

Governance and Portfolio Management

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Presenter

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Committee Member PfM SIG

Owner and MD – 3pmxl Ltd

Sectors – FS, police, defence, energy

Agenda

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- Introduce the Governance SIG
- Join some dots...
- How to achieve “all projects succeed” through good governance and portfolio
 - management
- Summary and close

Governance is topical

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*A world in which
All projects succeed*



But what does 'good' look like?



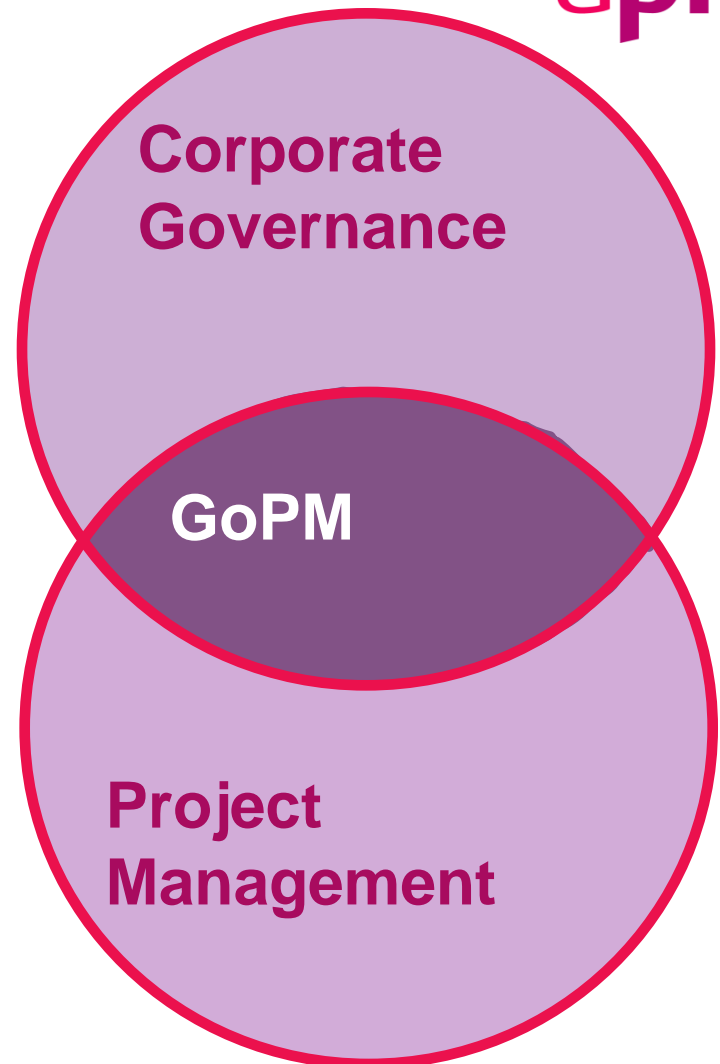
Governance of PM

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“The governance of project management concerns those areas of corporate governance that are specifically related to project activities”

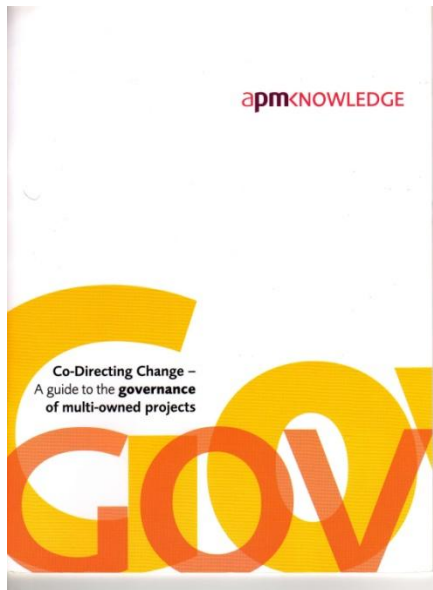
4 components to consider:

- **Portfolio** direction
- Project sponsorship
- Project management capability
- Disclosure and reporting

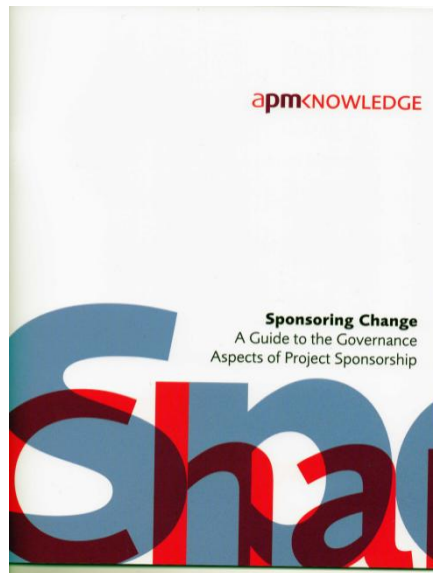


GovSIG - Publications

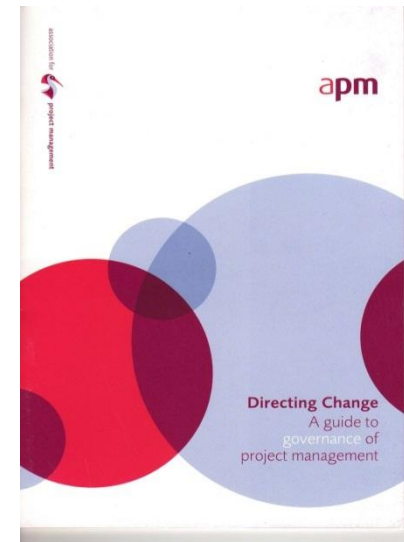
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Co-Directing Change
2007



Sponsoring Change
2009



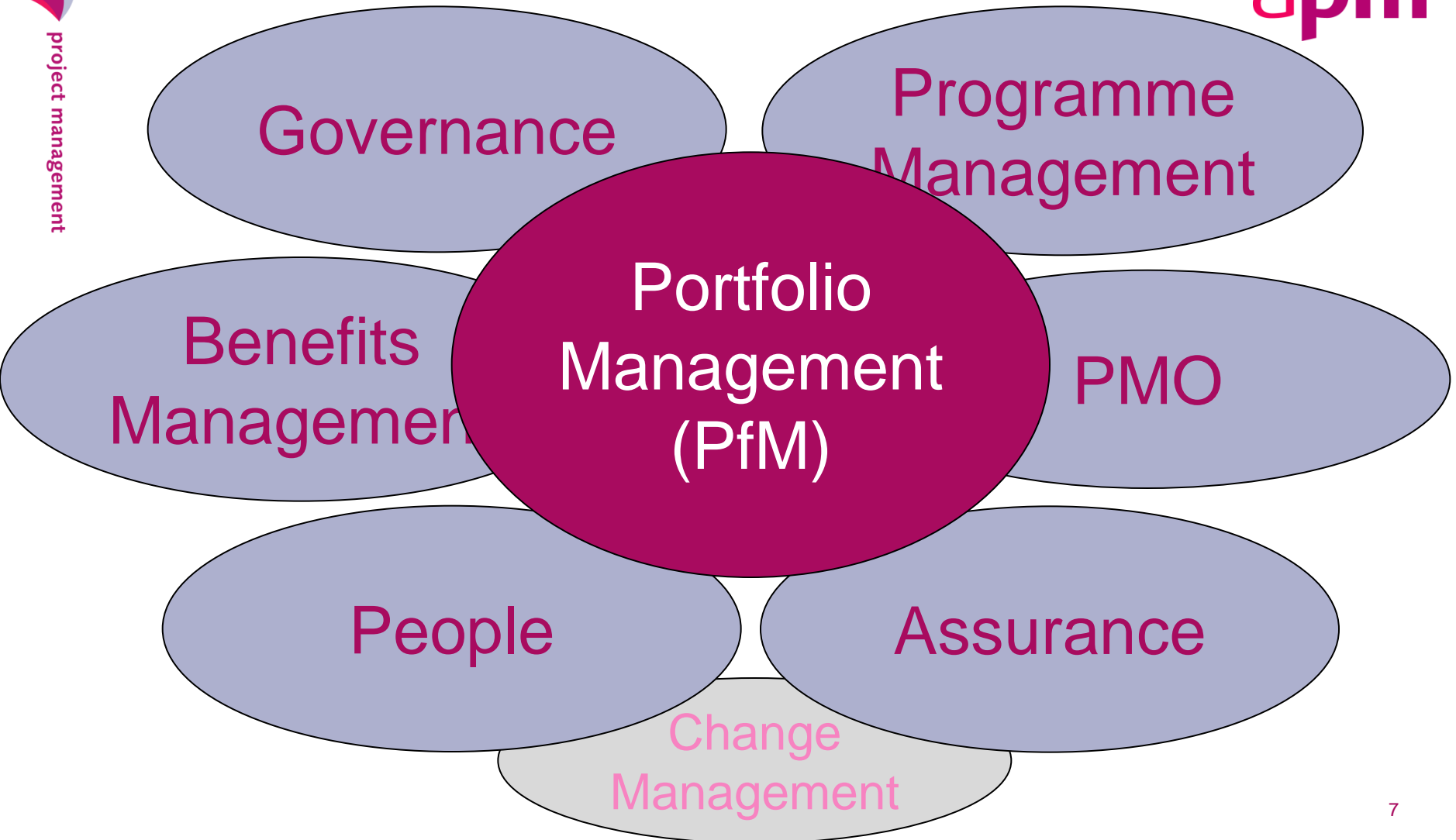
Directing Change
2nd edition 2011

Free to members at www.apm.org.uk/memberdownloads



PfM SIG - interfaces with other SIGs

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Need for a new focus



- Heavy investment in change delivery framework, tools and skills (PM focus)
- Success rate for projects not improved
- Need new “medicine”
- Could that be more focus on Exec / Directors / Sponsor roles?
- Successful Governance and PfM leading to more successful Delivery?

Change in context





Positioning Governance and PfM

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Governance

Portfolio



Achieve Strategic Outcomes

*Portfolio Management ensures
"right projects and optimises
investment in change"*

Programmes



**Specific
business
capability
/ benefits**

Projects



Outputs



Capability and Leadership

Before

After / Future

Measures of success

1. Project management – did project meet time, cost, quality objectives? **PjMgr measure**
2. Project – were business benefits realised? **Pj Sponsor / PgMgr measure**
3. Business – was business strategy delivered and for best value? **PfMgr / Investment director / CEO measure**
4. Was future value created? **CEO / Shareholder measure**

Competent people in every project role

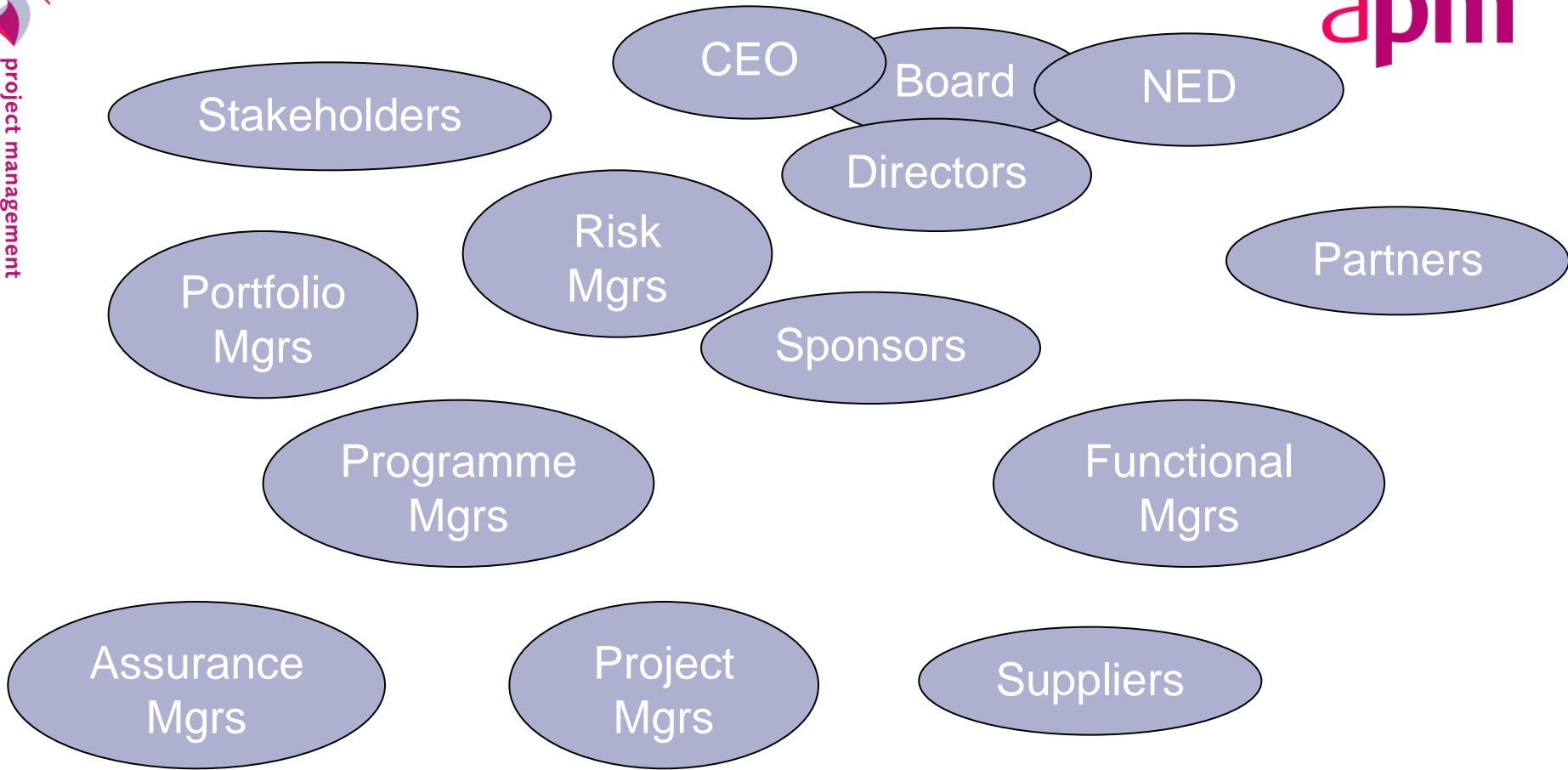
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Even if we have “good people” are they fully competent in the project role that we expect them to “play”

“Players”

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**All have to perform in their project role for
“all projects to succeed”**



Summary

- Effective PfM is about delivering Strategic Objectives
- This implies good governance:
 - Executive ownership of the Portfolio – being demanding and leading
 - Integrated governance and decision-making
 - Commitment to the underpinning and active processes
- This requires:
 - Objective > Problem > Outcome > Benefit mapping - value led
 - Having a vision and roadmap
 - Organisational will – active and fast decision making
 - Structured Change Programme to implement / improve
- Getting PfM right should result in:
 - Clear links between strategy, plans and the change portfolio
 - Optimisation of all change resources
 - Better overall benefits delivery and strategic outcomes

Questions



For follow-up contact



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