

School of Business

THE GEORGE WASHINGTON UNIVERSITY

DEPARTMENT OF DECISION SCIENCES
Project Portfolio Management -- Fall 2019 Draft

Course Number:	Decision Science 6259
Course Title:	Project Portfolio Management
Course Description:	Management of an organization's portfolio of projects for the overall welfare and success of the enterprise. Alignment of projects with an organization's strategy and goals and consistency with values and culture. Whereas most project management courses focus on 'doing things right', project portfolio management focuses on 'doing the right things'.
Professor:	Dr. Ernest Forman. Fungler 404. 202-994-6206. E-Mail: forman@gwu.edu
Office Hours:	By Appointment: See http://mdm.gwu.edu/forman
Prerequisite:	Executive Decision Making
Textbooks	<p>Bible, Michael J, and Bivins, Susan S, <i>Mastering Project Portfolio Management: A Systems Approach to Achieving Strategic Objectives</i> Available at Amazon or from Publisher at a slight discount: http://www.amazon.com/Mastering-Project-Portfolio-Management-Objectives/dp/1604270667/ref=sr_1_1?s=books&ie=UTF8&qid=1316296956&sr=1-1</p> <p>Levine, Harvey A. <i>Project Portfolio Management: A Practical Guide to Selecting Projects, Managing Portfolios, and Maximizing Benefits</i> 2005, Josey-Boss, San Francisco Available at Amazon</p> <p>If purchasing both is a financial strain, you can get by with only purchasing one (I recommend the Bible/Bivins book) as I will cover most of the pertinent material in class.</p>

Supplemental Textbook:	Forman, Ernest H., and Selly, Mary Ann, <i>Decision By Objectives</i> , World Scientific Press, 2001, or download from Decision By Objectives Chapters
Additional Resources	Lynda.com <i>Introduction to Portfolio Management</i> https://www.linkedin.com/learning/project-portfolio-management-foundations/introduction-to-portfolio-management?u=74651410 http://mdm.gwu.edu/forman
Course Objectives:	You will learn about: The role of governance in PPM Designing projects to address an organization's strategic objectives Prioritizing strategic objectives Evaluating project alignment and anticipated benefits Determining an optimum combination of projects Evaluating alternative portfolios given different scenarios Measuring the performance of individual projects Synthesizing individual project performance into measures of portfolio performance at various levels within the organization
Method of Instruction:	Lectures, projects, student presentations. Students will learn by applying concepts and theory to cases and/or real projects.
Assignments/Deliverables	Hypothetical/Real/HybridPortfolio Project: 50% Midterm Exam 20% Final Exam 30% + points for Participation if on borderline of letter grade
Grading:	See above but note that the percentages are approximate, may be adjusted to emphasize aspects of the course students perform better.

<p>Session 1 Oct 24</p>	<p>Introduction and Overview Concepts, Theory, Practice Common Practices, 'Best' Practices', Ideal Practices Project Portfolio Management vs. Project Management Making the Case for Project Portfolio Management</p> <p>Reading: B&B: Preface; Chapter 1; (2 optional) Levine: Chapters 10.5, 5.1, 3.1, 1.1, 1.2, 2.1, 2.3, 2.4</p> <p>Begin thinking about PPM Project; Real or Hypothetical</p>
<p>Oct 24 continued</p>	<p>Articulating an Organization's and Business Unit's Strategies. Identifying Objectives that support the strategy. Begin -- Identifying/Designing Projects and Creating Business Cases</p> <p>Reading: B&B: Chapter 3 Levine Chapters 2.5, 3.3, 3.5</p>
<p>Session 2 Oct 31</p>	<p>Identifying/designing projects that contribute to the organization's objectives Identifying/Designing Projects and Creating Business Cases Strategic Buckets Cost Estimation GAO cost estimation guide (http://www.gao.gov/new.items/d071134sp.pdf) Risk Estimation/Risk Evaluation WBS for Risks Theory and Practice for estimating risks Risk Mitigation Strategies and Alternatives</p> <p>Reading: B&B: Chapters 5, 6, Ch. 6 appendix B Levine Chapters 2.5, 3.2, 3.5</p>
<p>Oct 31 continued</p>	<p>Evaluating Alternative Project Designs Selecting/justifying one or a set of possible designs (activity level) Different feature sets Different benefits (discuss NPV and IRR) Different costs Different Risk Mitigation Strategies and Levels Different Schedules</p> <p>Criteria – Musts – Prequalification and filtering</p>
<p>Sessions 3 Nov 7</p>	<p>Common/Typical and 'Best' Practices</p> <p>Inventorizing the Current Portfolio Governance and Roles</p> <p>Ranking Alignment Determining the Value of a Project Selecting Projects for the Portfolio</p> <p>Ideal Practices</p>

	<p>Structure Measure Synthesize Allocate Iterate</p> <p>Prioritizing Objectives Using AHP/Expert Choice Comparion</p> <p>Reading: B&B Ch 3,4 Levine Chapters 2.1, 3.5,,4.2, 4.3, 7.2 <i>Decision by Objectives</i> Chapters 1-4</p>
<p>Session 4 Nov 14</p>	<p>Alignment and Evaluation of Anticipated Project Contributions to Objectives</p> <p>Absolute Measurement Ratings, Utility Curves, Step Functions Expert Choice Comparion Pairwise Comparisons and Linking Clusters</p> <p>Reading: B&B:Chapters 7 Levine Chapters 4.1</p>
<p>Session 5 Nov 21</p>	<p>Identifying an Optimum Portfolio Synthesis; Identifying Constraints; Optimization, Communication – Determining “Optimum” Project Portfolio Benefits (aligned) Costs Project Risks Rough guess Associated risk model Risk analysis of events for one or more projects Constraints for Balance and Coverage Creating Specialized Custom Constraints Time Periods/Roadmaps Scheduling Projects by Time Period</p> <p>Reading: B&B Preface; Ch 8,9 Levine Chapters 2.2, 4.4, 9.3</p>
<p>Sessions 6 Nov 25 – during Monday night beginning at starting time for Collaborate session. This is instead of Nov 28 which is Thanksgiving</p>	<p>Defining alternative scenarios and corresponding optimal portfolios Selecting the most preferred optimal portfolio</p> <p>Additional Topics Infeasibilities, Relevant Constraints Low Cost Projects Tend to Get Funded</p>
<p>Session 7 Dec 5</p>	<p>Project and Portfolio Performance Project Presentations</p>

PPM Project Schedule

Discuss/Due Weeks 1/2

Organization background, mission/vision/strategic objectives, assumptions

Discuss/Due Weeks 2/3

Identifying/designing projects that contribute to organizational objectives -

- Criteria – musts, prequalification

Business Cases --

- Cost estimation

- Risk estimation

- Risk mitigation strategies

- Creating business cases

Evaluating alternative project approaches

Choosing Best Design (for 1 project)

Discuss/Due Weeks 3/4

Governance and Roles definitions. Refining and Prioritizing Objectives Hierarchy –

Identifying alignment (which projects contribute to which objectives)

Prioritizing Objectives

Discuss/Due Weeks 4/5

Measuring Anticipated Project Benefits

Discuss/Due Weeks 5/6

Identifying an 'Optimal' Portfolio of Projects

Identifying additional resource constraints; Insuring balance and coverage

Discounting anticipated benefits by project risk

Defining Resource Requirements and Constraints

Discuss/Due Weeks 6/7

Defining Time Periods, alternative scenarios and corresponding optimal portfolios

- Selecting the most preferred optimal portfolio

Measuring Project Performance and Portfolio Performance **Discuss/Due (optional) Weeks 7**

- Synthesizing anticipated benefits with actual performance

- Periodic Review and Revision (Iteration -- considering existing as well as new projects)

PowerPoint Presentation **Due Week 7**

Paper **Due End of Week 7**

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