SUCCESS STORY:

LEAN APPLIED TO PORTFOLIO MANAGEMENT

Project Portfolio Management is the process used to manage the entire project portfolio. It is about only executing the projects that contribute the highest value to the business, and that are aligned with the strategy, while making the best possible use of available resources. What help can Lean practices bring to the management of this process?

GREENLIGHT
PROJECT MANAGEMENT

INITIAL SITUATION

The X Company had set up offices in Sweden, Panama and the UK. These offices focused on selling services, to be carried out by resources from the main office. The resulting **demand on new work**, as well as the increased support to sales activities **caused a higher total workload** in the company. This level of demand arose from **various sources** and **priority conflicts** were common. The number of resources was still the same and the structure of the organization was unchanged. The number of **requests with unclear requirements** increased, causing the rejection of results after delivery.
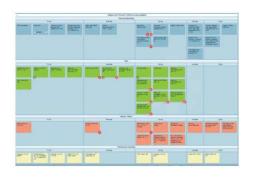
CHALLENGES

1) Setting up mechanisms to coordinate between the various sources of requests.
2) Reduce the level of rejection of results and improve the definition of work requested.
3) Measure the impact of requests on the total work in progress.
4) Strike a balance between unclear requirements and an efficient and flexible use of resources.

THE GREENLIGHT PROJECT MANAGEMENT SOLUTION

GreenlightPM concentrated their efforts on applying Lean practices to the Project Portfolio Management process, using Kanban as a management tool. The efforts focused on:

1) Reviewing the priority criteria and demand management mechanisms.
2) Simplifying the work request mechanisms.
3) Reducing the scope of requests and getting feedback about results more frequently.
4) A visual representation of work and applying rules to increase the flow of deliveries.
5) A visual representation of the use of resources, to be able to assign them more flexibly.

RESULTS

During the first 2 months after implementation, the following results were estimated to have been achieved:

1) Activities performed by the same resources increased by 20%.
2) Deliveries with high business priority increased by 15%.
3) Rejected deliveries (for not fulfilling expectations of requesting party) decreased by 40%.
4) Reduced level of tension in the organization, with the corresponding beneficial impact on the work environment.