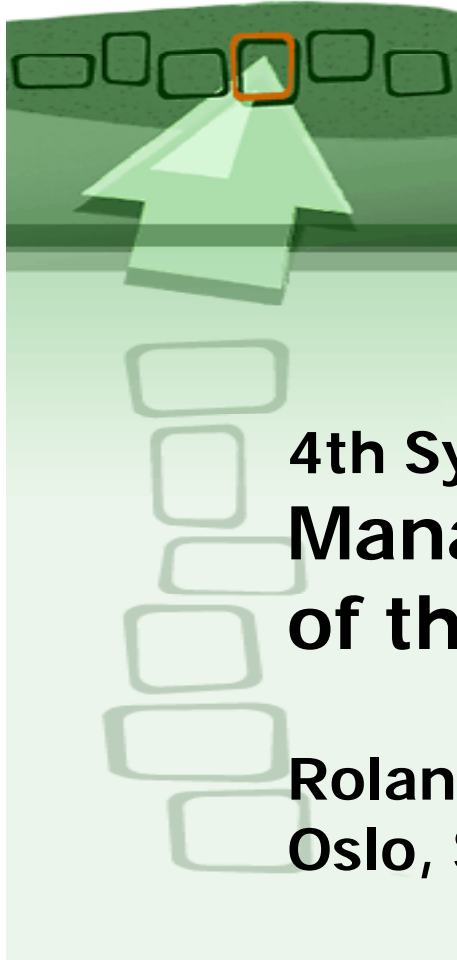


concept

DECISION MAKERS, DOERS AND ADVISORS
– JOINING FORCES TO ENHANCE UTILITY OF INVESTMENTS

Concept Symposium 2010
Oscarsborg, Norway
16 – 17 September 2010

Symposium web-site: <http://www.conceptsymposium.no/>
Concept Research Programme: <http://www.concept.ntnu.no/english/>



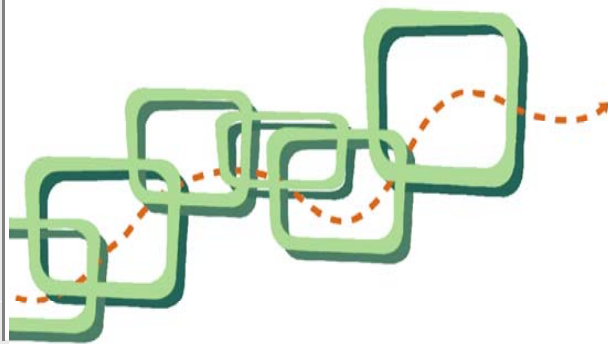
4th Symposium on Project Governance: Management of the Project-oriented Company

Roland Gareis
Oslo, September 16th, 2010

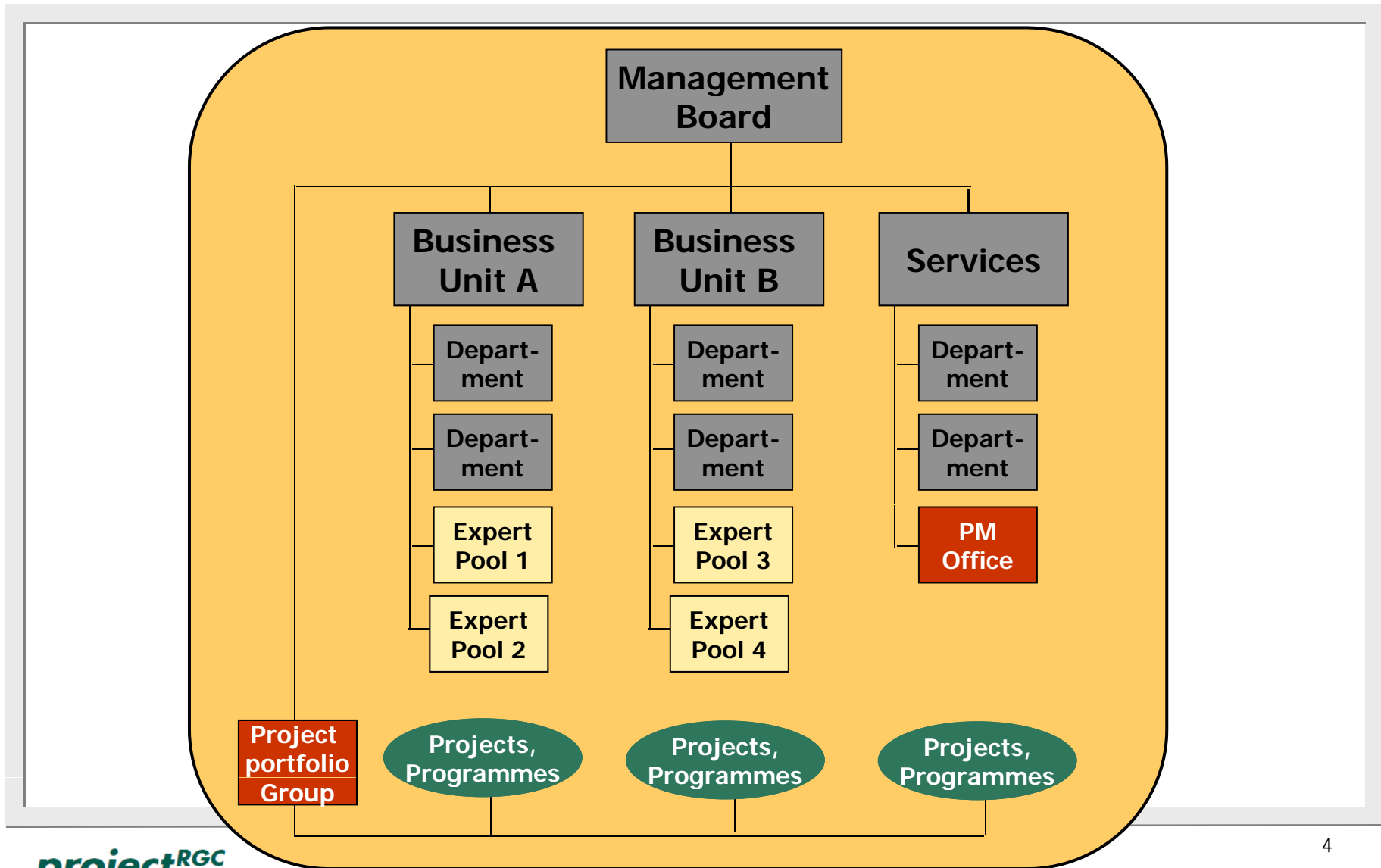


We are management experts.
Our consulting and training services are based on *process^{RGC}*, *project^{RGC}*,
company^{RGC}, *change^{RGC}* and *social^{RGC}*.

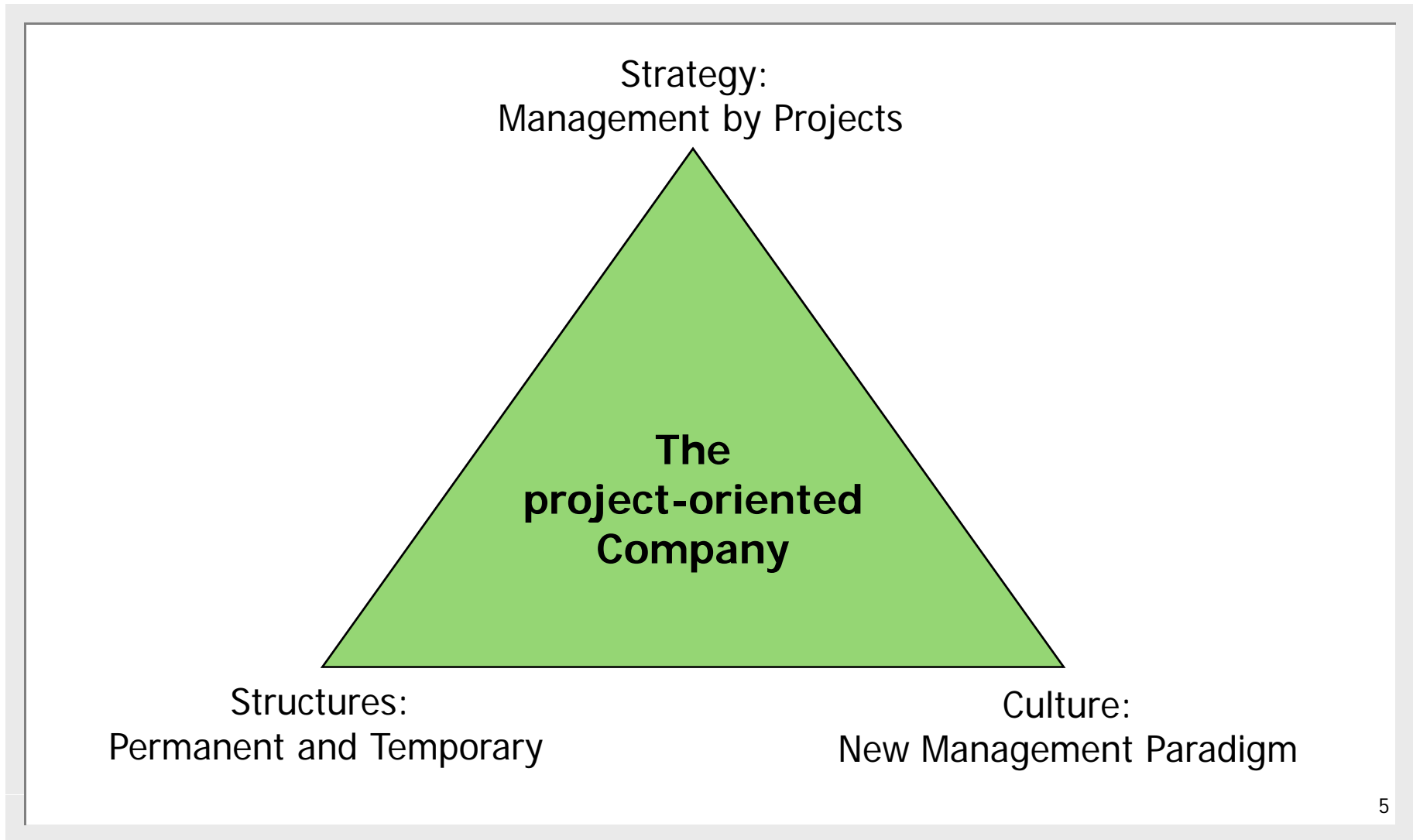
 **Model of the Project-oriented Company**



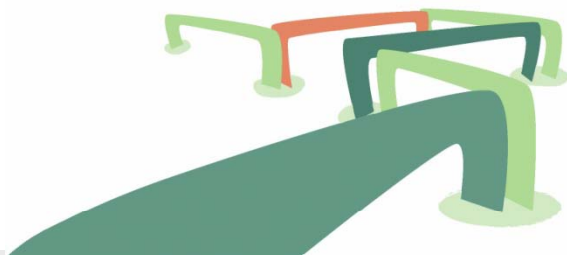
Organization Chart



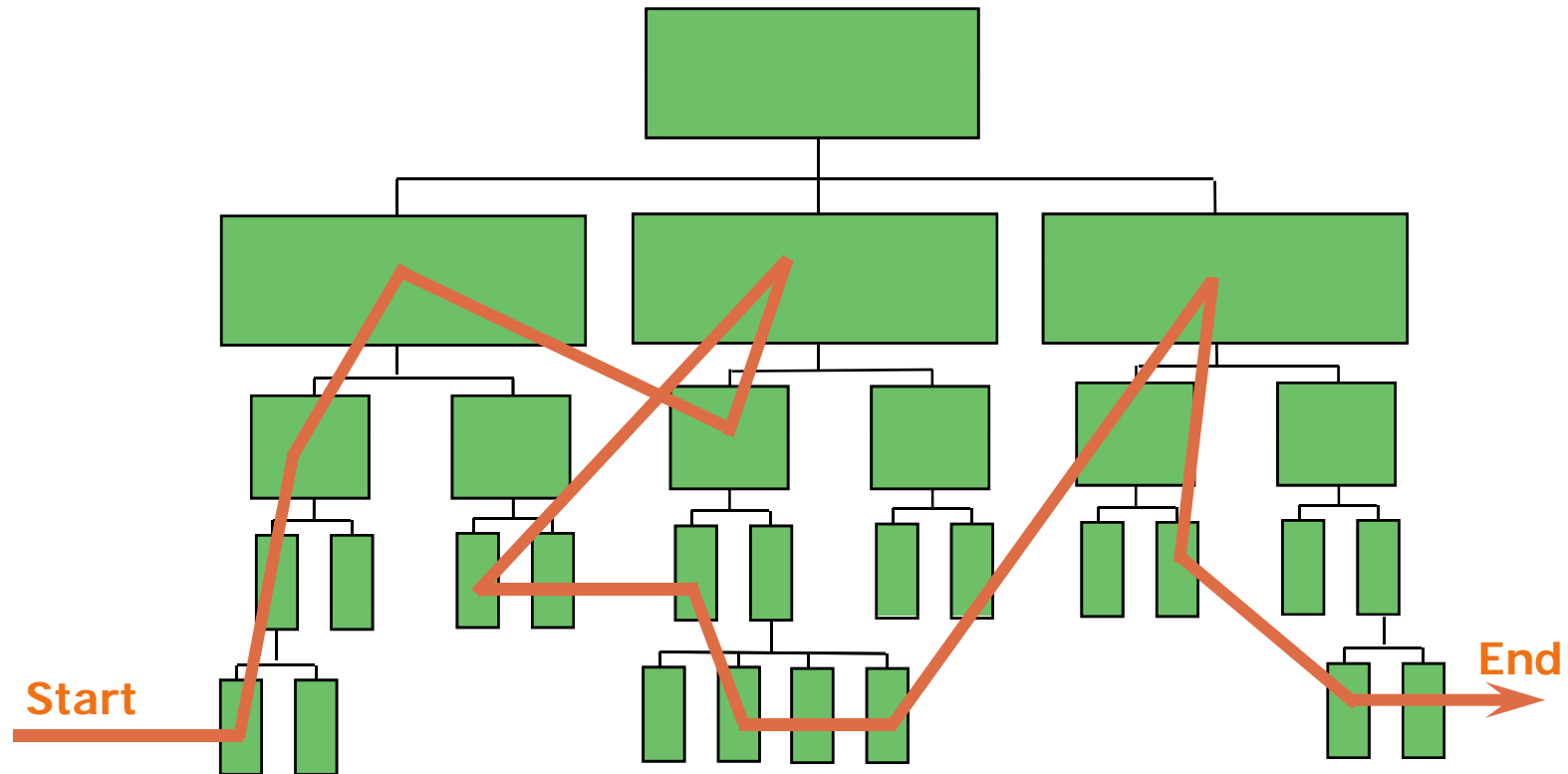
Project-oriented Company: Strategy, Structure, Culture



**> Processes, Projects, Programmes, Investments,
Portfolios**

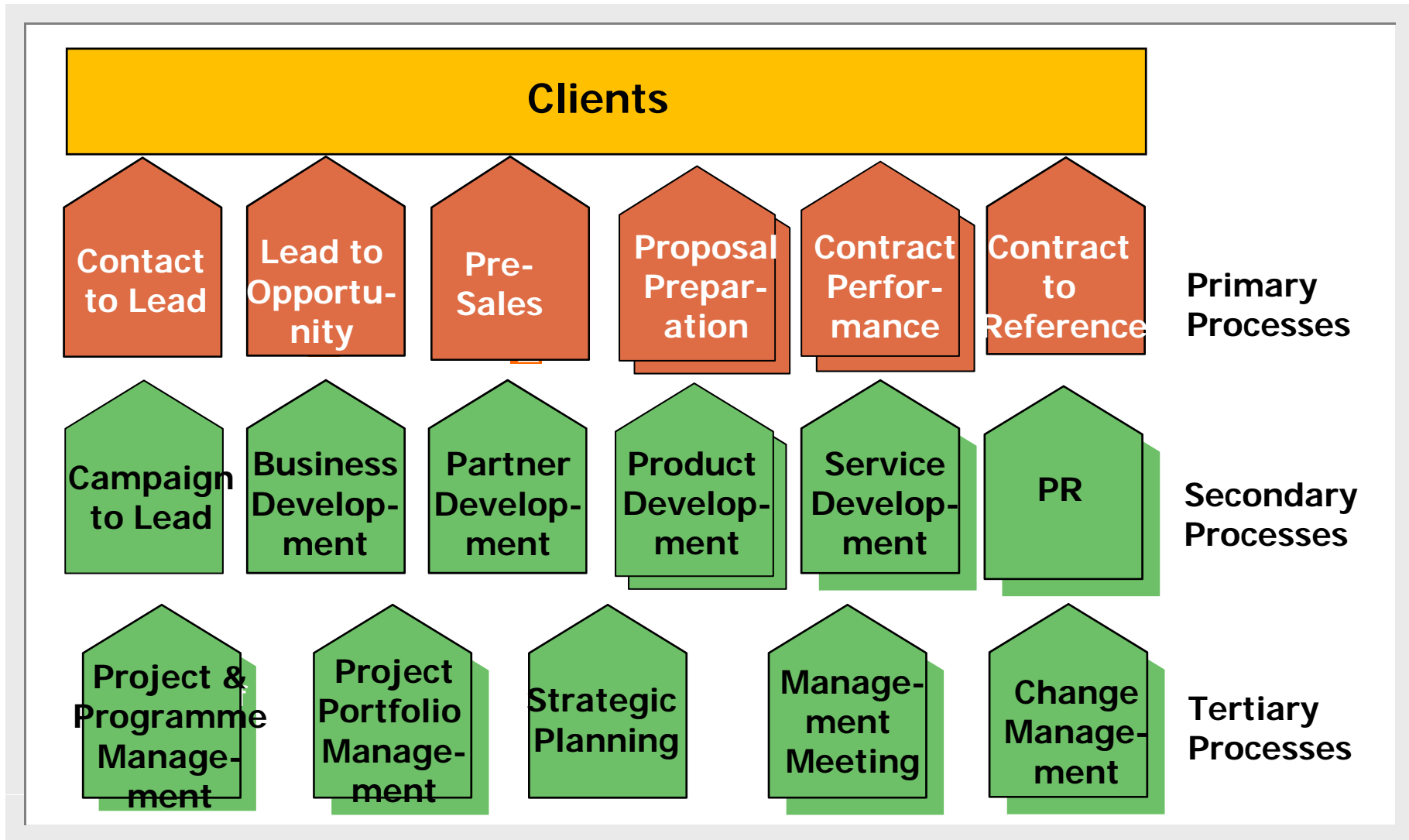


Process: Definition

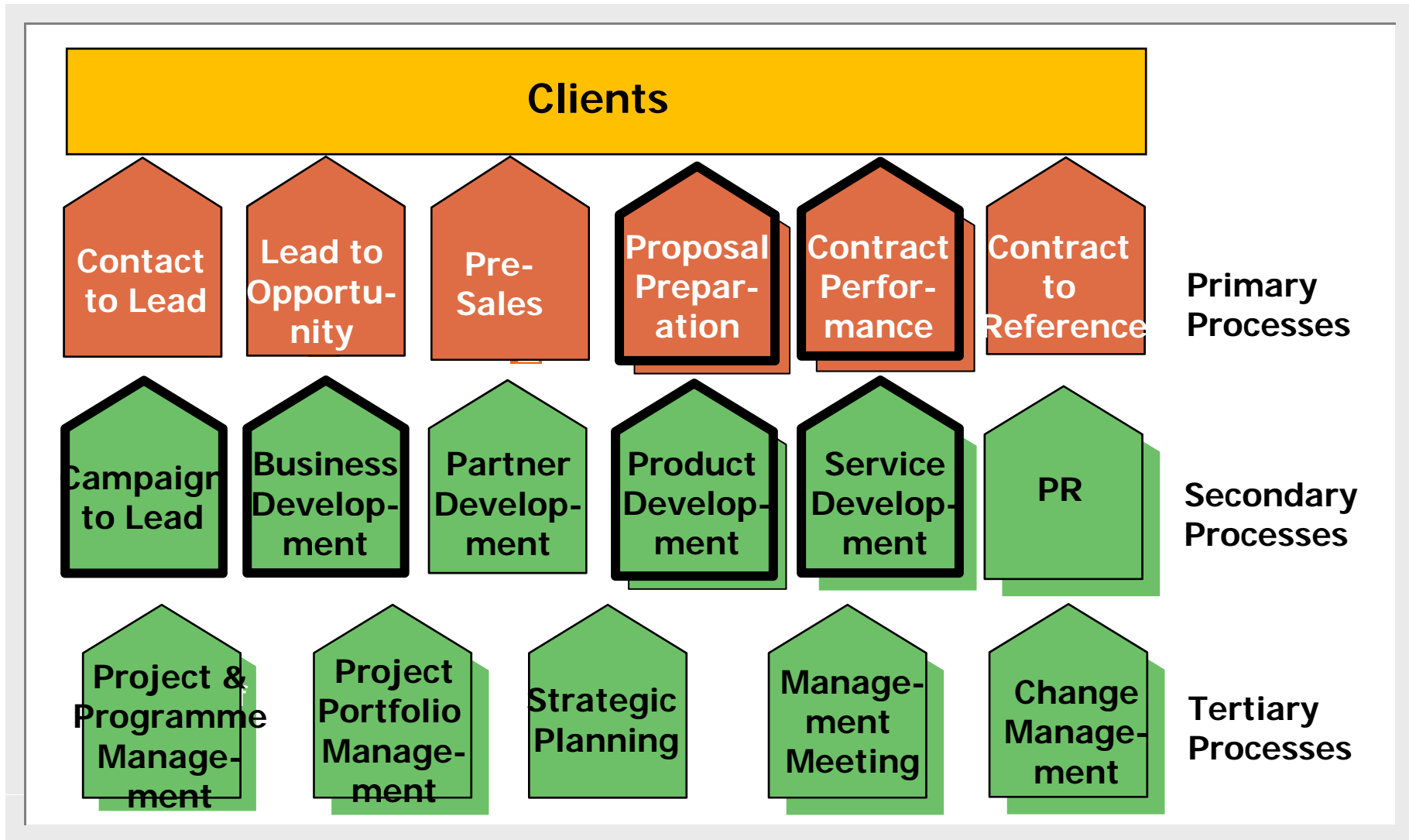


- Sequence of tasks with defined objectives and a defined start and end event
 - Fulfilled by several roles of one or more organizations

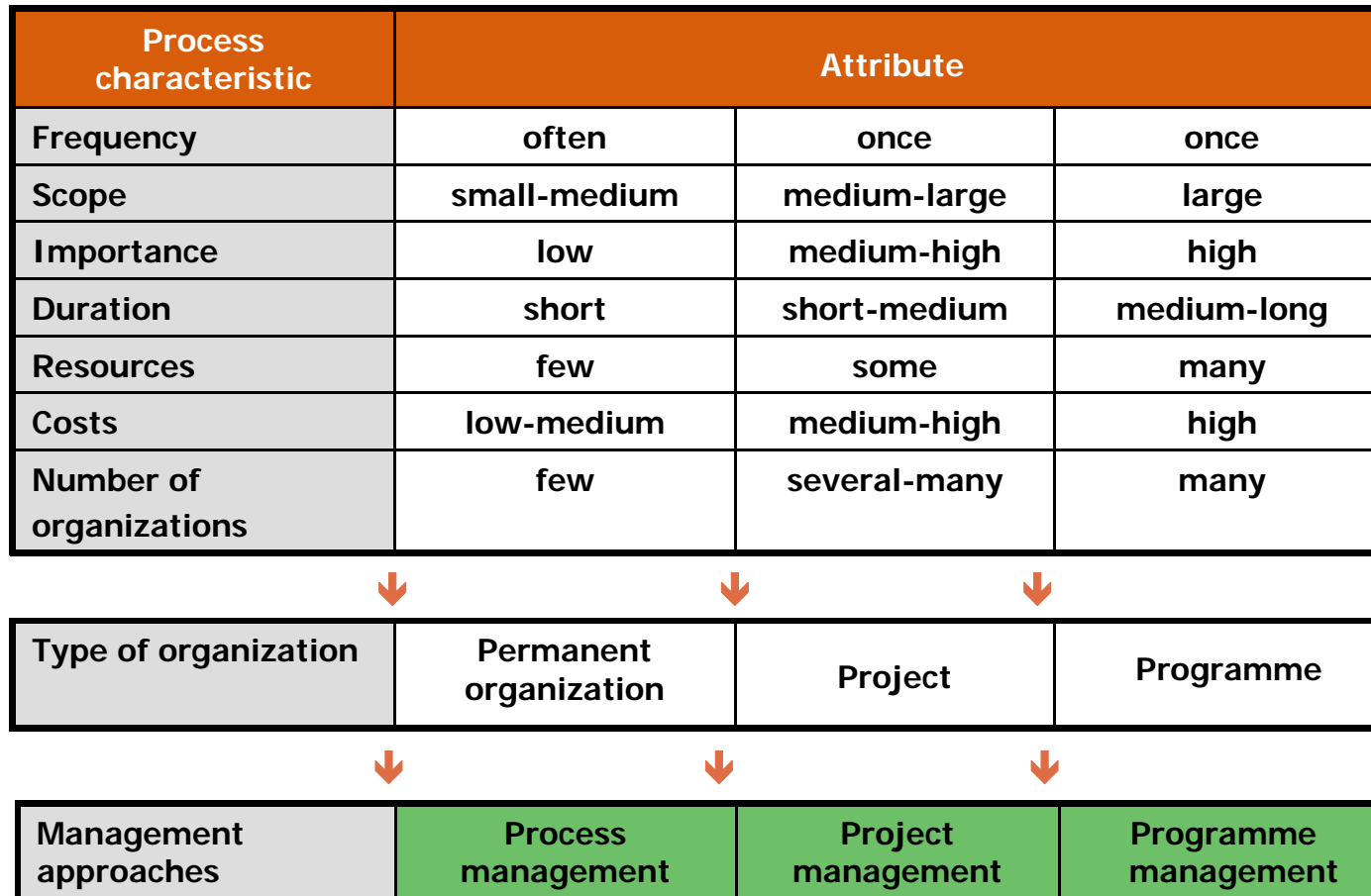
Process Map: IT Company



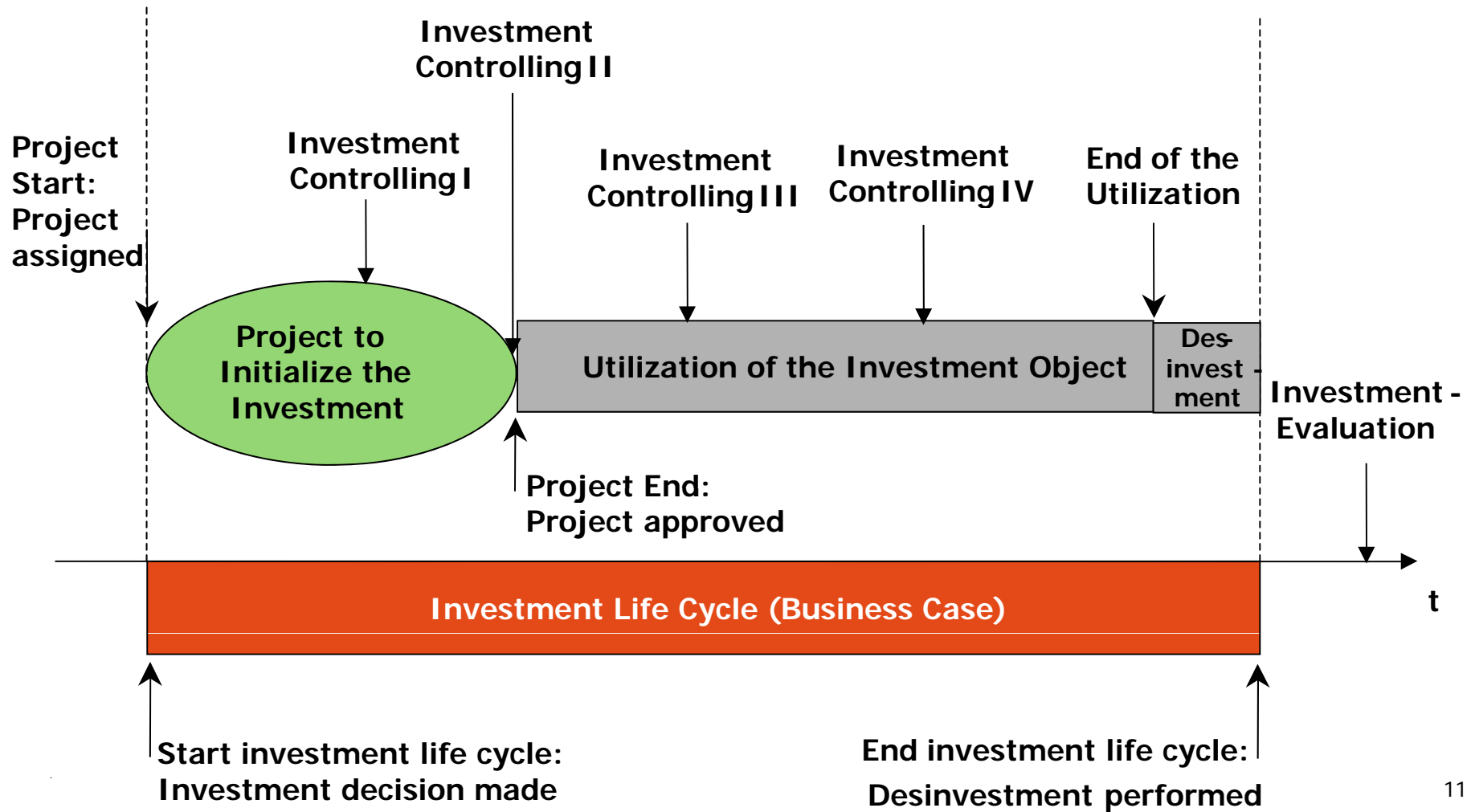
Process Map: Processes and Projects



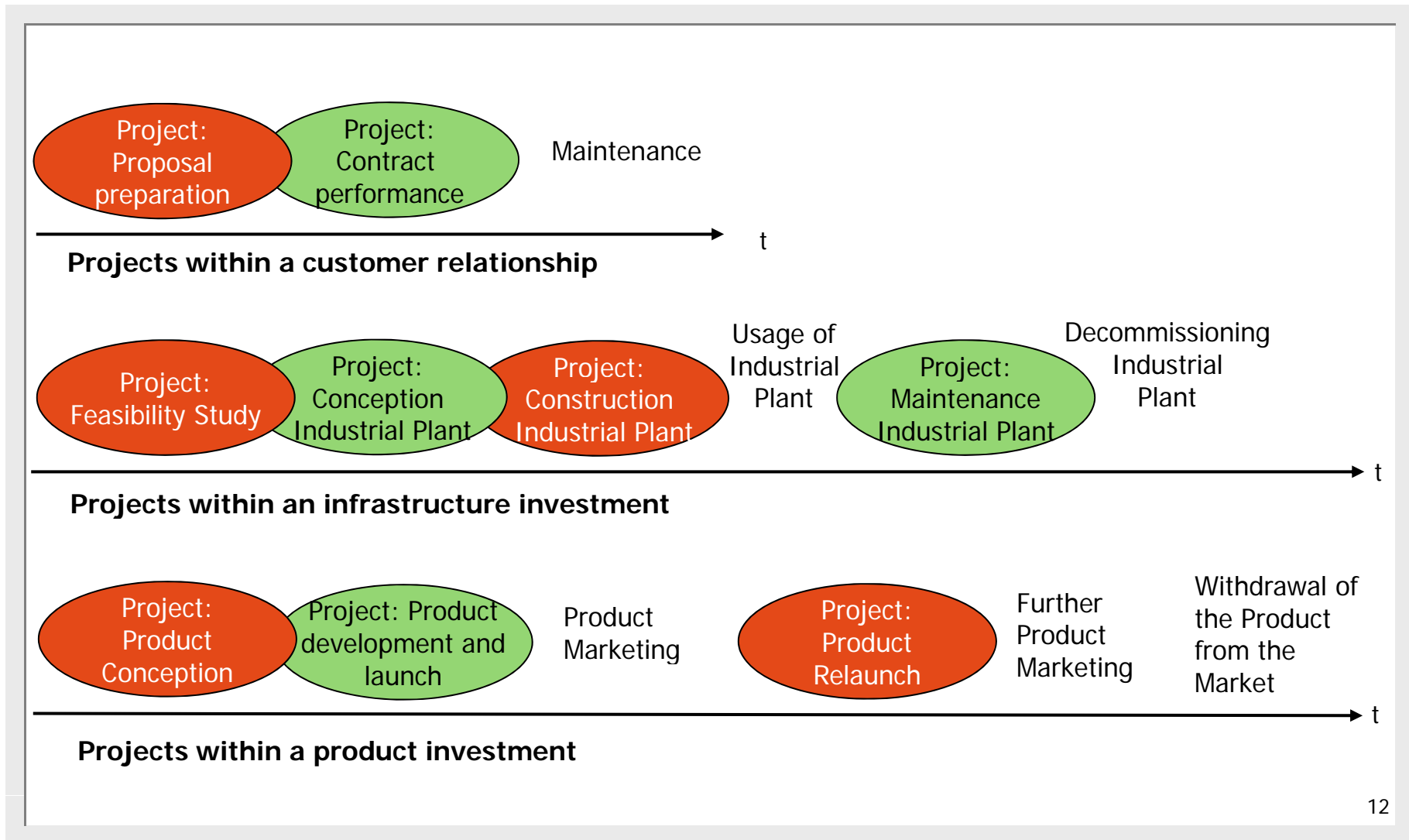
Organizations for the Performance of Processes



Project and Investment



Projects in Investment Life Cycles



Chain of Projects: Advantages

- Operational project objectives
- Project-specific organizations, environments
- Adequate personnel qualifications
- Project-specific evaluations

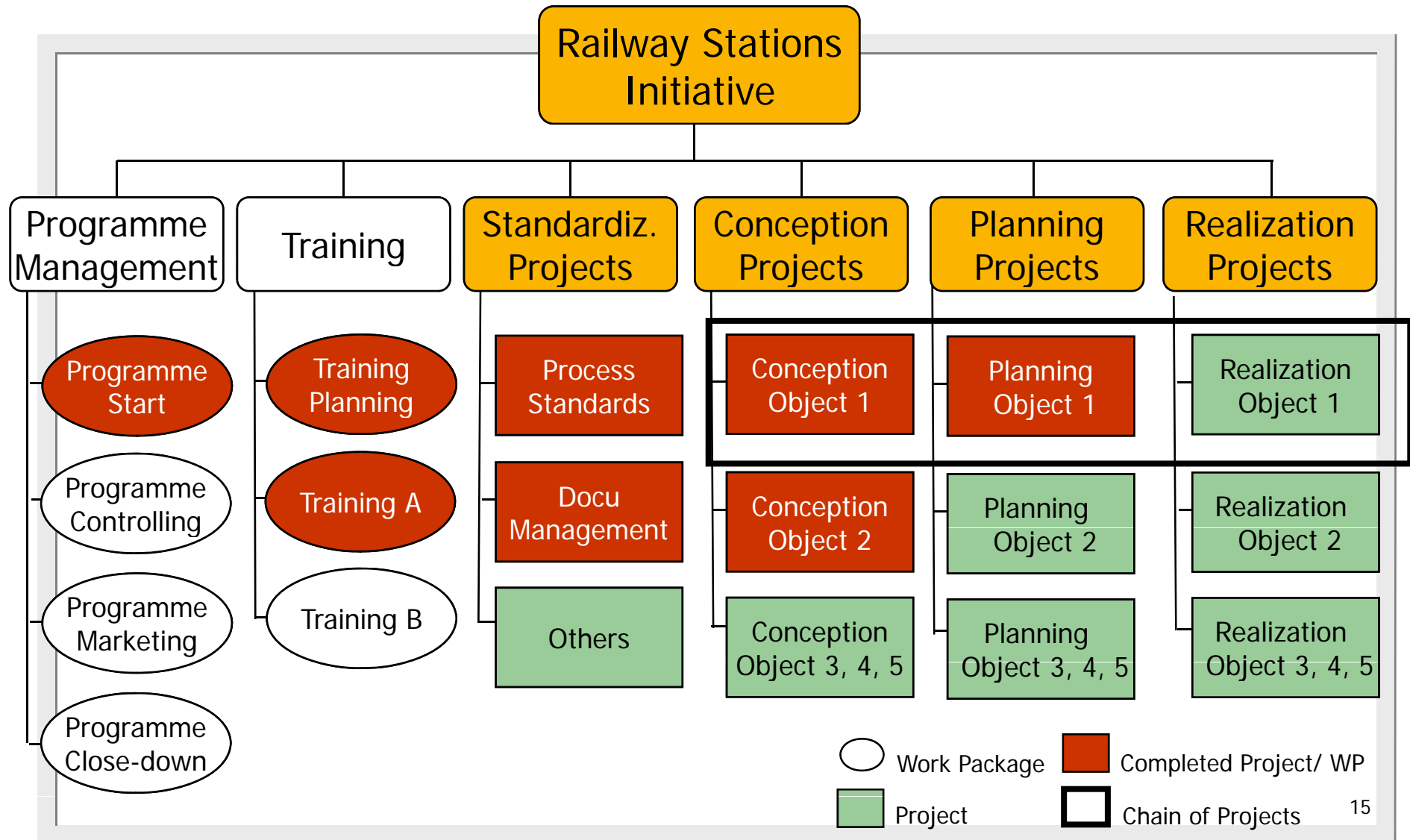
But ...

- Consistent project management culture
- Overlapping personnel assignments
- At least on consistent project owner
- One business case

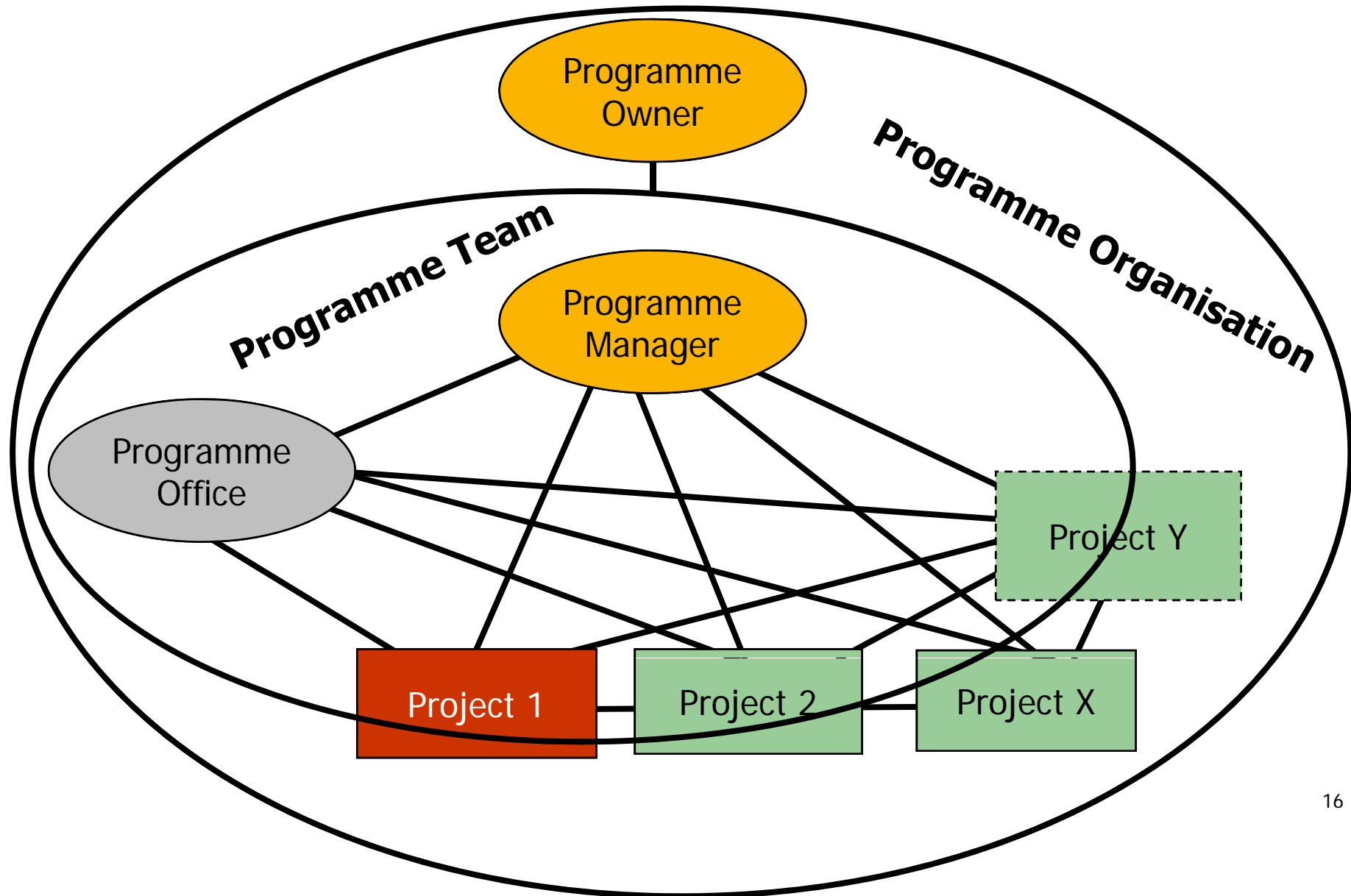
 **Programmes as Integrative Temporary Organizations**



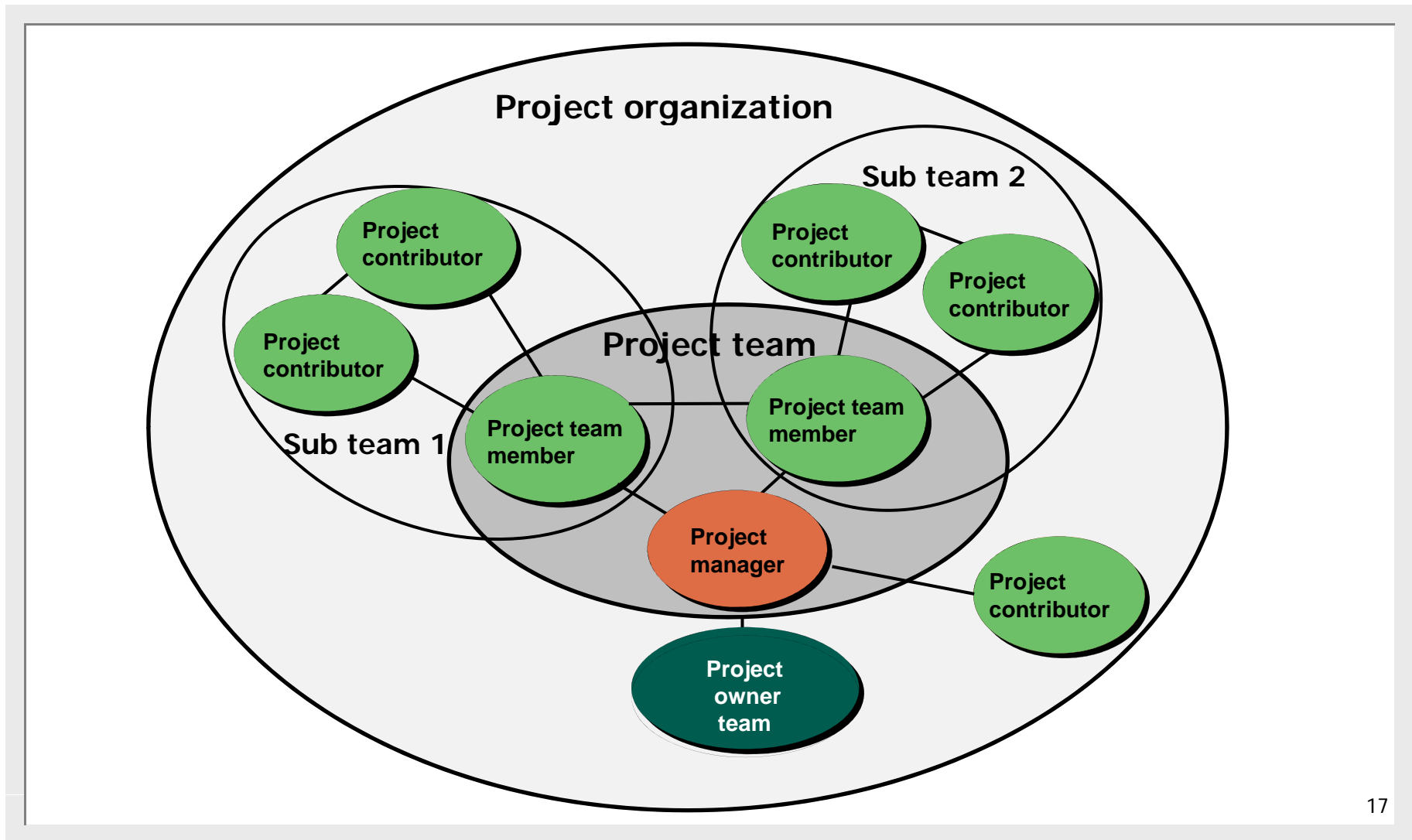
Programme Break-down Structure



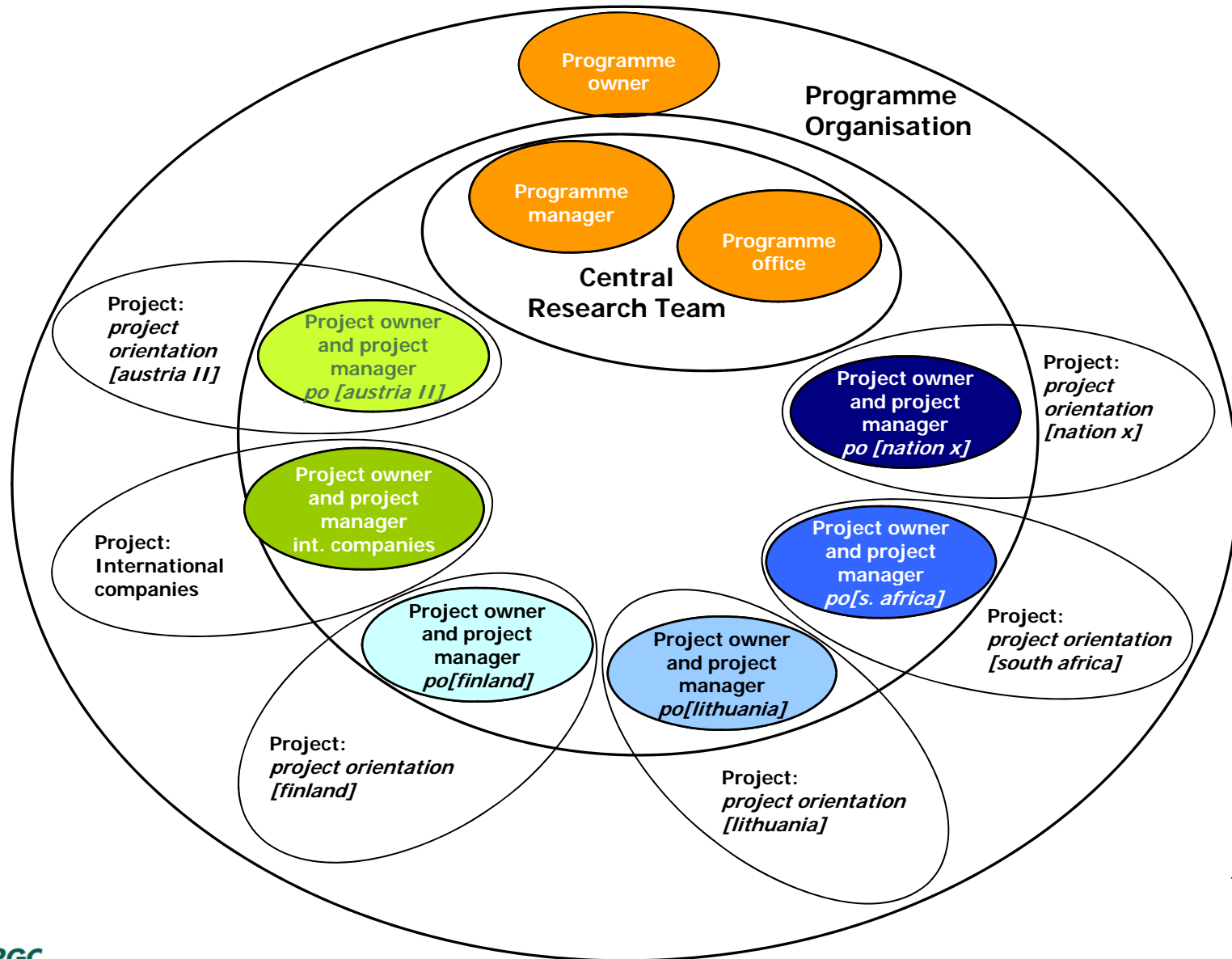
Programme Organization Chart



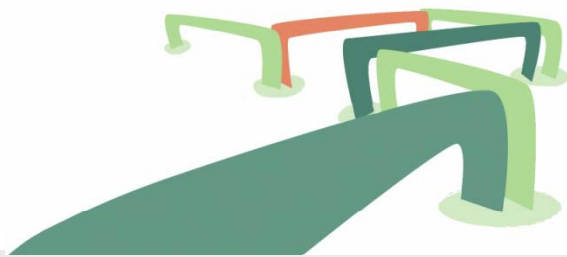
Project Organization Chart



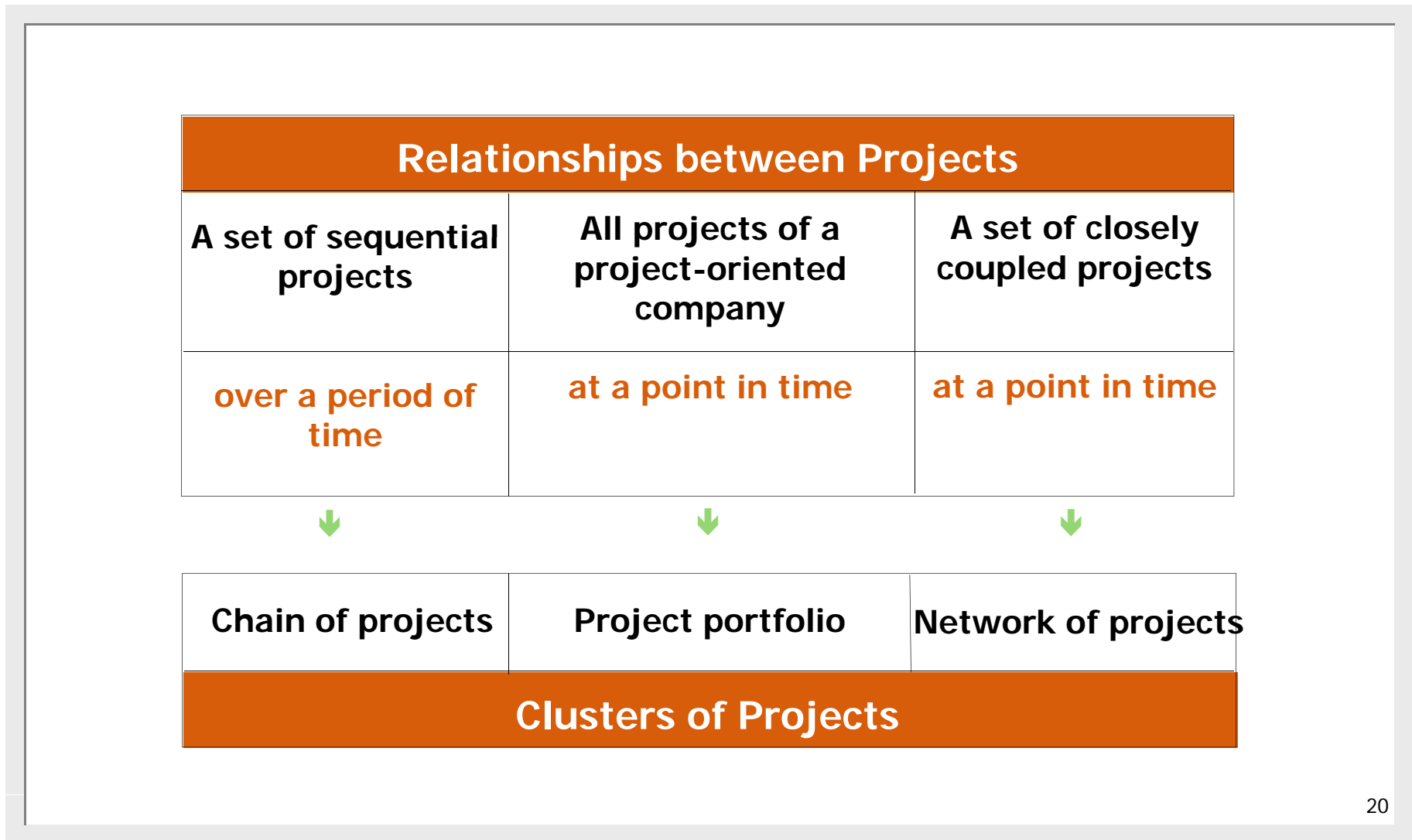
Programme Organisation Chart: Example



Project Portfolio Management



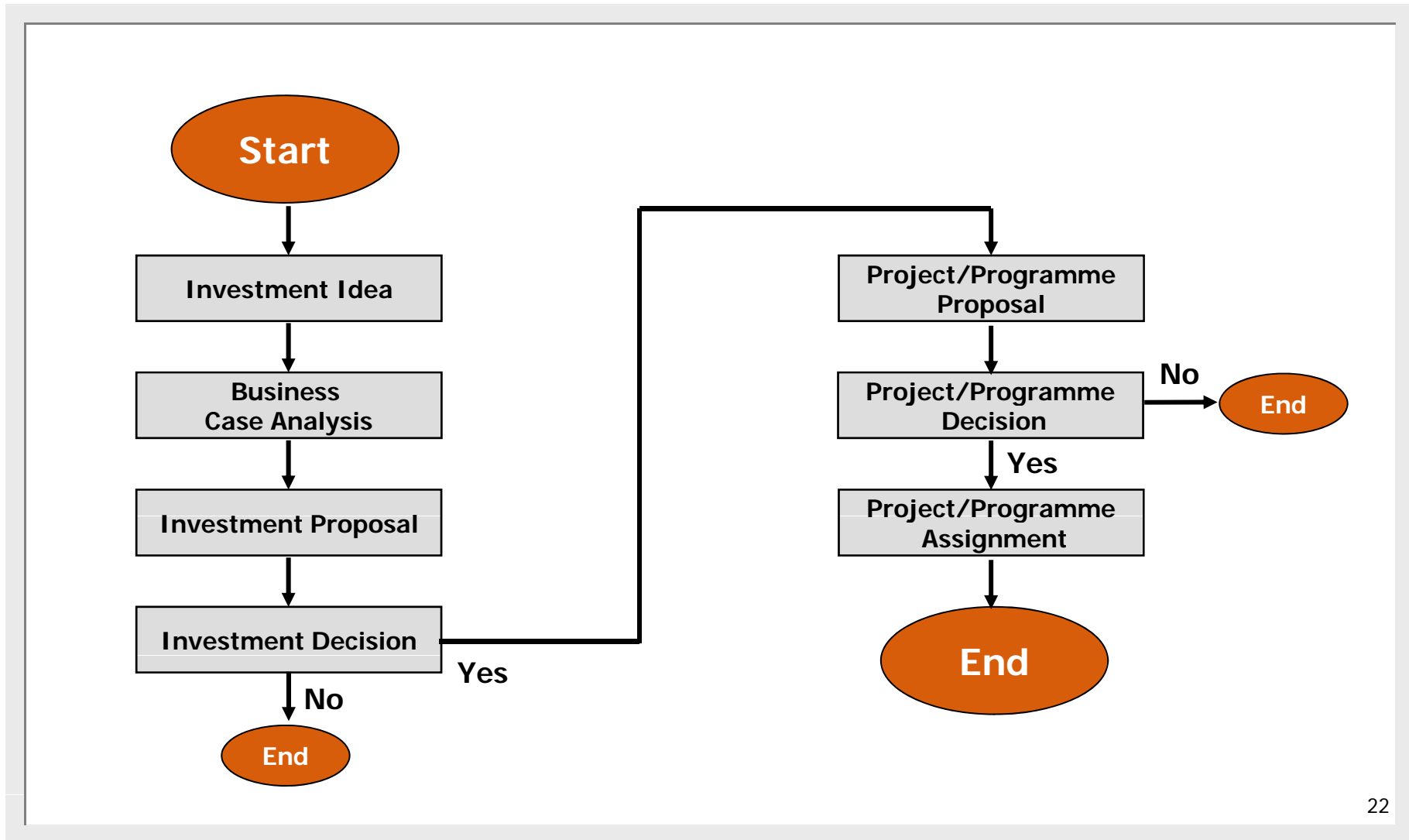
Clusters of Projects



Project Portfolio Management: Objectives

- Optimizing the results of the project portfolio (and not of single projects) by ...
 - Deciding about investments and about organizations to initialize investments
 - Alligning strategically investments and projects
 - Assuring a balanced project portfolio
 - Providing information about existing and planned projects; no „submarine projects“
 - Categorization of projects; differentiation between programmes and projects
 - Defining project priorities; interrupting or stopping projects
 - Coordinating internal and external resources
 - Creating synergies between projects

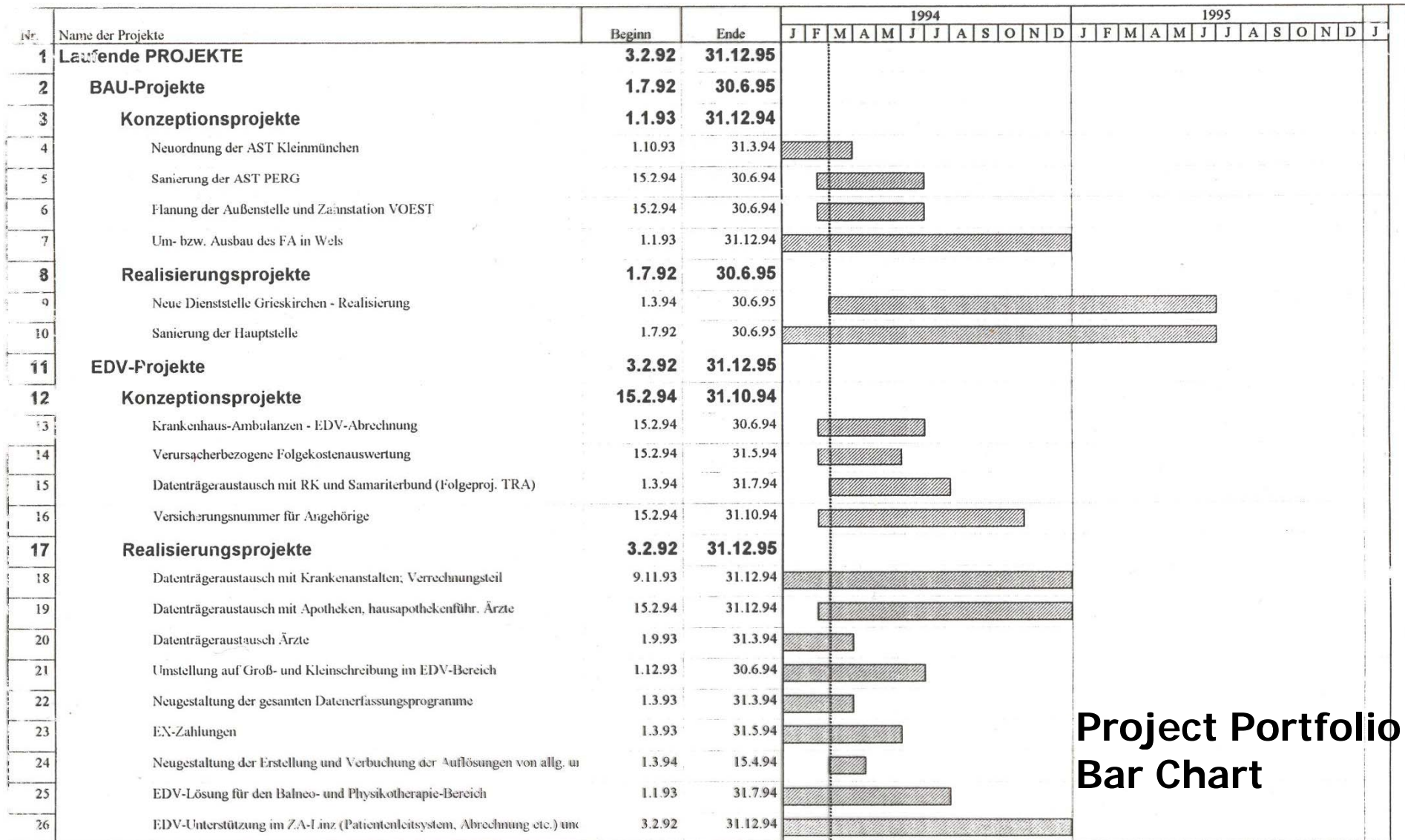
Assignment of a Project/Programme



Project Portfolio Coordination: Database

- Project organisation
 - Project owner, project manager, project team member
- Categorization, relationships
 - **Project name and project type**
 - Part of a programme, relationships with other projects
- Relevant stakeholders
 - Client, partner, supplier, consultant, etc.
- Product
 - Product type, technology, region
- Project ratios
 - **Start date, end date**, costs, price, cost-benefit ratio, progress, criticality, etc.

ORGANISATION und PROJEKTMANAGEMENT
Stand 1. März 1994



Project Portfolio
Bar Chart

Project Portfolio: ABSGROUP, PMG, RGC Vienna & RGC Bucharest (March 2010)

Project Portfolio: ABSGROUP, PMG, RGC Vienna & Bucharest (March 2010)											
Project Name	Project Type	Scope	Manager	Start	End (planned)	Resources (Days)	Risk	Benefit	Partner	Progress	Status
ABSGROUP											
Pilot: ABS & Niedergelassener Bereich OÖ	Contract	Project	Frank	24.03.2009	30.04.2010	200	High	High	Obgam	60%	Average
ABS Symposium'10	Event	Small Project	Frank	30.05.2009	15.02.2010	170	Middle	High	BMG	90%	Very good
Handbuch ABS im Krankenhaus	Contract	Small Project	Frank	19.02.2010	30.09.2010	100	Middle	High	Layout	5%	Good
PMG											
Sustainability & Project Management	Research	Project	Huemann	01.11.2009	15.10.2011	300	Middle	High	RIMAS	30%	Good
RGC Vienna											
happy projects '10 Vienna	Event	Project	Lehmann	01.08.2009	30.06.2009	220	High	High	RIMAS, PMI, PMA	30%	Very good
tough changes '10 Vienna	Event	Project	Lehmann	01.02.2010	30.11.2010	150	High	High		20%	Good
RGC Imagefolder Deutsch	Marketing	Small Project	Lehmann	01.03.2010	01.04.2010	100	Small	High	Layout	20%	Good
RGC2013											
Knowledge & People Management	Organisation	Small Project	Gareis	01.03.2010	30.06.2010	50	Middle	High		10%	Good
Sustainable RGC	Organisation	Small Project	Weninger	01.02.2010	30.06.2010	150	Middle	High	Berater	20%	Good
Organisationshandbuch Optimierung	Organisation	Small Project	Stummer	01.02.2010	30.06.2010	70	Small	Medium		10%	Good
Prozessmanagement Optimierung	Product development	Small Project	Stummer	01.02.2010	30.06.2010	100	Middle	Very high		10%	Good
IJPM Special Issue Changes & Projects	Product development	Project	Huemann	02.02.2009	01.04.2010	250	Middle	Very high	Elsevier	90%	Good
RGC Website Optimierung	Marketing	Project	Schallhofer	01.12.2009	01.04.2010	150	Middle	Very high	Abaton	30%	Good
Bücher: Sozialkompetenz	Product development	Project	Lassy	15.12.2009	15.10.2010	300	Middle	Very high	Manz, Gower	10%	Very good
Marktentwicklung D	Marketing	Project	Zuchi	01.02.2010	30.11.2011	250	High	Very high	Thum	10%	Bad
Marktentwicklung SK	Marketing	Project	Fiedler	01.02.2010	30.11.2011	250	High	Very high	Lelovics	10%	Good
RGC Bucharest											
happy projects10 Bucharest	Event	Small Project	Muscalu	01.03.2010	01.12.2010	150	High	High	PMI	10%	Good
RGC Website & Image Folder Romanian	Marketing	Small Project	Muscalu	01.03.2010	15.05.2010	90	Small	High	IT	10%	Good

Scope:

Small Project

Project

Project Portfolio Score Card

Legend
very poor
poor
average
good
very good



Project Portfolio Structure	
Number of projects per type	Dark Green
PP Budget	Dark Green
PP Resources	Green
PP Risk	Green

Environments of Projects/Programmes	
Relationships to customers	Dark Green
Relationships to partners	Dark Green
Relationships to authorities	Green
Relationships to suppliers	Orange

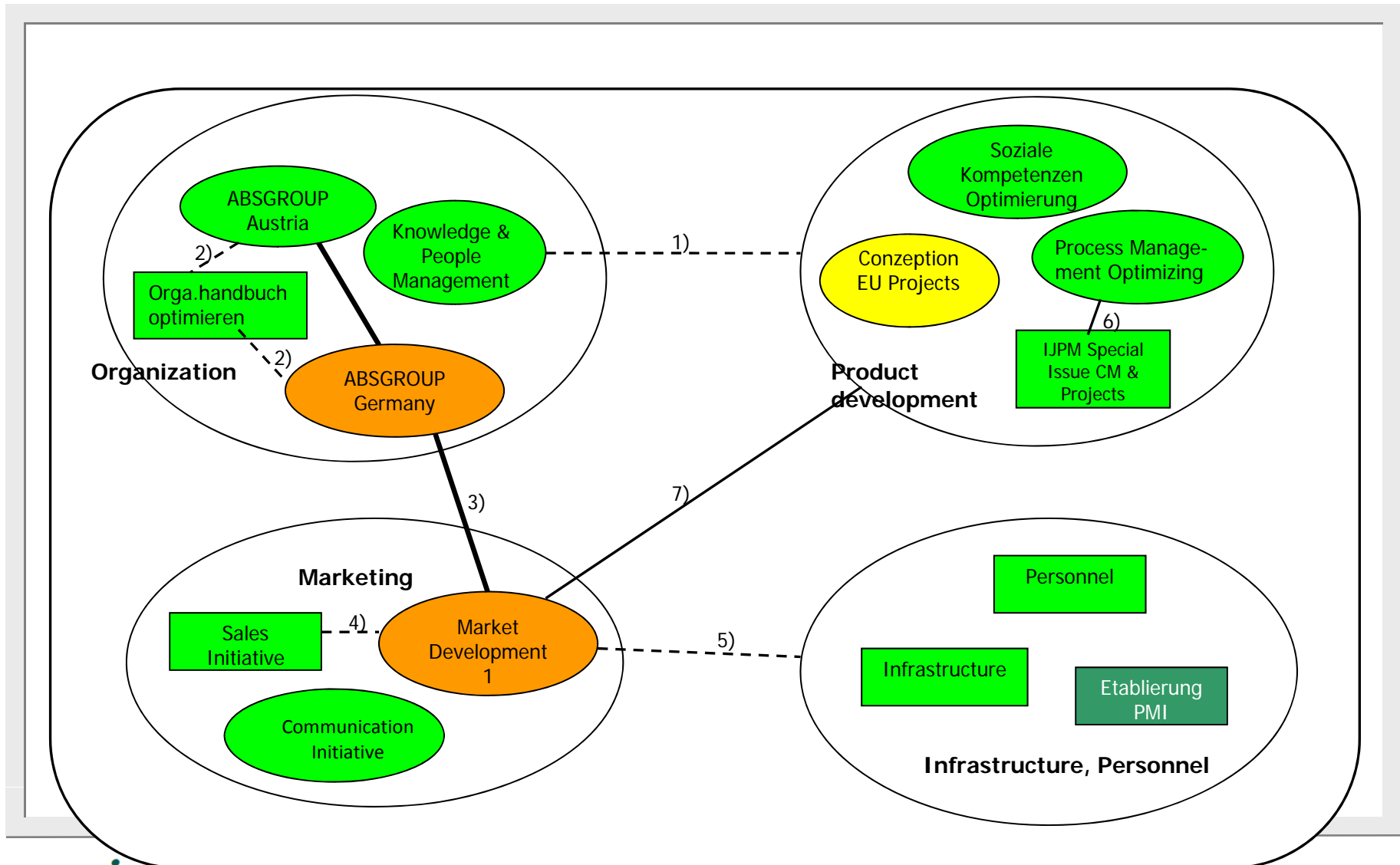


Results of Projects/Programmes	
Progress	Dark Green
Schedule	Green
Resources	Dark Green
Costs	Yellow
Revenues	Yellow

Project Portfolio Organisation	
Multi-role assignments	Green
Application pm procedures	Green
PM consulting/auditing	Dark Green
PM personell development	Green

Investment Strategies	
Innovation strategies	Green
Financial strategies	Green
Customer relations strategies	Dark Green
Process strategies	Green

Network of Projects



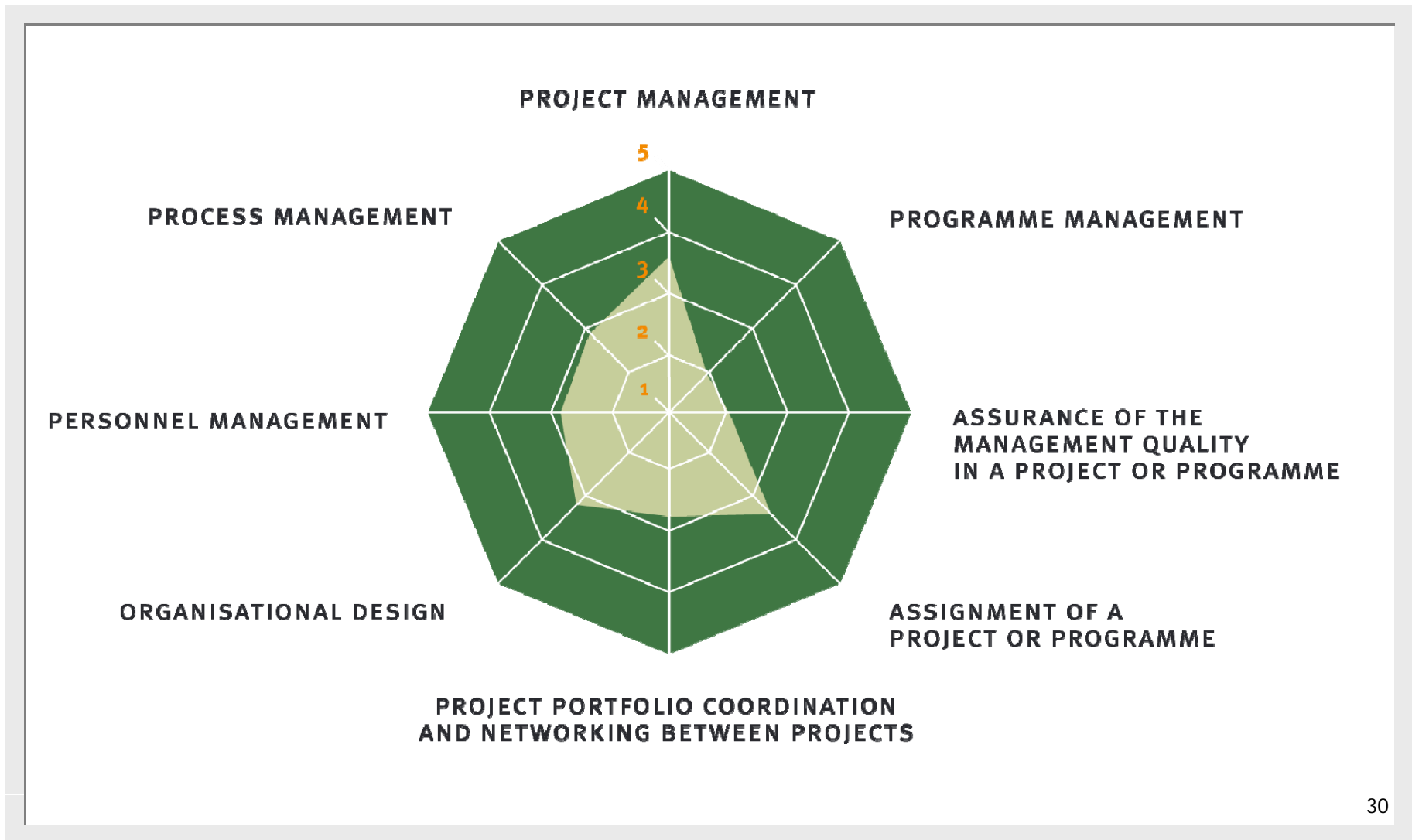
➤ Governance in the Project-oriented Company



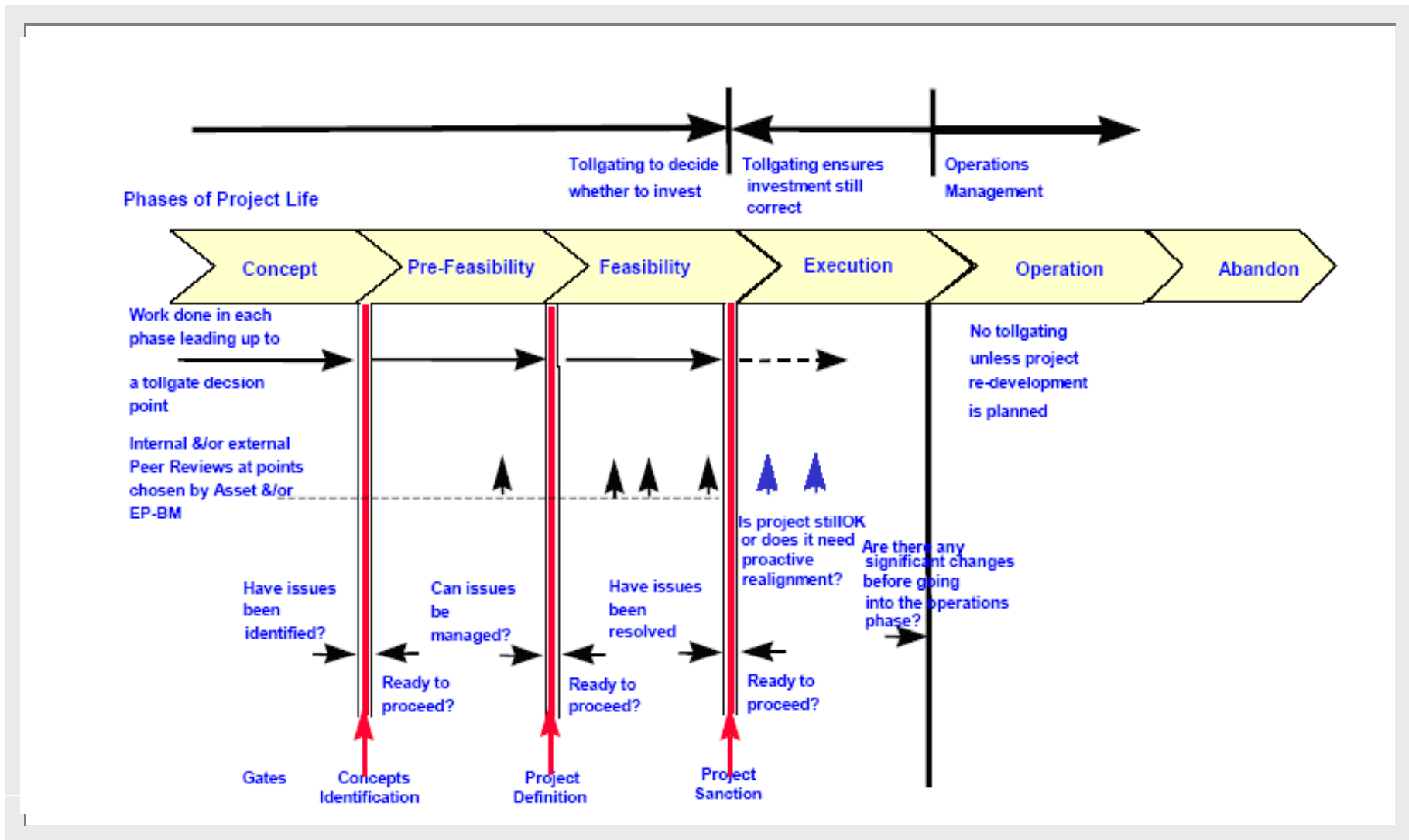
Corporate Governance in the Project-oriented Company

- Governance is the action of developing and managing consistent policies, processes, and decision rights (Wikipedia).
- Special objects of consideration of the project-oriented company to be governed
 - Investments
 - Investment portfolios
 - Projects & programmes
 - Project portfolio
- Governance by defining standards
 - Process descriptions and procedures
 - Standard plans (e.g. project plans, such as WBS, work package specifications, etc. per project type)
- Governance by auditing and tollgating

company *mature*



Toll Gate Modell: Oil and Gas Industry



Tasks and responsibilities in the networking of projects

Tasks	Responsibilities						
	Project Portfolio Group	PM Office	Various representatives of project owner team	Various project managers	Project team members	Representatives of relevant project environments	Expert Pool managers
Initializing and planning the networking							
• Initializing the networking	P	P	P	P	C		
• Planning the networking		P		C			
• Concretizing the need for networking		P	C	C	C		
Preparing the networking							
• Invitation of participants to the networking workshop		P	I	I	I	I	1)
• Gathering information on projects to be considered		P		C	C	C	
Networking workshop							
• Information exchange between projects		C	C	P	C	C	2)
• Developing the network of projects graph		C	C	P	C	C	
• Planning measures		C	C	P	C	C	
• Coordinating the measures		I	C	C	P	I	3)
Follow-up to the networking							
• Initializing the measures		P	I	P	I	I	

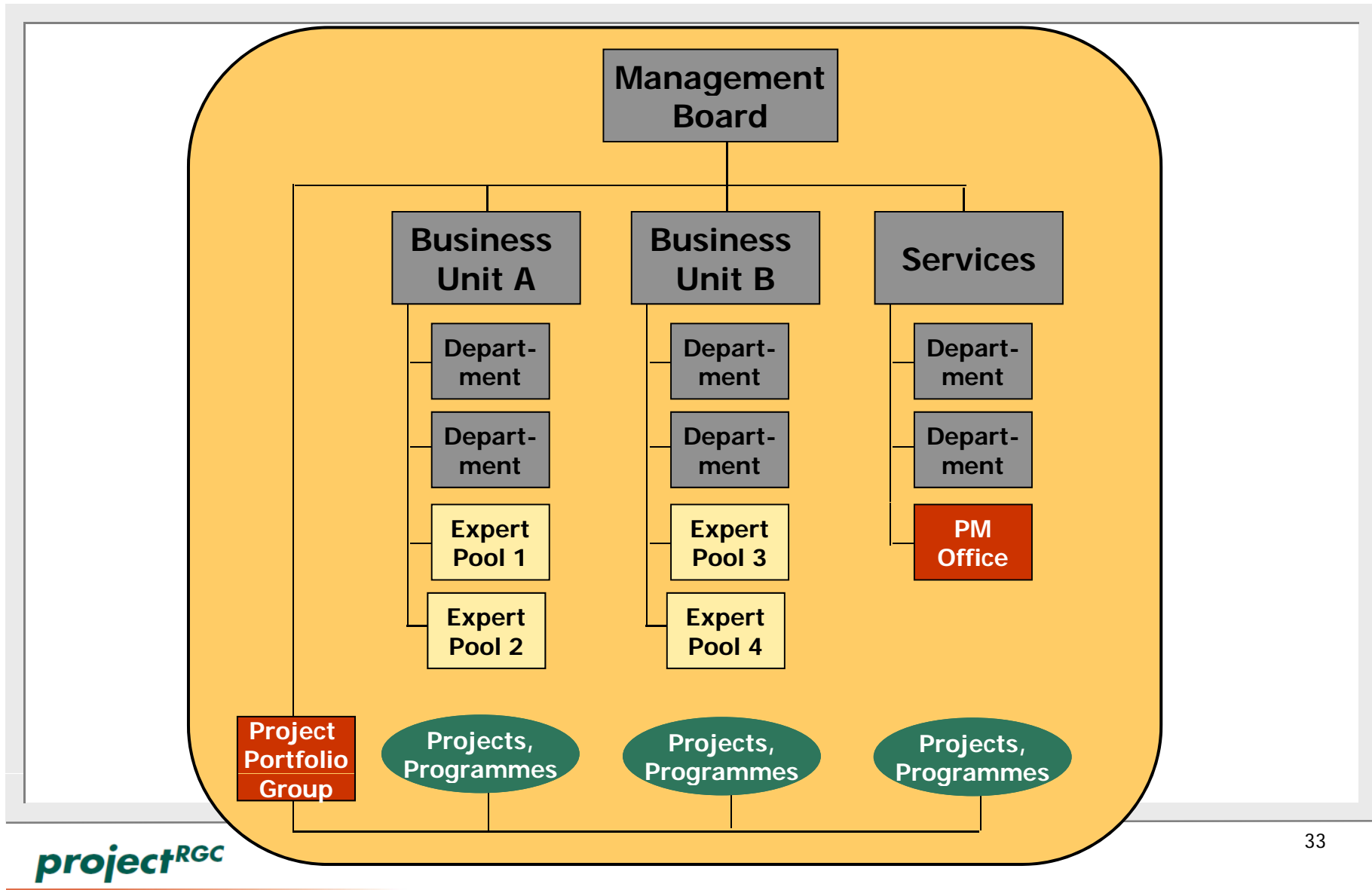
Legend:

- P ... Performance
- C ... Contribution
- I ... Information

Results/documents:

- 1) Invitation to the networking workshop
- 2) Network of projects graph
- 3) List of measures

Governance Roles in the Project-oriented Company

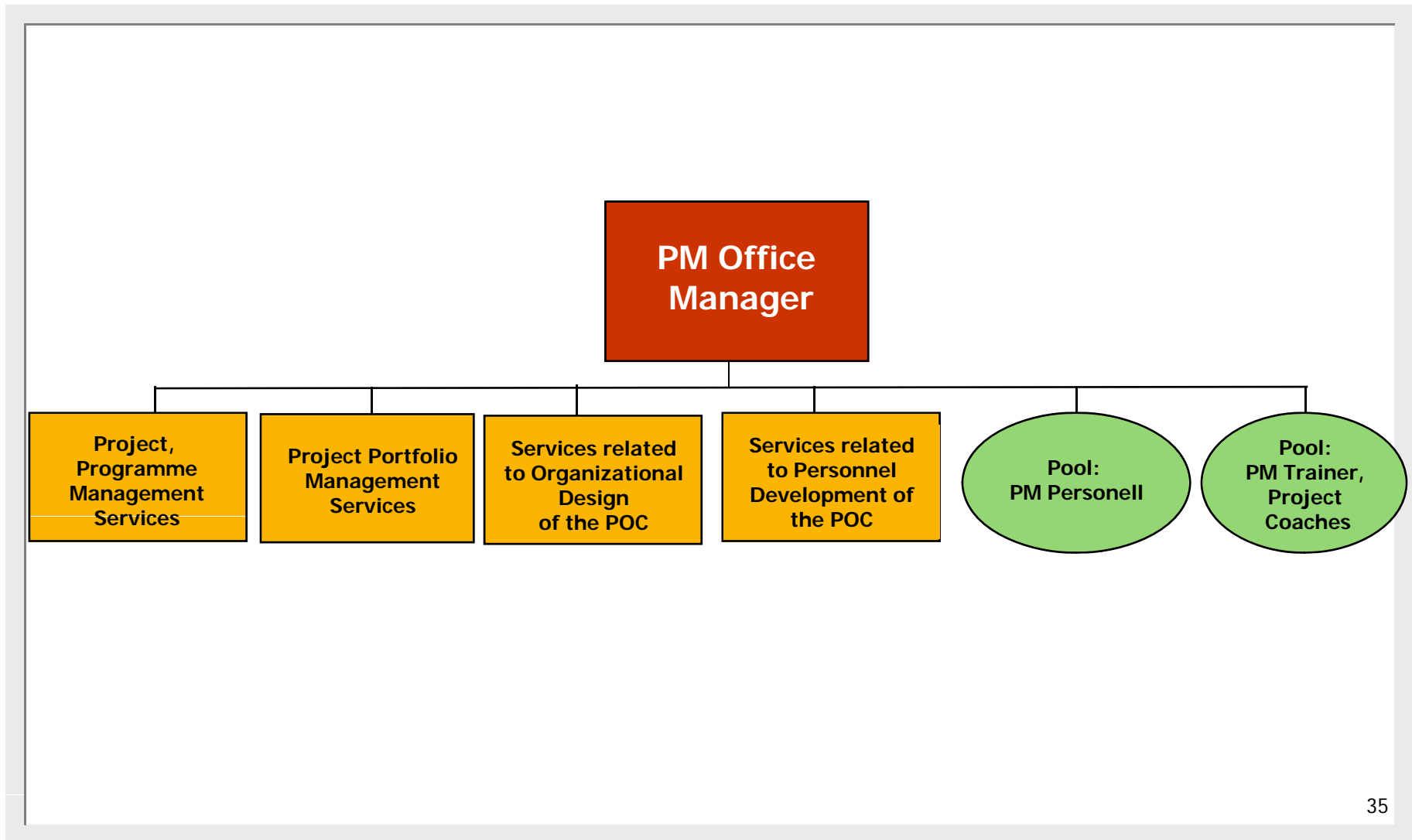


Project Portfolio Group

- › Project Portfolio Group as a permanent (communication) structure
- › Members: Representatives of (top-) management
- › Periodic meetings: Every (other) week, 2-3 hours
- › Several Project Portfolio Groups?
 - › for different business units or project types
 - › Strategic and operative Project Portfolio Group
- › Not more than 30 projects managed by one Project Portfolio Group
 - › depending on duration, dynamics of projects

- › Governance functions of the Project Portfolio Group
 - › Accepting process descriptions and standards
 - › Tollgating in the investment process
 - › Deciding about investment audits
 - › Deciding about project & programme audits

PM Office



Project Governance?

- Where does governance stop and management start
 - Governance is a non-hierarchical steering
 - Governance is generic, not for a specific case (e.g. project)
- There is no project governance!
- ... but corporate governance also considering investments, projects, programmes and portfolios.



Happy Projects!

Roland Gareis
www.rgc.at