P5.express

The minimalist portfolio management system

Biannual Cycle

Conduct a focused communication

Optimize and balance the value generation strategy

Evaluate the generated strategic value

X3

X2

X1

Y4

Y3

Y2

Y1

Z3

Z2

Z1

Monthly Cycle

Conduct a focused communication

Plan improvements

Evaluate the ongoing programs and projects

Evaluate portfolio stakeholder satisfaction

Daily Cycle

Balance resources

Start, stop, or pause programs and projects

Manage follow-up items

This is a downloadable version of the online manual (P5.express/manual/v1/), automatically generated on 2024-03-23. Please check the website for other formats and newer versions.

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NOTE: This is a draft of the manual for review.

Management activities list

Biannual Cycle

X1 — Evaluate the generated strategic value

X2 — Optimize and balance the value generation strategy

X3 — Conduct a focused communication

Monthly Cycle

Y1 — Evaluate portfolio stakeholder satisfaction

Y2 — Evaluate the ongoing programs and projects

Y3 — Plan improvements

Y4 — Conduct a focused communication

Daily Cycle

Z1 — Manage follow-up items

Z2 — Start, stop, or pause programs and projects

Z3 — Balance resources

Introduction

P5.express is a minimalist, practical management system for portfolios of programs and projects. It helps organizations make the best use of their available resources by focusing on the most valuable yet balanced set of programs and projects. It also helps reduce conflicts and rework by involving the whole organization and preventing programs and projects from being run with poor coordination and in isolation.

Like all other systems in the OMIMO (Open Minimalist Modules) family, it's modular, meaning that you can use it in any setup without being limited to using it with programs or projects that use OMIMO systems; e.g., your projects may be run using P3.express, micro.P3.express, DSDM®, Scrum, PRINCE2®, or any other system without causing problems for P5.express.

P5.express can be implemented in almost any organization, regardless of the type of projects they have or whether they conduct the projects for themselves or for external customers.

P5.express can be implemented before or after implementing structured program or project management systems. In fact, its implementation has a higher priority in many organizations than program or project management.

Usually, it's best to have one portfolio management system per organization, and P5.express is designed for such a singular setup. Some large organizations that have separate project delivery divisions, each capable of delivering a specific type of project and unable or unoptimized to deliver the rest, may benefit from having a hierarchy of portfolios. For such organizations, P5.express can be used at the lowest level of the portfolio hierarchy to work with programs and projects, and a separate meta-portfolio management system should be used for higher levels. OMIMO doesn't provide such a meta-system. Regardless, hierarchical portfolios are not as optimized as singular ones and, therefore, should be avoided unless they are absolutely necessary.

All programs and all projects that don't belong to a program (called "standalone projects" in OMIMO) must be directed in the portfolio management system, with no exception. In addition to optimization and balancing, this helps to avoid conflicts. Projects that are not standalone should be directed in their programs rather than directly in the portfolio management system.

Process

The above diagram illustrates the P5.express process. Each node on the diagram is a management activity, and you can read about each of them by clicking on the node in the online manual or by opening its section in the downloaded version.

The activities belong to three cycles:

- **Biannual Cycle:** It's run every 6 months or whenever an important decision has to be made to refine the value generation strategy.
- **Monthly Cycle:** It's run every month to monitor the portfolio and continuously improve how the portfolio management system works.
- **Daily Cycle:** It's run continuously to implement the value generation strategy.

Note that projects and programs are temporary, with a beginning and end, but portfolios are continuous, without an inherent beginning and end. You would start your journey of structured portfolio management at some point, but that start is an implementation of the process rather than part of the process itself.

Organizations that work with large projects that last for a long time can replace the Biannual Cycle with an annual one.

Roles

There are two roles in P5.express:

- Portfolio board
- Portfolio manager

Portfolio board

The Portfolio Board is a diverse group of high-level managers in the organization who work together and make all the important decisions about programs and standalone projects in an integrated, holistic way.

Composition:

- **Core members:** All the department heads (executives) in the organization should be core members in the portfolio board. They can have equal or unequal votes. Some core members can have the power to veto, but it's better to avoid it if possible to improve collaboration.
- **Proxy members:** Each core member can have a proxy to represent them in workshops when they cannot be present and also to sponsor some of their related programs and projects. Regardless of the presence of the core member, the proxy should attend all workshops to stay aware of strategies. Proxy members must be authorized to make decisions on behalf of the core members in their absence.

Sponsors of all programs and standalone projects must be selected from the portfolio board. Each sponsor is the only person who communicates high-level decisions with their project or program.

Portfolio manager

The portfolio manager's role is primarily one of facilitation and coaching, but they also have a decision-making threshold used in the Monthly Cycle and Daily Cycle to make the process faster and smoother. The portfolio board makes all important decisions, and the portfolio manager's decision-making authority should be used to interpret the board's decisions rather than to reflect personal opinions. The Portfolio Manager should not have a direct role in any program or project to avoid conflicts of interest.

In large organizations, there can be a few support staff to help the portfolio manager.

The portfolio manager is in contact with program and project managers for various reasons. However, the portfolio manager should avoid communicating any decisions to them and let the decisions go through sponsors.

Portfolio managers must avoid micro-management and ensure the portfolio board and sponsors do not micro-manage either.

When there's a single portfolio management system, its portfolio manager reports to the head of the organization. When there's a hierarchy of portfolios, the portfolio manager reports to the portfolio manager of the parent level.

Artifacts

The following are the default artifacts in P5.express:

- Portfolio Description
- Value Generation Matrix
- Global Follow-Up Register
- Global Health Register
- Business Cases

Remember not to collect data you don't need, and keep the artifacts simple and purposeful. You also don't have to use complicated software – start with simple tools and switch to more sophisticated ones only if you have a good reason to.

Portfolio Description

The portfolio description is a dynamic text file that documents the following information:

- Organizational strategy, mission, vision, etc.
- Decision-making threshold of the portfolio manager (in exact or rough forms)
- Portfolio board members and their voting powers
- The voting method and its calculations
- Organizational processes and policies that impact portfolio management

Value Generation Matrix

The Value Generation Matrix lists programs and standalone projects on one dimension and their information on the other. It can be implemented in a spreadsheet or in a specialist tool. This matrix describes the "value generation strategy".

This matrix increases visibility and transparency in the organization and is used to decide which program or project to run next and when to cancel or pause the ongoing ones.

Global Follow-Up Register

The Global Follow-Up Register is a list of risks, issues, change requests, improvement plans, and lessons learned that impact multiple programs or projects. To make sure there won't be mistakes, such items should not be repeated in the local registers of programs and projects, but rather, their managers should use the global register alongside their local register.

Each item in the Global Follow-Up Register should have a *custodian*. Each custodian should be one of the portfolio board members or program or project managers.

Global Health Register

The Global Health Register stores the results of the stakeholder satisfaction evaluations done in the portfolio management system.

Business Cases

Each program or standalone project should have a Business Case created in the portfolio management layer to describe its purpose and justification with the following main elements:

- Why this program/project
- Alternative options
- High-level requirements
- Expected benefits and disbenefits
- Estimated investment (time, cost, etc.)
- Execution strategy (done internally, outsourced, Etc.)
- Major risks

A rough Business Case is usually enough for prioritizing the program or project in the portfolio, but for sensitive ones, the sponsor may initiate them (form a team to create a high-level plan without executing it) and use that information to create a more refined Business Case.

Tailoring

Like other minimalist systems, it's best not to tailor P5.express upfront. Instead, implement and use it as described in the manual and then customize it gradually (e.g., in activity Y3), only in response to feedback collected from the

environment and with careful trial and error.

History

The private draft of the first edition of P5.express was published in November 2023, followed by its public draft in January 2024, and the final version on _____.

X — Biannual Cycle

This management activity group is run twice a year, or when an important decision has to be made with involvement of the whole portfolio board.

Management activities in this cycle:

X1 — Evaluate the generated strategic value
X2 — Optimize and balance the value generation strategy
X3 — Conduct a focused communication

X1 — Evaluate the generated strategic value
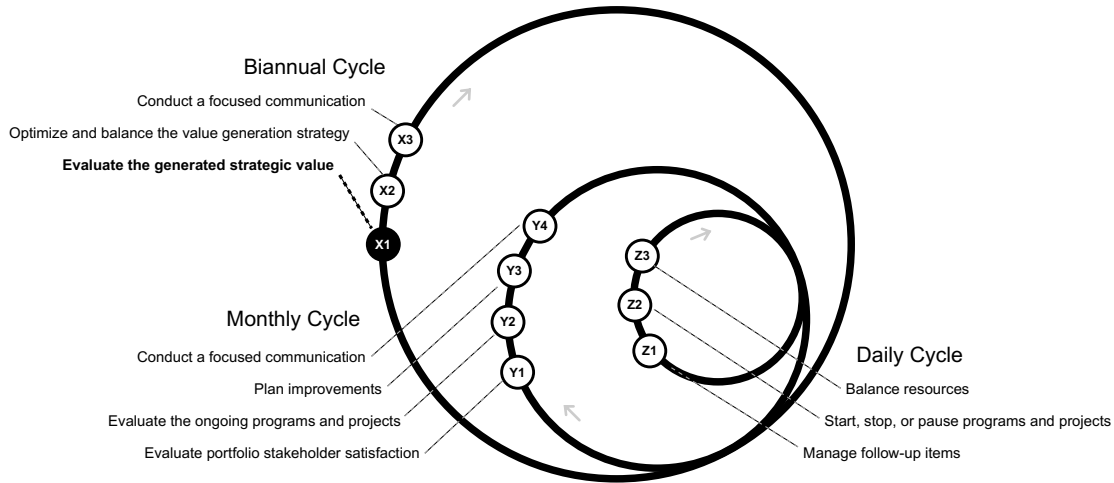
What

This activity measures and records the actual benefits generated by ongoing and closed programs and standalone projects.

Why

We should do this activity for the following reasons:

- It's a reminder for everyone that programs and projects are done to generate strategic value, and this should be considered when conducting them.
- It helps us understand our environment and make future programs and projects in the Value Generation Matrix more realistic.
- It can help us find ways to increase benefits with ad hoc tasks or structured changes (programs and projects).

Remember that it's natural to have a few programs and projects that don't generate the expected strategic value. If they all work as planned, you're probably losing opportunities by being too conservative. This is especially the case for internal projects.

Who

This activity is done by the sponsor of each program or project, under supervision from the portfolio manager.

How

Benefits are measurable improvements that are desirable for the organization. In that sense, benefits are subjective, meaning that something that would be considered a benefit for one organization may not be so for another. Therefore, benefits must be evaluated with a good understanding of the organization, in a high management layer such as portfolio management, and in a holistic way.

Benefits should be measured against the hypothetical scenario in which the program or project was not run. Sometimes, the hypothetical scenario has a base benefit of zero, but sometimes, it has a positive or negative value,

which can significantly affect the measured benefits.

This evaluation starts for each program or standalone project when it's finished or as soon as it starts generating benefits during the execution. It continues as long as there's a notable potential or actual benefit (usually, at least for a few years). The results of the measurement will be stored in the Value Generation Matrix. The measurement must include expected and unexpected benefits and disbenefits. The portfolio manager should ensure that sponsors measure benefits correctly.

Your program and project management systems may have similar activities (e.g., G01 in P3.express), which would be equivalent to this activity and form a common task. However, when multiple programs or projects have been done on the same product or on a set of related products that impact each other's performance, it's best to evaluate their generated benefits together in an integrated way.

There must be one and only one unit of measurement for investments and benefits of all programs and projects in the portfolio to make it possible to compare them. When there are multiple sources of value, they must be converted and combined into a single unit. It can be a monetary value adjusted for the value of money at a specific time, grams of gold, number of lives saved, etc. In some organizations, while not desirable, it may be necessary to use an abstract, relative unit and estimate or measure using techniques such as Planning Poker®.

Make sure you're not double-counting benefits. If multiple programs and projects enable a source of benefit, divide the resulting benefit among them based on their contributions.

When the benefits of all items are measured, their strategic value can be calculated:

strategic value = benefit ÷ investment

The Business Case of each program and project is a significant help in evaluating its benefits. However, sponsors shouldn't limit themselves to a mechanical evaluation based on the Business Case.

X2 — Optimize and balance the value generation strategy
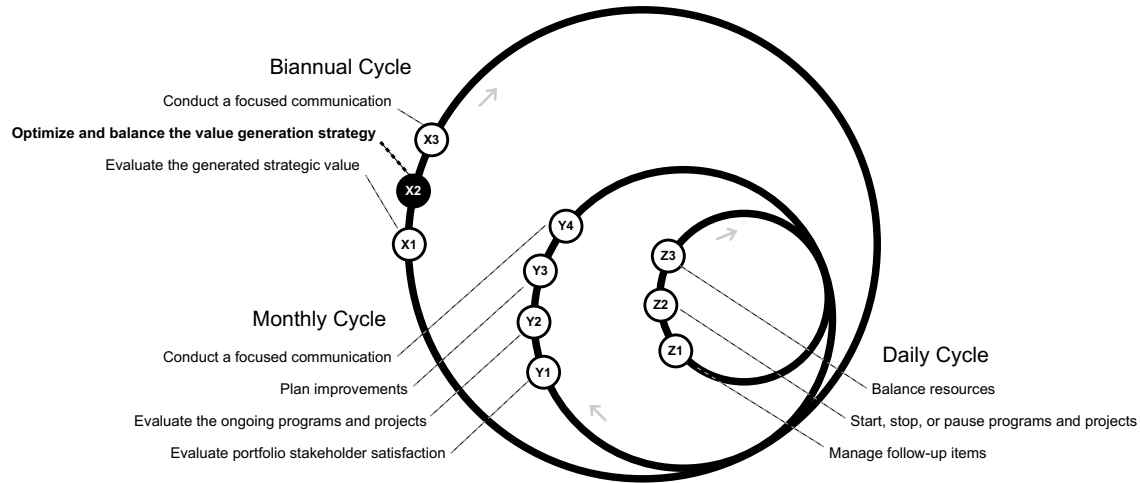
What

This activity optimizes the value generation strategy for the upcoming cycle by updating the Value Generation Matrix.

Why

This activity helps the organization in multiple ways by

- Structured, proactive identification of valuable programs and projects
- Absolute justification of ideas to ensure resources are not wasted
- Relative justification to ensure the most valuable ideas are run first
- Balancing to ensure all strategic domains are served

Who

This activity is done by the portfolio board and carefully facilitated by the portfolio manager.

How

The activity is done in the Strategy Workshop, where all core portfolio board members or at least their proxies attend. One day is usually enough, but some organizations may need more.

New global follow-up items may be identified during this activity, which will be added to the Global Follow-Up Register and appointed to custodians.

Adding new Programs and Projects

All portfolio board members bring their new program and project ideas and their Business Cases to the workshop (e.g., those generated in activity G02 of P3.express). They review the output of activity X1 and use it as a source of inspiration for brainstorming and generating new ideas together. All ideas will be recorded in the Value Generation Matrix.

Organizations that are focused on their internal projects should use all employees' and even end users' opinions to generate ideas. Each portfolio board member is responsible for seeking ideas from people related to their department and bringing them to the workshop. In addition to that, employees should have a direct channel to send program and project suggestions to the portfolio manager. Accepting anonymous submissions can help increase contributions.

In general, the number of items in the matrix reflects the organization's options. The more options you have, the more flexibility and freedom you'll have. That's why bigger matrices are desirable. Remember that the matrix is not limited to what can be done in the next few cycles but contains everything you might want to do one day.

After adding a new item to the matrix, one of the portfolio board members should be assigned to it as the sponsor. A rough Business Case should exist for the item to describe its purpose and justification. If the sponsor wants, they can initiate sensitive programs or projects (assign a team to create a high-level plan without executing it) and use the output to create a refined Business Case, but in most cases, the rough Business Case is enough.

Sponsors may delegate the responsibility of preparing their Business Cases to specialized people, but they stay accountable. Program and project managers may help in this process by providing some of the required information, but it's best not to give them the whole responsibility of preparing the Business Cases because they usually don't have the necessary background and strategic information.

The portfolio board needs a holistic, top-down approach to identifying programs and projects. They shouldn't limit themselves to the programs and projects suggested by the environment and always ask, "What other programs and projects can we have to improve our portfolio?"

Balancing item sizes

Normally, programs and standalone projects in the matrix have different sizes. However, having items that are vastly different in size would make it difficult to manage the matrix. Therefore, when possible, the portfolio board must try to break down those that are too large into smaller ones and merge the ones that are too small and have similar goals into relatively larger programs.

Remember that projects underneath a program won't be directly directed in the portfolio management system.

Absolute justification

After adding the information about the expected benefits and estimated investment of new ideas and revising that of the old ones, the portfolio board would judge the absolute justification of the ideas: Are the expected benefits higher than the required investment? Should we do this program/project at all? The status of the idea will be updated based on this decision. Note that rejected ideas must not be removed from the matrix, but they will be marked as rejected and moved to the bottom of the matrix for future reference.

Sometimes, organizations have to accept programs or projects with benefits lower than their investment because otherwise, some of their capacity would remain unused (some benefit may be better than no benefit at all). This situation should be considered in this step, but more importantly, the portfolio board should investigate this unhealthy situation to see how they can prevent it in the future.

All expected benefits and estimated investments must be in a single unit of measurement, so that we can compare them. When there are multiple sources of value, they must be converted and combined into a single unit. Moreover, the benefits of programs and projects that are continuous rather than one-time can be converted into one-time values by considering a pre-agreed time window.

The portfolio board members may estimate the required parameters by voting using the method documented in the Portfolio Description.
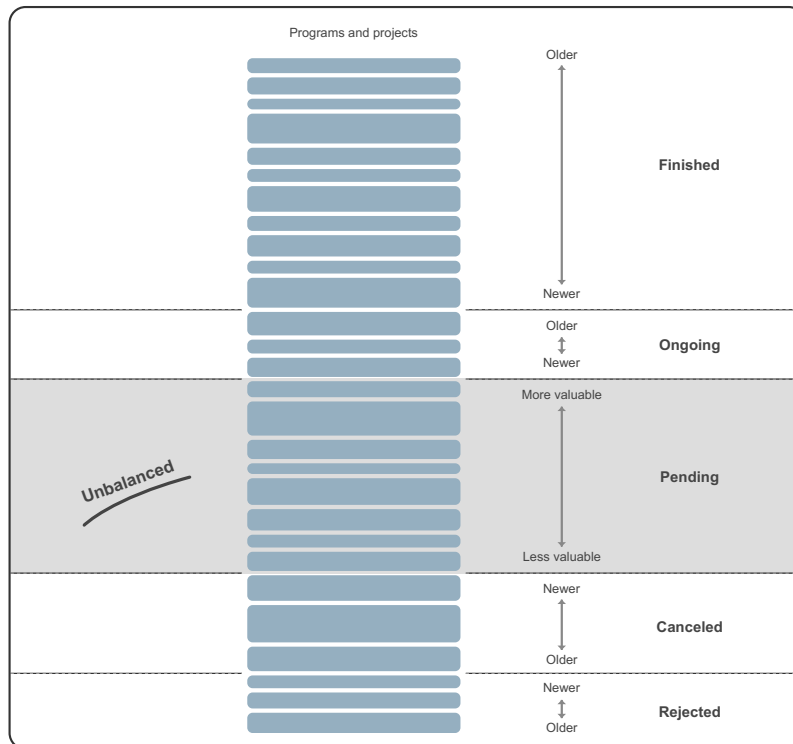
If an ongoing program or project loses its absolute justification, the board should cancel it. This can also be done in

activity Y2, if the portfolio manager and the sponsor can agree on it.

Relative justification and overall prioritization

The programs and projects on the matrix will be sorted based on their status first: finished → ongoing → pending → canceled → rejected

Items within each of the above statuses will be ordered based on date, except for pending ones that will be initially ordered based on their strategic value (the ratio between their expected benefits and estimated investment), so that the more valuable ones are placed first.

If the relative justification of an ongoing program or project decreases dramatically, the board may decide to pause it to free up capacity for more important ones. This can also happen in activity Y2, if the portfolio manager and the sponsor can agree on it.

Revise the total capacity

The board members discuss the idea of increasing or decreasing capacity (e.g., hiring more people in the organization) and evaluate its impact on the portfolio.

Balancing and final prioritization

The matrix should have fields for various strategic domains:

- General domains
  - Continuity (sustainer, diversifier)
  - Return on investment timeframe (short-term, medium-term, or long-term)
  - Overall risk (low, medium, high)
- Specific domains (depending on the sources of value in the organization)

A "sustainer" is a program or project that helps improve the existing services, whereas a "diversifier" is the one that helps create new service channels. Some organizations are entirely focused on a single, specialist field, but even they

should consider diversifying their services in that field or related ones.

Each program or project has a contribution between 0% and 100% in each domain to indicate what portion of its strategic value serves that domain. Besides, we also need to have calculated fields to show the resulting strategic value by multiplying the contribution to the overall strategic value.

Each domain should have a relative target, and the sum of the strategic values from all programs and projects in a *balancing horizon* should more or less match that target. By default, the balancing horizon is the upcoming cycle plus three previous cycles. The previous cycles are determined by facts. To determine the upcoming cycle, a rough estimate of how many of the programs and projects can be done in the cycle is necessary.
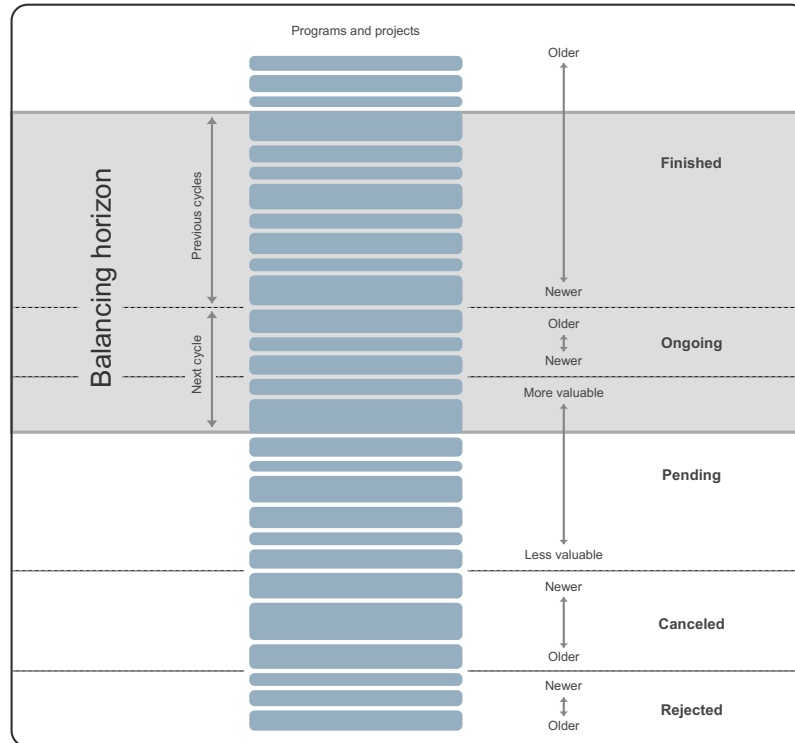
To balance the portfolio, the order of pending items on the matrix should be manually adjusted so that their combined calculated strategic value in each domain gets close to the relative target values. This means that the total strategic value of the balanced portfolio may be lower than the unbalanced one – that's the price we should pay to have a balanced whole. However, in rare cases, we may sacrifice balance to gain especially higher values and then make up for it in future cycles.
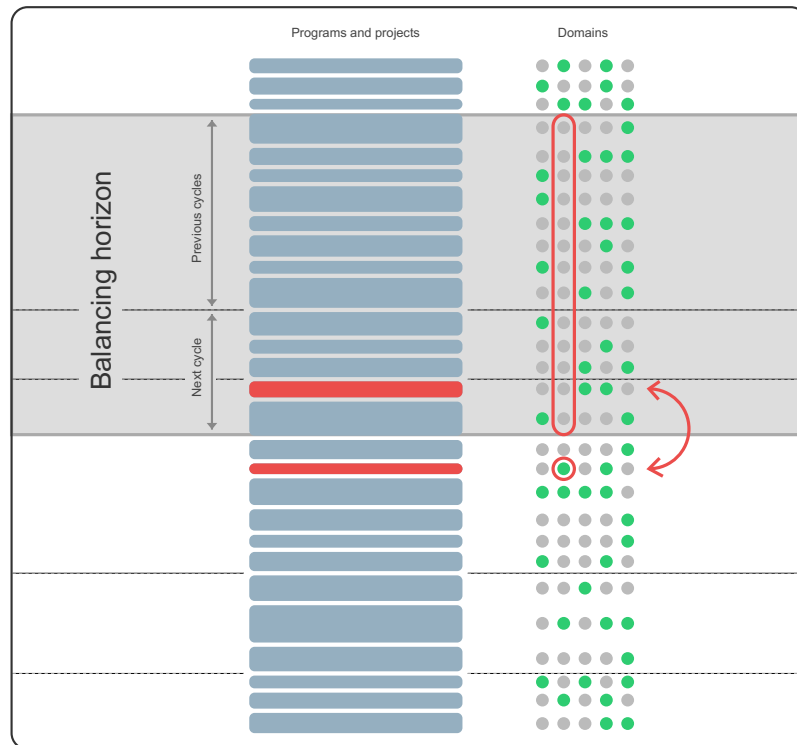
At this point, the matrix would have a properly prioritized list of pending programs and projects. When enough capacity is freed in the organization, the highest pending program or project in the matrix that matches the available capacity can be started in activity Z2.

Some organizations may need to have extra balancing criteria; for example,

- When an external customer requests a proposal, it can't be done at any desired time, but if you wish to proceed, it has to be done at a certain date, and the organization should be ready to start the project if the proposal is accepted.
- For organizations focused on conducting their own projects, some of their projects may have dependencies with each other, which should be made visible in the matrix and considered when balancing. However, note that projects that have dependencies with each other usually belong to a program and won't be directly directed in the portfolio management system.

There are many uncertainties about the way portfolios work. Therefore, the matrix can never be precise enough to be optimized mechanically based on calculations, and the judgment of experienced portfolio board members is essential. As a result, it's important not to waste time and energy trying to make the values more precise than they should be. Instead, the portfolio manager should encourage collaboration, involvement, transparency, and critical thinking.

All portfolio board members should be involved in balancing the portfolio. When needed, they can combine their opinions by voting, following the voting method documented in the Portfolio Description.

X3 — Conduct a focused communication
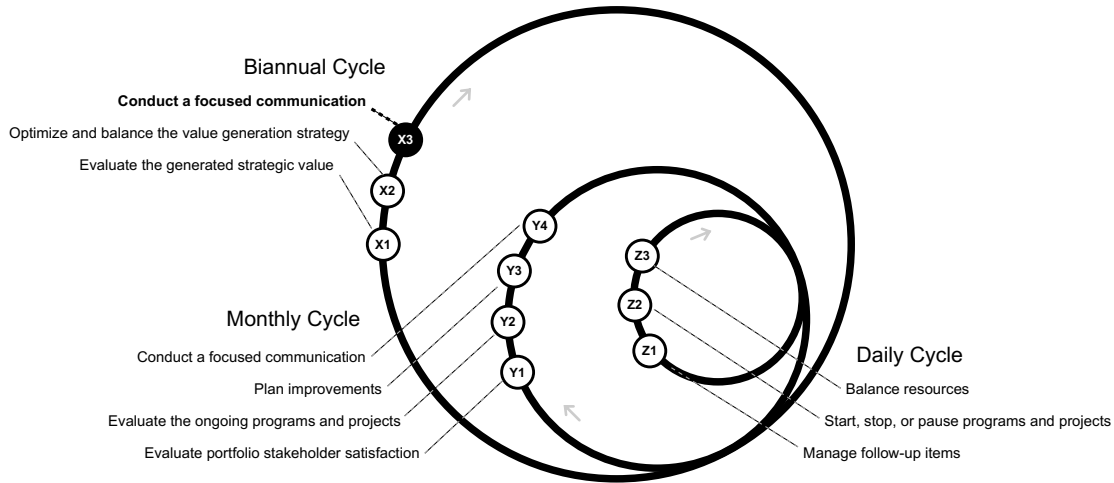
What

This is the time to send a message to everyone in the organization with the following content:

- A simplified copy of the Value Generation Matrix along with a short description
- A short report of the benefits realized from finished programs and projects (if not done in program or project levels such as in activity G03 of P3.express)

Why

This focused communication has multiple advantages, including:

- Everyone stays informed of the programs and projects that are being run or will be run in the near future, which reduces conflicts and surprises and generates useful ideas from a larger audience.
- It reminds everyone that programs and projects are done to generate strategic value and that their activities should be aligned with the defined purpose and contribute to the generation of value.

Who

Focused communications in the portfolio management system are done by the portfolio manager.

How

This focused communication can be via email. A simplified version of the Value Generation Matrix can be attached to the email, or recipients can have limited access to viewing it in a centralized application. If some data on the matrix is confidential, ensure they're not published to unauthorized individuals.

Alternatively, it can be turned into an organizational event, where everyone is gathered, the information is shared, and some extra exciting activities are added to celebrate the achievements and make it a pleasant experience for everyone.

If there are only a few active post-program and post-project cycles in the organization, their focused communications

(e.g., activity G03 of P3.express) can be done in their layers. Otherwise, it's usually best to bring their focused communications to the portfolio management layer and unify them to reduce the amount of communication and keep them more effective.

The portfolio manager should encourage recipients to share their opinions after receiving the message.

Remember that this communication targets a broad range of audiences in the organization. Therefore, keep it simple, short, and non-technical.
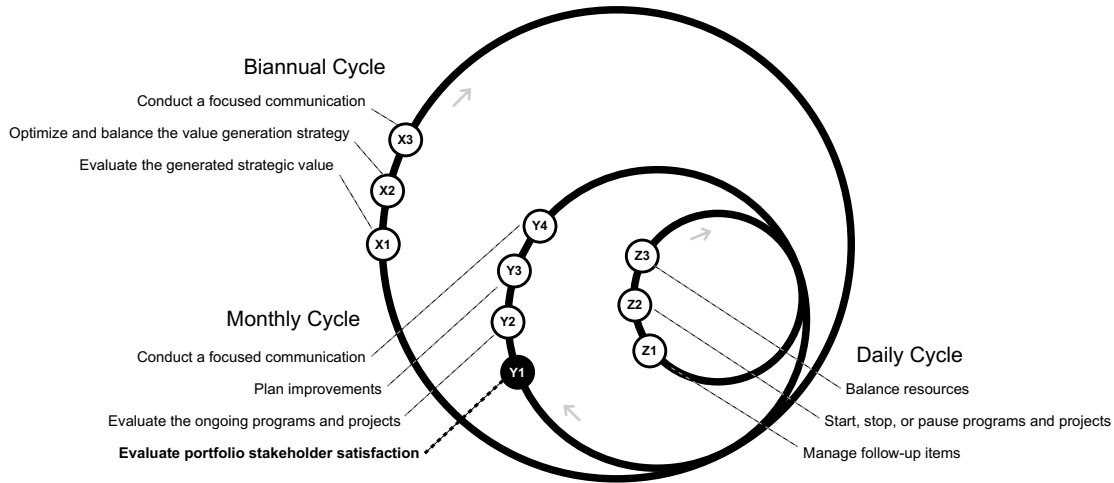
Y — Monthly Cycle

The management activities in this group are run once a month.

Management activities in this cycle:

Y1 — Evaluate portfolio stakeholder satisfaction

Y2 — Evaluate the ongoing programs and projects

Y3 — Plan improvements

Y4 — Conduct a focused communication

Y1 — Evaluate portfolio stakeholder satisfaction

What

This activity evaluates the satisfaction of the internal portfolio stakeholders (portfolio board members) and external portfolio stakeholders (managers of programs and standalone projects).

Why

We want to discover dissatisfactions and related problems as soon as possible and fix them before they pile up, become too complicated, and harm programs and projects.

Who

It's the responsibility of the portfolio manager to evaluate the satisfaction of portfolio stakeholders.

How

It's usually best to send anonymous surveys to stakeholders to make sure they can express themselves openly. It may be necessary to have two types of surveys: one for the portfolio board members and one for the program and project managers.

Results of evaluations should be stored in the Health Register and will be used in activity Y3 to plan improvements.

Y2 — Evaluate the ongoing programs and projects
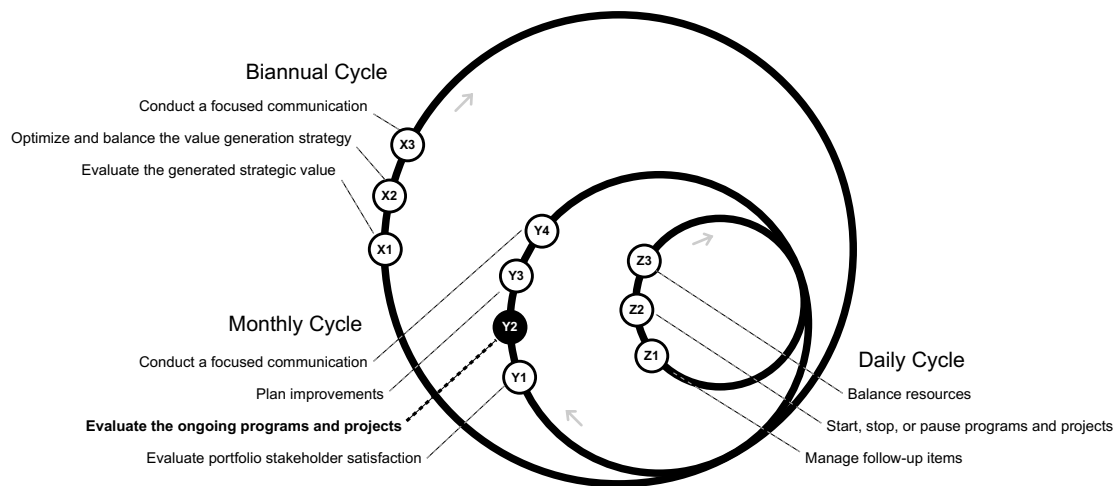
What

Measure the performance of ongoing programs and projects and re-estimate their expected benefits.

Why

As programs and projects are executed, we'll learn more about them and can make our assessment of their strategic value more realistic. This refinement can result in stopping programs and projects that lose their absolute justification or pending those that have a significant decrease in their relative justification. Both actions help make a better use of our resources and opportunities.

On the other hand, this evaluation may show that the program or project has become more important or sensitive than it was before and, therefore, requires more support and a higher priority in the organization.

Who

The performance of programs and projects is measured by their managers, with supervision from the portfolio manager. The re-estimation of the expected benefits will be done by sponsors, with supervision from the portfolio manager.

How

This activity is connected to the cyclic program and project management measurement activities (e.g., activity C01 of P3.express). If the program or project management systems don't have such a cyclic measurement activity, it must be added to them.

Normally, we'd expect to have the following measurements:

- Overall progress (percentage)
- To-complete investment forecast (e.g., time and cost)

The portfolio manager is responsible for ensuring that the performance of programs and projects is measured

correctly. They should also work with the sponsor of each program or project to re-estimate the expected benefits (e.g., activity B03 of P3.express). All data will be stored in the Value Generation Matrix.
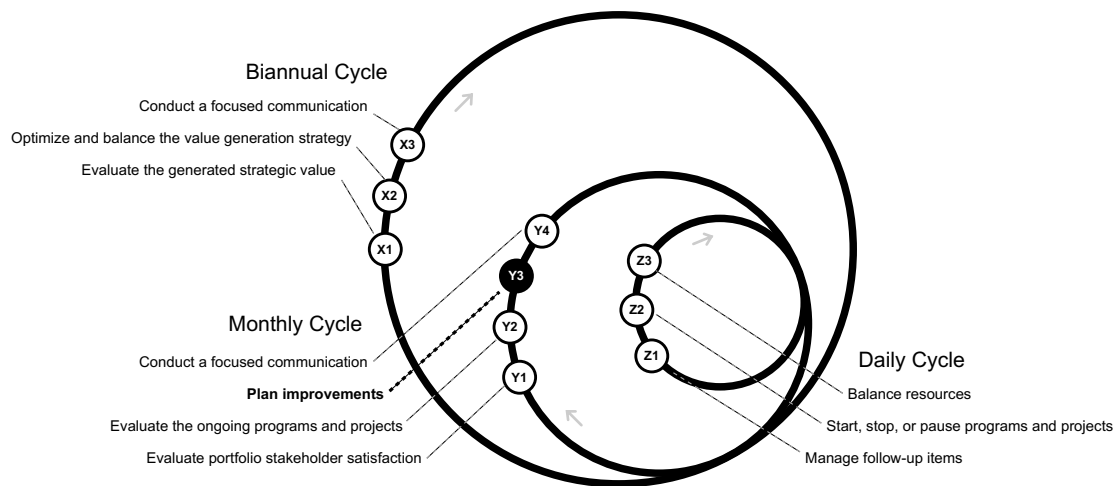
The portfolio manager should avoid collecting unnecessary data and instead focus on data that serve a clear purpose and keep the system simple and purposeful.

After updating the investment forecast and estimated benefits, the portfolio manager can calculate the new estimated strategic value:

strategic value = benefits ÷ investment

Based on the new strategic value, if the program or project loses its absolute justification or there's a significant decrease in its relative justification, it may have to be canceled or paused. If the portfolio manager and the sponsor can agree on that decision according to the Value Generation Matrix, they will finalize it in this activity. Otherwise, the portfolio manager should run an exceptional Biannual Cycle and ask the portfolio board for a Strategy Workshop.

Y3 — Plan improvements

Biannual Cycle
Conduct a focused communication
Optimize and balance the value generation strategy
Evaluate the generated strategic value
X3
X2
X1

Y4
Y3
Y2
Y1

Z3
Z2
Z1

Monthly Cycle
Conduct a focused communication
Plan improvements
Evaluate the ongoing programs and projects
Evaluate portfolio stakeholder satisfaction

Daily Cycle
Balance resources
Start, stop, or pause programs and projects
Manage follow-up items

What

In this activity, we'll plan improvements based on the evaluation of programs and projects and stakeholders' satisfaction.

Why

There's always room for improvement, and this is our attempt to improve our portfolio management system continuously. These improvements are mainly about how we work in the portfolio management system and would be the basis for the gradual tailoring of the system.

Besides its primary purpose, when done properly and with the involvement of program and project managers, it will create more buy-in and, therefore, can increase the chances of success.

Who

The portfolio manager facilitates a workshop for all program and project managers to brainstorm and plan improvements. Optionally, a similar workshop can be done with the portfolio board, either every cycle or once every few cycles.

How

It's best to plan improvement in a facilitated workshop. Techniques such as Delphi can be used for facilitating such workshops. The portfolio manager acts as a facilitator and allows the participants to plan improvements.

The latest evaluation of the programs and projects (activity Y2), stored in the matrix, and stakeholders satisfaction (activity Y1), stored in the Global Health Register, are the primary sources of inspiration for planning improvements. The Global Follow-Up Register can also be used as a secondary source of inspiration.

The portfolio manager should always consider the following topics as well:

- How can we improve people's capabilities through training, coaching, etc.?
- How can we create a more pleasant working environment for everyone?

Planned improvements will be added to the Global Follow-Up Register, and a custodian (normally, one of the program or project managers, but sometimes one of the portfolio board members) will be assigned to each of them to follow up on and report back.

Y4 — Conduct a focused communication
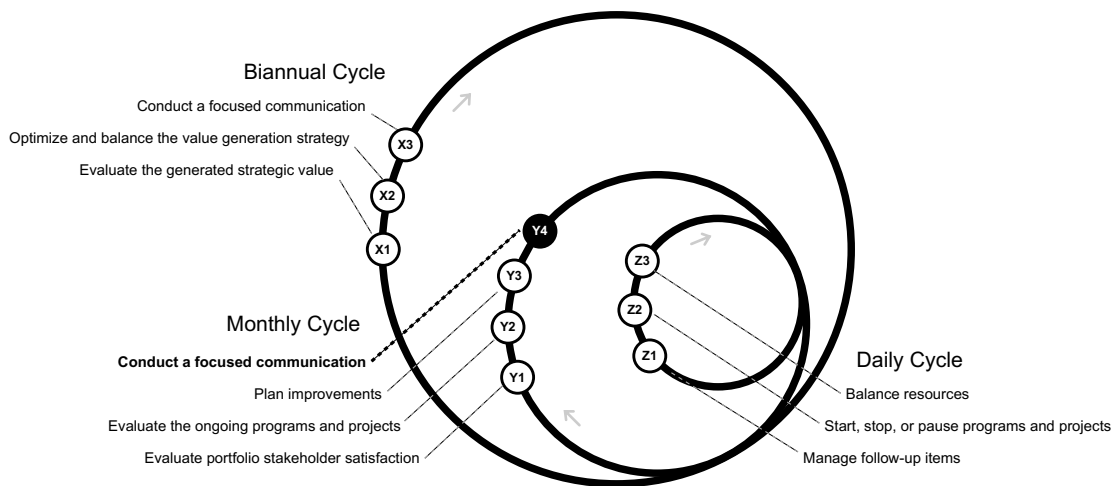
What

This is the time to send a short message to everyone in the organization, informing them of the portfolio management highlights:

- Planned improvements (if relevant to the broader audience)
- Progress of the ongoing programs and standalone projects
- List of programs and standalone projects that have started or stopped

Why

This focused communication keeps everyone in the organization up to date, which can help reduce conflicts and surprises and generate useful ideas from a larger audience.

Who

Focused communications in the portfolio management system are done by the portfolio manager.

How

This focused communication can be via email.

This activity can be ignored if its content is communicated in the program and project layers (e.g., activities A10 and F06 of P3.express). However, when there are many ongoing programs and projects, it's usually better to move those focused communications to this layer and send a unified message to reduce the number of focused communications and keep them more effective.

The portfolio manager should encourage recipients to share their opinions after receiving the message.

Remember that this communication targets a broad range of audiences in the organization. Therefore, keep it simple, short, and non-technical.

Z — Daily Cycle

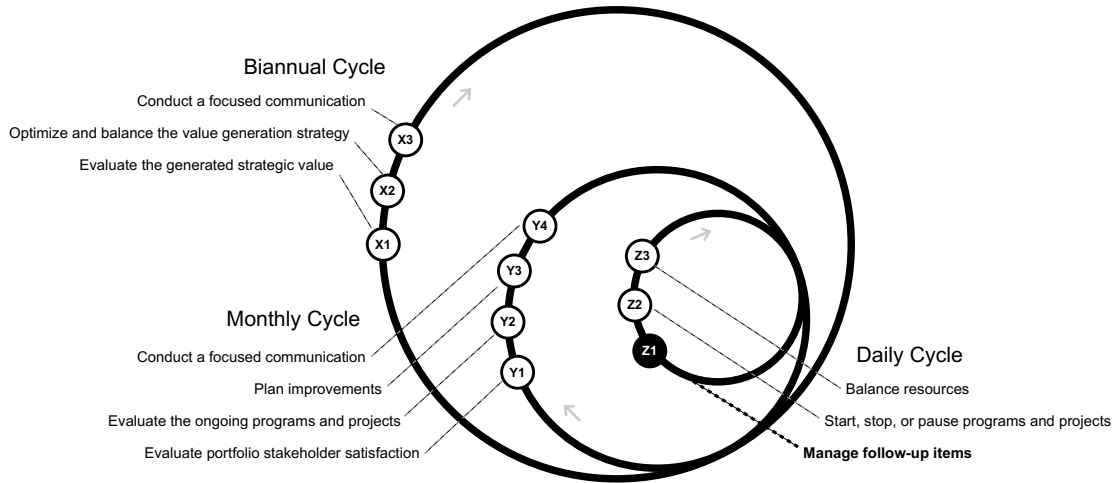The management activities in this group are potentially run daily.

Management activities in this cycle:

Z1 — Manage follow-up items
Z2 — Start, stop, or pause programs and projects
Z3 — Balance resources

Z1 — Manage follow-up items

What

We should continuously manage global follow-up items (risks, issues, change requests, improvement plans, and lessons learned) in this activity.

Why

Most follow-up items impact a single program or project and are managed locally. However, there are also global ones that impact multiple programs and projects and need to be managed in an integrated, holistic way in the portfolio management layer to be more effective.

Who

The portfolio manager is the main facilitator in this activity and works closely with custodians.

How

Program and project managers may identify global follow-up items (e.g., in activity D01 of P3.express). When so, they should immediately communicate it with the portfolio manager.

The portfolio manager should monitor the local registers continuously to find patterns that can lead to identifying global follow-up items.

When a new item is added to the Global Follow-Up Register,

- one of the portfolio board members, program managers, or projects managers should be assigned to it as its custodian to follow up on and update its status, and
- custodians should inform managers of all programs and projects that may be impacted by the item of its existence.

The portfolio manager should be in touch with custodians about the status of their follow-up items and ensure that all of them are followed up on and closed properly.

When the portfolio manager realizes that a follow-up item can have a significant impact on the Value Generation Matrix, they should run an exceptional Biannual Cycle and ask the board for a Strategy Workshop. Otherwise, the portfolio manager is authorized to decide how to respond to those items. The portfolio manager may get help from program and project managers to design the responses.

Z2 — Start, stop, or pause programs and projects
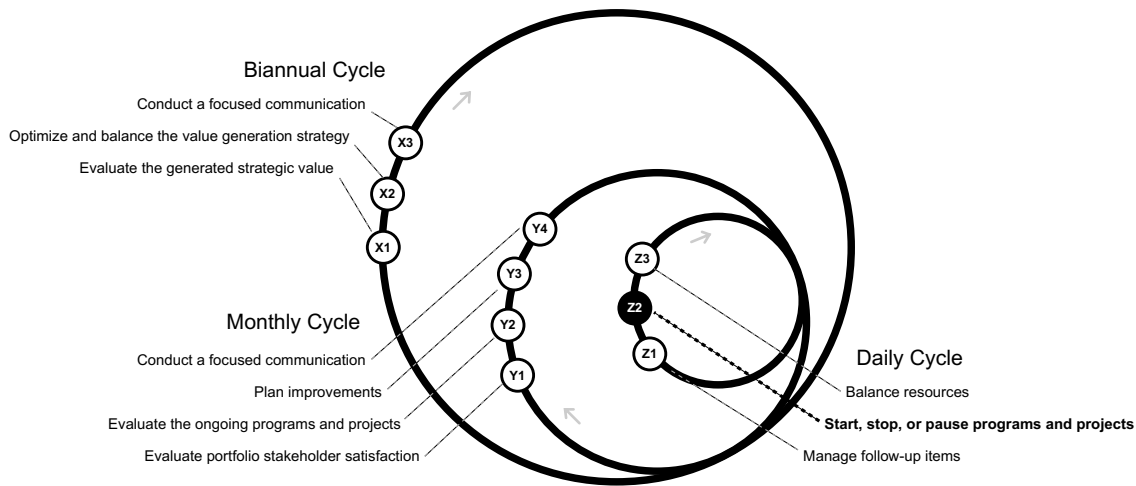
What

This activity gives permission to sponsors to start, stop, or pause their programs or standalone projects based on the Value Generation Matrix.

Why

To ensure alignment, no program or standalone project may be started, stopped, or paused in the organization without permission of the portfolio management system. Projects that are underneath programs will require permission from the program management system rather than the portfolio management system.

Who

The portfolio manager and the sponsors work together in this activity.

How

Sponsors are allowed to initiate their programs and projects (assign a team to create a high-level plan without executing it) if they need to create a more precise Business Case (e.g., in response to requests for proposals from external clients), but they must receive the portfolio manager's approval before starting the execution (e.g., activity A08 of P3.express). They should also ask for permission before closing the program or project, at which time, the portfolio manager would ensure that their documents are archived properly, among other things.

Sometimes, such as during emergencies, the relative justification of programs and projects change so dramatically that it would make sense to pause an ongoing program or project and start working on something else. The portfolio manager and the sponsor would discuss such cases in this activity.

When a decision is brought to this activity, the portfolio manager is allowed to make the decision along with the sponsor according to the Value Generation Matrix. If the prior decisions of the portfolio board, as reflected in the matrix, are not enough for making the decision or the portfolio manager and the sponsor can't reach an agreement, the portfolio manager should run an exceptional Biannual Cycle and ask the portfolio board for a Strategy Workshop.

The portfolio manager must ensure that sponsors are not running too many programs and projects in parallel and finish the ongoing ones before starting the next ones in the matrix.

Minor changes in the organization may be best implemented by ad hoc tasks. However, the portfolio manager must ensure that there's a reasonable amount of such tasks and they don't replace structured changes (programs and projects).

Z3 — Balance resources
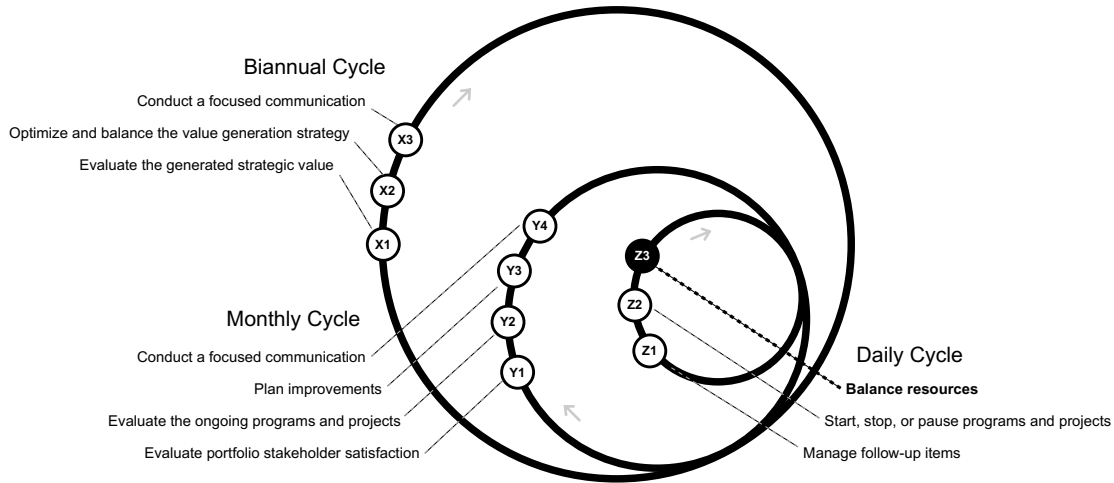
What

This activity helps sponsors get resources for their programs and projects, especially when there's competition among them.

Why

The portfolio management system should offer this help to sponsors from a holistic perspective to ensure

- they can get the resources required for their programs and projects, and
- if multiple programs and projects compete for similar resources, allocations are aligned with the Value Generation Matrix.

Who

The portfolio manager and the sponsors work together in this activity.

How

When there's competition among programs and projects, the portfolio manager will balance resource allocations based on the Value Generation Matrix. When there's disagreement among sponsors and the portfolio manager, the portfolio manager is allowed to make decisions up to the threshold documented in the Portfolio Description. If the decision passes the threshold, they should run an exceptional Biannual Cycle and ask the portfolio board for a Strategy Workshop.

When the competition is with operations, the portfolio manager will help sponsors work with other managers to find a balance. To do so, the portfolio manager may ask for help from other portfolio board members.