Global leaders in helping organizations manage and deliver their most challenging portfolios, program, and projects.

**Portfolio Management – Just What the Doctor Ordered**

Pcubed partnered with regional healthcare provider’s CIO to implement a series of portfolio management best practices, identifying an estimated $10 million in IT savings after the initial assessment alone. Standardized systems to review the value of IT enabled projects have been put in place to prioritize and manage the portfolio into the future.

**The Client**

The client is a not-for-profit group of hospitals and physician practices, caring for patients in North America. The group is continually challenged to do more with less – balancing critical government mandates with patient safety and satisfaction whilst driving business growth in an increasingly competitive market.

**The Challenge**

Technology plays a significant role in helping the client achieve its vision. Health Information Exchange, Electronic Health Records and other technological tools require large investments which need careful planning and management to comply with the organization’s overall business strategy – and maintain its financial health.

However, a growing number of IT enabled project requests were being submitted and approved without clear analysis or reference to that broader perspective. The organization was also facing a reduction in discretionary funding for capital investment projects, combined with limitations on the IT resources available to deliver them. The CIO and executive IT leadership recognized the need to enhance their portfolio management capabilities to increase control of their IT enabled portfolio.

**The Pcubed Solution**

After selection as the client’s strategic partner, Pcubed employed its industry best-practice Portfolio Optimization approach:

- Collaborating with executives to tailor a portfolio governance model to fit the organization
- Establishing a cross-business governance organization
- Managing an effective communications strategy
- Engaging diverse stakeholder groups
- Configuring Project Server 2010 to support portfolio management
- Holding a two-day portfolio optimization workshop to provide a collaborative environment for the governance council to evaluate each proposal and prioritize the total IT enabled portfolio.
Business Benefits

Portfolio Optimization

The two day workshop provided a forum for the governance council to review, reclassify, and prioritize the portfolio over the next five years, leading to a series of tangible benefits:

- 6 IT enabled projects were removed from the portfolio, saving $6 million over 5 years (20% of total portfolio budget)
- Non-discretionary ‘forced-in’ projects worth nearly $4 million were reclassified as discretionary new capability projects, meaning they could be assessed under the standardized business benefit criteria (3% of total portfolio budget)
- A number of new capability projects were identified which would lead to a particularly high return on investment (5% of total portfolio budget).

A number of other immediate benefits were also realized:

- The creation of a centralized view of resource demand and availability
- A focus on strategic and financial value during the prioritization of new capability projects
- The development of unprecedented lines of communication and collaboration across the Business, IT and SME stakeholder community
- A reduction in the number of projects submitted for approval - leading to financial savings and less organizational churn, as well as increasing the achievability of projects in the approved portfolio.

Enhanced Visibility – Budget Constraints

The governance council’s objective was to select the optimal set of projects based on capital budget constraints. All projects were evaluated and compared using an agreed upon standard set of criteria (e.g. cost, benefit, timing, resources) to facilitate decisions.

Enhanced Visibility – IT Resources

The next challenge was to analyze the capacity of IT resources. The IT PMO set up working sessions with managers to review demand from across the portfolio and to assess existing staff roles. A plan was put in place to ensure there would be a clear understanding of the anticipated resource-related challenges during the transition to portfolio delivery.

Positioned for Success

Overseen by the governance council, the new IT Portfolio & Program Management Office maintains an overall perspective of resource capacity and demand, as well as the budget. The governance council monitors portfolio intake and delivery and makes decisions based on accurate data. Collaboration is being driven across the IT organization as well as with business owners, executives, and the end users.