

Reader Resources for

The  
Pragmatic  
Programmers

# Manage Your Project Portfolio

## Second Edition

Increase Your Capacity  
Finish More Projects

*Johanna Rothman*

*Edited by Rebecca Gulick*



<b>Purpose of this workbook.....</b>	<b>3</b>
<b>Introduction.....</b>	<b>3</b>
<b>Signs You Need to Manage Your Project Portfolio:.....</b>	<b>4</b>
<i>Activity: What signs do you see that you need to manage your project portfolio? .....</i>	<i>4</i>
<b>Collect Your Work.....</b>	<b>5</b>
<b>Create Your First Draft Portfolio .....</b>	<b>5</b>
<i>Activity: Create your first draft project portfolio. ....</i>	<i>5</i>
<b>Rank Your Projects.....</b>	<b>6</b>
<i>Activity: Rank your work, part 1.....</i>	<i>6</i>
<i>Activity: Rank your work, part 2.....</i>	<i>8</i>
<i>Activity: Rank order your work.....</i>	<i>8</i>
<b>Collaborate on the project portfolio.....</b>	<b>9</b>
<i>Activity: Collaboration Ideas .....</i>	<i>9</i>
<b>Decide how to evaluate the project portfolio.....</b>	<b>10</b>
<i>Activity: Evaluate each project on your project portfolio.....</i>	<i>10</i>
<b>How to Say “No” .....</b>	<b>11</b>
<i>Activity: Saying No .....</i>	<i>11</i>
<b>Use a Parking Lot to see projects which need decisions.....</b>	<b>12</b>
<i>Activity: Create your parking lot.....</i>	<i>12</i>
<b>Decide how to visualize your portfolio.....</b>	<b>13</b>
<i>Activity: Decide what you will visualize .....</i>	<i>14</i>
<b>Scaling Tips .....</b>	<b>15</b>
<b>Project Portfolio Measures are not Project/Program Measures .....</b>	<b>15</b>
<i>Activity: Define your measures .....</i>	<i>15</i>
<b>Final key thoughts for managing your project portfolio .....</b>	<b>16</b>

### ***Purpose of this workbook***

You might be wondering if managing the project portfolio is for you. Or, you might want to start right away.

I'm providing this workbook as a guide for you to create your first draft project portfolio. This workbook doesn't have everything in it that the book does. It's a guide so you can start.

If you haven't bought the book yet, here's the link:

<https://pragprog.com/book/jrport2/manage-your-project-portfolio-second-edition>

Feel free to use the forums or to email me. I love to hear from my readers.

### ***Introduction***

You are ready to start thinking about your project portfolio. Use this workbook (preferably in conjunction with the book) to create your first draft project portfolio.

I have tips for other topics, such as collaborating, scaling, and measurements.

Let's walk through some typical thinking...

### ***Signs You Need to Manage Your Project Portfolio:***

You might be wondering if you really need to manage your project portfolio. These are the signs I see in organizations:

- ☐ You have emergency projects.
- ☐ You have to respond “right now” to projects in progress and fixes.
- ☐ You have too many emergency fixes.
- ☐ You have many projects that are in progress and you can't tell when any of them might finish.
- ☐ You don't seem to appear to have the "right" people on any project. Even if you move people around like chess pieces, the projects never seem to finish.
- ☐ When you release projects, the teams don't always feel as if they are “done.”
- ☐ You're surprised by some projects you do finish. Not all the projects appear to be congruent with your corporate strategy.
- ☐ You can't actually tell the status of the projects in flight. Some look “green” until they are “red.” Some require fire-fighting to complete.
- ☐ You feel as if you have the same experts working on more than one project or fix. You always need Tom or Susan to finish every project.

If you see any of these problems, yes, you need to manage your project portfolio.

***Activity:*** What signs do you see that you need to manage your project portfolio?

Check off the signs you see in your work, your team or group. How many boxes did you check?

The more boxes, the more you need to visualize all your work and decide what to do.

## ***Collect Your Work***

Once you know you need to manage your project portfolio, the first step is to collect all the work at your level.

As you collect your work, make sure you collect all your work. Here are the five kinds of work:

Time-defined work:

- Periodic work
- Ongoing work
- In process ad hoc work

Intent-based work:

- Project work
- Management work

## ***Create Your First Draft Portfolio***

Now that you know what all the work is, write it down on stickies. I recommend you write stickies using a dark marker so you can place them on your first draft portfolio.

Write down everything you do. Yes, all of it.

*Activity:* Create your first draft project portfolio.

Write down all of your work, one piece of work to a sticky. Use a dark marker so you can step back and see your work.

After you write your stickies, create a version of this chart below. This chart is a template for you to use and change.

Tasks	Week 1	Week 2	Week 3	Week 4
Unstaffed work				

The first time you do this, make sure you use paper. Do not use a spreadsheet. I recommend a white board or a flip chart. The stickies will stick long enough for you to be able to see them.

Place your stickies where they belong.

Now, ask yourself, what am I trying to do work that does not fit (for any number of reasons)? Move that work to the unstaffed row. This is your current reality of what you could do. The question is this: should you?

Once you have your work arranged by staffed-for-the-next-few-weeks and unstaffed, look back at it. Do you know the priority of all the work? Do you need to talk to anyone about the unstaffed work? Do you have that sinking feeling that you have high priority work in the unstaffed row?

You might. Do not worry yet. This step is about visualizing all the work you are supposed to do.

You might take a picture of your current project portfolio. You will move stickies around as we proceed. I sometimes like knowing what my initial thoughts were.

### ***Rank Your Projects***

Once you can see all your work, consider how you want to rank it.

Here is the summary of the ways you can rank your projects:

Ask yourself the Zeroth question: Should we do this project at all?

**Activity:** Rank your work, part 1.

For all the work in your draft portfolio, ask yourself these questions:

- Should we (as an organization) do this work?
- Should I do this work? (Maybe someone else should do this work.)

If you say no in some way to these questions, put the work in Unstaffed for now. You might want to add a note to your sticky that says why you don't think the org or you should do the work.

Now, step back again and take a look at your portfolio. Did you add more work as you asked yourself these questions? Sometimes, I do. I might add work that says, "Transition Project 3 to Dan," or "Transition Project 4 to Susan." Yes, that's more work. And, it's work now that helps me see how to make sense of the rest of my work.

**Activity: Rank your work, part 2.**

Once you know the work is worth doing, think about ways to rank. Here are some ways (the book has more information about each of these approaches):

- Cost of Delay
- Business value points
- Project risk
- Your organization's context
- Who's waiting for what?
- Your product's position in the marketplace
- A variety of other comparison: pairwise, single and double elimination

Use whatever approach you like to rank the work in each column. You don't have to rank the Unstaffed work, unless you plan to discuss this work with a manager. You might want to, so you can say, "See Project C? You think it's a high priority. I think it ranks low on my list. Let's talk about what's worth doing first." I'll discuss ways to say No later in this workbook.

**Ranking Tips:**

I'm asking you to rank alone yourself right now. I'm also suggesting you use this data as a strawman for discussion.

- Never rank a team/group's portfolio alone. Other people may have great reasons for ranking projects higher or lower than you do. Listen to them.
- Don't use ROI (return on investment) because you can't predict it.

**Activity: Rank order your work**

Now, look at your stickies on your first draft project portfolio. Organize them in rank order. That is, the top-most sticky in each column is the first thing you want to do.

Do you have more work you can't do? Put that in the Unstaffed row.

If you're not sure how to value each piece of work, ask yourself this question: "Is this the most valuable work I can do now?"

Make sure you rank your work in order. You can't have two "#1" projects. One has to be #1 and the other has to be #2.



### ***Collaborate on the project portfolio***

You now have your project portfolio. That's great if you're a technical contributor or a first-line manager. That's not enough if you are trying to manage the work of several teams or groups.

You have a strawman project portfolio. Now, make sure you bring other people into the decision-making.

Who else do you need to make decisions with you? Ask them to work with you.

Are your projects interrelated? Maybe you have a program. A program is a collection of inter-related projects, where the value is in the total deliverable.

Decide who will make decisions and how often. How often do you want the project portfolio to change? Here are some guidelines:

- Changing every week might well be too often. Consider flowing work, as in a kanban, through your team instead.
- Changing only once a year is not often enough.
- The more often you can release product, the more often you can change the project portfolio.
- The less often you can release, the less often you can change the project portfolio.

I recommend you start with two-three months as a cycle to review the project portfolio.

Your project portfolio doesn't last forever, so decide how often you will review, rerank, and republish the project portfolio.

#### ***Activity: Collaboration Ideas***

1. Make a list of all the people you need/want to collaborate with.
2. Do you want to ask them to create their own portfolios to integrate with yours? Do you want them to review this strawman? Consider what you want to share with them.
3. Ask how often you think you can all review the project portfolio.

### ***Decide how to evaluate the project portfolio***

You might want to use this checklist for each project:

Yes	No	Project Evaluation List: Ask these questions for each project
		Does the project still fit with the overall strategy?
		Can you show completed features? (Be ready to demo)
		Can you show project backlog progress against the product roadmap? (Where respect to where you thought it might be?)
		Does this project have obstacles to remove? (What are the project's obstacles?)
		Is this project still valuable now? (Do you have competing projects that might I

*Activity:* Evaluate each project on your project portfolio.

For every project on your portfolio, ask yourself the questions in the checklist above. Do you have projects waiting for obstacle removal? Do you need to make other decisions?

Here is some space for your notes about your projects.

You might want to have a “formal” project portfolio evaluation meeting. Here is a reasonable agenda to use:

1. Evaluate each project.
2. Rank each project.
3. Make commit decision.
4. Publish the ranking.
5. Decide when to meet again.

### ***How to Say “No”***

Even after you evaluate the project portfolio, you will have more work requests. What can you do? If it’s too soon to evaluate the project portfolio again, consider ways to say no.

You have many ways to say no to more work, or all the work you are supposed to do. Here are some tips:

- We could add more people.
- What should we drop?
- I see these alternatives.
- I see these risks.
- Give us one timebox and we can estimate the rest.
- Please explain your principle behind your ranking.

### ***Activity: Saying No***

If you have too many projects to complete, list them here. Next to each, write down the way you might say no:

Project Name	How to say no:

If you need to add more lines to this list, consider using a No sticky attached to the project sticky and put that on a Parking Lot. See the next page for the Parking Lot.

### ***Use a Parking Lot to see projects which need decisions***

Project Parking Lot

Project Name	Date Project Put on Parking Lot	Value Discussion	Notes About Project
Calendar Integration	Feb 1, 2006	If we can do this, significant value for longtime customers	Integration is not possible right now. Reevaluate when syncing with other devices works.
Geospatial Tagging	Nov 12, 2011	Better for the hard-to-acquire customers. Not so much value for existing customers.	Only basic tagging available now. Need more details. See wiki discussion.

If you have projects that don't appear to fit the strategy, would bend the laws of physics, or you just can't do right now, create your parking lot.

#### ***Activity: Create your parking lot***

Create a board/flip chart/wall with the four columns above: project name, date, value, notes. Now, add your Unstaffed and No projects.

I like to use stickies for this activity. We can discuss and move stickies around—back to the project portfolio and the parking lot.

Do not use an electronic tool until your discussion comes to an end.

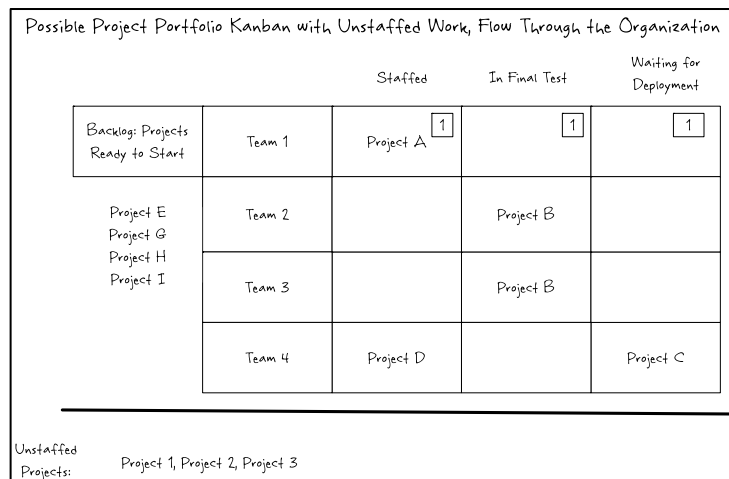
## Decide how to visualize your portfolio

Who needs to see what? You might need different views of the work. Do you need to see:

- The relative ranking of each project, so people know when they can interrupt others and when they should not?
- The unstaffed work, so people know what to not work on?
- The progress of the project through the organization?
- The organization's WIP (work in progress limits), so people know when it's safe and not safe to consider more work?
- The project end date for a given project, so people can plan when to start another project or program?

Decide on all the ways you want to show the project portfolio. In the book, I have many visuals for ways to see the project portfolio.

Here are two common ways people like to see their project portfolio:



Calendar View of Projects with Predicted Dates						
	Rank	January	February	March	April	May
Staffed Projects	1	Project1	Project1	Project1		
	2	Project2	Project2	Project2		
Unstaffed Work	3		Project3	Project3	Project3	
	4			Project4	Project4	Project4
	5				Project5	Project5

**Activity:** Decide what you will visualize

Answer the questions for what people need to see:

- The relative ranking of each project, so people know when they can interrupt others and when they should not?
- The unstaffed work, so people know what to not work on?
- The progress of the project through the organization?
- The organization's WIP (work in progress limits), so people know when it's safe and not safe to consider more work?
- The project end date for a given project, so people can plan when to start another project or program?

Do you need to answer other questions with your project portfolio? Add those answers to this list.

Once you know what questions people have, you can design a project portfolio board (or boards) to provide that information.

### ***Scaling Tips***

As you start to manage the project portfolio, flow work through teams, not individuals. Make sure the teams learn that area/those areas of the product well enough that they can have a steady throughput of features.

Develop boards from the bottom up and top down. That is, have each department develop its project portfolio, and have the organization define its highest-ranking priorities. Don't try to start all top down. That's impossible and doesn't provide you decision-making data.

Make sure everyone agrees on the business strategy for your organization.

### ***Project Portfolio Measures are not Project/Program Measures***

You can measure any number of things about projects and programs. Here are some project possibilities:

- Velocity or cycle time
- Work in progress
- Obstacles for a given team
- Cumulative flow
- Product backlog burnup chart
- Project cost

Those are about a specific project, not the project portfolio. Here are some possibilities for the project portfolio:

- Total cost for the project against the product backlog burnup
- Capital expenses against the product backlog burnup
- Number of simultaneous projects you ask teams to work on
- Number of projects finished in a given unit of time

### ***Activity: Define your measures***

What measurements will help you manage the project portfolio? List them.

To understand the project portfolio, do you need teams to measure something about their projects/programs? List them.

### ***Final key thoughts for managing your project portfolio***

Remember these two key ideas:

1. You can do it all. Just not all at the same time.
2. It doesn't matter how many projects you start. It matters how many projects you finish.

Best wishes for managing your project portfolio. Please use the book's forum or email me any time.

Please consider joining my email newsletter, the Pragmatic Manager:

<http://www.jrothman.com/pragmaticmanager/>

I write about one email a month, with ideas you can use. Use that link to view the entire archive.

Best wishes for your project portfolio...

Johanna Rothman