

Case study

HP Project and Portfolio (PPM) Management yields dividends



PPM results in cost-savings, improvements in innovation and on-time delivery

Industry

Information Technology

Objective

Move to centralized IT management to improve on-time delivery, increase innovation and reduce costs

Approach

Implemented HP PPM across the enterprise

IT matters

- Real-time dashboard visibility into all investments
- Metrics are part of standard data collection
- Greater IT credibility through on-time delivery

Business matters

- 97% on-time delivery
- \$4B in benefits
- Increase from 30% to 80% spent on innovation



“During the past few years, HP PPM has enabled HP to achieve \$4B in benefits, realize 97% on-time project delivery, and increase innovation levels from 30% in the past to 80% today.”

– Vicki Hildebrand, senior director, IT Applied Processes and Technologies, HP

Just as investors manage their portfolios for maximum financial returns, so do companies need to manage their investments in strategic business and IT initiatives. At HP, Project and Portfolio Management (PPM) helps ensure that every request can be prioritized, every resource is accounted for and each project has centralized governance, a single planning calendar, and can be viewed in real-time. With HP PPM, IT is run as a business, with executive ownership, clear metrics, and impressive results. During the past few years, PPM has enabled HP’s own IT organization to increase on-time project delivery and innovation levels, while saving money.

Greater IT credibility through on-time delivery

“On-time delivery has resulted in greater IT credibility. And, we have found that delivering on the right things is more critical than working on everything,” says Vicki Hildebrand, senior director, IT Applied Processes and Technologies at HP.

Dating back to FY05, there were 1,200 active IT projects at HP. Decentralized decision-making meant that business units defined what work was done and how work was done, while IT executives independently managed IT projects. At that point, key metrics such as on-time delivery and benefits were not tracked. Money spent on innovation—defined as the activities related to planning, scoping, designing, developing, testing and deploying new or enhanced IT solutions into a production environment in response to a business need—was measured at only 30%.

“In the past, IT executives were independently managing pieces, and HP was missing opportunities to leverage and streamline things,” Hildebrand says. “Once things got launched with the Executive Committee sponsors setting up core tools and applications and a common set of processes, including usage of HP’s own PPM solution, benefits began to take shape.”

Enabling tools

Currently, more than 10,000 active HP IT and business users worldwide rely on HP Project and Portfolio Management (PPM) software. HP PPM integrates and unifies the activities that manage investment prioritization and project execution within the organization. The software provides real-time visibility into all investments at all times, and from multiple perspectives. Metrics, such as on-time delivery that were not tracked in the past, now are part of the standard data collection in PPM.

“Having the right information at your fingertips is critical. With HP PPM, executives and project managers have a dashboard view into the portfolio, including demand, in-flight projects, and programs across the organization, enabling smart portfolio investment decisions,” Hildebrand says.

HP IT uses the HP PPM solution to track demand, projects, resources, and time management. In terms of resource management, PPM makes it possible to define capacity, create demand, and fulfill allocations. For time management, PPM is extremely useful to track effort—both on project and non-project work.

Structure leads to results

Adding structure has improved the IT process at HP. Business units now define what gets done, while IT determines how it gets done. The process begins when a business unit submits an idea or a request online using PPM. The request may range from a standalone project or enhancement, to a major initiative or program. IT then works with the business unit to shape the request into a PPM program or project.

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Next, the business and IT conduct cost-benefit analysis, considering the costs and benefits for both IT and business. Criteria, such as the business strategy, business initiative, business process, applications, level of effort, and duration are included. The cost-benefit analysis is developed in partnership with Finance. The proposed IT investment portfolio then is reviewed with Executive Committee members who may make adjustments before

approval. After the Executive Council approves the portfolio, business and IT executives manage the efforts as a team.

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“The right tool is as important as the right process,” Hildebrand says. “Using PPM enables us to make sure the skills, benefits and resources are available.”

Now that it is possible to monitor the quality of development, delivery capabilities and productivity gains, HP can identify areas for improvement. Simple and consistent metrics—from on-time delivery and innovation to Phase Time Boxing and Collaboration—drive the effectiveness of IT.

“During the past few years, HP PPM has enabled HP to achieve \$4B in benefits, realize 97% on-time project delivery, and increase innovation levels from 30% in the past to 80% today,” Hildebrand concludes.

Customer at a glance

Application

Enterprise Software—Project and Portfolio Management (PPM)

Software

• HP Project and Portfolio Management (PPM) version 9.12

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