)
- Level 2: Database of projects exists; value is assessed for individual projects
- Level 3: Project selection/prioritization occurs at department/business unit levels
- Level 4: Project portfolio is actively managed at department/business unit level
- Level 5: Project portfolio is actively managed enterprise wide and integrated with business portfolio

**7. Please select your level of agreement with each of the following statements regarding your organization's project portfolio management process.**

*1 Strongly agree – 2 Agree – 3 Neutral – 4 Disagree – 5 Strongly Disagree*

### **Portfolio Inventory**

- \_\_\_ List of current projects (active, proposed, on-hold) is documented
- \_\_\_ Projects are organized in categories (e.g., project type, invested type, strategic objective, etc)
- \_\_\_ Information about available resources, roles, costs, skills is documented
- \_\_\_ Projects have expected business value (eg. NVP) calculated
- \_\_\_ Projects have risk levels calculated
- \_\_\_ Inter-project dependencies and project conflicts are identified
- \_\_\_ A central repository captures all project information

### **Portfolio Analysis**

- \_\_\_ Projects are mapped to business strategy
- \_\_\_ Alternative project portfolios are modeled
- \_\_\_ A process is in place for optimizing the project portfolio

### **Portfolio Planning**

- \_\_\_ Enough resources are in place to make project portfolio achievable
- \_\_\_ Plans (scope, schedule, cost, risk, etc.) are made from a portfolio perspective
- \_\_\_ Project estimates are validated with detailed task plans and budgets

### **Portfolio Tracking**

- \_\_\_ Project performance is monitored (schedule variances, budget variances, earned value)
- \_\_\_ Project performance data is summarized and presented to senior management in an executive dashboard
- \_\_\_ Resource capacity and demand are actively balanced

### **Portfolio Review & Re-planning**

- \_\_\_ Project alignment with strategy is reviewed periodically
- \_\_\_ Project portfolio is checked against shifting business, technology, and market conditions
- \_\_\_ An optimized project portfolio leads to changes (projects are killed or put on hold, resources are re-allocated)

**8. How many projects are in your organization's portfolio?**

- Fewer than 15     15-24     100-500  
 More than 500     Don't know     We don't capture that information

**9. What project portfolio management methods are used in your organization's for project selection/prioritization? (select all that apply)**

**Comparative**

- Ranking     Scoring     Analytical Hierarchy Process

**Financial**

- Benefit/cost     Economic Value Added     NPV     G IRR     ROI

**Strategic planning**

- Bubble diagrams     Decision-trees     Portfolio matrices  
 Balanced scorecards

**Optimization**

- Linear programming     Other

**Other**

**10. What is the dominant project portfolio management method used in your organization for project selection/prioritization? (from the list above)**

**11. How often is your project portfolio reviewed? (select one only)**

- Every month  
 Every other month  
 Quarterly  
 Twice a year  
 Yearly  
 Never  
 Other

**12. How well is your project portfolio performing?**

*1 Very Good – 2 Good – 3 Satisfactory – 4 Fair – 5 Poor*

- \_\_\_ Projects are aligned with business's objectives  
\_\_\_ Value of projects in portfolio is consistently high  
\_\_\_ Spending reflects the business's strategy  
\_\_\_ Projects are done on time  
\_\_\_ Portfolio has a good balance of projects  
\_\_\_ Portfolio has the right number of projects  
\_\_\_ Data exists to effectively evaluate projects

**13. How satisfied is your organization with its project portfolio management process?**

*1 Very Satisfied – 2 Satisfied – 3 Somewhat Sat'd – 4 Not Very Satisfied – 5 Not At All Satisfied*

- \_\_\_ Fits management style  
\_\_\_ Perceived as effective  
\_\_\_ Method truly used to make Go/Kill decisions

- \_\_\_ Perceived as effective
- \_\_\_ Realistic method
- \_\_\_ User friendly: easy to use
- \_\_\_ Understood by management
- \_\_\_ Method rated as excellent
- \_\_\_ Business would recommend method

**14. Please select your level of agreement with each of the following statements regarding the benefits of project portfolio management to your organization?**

*1 Strongly agree – 2 Agree – 3 Neutral – 4 Disagree – 5 Strongly Disagree*

- \_\_\_ We work on right projects
- \_\_\_ We are spending in the right areas
- \_\_\_ Project redundancies have been eliminated
- \_\_\_ Poor projects are killed
- \_\_\_ Our resources are allocated optimally
- \_\_\_ PPM has led to increased cost savings
- \_\_\_ Our projects better align to business strategy
- \_\_\_ PPM has led to increased profits
- \_\_\_ Gaps in the portfolio have identified and managed
- \_\_\_ PPM has led to improved time-to-market

**15. What other benefits has project portfolio management provided your organization?**

**16. What are/have been your biggest challenges to implementing an effective project portfolio management process in your organization? (select all the apply)**

- Lack of excellent support
- Lack of broad organizational support
- Lack of organizational unit responsible for managing the process (e.g. enterprise project office)
- Project metrics difficult to collect
- Lack of business case to show value of project portfolio management
- Lack of information on resources (skills, availability, etc.)
- IT infrastructure not in place to support project portfolio management
- Organization's business strategy not well developed or communicated
- Project management processes not well developed
- Unrealistic expectations
- Other

October 2004 and 9 August 2005.

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