



PROJECT MANAGEMENT CENTER FOR EXCELLENCE

A.J. CLARK SCHOOL OF ENGINEERING
Civil & Environmental Engineering Department



EVALUATING AND BUILDING PORTFOLIO MANAGEMENT MATURITY

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Portfolio Management

Long Version-

“Portfolio Management is a continuous and persistent process that enables decision makers to strategically and operationally manage resources to maximize accomplishment of desired outcomes (e.g. mission results, organizational improvements, enhancement of operational capabilities) within given constraints and constructs such as regulation, interdependent architectures, budgets, concept of operations, technology, and mission threads.”

Short Version- “Doing the right things”

Portfolio Management at Census

- Agency implemented portfolio management at either the directorate or the division level
- Variation in implementation of portfolio management across programs
- Variation in maturity of portfolio management across programs

Purpose for the Model

- Take broader look at portfolio management capability at the agency
- Evaluate the portfolio management capability across the different programs
- Assess maturity and classify the programs into workable levels

Success Is Bigger Than One Process



We based our criteria on the concept that portfolio management is one part of a successful strategic management process and that all the pieces interact and contribute to inform each individual process.

Maturity Model Levels and Areas

We used the five-step SEI Capability Maturity Model (CMM) to conform to established maturity levels. Stand-up, Informal, Developing, Managed, Optimized

We developed maturity criteria in three main areas:

- Process
- Strategic Planning and Tracking
- Organizational Acceptance

	Level 1: Stand-up	Level 2: Informal	Level 3: Developing	Level 4: Managed	Level 5: Optimized
Process	PMGB structure and governance are not defined	PMGB charter signed, PMGB has met at least once	PMGB meets infrequently, PMGB governance established	PMGB governance integrated, PMGB meets on a regular basis	PMGB governance integrated and accepted, PMGB meets frequently enough to complete all business
	PMGB members are not identified	PMGB members identified and educated on their roles	PMGB members are actively practicing their role	PMGB members take the lead on portfolio management	PMGB members actively refine and improve the portfolio management process
	Portfolio management (PFM) requirements are not defined	PfM process defined	PfM process developed and documented	PfM process functioning and documentation is up to date	PfM process updated yearly for continuous improvement
	Existing investment projects are not identified	Existing investment projects identified, list of investment projects selected	PMGB conducts review of investment project inventory	PMGB realigns investment project inventory to strategic priorities on a year	PMGB realigns investment project inventory to strategic priorities annually, reviews investment performance quarterly
	Key investment projects are not identified	PMGB has reviewed at least one key investment project	PMGB reviews every key investment project at least once per year	PMGB reviews key investment projects (as needed)	PMGB has on demand access to status of key investment projects
	Investment review requirements are not identified	PMGB provides guidance to investment project managers but does not track results	PMGB assigns action items to investment project managers during investment review	PMGB tracks progress on action items from investment reviews	Investment review action items completed on schedule
	Reporting requirements are not identified	PfM reports defined	PfM reports developed	PfM reports updated on regular basis	PMGB has on demand access to PfM reports
Little to no project documentation	Management of PFM documents started, 10%-50% of investment projects are documented	Platform for PFM process developed, 50%-90% of investment projects are documented	Functional platform for PFM process, 90%-100% of investment projects are documented	Platform fully supports PFM process, 100% of investment projects are documented	
Strategic Planning and Tracking	No strategic planning process	Leadership engages in strategic planning	Leadership completes strategic plan and shares with staff and stakeholders	Leadership uses strategic plan for program planning	Leadership updates strategic plan annually, refreshes plan every five years
	No program performance tracking	Leadership has performance measures in place	Leadership tracks and understands program baseline performance	Leadership uses performance measures to understand affect of strategic investments	Leadership regularly reviews and updates program performance measures
	Little to no discussion of strategic priorities or strategic projects	Leadership identifies strategic priorities and shares with staff	Leadership aligns investment selection process with strategic priorities	Leadership uses strategic priorities to guide investment project selection	Leadership's portfolio management "moves the needle" on strategic priorities
Organizational Acceptance	Staff do not communicate ideas for new investments	Staff submit documentation for ongoing investment projects and ideas for new projects	Staff submit investment proposals as they begin project, begin to submit investment proposals before work begins	Staff submit investment proposals before work begins, staff begin to submit proposals for future work	Staff submit proposed investments before work begins and proposals are for future work one to two years out
	Staff do not document or communicate progress on investment projects	Staff complete some investment project documentation and provide project status infrequently	Staff complete documentation for 50-90% of investment projects, project status is updated more frequently	Staff complete documentation for 90-100% of investment projects, project status is updated frequently	Staff complete documentation for 100% of investment projects, project status updates are automated

Level 1 - Stand-Up

Level 1 Process Questions

- Has the program defined the role of the PMGB?
- Has the program identified the members of its PMGB?
- Has the program defined its portfolio management process?
- Has the program identified all ongoing investment projects?
- Has the program identified its key investment projects?
- Has the program specified requirements for its investment reviews?
- Has the program identified reporting requirements?
- Has the program specified project documentation standards?
- Does the program have templates for project documentation?

Level 1 Strategic Planning and Tracking Questions

- Does the program have a Strategic Planning and Tracking process? Does the program have measures in place to track key program performance indicators?
- Does the program discuss strategic priorities?
- Has the program identified its strategic priorities?

Level 1 Organizational Acceptance Questions

- Does staff communicate ideas for new projects to leadership?
- Does staff complete documentation for investment projects?
- Does staff report progress on investment projects?

Level 1: Stand-up	
Process	PMGB structure and governance are not defined
	PMGB members are not identified
	Portfolio management (Pfm) requirements are not defined
	Existing investment projects are not identified
	Key investment projects are not identified
	Investment review requirements are not identified
	Reporting requirements are not identified
	Little to no project documentation
Strategic Planning and Tracking	No strategic planning process
	No program performance tracking
	Little to no discussion of strategic priorities or strategic projects
Organizational Acceptance	Staff do not communicate ideas for new investments
	Staff do not document or communicate progress on investment projects

Level 2 - Informal

Level 2 Process Questions

Has the PMGB begun to hold meetings?

Has the program educated the PMGB members on their role and the purpose of portfolio management?

Do the PMGB members get distracted with the technical/operational details of investment projects?

Has the program documented its portfolio management process?

Does the program have a formal inventory of its current investment projects?

Does the program have a list of new investment?

Does the program conduct formal reviews of key investment projects?

Do the key investment projects maintain a risk register?

Does the PMGB provide guidance to its investment project managers?

Has the program specified investment reports?

Does the program centrally manage and store project documentation?

Level 2 Strategic Planning and Tracking Questions

Has the program completed strategic planning exercises?

How long have the performance measures been in place?

Do the performance measures align to the strategic priorities? Has the program communicated its strategic priorities to staff? Has the program communicated its strategic priorities to its stakeholders?

Level 2 Organizational Acceptance Questions

Has the program educated staff on how to submit proposals for new investment projects?

Has the program provided staff templates to use for proposal submission?

Has the program provided document templates and communicated documentation expectations to staff?

Has the program educated staff on how to complete investment project documentation?

Level 2: Informal	
Process	PMGB charter signed, PMGB has met at least once
	PMGB members identified and educated on their roles
	PfM process defined
	Existing investment projects identified, list of investment projects selected
	PMGB has reviewed at least one key investment project
	PMGB provides guidance to investment project managers but does not track results
	PfM reports defined
	Management of PfM documents started, 10%-50% of investment projects are documented
Strategic Planning and Tracking	Leadership engages in strategic planning
	Leadership has performance measures in place
	Leadership identifies strategic priorities and shares with staff
Organizational Acceptance	Staff submit documentation for ongoing investment projects and ideas for new projects
	Staff complete some investment project documentation and provide project status infrequently

Level 3 - Developing

Level 3 Process Questions

- What is the frequency of the PMGB meetings?
- Do the PMGB members attend the meetings?
- Do the PMGB members prepare for the meetings?
- Do PMGB members participate in the meetings?
- How often does the program review and update its portfolio management process?
- Has the program evaluated the strategic alignment of its current projects?
- How often does the program review its key investment projects? Do the key investment projects track budget expenditures?
- Does the PMGB assign and track action items to its investment project managers?
- Has the program developed investment reports?
- Does the program have a platform for storing investment project documentation?

Level 3 Strategic Planning and Tracking Questions

- Does the program have an up-to-date strategic plan?
- Has the program shared the strategic plan with stakeholders?
- Has the program shared its strategic plan with stakeholders?
- Does leadership have a good understanding of the data going into the performance measures?
- Are the measures updated appropriately (monthly, quarterly, annually)?
- Has the program aligned its investment projects to its strategic priorities?

Level 3 Organizational Acceptance Questions

- Does staff submit new investment project proposals to the PMGB before work on a project begins?
- Has the program educated the staff on how to report progress on investment projects?
- What percent of the investment projects have completed documentation (appropriate to level of progress)?
- What percent of the program's investment projects have current status reported?

Level 3: Developing	
Process	PMGB meets infrequently, PMGB governance established
	PMGB members are actively practicing their role
	PfM process developed and documented
	PMGB conducts review of investment project inventory
	PMGB reviews every key investment project at least once per year
	PMGB assigns action items to investment project managers during investment review
	PfM reports developed
	Platform for PfM process developed, 50%-90% of investment projects are documented
	Leadership completes strategic plan and shares with staff and stakeholders
	Leadership tracks and understands program baseline performance
Strategic Planning and Tracking	Leadership aligns investment selection process with strategic priorities
	Staff submit investment proposals as they begin project, begin to submit investment proposals before work begins
Organizational Acceptance	Staff complete documentation for 50-90% of investment projects, project status is updated more frequently

Level 4 - Managed

Level 4 Process Questions

- Does the PMGB meet frequently enough to keep up with workload?
- Do the PMGB members ask probing questions about the strategic value of investment projects?
- Do PMGB members focus on investment project's scope/budget and schedule?
- Is the program's portfolio management documentation up-to-date?
- How often does the program review strategic alignment of its investment projects?
- Does the program have slide templates for investment project managers to complete for the reviews?
- Does the PMGB follow up on action items with its investment project managers?
- Does the program update the investment reports on a regular basis?
- What percent of investment projects meet project documentation standards?

Level 4 Strategic Planning and Tracking Questions

- Does the program actively use the strategic plan in its planning activities?
- Does the program use measures to baseline performance and track strategic investment efforts?
- Does the program rank its investment proposals against its strategic priorities?

Level 4 Organizational Acceptance Questions

- Do staff submit proposals for projects to begin the current year?
- Do staff submit proposals for projects to begin the next year?
- How frequently are the project status updated?

Level 4: Managed	
Process	PMGB governance integrated, PMGB meets on a regular basis
	PMGB members take the lead on portfolio management
	PfM process functioning and documentation is up to date
	PMGB realigns investment project inventory to strategic priorities once a year
	PMGB reviews key investment projects (as needed)
	PMGB tracks progress on action items from investment reviews
	PfM reports updated on regular basis
	Functional platform for PfM process, 90%-100% of investment projects are documented
Strategic Planning and Tracking	Leadership uses strategic plan for program planning
	Leadership uses performance measures to understand affect of strategic investments
	Leadership uses strategic priorities to guide investment project selection
Organizational Acceptance	Staff submit investment proposals before work begins, staff begin to submit proposals for future work
	Staff complete documentation for 90-100% of investment projects, project status is updated frequently

Level 5 - Optimized

Level 5 Process Questions

Does the PMGB review proposals and status reports in a timely manner?

Do the PMGB members evaluate and refine the portfolio management process?

Does the program continuously improve its portfolio management process?

How often does the program review the strategic performance of its investments?

Is key investment project information easily available to PMGB members?

Are the investment review actions items completed?

Are the investment reports automated?

Is project documentation easily available to the PMGB members?

Level 5 Strategic Planning and Tracking Questions

Does the program regularly refresh its strategic plan? Does the program refresh its performance measures to support new strategic initiatives and program direction?

Have the program's efforts realized movement on its strategic priorities?

Does the program have measures to track and measure progress on strategic priorities?

Level 5 Organizational Acceptance Questions

Do staff submit proposals for projects that are to begin two years out?

Are the project status updates automated?

Level 5: Optimized	
Process	PMGB governance integrated and accepted, PMGB meets frequently enough to complete all business
	PMGB members actively refine and improve the portfolio management process
	PfM process updated yearly for continuous improvement
	PMGB realigns investment project inventory to strategic priorities annually, reviews investment performance quarterly
	PMGB has on demand access to status of key investment projects
	Investment review action items completed on schedule
	PMGB has on demand access to PfM reports
Strategic Planning and Tracking	Platform fully supports PfM process, 100% of investment projects are documented
	Leadership updates strategic plan annually, refreshes plan every five years
	Leadership regularly reviews and updates program performance measures
Organizational Acceptance	Leadership's portfolio management "moves the needle" on strategic priorities
	Staff submit proposed investments before work begins and proposals are for future work one to two years out
	Staff complete documentation for 100% of investment projects, project status updates are automated

Next Steps

- Develop an implementation scorecard
- Analyze and grade selected programs using model
- Interpret model results
- Share results with peers
- Revise model as needed
- Continue to monitor and evaluate portfolio management at agency

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