



# Project and Portfolio Governance in an Agile World

## “Agile Portfolio Governance”

### White Paper Contents

The New Agile World .....	3
The Portfolio Governance Challenge .....	4
The need for an Agile Portfolio Governance .....	5
The Solution .....	8
Use Cases .....	9
Portfolio Manager .....	9
Agile Team Member .....	9
Portfolio Manager .....	9
Accountant .....	10
Conclusion.....	10

**Agile is rapidly growing in your company...** It’s enabling business to be more adaptive, collaborative while delivering more rapid results and innovation.

Your development teams are leveraging Agile User Stories, Epics, Tasks, Story Points, & conducting Daily Standups with their business partners to get their work done. Ultimately this enables your business to be more responsive, collaborative, and deliver more timely results while advancing your company’s product innovation strategies.

*Though something crucial is missing...*

Agile teams are not primarily focused on providing upward visibility, strategic alignment, cost tracking, or resource management. All of which are very important to the success of your company.



[www.Digital.Celerity.com](http://www.Digital.Celerity.com) – Delivering on the Power of CA Clarity PPM Integration with VersionOne



The challenge for your organization is to fully utilize the benefits of Agile, without compromising the information necessary to make truth based and highly effective portfolio and governance decisions. Agile, as well as traditional projects need to be prioritized in the pipeline to ensure that resources are being tactically deployed on the right projects, for the right reasons.

Though Agile tools are effective for Agile team productivity, they don't provide your company with the portfolio views and release predictability that a PMO needs to guide the business.

Transformative Integration of Agile tools with CA Clarity PPM makes the promise of **Agile Portfolio Governance** possible. Portfolio level visibility for all of your company's Agile, and waterfall projects, rolled up into Clarity PPM to provide:

- Upward visibility,
- reports & dashboards,
- cost tracking,
- resource management &
- strategic alignment.

Bringing Agile philosophy and business metrics together enables your organization to adapt to rapid changes while providing visibility & improved PPM decision making -- without changing your Agile team's culture, processes, or agile work management flows. Project & team level data is rolled-up to provide resource management, prioritization, reporting, and release planning at the program & portfolio level. This results in increased business alignment and efficiencies.

**Agile Portfolio Governance** bridges the gap between what management needs to see and what Agile teams have a challenge providing.

This White paper will describe a fully integrated, extensible Project, Portfolio, and Program Management solution that enable your PMO to address PPM challenges while empowering Agile Teams and the PMO to effectively work in a truly Agile manner.

The White Paper will describe how CA Clarity PPM can address these formidable challenges to naturally synergize your PMO and Agile development organizations to work together in delivering strategic results... at the speed of innovation.



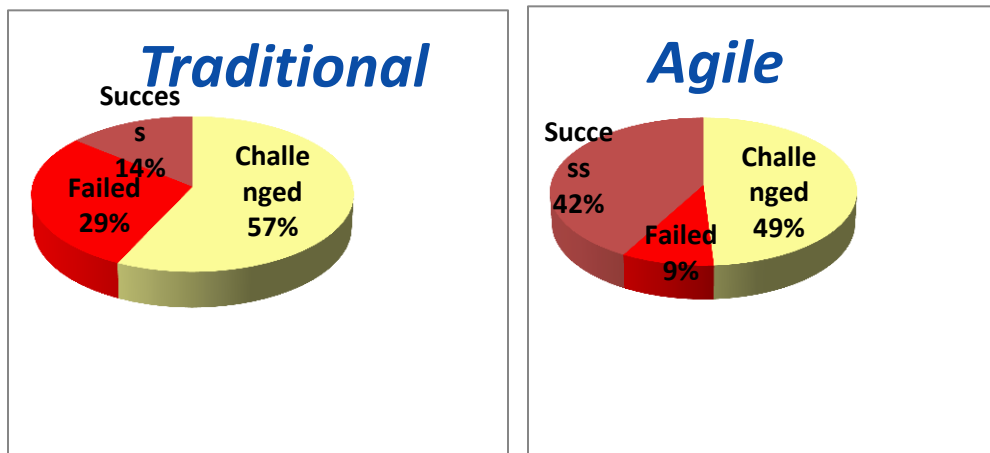
[www.Digital.Celerity.com](http://www.Digital.Celerity.com) – Delivering on the Power of CA Clarity PPM Integration with VersionOne

## The New Agile World

Agile Project Management has become a response in organizations to create the ability to both create and respond to change in order to profit in a turbulent business environment. Agile Project Management is an iterative, adaptive approach to Project Management that is designed to balance flexibility and stability. According the VersionOne State of Agile, 88% of organizations are practicing Agile Project Management. Agile Project Management has been adopted in organizations for the following major reasons:

- Accelerate innovation & time to market
- Manage changing priorities
- Better align IT and business objectives
- Increase productivity

According to the Standish group



*"If you haven't already, a priority for 2014 is to start your agile transition. Rethink how you need to deliver software and begin making the necessary adjustments to your application development and delivery practices." – Gartner, [2013]*

## The Portfolio Governance Challenge

Project and Portfolio Governance (PPG) is challenging for any organization in the current fast paced business environment. Many organizations have embraced Agile delivery to produce high value products in this fast paced, hyper-competitive Agile World. However, the challenge for the organization is to fully utilize the benefits of Agile to ensure the delivery efforts advance the company's product innovation strategies. Agile, as well as traditional projects, need to be prioritized in the pipeline to ensure that resources are being tactically deployed on the right projects, for the right reasons.

Traditional PPG faces challenges such as:

- Deciding which projects to select (when evaluating multiple projects that are competing for the same resources)
- Balancing the wall of work when there are too many projects and not enough resources to get everything done
- Difficulty in optimizing the portfolio of projects
  - short-term versus long-term, high-risk versus low-risk
- Poor alignment of priorities with resources that are simply stretched too thin

These goals are even more challenging in an *Agile World*.

In many organizations a Project Management Office (PMO) is focused on selecting, managing, and optimizing project, programs and portfolios in order to drive the strategic objectives. At the same time the Agile teams are focused on delivering high quality working products that meet customer's needs.





These two objectives by their nature cause a natural and healthy conflict between these areas of the organization. However, if there is not a conscious effort to align the PMO and Agile teams these conflicts specifically manifest themselves in the following:

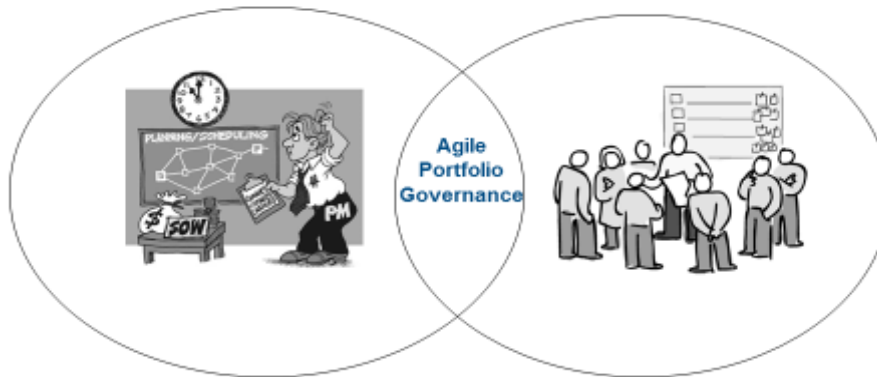
PPG Focus	Agile Team's Focus
<b>Capacity Planning:</b> Where are we spending our time so we can account for it and plan for future capacity to achieve strategic objectives	Tracking time slows me down, and doing it twice slows me down even more
<b>Strategic Portfolio Investment Decisions:</b> What projects will provide the highest value, what <b>skills are required</b> to deliver the projects, and <b>availability of resources</b> with those skills	Deliver value frequently and work collaboratively with customers
<b>Monitoring Portfolio Execution:</b> Are the projects going to deliver the expected value on time with the planned ROI.	Focus on delivering value in short iterations and adapting to change based on customer and market needs.

## The need for an Agile Portfolio Governance

Successful Agile Project Management is enabled by continuously improving your Agile team's culture, processes, or agile work management flows. At the same time the Portfolio Governance process needs to adapt to fast pace change and provide visibility & better PPM decision making. Many organizations have recognized that they need to align their Agile Project Management with strategic Portfolio Governance increasing the effectiveness of in their organizations.



## The need for Agile Portfolio Governance

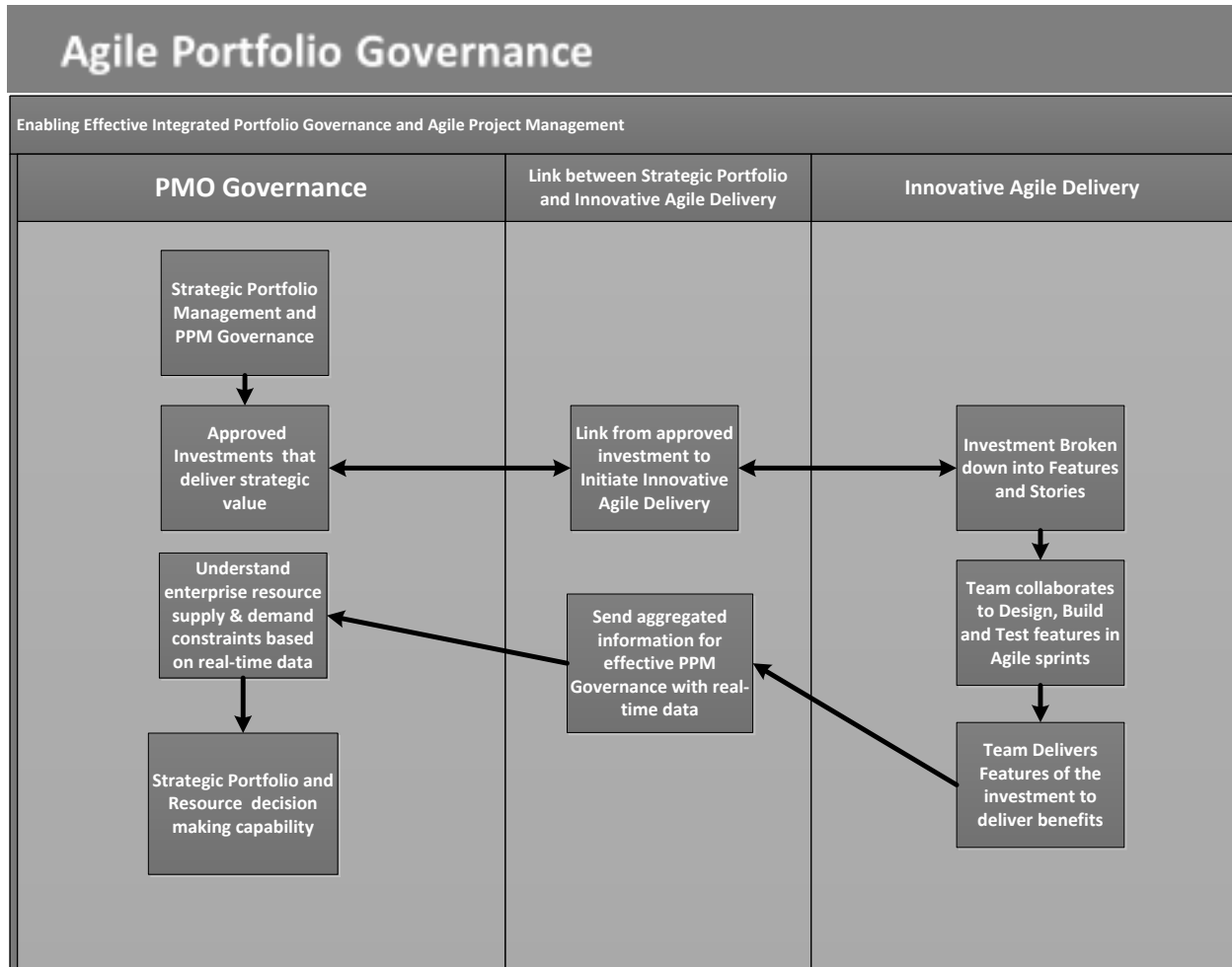


Bringing an Agile philosophy and strategic, portfolio governance together enables your organization to adapt to fast pace change and provide visibility & better PPM decision making -- without impacting your Agile team's culture or strategic portfolio governance process.

Agile Portfolio Governance bridges the gap between what management needs to see and what Agile teams have a challenge providing.

Transformative Integration with Agile tools and CA Clarity PPM provides **Agile Portfolio Governance**. Portfolio level visibility for all of your company's enterprise Agile, and waterfall, projects, rolled up into Clarity PPM for – Upward visibility, reports & dashboards, cost tracking, resource management & strategic alignment.

The diagram below shows how Agile Portfolio Governance provides a link between the PMO Governance and Innovative Agile Delivery to enable the two to work in harmony.





## The Solution

Digital Celerity has developed a solution to enable Agile Portfolio Management and Governance. The solution called Digital Courier facilitates the Integration with Agile tools data and CA Clarity™ PPM

PPG Focus	Agile Team's Focus	Digital Courier
<b>Strategic Portfolio Investment Decisions:</b> What projects will provide the highest value, what <b>skills are required</b> to deliver the projects, and <b>availability of resources</b> with those skills	Deliver value frequently and work collaboratively with customers	<b><u>Link Clarity Investments with Agile Delivery</u></b> <ul style="list-style-type: none"> <li>Clarity Projects and other investments are linked to Initiatives in Agile tools</li> </ul>
<b>Monitoring Portfolio Execution:</b> Are the projects going to deliver the expected value on time with the planned ROI.	Focus on delivering value in short iterations and adapting to change based on customer and market needs.	<b><u>Agile progress is Aggregated and sent to Clarity to Portfolio Analysis</u></b> <ul style="list-style-type: none"> <li>Agile progress data is captured in the Agile tool and Aggregated in a way that can be used in Clarity for Portfolio Management</li> </ul>
<b>Capacity Planning:</b> Where are we spending our time so we can account for it and plan for future capacity to achieve strategic objectives	Tracking time slows me down, and doing it twice slows me down	<b><u>Agile Feature Hours</u></b> <ul style="list-style-type: none"> <li>Capture hours from Stories and Tasks associated with a feature and send to Clarity</li> </ul> <b><u>Actuals based on team capacity and story points</u></b> <ul style="list-style-type: none"> <li>Calculate the Clarity Actual hours based on resource allocation to Sprints and relative effort to an Initiative within the sprint</li> </ul>







## Use Cases

The following Use Cases describe how each of the team members in an organization interacts within the Agile Portfolio Governance system.

### Portfolio Manager

As a Portfolio Manager I want to analyze all ongoing and planned investments in a Portfolio to determine which projects to execute to deliver the highest strategic value to the organization.

- The Portfolio Manager can utilize Clarity Portfolio Management tools to:
  - Rank investments based on multiple criteria to decide which projects to select
  - Determine the resource and cost constraints to determine what projects can be executed
  - Initiate the execution of new projects in the Portfolio so that they can provide the defined value
  - Enable progress tracking for both Agile and Waterfall projects
  - Capture aggregated progress data from VersionOne for Portfolio and Resource analysis

### Agile Team Member

As an Agile Team member I want to break the Clarity initiative down into features, stories and tasks and manage the work in sprints to deliver working increments of product.

- The Agile Team members can utilize VersionOne to:
  - Break the Initiative Epic into sub-Epics, stories, and tasks
  - Create a backlog of stories
  - Schedule the stories in releases and sprints
  - Manage the execution of work in sprints to deliver value in short increments
  - Manage the sprint story point estimating process based on their defined process without changing based on Portfolio Management needs
  - Manage tracking progress (story points or hours) based on their Agile needs without having to change process or enter data in VersionOne and Clarity

### Portfolio Manager

As a Portfolio Manager I want to capture actual hours data from VersionOne and utilize the data in Clarity for Portfolio what-if analysis and decision making.



[www.Digital.Celerity.com](http://www.Digital.Celerity.com) – Delivering on the Power of CA Clarity PPM Integration with VersionOne



- The Portfolio Manager can utilize Clarity Portfolio and Resource Management tools to:
  - Capture aggregated actual hours that were sent from VersionOne, using Digital Courier, to analyze Agile projects in the Portfolio
  - See Agile projects in the Portfolio in conjunction with other non-Agile projects to see the overall progress against strategic objectives
  - Use the up-to-date information from Agile and non-Agile projects to understand resource constraints in the Portfolio, perform what-if analysis, and adjust the Portfolio

## Accountant

As an Accountant I want to capture time in order to categorize work and be able to capitalize project work

- The Accountant can utilize the data that was create in VersionOne and sent to Clarity to:
  - Aggregate time to work that can be determined to be Capitalized

## Conclusion

Portfolio Governance and Agile Project Management are both critical to your organization's success in our hyper competitive and rapidly changing business world. Agile Portfolio Governance, through Digital Courier is designed to enable both to work effectively with each other to enable the PMO and Agile teams to work together and to achieve the highest value for the organization and take advantage of the changing business environment.

\*\*\*

Please contact Allan Mills at [Allan.Mills@DigitalCelerity.com](mailto:Allan.Mills@DigitalCelerity.com) if you would like more information on this topic, or to participate in an ongoing research study to help organizations with their Project, Program & Portfolio Governance in an Agile World.

To learn more and receive a demo of Agile Portfolio Governance with CA Clarity™ PPM with VersionOne®, Jira or Microsoft Team Foundation Server (TFS) please contact us at [sales@digitalcelernity.com](mailto:sales@digitalcelernity.com) or call (888) 963-8876.



**www.Digital.Celerity.com** – Delivering on the Power of CA Clarity PPM Integration with VersionOne