

Business Matters - Whitepaper



Understanding PPM Technology in 2010 Portfolio, Project Management

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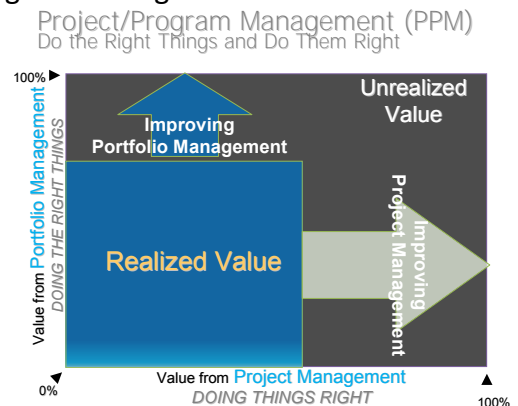
Research Sources on PPM Technologies

All the most robust PPM technologies in the world have been defined and researched by three major research organizations--- [Gartner Research](#), [Forrester Research](#), and [IDC](#) (International Data Corporation). These studies and the resulting data and information published define the functionality, the breadth, and capability of portfolio, project, and program technologies. This is displayed for example, by Gartner Research in a four quadrant methodology.

Robust PPM technologies, simply put, encompass portfolio planning; project and program management scheduling, resource capacity management, and document management. These most advanced technologies now use an enterprise capability—which is a single, central database with user security access control; and web based information access. The concept of a central database with web access for a project management system can best be shown by the adjacent diagram.

The combining of the Portfolio tools with the Project, Program Management tools and the introduction of enterprise, web based technology is relatively new—coming into the forefront of capabilities in year 2000—2002 period.

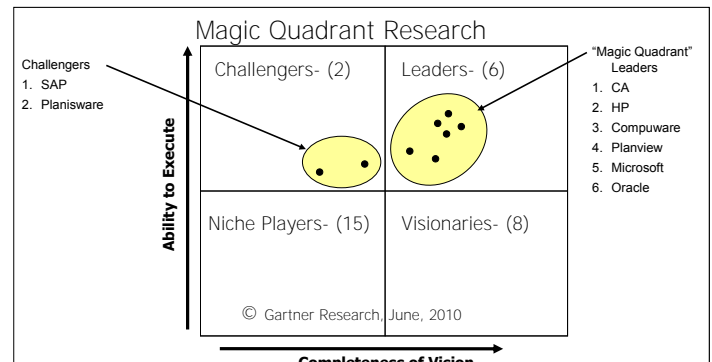
Choosing where to start – Portfolio or Project/ Program Management are is always an issue of major importance. The organization needs to identify the “unrealized value” issues in “doing the right projects” or “doing projects right” – see adjacent diagram.



Top Eight PPM Technologies

Most research indicates there are only eight robust PPM technology manufacturers delivering high functionality, high quality, and sophisticated PPM solution tools- these PPM tools are in the upper quadrants of the Gartner Research published annually every June. Those companies are:

1. Microsoft—brand Project Server & Portfolio Server
2. Primavera, now owned by Oracle—brand P6
3. Compuware
4. Planview
5. Planisware—brand OPXII
6. SAP
7. HP, Hewlett Packard
8. CA, Computer Associates--- brand Clarity



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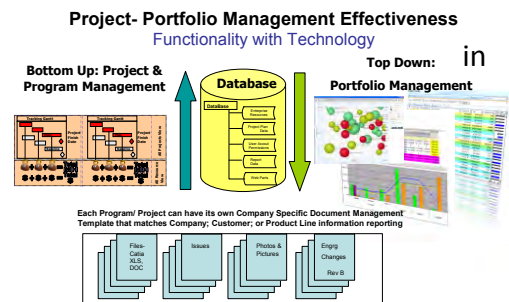
Universal Characteristics of Robust PPM Technologies

The top most robust PPM technology companies all have one very important thing in common—they will provide strong portfolio, project, and program management solutions to any company that has a complex program management environment. Most companies will decide or choose software technology based on many factors – most times without regard to the functionality differences. These features may be ease of use; historical experience with a tool in the past; compatibility with existing databases and ERP business software or office suite of software tools. Examples of this might be some companies choose Primavera P6 if they are in Construction since it has a document management tool specifically designed for construction terminology; or they may choose P6 since it uses an Oracle data base and their IT function is an experienced user of Oracle database; or they have the JD Edwards ERP business system which is integrated with Primavera P6. Another example would be choosing Microsoft Project since it is highly compatible with Microsoft Office Professional Suite—Word, Excel, Powerpoint, and Access or because it uses Sequel Database and their IT function is an experienced user of Sequel Databases. These decision criteria are important but many times are trumped by the true functionality capabilities versus the organization needs as discussed in the next paragraph.

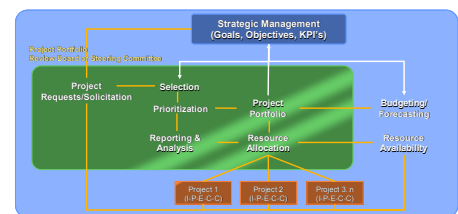
PPM technologies have both Portfolio and Project / Program Management capabilities—most of them all a single database. See adjacent diagram.

In reality, selection of an appropriate PPM technology should include the review of the following PPM functionality and their appropriate ease of use for the organization:

- Portfolio Management:** is a top down planning and selection process involving review of alternative types of projects in each type of portfolio category, assessing what the mix of project types to be developed based on their alignment with risks to the organization and rewards when they are successful, and an analysis of the human and capital costs to develop the projects in each portfolio category versus the payback to the company. The management of a portfolio of possible or proposed projects that involve the planning of FTE (full time equivalent) human resources required versus those skills available, costs, payback and is always goal driven. Portfolio Management in a manufacturing and engineering environment typically involves a product portfolio organized by line of business or business segment. Good portfolio management systems are very dependent on having good data about historical project performance from the project management system. Many times an organization will have to chose where to start and if their project management system is weak with poor data, poor schedule performance and



Components Of PPM

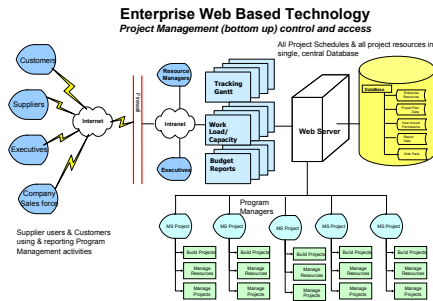


- Establishes the link between the strategic management processes & projects
- Integrates to other core business processes
- Requires documentation and communication throughout the organization

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poor cost performance will lead the organization to consciously choose to begin their PPM initiative with enhancing to Project Management portion of the system. See adjacent diagram.

- Project Management: is the bottom up planning, launch, execution and closing of project that have been selected to be funded (or customer is funding) to plan and control schedule, internal human man power, and costs. The implementation of an enterprise wide system in a business unit or a corporation with multiple business units can have significant benefits in collaboration and communication, project and program schedule performance, human resource effectiveness, and project cost performance. See adjacent diagram.
- Program Management: is the management of a program of projects that are related to each other that allow the customer or owner to provide them with the interrelated benefits that those projects provide to the program.



Manufacturing and Engineering Users

It is very common in US Industry to discover that only a handful of technology manufacturers dominate the manufacturing, engineering, and construction- utility industries. These are Primavera (now owned by Oracle), Microsoft, PlanView, Clarity (Computer Associates) and a European newcomer, Planisware.

It is very common to discover that many implementations in these industries and all industries fail for various reasons. The manufacturer of the software rarely is skilled or has good training of the best practices how to get the most out of their own software tool. Project Management solution providers normally have some of the best implementers--- but not all of them do. The best solution providers not only have the technical knowledge in the IT – web areas, but have industry specific experience with the business processes and participate with project management professional societies like Project Management Institute. These providers also have another key characteristic—they do not believe nor do they promote the use of many software manufacturer functions that do not make sense and violate fundamental principles of forward scheduling, integrated resources with schedules, resource requirements and capacity management, and cost – Earned Value basics. It is quite surprising to discover that these tool pitfalls are very similar or some cases identical across the robust PPM technologies that are so highly rated.

About the Author:

Ted Barth, Managing Partner of BNW Manufacturing Associates is the Past President of the PMI (Project Management Institute) Great Lakes Chapter and Founding Director of the Michigan Huron Valley PMI Chapter and is a Microsoft Partner. BNW has been providing high performance project and program management solutions for clients since 1996. During that period, Mr. Barth has utilized his manufacturing and engineering line

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management experience – managing seven plants in five states---to assist clients to increase their project and program performance.

Mr. Barth's use of the BNW Project Management Maturity Model is considered one of the most accelerated and ease of adoption approaches in U.S. Industry today. BNW is considered to be a subject matter expert a leader in the development of schedule, resource capacity management and cost management use for complex projects and programs. Mr. Barth currently is a guest speaker to professionals, engineers, and project managers at professional societies and industry groups nationally from Virginia to California on these topics.

BNW Manufacturing Associates under Mr. Barth's direction provides manufacturing and engineering solutions to product development; capital investment acquisition; and capital investment tool, die, mold, and special machine engineered to order businesses. These PPM Technology solutions span the robust technologies available today and utilize twenty universal best practices to execute high performance use of the technology of choice.



Together With You

Your organization will benefit from our team's commitment and hands-on experience. You'll gain a competitive advantage with a manufacturing software solution that delivers end-to-end functionality, low cost of ownership and ease-of-use to meet the complex needs of your manufacturing business. You'll agree that the combination of Infor ERP VISUAL and the BizTech Team is the right choice.

Your solution choices include:

- ★ Business & ERP Software Systems
- ★ Implementation Planning
- ★ End-User Training
- ★ Best Practice Consulting
- ★ Data Conversion & Importing
- ★ Version Upgrades & Migrations
- ★ Custom Programming
- ★ Disaster Recovery & Business Continuity
- ★ Virtual Workplace
- ★ Computer Network Support

About BizTech

Founded in 1999, Business Technical Consulting, LLC (BizTech) is dedicated to providing complete Enterprise Resource Planning (ERP) and Information Technology (IT) solutions that deliver long-term benefits to small and mid-sized manufacturing companies.

Like our 500+ clients throughout North America and 4,000 VISUAL customers worldwide, you can rest assured that your projects are in the right hands. BizTech is an Infor ERP VISUAL Channel Partner, a Microsoft Certified Partner, Comptia A+ Certified and a Citrix Authorized Solution Advisor. BizTech offers industry-leading technologies such as Infor, Microsoft, Dell, HP, Citrix, Cisco, Symantec, Sonicwall, ThinPrint, Wyse, Epson, Lexmark, and Xerox.

The BizTech Team has one simple goal: to partner with your company in a joint effort to improve your business processes and increase your profitability.

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**BizTech is your single-source
Enterprise Resource Planning
(ERP) software provider.**

With strategic technology solutions and a seasoned implementation team, your company will benefit from centralized accountability, a simplified project plan and the most efficient implementation of Infor ERP VISUAL.