Success Factors of Project Portfolio Management

Expert Workshop at ESG UQUAM

Montreal, 6th of May 2010

Prof. Dr. Hans Georg Gemünden
TU Berlin - Technische Universität Berlin
TIM - Chair of Technology and Innovation Management
# Research Areas at TIM Chair for Technology and Innovation Management

## Technology & Innovation Management

### Technology Management
- What are success factors for managing complex landscapes of projects?
- What are the instruments of a strategic, future-oriented technology management?

### Innovation Management
- How can companies manage innovation in order to achieve long-term innovation success?

### Service Innovation
- How can innovative services be stimulated, implemented and supported?

### Entrepreneurship
- What are the driving forces of successful start-ups in high tech industries?

---

Source: TIM TU Berlin 2009
The Project Management Research Group @ TIM

Prof. Dr. Hans Georg Gemünden
Head of Chair

Prof. Dr. Eric Schott
Lecturer Strategic Project Management (lecture and seminar)

Daniel Jonas
Roles & responsibilities in MPM and project portfolio controlling

Juliane Teller
Risk management on project portfolio level

Dr. Alexander Kock
Success of highly innovative projects and project portfolios

Sascha Meskendahl
Strategic planning and prioritization of project portfolios

Wilderich Heising
MPM forecasting & opportunity management

Barbara Unger
Influence of cultural factors iMPM internationalization of MPM study
## Agenda

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goals and Design of iMPM Study</td>
<td>5</td>
</tr>
<tr>
<td>Success Criteria: Measurement of Project Portfolio Performance</td>
<td>18</td>
</tr>
<tr>
<td>- Quality of Project Portfolio Management Process</td>
<td>19</td>
</tr>
<tr>
<td>- Aggregated Measures of Single Project Success</td>
<td>19</td>
</tr>
<tr>
<td>- Portfolio Level Measures (Timing, Fit, Synergies, Balance, Timing)</td>
<td>19</td>
</tr>
<tr>
<td>- Business Success Measures (Value Creation)</td>
<td>19</td>
</tr>
<tr>
<td>Success Factors: Definition and Impact on Performance</td>
<td>29</td>
</tr>
<tr>
<td>- Strategy</td>
<td>30</td>
</tr>
<tr>
<td>- Actors (Roles)</td>
<td>42</td>
</tr>
<tr>
<td>- Processes (Tactical and Operative Level)</td>
<td>55</td>
</tr>
<tr>
<td>Benefits and Costs of Project Portfolio Management</td>
<td>64</td>
</tr>
<tr>
<td>Conclusions &amp; Outlook on iMPM study 2010 &amp; MPM 2011</td>
<td>69</td>
</tr>
</tbody>
</table>
Definition of Multi-Project Management

Multi-Project Management is defined as a ...

„holistic management of project landscapes - applying an aligned management system comprising organizational actors, strategies, structures, processes, methods (including IT), and cultures (including incentives) – to reach defined performance criteria of relevant stakeholders.“

Source: TU Berlin
iMPM Diamond – A Research Program on Success Factors of Project Portfolio Management

Source: TU Berlin iMPM-team
Research Questions of iMPM Study

Project Portfolio Management is a pivotal concept to manage complex project landscapes. ..

but ...

there are very few quantitative empirical studies on Project Portfolio Management

Research Gap

Our scholarly research addresses the following Research Questions:

(1) Which practices are used in PPM and how do they develop over time?
(2) Which factors influence the usage and quality of practices?
(3) Which factors influence execution and business success of PPM?
(4) How do the success factors interact with each other and with context variables?
(5) Which elements should be used in a maturity level model of PPM?
The Berlin MPM Studies have a Long Tradition

Since 2003  Initiation of Research on Multi-Project Management at TU Berlin
Since 2005  First Benchmarking Study on Multi-Project Management in Germany
Since 2009  iMPM: Internationalization of MPM Benchmarking Study

Each two years a new iMPM is planned!

Initiation of Multi-Project Management as field of research at TU Berlin

MPM-Benchmarking-Studies:
With more than 1200 participants from different industries

Source: TU Berlin
Research Program of the Berlin MPM Benchmarking Studies

First & Second Study 2005/2006
- MPM-Success
- MPM-Processes, MPM Tools and IT Support

Third Study 2007
- MPM-Success
- MPM-Processes, MPM Tools and IT Support
- Actors in MPM (initial measurement)

Fourth Study & iMPM 2009-2010
- MPM-Success & Business Success
- Strategy and Portfolio Structuring
- Decision Culture and Portfolio Steering
- Actors in MPM (elaborated measurement)

Fifth Study 2011-2012
- MPM-Success & Business Success
- MPM Processes and Actors in MPM (short Version)
- Opportunity Management and MPM
- Risk Management and MPM

Source: TU Berlin IMPM-Team
Design with two Informants Secures Independency of Performance and Success Measurement

Coordinator

Overview of implemented practices and levels of maturity

**Coordinators typically are:**
- Portfolio-Managers
- Multi-Project Managers
- Program-Managers
- Director of PMO
- Head of Department
- Project-Controller
- Quality Managers
- Head of PM
- HR Director

Decision Maker

Overview of strategic goals and attainment of performance goals

**Decision Makers typically are:**
- Management Board
- CEO
- Divisional Directors
- Head of PM
- CIO
- CTO
- Director of IT-Strategy
- Director of Strategic Management Accounting

Source: TU Berlin
**Thematic Blocks**

<table>
<thead>
<tr>
<th>Thematic Block</th>
<th>Decision Maker</th>
<th>Coordinator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Importance of Multi-Project Management</td>
<td>9 Items</td>
<td>10 Items</td>
</tr>
<tr>
<td>2. Strategic Orientation</td>
<td>16 Items</td>
<td>25 Items</td>
</tr>
<tr>
<td>3. General Information on Company</td>
<td></td>
<td>10 Items</td>
</tr>
<tr>
<td>4. Characteristics of Project Landscape</td>
<td></td>
<td>25 Items</td>
</tr>
<tr>
<td>5. Roles and Responsibilities</td>
<td>9 Items</td>
<td>57 Items</td>
</tr>
<tr>
<td>6. Structuring of Project Portfolio</td>
<td>15 Items</td>
<td>73 Items</td>
</tr>
<tr>
<td>7. Control of Project Portfolios</td>
<td>7 Items</td>
<td>78 Items</td>
</tr>
<tr>
<td>8. Success Assessment</td>
<td>31 Items</td>
<td>28 Items’</td>
</tr>
<tr>
<td>9. Innovation Culture Assessment</td>
<td>13 Items</td>
<td>13 Items</td>
</tr>
</tbody>
</table>

**Total**

- **100 Items**
- **284 Items**

1. Enquiry made to increase comparability for future internationalization of MPM Study

Source: TU Berlin
## High Interest in Study in all Industries

Structure of Participants of 4th MPM & iMPM Benchmarking Study

### Participants of previous studies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Participating Portfolios</td>
<td>143</td>
<td>154</td>
<td>301³</td>
<td>85</td>
</tr>
</tbody>
</table>

### Participants 2009/2010 by industry¹

<table>
<thead>
<tr>
<th>Industry</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive/Engineering</td>
<td>24</td>
</tr>
<tr>
<td>Banking/Insurances</td>
<td>18</td>
</tr>
<tr>
<td>IT/Telco</td>
<td>13</td>
</tr>
<tr>
<td>Services</td>
<td>12</td>
</tr>
<tr>
<td>Electric/Electronics</td>
<td>9</td>
</tr>
<tr>
<td>Pharma/Chemicals</td>
<td>5</td>
</tr>
<tr>
<td>Healthcare</td>
<td>4</td>
</tr>
<tr>
<td>Consumer Goods</td>
<td>3</td>
</tr>
<tr>
<td>Science</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
</tr>
</tbody>
</table>

### Participation reflects high practical relevance of project portfolio management

1. Based on 262 evaluated companies; 2. . Finland: 85, Switzerland: 44, Germany/Austria: 164, other: 8

Source: TU Berlin 4th MPM Study and iMPM Study 2010
Projects and Multi-Project Management with continuously Growing Importance

Projects will play an even greater role for us in future.

Multi-Project Management will become even more important for us in the future.

Share of portfolios

Remark: Estimation of decision maker
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Focus of 4th MPM Study and iMPM Study on R&D and IT Project Portfolios

Focus of considered project portfolios

- R&D: 29%
- IT: 22%
- Mixed: 32%
- Other: 18%

Number of projects in considered portfolios

- ≤ 20: 28%
- < 50: 25%
- < 100: 15%
- < 250: 17%
- < 500: 10%
- ≥ 500: 5%

Number of Portfolios: 276
Number Projects: 40,000
Whole year budget: € 39.3 billion

Source: TU Berlin 4th MPM Study and iMPM Study 2010 (N=301; D, CH, FIN)
Significant Differences in Size of Total Budget of considered Portfolio Types

1. What was/is the total budget of the project landscape?
2. Which proportion of the total project budget is usually already planned for ongoing projects?

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
The assessment and evaluation of the MPM performance is based on the 20% top- and low-performers

1. MPI = Multi-Project Management Performance Index
Source: TU Berlin
Success Criteria: Measurement of Project Portfolio Performance
MPI as Central Success Measurement for Assessment of Multi-Project Management Performance

Assessed by:
- Coordinator
- Decision Maker

Multi-Project Management Performance Index\(^1\) (MPI)

- PPM Execution Quality
  - Information quality
  - Allocation quality
  - Cooperation quality
  - Termination quality
  - Timing
  - Strategy Fit
  - Use of Synergies
  - Portfolio Balance
  - Single-Project Success
- Project Portfolio Success
- Business Success\(^2\)
  - Economic Success
  - Future Orientation

1. Assessment on a scale of 1 to 7
2. Business success as additional MPI factor included after 3rd study
Source: TU Berlin
Measurement Concept of PPM Execution Quality

Termination quality

Information quality

PPM Actors

Cooperation quality

Allocation quality

Source: TU Berlin
MPI as the Central Benchmark Metric
Comparison MPM Performance Top- and Low-Performers

Number Participants

Low-Performers (lower 20%)

Top-Performers (top 20%)

MPM Performance

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)

1. Scale 1-7
Good PPM Creates Value!
These KPI’s were not included in measuring MPI

### Average Percentage of Time Overruns

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time overrun [%]</td>
<td>15%</td>
<td>24%</td>
<td>37%</td>
</tr>
</tbody>
</table>

### Average Percentage of Budget Deviation

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget overrun [%]</td>
<td>11%</td>
<td>16%</td>
<td>25%</td>
</tr>
</tbody>
</table>

### Share of Projects with Economic Success

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of economically successful projects in portfolio [%]</td>
<td>82%</td>
<td>69%</td>
<td>51%</td>
</tr>
</tbody>
</table>

One MPI-Scale Point equals ca. 11 % Time overrun, 7% Budget overrun and 15% Success Probability

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
### Performance along the Dimensions of PPM Execution Quality

#### PPM Execution Quality

<table>
<thead>
<tr>
<th>Metric</th>
<th>Top</th>
<th>All</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information quality</td>
<td>5.9</td>
<td>4.9</td>
<td>3.9</td>
</tr>
<tr>
<td>Allocation quality</td>
<td>5.0</td>
<td>4.3</td>
<td>3.5</td>
</tr>
<tr>
<td>Cooperation quality</td>
<td>5.2</td>
<td>4.4</td>
<td>3.7</td>
</tr>
<tr>
<td>Termination quality</td>
<td>4.8</td>
<td>4.1</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Score 1

1. Assessment on a scale of 1 to 7

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Performance along the Dimensions of Project Portfolio Success

Score¹

MPM Performance

1. Assessment on a scale of 1 to 7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Comparison of Economic Success and Future Orientation

MPM Performance

Business Success

Score¹

Economic success

Future orientation

Top-Performers | All | Low-Performers
---|---|---
Top | 5,6 | 4,7 | 3,6
All | 3,3 | 4,5 | 5,6
Low | 3,8 | 4,7 | 5,5

Score¹

1. Assessment on a scale of von 1 to 7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
The Average MPI is 4.6
Comparison MPI Factors with Benchmarks

Multi-project Management Performance Index (MPI)

<table>
<thead>
<tr>
<th>Score</th>
<th>Top</th>
<th>All</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PPM Execution Quality

<table>
<thead>
<tr>
<th>Score</th>
<th>Top-Performers</th>
<th>All</th>
<th>Low-Performers</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Project Portfolio Success

<table>
<thead>
<tr>
<th>Score</th>
<th>Top-Performers</th>
<th>All</th>
<th>Low-Performers</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,8</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Business Success

<table>
<thead>
<tr>
<th>Score</th>
<th>Top-Performers</th>
<th>All</th>
<th>Low-Performers</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

No differences in MPI between portfolio types and industries

1. Scale 1-7  
2. Business success as additional MPI factor included after 3rd study
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
No significant differences of PPM Performance in Different Types of Project Portfolio

1. Assignment to a category with focus > 60%
2. No project focus > 60%
3. Investment, organisation and other project portfolios

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Industry Analysis shows no Differences in MPM Performance either

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive/ Mechanical Engineering</td>
<td>46</td>
</tr>
<tr>
<td>Banks/ Insurances</td>
<td>45</td>
</tr>
<tr>
<td>Electrics/ Electronics</td>
<td>25</td>
</tr>
<tr>
<td>IT/ Telco</td>
<td>23</td>
</tr>
<tr>
<td>Services</td>
<td>20</td>
</tr>
<tr>
<td>Healthcare</td>
<td>10</td>
</tr>
<tr>
<td>Pharmaceutical/ Chemical</td>
<td>10</td>
</tr>
<tr>
<td>Research</td>
<td>5</td>
</tr>
<tr>
<td>Consumer Goods</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>26</td>
</tr>
</tbody>
</table>

Evaluation of Top-/Low-Performers by industry\(^1\) shows no significant differences either

\(^1\) In case of sufficient number of comparable companies

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Success Factor: Definition and Impact on Performance
Deficits in Strategic Management of Project Landscapes

Previous MPM Studies of the TU Berlin identify the following problems:

- Missing transparency in Top-Management decisions and strategies**
- Implementation problems with the enforcement of priorities **
- Only 12% of firms execute the right number of projects ***
- Only 19% of firms abolish inefficient projects consequently ***
- Only 23% of forms allocate resources according to their strategy ***

Central topic of MPM Study 2009: Strategy and MPM

(1) Which demands exist regarding strategy?

(2) How can MPM contribute to better implementation of strategy?

** MPM Study TU Berlin 2004, *** MPM Study TU Berlin 2007
Success Factors related to Strategy

Source: TU Berlin
Top-Performers with a Clear and Well Communicated Corporate Strategy

**Strategy Clarity**

- **Score**: 6.0, 5.4, 4.7
- **Top**: 6.0
- **All**: 5.4
- **Low**: 4.7

**We have a written mission, long-term goals and strategies for implementation.**

- **Fully disagree**: 5.9
- **Fully agree**: 5.5
- **Score**: 4.9

**Goals and strategies are communicated.**

- **Fully disagree**: 6.2
- **Fully agree**: 5.5
- **Score**: 4.9

**Our long-term competitive strategy is clear and understandable.**

- **Fully disagree**: 5.8
- **Fully agree**: 5.2
- **Score**: 4.4

---

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers with a Longterm Sustainable Corporate Strategy

Our corporate strategy is very long-term oriented compared to our industrial sector.

Our present corporate strategy has a long tradition.

Our corporate strategy is rarely subject to changes.

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers with a Systematic Strategic Analysis

We analyze our environment systematically in order to ensure future competitive advantage.

We continuously test the adoption of new technologies for our unit.

Through the analysis of our project portfolio we receive valuable impulse for our strategy.

---

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Success Factors related to Strategy

- Strategic Planning
  - Decentralization
  - Coordination
- Project Prioritization
  - Formalization
  - Participation
  - System
  - Efforts

Corporate Strategy
- Clarity
- Sustainability
- Analysis

Source: TU Berlin
Top-Performers with higher Decentralization of Strategic Planning

Strategic planning is conducted centrally at the **head quarters**.

Strategic planning is conducted decentralized within our **divisions**.

We try to delegate authority as much as possible to those who are **responsible for the execution**.

---

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers with Better Integration of Strategic Planning and Project Portfolio Planning

Integration of Strategy and Portfolio Structuring

We put down the general guidelines for the portfolio via our strategic planning.

Portfolio planning and strategic planning are closely linked with each other in our company.

The goals of our project portfolio are derived from our unit‘s goals.

Our strategic planning is harmonized with the product-/technology cycles of our industry.

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)

1. Scale1-7
Success Factors related to Strategy

- Strategic Level
  - Corporate Strategy
    - Clarity
    - Sustainability
    - Analysis
  - Strategic Planning
    - Decentralization
    - Coordination
- Operational Level
- Tactical Level
- Portfolio Structuring
- Portfolio Controlling
- Roles

Source: TU Berlin
Top-Performers with higher Formalization of Project Prioritization

Formalization of Project Prioritization

Score¹

<table>
<thead>
<tr>
<th>Score</th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,9</td>
<td>4,2</td>
<td>3,4</td>
<td></td>
</tr>
</tbody>
</table>

We use a standardized procedure for the prioritization of projects.

For the prioritization defined processes and rules exist.

Projects are summarized into categories and compared before the prioritization process.

Also ongoing projects are reprioritized alongside new projects in each cycle of prioritization.

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Participation of Project Prioritization

All functional areas concerned (e.g. marketing, controlling) are adequately represented during the prioritization process.

Different points of views of the functional areas are considered during the prioritization process.

All functional areas involved share equal power during the prioritization process.

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers with Systematic Use of Project Evaluation Criteria

Systematic Project Prioritization

Score

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>All</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>5,2</td>
<td>4,7</td>
<td>4,0</td>
</tr>
</tbody>
</table>

The evaluation criteria for the prioritization of projects are defined and well known.

The evaluation criteria are adapted occasionally to new requirements.

We use strategic criteria for project evaluation.

We use financial criteria for project evaluation.

We use risk criteria for project evaluation.

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Success Factors related to Roles

Source: TU Berlin
Top-Performers perform all MPM Tasks More Intensively

Score¹ Tasks along the four Phases of the Project Portfolio Management Process

1. Scale 1-7
   Question: To which extent is this task performed in your company?
   Source: TU Berlin

Scores:
- Portfolio Structuring
  - Strategic Planning: 5.2, 5.7, 4.6
  - Definition of long term target portfolio
  - Generation of project ideas
  - Collection and consolidation of project ideas
  - Evaluation of projects
  - Selection of projects

¹ Source: TU Berlin
**Roles**

**Top-Performers perform all MPM Tasks More Intensively**

**Score**

Tasks along the four Phases of the Project Portfolio Management Process

1. **Scale 1-7**
   Question: To which extent is this task performed in your company?
   Source: TU Berlin

**Portfolio Structuring**
- Strategic Planning
- Definition of long term target portfolio
- Generation of project ideas
- Collection and consolidation of project ideas
- Evaluation of projects
- Selection of projects

**Resource Management**
- Cross-project resource allocation planning
- Individual allocation of employees to projects
- Release of project resources
- Conflict management in case of resource conflicts

1. Scale 1-7
   Question: To which extent is this task performed in your company?
   Source: TU Berlin
Roles

Top-Performers perform all MPM Tasks More Intensively

Score

Tasks along the four Phases of the Project Portfolio Management Process

<table>
<thead>
<tr>
<th>Portfolio Structuring</th>
<th>Resource Management</th>
<th>Portfolio Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Planning</td>
<td>Cross-project resource allocation planning</td>
<td>Controlling of project portfolio</td>
</tr>
<tr>
<td>Definition of long term target portfolio</td>
<td>Individual allocation of employees to projects</td>
<td>Monitoring of the strategic alignment of the portfolio</td>
</tr>
<tr>
<td>Generation of project ideas</td>
<td>Release of project resources</td>
<td>Development of corrective actions in case of deviations</td>
</tr>
<tr>
<td>Collection and consolidation of project ideas</td>
<td>Conflict management in case of resource conflicts</td>
<td>Cross-functional coordination of projects</td>
</tr>
<tr>
<td>Evaluation of projects</td>
<td></td>
<td>Identification of synergies between projects</td>
</tr>
<tr>
<td>Selection of projects</td>
<td></td>
<td>Identification of short-, middle-, long-term portfolio opportunities</td>
</tr>
</tbody>
</table>

1. Scale 1-7

Question: To which extent is this task performed in your company?

Source: TU Berlin
Top-Performers perform all MPM Tasks More Intensively

Score

Tasks along the four Phases of the Project Portfolio Management Process

1. Scale 1-7
Question: To which extent is this task performed in your company?
Source: TU Berlin

Roles

Portfolio Structuring
- Strategic Planning
- Definition of long term target portfolio
- Generation of project ideas
- Collection and consolidation of project ideas
- Evaluation of projects
- Selection of projects

Resource Management
- Cross-project resource allocation planning
- Individual allocation of employees to projects
- Release of project resources
- Conflict management in case of resource conflicts

Portfolio Control
- Controlling of project portfolio
- Monitoring of the strategic alignment of the portfolio
- Development of corrective actions in case of deviations
- Cross-functional coordination of projects
- Identification of synergies between projects
- Identification of short-, middle-, long-term portfolio opportunities

Portfolio Sustainability
- Evaluation of project results
- Maintenance and reuse of knowledge after project closure
- Ex-post control of projects

1. Scale 1-7
Question: To which extent is this task performed in your company?
Source: TU Berlin
Project Management Offices Receive Increasing Acceptance

Is there a central point of contact for the project management?¹

Number of Employees in a Project Management Office (PMO)

Share of portfolios [%]

<table>
<thead>
<tr>
<th>Year</th>
<th>Share of portfolios</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>Nein 52%</td>
</tr>
<tr>
<td>2007</td>
<td>Nein 34%</td>
</tr>
<tr>
<td>2009</td>
<td>Nein 28%</td>
</tr>
<tr>
<td></td>
<td>Ja 48%</td>
</tr>
<tr>
<td></td>
<td>Ja 66%</td>
</tr>
<tr>
<td></td>
<td>Ja 72%</td>
</tr>
</tbody>
</table>

1. Comparison with 2nd and 3rd MPM-Benchmarking Study
Source: TU Berlin

Number Employees

Share of portfolios [%]

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤ 1</td>
<td>4%</td>
</tr>
<tr>
<td>≤ 2</td>
<td>10%</td>
</tr>
<tr>
<td>≤ 3</td>
<td>15%</td>
</tr>
<tr>
<td>≤ 4</td>
<td>25%</td>
</tr>
<tr>
<td>≤ 5</td>
<td>25%</td>
</tr>
<tr>
<td>≤ 10</td>
<td>21%</td>
</tr>
<tr>
<td>&gt;10</td>
<td>21%</td>
</tr>
</tbody>
</table>

Top: 7,4
Low: 5,4

1. Comparison with 2nd and 3rd MPM-Benchmarking Study
Source: TU Berlin
Roles

Top Management and MPM Coordinator with High Share of MPM Tasks

Absolute mentioning of task fulfillment along the hierarchical levels

<table>
<thead>
<tr>
<th>Role</th>
<th>Number of mentions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Management/CEO</td>
<td>1.102</td>
</tr>
<tr>
<td>Division Head</td>
<td>1.938</td>
</tr>
<tr>
<td>Department Head</td>
<td>1.970</td>
</tr>
<tr>
<td>Project Leader</td>
<td>1.315</td>
</tr>
<tr>
<td>MPM Coordinator</td>
<td>1.653</td>
</tr>
<tr>
<td>PMO</td>
<td>990</td>
</tr>
</tbody>
</table>

Relative allocation of tasks along the hierarchical levels

- Top-Management: 34%
- Line Management: 22%
- MPM Coordination: 33%
- Project Management: 11%

1. Please indicate, who is mostly responsible for the following tasks in your unit.
Remark: Evaluation of task matrix along the project portfolio management process (multiple answers possible).
Source: TU Berlin 4th MPM Study & iMPM Study 2010 (N=301; D, CH, FIN)
Large Shifts in Task Responsibility over the PPM Process Stages

1. Please indicate who is mainly responsible for the following tasks.
Comment: Assessment of task matrix along project portfolio management process (multiple answers possible)
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)

- Portfolio Structuring: 39% Top-Management, 31% Division/Line, 18% Project Management
- Resource Management: 45% Top-Management, 18% Division/Line, 13% Project Management
- Portfolio Control: 24% Top-Management, 24% Division/Line, 20% Project Management
- Portfolio Sustainability: 15% Top-Management, 24% Division/Line, 22% Project Management
Top-Performers with Strong Top-Management Support in PPM

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers with Clear Assignment of Roles in PPM

The tasks of the stakeholders in MPM are clearly and formally differentiated.

Each task in the context of MPM is exclusively carried out by the person responsible.

The role of the multi-project coordinator is clearly defined.

Clear objectives exist for the role of the line management within the MPM.

Roles Clarity

Score¹

- Top: 5.1
- All: 4.4
- Low: 3.7

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Combined Influence of Roles & Strategy

Source: TU Berlin
Impact of Senior Management on Strategy and Portfolio Performance - Framework

Clarity of Strategy

Integration of Strategy & PPM-Process

Sustainability of Strategy

Senior Management Involvement

Portfolio Performance

H2.1: +

H4.1: -

H4.2: +

H4.3: +

H4.4: +

H1a): +
H1b): ∩

H3.1: +

H3.2: +

H2.2: +
Impact of Senior Management on Strategy and Portfolio Performance Results

Senior Management Involvement

Clarity of Strategy

Integration of Strategy & PPM-Process

Sustainability of Strategy

Portfolio Performance

R**2 = 0.34

R**2 = 0.50

R**2 = 0.52

R**2 = 0.09

Correlation Coefficients:

+ 0.49

+ 0.40

+ 0.40

+ 0.19

+ 0.30

+ 0.43

n.s.
Success Factors related to Tactic

Source: TU Berlin
Top-Performers Validate Portfolios more Frequently

How Often do you Validate your Entire Project Portfolio?

Frequency of Portfolio Validation

Validations [per year]

Share Portfolios [%]

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers Respond Quicker to Changing Requirements

We adapt our project portfolio quickly to changed **customer needs.**

<table>
<thead>
<tr>
<th>Score</th>
<th>Fully disagree</th>
<th>Fully agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-Performers</td>
<td>3,5</td>
<td>5,3</td>
</tr>
<tr>
<td>All</td>
<td>4,5</td>
<td>4,9</td>
</tr>
<tr>
<td>Low</td>
<td>3,3</td>
<td>4,3</td>
</tr>
</tbody>
</table>

We adapt our project portfolio quickly to changed **competitive conditions.**

<table>
<thead>
<tr>
<th>Score</th>
<th>Fully disagree</th>
<th>Fully agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-Performers</td>
<td>3,5</td>
<td>5,3</td>
</tr>
<tr>
<td>All</td>
<td>4,5</td>
<td>4,3</td>
</tr>
<tr>
<td>Low</td>
<td>3,4</td>
<td>4,2</td>
</tr>
</tbody>
</table>

We adapt our project portfolio quickly to changed **technologies.**

<table>
<thead>
<tr>
<th>Score</th>
<th>Fully disagree</th>
<th>Fully agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-Performers</td>
<td>3,5</td>
<td>5,1</td>
</tr>
<tr>
<td>All</td>
<td>4,2</td>
<td>5,1</td>
</tr>
<tr>
<td>Low</td>
<td>3,4</td>
<td>4,3</td>
</tr>
</tbody>
</table>

We adapt our portfolio quickly to changed **economic conditions.**

<table>
<thead>
<tr>
<th>Score</th>
<th>Fully disagree</th>
<th>Fully agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-Performers</td>
<td>3,4</td>
<td>5,1</td>
</tr>
<tr>
<td>All</td>
<td>4,2</td>
<td>5,1</td>
</tr>
<tr>
<td>Low</td>
<td>3,4</td>
<td>4,3</td>
</tr>
</tbody>
</table>

**Portfolio Adjustment**

Score

- Top: 5.2
- All: 4.4
- Low: 3.4

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers Communicate Portfolio Decisions Clearer, Quicker, and Broader

The communication of important portfolio decisions to affected employees takes place in a planned and uniform way.

Important portfolio decisions are communicated immediately after they are made.

Important portfolio decisions are communicated immediately to all affected employees regardless of hierarchy.

---

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers Control Project Portfolios
Tighter and more Responsively

We frequently **examine the targets** for our portfolio.

We examine **plan vs. actual project performance** analytically for our portfolio.

We systematically examine the **individual projects** in detail for our portfolio.

If deviations from the portfolio plan occur, we invest a lot of time in preparing **countermeasures** in detail.

---

**Project Portfolio Controlling**

<table>
<thead>
<tr>
<th>Score¹</th>
<th>Top</th>
<th>All</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,5</td>
<td>4,0</td>
<td>3,5</td>
<td></td>
</tr>
</tbody>
</table>

---

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
### Quality of Portfolio Decisions

1. **Scale 1-7**
2. Inverse elements recalculated for score calculation
3. Inverse questionnaire element

Source: TU Berlin

### Portfolio Decisions

- **Top-Performers**
  - Portfolio decisions are usually **transparent** and comprehensive.
  - Portfolio decisions are implemented **consistently**.
  - Once portfolio decisions are made, they are **binding** and change only rarely.
  - Portfolio decisions are frequently made by **one person alone**.
  - Portfolio decisions are made by referring to **gut-feeling** rather than by assessing the facts.

- **All**
  - Portfolio decisions are usually transparent and comprehensive.
  - Portfolio decisions are implemented consistently.
  - Once portfolio decisions are made, they are binding and change only rarely.
  - Portfolio decisions are frequently made by one person alone.
  - Portfolio decisions are made by referring to gut-feeling rather than by assessing the facts.

- **Low-Performers**
  - Portfolio decisions are usually transparent and comprehensive.
  - Portfolio decisions are implemented consistently.
  - Once portfolio decisions are made, they are binding and change only rarely.
  - Portfolio decisions are frequently made by one person alone.
  - Portfolio decisions are made by referring to gut-feeling rather than by assessing the facts.

<table>
<thead>
<tr>
<th>Element</th>
<th>Fully disagree</th>
<th>Fully agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-Performers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are transparent</td>
<td>5,4</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are implemented</td>
<td>4,6</td>
<td>3,9</td>
</tr>
<tr>
<td>Portfolio decisions are binding</td>
<td>4,8</td>
<td>3,9</td>
</tr>
<tr>
<td>Portfolio decisions are made by one person</td>
<td>5,7</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by gut-feeling</td>
<td>4,8</td>
<td>3,9</td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>5,0</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>4,5</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>3,6</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>2,3</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>2,7</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>3,6</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>2,5</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>3,3</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>4,0</td>
<td></td>
</tr>
<tr>
<td>All</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are transparent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are implemented</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are binding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by one person</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by gut-feeling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>5,5</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>4,8</td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td>4,0</td>
<td></td>
</tr>
<tr>
<td>Low-Performers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are transparent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are implemented</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are binding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by one person</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by gut-feeling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio decisions are made by assessing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Score**
- **Top**
  - Portfolio decisions are usually transparent and comprehensive.
  - Portfolio decisions are implemented consistently.
  - Once portfolio decisions are made, they are binding and change only rarely.
  - Portfolio decisions are frequently made by one person alone.
  - Portfolio decisions are made by referring to gut-feeling rather than by assessing the facts.

- **All**
  - Portfolio decisions are usually transparent and comprehensive.
  - Portfolio decisions are implemented consistently.
  - Once portfolio decisions are made, they are binding and change only rarely.
  - Portfolio decisions are frequently made by one person alone.
  - Portfolio decisions are made by referring to gut-feeling rather than by assessing the facts.

- **Low**
  - Portfolio decisions are usually transparent and comprehensive.
  - Portfolio decisions are implemented consistently.
  - Once portfolio decisions are made, they are binding and change only rarely.
  - Portfolio decisions are frequently made by one person alone.
  - Portfolio decisions are made by referring to gut-feeling rather than by assessing the facts.
Identification of MPM Success Factors on Operational Level
Top-Performers have also Higher Standards in Single-Project Management

### Single-Project Management Standard

<table>
<thead>
<tr>
<th>Score</th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,8</td>
<td>5,4</td>
<td>4,8</td>
</tr>
</tbody>
</table>

**Top-Performers**

- Every project has a **defined** project manager.
- Every project has a **defined** project budget.
- We follow a **standardized procedural model** for the project management.
- Every project has a **defined** project steering committee.
- All our **project manager** are **certified** according to a common standard.

---

1. Scale 1-7
Source: TU Berlin
Top-Performers have also Better Project Planning in Single-Project Management

A detailed project plan is provided for each project.

The actual goals of a project are often vague at the start of the project.

The composition of the project team is often vague at the start of the project.

1. Scale 1-7
2. Inverse elements recalculated for score calculation
3. Inverse questionnaire element

Source: TU Berlin
Benefits and Costs of Project Portfolio Management
Good PPM Creates Value!
These KPI's were not included in measuring MPI

**Average Percentage of Time Overruns**

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 %</td>
<td>24 %</td>
<td>37 %</td>
<td></td>
</tr>
</tbody>
</table>

**Average Percentage of Budget Deviation**

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 %</td>
<td>16 %</td>
<td>25 %</td>
<td></td>
</tr>
</tbody>
</table>

**Share of Projects with Economic Success**

<table>
<thead>
<tr>
<th></th>
<th>Top</th>
<th>Alle</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>82 %</td>
<td>69 %</td>
<td>51 %</td>
<td></td>
</tr>
</tbody>
</table>

One MPI-Scale Point equals ca. 11 % Time overrun, 7% Budget overrun and 15% Success Probability

1. Fragestellung: Wie hoch ist die durchschnittliche Terminüberschreitung in Prozent?
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers put more Effort in Preparation and Realization of Portfolio Meetings...

<table>
<thead>
<tr>
<th>How frequently does your management meet for portfolio meetings?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per year</td>
</tr>
<tr>
<td>Top: 6,9</td>
</tr>
<tr>
<td>All: 6,1</td>
</tr>
<tr>
<td>Low: 4,6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How many persons participate in a typical portfolio meeting on average?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons</td>
</tr>
<tr>
<td>Top: 9,9</td>
</tr>
<tr>
<td>All: 10,7</td>
</tr>
<tr>
<td>Low: 8,8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How long does a portfolio meeting usually last?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours</td>
</tr>
<tr>
<td>Top: 4,4</td>
</tr>
<tr>
<td>All: 3,9</td>
</tr>
<tr>
<td>Low: 3,5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How long does it usually take to prepare a portfolio meeting?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man days</td>
</tr>
<tr>
<td>Top: 9,6</td>
</tr>
<tr>
<td>All: 8,4</td>
</tr>
<tr>
<td>Low: 5,7</td>
</tr>
</tbody>
</table>

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers put more Effort in Preparation and Realization of Portfolio Meetings...

- **How frequently does your management meet for portfolio meetings?**
  - **Per year**
    - **Top**: 6,9
    - **All**: 6,1
    - **Low**: 4,6

- **How many persons participate in a typical portfolio meeting on average?**
  - **Persons**
    - **Top**: 9,9
    - **All**: 10,7
    - **Low**: 8,8

- **How long does a portfolio meeting usually last?**
  - **Hours**
    - **Top**: 4,4
    - **All**: 3,9
    - **Low**: 3,5

- **How long does it usually take to prepare a portfolio meeting?**
  - **Man days**
    - **Top**: 9,6
    - **All**: 8,4
    - **Low**: 5,7

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
But: It is NOT just more Effort – but a Superior Decision-Making Culture

Efficiency of Portfolio Meetings
Score based on inverse scales

The people responsible for committing key project resources are frequently not represented in the portfolio meeting.

Frequently no decisions are taken on resources in portfolio meeting.

Our portfolio meeting exists only for the sake of having one.

Unscheduled ad hoc portfolio meetings take place frequently.

1. Scale 1-7 2. Inverse elements converted for score calculation 3. Inverses questionnaire element
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Conclusions & Outlook on iMPM study 2010 & MPM Study 2011
Top Performers have a Better Strategy Process, Integrate PPM Better and Prioritize Better.

What we can learn from Top-Performers...

<table>
<thead>
<tr>
<th>Corporate Strategy</th>
<th>Their strategy is communicated in a clearer and better way. Their strategy is based on a more thorough analysis and pursued more sustainably.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Planning</td>
<td>More autonomy is given to the units, all units have equal saying in the coordination of strategic planning.</td>
</tr>
<tr>
<td>Project Prioritization</td>
<td>The prioritization is carried out within a well structured, formalized process in which the units are involved closely.</td>
</tr>
<tr>
<td>Cost/Benefit</td>
<td>The greater effort for these process is more than paid back by much better results – also in times of crisis.</td>
</tr>
</tbody>
</table>

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Top-Performers have a better Distribution of Tasks and control with much more Intensity

What we can learn from Top-Performers...

Senior Management Behaviour
Top management investments more time, delivers committed decisions, when they are needed, and also complies more strictly to the rules of the PPM.

Cooperation of Actors
Roles are more clearly defined, stakeholders are more specialized and professionalized.
Line executives are more integrated, already in earlier phases. The PPM Coordinator has more influence.

Projekt Portfolio Controlling
Project portfolios are examined more frequently, adjustments to changes takes place faster, measures are better communicated and pursued more intensively.

Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Participate in the iMPM Study 2010!

Participants

**Target Group**

Big and medium-size, public and private organisations, that face the challenge of managing complex project portfolios. These portfolios characteristically consist of at least 20 projects, that need to be handled simultaneously. Respondents are typically **project portfolio coordinators** such as multi-project managers, portfolio managers, program managers and responsible persons of project management offices (PMOs), as well as **project portfolio decision-makers** like CEOs, Division Heads or Heads of Business Unit.

**Your benefits of participating in the iMPM study 2010**

- **Participate free of charge** in the biggest cross-cultural MPM study
- **Questionnaires** are available in French, English and Spanish language
- Receive an **individual report on your project portfolio management performance**
- Receive **benchmarking** to a pool of international (i.e. German, Austrian, Swiss, Finnish, Canadian, US-American) top and low performing companies
- Learn about **best-practices, global trends and developments in Multi-Project Management**
Participate in the iMPM study 2010!

Your Contribution...

You receive two questionnaires, which need to be filled in by different persons:

- The **Decision-Maker questionnaire** is 3 pages long and requires 10 to 15 minutes for completion. **Target group is the Top Management** of the evaluated enterprise, that makes decisions on project selection, prioritization and termination.

- The **Coordinator questionnaire** is 10 pages long and requires about 60 minutes for completion. **Target group are persons, that manage the project portfolio** and thus have a sound knowledge of the project landscape.

Next Steps to take...

- Sign up for study now with Monique Aubry at [aubry.monique@uqam.ca](mailto:aubry.monique@uqam.ca)
- Receive questionnaires to be filled in asap
- Return questionnaires by 31st of May 2010
- Receive report by 31st of August 2010
Traditionally, the project management researchers at the Chair of Technology and Innovation (TIM) of the Berlin Institute of Technology (TU Berlin) have been researching success factors in single project management. In 2003, while building on this former research, a new question was put forward: “How do firms manage project portfolios?”

Project portfolios are rather long-term endeavours within the landscapes of projects and thus in strong contrast to single projects, that are temporary ventures. As such the management of project portfolios becomes a permanent organizational issue, and also success factors are distinct from single project management.

In 2005 and 2007 surveys have been conducted in German-speaking countries. Since the beginning of 2010 data collection has started in selected countries around the globe.

In the iMPM study we ask: “How are project portfolios managed reflecting on their contexts?” While considering aspects of problem-context like different characteristics (i.e. innovativeness and interdependency) and types of project portfolios (i.e. R & D portfolios, IT portfolios, Organizational change portfolios, mixed portfolios) specifically system-context dimensions like different types of firms, industries and countries, as well as management styles are examined.
iMPM Participants and Academic Partners


Selection of Participants

Aalto University School of Science and Technology
Project Business research group
BIT Research Centre
Finland

Université du Québec à Montréal
Chair de Gestion de Projet
Canada

Stevens Institute of Technology
Project Management Research Group
USA

Zurich University of Applied Sciences
School of Management and Law
Switzerland

* Annotation: There are only participants listed, that agreed to be reference for the 4th MPM wave/2009. Source: TU Berlin
5th Berlin MPM Benchmarking Study with two new Foci

MPM Risk Management

Risk Management on project portfolio level
Analysis of risk management methods and their organisational embedding
Analysis of maturity levels of risk management systems in MPM
Communication and processing of „bad news“, learning from mistakes
Identification of critical success factors of risk management systems in MPM

MPM Opportunity Management

Organization of the "Fuzzy Front Ends“ of project portfolios
Structuring of ideas management and the Deal Flows of project proposals
Identification of search fields for strategic initiatives and ideas campaigns
Autonomy and entrepreneurial liberties of the project manager
Identification of critical success factors of opportunity management systems in MPM

Juliane Teller
Risk Management
Juliane.Teller@tim.tu-berlin.de
+49 (0)30 314 78812

Wilderich Heising
Foresight and Opportunity Management
Wilderich.Heising@tim.tu-berlin.de
+49 (0)30 314 28337

The 5th MPM Study starts in January 2011. Be part of it!
Top-Performers use systematic Methods to generate “good” Project Ideas

We generate sufficiently „good“ and/or „right“ project ideas.

How strongly does your unit use the following methods to increase the quality of fresh ideas and to generate sufficiently "good“ project ideas?

- Analysis of mega-trends (society, politics, technology, biosphere)
  - Top-Performer: 4.6, 4.2, 3.8
  - All: 5.1, 4.7, 4.0
  - Low-Performer: 4.0, 4.7

- Identification of strategic gaps (e.g. gap analysis)
  - Top-Performer: 4.4, 4.3
  - All: 4.7, 4.4
  - Low-Performer: 3.7, 3.7

- Definition of strategic search fields
  - Top-Performer: 4.7
  - All: 4.4
  - Low-Performer: 3.8

- Continuous technology scouting
  - Top-Performer: 4.7
  - All: 4.4
  - Low-Performer: 4.1, 3.7

- Utilization of lead users (trend-prominent users/customers)
  - Top-Performer: 4.7
  - All: 4.1
  - Low-Performer: 3.7

1. Scale 1-7
Source: TU Berlin 4th MPM Study, April 2010 (N=217; D, CH)
Thank you for your Attention !!!

Questions?