REALIZING THE FULL BENEFIT OF IT

THE FUJITSU IT PROGRAM PORTFOLIO MANAGEMENT (IT PPM) SOLUTION CAN HELP YOU ELIMINATE WASTE WHILE FULLY OPTIMIZING YOUR IT INVESTMENTS

THE PROBLEM

- IT spend not perceived to be creating sufficient value
- Business and IT cannot agree on what constitutes sufficient value
- Difficult to eliminate projects that are producing little value
- Projects not aligned to business strategies and objectives
- No clear strategic method for evaluating a large number of projects
- Underestimating scope, schedule, resources, risks and costs
- Poor execution quality, leading to a lack of confidence in IT

CHALLENGES

Steering organizational evolution in a rapidly changing environment
Many business executives are concerned that the competitive edge of their organizations lasts months not years. However, in a fast moving global marketplace, indecision about change can prove just as costly as the wrong decision; far too often, new change initiatives and information systems take longer to implement than the lives of the tactical business strategies they are intended to support. You need ongoing strategic management (many base hits), rather than a one-time plan (a home run).

Structuring business and IT architectures for agility
Industry consolidation and the disruption of traditional value chains have exposed an even greater need for adaptability and the near-real-time realignment of IT capability to business strategies. However, investments in skills, processes and infrastructure take longer to change than ideas or strategy.

A fundamental question faced by most organizations is how to sustain growth while restructuring to meet the future demands of the marketplace. Key challenges include:

- Keep costs down
- Eliminate redundancy
- Ensure cross-functional alignment
- Better understand the impact of change
- Leverage existing investments in information and IT
- Make the business and IT environment less brittle and more responsive

HOW WE CAN HELP

The IT PPM offering from Fujitsu addresses your critical need to drive enhanced business value from your business- and IT-enabled change investments.

Together, we create portfolios, which are structured groupings of investment programs such as applications, hardware or implementation projects that are designed to achieve well-defined business results and risk/reward targets. Goals include:

- Objectively evaluate and select winning programs
- Enable the optimal deployment of key assets
- Promote proactive management of the portfolio throughout the lifecycles of the programs contained within it, from concept to benefit
- Ensure the value anticipated from an investment is not allowed to leak
- Provide the ability to change direction based upon emerging conditions
- Design and manage successful change initiatives to ensure the objectives of a portfolio are met
- Establish a common understanding of business value

Thus, you can obtain a complete picture of the potential benefits of an investment and the actions needed to achieve the desired results. Prime candidates for this solution are companies needing to maintain innovative investments while coping with growth or controlling costs.
**WEEK ONE**

**Process Reviews and Visioning**

- Days 1 - 3:
  - Process Review Workshop
    - Day 1: discuss industry best practices for managing portfolios and review “as-is” portfolio and capacity management processes
    - Days 2 & 3: map all processes to “to-be” vision
  - Days 4 & 5:
    - Complete analysis and create process review document
    - One-on-one follow up clarification

**DELIVERABLES**

- Process review document
- Updated process / governance document

**WEEK TWO**

**Investment Analysis and Recommendations**

- Days 1 & 2: Investment Analysis Workshop
  - Discuss industry best practices for investment analysis, define scoring method to evaluate and score investments, and discuss data / templates used in the current process

  - Days 3 - 5:
    - Review and update the portfolio management and capacity management processes to address gaps
    - Create recommended implementation plan

**KEY ACTIVITIES**

**BENEFITS**

With our IT PPM solution, you can increase the success rate of your major investments by getting it right the first time. Your entire organization – from top executives to project teams – gain a better, shared understanding of the potential benefits of an investment and how to get there.

Executives have increased comfort levels, reducing the leap of faith usually involved in moving from project-level results to business-level benefits. By eliminating ineffective investments, they can accelerate the launch of more valuable programs and thus improve the performance of both IT and the business.

**HOW IT WORKS**

**Advising and Assess Services**

Our IT PPM services start with an assessment workshop that can be tailored to your level of maturity. Whether we are initiating the establishment of sound PPM practices or simply extending your existing capabilities, this workshop can quickly create a roadmap for optimal results. Below is an example of a workshop tailored for an investment planning process.

**PPM Product Evaluation and Selection Service**

Finding just the right product to help you manage your PPM processes is a challenge. Balancing costs, business needs and the ability to assimilate the product can be daunting without a well thought out and structured approach. Our Evaluation and Selection service is designed to help you navigate through this complexity by providing assistance in the following areas:

- Identify corporate objectives for PPM
- Identify operational requirements for the business
- Develop a business case and request for proposal (RFP)
- Create a vendor and product evaluation scoring framework
- Develop vendor demonstration scripts
- Execute the evaluation process
- Finalize the business case based on evaluation results

The following graphic outlines solution selection tradeoffs:

**FACT SHEET**

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http://solutions.us.fujitsu.com/

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PPM Implementation Service

Even though new PPM processes have been developed, their implementation can be extremely difficult, often requiring significant cultural changes in the areas of decision-making, roles and responsibilities and even organizational alignment.

Our PPM implementation offering provides a proven methodology designed to introduce change at a pace you can support. This methodology relies on a collaborative approach with clear check points designed to measure progress and accountability for all stakeholders.

We can assist with any or all of the following steps:

- Establish Objectives
- Create the Value Management Office
- Define Operational Processes
- Develop Governance
- Produce Communication Plan
- Implement Processes and Tools

Balance, Harvest and Improve Portfolio Services

Once the PPM processes have been established and implemented, Fujitsu can help move quickly to realizing the value of these processes. At this point improvement objectives have been established and metrics identified to measure multiple dimensions of value for the assets within the portfolios. Fujitsu can provide assistance in the collection, organization, and analysis of the enterprise data needed to assess the portfolios. Our approach to quickly differentiate meaningful from unreliable data provides the solid foundation necessary for accurate decision making when balancing portfolios. Our experience in balancing challenges can accelerate the time to value and reduce the emotional conflicts involved with moving priorities from one investment to another.

The act of balancing the portfolio is the first step in Harvesting Benefits. Once the portfolio is balanced or optimized, it must be continually monitored to ensure the investments progress toward their proposed benefits as planned. This involves integrated Program Management and Governance designed to ensure that visibility is maintained throughout the lifecycle of each investment. The Fujitsu Harvest Benefits service can provide these support services including the monitoring of investments as they reach maturity and begin to produce the desired benefits. Using unique tools such as our Results Chain and Benefits Register, companies can gain improved visibility to benefit attainment of their investments.

Finally, as benefits are being harvested there are valuable lessons to be learned if the quality and quantity of those benefits do not meet the expectations of the original business case. Fujitsu Improve Portfolio Service tracks and analyzes these outcomes to identify the root cause in the PPM processes that led to an underperforming investment. Then we improve the baseline process to increase the overall effectiveness.

Our Balancing, Harvesting and Improvement Service help companies leverage their PPM implementation to quickly realize and improve the value of their portfolios’ investments.

SOLUTIONS IN ACTION

Eliminating $18M in poor investments within 90 days

A Fortune 100 telco provider’s consumer division needed a governance process to support a large business transformation program that included cost-reduction initiatives.

Approach

Fujitsu used Macroscope® PPM processes and tools to develop a compellingly powerful, integrated approach to organizing the consumer division’s initiatives into a portfolio that was aligned with business objectives.

Achieving Results Through Cultural Change

- $18M of underperforming investments – 30% of the portfolio – cancelled in the first evaluation event
- $4.5M of investments voluntarily cancelled by business owners prior to the evaluation event
- 100% adoption rate through the PPM organizational change processes

In addition, our IT PPM process was implemented to help manage the following:

- $1.3B vendor contract including service level agreement (SLA) evaluation and change request investment management
- Innovative investment portfolio for new product development
- Entire IT investment portfolio for the consumer division

Improving Department of Homeland Security’s Budgeting

The Department of Homeland Security (DHS) Capital Planning and Investment Control (CPIC) needed an automated process to support the entry of capital investment business cases, replacing the current system with one that would be easy to use while providing consistent quality.

Approach

Fujitsu developed an evaluation framework for DHS’s annual budget submissions to the Office of Management and Budget (OMB) and configured it using the ProSight Fast Track Capital Budgeting module. This approach gave DHS the ability to prioritize investments.
and enter good, consistent business cases. We worked with them to improve the scoring of DHS budgets prior to submission and have managed the system and process for them over five years.

**Results**

- 110 business cases entered, reviewed and scored
- Approval rate of 98% for OMB’s first review
- Business case scores improved by 40% or more based on our coaching

**Improving Federal Aviation Administration’s Investment Planning**

For a period of nearly ten years, Fujitsu applied its portfolio management techniques and expertise at the Federal Aviation Administration in the following service areas:

- Oceanic air traffic control
- En-route air traffic control
- Aviation weather
- Aviation safety
- IT
- Cyber-security strategy and planning.

We established a Value Management office with processes for categorization, alignment, selection, prioritization, performance measurement and value-at-risk mitigation. As a result, the FAA is now better poised to optimize its project portfolios and ensure that expected benefits are realized.

**Approach**

Focus areas included:

- Strategic alignment
- Value management/governance process engineering
- Architecture and value-at-risk identification
- Performance management

We examined the following business issues:

- Remediate missing linkages intended to connect investment projects to agency and service area strategic plans
- Transform the architecture from one driven by technology to one driven by the capabilities required to achieve strategic objectives
- Create program management accountability for business outcomes rather than just systems delivery
- Identify and mitigate risks and assumptions that would adversely affect the realization of business value

In addition to the portfolio management work, we performed the following tasks:

- Use reverse engineering to extract functional and data models in preparation for the legacy migration of the en-route air traffic control system
- Participate in the development of IT strategic plans and performance measures
- Prepare Results Chains (similar to Strategy Maps) to align cyber-security capabilities with strategic outcomes and performance measures
- Examine the feasibility of consolidating oceanic and en-route air traffic control automation mainframe hosts
- Examine the feasibility of consolidating Air Route Traffic Control Centers from 21 to four
- Apply principles of the evolutionary spiral systems development method to provide early identification of programmatic risks in the Free Flight initiative
- Develop data models and data element standards for en-route air traffic control in accordance with ISO/IEC 11179

**WHY FUJITSU**

**Enabling Business Performance**

Our Business Consulting Services bring you depth and breadth of experience. At a personal level, you gain someone to share management challenges with you, someone you can rely on for good judgment and sound, practical advice, someone with a wealth of experience and resources. At the organizational or corporate level, you gain a global partner who brings to bear consistent, proven processes, methodologies and tools.

Fujitsu can help you identify and understand management problems and then recommend, implement and stand behind effective business solutions designed to deliver real business value.

**ABOUT FUJITSU AMERICA**

Fujitsu America, Inc. is a leading ICT solutions provider for organizations in the U.S., Canada and the Caribbean. Fujitsu enables clients to meet their business objectives through integrated offerings including consulting, systems integration, managed services and outsourcing for enterprise applications, data center and field services operations, based on server, software, storage and mobile technologies. Fujitsu provides industry-oriented solutions for manufacturing, retail, healthcare, government, education, financial services and communications sectors. For more information, please visit: [http://solutions.us.fujitsu.com/](http://solutions.us.fujitsu.com/)