PRIMAVERA®

IT Operations Management

The future of IT is now.

For the last few years, cost cutting has been a dominant force in corporate culture. Today, companies are focusing on growing revenue through expanded markets, competitive differentiation and strategic acquisitions. In fact, 83% of CEOs from major global companies identified revenue growth as their top goal over the next three years according to the Global CEO Study 2004.

This is an important change for IT, which has suffered during this era of cutbacks and outsourcing — a cost-cutting measure that is here to stay. It is now time for IT-enabled growth. CIOs face the challenge of creating innovative IT strategies that will build revenue and establish IT as an influential partner within the business.

IT still faces a number of obstacles before it can fully succeed within the corporation. Known for being overloaded with work and understaffed, IT needs to align with the business strategy to maximize value and growth.

Project Portfolio Management (PPM): helping IT and the business succeed.

Traditional ideas of how to run IT have evolved. Project Portfolio Management is a new strategy to keep IT efforts aligned with big picture business objectives in order to help the business succeed and reduce unnecessary spending.
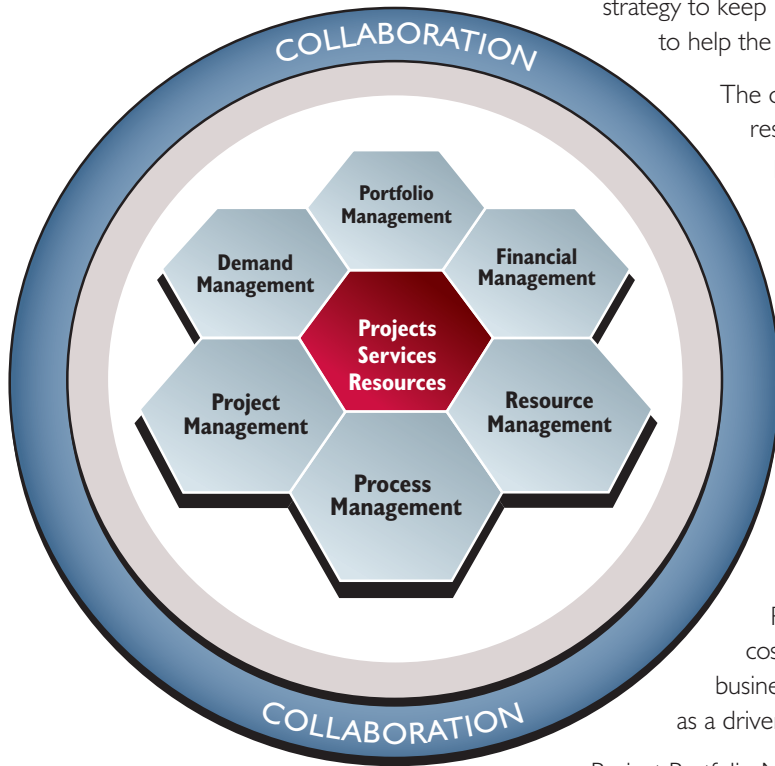
The convergence of portfolio management, project management, resource management and financial management business processes is imperative to IT gaining visibility and securing a better grasp of its valuable resources and spending.

Project Portfolio Management gives IT executives complete visibility into all of their work, projects, and people worldwide so that they can align their efforts and staff with corporate objectives, control costs and reduce project failures through improved governance. IT executives can balance risk and return, eliminate inefficiencies, communicate with business partners in a common language and provide strategic value.

The need is great, and the benefits quantifiable: up to a 2-5% savings of a company's annual IT budget*. Project Portfolio Management can have an immediate impact through cost savings, improved efficiency and added respect from business peers — and provides an opportunity for IT to emerge as a driver of corporate success.

Project Portfolio Management software provides automated, real-time operational visibility and decision support. This is needed to effectively align and allocate technology spending with business priorities, and limit exposure and risk by killing non-performing, non-strategic work.

Using an automated portfolio management process allows project data to be gathered in minutes instead of weeks. Project overruns are discovered early. Strategic decisions are based on real-time, high-quality data. Key employees are used for high priority jobs, avoiding the unnecessary hiring of costly contingent workers for important projects.

Primavera is the industry leader in the realm of project portfolio management.

In fact, our solution:
• Has been adopted by over 4,500 IT customers
• Has a customer satisfaction rating of over 90%
• Can be up and running in as little as three weeks

With Primavera, organizations can use project portfolio management to streamline operational efficiencies and improve overall organizational effectiveness. Enterprise systems can be integrated quickly and leverage existing technology investments, resulting in a lower cost of ownership and greater ROI. In all, Primavera helps transform IT into a powerful business force used for increasing value and profits. This success could not be achieved without investing in three strategic areas: alignment, governance and visibility.

* AMR Research

Align IT with the business.

The recent push for alignment is being led by greater scrutiny of the value of IT. Gone are the days when IT organizations had the luxury of "open checkbook" spending. IT organizations are now being asked some difficult questions on how spending supports the corporate strategy.

IT operations are especially feeling the effect as they are mandated to continue to reduce unnecessary spending and improve operational efficiency while running, updating, integrating and managing enterprise systems and infrastructure. According to GIGA Information Group, organizations are likely to waste 5% to 8% of their overall budgets due to duplicated, misaligned and ineffective spending. This cannot and must not continue if IT is to support the company's strategy.

With alignment, IT can:
- Support the overall corporate strategy
- Reduce unnecessary spending
- Improve operational efficiency

Without alignment, IT cannot:
- Become an influential partner within the business
- Demonstrate IT's support for corporate objectives
- Maintain strategic budgeting and staffing levels

Executive dashboards monitor alignment and progress against commitment Drive the right balance of spending on business goals, on international vs. domestic, and on operations vs. business change.
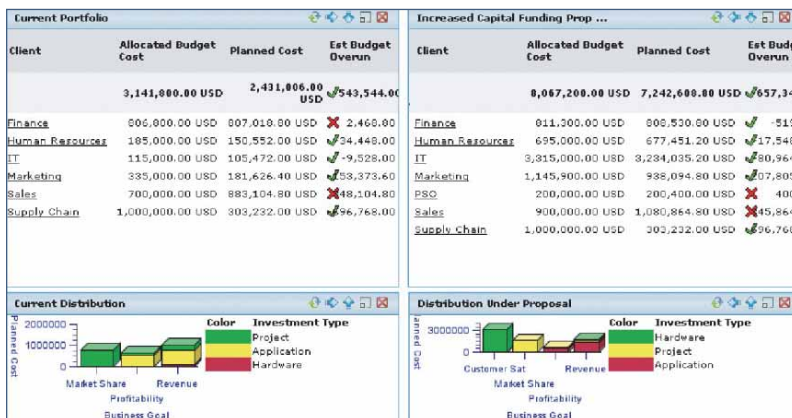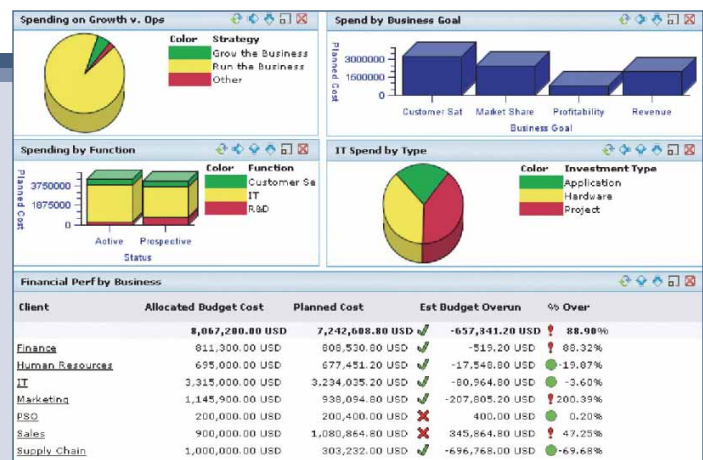
Robust side-by-side "what-if?" modeling and analysis
- Create streamlined processes to get request data from Demand Management into Portfolio Management sooner and allow users to evaluate and model potential work earlier in planning cycles
- Allow broad sets of business users to analyze the business quickly and easily

Gain confidence in IT through governance.

Today, top corporate executives and business unit leaders must gain confidence in IT's control over spending and activity. The mechanism for this is governance. Gartner states that "Now more than ever, the CIO must ensure that an effective, well-conceived IT governance mechanism is in place to provide coherent, disciplined oversight of IT investment decisions."

If IT is to survive and flourish, establishing a form of governance is essential. The Meta Group reported that fewer than 5% of Global 2000 firms have implemented a form of IT governance. If this condition continues, IT's place within the corporate hierarchy is sure to deteriorate.

With governance, IT can:
- Make and enforce rules for spending approval
- Make certain IT spending is confined to approved work
- Define roles and responsibilities
- Demonstrate the effectiveness of IT

Without governance, IT faces:
- Overspending
- Lack of accurate estimates, resource needs and accountability
- Rogue projects
- Lack of IT credibility

Governance has become a critical component in enabling organizational success. The ability to control spending by implementing, tracking and measuring best practices is at the forefront of innovative IT practices. Companies today look to Primavera solutions to help them gain control over expenditures and adhere to these corporate standards.

Configurable workflow to automate processes and track progress

- Give the business units a configurable way to initiate work, to ensure proper business approval
- Facilitate the use of best practices to ensure compliance across the organization

Request Map

Design Phase Appr...	06/25	Approval Type: Any Step Approvers: Durand, Kevin Payne, Lara	Quality Assurance...	Marketing Signoff...	Finalize

Request Fields

Milestone Name:*	Design Acceptance
Milestone Description:*	The design for quality and manufactuability group signed off on the proposed design at a meeting in Schaumberg on June 14th.
Tangible Evidence of Milestone:*	Signoff document from review committee and email of approvals from VP of Products.
Business Impact of Milestone Achievement:	Manufacturability Testing, System Testing, Delivery Date Commitment
Original Target Date for Milestone:*	06/01/2004
Actual Date of Milestone:*	06/14/2004
Next Milestone:	Prototype for Quality Test and Ma
Next Milestone Date:	07/31/2004

Estimate budgets and negotiate scope

Give users the ability to capture and compare top-down budgets against detailed bottom-up budgeting to prevent overspending.

Conservative - USD			
		Per Unit	Total
	Hours/Units	Adj Cost Rate	Cost
⬛ Resource Costs	1,660.2		166,229.94
Employee Por...	1,660.2		166,229.94
Project Manager	664.0	115.00	76,360.00
Programmer	440.0	75.00	33,000.00
Technical Archi...	25.0	150.00	3,749.94
Web Designer	531.2	100.00	53,120.00
Resource Subtotal:			166,229.94
⬛ Non-resource Costs			9,750.00
Database Server	2	1,600.00	3,200.00
Web Server	3	1,200.00	3,600.00
Application Ser...	0.5	1,000.00	500.00
Database Server...	2	600.00	1,200.00
Application Ser...	0.5	2,500.00	1,250.00
Non-resource Subtotal:			9,750.00

Workspaces > Laptop Refresh for Sales > Contractual Documents

▶ View Document ▶ Cancel Review

Review Details

Name	Statement of Work
Description	
Creator	Administrator
Created on	Fri Jun 18 9:45 AM PDT 2004
Review Type	Sequential
Review Status	In Review

Review Status

Started → Payne, Lara‡ → Hetrick, B... → Lafferty, ... → Mitchell, ... → Nicolas, Edy → Qu

Pending

Collaborative reviews track subjects and manage documents that are important to a project

- Facilitate the use of best practices to ensure effectiveness across the organization
- Manage documents and discussions pertinent to a project in an archive that is searchable within and across projects
- Set up secured templates to enforce their organization's business processes for project creation and execution

Enhance visibility to achieve governance.

Visibility is the transparency and communication of strategy, plans, performance and costs within IT. Organizations with visibility have a comprehensive view of all of their demand, plans to execute that demand, the performance of successful projects and the associated costs being incurred to deliver that work.

Visibility allows for informed decision making based upon factual, tangible data. The power of visibility lies in its ability to reveal information within IT and throughout the entire organization.

Without visibility, IT cannot improve because it lacks visibility into its capabilities and shortcomings. Visibility allows IT to implement preventative measures as well as understand and analyze risk.

With visibility, IT can:
- Assist top corporate executives and business unit leaders in understanding the role of IT in the business strategy
- Access a comprehensive view of demand, plans to execute demand, project performance and costs associated with projects
- Make decisions based on tangible, factual data

Without visibility, IT cannot:
- Articulate the value of IT to the business
- Learn from its mistakes and avoid repeating them
- Educate the entire organization about its strategy, plans, performance and costs

Understanding corporate strategy and how key strategic projects are being executed can greatly improve performance and productivity. Companies that lack visibility and insight into the strategy, plans, performance and cost of IT risk overspending and missing deadlines. Visibility can accelerate decision making and quickly demonstrate IT's value to the overall organization.

" For the first time we could see how everybody was deployed in real-time and who was available for work. Primavera gave us a powerful tool for quickly building and scheduling the right teams for each new project. "

— Eric Bird, Manager of Radio Network Design and Integration Division, Ericsson

Budget Performance - Finance

Project Name	Allocated Budget Cost	Planned Cost		Est Budget Overun		% Over
Finance Projects Summary	1,046,300.00 USD	1,151,234.80 USD	✗	107,184.80 USD	!	78.62%
Accounts Payable	215,000.00 USD	250,496.00 USD	✗	35,496.00 USD	!	16.51%
Expense Reporting Inbound Integration	4,500.00 USD	1,512.00 USD	✓	-2,988.00 USD	●	-66.40%
Expense Reporting Outbound Integration	1,800.00 USD	16,128.00 USD	✗	14,328.00 USD	!	796.00%
Expense Reporting System	70,000.00 USD	54,952.00 USD	✓	-12,798.00 USD	●	-18.28%
G/L	130,000.00 USD	145,024.00 USD	✗	15,024.00 USD	◆	11.56%
G/L Integration	165,000.00 USD	179,340.00 USD	✗	14,340.00 USD	◆	8.69%
Laptop Refresh for Finance	75,000.00 USD	76,632.00 USD	✗	1,632.00 USD	◆	2.18%
Roll Time Capture Out Company Wide	135,000.00 USD	243,344.00 USD	✗	108,344.00 USD	!	80.25%
SunTrust Installation (Boston)	100,000.00 USD	99,360.00 USD	✓	-640.00 USD	●	-0.64%
Vendor Payment System	150,000.00 USD	84,446.80 USD	✓	-65,553.20 USD	●	-43.70%

Spend by Type - Finance

Color | Investment Type
Application
Project

Created Requests [3:59 PM]

Name	Creation Date	Procedure
Review Dashboard UI	06/01/2004	Sandbox Group Review
Review Capacity Plan...	06/01/2004	Sandbox Group Review
Capitalization Syste...	05/30/2004	Milestone Acceptance/Appr...
Tobiano Router	05/25/2004	Rapid Project Entry for Audi...
Signoff on Prototype...	05/16/2004	Milestone Acceptance/Appr...

Personalized dashboards to monitor your projects, resources and spending

- Increase communication and collaboration with customers by sharing real-time status
- Offer access to multiple personalized graphical views and build communication within the business by presenting shared dashboards — without the expense and delay of creating custom reports

Risk

Name: *	Final Budget has not been ap
Status:	Open
Priority:	High
Type:	
Project:	CRM Application

Description

Budget has been delivered to Steve but has not been approved. We need this signed by the end of the week if we are to start the project on time. Otherwise we will need to delay by 1 week.

Impact

|	Impact	Probability	Exposure
Value	5,000.00 USD	x 50 % =	2,500 USD
Hours	40.0 Hours		20 Hours

Identify, analyze and manage risk across the portfolio

- Enable users to manage overspending by capturing, tracking, assigning and assessing risk and issues on all work
- Allow increased visibility into a project's status to facilitate decision making and control expectations

Role-based benefits of IT Operations Management.

Successful Project Portfolio Management must capture all work details, no matter how simple or complex. Different projects call for different levels of planning and execution — and they require willing participation from each team member. Limiting access to only managers can delay the entire team's access to critical information, which in turn can reduce project visibility and timely delivery.

With Primavera, work is captured at every level of detail directly from internal customers and stakeholders, and automatically distributed to those responsible for successful completion. Executives, managers and team members all benefit from the strength of this powerful Primavera solution. Below is an examination of how Primavera benefits each of these roles:

Primavera solutions
serve all roles within a corporation and provides the appropriate visibility.
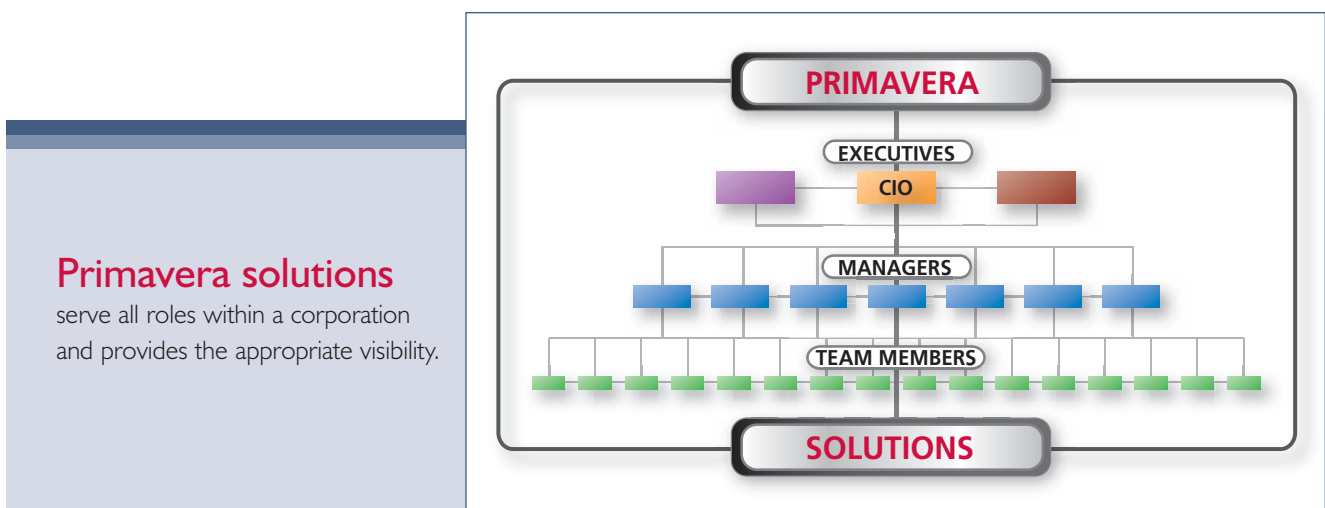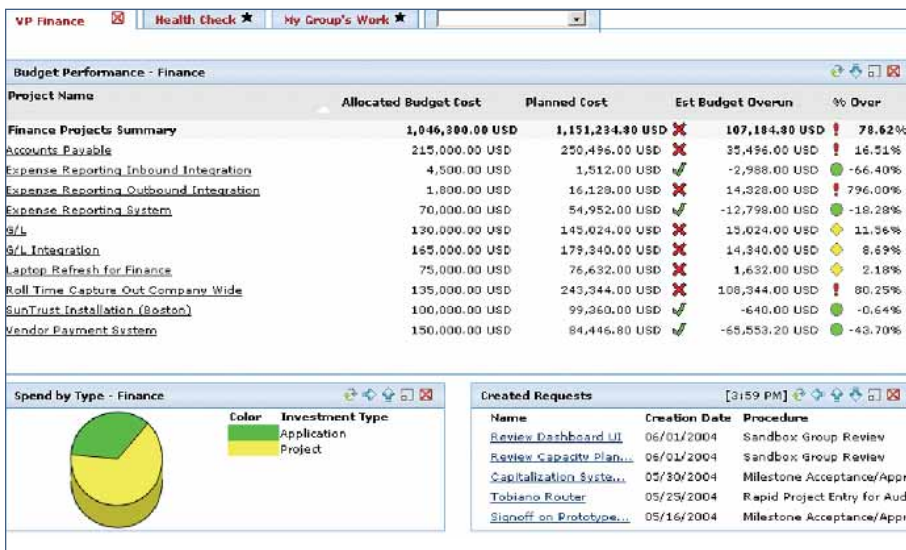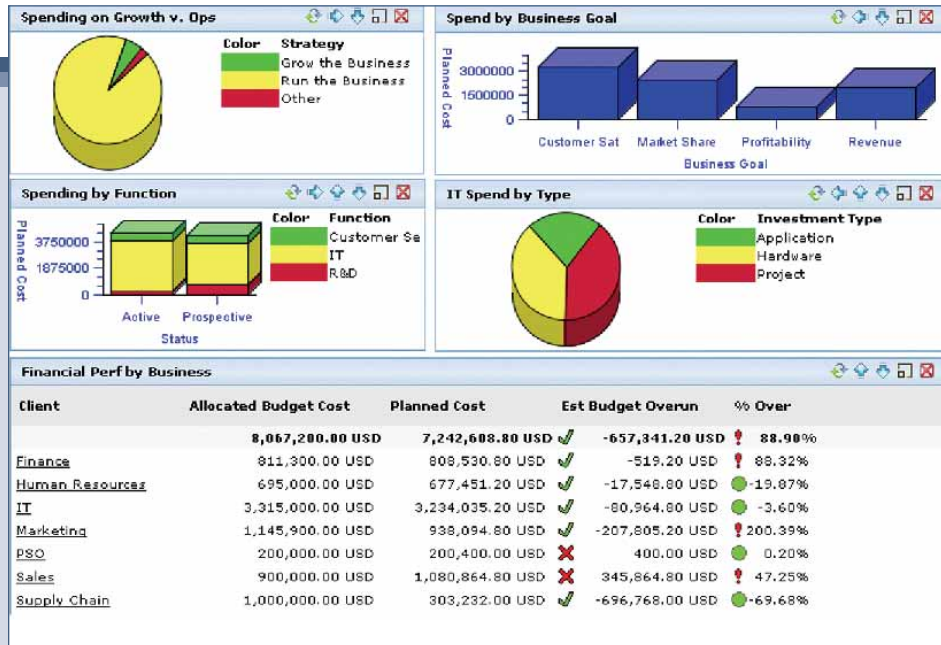
Role: Executive

CIOs face the challenge of creating innovative IT strategies that add to the bottom line and establish IT as an influential partner to the business. At the same time, they face increasing pressure to meet governance requirements and improve strategic alignment. In order to succeed under these competing mandates, top corporate executives and business unit leaders must gain confidence in IT's control over spending and activity.

Primavera IT Operations Management:
- Lets each executive personalize both his/her own and his/her customers' dashboards to ensure and demonstrate that IT is focused on the most strategic projects for the business
- Stores multiple dashboards that allows each executive access to different views
- Reduces cost and failures by identifying each group's unique resource training, hiring and project feasibility issues using a configurable capacity algorithm and root cause analysis tools
- Allows IT to manage global organizations with support for planning, scheduling and reporting across multiple, global work calendars

CIO dashboard

Dashboards keep business executives up-to-date on how well the enterprise is executing against strategy.

Spending on Growth v. Ops

Color	Strategy
Green	Grow the Business
Yellow	Run the Business
Red	Other

Spend by Business Goal

Planned Cost: 3000000, 1500000, 0
Business Goal: Customer Sat, Market Share, Profitability, Revenue

Spending by Function

Planned Cost: 3750000, 1875000, 0
Status: Active, Prospective

Color	Function
	Customer Se
	IT
	R&D

IT Spend by Type

Color	Investment Type
Green	Application
Yellow	Hardware
Red	Project

Financial Perf by Business

Client	Allocated Budget Cost	Planned Cost		Est Budget Overun		% Over
	8,067,200.00 USD	7,242,608.80 USD	✓	-657,341.20 USD	!	88.98%
Finance	811,300.00 USD	808,530.80 USD	✓	-519.20 USD	!	88.32%
Human Resources	695,000.00 USD	677,451.20 USD	✓	-17,548.80 USD	●	-19.87%
IT	3,315,000.00 USD	3,234,035.20 USD	✓	-80,964.80 USD	●	-3.60%
Marketing	1,145,900.00 USD	938,094.80 USD	✓	-207,805.20 USD	!	200.39%
PSO	200,000.00 USD	200,400.00 USD	✗	400.00 USD	●	0.20%
Sales	900,000.00 USD	1,080,864.80 USD	✗	345,864.80 USD	!	47.25%
Supply Chain	1,000,000.00 USD	303,232.00 USD	✓	-696,768.00 USD	●	-69.68%

Customer dashboard

This shared dashboard increases communication and collaboration between customers and business partners. Data such as status and performance of projects and requests, along with key issues and risks, are exchanged.

VP Finance | **Health Check ★** | **My Group's Work ★**

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Role: Manager

IT Managers face the challenge of ensuring on-time, on-budget project delivery, while communicating real-time status to key stakeholders. Understanding corporate strategy and how key strategic projects support that strategy greatly improves decision making, performance and productivity. IT organizations overspend and miss deadlines because they lack visibility into the strategy, plans, performance and cost of IT. Visibility accelerates decision making based upon factual, tangible data. This allows IT managers to create and demonstrate their value to the overall organization. Primavera IT Operations Management helps IT managers by providing solutions to improve visibility and alignment through proven, market-leading capabilities in project and resource management.

Primavera powers IT Managers' success with the ability to personalize dashboards to meet the individual needs of each director and manager — without the expense and delay of creating custom reports.

Key project management capabilities include:

Portfolio management
Portfolio and project-level risk analysis and management reduces budget overruns and schedule slippage, allowing users to enforce spending controls and manage to goals.

Configurable workflow to automate processes and track progress
Configurable, role-based request workflow provides comprehensive visibility into work demand through a consistent business process, creating a consistent view of demand on IT.

Quickly estimate and manage work with web-based project management tools
Users have the power of web-based project management, with Work Breakdown Structure (WBS) and staff plan templates and an optional Web Services integration with Microsoft Project®.
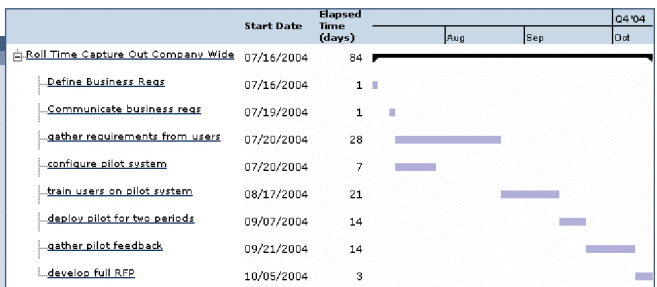
Key resource management capabilities include:

Capacity planning

Enterprise and organizational capacity planning, prediction and analysis identifies gaps and surpluses beyond the current business horizon — allowing managers to prevent staffing emergencies before they happen and to keep work on track and on budget.
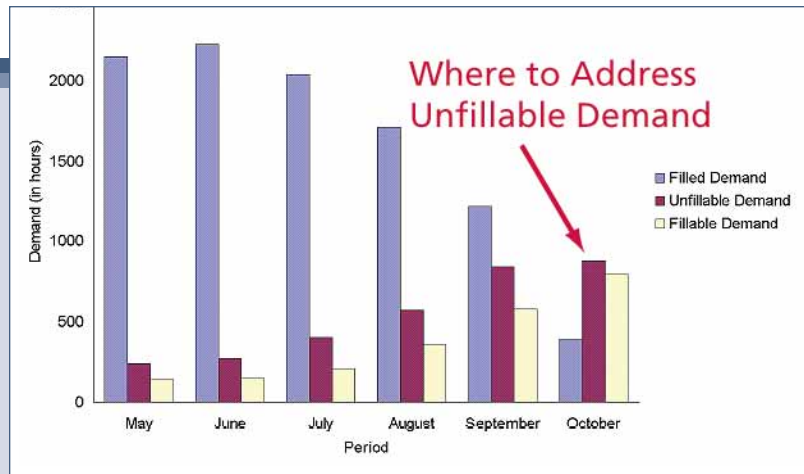
Resource portfolios

Resource Portfolio Management provides control over the other half of IT's costs: the workforce.

Rapidly optimize staffing plans with TeamBuilder®

TeamBuilder rapidly optimizes staffing plans in real-time with a configure-on-the-fly staffing optimization engine.
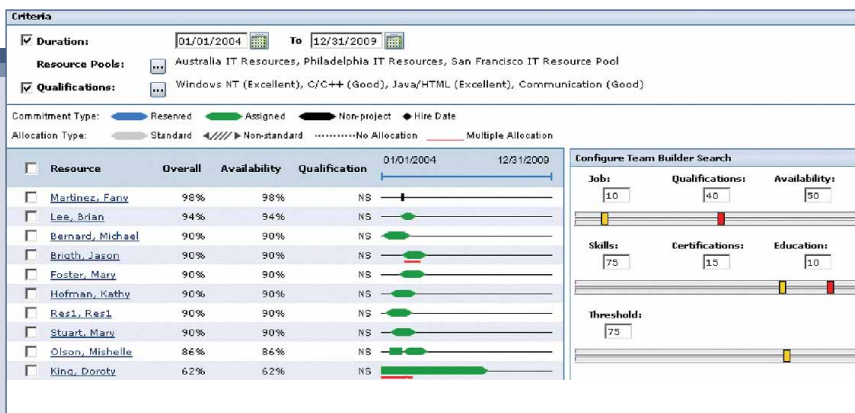
Role: Team member

IT team members have the difficult job of trying to juggle numerous demands for their time while collaborating with others who may not be dedicated to one specific project. Team members need to communicate effectively and ensure that their activities are understood by their managers and the organization at large.

Primavera IT Operations Management helps team members by providing solutions to improve visibility and alignment through:
• The ability to personalize Resource Dashboards to stay on top of critical work
• Control over their own destinies with Team Locator's configure-on-the-fly position search engine
• Increased accuracy on project status through workflow estimate updating

Resource dashboards Resource dashboards keep every worker up-to-date on critical tasks, issues and reviews in order to increase productivity.

Time and expense Automated time and expense capture allows employees to update work in minutes — not hours.

# Primavera: A proven solution.

Over the past twenty years, Primavera has become widely known as the leading provider of comprehensive project management, control and execution software. Dedication to our customers goes beyond the sales experience to encompass consultation, training and customer support.

We'll help you deal with the project-based world by providing an end-to-end solution for success. Our experts will address your business needs on a global, regional and industry-specific level. We offer proven methods for accelerated software implementation. We have an extensive curriculum to provide product knowledge transfer to your staff. And we provide award-winning customer support to assist you with any technical questions that may arise.

Our goal is clear: your project management success.

" The results have exceeded our expectations...The overhaul to our business processes has given us an edge that, without a doubt translates to exceptional client satisfaction. Primavera made it happen."

— *Tony Orrico, CEO, president and co-founder of NCS Technologies*
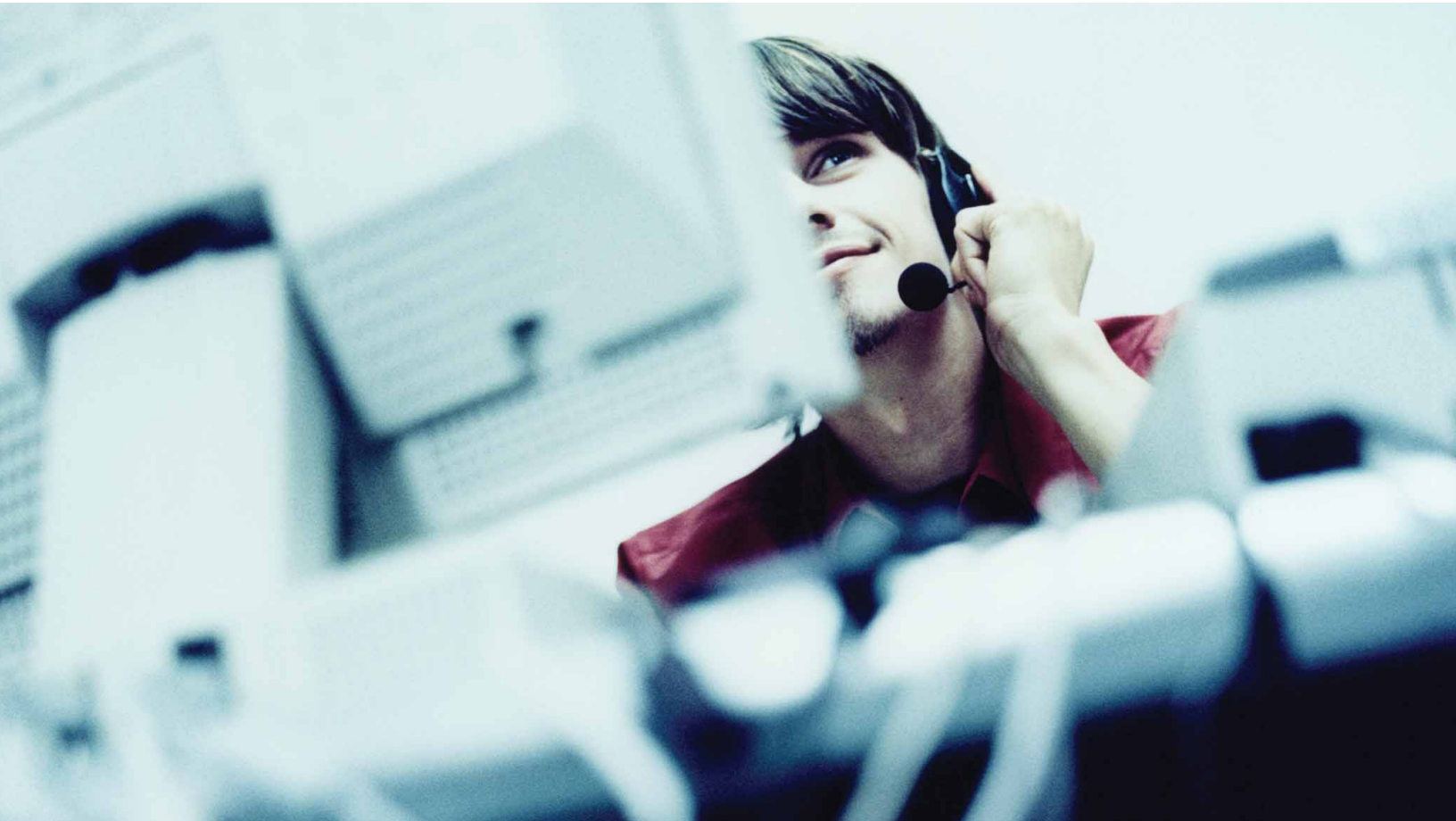
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