

# Don't Let Projects Manage You

— Bobbi Stark, PMP, Principal of [Integral Process Solutions](#)

Today's economy has us all looking very carefully at how we are spending money and where we are focusing our resources. I know my checking account is constantly being monitored and much to my children's dismay, my discretionary spending has decreased dramatically.

On a larger scale, businesses of all sizes are feeling the spiraling effects of the economy, and it is not clear when things will completely turn around. Because of this, and also because IT organizations represent up to 50% of most companies' budget, the IT budgets are being scrutinized more than ever. So how do CIO's ensure that they are effectively maximizing the business dollars, managing their portfolio, applications, people and client relationships?

Without the appropriate governance and portfolio management functions/processes in place, there is a good chance that the IT organization will completely miss the mark when providing services.

## Shouldn't we manage our IT budgets the same way we monitor our own checking accounts?

- Establish what your key objectives are and a budget that reflects what money (funding) is available for the next 6-12 months. These decisions are made by those who hold the 'purse strings' and can authorize decisions related to spending = **Strategy/Finance**.
- Evaluate and align expenditure needs/requests against the objectives and available finances. If the evaluation doesn't align with objectives or available funds – don't do it! Set criteria to prioritize and determine the most critical expenditures = **Governance**.
- Determine if there are skilled resources available for the work that meets the above criteria. Only work that has the right resources should begin. Assign someone accountable and capable of planning and executing the work that is needed = **Project Management**.
- Establish a framework for managing projects and work. Work should be managed to ensure you are meeting expectations and providing anticipated value = **Portfolio Management**. The Portfolio Framework should include a means to support how you can best manage the various projects/work:
  - Schedule the work with inter-dependencies between different pieces of work.
  - Establish measures to ensure you are within overall budget and expected timelines.
  - Obtain reports from those in charge of the work to understand risk, and to measure performance against cost and schedule.
  - Plan for Murphy's Law - ensure there is a process in place to manage changes that directly impact one or more projects. This process needs to analyze both the impact to the project as well as the overall portfolio.

Whether you are managing your own checkbook or a business portfolio, it is critical to establish priorities. Be certain there is a controlled and effective method for overall cost management. The kids with their 'I want' lists, or the managers with 'pet projects' may not be happy. In both cases, you will have confidence that you are making the best decisions with available capital.



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