



## Ways of Managing Dependencies in a Portfolio Level PMO

### Table Discussion led by Lain Burgos-Lovece

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The session provided a run through of dependency management at portfolio level: what assumptions are required, inputs and outputs, appropriate governance and interfaces. Discussion moved on to experience of using tools for this purpose versus manual solutions. A question & answer dialogue allowed the delegates to share their own experiences and questions and to focus on those aspects of dependency management that were most pertinent to their project environments. This summary is the outcome of a consensus view outlining a sound approach to dependency management. During the discussion the table used as input and reference a blueprint for dependency management, which is also available to view on the website.





The session focused on the management of dependencies at the portfolio level. At the level of the project, dependencies are technical: they assist in building a critical path and are fully within the remit of the PM to prioritise and resolve. Above that level, such as a large programme and certainly a portfolio, the PM of a given project needs to negotiate with other PMs to ensure delivery of dependencies. This is the focus of the session.

There are two or three things that are absolutely key to managing dependencies effectively:

1. The first one is that a dependency should be considered as an attribute of a milestone. Beyond the identification of a dependency it is not useful to treat them as separate entities. The "dependent" project plan needs to show clearly, as a milestone, the point at which the PM needs something from the "delivering" project. The dependency is an attribute of those specific milestones. The PM manages those milestones to agreed completion. The complexity arises because they are driven by different management (remember this is portfolio level we are talking about). Each PM has their own drivers, and business case, and they must deliver to their own plan.
2. The second thing is that dependencies are all to do with escalation. This means that to resolve a dependency conflict they have to line up first of all with the governance structure. The governance structure is usually embodied in roles and meetings, which devolve authority to execute from the accountable and perform oversight to discharge that accountability. Escalations are what come back up the chain – "things that need to be sorted out". Therefore dependencies have to be defined to a point where they can be escalated effectively. Within the PMO we need to understand the governance structure of the organisation in order to understand how and where escalation of dependency issues are directed to. The escalation process for dependencies at portfolio level has to mirror the governance structure which will already be in place.
3. The third, and arguably, most important point for the PMO is maintaining close working relationships with project managers – forget about tools, processes etc – it's about building and maintaining trust with the project managers. Dependency management relies on the facilitation skills of PMO staff, as much as it relies on the negotiating skills the PMs. The PMO have to understand the projects in question, understand what the PMs face, what they are worried about, where they may give a little, where they are up against the wall. As PMO you take on board what the needs of the portfolio are, and do your best to align the competing needs of various mutually dependent PMs to that.



So how do we – the PMO - uncover milestones at a portfolio level and once we have uncovered them, how do we make them succeed? Good dependency management really does depend on the maturity of the organisation, so speaking theoretically, if each project and programme had a business case, we would look at those to see between which projects (and milestones within) a dependency may arise. In less mature organisations, business cases are completed too late or not at all. In those cases, look at requirements documentation. If those are not available early enough, consult the portfolio designers and the information architects. If all else fails, you will have to wait until the dependency is obvious - usually a gap when something needs to be done but is not in any PMs scope. Weave your facilitation magic at that point... As a PMO we don't necessarily know that much about the business – we're not business subject matter experts. We're trying to provide the right environment for portfolio management so if you already know a lot about the business fine, if not, you need to find out how you can learn more about it – what are the real business drivers for the portfolio of programmes and projects we have (call in others within the business, have workshops to understand and explore further).

Another important aspect of dependency identification is to be clear about the business outcomes for the dependencies that we are interested in. Remember that the resolution of contention in dependencies may come down to a priority call at the level of governance where the two projects meet. At this level, the technicalities of this or that deliverable are pretty boring, so you must be clear how the impact relates to ultimate business outcomes.

Once we know there is a likely dependency, it becomes the responsibility of the dependent PM to drive the documentation and agreement of that dependency. If we think about it, there is less motivation for the delivering PM, and besides: the dependent PM should specify clearly what they need. The PMO can then hold copies of "dependency agreements" for the record. The dependency agreement can be a simple document that includes the definition of what the deliverable in question is, what the impact of not getting it is for the dependent project, the date of the linked milestone in the delivering plan, and the date of the linked milestone in the dependent plan. There may be one or two subsidiary milestones or actions that can be documented as well, plus the all important sign-offs which is the evidence of the agreement to deliver and to accept. The progress of these agreements is tracked by PMO in the dependency log. The log needs to be about milestones – it can't be woolly when dealing with dependencies – it has to be solid data like baselined milestone dates

The tracking of dependencies can be recorded in the Log, however PMO should be checking on the regular project status reports – where milestones are normally highlighted – that the milestones which have dependency attributes are forecast to complete as planned. This is to ensure that dependency tracking is not an add-on, it is embedded in the most basic form of project control: milestone tracking.



Are the dependency agreement forms just collected and stored? The dependency forms are fairly granular, to ensure that their sign-off is specific. PMO can add value by providing appropriate 'lenses' to look at collected forms, on demand. A second level of dependency form can list the titles and key dates of dependencies, for example, between two projects, or between one project and all other projects, or between a portfolio and another portfolio, between a portfolio and external entities, etc. The idea is to add value – as PMO usually do – by providing insightful information that supports decision making.

Looking at the Generic Blueprint (available from the website) we can see many other elements of the assumptions and uses of dependency management. The Interfaces section (lower left) for instance, shows that dependencies are a form of risk and their impact can be managed as risks as well as the relationship between dependencies and change control. In the diagrams in the middle we can see how to identify, track and report dependencies, and towards the lower right we can see a possible map for implementing effective dependency management.

Dependencies only arise because we have different PMs driving projects and programmes with different business cases and constraints; therefore dependency management is really a very people focused process. PMO can add value in direct proportion to the complexity of the dependencies in the organisation.