Library Services and IT Services papers   Library Services

10-2009

IT portfolio management in Higher Education

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Abstract

This paper examines the issues and impetus for project portfolio management in educational institutions in the higher education sector. Based on Bond University, issues regarding governance mechanism, project portfolio office, project management framework and project registry are discussed.

Keywords: Portfolio Management; Project portfolio; Project portfolio office; managing projects; Program management

Introduction

An increased demand for accountability in higher education necessitates performance based reporting across the board. It can be challenging to reduce the complex world of Information Technology (IT) to tangible measures like "alignment to mission" and "return on investment". Most organizations have limited resources and a plethora of request for resources and time – Engwall and Jerbrant [1] calls this the resource allocation syndrome. The questions such as how an organisation objectively determines which projects or systems to move forward and which one must wait? How can we involve others in the decision making process and how do we logically explain the results? Many organizations explore such questions in the context of IT Portfolio management. According to Gutjahr et al. [2], IT portfolio management is a challenging decision making area which has to ensure an efficient usage of organizational resources.

The primary goal of IT Project Portfolio Management is to identify and prioritize "the right project" so that appropriate resources can be applied in a timely manner. To accomplish the objectives, systems must be established to provide ongoing project status reports to enable shifting resources to complete projects that support the organization's top priorities. These reports serve to identify projects that do not serve the organization's mission so that they can be stopped before further critical resources are spent. Managing projects as part of an IT portfolio often shakes up the culture of an educational institution. Senior educators must be committed to weathering the storms of change in order for project portfolio management to succeed. The resistance will often come from those areas

or departments that have "pet" projects. Personnel in these areas might be concerned that their projects will be scrutinized more closely that in the past and they might be concerned that resources may be cut of and the project cancelled entirely. Projects that tie up resources that could be applied to higher priority projects might also be at risk. A Portfolio management approach that assesses resource allocation from a perspective of serving the overall good of the institution might well disrupt long standing practices in the IT department. Strong leadership is required to overcome resistance, facilitate new processes, and make portfolio management work.

IT Governance mechanisms

Bond University, the leading private university in Australia established the IT Governance Board (ICT GB) in January 2007. The ICT GB membership comprises the senior managers of the University's principal academic and business areas; DVC and Provost (Chair), PVC Teaching and Learning, Director of Information Services (IS), Director of Finance and Head, School of IT. The terms of reference is to establish awareness across the university for IT goals, to modify the university's view of IS, to enhance IT governance and strategic leadership, to assemble a network of IT and business leaders across the university, and to construct a portfolio or asset management view of IT. Essentially, the ICT GB was established to address the five problem areas (1) lacking resources, competencies and methods (2) lacking commitment, unclear roles and responsibilities (3) inadequate portfolio level activities (4) inadequate information management and (5) inadequate management of project-oriented organization.

Project Portfolio Office

As with any educational instittition, Bond had a myriad of IT projects under way both centrally and within its faculties, prompting a need for good project management and tracking. In October 2007, IS established the Project Portfolio Office (PPO) to coordinate its portfolio management of IT projects, to help ensure the alignment of the university and IT planning efforts, and to assist the ICT GB. The Project Portfolio Manager attends the ICT GB meetings, though she is not a member of the committee and plays a strategic role. ICT GB owns the decisions they made about IT investments and strategy. The PPO provides a focal point for IT project tracking and information dissemination. It participates in ICT GB in numerous ways, but above all, it helps ICT GB to assemble a coherent picture of how well the university's projects are serving the strategic imperatives.

The PPO manages the IT investment and Expenditure analysis (i.e. the IT Portfolio), which tracks Bond IT investments. This is a continuous process that links IT assets to IT investments and projects. The IT investment and Expenditure analysis is an analysis of Bond's expenditures for IT support and development, staffing, equipment and software over a calendar year. Its purpose is to provide informational context to inform future IT investment decisions to ICT GB. Analysis is done in several dimensions: by IT service type, by maintenance versus development and by funding source.

The PPO also holds training sessions to ensure that project managers and Steering committee members understand their roles, responsibilities and documentation requirements. The Office also serves as a university resource about project management practices.

Project Management Framework

The PPO administers Bond University's Project Management Framework. Based upon Project Management Institute (PMI) guidelines, the framework provides a streamlined, consistent, and standard project management methodology for projects that fall under the jurisdiction of Bond's ICT GB. It is mandatory for projects to be reviewed by ICT GB to follow the Project Management Framework. The framework delineates a five-step process:

- **Initiating:** The project manager notifies the PPO about a forthcoming project and submits a proposal for review that defines the project. The proposal serves as the project's base document.
- **Planning:** The project's objectives are defined and a plan is created with the PPO's consultation to outline and to manage the project. Depending on the project's nature, the project plan may contain a work breakdown structure diagram or Gantt chart, a risk management plan, a quality plan, and/or a communication plan.
- **Executing:** The Project plans are implemented.
- **Controlling:** The project plans are monitored and measured regularly through project status reports to ensure that project objectives are met as scheduled, and corrective action is taken if variances emerge.
- **Closing:** The project is formally ended and reviewed.

To ensure standardization, the PPO provides templates for any documentation required to fulfill these steps. Project managers download and utilize online versions of these templates for their projects. Project Managers must complete the original proposal that triggers the governance review process and the activity completion template at a project's closure. The framework is important since the PPO did not, until recently, employ it own project managers. Formerly, all projects were managed departmentally. Most projects however are still managed by a departmental staff (outside the PPO) and the framework guides this staff through the process.

Project Registry

The PPO administers the Project Registry, which tracks centrally funded IT projects from initiation to completion as they move through the ICT GB process, The Project Registry provides information that includes project title, benefits, description, participants, funding and status or issues related to the projects. Project managers feed the Project Registry by reporting monthly to the PPO about the project status and activities.

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Conclusion

Project portfolio management is critical in evaluating, prioritising, and selecting projects based on strategy. According to portfolio management principles, organisational resources should be allocated to projects in alignment with strategy. Bond University has recently started this journey.

References

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