



# APM's Portfolio Management Specific Interest Group

– The first 10 years –



Portfolio  
Management  
SIG

## Introduction

This document is a short 'history' of Association for Project Management's (APM) Portfolio Management (PfM) Specific Interest Group (SIG) from its inception in 2010 and what we have achieved during the subsequent 10 years, during which time SIG membership (followers) has grown to more than 4,500.

It's a snapshot of the events and people associated with its progression up until the end of 2020, and looks at the main achievements and challenges with some thoughts on where the SIG and PfM might go next.

The format consists of, broadly, an overview of each 'SIG year' running from annual committee elections at each AGM (usually held early summer) and through to the next AGM.

### Sources include:

- Meeting minutes and notes
- Event plans
- Email trails
- Conference presentations and others from the main events
- Newsletters
- Articles on the SIG website
- Blogs posted by the committee
- Anecdotes and recollections of some committee members
- Where available, photographs of the 'SIG in action' at selected events are also included
- Links to presentations from SIG PfM conferences and major events are shown, where available

Hopefully, this 'history' will provide a reference record for past/present/future SIG members, become part of APM's 'corporate memory' and bring back some good memories for all those who have been on this journey, however long or short their participation.

### Stephen Parrett

(Committee member from 2010, and chair/co-chair from 2012/13 to 2017/18)

## First Decade Overview

Before getting into the chronology, let's look at some of the features of this period in the life of a 'new' APM SIG; this is only a brief summary, there is more detail later.

Although this a '10-year' review, we are now into the 11<sup>th</sup> year as a SIG. In that period there have been 47 **committee members**, serving a cumulative 113 years of service, ranging from 1 year to 11 years, with attendance varying widely as personal/work circumstances dictated. There is a full list in Appendix A.

This represents a tremendous overall effort in both time and **commitment** from everyone involved, who have shared some enjoyable and challenging experiences along the way. We have had great camaraderie during committee meetings, working groups, phone conferences and other events, particularly the 'annual' conferences. Crucial to this has been close working relationships and good communications across the committee, allowing everyone to know what is going on and to participate at their own pace.

In addition to the committee, **many others** have played their part – too many to list (the main speakers are highlighted in the pertinent events throughout this document) including the numerous SIG members/followers.

However, we would not have been doing any of this if not part of the APM, and we should thank in particular the help we have received from the **APM's Volunteer Team**, amongst others:

|                              |                     |                     |                       |
|------------------------------|---------------------|---------------------|-----------------------|
| <b>Anna Grabham</b>          | <b>David West</b>   | <b>Colin Baker</b>  | <b>Hilary Trahair</b> |
| <b>Sergio Gallego-Schmid</b> | <b>Maya Creasey</b> | <b>Sarah Slater</b> |                       |

Over the 10 years, a summary of activities looks something like this:

- Over 120 main **committee meetings** held, plus another 200+ morning 'catch-up' sessions
- Main committee meetings held **all over London**: offices of Defra (2010-2013), Euston (2013-2015 and 2016-2017), Westminster Council (2015-2016), Royal Mail (2017-2018) and RSM (from 2019)
- Five full-day **PfM SIG conferences**, plus 2 joint ones and one for a half-day in 2012
- Over 60 **speakers** (conferences/events) and more than 500 conference participants
- In excess of 20 visits to **APM branches**, sharing PfM thinking etc.
- Around 30 **blogs**, covering a wide range of topics
- Many joint events/activities **with other SIGs**, reflecting how PfM connects across the APM.
- Numerous APM events, where committee members represented the **PfM SIG as ambassadors** for our cause: Volunteers' Forum, APM Presents, the APM Conference, and APM working parties
- Many **events** bringing specialists/practitioners together; such as: Developing New Knowledge (DNK) workshops, sessions on prioritisation, risk etc, and recent highly-rated Directors Dinners
- Produced many **thought leadership** articles for Project magazine (Stephen Jenner setting the benchmark in 2010) including the "Managing the Portfolio" series (from Peter Glynne)
- **Surveys** of PfM practitioners, with good results in 2012, 2015 and 2020
- Several **webinars**, mostly in recent times and marking a shift in how the SIG reaches out
- Around 20 **newsletters** published for SIG members/followers and others
- 1 prestigious publication – **Portfolio Management – A practical guide**; hard work, but worth it. A major achievement of the APM in 2019, with 196 print sales (4<sup>th</sup> most popular) and 117 combined print/digital sales in 2020 (6<sup>th</sup> most popular)
- Not forgetting, 1 Christmas lunch, lots of KitKats during meetings at The Office in Euston, and the ever-popular post-conference refreshments.

*Please read on to find out more.....*

## Formation in 2010 – A Glorious Revolution

### The Beginning

Within the corridors of power, otherwise known as Whitehall, a number of government departments had been engaged in various levels of portfolio management (PfM) for several years, and by 2010 had developed a central government portfolio management group for those involved in its practice.

With varying levels of experience, the people involved and their teams (with leadership from the Office of Government Commerce (OGC)) actively sought to share ideas about best practice and start developing some common approaches.

By 2010, and seeing the success of APM SIGs such as Benefits Management and Programme Management, the OGC and the APM decided to collaborate on a proposal to start up a Portfolio Management (PfM) SIG under the auspices of the APM and folding into it the existing government-based group.

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### SIG Discovery Day (Wednesday 21 July 2010)

To get the process going, a “Discovery Day” was hosted by DEFRA, with over 80 attendees from both commercial and public sector organisations.

**Stephen Jenner** (an OGC author of PfM books, including co-author of *Management of Portfolios*, and other articles) led the session and set out the potential way forward. Contributions from many APM SIG speakers, explaining the way PfM was being covered by their particular specialisms (such as Benefits Management and Governance), all supported the creation of a dedicated PfM SIG.

| Speakers   | Presentation Topics   |
|--|---|
| <b>Stephen Jenner</b>                            | History of the Government’s Portfolio Management SIG<br>The new OGC “Management of Portfolios (MoP) Guidance”   |
| <b>Paul Hirst</b><br>(HMRC)                      | <b>The case for PfM</b> – included: <ul style="list-style-type: none"><li>▪ Avoid salami slice approach to cutting investments</li><li>▪ Focus on time, cost, quality, benefit and risk</li><li>▪ Anticipate organisational culture and behaviours</li><li>▪ Integrity rules - be an honest but firm critical friend</li><li>▪ REMEMBER PORTFOLIO SURVIVAL - Win the war, but you may have to lose the odd battle!</li></ul>  |
| <b>Adrian Pyne</b><br>(Programme Management SIG) | <b>Programme Management (ProgM) and PfM</b> <ul style="list-style-type: none"><li>▪ ProgM recognised the business value of related areas of Portfolio Management and PMOs</li><li>▪ Successful Portfolio Management crucially is an activity for the C level</li><li>▪ ProgM realised early the linkages between PgM and PfM in practise</li></ul>  |
| <b>Peter Glynn</b><br>(Benefits Management SIG)  | <b>Benefits Management alignment with Portfolio Management</b><br>The rationale: <ul style="list-style-type: none"><li>▪ No longer acceptable for project/progr. managers to deliver in isolation of the wider business</li><li>▪ The two areas bring together PPM and the wider business</li><li>▪ To be truly successful, benefits management must be applied consistently across the organisation at the Portfolio level</li><li>▪ Portfolio Management, Organisational Performance Management, and Benefits Management need to be aligned</li></ul> |

| Speakers   | Presentation Topics  |
|--|--|
|  | <p>The Importance</p> <ul style="list-style-type: none"> <li>▪ Investment appraisal needs be benefits centric at the portfolio level</li> <li>▪ The trade-offs involved in managing competing priorities should be benefits centric</li> <li>▪ Double counting of benefits is only managed effectively at the portfolio level</li> <li>▪ Strategic Risk Management – the majority of risks to benefits realisation are operational and sit within the business</li> </ul>  |
| <p><b>Philip Cooper</b><br/>(Efficiency &amp; Reform Group, HMG)</p>   | <p><b>PfM in Government</b></p> <p>Cross-Government Portfolio</p> <ul style="list-style-type: none"> <li>▪ Project reporting –regularly</li> <li>▪ Better assurance, more integrated with Treasury approvals</li> <li>▪ More informed decisions - Better use of resources - More reliable outcomes</li> </ul> <p>Starting Gate</p> <ul style="list-style-type: none"> <li>▪ Part of the Policy making process - have delivery implications been thought through?</li> <li>▪ Do we know what skills and resources will be required?</li> <li>▪ Gaining ground but not yet mandated</li> </ul> <p>Major Projects Review Group –criteria for project selection</p> <ul style="list-style-type: none"> <li>▪ Value –typically &gt; £1bn - Innovation</li> <li>▪ Complex procurement approach - Precedent setting</li> </ul>  |
| <p><b>David Shannon</b> (IOD and APM's Governance SIG)</p>   | <p><b>Governance and Project Management</b></p> <p>The Governance SIG seeks to:</p> <ul style="list-style-type: none"> <li>▪ Be the UK focus for those interested in the governance of project management</li> <li>▪ Advance the understanding of governance of project management</li> <li>▪ Contribute towards development of good practice in governance of project management</li> <li>▪ Influence national and international standard making authorities to improve their impact on the governance of project management</li> <li>▪ Influence those responsible for the governance of projects to improve their practices</li> <li>▪ Develop its members as ambassadors/exemplars of excellent governance PM.</li> </ul>  |
| <p><b>Elizabeth Daniels</b> (Open University) and <b>John Ward</b> and <b>Dr Arnoud Franken</b> (Cranfield University)</p> | <p><b>PfM: Balancing Risk and Performance in Turbulent Times; conclusions</b></p> <ul style="list-style-type: none"> <li>▪ Comprehensive Project Portfolio Management (PPM) is effective in improving investment decisions and project performance only if supported by strong governance processes, rigorous business cases and good monitoring of project progress and achievements</li> <li>▪ A number of criteria should be used to set priorities, but most tend to use one dominant factor – usually resource constraints</li> <li>▪ More comprehensive/realistic approach to benefits management to improve PPM further</li> <li>▪ Accurate and up to date information essential to support PPM is often difficult or time consuming to gather, analyse and present</li> <li>▪ Most organisations have yet to achieve accurate strategic alignment of the portfolio – most projects are not driven by the strategy, but evaluated against it</li> </ul> |

Proposals were drawn up after the meeting and submitted to the APM, and the gathering ended with plans being made for an initial half day session planned in November (assuming the SIG was agreed by then) with a full day conference expected around February 2011.

## A SIG is Born (Tuesday 14 September 2010)

The 'Discovery Day' proposals were agreed by the APM Board at their meeting on Tuesday 14 September 2010.

Very quickly, the previously-prepared plans were being put into action, including:

- An 8-page portfolio management special in the October 2010 edition of *Project*
  - A draft update of APM Body of Knowledge 1.1.3 Portfolio Management was circulated for comment
  - An addition to the APM's website, with a PfM SIG page, was due to go live in the near future
  - Steve Jenner (initial SIG chair and main force behind the new SIG) was due to speak at the APM Conference on Tuesday 21 October – to publicise the new SIG.
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## The inaugural SIG committee meeting (Thursday 18 November 2010)

**This took place** at the London Grand Connaught Rooms (Great Queen St.) on Thursday 18 November (10.45 until 15.45, and lunch!), with a very good turnout and much debate – leading to a Terms of Reference.

Expressions of interest had been gathered during previous weeks, and those concerned were invited to:

- Confirm that they wished to join the SIG (whether or not an APM member) and whether willing to join the inaugural committee (for APM members only).
- Those keen to join the committee were asked indicate their preferred role, such as:
  - Writing a regular blog for the website
  - Attending the SIG forum in London on Friday 5 and Saturday 6 November
  - Presenting at our forthcoming meetings
  - Collaborating on a white paper/thought leadership piece/guide/academic paper
  - Establishing relations with other institutes/bodies with an interest in this area
  - Establishing relations with other SIGs and local groups
- The target of an initial conference with the Assurance SIG was agreed

The aims of the PfM SIG were agreed as:

- Promote awareness of portfolio management practices and so help organisations deliver more from less.
- Provide an active forum for interested professionals to share experiences, ideas, tools and techniques.
- Encourage cross-professional collaboration.
- Contribute to development of best practice in this emerging field.

The first (and largest so far) PfM SIG committee comprised the following people:

|               |                     |                 |
|---------------|---------------------|-----------------|
| Chris Beech   | David Dunning       | Peter Parkes    |
| Nigel Bell    | Tony Harding        | Stephen Parrett |
| James Buckley | Paul Hirst          | Adrian Pyne     |
| James Butler  | Steve Jenner        | Matt Rawson     |
| Graham Coe    | Achilleas Mavrellis | Christine Rigby |
| James Dale    | Irene MacDonald     | Martin Samphire |

**Steve Jenner** was elected chair and **Achilleas Mavrellis** as secretary. Early meetings focused on the schedule of potential activities as listed above.

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## PfM SIG's first conference (Wednesday 9 February 2011)

We decided in 2010 that we should hold a **joint event with the Assurance SIG** for two key reasons: firstly, it would be an attractive initial event for delegates and, secondly, allow the PfM SIG committee to gain first-hand experience of putting on such events.

The main organisers were:

**Roy Millard (Assurance SIG)**

**Steve Jenner**

**James Buckley**

**Graham Coe**

| Speakers  | Presentation Topics  |
|---|--|
| <b>Terry Morgan</b><br>CBE – chair,<br>Crossrail.                                     | <p><b>The Keynote Speech</b></p> <p>Terry spoke about the circa 16bn infrastructure and rolling stock development project expected to deliver shorter cross-London travel times of 20-40% by 2018. Of particular interest to portfolio managers was the investment model of staging release of funding to successful bidders, the release of which depends on delivery and performance of intermediate objectives. It was interesting to note that the burden of assurance is being placed on delivery partners.</p>   |
| <b>Stephen Jenner</b>   | <p><b>Launch of the OGC's 'Management of Portfolios' and APMG's exams</b></p> <p>Steve also reminded us that it's all about doing things right and doing the right things a two-cycle process at the heart of the five requirements for successful portfolio management:</p> <ul style="list-style-type: none"> <li>▪ an energised change culture</li> <li>▪ senior management commitment</li> <li>▪ governance alignment</li> <li>▪ strategy alignment, and</li> <li>▪ an effective portfolio office.</li> </ul>  |
| <b>Chris Beach</b><br>and <b>Roy Millard</b>  | <p><b>Portfolio assurance at Transport for London</b></p> <p>Chris and Roy gave an excellent example of portfolio assurance best practice from Transport for London. TfL delivery objectives have been mapped to and closely aligned with mayoral transport priorities as part of TfL's Strategic Assessment Framework (SAF):</p> <ul style="list-style-type: none"> <li>▪ Planners and project managers develop/assess projects against the Mayor's Transport Strategy</li> <li>▪ Alternative projects/options considered in more detail during the early planning stages</li> <li>▪ An up-to-date and consistent approach for the Business to demonstrate the 'strategic fit' of projects as they proceed through the Corporate Gateway Approval Process (CGAP)</li> <li>▪ Consistent(cross-modal) information for decision-makers</li> <li>▪ Consistent comparison of investment scenarios against the Mayor's Transport Strategy goals to attempt to ensure long-term goals are not compromised</li> </ul> |
| <b>Alex Clark,</b><br>head of<br>programme<br>management<br>assurance,<br>Rolls Royce | <p><b>Portfolio assurance within Rolls Royce</b></p> <p>Rolls-Royce has a very varied portfolio, supplying state of the art equipment and machinery to civil and defence aerospace, marine, energy and nuclear customers in 160 countries. Programme and project assurance are reported on at board level and around 130 gate reviews happen annually. While the assurance process is clearly very mature and well-established, it is also clear that it focuses on programmes and projects rather than the portfolio as a whole.</p> <p>Value of the Assurance Process</p> <ul style="list-style-type: none"> <li>▪ Proven, mature approach through application and development on projects</li> <li>▪ Embedded –integral part of all projects across all sectors</li> <li>▪ Consistent –applied by central team with trained process practitioners</li> <li>▪ Leverages corporate knowledge and experience by sharing and identifying best practice</li> <li>▪ Stimulates improvement</li> </ul>             |

| Speakers  | Presentation Topics   |
|---|---|
| <b>Bob Assirati</b> ,<br>major projects<br>director, MPA<br><br>Honorary<br>Fellow, APM | <b>Portfolio assurance within central government</b><br><br>Bob looked at portfolio assurance in central government. Portfolio management, in the form of an integrated assurance and approvals framework, with an emphasis on senior responsible owner (SRO) accountability, compulsory starting gate reviews and a close link to the coalitions Transparency Framework, is being applied to major projects (those valued at £50m or more) as part of OGCs new remit within the Cabinet Offices Efficiency and Reform Group. |

In addition, we also offered delegates:

- An introduction to the two SIGs
- Workshops, to liven up the afternoon, covering these questions:
  - Who is responsible for assurance at the portfolio level?
  - What are the challenges and solutions for portfolio-level assurance?
  - How should assurance be prioritised within a portfolio?
  - How can assurance work within multi-organisation portfolios?

With almost 70 people attending, we felt that this had been a good start and we were very grateful to the Assurance SIG team for their support.

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## 2011 AGM and 2010/11 review

By the time of the 2011 AGM (Wednesday 22 June) Stephen Jenner had moved on to a new role, eventually reaching Australia - Matt Rawson chaired the meeting.

The following key milestones etc were noted/reviewed:

- **SIG established** Sept 2010
  - **Business Plan** in place – Steve Jenner was thanked for his considerable effort with this and the SIG formation work
  - Joint 1-day session with **Assurance SIG** (as above)
  - Some early **blogs** had started to create discussions:
    - The case for portfolio management – Oct 2010 (**Steve Jenner**)
    - Selling portfolio management – Dec 2010 (**Adrian Pyne**)
    - Uncertainty, humility and innovation in portfolio management – Jan 2011 (**Nigel Bell**)
    - So why doesn't portfolio management stick? – Feb 2011 (**Matt Rawson**)
    - Portfolio Assurance – just big project assurance? - Feb 2011 (**Martin Samphire**)
    - Demonstrating value through Portfolio Management – March 2011 (**Jim Dale**)
    - Resource Management – What do I need to know? – May 2011 (**David Dunning**)
    - Portfolio management – a duck in the hand... - June 2011 (**Achilleas Mavrellis**)
  - The committee had held a **strategy workshop** – creating some themes for 2011/12 (see below)
  - A contribution was being made to the APM's **Knowledge Share** event in the next week
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## 2011/2012 – Tally Ho: The SIG's First Full Year

The final act of the 2011 AGM was confirmation of the 2011/2012 SIG committee:

|                     |                 |
|---------------------|-----------------|
| Chris Beech         | Peter Parkes    |
| Nigel Bell          | Stephen Parrett |
| David Dunning       | Adrian Pyne     |
| Paul Hirst          | Matt Rawson     |
| Achilleas Mavrellis | Christine Rigby |
|                     | Martin Samphire |

Various work commitments and other reasons led to a smaller committee this time, down from 18 to 11, and whilst it was regrettable that we lost so much talent, the level of commitment amongst those continuing remained high.

**Matt Rawson** was elected chair and **Achilleas** continued as secretary.

The early SIG committee meetings were generally well attended, and to ensure that this continued an option for all was to dial in using either the APM's telecoms facility or that provided by individuals or organisations.

Unfortunately, right from the start this often meant a delay in starting the meetings (as we all struggled with various fumbling, bizarre noises and grunts of despair!), and this issue continues to the present!

Initial committee meetings were held in the government DEFRA offices at Nobel House, courtesy of Achilleas, and also at the Institute of Arbitrators when DEFRA facilities were not available – although we always thought that DEFRA provided better refreshments at DEFRA!

To illustrate the diverse range of thinking by the committee, topics emerging by July 2011 included:

- Research Themes, from which events and debates could be derived
- Surveys to help develop content for the APM website and review against publications such as MoP
- Blogs, to further PfM debate (APM reminded us that these had to represent personal views only)
- PfM accreditation
- Reaching CxOs and showing how PfM could help address their issues
- Case studies from members
- Working with others on events etc (IOD, BM SIG and BAA mentioned)
- Attending the SIG Forum in November – 1<sup>st</sup> chance to showcase PfM SIG to others SIGs.

This was a very ambitious agenda, and we all strove to do our best to maintain momentum across multiple projects, but as a voluntary group with other demands on our time it proved a tough ask and we often had to cut our cloth accordingly as time progressed.

Allied to the above, was the perennial challenge of not being certain who would/could attend meetings, especially face-face ones; an example of which was when the October 2011 meeting had 3 attendees, 1 of which was the APM representative. There was no easy solution that suited everyone.

However, by January 2012 we do have this nice gem from the minutes:

“A productive and energetic meeting (in spite of several members having arrived dusty, just-in-time and ‘a bit rough’ from the *outré-mer*) began with a welcome for a new guest, Rebecca West, from the City of London. “

Rebecca was subsequently co-opted onto the committee, and then became a full member, despite the description of existing members above!

## 2012 AGM and 2011/12 review

Throughout the following months, vigorous debates took place across all the committee topics, and (with due portfolio prioritisation in action, naturally) the collective efforts from members started to show the intellectual weight and capability of the committee.

By the time of the 2012 AGM on Thursday 14 June, the following achievements were highlighted:

- **SIG Membership** had reached 580.
  - The first PFM SIG **newsletter** had been published (Dec).
  - The SIG's first **PfM survey** had been launched and had 150 participants.
  
  - Events held/supported with presentations given/sponsored:
    - **APM Knowledge Share** (June 2011)
    - **APM Conference** (October 2011) – **Christine Rigby and Achilleas Mavrellis**
    - **Benefits Management SIG** (February 2012) – **Christine Rigby**
    - **Making Benefits Happen: Portfolio Leadership in Benefits Delivery** (May 2012, **BM Conference**) – **Stephen Parrett**
  
  - **PfM evening seminar** for members (March 2012) – **Christine Rigby and Andy Ingleby** (Astra Zeneca).
  - **APM branch meetings**: East of England (February 2012) and Coventry (March 2012) – **Nigel Bell**
  
  - **Blogs/Articles** had been developed by many on the committee:
    - Portfolio leadership and the chief projects officer – July 2011 (**Peter Parkes**)
    - Profile of the Portfolio Management SIG (July issue of Network) – **Martin Samphire**
    - **Where have all the portfolio managers gone?** – Aug 2011 (Stephen Parrett)
    - **How many organisations truly know what constitutes their portfolio?** - Dec 2011 (**Matt Rawson**)
    - **The strangest of bedfellows: earned value and portfolio management?** – Jan 2012 (**David Dunning**)
    - **A P3O? What's wrong with my Project Support Office?** – Feb 2012 (**David Dunning**)
    - Closing projects & Black Death analogy (March 2012, Project) – **Matt Rawson/Martin Samphire**
    - **Portfolio managers come out of the woodwork** – April 2012 (**Stephen Parrett**)
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## 2012/2013 – Full Steam Ahead



For the 2<sup>nd</sup> full year, the committee had slimmed down still further:

|                      |                 |
|----------------------|-----------------|
| Nigel Bell           | Christine Rigby |
| David Dunning        | Martin Samphire |
| Achille as Mavrellis | Rebecca West    |
| Stephen Parrett      |                 |

Several of the inaugural committee decided that they should devote more time to their work life, and the remaining committee thanked them for having helped significantly in creating a very sound foundation for the SIG. **Stephen Parrett** took on the role of chair, with **Achilleas Mavrellis** continuing to give great support as secretary.

Despite being only seven, we maintained a high level of enthusiasm that had sprung from the experience gained since the SIG was formed and this would play a key role in ensuring that the SIG could deliver many interesting events for members, including the first PFM SIG conference.

Prior to the AGM it might have seemed a bit early in the life of the SIG for some members to want to become part of the committee. However, several of those attending did express interest in helping the committee – this was the first of several occasions when events would prompt people to come forward, having met some of the committee, seen what was being planned, and realised the wide range of backgrounds of those involved.

### Plans taking shape

The new committee was soon progressing a number of ideas and by October discussions were taking place across many fronts, including:

- Getting organised for a mini-conference at the beginning of October (see below)
- How to develop the PFM SIG's strategy and make it fit with the broader APM strategy, and how we would deliver both strategies in future
- The SIG Business Plan for 2013/14 year. As anticipated, workload was becoming a challenge and we considered whether we could change the "model" to one where the committee would commission working parties and set strategy, not necessarily delivering. [This turned out to be easier said than done and never really became feasible]
- How to maximise the impact of knowledge collateral created. This was set in the context of the APM viewing SIGs as centres for creation and dissemination of APM knowledge
- Setting up a how to get PFM installed guide (affectionately dubbed a brave trousers resource manual by David D and Achilleas). [A fine ambition, whose time would come – eventually!]
- Survey Mk2 which could be focussed on CxOs only, and be conducted in the form of interviews which would feed a joint CxO event. Maybe individual involvement (breakfast briefings) with CxOs on PFM. [Again, a great ambition but in practice this idea moved slower than hoped, and took a different course – keep reading on to see what happened!].

## PfM SIG conference 2012 (Tuesday 12 October)

To ensure that we could walk before trying to run, this **first foray into PfM-focused conference** territory was a half-day affair.

It still took a lot of planning effort, but benefited considerably by the speakers coming from the existing committee, mostly, rather than having to be recruited from elsewhere – that would come next time.

The subject for this event was “**Portfolio Management – from theory to adding value**” and was held on the afternoon of Tuesday 12 October at Trafalgar Events in Northumberland Street, London.

Around 60 people attended, from private and public sector organisations; we achieved an overall positive rating of 85% - a good start for the SIG, helped by several speakers with experience of similar SIG events.

| Speakers   | Presentation Topics   |
|--|---|
| <b>Stephen Jenner</b>  | <p><b>Portfolio Management – influencing the weather (Making it real – 4 themes)</b></p> <ul style="list-style-type: none"> <li>▪ Active: Staged release of funding</li> <li>▪ Evidence-based: reference class forecasting</li> <li>▪ Fast and frugal decision making</li> <li>▪ Value-led: Understand the benefits you are buying and have a clear line of sight about the benefits to be realised</li> </ul>  |
| <b>Achilleas Mavrellis,</b><br>performance,<br>panel and<br>portfolio<br>management<br>lead, Defra | <p><b>The benefits of Portfolio Management – Defra, a case study</b></p> <p>Value was improved! But more specifically:</p> <ul style="list-style-type: none"> <li>▪ Redesign of the portfolio was easier if you have mapped alignment of projects and programmes to strategic goals</li> <li>▪ Finances are better controlled – less than 0.1% under spend in the case of Capital</li> <li>▪ Nothing is out of scope of the portfolio – there is nowhere to hide</li> <li>▪ Savings and clearer understanding of work to be carried out, through business case development and approvals process – nearly 60% of cases are turned away.</li> </ul>  |
| <b>David Dunning,</b><br><b>Rebecca West</b><br>and <b>Peter Lisley</b>                            | <p><b>The case for Portfolio Management</b></p> <ul style="list-style-type: none"> <li>▪ Improved communication about projects, especially problems</li> <li>▪ Corporate overview of all projects within scope</li> <li>▪ Monthly programme reports to Projects Sub-Committee</li> <li>▪ Better consistency in decision-making about projects</li> <li>▪ Greater scrutiny of individual projects is leading to savings</li> <li>▪ Learning lessons from projects and celebrating success</li> </ul> <p>To get there:</p> <ul style="list-style-type: none"> <li>▪ Drive from the top is critical</li> <li>▪ Start simple, build strong foundations and a good reputation</li> <li>▪ Talk to people, particularly the difficult ones!</li> <li>▪ Don't underestimate the amount of support people will need</li> </ul> |
| <b>Stephen Parrett</b> and<br><b>Stuart Dixon</b>  | <p><b>Building portfolios to maximise value – a tough balancing act</b></p> <p>Decisions to be made</p> <ul style="list-style-type: none"> <li>▪ What is included in your portfolio, all projects or just some</li> <li>▪ How long will your portfolio last? Calendar year, financial year, rolling year, multi-year?</li> <li>▪ How are projects going to be added to your portfolio?</li> <li>▪ Who decides on the approval of your projects?</li> <li>▪ Which project goes first? How will you decide to prioritise?</li> </ul>  |

| Speakers                      | Presentation Topics   |
|-------------------------------|---|
|                               | <p>Balancing a Portfolio requires the portfolio team to:</p> <ul style="list-style-type: none"> <li>▪ Articulate a strategy-driven, yet 'Do-able' portfolio plan</li> <li>▪ Explain the real benefits position</li> <li>▪ Ensure all key capabilities are properly assessed</li> <li>▪ Understand the overall impact of change on recipients/users</li> <li>▪ Operate a PfM process that can respond to an organisation's needs</li> </ul>  |
| <p><b>Martin Samphire</b></p> | <p><b>Governance of portfolios and Portfolio Management</b></p> <p>Effective PfM is about delivering Strategic Objectives – implies:</p> <ul style="list-style-type: none"> <li>▪ Executive ownership of the Portfolio – being demanding and leading</li> <li>▪ Integrated governance and decision-making</li> <li>▪ Commitment to the underpinning and active processes</li> </ul> <p>This requires:</p> <ul style="list-style-type: none"> <li>▪ Objective &gt; Problem &gt; Outcome &gt; Benefit mapping – value led</li> <li>▪ Having a vision and roadmap</li> <li>▪ Organisational will – active and fast decision making</li> <li>▪ Structured Change Programme to implement / improve</li> </ul> <p>Getting PfM right should result in:</p> <ul style="list-style-type: none"> <li>▪ Clear links between strategy, plans and the change portfolio</li> <li>▪ Optimisation of all change resources</li> <li>▪ Better overall benefits delivery and strategic outcomes</li> </ul> |

We also held a Panel Session to round off the event.

Overall, it was considered a success, with two key lessons coming out of the feedback which influenced future conference formats: firstly, the room was too small and stuffy for many; secondly, the panel session 'ran out of steam' at the end.

## 2013 AGM and 2012/13 review

We had taken the view early on that to keep enthusiasm going, committee members would be encouraged to focus on ideas that motivated them most, whilst seeking to fulfil the scope of the SIG's strategy and plans.

By the 2013 AGM (held on Tuesday 15 May at the Holiday Inn in Carburton Street, London) we had created a solid body of work that provided a good mix of activities and which had brought us some good feedback.

The AGM was a chance to show-case these (as set out below). We had around 50 people receive a talk by **Ed Couch** from AstraZeneca on “**How PFM implementation has enabled intelligent decision making**”.

The main SIG successes during the past year provoked plenty of discussion:

- **SIG Membership** had risen slightly to 660 – it was felt that more could be done to promote the SIG
- **SIG Strategy** had been updated to reflect the APM Vision
- **2 Newsletters** were published to members (Jan and Mar) – these would become a regular feature
- Several events had been held/supported with presentations:
  - **Thames Valley – Pragmatic Portfolio Management (David Dunning and Martin Samphire)**
  - **PfM conference** (October 2012) – see above
  - Joint evening event with the **Governance SIG** (Thursday 18 April 2013) – held at the BBC
  - **Portfolio Optimisation/Prioritisation** and Open Forum held on the evening of Thursday 25 April with >40 attendees. Presentations from **Achilleas Mavrellis** on “Who’s who in influencing the heart of Portfolio Management”, and **David Dunning** talking about “Techniques to help maintain a balanced portfolio”
- Many of us put ‘pen to paper’ and had another set of brave **blogs** for all to see:
  - **Resource management? I’ve got Excel and half a day a week thank you. What else do I need?** – Jun 2012 (**David Dunning**)
  - **Nothing like the sun?** – A wry look at risk – July 2012 (**Achilleas Mavrellis**)
  - **What’s missing from management of portfolios?** – Aug 2012 (**Stephen Parrett**)
  - **Is there a difference between portfolio value and portfolio benefits?** – Dec 2012 (**Christine Rigby**)
  - **We need big cheese for the portfolio cracker – influencing CxOs**– Feb 2012 (**David Dunning**)
  - **“Help, I’ve just implemented.....”** (A PFM ‘farce’ in 6 parts) – (**David Dunning**)
    1. Help, I’ve just implemented a project management tool!
    2. Help, I’ve just implemented a PMO!
    3. **Help, I’ve just trained everyone!**
    4. **Help, I’ve just implemented governance!**
    5. **Help, I’ve implemented a prioritisation system!**
    6. Help! 50% of my projects are the wrong ones, but which 50?

We had also fleshed out the newly-developed SIG strategy:

- **Developing New Knowledge** (Maximise the impact of knowledge collateral created. E.g.: Focus on developing web assets, and Learning Points Papers, themed around a specific topic.)
- **Disseminating Knowledge** (Increase PFM uptake/dissemination and lend credibility to publications. Develop credentials and facilitate external involvement in PFM SIG topics via LinkedIn etc.)
- **Closer working with APM SIG Steering Group and other management** (Closer engagement and working between committee members and APM, leveraging experience and penetration of other SIGs)
- **Engaging the CxO community** (Contribute to a cross-SIG working group targeting CxOs)
- **Getting the SIG members to be more involved** (Ensuring more SIG members get involved with the committee – to support activities and spread interest).

These themes would underpin the SIG's plans for many years, with only minor adjustments, and lead to a diverse range of activities and events.

## 2013/2014 – Bigger and Better

At the 2013 AGM, the following committee had been formed:

|               |                |                    |
|---------------|----------------|--------------------|
| David Dunning | Steve Leary    | Stephen Parrett    |
| Mike Florence | John Macgregor | Martin Samphire    |
| John Laughlin | Ruth Moyes     | Langes Supramaniam |

Several of the first committee decided not to re-stand, and very grateful thanks were expressed for all their past contributions; especially the efforts of **Achilleas** and **Nigel**, along with **Christine** and **Rebecca**.

With 6 new faces (plus: David, Martin and Stephen), this was the largest new intake so far for the committee and reflected the high level of interest from APM membership. **Stephen Parrett** continued as chair, with the role of secretary often in the hands of **Ruth Moyes**.

One of the first actions of the new committee was to instigate a weekly 30/45-minute optional dial-in session which would keep momentum going whilst helping new people get up to speed quickly. This model, with slight variants, would continue during future years as the committee made more use of the opportunities afforded by technology (when it worked) and meet the needs of individual working circumstances.

Generally, where possible, monthly committee meetings were held this year at The Office Group in Euston from 16.30, aiding those who travelled from the north and also being at the end of the day. For some of us it had the advantage of being near to one of the best ale-equipped pubs around, as well as providing a cosy pre-meeting meeting area with free coffee (annoyingly, often without any milk!).

The new team soon got into harness, and early work included:

- A joint **Risk-PfM SIG** meeting in Birmingham (July), with presentations led by **John MacGregor**.
- Moving the proposed autumn 2013 conference to March 2014; we felt this would give us more time to get the SIG's first full-day conference properly planned, reducing the risk of rushing and failing.
- Developing an evening event "Portfolio management - how do I even get this on the executive agenda?"; organised by **David Dunning** (see below) to see how the SIG could reach a CxO audience.
- New committee members attending the autumn Volunteers Forum.

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### Portfolio management - how do I even get this on the executive agenda? (Tuesday 1 October 2013)

Held at the ETC centre in Farringdon, with **Alan Dinsdale**, DIST Military Solutions, MoD setting out the challenges in complex multi-disciplinary government institutions. Plus, workshops on these aspects of PfM:

- What are the triggers for the need? Was there a straw that broke the camel's back?
  - Introduce via Evolution or revolution? May depend if there is an Energised Change Culture?
  - Who should sponsor PfM? Where is the optimum level? Does it matter? Go straight to the top boss or work through the middle management layer?
  - The outline business case? What makes a difference? Use the term portfolio management?
  - What treacle might you have to wade through on the way? How to avoid the treacle? Are you getting actual support, support in name only, ambivalence or resistance – and why?
-

## Portfolio Management and Benefits Management SIGs conference 2014 - “Creating and sustaining an environment for success” (Tuesday 6 March)

On the way to conference day

Our main focus from October 2013 onwards was [the 2014 conference](#), a planned joint initiative with the Benefits Management SIG, being the first full-day event put on by the PfM SIG.

Peter Glynn (SIG Steering Group representative) suggested that we approach the interim head of the Cabinet Office’s Major Projects Authority (MPA), Dr Norma Wood, as our key speaker. Stephen Parrett took this idea up with Andrew Bragg (APM chief executive) and, after a meeting and briefing by Stephen, Dr Wood agreed to attend (see below).

While a small sub-committee concentrated on the main conference plan, further work continued to develop the SIG’s strategic themes so that we could promote these at the conference and we encouraged speakers to feed into some of them through the conference theme.

The earlier decision to allow more time to organise the conference was soon vindicated when it became apparent how much effort was required in managing all the necessary actions. A lesson for all future conferences!

On the day itself

The conference was held, in London, at the ETC Conference Centre in Farringdon.

Picture: **Nick Wemsley** (BM SIG) and **Stephen Parrett** (PfM SIG) – conference co-chairs.



The theme for the conference had been agreed earlier in 2013, and proved to be right for the day:

From: creating the initial building blocks  
 Through: embedding into the organisation  
 To: sustaining for the longer term

| Speakers   | Presentation Topics   |
|--|---|
| <b>Dr Norma Wood</b> ,<br>Cabinet Office                       | <p><b>A board-level perspective</b></p> <p>Highlighting why organisations need to develop a sustainable approach to portfolio management and benefits management</p> <p>Dr Wood proposed that when seeking senior level support for portfolio management and/or benefits management it is wise to approach the task in terms of a negotiation in the light of the organisational context rather than an education based on logical merits</p> |
| <b>Karan Bawa</b> ,<br>head of B&Q programme management office | <p><b>The story of setting up of a PMO</b></p> <p>What has been achieved in the last 18 months:</p> <ul style="list-style-type: none"> <li>Robust decision making, active risk management and robust benefit tracking alone have resulted in multiple £m savings</li> </ul>   |

| Speakers  | Presentation Topics  |
|---|--|
|    | <ul style="list-style-type: none"> <li>▪ 60% increase in projects delivered to original time, cost, quality and the right value for our customers, B&amp;Q and our colleagues</li> <li>▪ Ability to select the right projects that help deliver our strategy</li> <li>▪ Business focused, standardised processes and tools</li> <li>▪ Single view of all B&amp;Q project costs and benefits</li> <li>▪ Full alignment between strategy, financial planning, capacity planning and PMO</li> <li>▪ Business talks a common language</li> </ul>   |
| <p><b>David Airey</b>,<br/>chief<br/>information<br/>officer &amp; head<br/>of corporate<br/>programme<br/>office, London<br/>Borough of<br/>Haringey</p> | <p><b>Introducing Portfolio Management across the organisation</b></p> <ul style="list-style-type: none"> <li>▪ Use pictures not words</li> <li>▪ The challenges don't go away!</li> <li>▪ Focus on the How as much as the What</li> <li>▪ It's a major business change programme (MSP is helpful!)</li> <li>▪ We proved the approach with key stakeholders (showing how it would benefit themselves)</li> <li>▪ Learnt by doing (Easier to explain once you can see it, with short-term deliverables)</li> <li>▪ Sought advice from others who were further on the journey</li> </ul>   |
| <p><b>Rebecca<br/>Kearney</b> (City<br/>of London<br/>Corporation)</p>  | <p><b>An overview of PfM progress at the City of London Corporation</b></p> <ul style="list-style-type: none"> <li>▪ Improvements to gateway process and corporate templates</li> <li>▪ Review of project management system</li> <li>▪ Changing role of Corporate Programme Office</li> <li>▪ Training and development</li> <li>▪ Drive from the top is critical</li> <li>▪ Terminology is not important</li> <li>▪ Articulate clear benefits for all involved</li> <li>▪ Embedding and sustaining involves different skills to initiating and implementing</li> </ul>   |
| <p><b>Helen Preston</b><br/>(Heathrow<br/>Airport<br/>Limited)<br/><br/>and <b>Chris<br/>Beach</b> (EC<br/>Harris)</p>                                    | <p><b>Ensure the most value adding investments are selected</b></p> <ul style="list-style-type: none"> <li>▪ First Challenge: To understand, categorise and prioritise, relative to Strategic Priorities, the hundreds of ideas and concepts and produce a proposed Q6 Portfolio for consultation with the airlines and CAA.</li> <li>▪ Second Challenge: To ensure the Q6 Portfolio is balanced such that the business change is both sufficient, necessary and affordable to deliver the Vision and Strategic Priorities.</li> <li>▪ Third Challenge: To establish the Portfolio Baseline (Cost/Benefit/Risk) against which success of Portfolio Management can be measured and assessed and an agreed Delivery Plan.</li> </ul>   |
| <p><b>John<br/>MacGregor</b><br/>and <b>Jim<br/>Luffman</b> (Rolls<br/>Royce)</p>   | <p><b>Systemising the prioritisation of projects and benefit prediction</b></p> <p>Deterioration of Business Benefits comes from three main areas:</p> <ul style="list-style-type: none"> <li>▪ Reality – always a degree of inefficiency (waste) when a project is delivered</li> <li>▪ Estimation – accuracy of benefits across the portfolio</li> <li>▪ Business Driver impact – effect of one business driver against another</li> </ul> <p>Addressing the issues:</p> <ul style="list-style-type: none"> <li>▪ RR has developed and patented a more sophisticated methodology for understanding the impact of business drivers on each other to generate a more accurate understanding of their relationship.</li> <li>▪ Currently comparing the performance of Business Drivers against expectations using new methodology</li> <li>▪ Initial results indicate a much more accurate prediction of business driver impacts and their benefits realisation.</li> </ul> |

| Speakers   | Presentation Topics   |
|--|---|
| <b>Peter Glynn</b><br>(Westminster Council)        | <b>Embedding portfolio management within Westminster City Council</b><br>Specific Challenges: <ul style="list-style-type: none"> <li>▪ Widespread acceptance of a common corporate approach</li> <li>▪ Getting top of the house buy-in</li> <li>▪ Standardising ways of working across multiple projects/programmes</li> <li>▪ Building quick-wins and establishing credibility at the portfolio level</li> <li>▪ ENGAGING the business and avoiding technical PPM jargon</li> </ul> Lessons learned: <ul style="list-style-type: none"> <li>▪ No one has perfected portfolio management – most organisations are still maturing</li> <li>▪ Without a strong senior level executive champion, it is near impossible to implement</li> <li>▪ Successful senior relationships across the business are critical</li> <li>▪ Don't get too technical; it scares senior management</li> <li>▪ It is not another PRINCE2 or MSP type approach. It is totally different!</li> <li>▪ Keep it refreshed and aligned to changing business needs</li> </ul> |
| <b>David Waller</b><br>(Keldale Business Services) | <b>Lessons from introducing Benefits Management into the NHS</b> <ul style="list-style-type: none"> <li>▪ Strategic decision making starts and ends with subjective events chosen by people</li> <li>▪ You are not alone (and you can do something about it)</li> <li>▪ In applying Benefits Management, we have a framework to give us confidence that the final decision was the best we could do</li> <li>▪ Though driven by the subjective, it contains a bit more logic than simply tossing a coin.</li> <li>▪ Between the Subjective Start and the Subjective Stop we have in benefits management a method to improve the choices made and the results delivered.</li> </ul>  |

Common themes that emerged included:

- Senior executive support is paramount for successful/sustainable PfM/BM
- Use language relevant to executives/stakeholders, avoiding jargon
- Drive, enthusiasm and resilience is required by those driving PfM/BM forward
- The power of pictures, using a wall of information to illustrate portfolio/programme status
- Create standard processes/terminology for consistency, but apply pragmatically
- Clear, simple and relevant reporting retains executive focus (but have full analysis for credibility)

Picture: Delegates in attentive mood



In addition, we ran four workshops centred on the conference theme – these looked at challenges and solutions in the areas of: people, process, technology and organisation. Results provided some useful ideas which would be progressed in due course.

There was a lively atmosphere throughout the day, with around 80 attendees - their feedback was going to be hard to beat in future, coming in at 92%!

A reflection on all the hard work done by both SIGs.

Picture: Peter Glynne in action



Overall, most things went as planned (hence the positive feedback), although we did have a few things to add to our conference guide, such as:

- To help with Q&A during the conference, in future we would use hand-held microphones
- We held a committee post-conference de-brief, which would be repeated after each future conference, as it helped us prepare better, with more confidence in the process and ensuring fewer last-minute changes to plans.

Some attendees queried why these conferences were held in London; we did consider this, but concluded that to enable ease of access for most and achieve the numbers required, the London location was the best overall, but we would look to compensate by reaching out to APM branches more.

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## 2014 AGM and 2013/14 review

In addition to the two major SIG events highlighted above, the committee also:

- Held a **joint event** with the **Risk SIG** on “Communicating risk across the project portfolio” (July)
- Produced **blogs** on the APM website on:
  - Help! 50% of my projects are the wrong ones, but which 50? – July 2013 (**David Dunning**)
  - **Portfolio management? How do I even get that near a meaningful agenda?** – Aug 2013 (**David Dunning**)
  - Portfolio management – helping plot a strategic pathway in a complex world – Feb 2014 (**Stephen Parrett**)
- A **SIG newsletter** and associated article in the APM’s Network magazine published (June)

The SIG’s final event of the year, was the **AGM on Tuesday 10 June** at the Holiday Inn, Carburton St., London. **John Bennett** gave a **well-received presentation** on “**The challenges of managing a dynamic drug development portfolio**”.

## 2014/2015 – Great Expectations

At the 2014 AGM Daryush joined the committee, but we said farewell to **John** and **Langes**. **Martin Samphire**, the last but one of the founding members, also left to focus on his role as chair of the APM's Governance SIG and was thanked for his significant contribution during the last four years. The line-up became:

|                |               |                |                 |
|----------------|---------------|----------------|-----------------|
| Daryush Abbasi | Mike Florence | John Macgregor | Stephen Parrett |
| David Dunning  | Steve Leary   | Ruth Moyes     |                 |

The committee continued monthly meetings, where possible face-to-face, on 2<sup>nd</sup> Tuesday each month, using Friday mornings to catch-up in between and act as a working forum to manage conference planning.

Monthly meetings were still held at The Office, Euston. Although a very accessible venue, we sometimes had more people dialling in than present in person – **Stephen Parrett (chair)** could often find himself on his own or with one other, usually Steve Leary or Mike Florence – and sandwiches for six!

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## SIG Research Topics

As we came out of the AGM, we were armed with the names of around eight non-committee members who volunteered to help with the next significant event, a workshop on **Developing New Knowledge (DNK)**.

This was held on the 8<sup>th</sup> July and produced a wealth of ideas that were structured into four topics: people, process, organisation and technology. Each was owned by a committee member, supported by two of the volunteers, with the task of developing outputs ready for a broader review in November (see below).

These would form the basis for several future SIG activities, reflecting topical key issues from practitioners and helping make the subjects at conferences and publications relevant to the PFM community.

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## Developing New Knowledge (Wednesday 12 November 2014)

Around 60 people braved a typically breezy November evening to take part in a review of the above work which sought views on findings so far and support for going forward. The evening was directed by **Steve Leary** alongside **David Dunning** and with a short presentation by **Euan Dean** (ID Business Solutions).

The work since Sunday 6 July had identified over 50 publications/articles that related to the initial issues documented, and plans going forward were intended to develop these further, including:

- Completing the analysis and mapping to MoP principles
- Seeking additional references for the defined problems
- Ongoing categorisation of SIG conference/event presentations (e.g. using APM Body of Knowledge and MoP)
- Providing links on the APM website

This was one of the initial foundation stones for what would become the PFM SIG guide on portfolio management, although not for a while yet.

In the meantime, whilst the ambitions for this work had to be fitted into the available time and energy of the committee and supporters, it provided valuable background for many exercises undertaken by the SIG.

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## PfM SIG conference 2015 – “Making PfM work for you & your organisation” (Wednesday 22 April)

As Christmas 2014 approached, committee effort intensified around plans for the 2<sup>nd</sup> full-day PfM SIG conference, in April, which would be run solely by the PfM SIG. Initial publicity had been launched on Tuesday 16 December – which we hoped would entice some people to book their place before the New Year.

As we had experienced in 2014, the 4-month period before conference day would pass quickly and everyone involved had to be ready to start 2015 with gusto!

By the time of the 2<sup>nd</sup> conference flyer (Tuesday 10 February) it was possible to quote four named speakers, representing: Ofgem, Westminster Council, Gatwick Airport, and SAB Miller. To illustrate the efforts of the committee and the interest in speaking, names came forward from PwC, Ultra Controls, Shell, MBDA, Yorkshire B/Society and Three (the mobile phone provider). Bookings were looking good, too, at over 30.

By mid-March, progress was well ahead with MBDA, Yorkshire Building Society Group and PwC confirmed. We received agreement from the APM to directly canvass the members of several other SIGs with the greatest interest in PfM (such as Benefits Management, Governance and PMO) – extra enticements included a set of interactive workshops and, of course, many networking opportunities.

Lessons from 2014 led to us build the following features into conference preparations:

- Comprehensive conference plan (e.g. Roles, Timetable, Actions and Contingencies)
- Rehearsal – planned for Tuesday 8 April
- Materials (e.g. Posters, Floorplan, Delegate briefings, Event feedback)

We issued the 4<sup>th</sup> (final) publicity flyer on Thursday 2 April, including the full agenda, which helped to boost bookings to around 80, with around 100 attending on the day.

The conference took place at the ETC in Farringdon, London (as in 2014) with the presenter line-up of:

| Speakers   | Presentation Topics   |
|--|---|
| <p><b>Julie Black</b>,<br/>associate<br/>director, Project<br/>Management<br/>Group, Ofgem</p> | <p><b>Establishing a portfolio management capability</b></p> <ul style="list-style-type: none"> <li>▪ Don't try and sell PfM to the organisation before you have a mature PPM baseline.</li> <li>▪ Keep it simple – report your progress towards capturing better project data and use it to bolster existing reporting at an individual project level.</li> <li>▪ As you begin to capture portfolio level data, avoid the temptation to produce reports for senior management. You may set expectations too soon.</li> <li>▪ Anticipate cultural differences. It may take more than one business planning cycle to fully embed the desired changes.</li> <li>▪ Be prepared to take a low-key approach within the organisation. Build your own capability first and make sure you have good contacts within the business.</li> <li>▪ Regularly check the value of the processes you are proposing/implementing. Don't create a self-perpetuating team producing information, contributing little to decision making.</li> </ul> |
| <p><b>Andrew Brown</b>,<br/>head of project<br/>management at<br/>MBDA</p>                     | <p><b>The case for PfM - processes, organisational culture change and stakeholder impact</b></p> <p>Andrew provided an international perspective, demonstrating the merits of strategic portfolio leadership alongside strong relationship-building and extensive multi-national collaboration.</p> <ul style="list-style-type: none"> <li>▪ Defence industry is driving collaborative project management through our portfolio approach– learning from other major industries</li> <li>▪ The change in leadership style has actually changed the perception of who our project teams are – now we have the customer and our industry partners as our core team</li> <li>▪ We cannot stop here. We must continue towards developing our project managers and their teams in a broader context of skill</li> </ul>   |

| Speakers   | Presentation Topics   |
|--|---|
| <p><b>Julia Hodkin</b>, head of change portfolio management office at Yorkshire Building Society Group</p>       | <p><b>Linking portfolio delivery to strategic objectives</b></p> <p>The Key Steps YBS Group has taken in structuring and controlling it's Change Portfolio are:</p> <ul style="list-style-type: none"> <li>▪ Understand the Business Outcomes required</li> <li>▪ Determine the capabilities needed and the projects to deliver them</li> <li>▪ Understand the risk and value profile of the portfolio</li> <li>▪ Align governance and assurance with the Business's risk appetite</li> <li>▪ Understand what Value means to the Business</li> <li>▪ Constantly re-assess the value and risk of projects as they move through their life cycle to ensure focus remains on the most valuable ones and controls are proportionate to risk.</li> </ul>   |
| <p><b>Tim Hopkins</b>, portfolio office lead, change and programme management unit, Westminster City Council</p> | <p><b>Operating portfolio management in local government</b></p> <p>With cost reduction a major driver of change at Westminster Council, PfM adds value by helping stakeholders understand projects and provides essential portfolio monitoring of progress and alignment.</p> <ul style="list-style-type: none"> <li>▪ Three Pillars of Portfolio Management (Information, Assurance and Intervention)</li> <li>▪ Alignment to Governance</li> <li>▪ Information Flow and Reports</li> </ul>   |
| <p><b>Paul Morgan</b>, regional demand &amp; portfolio manager, SAB Miller</p>                                   | <p><b>Local to regional portfolio management</b></p> <p>SAB Miller's focus links projects to strategy using a common prioritisation framework and stressed the importance of dialogue and cultural awareness in a multi-country business.</p> <p>Key focus areas</p> <ul style="list-style-type: none"> <li>▪ Alignment to strategy</li> <li>▪ Delivering value</li> <li>▪ Confidence and predictability</li> <li>▪ Cost of running the portfolio</li> <li>▪ Flexible and simple process</li> <li>▪ Right governance to provide agility</li> </ul> <p>Guiding principles</p> <ul style="list-style-type: none"> <li>▪ Get into the detail</li> <li>▪ Operate within a delicate justice system</li> </ul>  |
| <p><b>Adrian Pyne</b>, senior associate at Provek, PMO Architect at Gatwick Airport</p>                          | <p><b>Organisational project management flies into Gatwick</b></p> <p>Adrian Pyne looked at how Gatwick Airport was creating a landscape for success, including the role of organisational project management.</p> <ul style="list-style-type: none"> <li>▪ Clear leadership from COO and Sponsors</li> <li>▪ Empowered Sponsors and project leaders</li> <li>▪ Intention to make projects part of Business as Usual</li> <li>▪ A delivery-oriented culture focussed on Value</li> <li>▪ People know their roles and how they relate to others</li> </ul>   |
| <p><b>Karl Reilly</b>, senior consultant at PricewaterhouseCoopers</p>   | <p><b>Portfolio management insights from PwC's 4<sup>th</sup> Global PPM survey</b></p> <ul style="list-style-type: none"> <li>▪ Understand corporate strategy, and be flexible in how we deliver to meet the strategy.</li> <li>▪ Talk in the language of our clients and their industry.</li> <li>▪ Use data to baseline and track performance to drive decision making.</li> <li>▪ Alert to the changing world around us, and adapt to threats and opportunities</li> <li>▪ Harness technology advances</li> </ul>   |

Overall, the range of case studies suggested that effective portfolio management is achieved through:

- taking account of local factors
- having good communication
- adopting a simple approach, and
- securing the support of senior executives (including a main sponsor)

Delegates also discussed key PfM topics with colleagues and presenters during a series of workshops, findings from which would be taken forward by the SIG committee during 2015:

A – Skills and Roles – Learning from the Best (**Mike and Paul**)

B – Process and Standards – Use of Standard Portfolio Tools Can Help Save You Time (**Julie and John**)

C – Stakeholders and Sponsors – Direction setting and leadership is key to success (**Steve and Julia**)

D – Governance and Reporting – Clear decision making focusing on success (**David and Karl**)

We achieved an overall rating of 84% satisfaction; lower than we had hoped.

The main factors impacting that score were: the space being narrow, it got too hot, and comfort and visibility suffered.

However, it was great that we had such a good turnout, but we would have to look for a larger venue next time!

Picture: conference speakers and the PfM SIG team.



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## 2015 AGM and 2014/15 review

The final presentation of the year was held at the **AGM on Wednesday 17 June**.

**Robert Buttrick**, Honorary Fellow of the Association for Project Management and an international authority on business-led, strategic programme and project management spoke about “**Success, maturity, matrices and portfolios – break out from your organisational chains**”. He gave **an illuminating talk** on why project management excellence isn’t enough to generate business or organisational success.

In addition to a summary of the activities mentioned above, the attendees also heard that:

- **SIG membership** had steadily increased during the year and was now around 900.
- Several committee members had helped at the APM’s review of their **Competence Framework**
- Some also supported the **APM research** initiative Project Success – this was intended to look at ways to reach the CxO group and identify how the APM could support them.
- **Steve Leary and Stephen Parrett** presented at **APM Presents**, October 2014, where they met with a team from the Yorkshire Building Society (from which came a conference speaker and SIG co-chair).

We were pleased to learn from the July APM Volunteers Newsletter that our SIG’s AGM came joint second in the latest table of events, with an overall score of 4.71. This was likely to be due to the calibre of the speaker – thanks to **John McGregor** for securing Robert’s attendance.

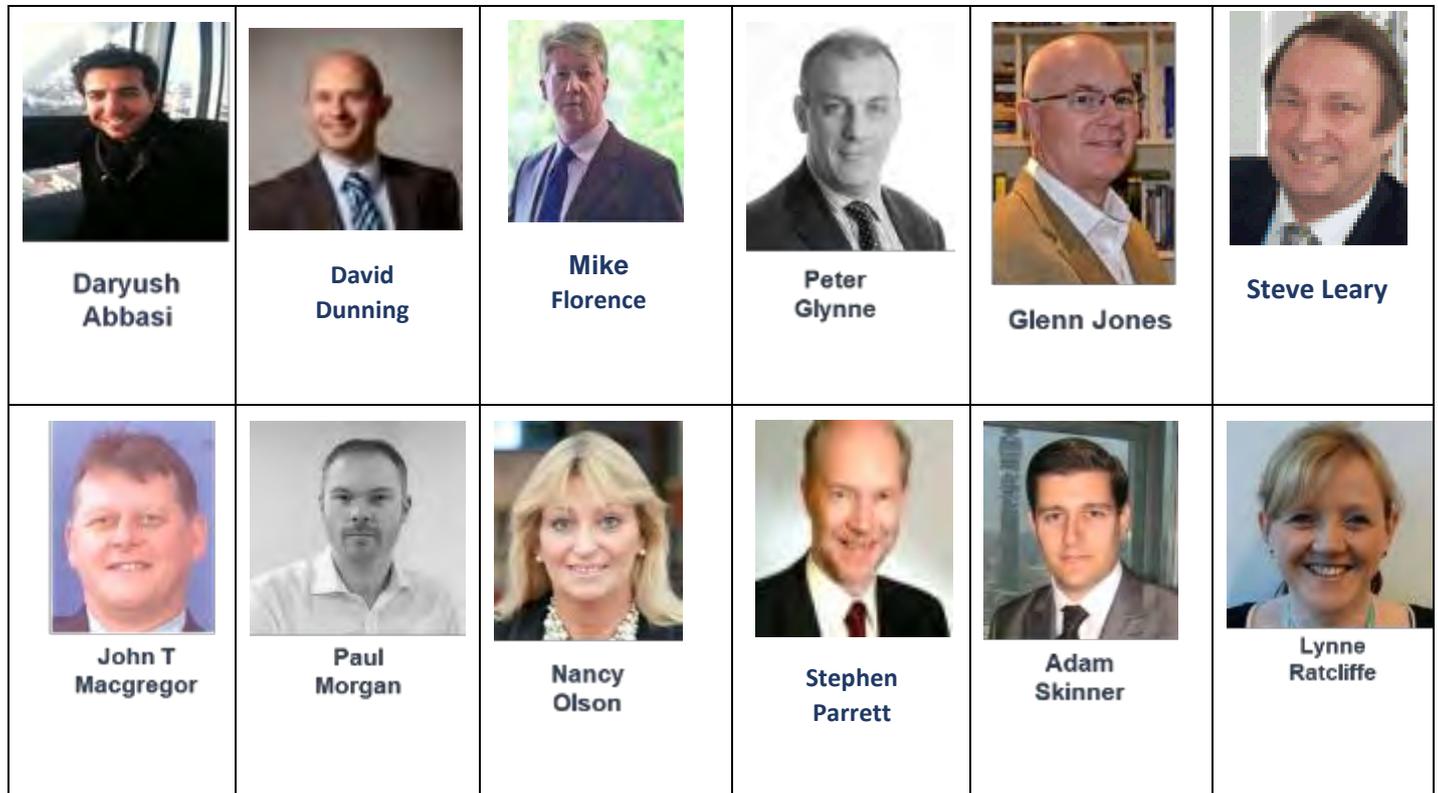
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## 2015/2016 – It's One Small Step ....

A notable step forward at the 2015 AGM was a good increase in the number of people comprising the SIG committee, reflecting the level of interest amongst APM members.

We said a fond farewell to **Ruth Moyes**, who had worked especially hard on the last conference, and bade welcome to 6 new faces: **Peter Glynne, Glenn Jones, Paul Morgan, Adam Skinner, Nancy Olson and Lynne Ratcliffe**.

For the first time, we put some mug-shots onto the website:



**Stephen Parrett** continued in his role of committee chair, with **Steve Leary** taking on the role of committee secretary.

The new committee were soon in action, and early meetings were well-attended (both face-face and the weekly dial-ins).

By September, work was well underway across a number of fronts, including:

- Planning for the 2016 PFM SIG conference
- Consolidation of work on the DNK research
- Analysis of the 2015 practitioner survey
- Progression of ideas for an informal dinner – looking at selected invitees
- The annual SIG Business Plan – with fresh insights from the new committee members
- Identifying other SIGs and branches for joint events
- Developing a Thought Leadership series

## PfM SIG and the Cabinet Office's Infrastructure and Projects Authority (IPA) (Wednesday 9 March 2016)

There had been a long history of collaboration between the APM and central government project-related groups. We benefited from this when the head of the predecessor of the IPA (the MPA - Major Projects Authority) was keynote speaker at our 2014 PfM conference.

This event had been organised during late 2015. It featured a small group of portfolio directors within central government hearing from members of the SIG, led by **Adam Skinner**, about what the SIG does and some case studies on portfolio management in different industries.

It focused on the balance between practical and academic thinking around portfolio management, being a key aspect of what the SIG offers to the portfolio management community. There were four main sessions:

- **Stephen Parrett** – chair of the APM PfM SIG on 'What has the APM Portfolio Management SIG ever done for you? – a brief overview of the work of the SIG and how it supports industry.
- **Peter Glynne** – head of change and programme management at Westminster City Council (committee member) – Case Study – Portfolio Management in the Council
- **Pip Peel** – founder and director - P2 Consulting – Creating, and destroying, value through the portfolio cycle' – A look at how different organisations focus on different elements of the portfolio cycle with positive, and negative, consequences.
- **Paul Morgan** – global head of demand and portfolio management at SABMiller (committee member) – Case Study: From Local to Regional Portfolio Management

**Bob Mount**, Project Delivery Communities, Infrastructure and Projects Authority commented afterwards:

“All the delegates had an enjoyable time learning about what the APM SIG does and getting a great cross section of portfolio management in different sectors”.

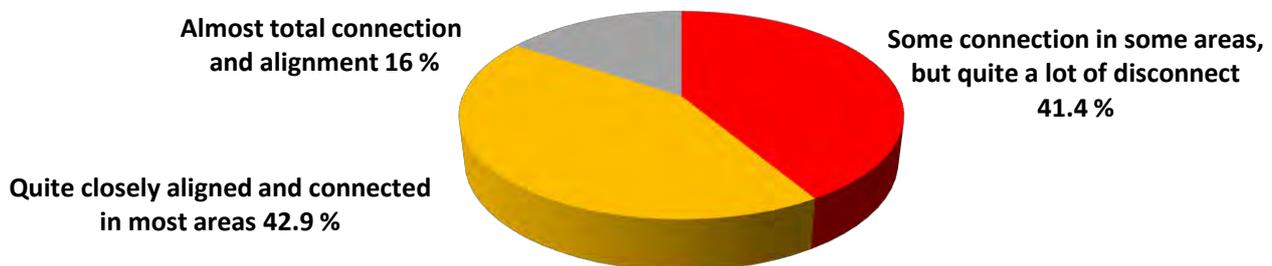
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## PfM Survey 2015/2016

This survey, following on from the first one in 2012, produced around 70 responses to a range of questions.

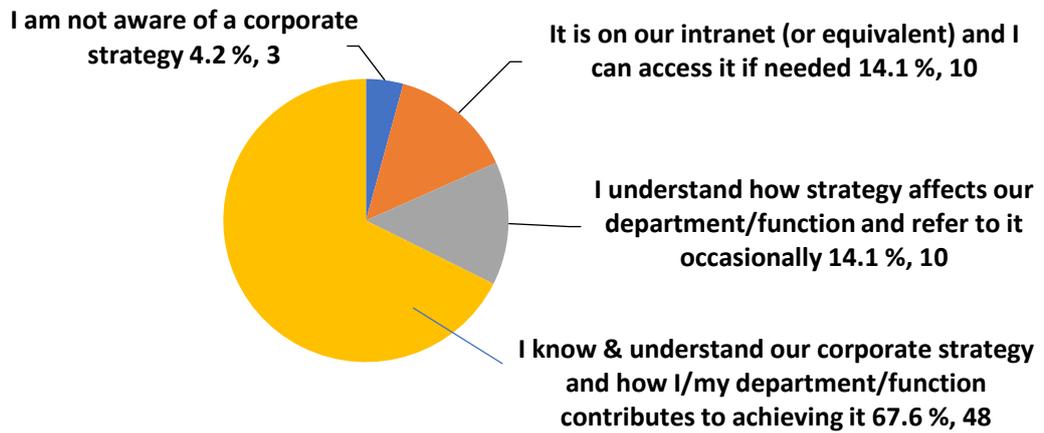
Some of the findings are illustrated below and were published in the March SIG newsletter, as well as being included in the May 2016 SIG conference:

The extend of perceived Organisational Strategy and Portfolio Alignment:



70% of respondents reported that their organisation aligns their portfolio annually, with future plans linked to the financial cycle.

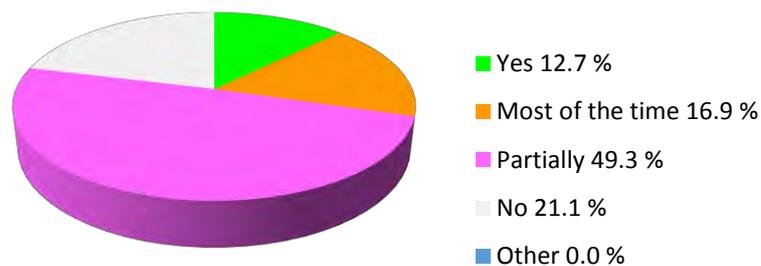
Organisational Strategy and Personal Awareness:



How would you describe the approach to portfolio management in your organisation?

| Approach                                   | 2015 | 2012 | Comments        |
|--|------|------|-----------------|
| Formally managed at the organisation level | 33%  | 31%  | Slight increase |
| Informal                                   | 23%  | 27%  | Slight decrease |
| Formally devolved to sub-organisations     | 17%  | 15%  |                 |
| Formally managed, but only IT              | 21%  | 13%  | Increased       |
| Formally devolved, but only IT             | 4%   | 7%   | Decreased       |
| None                                       | 2%   | 7%   | Decreased       |

Is there a clear portfolio management methodology using objective criteria and quality, fact-based data?



Additionally:

- 50% of respondents said their organisation has proactive and visible senior management commitment.
- 40% would like to learn more about delivering overall portfolio benefits.
- Only 10% wanted more about getting their portfolio started, suggesting high levels of confidence

Surveys like this only provide a snapshot of opinions from a self-selected group. Whilst they can be useful tools to identify relative values (ideally, being repeated regularly to spot trends), there is a risk of seeking more information than the audience are willing/able to provide and thereby lowering uptake and weakening the final results.

## PfM SIG conference 2016 – “Shaping your Portfolio to realise Organisation Strategy”

This was the 3<sup>rd</sup> full-day SIG conference, building on the success of the two previous ones in 2014 and 2015.

Another good range of senior practitioners from several organisations/sectors were being lined up from mid-2015, to look at various aspects, including:

- The strategic/portfolio design aspects of portfolio management
- Converting strategic goals into a portfolio of change
- Prioritisation of the portfolio while retaining strategic alignment
- Delivering strategic change through portfolio implementation and governance

By February, the committee had worked hard to have four speakers confirmed and by mid-March the full set.

Learning from the previous year, we chose a larger venue (Holiday Inn, Bloomsbury) to provide a better balance of space for delegates, options for workshops and encourage networking; plus, improved lunch and refreshment facilities. A vital early step was to visit the venue and walk through the likely agenda, ensuring our requirements could be met.

Good regular publicity, from December through to May, helped us see a steady stream of bookings: from 25 in Feb, up to 85 in April and 105 just before the event which was held on **Tuesday 3 May**.

| Speakers   | Presentation Topics   |
|--|---|
| <p><b>Nicky Bloomer</b>, head of portfolio management division, Office for National Statistics</p>   | <p><b>Portfolio management in the government sector - the ONS journey</b></p> <p>Nicky showed how the ONS manages and presents its portfolio in a fashion that is appropriate and acceptable to some of the most statistically astute minds in the country. She focused usefully on the maturity journey for a top-class Portfolio Office and reminded us that Portfolio Management is a marathon not a sprint.</p> <p>Recent evolution:</p> <ul style="list-style-type: none"> <li>▪ 3 programmes, transformational in type</li> <li>▪ Aligning with ONS Target operating model</li> <li>▪ New portfolio design</li> </ul>   |
| <p><b>Tanya Durlen</b>, head of portfolio and benefits realisation, Surface Transport Strategy, Transport for London</p> <p>and <b>Tim Ellis</b>, knowledge specialist, PMO Functions &amp; Capability Development</p> | <p><b>TfL Surface Transport Portfolio Management Journey</b></p> <p>Tim and Tanya shared insights and experiences on how TfL manages and balances stakeholder demands in a complex portfolio.</p> <p>Benefits of PfM:</p> <ul style="list-style-type: none"> <li>▪ Enables the organisation to be agile and respond to changes quicker</li> <li>▪ Do what it can afford – more cost-effective use of resources to deliver benefits</li> <li>▪ Only undertake activities that add value and are aligned to strategy</li> <li>▪ Better planning, better management of interdependencies</li> <li>▪ Clear who is accountable for what</li> <li>▪ Operate as a single team, drive consistency</li> </ul> <p>Lessons learned:</p> <ul style="list-style-type: none"> <li>▪ Look for opportunities and build relationships</li> <li>▪ Look for problems and find portfolio management solutions</li> <li>▪ Develop in one part of the organisation and show how it works</li> <li>▪ Keep testing and improving</li> <li>▪ Bring the organisation together, join up</li> </ul> |
| <p><b>Terri Harrington</b>, head of portfolio insight, IPA, part of</p>  | <p><b>Learning the lessons of the past – a systematic analysis of Government Change Delivery and what we’ve learned from it.</b></p>  |

| Speakers  | Presentation Topics   |
|---|---|
| the Cabinet Office and HM Treasury  | Terri gave some excellent insights into a deep-dive review of the lessons-learned from the many thousands of Government Gateway reviews that have been conducted.<br><br>Coming out top of the list was 'failure to plan adequately'.   |
| Daniel Jones, head of the enterprise portfolio management office (EPMO), Nationwide Building Society                          | <p><b>Designing the Portfolio – a method to cope with Business demand for Investment</b></p> <p>A clear and concise articulation of how to optimise the portfolio with an excellent series of top tips. Dealing with stakeholders and changing the 'and' mind-set to an 'or' way of thinking was a key insight from his presentation.</p> <ul style="list-style-type: none"> <li>▪ Align to the Corporate plan but collaboration is key. There will be multiple desired outcomes from the planning process</li> <li>▪ Mark out the boundaries for debate and use a range of perspectives to inform prioritisation. This will influence Senior Stakeholders to adopt enterprise behaviours</li> <li>▪ Obsess about your master data set. It is your friend and protector.</li> <li>▪ Find a simple 'hook' or communications device to help crystallise the debate</li> <li>▪ Extend portfolio design into Portfolio governance to maintain a reasonable expectation of shape and delivery post Board sign off</li> <li>▪ The theory is great, but it is your leadership behaviours that will win the day!</li> </ul>   |
| Mike Ward, consulting director at RSM, and acts as the Design Authority for the Capability Improvement Programme at Sellafeld | <p><b>Establishing Portfolio Management within a large multi-disciplined energy sector organisation – top tips:</b></p> <ul style="list-style-type: none"> <li>▪ What are you trying to resolve (agree the issues, e.g., enterprise resourcing)?</li> <li>▪ Define terminology (is it a programme or a portfolio?)</li> <li>▪ Have a clear vision of what do you want it to do Future State (change the business, or manage a capital delivery portfolio?)</li> <li>▪ Manage the change as a change programme (understand the current environment and the available data set)</li> <li>▪ Architect the solution; get agreement before implementation (create the Blueprint)</li> <li>▪ Use a services-based model – focus on decision-making, challenge, assurance and support (define operational constructs and key service-level metrics)</li> <li>▪ Give the entity some authority (e.g. accountable for decisions at process gates)</li> <li>▪ Deliver the framework – into practice! (provide coaching/support to the organisation)</li> <li>▪ Monitor effectiveness (show to the organisation that you are meeting the service-level agreements and making a difference)</li> <li>▪ Test performance (use P3M3 self-assessment performance questions)</li> </ul> |
| Stuart Westgate, programme development director (Internal Sponsor), High Speed 2 Limited (HS2)                                | <p><b>HS2's strategic approach to managing a combined portfolio</b> of organisation creation, infrastructure development and delivery, as well as the integration of wider benefit and regeneration initiatives.</p> <p>[Stuart focused on the unique challenge of managing the governance and benefits delivery across one of the UKs largest infrastructure projects, demonstrating how they look to meet the needs of different stakeholder groups whilst focusing on the core strategic drivers.]</p> <div data-bbox="842 1429 1340 1825" style="text-align: center;"> <p>HS2's criteria for success</p> </div>   |

The final count was over 130 delegates, from a range of sectors and specialist backgrounds.

After lunch we held three workshops, focusing on: PMO, Enabling Change and Benefits. Each provided lively discussions conducted by experts in these areas.

As has become customary, the conference concluded with a lively Panel session with delegates posing questions to all of the guest speakers, many of whom then joined the SIG committee for informal drinks and networking at the Marquis Cornwallis across the road.

Picture: Four speakers flanked by Stephen Parrett and Adam Skinner



Picture: Delegates considering what they have just heard

The day itself received plenty of plaudits including from Sue Kershaw, of the APM Board, who expressed her gratitude to all the presenters and organisers saying it was one of the best run conferences she had attended.

A summary of the conference was published in the Autumn issue of *Project*.

A full article was also published in the Winter issue of *Project* from **Daniel Jones** entitled:

“Portfolios on Target - Nationwide’s Dan Jones explains the evolving function of portfolio planning at the bank and how outcomes are being improved”

## 2016 AGM and 2015/16 review

The 2016 AGM was held on Tuesday 5 July, with over 40 people enjoying a **short seminar** on portfolio governance and portfolio risk management. These two important topics had been highlighted in our 2015 PfM survey and by delegates attending the 2016 SIG conference. The evening included an overview of current practice, based on SIG research and presentations at SIG events, and three brief snapshots of industry leading portfolio governance and portfolio risk, and how they are managed from the sharp-end of PfM, across:

- FMCG (**Paul Morgan**, SABMiller)
- Financial Services (**Lynne Ratcliffe and Jo Matthews**, Yorkshire Building Society Group)
- Pharmaceuticals (**Mike Florence**, Volt Pharma Associates and Pauline Stewart-Long, chair of PIPMG)

A debate at the end, in four interactive groups, considered questions on:

- The key dos and don'ts of an Investment Committee
- The links between Project Governance and Portfolio Governance - how they can work better together
- Portfolio risks and what is needed to ensure they are identified, defined and managed effectively
- Strategic portfolio risks should be owned by an Exec or a Board member.

The groups came up with some great ideas and these were added to the SIG's extensive knowledge base, for future collaborative ventures with other SIGs and as part of the PfM SIG overall research programme.

In addition to activities already mentioned above, we also:

- Joined **HMRC's newly formed Change Portfolio Group (CPG)** at their inaugural conference in Sheffield on Tuesday 8 March. The CPG acted as HMRC's Corporate Portfolio Office across its newly formed Change Directorate. **Adam Skinner** spoke about Portfolio Management in Government and other sectors and the need to think creatively to drive value in the complex environment of the Portfolio
  - Work was progressing well with the SIG's first thought leadership report in its **Managing the Portfolio series**. Out for review was *Recognising the need: the way the problem presents itself*, authored by **Peter Glynne**
  - Presented at **"APM Presents"** in March, held at Warwick University, led by **Steve Leary**
  - Supported other **pan-APM initiatives**: Revised SIG Architecture; SIG Steering Group; APM Website review; Volunteers Forum
  - Continued shaping the research work started previously, alongside the **SIG Strategy**
  - Packaged and analysed **previous event presentations**, aiming to publish access links
  - Plans were also being made for the **SIG's first webinar** later in the year
  - Developed a **standard presentation kit** for use across all activities, tailored to fit each
  - Increased **membership to over 950**, helped by issuing two Newsletters in September and March
  - Created a **Committee Support Volunteer group (CSV)** to support future work, from attendees at the May conference.
-

## 2016/2017 – .... One Giant Leap ....

As usual, the AGM confirmed committee membership for the following year. Changes saw the departure of **Daryush Abbasi and David Dunning**; David had given sterling service to the SIG right from the start in 2010, and among his many contributions were several amusing and thought-provoking blogs and many ideas on extending the SIG's reach. We welcomed into the fold, **Simon and Richard**, making us a merry band of 11:



**Stephen Parrett** accepted a further term as chair, along with **Steve Leary** as committee secretary.

Given that we had nine familiar faces from the previous year, work carried on relatively seamlessly and Simon and Richard were soon fully immersed in all the SIG workings.

Our September meeting was a good example of the challenges faced in getting us together: a “systems glitch” meant that we failed to connect to Peter Glynne (working overseas), several managed to meet in-person (London, with refreshments), some dialled-in (self-service only!) with a few absentees.

However, there was plenty to discuss - including:

- Starting to use Doodle Poll to help schedule people/time/place better
- Making plans for a Christmas meal!
- Continuing developing the SIG Strategy; with new ideas and how to reach senior management.
- Building elements of that work into the 2017/18 Business Plan
- 2017 SIG conference – building on our successful formulae and theme of: balancing the portfolio
- Having a re-think about the nature of the ‘informal dinner’ idea
- Getting ready for the 1<sup>st</sup> SIG webinar on Tuesday 22 November (Paul Morgan stepped in – see item below)
- Getting APM approval for a Portfolio Management Guide – a major piece of work for some time.

## Joint event with Yorkshire and North Lincs branch (Wednesday 12 October 2016)

This came about through discussions that a SIG committee member (**Lynne Ratcliffe**) had with their local APM branch, following a presentation by Yorkshire Building Society (YBS) at the 2015 PfM conference. It provided local APM members with an illustration of portfolio management, based on the YBS approach, which included its purpose-built life cycle to help enable true Portfolio Management. YBS chief operating officer, **Stephen White**, presented on leadership - providing insight into both his own personal leadership style and also the YBS Portfolio, and how it has flexed in order to adapt to the Group's needs.

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## SIG webinar - Can portfolio analytics make a valuable difference in your organisation? (Tuesday 22 November 2016)

**Paul Morgan** led this webinar, and presented SABMiller's global portfolio management function as a case study, with support from their partner consultancy North Highland. They demonstrated their original objectives, methodology, results and lessons learnt in moving from traditional spreadsheet type reporting to more value adding portfolio management analytics. The questions covered included:



- Are you comfortable with the level of insight you are able to provide on your company's project portfolio?
- Are you able to have the right conversations with your senior management rather than worrying about the quality of the data presented?
- Do you sometimes struggle to ensure that you meet the portfolio reporting needs of a disparate set of stakeholders?

Paul was also keen to position his organisation's products in a favourable light, for those interested!

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## Portfolio Management Guide (Autumn 2016 and ongoing)

Work was starting on an introductory guide to PfM, following proposals included in the SIG's business plan for 2017/18. This would be the first guide to PfM produced by the APM and it was expected to be:

- Based on practical experiences and include real-life scenarios (e.g. from PfM conferences)
- Designed for and relevant to:
  - people in the early stage of their PfM roles, or PfM related roles
  - anyone wanting a non-technical overview of PfM
  - experienced practitioners keen to understand what represents good practice
- Developed with input from SIG members and the PfM community
- Used to increase the profile of the APM in this increasingly important area

The intention of this work was for the guide to complement others (e.g., Management of Portfolios published by Axelos) and provide a practitioner perspective.

[See launch details in 2019.](#)

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# PFM SIG conference 2017 – “Balancing Your Change Portfolio - Identifying and managing risks, resources, investment and delivery to meet the organisation’s strategy” (Tuesday 11 May)

We had got going with work on [this conference](#) almost as soon as the 2016 conference ended, and there was no question about retaining the same venue as the logistics worked so well.

The committee used their extensive and varied range of contacts to create another quality speaker line-up.

Although this was the SIG’s 4<sup>th</sup> such conference, there was no slackening in the pace needed to get everything ready for the day. Publicity was launched just before Christmas 2016, and repeated every 4 to 6 weeks, with most speakers booked by February - by the day itself we had 110 people attending.

This year’s line-up was:

| Speakers  | Presentation Topics   |
|---|---|
| <p><b>Sandie Grimshaw</b>, global leader, Portfolio and Programme Management, PwC</p>     | <p><b>Portfolio Management in times of uncertainty</b></p> <p>Changing the Portfolio construct. What’s got to change?</p> <ul style="list-style-type: none"> <li>▪ The portfolio function has got to be so much more than technical compliance. It now needs to focus on the soft skills.</li> <li>▪ There is a clear need for the portfolio office to be able to provide clarity and visibility across the landscape, and to build trust with senior leadership that they have real insight and information at their finger-tips to aid the business.</li> <li>▪ The portfolio team must balance the need to deliver change and operational outputs in as stable a way as possible.</li> <li>▪ Performance and benefits management must be at the heart of the organisation and visible to decision makers so that decisions are grounded on metrics that matter.</li> </ul> <p>Portfolio management has a huge role to play in bringing order to the potential chaos.</p> |
| <p><b>Richard Moor</b>, head of portfolio, Royal Mail Letters and Network, Royal Mail</p> | <p><b>The Journey of a Portfolio - Privatisation and beyond in Royal Mail</b></p> <p>The journey so far:</p> <ul style="list-style-type: none"> <li>3 Gates</li> <li>7 Steps</li> <li>Integrated Design and Programme Team</li> </ul> <p>Governance:</p>  |

| Speakers   | Presentation Topics  |
|--|--|
| <p><b>Tracy Wadsworth</b>, head of group change practice, Lloyds Banking Group</p>             | <p><b>Portfolio Management - Past, Present &amp; Future</b></p> <p>The past = Integration</p> <p>The present = Simplification (Putting the customer at the heart of Design and Delivery)</p> <p>The future = Customer Focus (Putting the customer at the heart of our business)</p> <p>The future = The Business Challenge:</p> <ul style="list-style-type: none"> <li>▪ Deliver Value (build the right thing)</li> <li>▪ Sustainable Quality (build the thing right)</li> <li>▪ Reduced Lead Time (build the thing fast)</li> <li>▪ Manage Risk (protect the organisation)</li> </ul>   |
| <p><b>Peter Glynne</b>, member of the PfM SIG committee</p>                                    | <p><b>Recognising the need to change - six telling signs</b></p> <p>The symptoms or ‘telling signs’ are complex and caught up in a myriad of organisational issues not always evident to leaders:</p> <ul style="list-style-type: none"> <li>▪ Lack of coordination or alignment to business strategy</li> <li>▪ Scope of programmes not clear or overlapping</li> <li>▪ Behaviours that 'tell a story'</li> <li>▪ Inability to quickly re-prioritise to changing circumstances;</li> <li>▪ Inability to balance resources with projects and programmes</li> <li>▪ Ineffective communication on change and organisational priorities.</li> </ul> |
| <p><b>Max van Vessem</b>, vice president and head of global programme management, GMS, GSK</p> | <p><b>Portfolio Management in a Global Manufacturing Environment</b></p> <p>Max explained how GSK take their strategic goals and carry them down into individuals’ job objectives, so there is a direct link between what a person does and the organisation’s strategic goal. GSK also prioritise their projects through a matrix balancing value (measured as benefits), risk and contribution to those strategic goals. Cost is then brought in to the equation to develop the portfolio.</p>   |

While each speaker provided unique perspectives, a number of themes emerged:

- The variable scale and complexity of change that most organisations face, means that adopting a standard portfolio management (PfM) approach is unlikely to provide the optimum solution
- Major disruptive changes (e.g. Brexit), make uncertainty an even more pertinent factor in developing portfolios. Investment recommendations need to reflect quality analysis of facts and data
- Including changes requiring rapid development/implementation alongside longer-term programmes leads to PfM being applied at varying levels of depth/detail, whether centralised or devolved model
- Whilst a case remains for 3/5-year strategic plans, pace of change means portfolios must adapt quickly, with timescales to suit different pressures from regulators, customers, markets and employees
- As management of portfolios matures, organisations must use such confidence to identify ways to accelerate progression of change and product development, to achieve strategic goals faster
- Balancing a portfolio requires a rigorous and resilient process, enabling executives to make the right decisions at the right time, in alignment with key goals and avoid over-commitment of resources.



We also ran three interactive workshops, giving delegates opportunities to discuss:

- Optimising benefits from across the portfolio
- Defining effective PfM toolset functionality
- In search of lost time – how can portfolio managers balance all the “time-bound” challenges across projects, programmes and the portfolio?

The conference ended with a speaker panel answering questions from the participants, followed by a well-attended informal networking evening at the Marquis Cornwallis (again!).

Photo: some speakers and the committee.



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## Thought Leadership - Managing the Portfolio series (launch in May 2017)

The 2017 PfM conference saw formal launch of the SIG’s thought leadership initiative, *Managing the Portfolio*, authored by **Peter Glynne**. A series of reports covering four key stages of thinking, with meaningful insight into practical issues facing leaders of change across all industry sectors, challenge existing ideas and provide a fresh perspective on what makes portfolio management successful in delivering corporate strategy. The first report was: *Recognising the need to change - six telling signs*. Three future reports were:

- *Making sense of all of the change and gaining visibility: clearing the fog*
- *Prioritising and compromising: shaping the pathway*
- *Leading and optimising the change: delivering the overall prize*

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## Joint event - with the Thames Valley branch (Tuesday 23 May 2017)

This event was a product of collaborative business plan discussions in late 2016. **Adam Skinner**, showed the SIG branch members *how the Portfolio Management SIG works* to capture different views and approaches to portfolio management across sectors and industries, and to disseminate these different approaches to its community base. It looked at what the SIG does, its view on portfolio management and how it interacts with the work and views of the other SIGs. It was a lively session with a mix of presentation and discussion.

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## 2017 AGM and 2016/17 review

This was the first year that SIG committee elections were on-line, with no in-person AGM event as such.

All the main 2016/17 SIG activities have been mentioned above.

By the end of this period our **SIG membership** had increased to just over 1200.

By way of **cross-SIG collaboration**, **Neil White** from the Benefits Management SIG ran a conference workshop; in turn, **Simon Darby** ran a **workshop** with Neil at the June 2017 Benefits Summit.

## 2017/2018 – Reach for the stars

To start the year, we had to say farewell and many thanks to **Glenn Jones** and **Richard Davies** who reluctantly had to leave our committee due to their work commitments.

In return, we had the pleasure of welcoming to the committee: **Richard Moor** from the Royal Mail (having been a very-well-received speaker at the 2017 conference), **Gina Parkin** – an independent consultant at Yorkshire Building Society (YBS) and **Marina Morallis Lara** from Transport for London.

This year we decided to have **two co-chairs (Stephen Parrett and Steve Leary)** to help spread the load and also accelerate some of our activities to achieve our SIG aims and serve our members, with **Lynne Ratcliffe** becoming committee secretary.

This is what the committee looks like, with a few of us changing our photos!



Gina Parkin



Simon Darby



Mike Florence



Peter Glynn



Steve Leary



Marina Morallis Lara



Paul Morgan



Nancy Olson



Stephen Parrett



Lynne Ratcliffe



Adam Skinner



Richard Moor

This meant we continued to have a committee with a broad range of backgrounds, skills and expertise and, judging by the enthusiasm at our first committee meeting, would work well in the year ahead.

As before, we tried to meet monthly, usually face to face, with fortnightly dial-in progress updates.

A significant change in APM policy meant that we did not have funding explicitly for SIG-specific events, other than our now-traditional conference. We were expected to focus on creating content which could then be disseminated through the branches and the broader APM media channels.

By November, we were ready for blast-off:

- **Richard** had kindly provided meeting rooms at Royal Mail, a nice change from 3<sup>rd</sup> party providers.
- Speakers were already being lined up for the 2018 SIG conference and plans well advanced.
- **Steve Leary** had presented to the APM's London branch on Tuesday 10 October.
- **Steve** and **Paul** had attended the Volunteers Forum where collaboration with others was discussed.
- A mid-year newsletter was published in August.
- Some of us were preparing to support the next APM Body of Knowledge refresh.
- The 2<sup>nd</sup> Thought Leadership paper was being reviewed by the committee.
- Detailed planning was underway for how the PfM guide was going to be produced.

## Joint SIG and branch collaboration - with the London branch (Tuesday 10 October 2017)

We had been invited by this branch (**Steve Leary** did the honours for us) to present alongside the Programme Management SIG in front of an invited audience of Corporate Members. The purpose of the evening was to explore similarities of, and differences between, programmes and portfolios and several key topics were selected with the programme, and then portfolio, view presented sequentially by topic.

In view of the seniority and experience of the Corporate Members, the evening resulted in a lively and fruitful discussion.

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## Portfolio Management Guide

Work progressed steadily during the year, and there was considerable enthusiasm (even excitement, at times!) that this would become the first PfM SIG major publication, and brought to bear all the practical experiences from committee members and many real-life scenarios (e.g., from PfM conferences).

It was being designed for:

- people in the early stage of their PfM roles, or PfM related roles
- anyone wanting a non-technical overview of PfM
- experienced practitioners keen to understand what represents good practice

It was a considerable challenge to break up the work into manageable chunks, and yet try and create a cohesive whole. **Mike Florence** did a great job in co-ordinating all the work, whilst also being part of the authoring team. Publication at this stage (autumn 2017) was being scheduled for summer 2018.

[Launch details in 2019.](#)

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## PfM SIG conference 2018 – “Maximising value from portfolio management” (Thursday 17 May)

The most hotly-anticipated event in our 2017-18 calendar was our 5<sup>th</sup> annual conference in London. It was another very successful and thought-provoking occasion, with almost 150 people taking part (a record for the SIG) from a wide variety of business sectors. As usual, delegates heard from a wide mix of presenters who focussed on their successes, and challenges, in developing approaches to portfolio management that maximised value for their organisations.

**Stephen Parrett (SIG co-chair)** opened the conference and introduced the theme for the day and how it contributed to the SIG Aims.

Picture: Speakers flanked by the committee



Our 2018 line-up was:

| Speakers   | Presentation Topics   |
|--|---|
| <p><b>Owen Salvage</b>, vice-president group IS, ABB</p>                                     | <p><b>Building and getting value from a Global Change Delivery Capability.</b></p> <ul style="list-style-type: none"> <li>▪ Build Social Cohesion and Path Connectedness (Coaching and Mentoring)</li> <li>▪ Leadership style essential to detect issues</li> <li>▪ Decisiveness (early) helps establish new practices and structures</li> <li>▪ Operationalise early, Learn and Recycle (Strong Objective Coaching)</li> <li>▪ Proactive Data Analytics and Automation (Embeds good practice)</li> <li>▪ Keep continuity to carry the design to operations</li> </ul>  |
| <p><b>Joanna Rowland</b>, director of transformation portfolio, HM Revenue &amp; Customs</p> | <p><b>Prioritising a mega-portfolio – balancing ambitious transformation plans with business challenges</b></p> <p>Top Ten Tips on prioritising a portfolio in mid-flight:</p> <ul style="list-style-type: none"> <li>▪ <b>Co-location</b> - bring everyone physically together for a focused period</li> <li>▪ <b>Organisational focus on getting the best answer.</b> The process and senior buy-in enabled us to cut through everyday processes and timelines</li> <li>▪ <b>Flexible use of space.</b> We chose a large space because we needed it to be easily accessible by our senior team. This meant they could easily provide steers and make sure that everyone was thinking along the right lines</li> <li>▪ <b>Care and consideration.</b> The ability to take people to one side for individual or group conversations was invaluable when it came to working through sensitive issues</li> <li>▪ <b>Accept help.</b> Always be grateful for offers of help that come your way; because your team is going to grow and come together faster than you might have expected</li> <li>▪ <b>Collaboration and preventing bottlenecks.</b> Information bottlenecks can be a big risk, so use collaborative tools from the start</li> <li>▪ <b>Quality.</b> It's essential to set clear bars for the quality of information you will accept</li> <li>▪ <b>Good project disciplines.</b> Our underpinnings were our plan and daily operational rhythm, with a key readout and checkpoint late each afternoon</li> <li>▪ <b>Atmosphere.</b> Given that the work was pressured, it was important to create a good, productive atmosphere (a combination of humour and chocolate)</li> <li>▪ <b>Ongoing.</b> Do not think of a prioritisation as a single event. Given the scale of our work, we've decided that we will do them regularly to keep on track.</li> </ul> |
| <p><b>Andrew Britton</b>, head of portfolio office, MS Amlin</p>                             | <p><b>Taking and making hard decisions in the Portfolio Office – building the political capital and data set to win those critical decision points</b></p> <p>Key Points:</p> <ul style="list-style-type: none"> <li>▪ The Portfolio Office is the key decision enabler not maker</li> <li>▪ Good data with business context is vital</li> <li>▪ Focus on stakeholder values - build a pragmatic process matched to the organisation</li> <li>▪ Use governance to help manage organisational tensions and install good delivery practices</li> <li>▪ Be clear on the outcomes that the portfolio will achieve</li> <li>▪ Continual prioritisation is healthy</li> </ul>   |

| Speakers   | Presentation Topics  |
|--|--|
| <p><b>Rachael Troughton</b>, head of portfolio and <b>Louisa McLeod</b>, senior assurance manager, The Open University</p> | <p><b>Assurance: the partner to maximising portfolio success and driving strategic value.</b></p> <p>Project level health checks inform and influence the success of our portfolio. We know:</p> <ul style="list-style-type: none"> <li>▪ <b>Change capability and capacity</b> is the biggest restriction for project success</li> <li>▪ The <b>timing of the change</b> can often be more important than the actual change</li> <li>▪ The OU needs help to check in on whether we're really <b>delivering the right outcomes</b></li> <li>▪ Project teams need support in <b>making hard decisions</b> – either through stage gates, or through the reality of delivery</li> </ul> |

Overall insights from the day included:

- Hold onto the strategic vision and ensure the portfolio aligns, undertaking mid-term reviews if that is what is required to adapt to changing circumstances
- Ensure all actual and potential projects, programmes, planned changes and initiatives are included in the initial portfolio discussions
- Maintain a constant review of what is needed in the portfolio to deliver the strategic goals and the capacity/capability of the organisation to deliver.
- All organisations, even if in the same sector, are different and each needs to find its own approach to portfolio management
- Develop psychological resilience and empathy, to ensure that challenges are tackled with confidence, an understanding of other stakeholders and careful planning of implementation
- Prioritisation is a big challenge, and ranking of priorities is not the end result, but the start of conversations towards a considered and executive-driven portfolio.



Other highlights from the conference included **three well-supported workshops** with lively discussions in each:

- Disruptive projects in the portfolio – leading edge thinking, approach and practice - A write-up of this will be added to our website soon
- Agile' portfolio management – what is it and how can we make it work? – A working group from the workshop team was set up to build on the discussions and findings from the session
- Reference Class Forecasting – optimising the overall portfolio cost and schedule based on 'big data', and how to apply these ground-breaking techniques.

We also formally launched the SIG's **2<sup>nd</sup> thought leadership report** in the four-part series "Managing the Portfolio", introduced by **Peter Glynn**.

A **speaker panel** at the end, which covered many interesting questions from delegates.

**Steve Leary** (SIG co-chair) closed the conference with reference to the wide range of opportunities that delegates and guests had during the day for meeting colleagues, making new contacts and discovering how others handle the many challenges of getting portfolio management right.

This was swiftly followed by a well-attended social at the Marquis Cornwallis (Picture) where many discussions from the day continued!!

A summary of the conference was featured in the autumn edition of *Project*.



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## Thought Leadership - “Managing the Portfolio” series (2<sup>nd</sup> report - May 2018)

As noted above, the 2<sup>nd</sup> report in the SIG’s series of “Managing the Portfolio” was launched at the SIG conference in May - *Making Sense of Change and Gaining Visibility: Six Signals of Success* (author **Peter Glynne**). This was very well received by delegates at the conference (during the following few days it was downloaded 110 times from the website, 300 printed copies shared, and hundreds of views of the report’s video on the APM YouTube channel). The 3<sup>rd</sup> report was being drafted, for issue in the autumn.

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## 2018 AGM and 2017/18 review

In addition to the main activities highlighted above, the SIG also:

- Obtained agreement from two conference speakers to have articles published in *Project*:
  - The **Open University** presenters featured in the autumn edition with “Success at every level”.
  - **Mike Purvis** (deputy director, transformation portfolio, at **HMRC**) featured in the winter edition with “Crowning Achievements”, a look at how HMRC approached a wholesale organisational transformation, and offered his top 10 tips.
- Published two Newsletters for members:
  - **Summer Newsletter** issued Thursday 31 August 2017.
  - **Winter Newsletter** issued Saturday 24 February 2018.
- **Richard Moor** and **Mike Florence** attended the September **2017 Volunteer’s Forum**.

## 2018/2019 – All hands to the pump

As in 2017, the election of the committee for 2018/19 was undertaken online. In that process the following members were elected, with numbers slightly up from last year (12 to 15); we also co-opted one extra member, taking our total to 16:



Following the on-line committee election, we welcomed **Petula Alison**, **Anna Byrne**, **Tanya Durlen**, **Dwain Morgan**, **Gemma Parker** and **Tony Whitmore** who would influence our direction and further contribute to our success.

We also said a fond farewell, with many thanks for their support, to **Marina Morillas Lara** and **Gina Parkin**.

There were two **co-chairs for this year (Steve Leary pairing up with Lynne Ratcliffe)**, with **Petula Allison** volunteering to be committee secretary.

The committee extended their warm and grateful thanks to **Stephen Parrett** who had committed a great deal of time and energy to the SIG during his time as chair or co-chair from 2012 until this AGM.

The committee continued to hold regular meetings, a combination of in-depth monthly discussion/decision-making meetings and shorter catch-up sessions on Friday mornings – the latter designed to maximise opportunities for cross-committee personal engagement and maintain momentum on core activities.

An almost full-house of committee members were present in September to plan the year ahead, with the main focus being on:

- Ensuring that the SIG was well-represented during the forthcoming **APM Body of Knowledge refresh**
- Continuing the hard work going into the final stages of developing the **PfM guide**
- Planning for the **May 2019 conference**, where the theme was expected to include agile
- Completing the **2019/20 business plans**
- Developing proposals and plans for an invitation-only **PfM dinner**.

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## Joint branch collaboration - with the Yorkshire and North Lincs branch (Oct 2018)

This event involved **Richard Moor** and **Petula Allison** presenting examples from their organisations on “Portfolio delivering Business Outcomes”. It was a lively session with a mix of presentation and discussion.

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## Joint SIG collaboration – workshop with the Governance SIG (Thursday 13 Dec 2018)

This workshop was organised to maximise our joint knowledge and experience by exploring topics both SIGs are interested in, and:

- understand and document challenges around setting up portfolio governance
- agree ways of addressing the challenges
- define the role of the portfolio sponsor
- and explore opportunities for future joint activities.

It was agreed to continue working together by having a series of workshops looking at specific aspects of portfolio governance.

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## Portfolio Directors' Dinner – The Agile Portfolio (Thursday 17 Jan 2019)

It was a cold January evening as 11 portfolio directors and practitioners gathered in the welcoming lights and warmth of Percy and Founders restaurant in London for the APM Portfolio Management SIG's inaugural Portfolio Directors' Dinner.

**Adam Skinner** was master of ceremonies.

The subject was **'The Agile Portfolio: Fact or Fiction'** and we focused on:

- Exploring the experiences of the Portfolio Directors delivering their portfolio functions in organisations that have significant elements of agile delivery
- Discussing the key principles that sit behind agile delivery and portfolio management – are those principles complimentary or in conflict?
- Imagining how portfolio management could work in a perfectly functioning agile organisation – what would it need and what could it do?



Many of the ideas and insights have been brought together in a [Thought-Leadership article called 'The Agile Portfolio – Fact or Fiction'](#) – this was formally launched at the Portfolio SIG conference in May.

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## Joint SIG collaboration - with the APM Enabling Change SIG (Jan 2019)

This was a joint workshop with the APM Enabling Change SIG to understand how portfolio management can enable more effective delivery of change objectives. The workshop explored:

assessing change impact - balancing capacity against demand - the prioritisation process  
who owns the portfolio - sequencing change - assessing achievability roles required  
portfolio benefits management - governance and accountabilities - role of sponsor  
optimal resourcing of programmes - making recommendations to balance a portfolio

It was agreed to continue meeting to share experience.

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## Portfolio Management guide

During the year, work had nearly completed on this first PFM SIG guide to PFM, with proposals originally included in the SIG's business plan for 2017/18.

This was the single largest exercise undertaken by the SIG committee, involving not only many members of the committee but also various reviewers and ongoing support from the APM who looked after publication.

Formal launch/publication took place in September 2019; see the main article below for full details.

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### “Managing the Portfolio” series (launched May 2017 – completed May 2019)

All four reports were now issued and collectively they provided an end to end perspective on what it takes to initiate and embed portfolio management within an organisation. The **four reports in the series** are:

- *Recognising the need to change: six telling signs* – published May 2017.
- *Making sense of all of the change and gaining visibility: six signals of success* – May 2018.
- *Prioritising and compromising: six indicators of high performance* - October 2018.
- *Leading and optimising the change: six pathways to success* – May 2019.

This was a significant and intensive undertaking by author **Peter Glynne**, who was supported by several of the committee during the review process.



## 2019 PFM SIG conference – “Portfolio Management in a digital age” (Thursday 23 May)

Once again, following a long build-up, we had another successful SIG conference at the Holiday Inn, Bloomsbury. This year saw a group of over 150 participants, with some disappointed not to get a place as we were at full capacity venue.

**Lynne Ratcliffe**, SIG co-chair, opened the conference, welcomed our guests and introduced **Adam Skinner** who was ‘Master of Ceremonies’ for the day.



The line-up this year was:

| Speakers  | Presentation Topics  |
|---|--|
| <b>John McIntyre</b> , head of PMO, Ticketmaster  | The new approach <b>Ticketmaster now take to agree objectives</b> with their teams using ‘OKR’ - Objectives, Key Results’. This challenges them to strive to increase (e.g. doubling or tripling the output), often in collaboration with other teams, but balanced by setting management expectations that these are stretch goals and will often not be achieved in full. Alignment of corporate goals to the team and individual objectives (plus alignment across teams) is key, but critical to success this approach is the executive behaviours.      |
| <b>Simon Harwood</b> , head of portfolio management & PMO (Technical Group), Direct Line Group                                | <b>The Direct Line journey</b> in prioritising and balancing the programmes and projects with demand and the available resources and how they assessed their capacity, developed the estimating, planned and scheduled the programmes and projects whilst managing the stakeholders. His talk outlined his personal experiences and he offered five key lessons: <ul style="list-style-type: none"> <li>▪ Understand the individuals</li> <li>▪ Assume nothing</li> <li>▪ Be inquisitive</li> <li>▪ Communicate, communicate and communicate more</li> </ul> |
| <b>Simon Lansdowne</b> , head of portfolio office, National Air Traffic Control (NATs)  | Simon outlined how NATs have changed their ways of working and outlined the drivers for change and how they responded by implementing portfolio management, with significant success in improving control of the portfolio and establishing a focus on benefits. He explained their goals, approach and how they phased the implementation using an integrated business change framework. NATs won the Project of the Year award for 2018.   |
| <b>Karina Singh</b> , director of transformation, and <b>Annie Wareham</b> , head of benefits management for HM Land Registry | Karina and Annie explained how HMLR has transformed their organisation and how they managed the <b>benefits in a multi-faceted portfolio</b> environment. They explained their people and change frameworks and how they successfully embedded the cultural changes whilst adapting to the political demands and environmental pressures.  |

Other activities included:

- **Mark Lewis** (Head of Change & Portfolio, John Lewis) and **Ricky Harvey** (Portfolio Consultant) summarised outcomes from our successful Directors' Dinner **The Agile Portfolio – fact or fiction** which was distributed at the conference. They summarised the report and explained how they implemented their portfolios and the relevance of the agile approach.
- Workshop A: Benefits management - **Neil White and Merv Wyeth** from the APM Benefits and Value SIG led the interactive session to establish the **key elements of a benefits framework** and to share how the participants' organisations were implementing benefits management.
- Workshop B: The Agile PMO – its organisation, people and value - **Andy Honey** led the session and used two examples of how a PMO used portfolio management techniques. (An English University transitioning all its operational and legacy applications to the Cloud over a 15-month period and an Irish Dairy merging all its companies into a single thinking and reporting entity to improve its routes to market and its reporting.)
- Workshop C: Governance - This session was led by **Martin Samphire**, APM Governance SIG chair, and discussed the project controls and management information (MI) required to run portfolios.



Picture: Continuing to keep the attention of conference delegates

The day finished with a panel session, addressing questions such as what was the most important factor (consensus was the people), how the presenters had managed their stakeholders, and their key lessons to share with the audience.

Finally, **Steve Leary**, as co-chair, thanked the speakers, the sponsors, the APM and SIG staff and the conference participants who had made the day such a success. About two thirds of the attendees then went across to the Marquis Cornwallis to continue networking over a pint or two or glass of wine.

## 2019 AGM and 2018/19 review

In addition to all the great things covered above, other activities included:

**Successfully Creating a Change Portfolio (January 2019)** - We were invited to a workshop with the intriguing title of *Successfully Creating a Change Portfolio*. The workshop was run by the APM Transport Practitioner Group (TPG) in collaboration with the Change Management Institute. The workshop featured a keynote presentation delivered live from Australia about IAG's approach to managing change across their organisation, as well as some insights from BA (who hosted the event).

This was followed on Wednesday 3 April, with a meeting with the TPG and the APM Enabling Change SIG, in London to investigate opportunities to work together; **Richard Moor** and **Adam Skinner** represented the PFM SIG.

**PMO conference 2019 – “Love your PMO” (February 2019)** - The APM PMO SIG invited us to present at their 2019 conference: **‘How does a portfolio management office differ from a programme management office.’** The session was well attended with lively discussions. **Adam Skinner** and **Steve Leary** presented on behalf of the PFM SIG, outlining the extent of potential PMO activities, with the audience debating the differing breadth and scope of PMO activities within their various organisations.

**PfM and Governance SIGs – Workshop (June 2019)** - **Nancy Olson** and **Tanya Durlen** from the committee attended the second in the series of joint workshops with the APM Governance SIG. This workshop focused on:

- accountabilities and responsibilities of the Portfolio Sponsor
- challenges faced by the Board fulfilling that role
- governance mechanisms (including performance reporting) needing to enable effective portfolio decisions.

We also:

- Supported and influenced the **APM Body of Knowledge 7<sup>th</sup> edition** development, attending several reviews and providing input and feedback.
- Manned a stand at the annual **APM conference** to promote the SIG.
- Published a fascinating **blog** from **Simon Derby** on **My journey to portfolio manager** in July 2018, charting his career history.
- **Anna Byrne**, another committee member, published two great articles **on LinkedIn**: a) Aligning strategy with delivery, and b) When Agile development meets strategy: a practical example
- Issued **newsletters** through the year to keep in touch with our members:
  - **September 2018**
  - **December 2018**
  - **April 2019**
- Published **Adam Skinner's blog** (April 2019) about the value of the project sceptic, and how the balance between a unified team and a healthy challenge needs to be maintained.
- Attended the **APM Volunteer Forum** (June) in Newcastle (**Petula** and **Lynne**)

The number of **SIG followers** continues to increase, now around 1,400, reflecting an increasing interest in portfolio management as is also evident from SIG event feedback.

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## 2019/2020 – Challenging Times

Following the 2019 online committee election, we welcomed **Osian Evans, Judd Norton** and **Neil Pattinson** to the committee who would bring more fresh ideas and help continue developing the SIG.

Our grateful thanks were extended to **Paul Morgan, Simon Darby** and **Anna Byrne** for their contribution to the 2018/19 committee, and for Paul's and Simon's contributions during previous years.

Two new co-chairs were elected this year: **Adam Skinner and Petula Allison**, with **Lynne Ratcliffe** volunteering to be secretary. **Steve Leary** and **Lynne** were thanked for their work as 2018/19 co-chairs.

Final committee membership was:

|                |                          |                 |                 |
|----------------|--------------------------|-----------------|-----------------|
| Petula Allison | Peter Glynne             | Judd Norton     | Neil Pattinson  |
| Tanya Durlen   | Steve Leary Richard Moor | Nancy Olson     | Lynne Ratcliffe |
| Osian Evans    | Moor                     | Gemma Parker    | Adam Skinner    |
| Mike Florence  | Dwain Morgan             | Stephen Parrett | Tony Whitmore   |

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## **Portfolio Management - A practical guide (Published September 2019)**

At last!! This was the single largest exercise undertaken by the SIG committee, involving not only the main authors but also various reviewers and support from the APM who looked after publication.

The creative process spanned the period 2016 to 2019; this had intensive episodes of writing and reviewing interspersed with gaps when other priorities meant that the team had to slow down the process.

All the tremendous hard work by the many committee members involved and several other supporters (as highlighted below), culminated in **the guide** being launched at the **APM Women in Project Management Conference 2019** in September and received very positive reviews.



The main authors were:

**Mike Florence**

**Steve Leary**

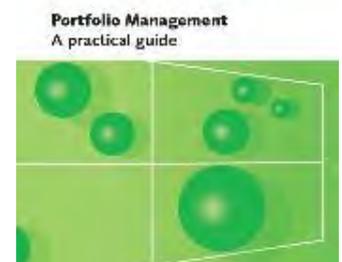
**Richard Moor**

**Marina Morillas Lara**

**Stephen Parrett**

**Lynne Ratcliffe**

**Adam Skinner**



A special thanks is due to **Mike Florence** for persevering as our project manager, given he had to ensure we all did our bit through persuasion and cajoling in various measures over such a long period.

We must also thank all the publication team at the APM, especially **James Simons** and **Clare Georgy** and the many reviewers from around the committee, in other SIGs and external supporters.

In 2019 there had been 196 print sales (4<sup>th</sup> most popular) and 117 combined print/digital sales in 2020 (6<sup>th</sup> most popular).

In summary, the guide brings together the challenges, successes and experience of over 60 organisations who have presented at our conferences and events. It describes best practice from both the public and private sectors, and has been co-written and reviewed by experienced portfolio directors, managers and consultants. The guide emphasises the practical aspects of portfolio management – what it is and how to do it.

The guide covers key topics from what portfolio management is, through adopting and implementing portfolio management and dealing with key challenges. There are over a dozen “caselets” giving examples of how portfolio management principles were applied in real-life situations, such as managing systemic project risks at a portfolio level and managing portfolio reviews.

The committee have yet to pencil in work on a second edition.

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## **Portfolio Director’s Dinner – “Making the hard decisions” (Thursday 21 November 2019)**

This was the second of our portfolio directors’ dinners. These popular events bring together some of the most experienced portfolio practitioners across a range of sectors, where we ask them a hard question (or maybe two!) and allow us to capture, and share, the answers we receive.

This time we asked the question: ‘Why is it so hard to make the hard decisions?’

A perennial problem in portfolio management is getting clear, timely and definitive answers to the difficult decisions that face the C-suite when managing and prioritising the portfolio. This is a challenge across all sectors and the group considered the problem a combination of psychological, informational and organisational! The event was documented in a [PfM SIG publication in May 2020](#).

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## **Webinar – “An introduction to portfolio management – the theory and in practice” (Tuesday 19 May 2020)**

[This webinar](#) introduced the principles of portfolio management and also provided examples from recent case studies experienced in delivering a transformation portfolio.

It was the first such opportunity to highlight the key principles and approaches with the associated benefits of adopting portfolio management as an approach to help achieve an organisations objectives and strategic outcomes, which had been outlined in the *Portfolio Management – A practical guide*.

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## **Webinar – “Making the hard decisions” (Tuesday 16 June 2020)**

[In this webinar](#), **Petula Allison** and **Adam Skinner** explored the challenges faced in decision making when managing a portfolio, using findings from the November 2019 Portfolio Dinner (see above). They looked at the issues when there is a range of senior stakeholders, many moving parts, internal and external influences, that influence whether the right information is presented in the right way, at the right time for the audience - all key in achieving the perceived ‘good decision or outcome’; but, is that enough?

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## Portfolio Management conference 2020

We were due to hold our 6th APM Portfolio Management conference in June. However, due to Covid-19 the event had to be cancelled and we would have to look forward to publishing details of next year's conference as soon as possible.

This year we were going to focus on what sits at the heart of all transformation - people! This theme is likely to be carried forward as it's such an important element of portfolio management's success or failure and closely linked to our ability to understand what our stakeholders want from us and take them with us.

Topics being considered include:

1. How to manage cultural change at the portfolio level
2. How to measure people and business readiness at the portfolio level
3. How to engage with people at the portfolio level to facilitate decision making, and
4. How to raise the change capability of the organisation.

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## 2020 AGM and 2019/20 review

In addition to the main activities above, a number of other activities are worthy of mention:

- 66 people had signed up as members of the **APM PfM SIG's LinkedIn Group**.
- On 19 July 2019, **Steve Leary** presented Portfolio Management to the **Midlands branch Corporate Advisory Group VIP Working Lunch**, including people from BOC, DHL Supply Chain, Rolls-Royce, University of Warwick, and XPO Logistics. After lunch the participants discussed their portfolio management challenges and shared potential solutions in a lively exchange.
- SIG Newsletters were issued in:
  - **September 2019**
  - **January 2020**
  - **June 2020**
- The SIG was invited by the SWEE branch for a **PfM talk**, given by **Petula Allison**, in September 2019.
- The APM Portfolio Management SIG was represented by **Richard Moor** at the **APM Volunteers' Forum**, held in November 2019 at which we promoted our new PfM Guide across all SIGs and branches.



## 2020/21 – Challenges Continue

Despite the limits on meeting face-to-face, there was a very commendable level of interest in joining the 2020/21 SIG committee.

14 nominations meant that to meet the APM limit of 12 committee members, an election was required.

41 APM individual members who follow this SIG voted and the following nominees were elected to the 12 places and now form the new committee for the coming year:

|                |              |                 |
|----------------|--------------|-----------------|
| Adetoun Abiola | Steve Leary  | Stephen Parrett |
| Petula Allison | Dwain Morgan | Adam Skinner    |
| Tanya Durlen   | Nancy Olson  | Tony Whitmore   |
| Osian Evans    | Gemma Parker | Merv Wyeth      |

With very grateful thanks for their many years of enthusiastic participation on the committee, we had to say farewell to **Mike Florence, Peter Glynn, Lynne Ratcliffe** and **Richard Moor**, along with **Judd Norton** and **Neil Pattinson**.

At the same time, we welcomed into the fold: **Adetoun Abiola** and **Merv Wyeth**.

**Petula Allison** and **Adam Skinner** were re-elected as co-chairs with newcomer **Adetoun Abiola** elected as secretary.

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## 2020 Portfolio Management Survey

To mark its 10th anniversary year since formation, the SIG launched a survey of colleagues across the profession in July. The last such survey took place in 2015 and was hugely useful in informing the work of the SIG and the publication of its *Portfolio Management – A practical guide*.

By gauging opinions again, we wanted to assess, and publish, how the PFM profession has changed in the interim and what the key challenges are today.

As the number of responses to the initial survey were not as high as we had expected, the survey was integrated into a **SIG webinar** on Tuesday 1 December **An introduction to portfolio management – the theory and in practice**.

The webinar was presented by **Petula Allison** and **Merv Wyeth**.

This webinar had been broadcast first in June 2020. It introduced the principles of portfolio management and also provided some examples from recent case studies in delivering a transformation portfolio.

**Results from the survey**, are due to be analysed in early 2021 alongside those from 2015 and some insights and conclusions should be published shortly thereafter.

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## Looking Back

These are just a few observations covering the first 10 years of the SIG journey:

### Portfolio Management

- The need for PfM has increased as risks and uncertainty have increased, and the scope has expanded as the nature of change has changed beyond just projects
- The basics of PfM best practice, however, remain sound and testament to their validity
- As organisations continue to increase their focus on achieving strategic objectives/goals, many have become more PfM-aware overall, and some have made great strides in harnessing the value of applying and embedding PfM
- However, there is still more work needed to persuade senior executives in general of the value of PfM and how its application can support the delivery of strategies across all aspects of business
- The best organisations have shown how PfM can be flexed to meet specific needs, and consequently there is more recognition that one size fits all is not the way forward for PfM.

### APM Portfolio Management SIG

- The PfM SIG has played a significant part in raising the profile of PfM within the APM and increasingly to the wider world, bringing examples of best practice to well over 500 practitioners through conferences and events alone
  - Many organisations have been extremely generous in supporting the SIG with their stories, which have highlighted examples from prioritisation through to strategic planning
  - The level of interest and desire to work together has been evident wherever the SIG has held events involving people from many other SIGs and several APM branches
  - Finally, we must recognise the huge amount of time and effort that everyone associated with the SIG and all its events have devoted to getting the SIG this far.
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## Looking Forward

Although somewhat speculative, these may be factors to consider in future:

- There is great scope to extend the SIG's influence, from the sound platform already created, and show the value of PfM at the strategic level
- Portfolio Directors' Dinners have complimented the annual PfM conference and shown that targeted audiences can provide a wealth of good ideas, and we will aim to raise the level of debate further as we seek participation from more senior executives
- When feasible, the annual SIG conference (whether physical, virtual or a combination) should regain its pivotal role in knowledge sharing
- The SIG has, during its first 10 years, accumulated many excellent presentations and other collateral (from conferences etc.) and will seek to make these more widely available and to add others from future events
- There may be a role for the APM in the area of organisational PfM accreditation. [That would require a re-think on the role of the APM, and the SIG (given we are all volunteers), and may clash with the roles of consultants etc.]
- The core principles of PfM will endure, although probably applied in multiple models; in this context there is scope for more collaboration within the APM and beyond
- The SIG must keep PfM to the forefront of the business agenda, as there is evidence that interest and commitment can wain; this is especially so where senior executives may not fully appreciate the value PfM can bring in helping them to deliver corporate strategy
- Increasing use of technology by the APM should help the SIG in promoting PfM even more widely to the profession, whilst also looking at options for engagement at the executive level
- The SIG will seek to improve engagement with APM members and extend collaboration with other SIGs/branches, to help the APM as a whole develop an integrated package of interest groups
- Over time, PfM could/should become so ubiquitous that it no longer requires such special focus – it evolves and permeates through an organisation and operates across all executive functions.

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**Here's to the next 10 years....**



**Appendix A – Those who have served:**

|                      | 2010<br>/11 | 2011<br>/12 | 2012<br>/13 | 2013<br>/14 | 2014<br>/15 | 2015<br>/16 | 2016<br>/17 | 2017<br>/18 | 2018/<br>19 | 2019<br>/20 | 2020<br>/21 |
|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Daryush Abbasi       |             |             |             |             |             |             |             |             |             |             |             |
| Adetoun Abiola       |             |             |             |             |             |             |             |             |             |             | S           |
| Petula Allison       |             |             |             |             |             |             |             |             | S           | Co-C        | Co-C        |
| Chris Beech          |             |             |             |             |             |             |             |             |             |             |             |
| Nigel Bell           |             |             |             |             |             |             |             |             |             |             |             |
| James Buckley        |             |             |             |             |             |             |             |             |             |             |             |
| James Butler         |             |             |             |             |             |             |             |             |             |             |             |
| Anna Byrne           |             |             |             |             |             |             |             |             |             |             |             |
| James Dale           |             |             |             |             |             |             |             |             |             |             |             |
| Simon Darby          |             |             |             |             |             |             |             |             |             |             |             |
| Richard Davies       |             |             |             |             |             |             |             |             |             |             |             |
| David Dunning        |             |             |             |             |             |             |             |             |             |             |             |
| Tanya Durlen         |             |             |             |             |             |             |             |             |             |             |             |
| Osian Evans          |             |             |             |             |             |             |             |             |             |             |             |
| Mike Florence        |             |             |             |             |             |             |             |             |             |             |             |
| Peter Glynne         |             |             |             |             |             |             |             |             |             |             |             |
| Tony Harding         |             |             |             |             |             |             |             |             |             |             |             |
| Paul Hirst           |             |             |             |             |             |             |             |             |             |             |             |
| Steve Jenner         | C           |             |             |             |             |             |             |             |             |             |             |
| Glenn Jones          |             |             |             |             |             |             |             |             |             |             |             |
| Marina Morillas Lara |             |             |             |             |             |             |             |             |             |             |             |
| John Laughlin        |             |             |             |             |             |             |             |             |             |             |             |
| Steve Leary          |             |             |             |             |             | S           | S           | Co-C        | Co-C        |             |             |
| Achilleas Mavrellis  |             | S           | S           |             |             |             |             |             |             |             |             |
| Irene MacDonald      |             |             |             |             |             |             |             |             |             |             |             |
| John Macgregor       |             |             |             |             |             |             |             |             |             |             |             |
| Richard Moor         |             |             |             |             |             |             |             |             |             |             |             |
| Dwain Morgan         |             |             |             |             |             |             |             |             |             |             |             |
| Paul Morgan          |             |             |             |             |             |             |             |             |             |             |             |
| Ruth Moyes           |             |             |             |             |             |             |             |             |             |             |             |
| Judd Norton          |             |             |             |             |             |             |             |             |             |             |             |
| Nancy Olson          |             |             |             |             |             |             |             |             |             |             |             |
| Gemma Parker         |             |             |             |             |             |             |             |             |             |             |             |
| Peter Parkes         |             |             |             |             |             |             |             |             |             |             |             |
| Gina Parkin          |             |             |             |             |             |             |             |             |             |             |             |
| Stephen Parrett      |             |             | C           | C           | C           | C           | C           | Co-C        |             |             |             |
| Neil Pattinson       |             |             |             |             |             |             |             |             |             |             |             |
| Adrian Pyne          |             |             |             |             |             |             |             |             |             |             |             |
| Lynne Ratcliffe      |             |             |             |             |             |             |             | S           | Co-C        | S           |             |
| Matt Rawson          |             | C           |             |             |             |             |             |             |             |             |             |
| Christine Rigby      |             |             |             |             |             |             |             |             |             |             |             |
| Martin Samphire      |             |             |             |             |             |             |             |             |             |             |             |
| Adam Skinner         |             |             |             |             |             |             |             |             |             | Co-C        | Co-C        |
| Langes Supramaniam   |             |             |             |             |             |             |             |             |             |             |             |
| Rebecca West         |             |             |             |             |             |             |             |             |             |             |             |
| Tony Whitmore        |             |             |             |             |             |             |             |             |             |             |             |
| Merv Wyeth           |             |             |             |             |             |             |             |             |             |             |             |
|                      | 16          | 11          | 7           | 9           | 7           | 12          | 11          | 12          | 15 + 1      | 16          | 12+1        |