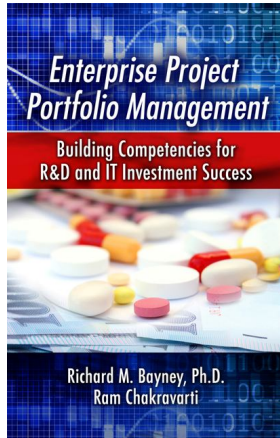

PM WORLD BOOK REVIEW



Book Title: ***Enterprise Project Portfolio Management***

Authors: **Richard M. Bayney, Ph.D./Ram Chakravarti**

Publisher: J. Ross Publishing

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Reviewer: **Johnny Gan, PMP**

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Introduction to the Book

“To be successful, we need to do more with less”.

When you read this book title, ***Enterprise Project Portfolio Management (EPPM)***, you may think it's really big topic to discuss. Richard and Ram, the book authors have put forth a rational and systematic approach to make it simple from the deep content of this topic. A framework like “CREOPMTM”, which is described in much detail in this book, helps get the people side right by surfacing the best projects practically.

Whether you are running a business or a project, your simple goal is making value, or you say “Value Creation”, in a more popular term from business school. You always set up ongoing strategic and financial goals to make value, but you always find all these goals become harder and harder to accomplish under constrained resource conditions. Many times, you think you are lost, and don't know where your organization is heading. Then I think it's a good time to introduce portfolio management into your organization's DNA, and this book is really a good introduction book you may like.

It is difficult to find an industry or organization that has not been impacted by the effects of globalization, mergers and acquisitions, restructuring, cost cutting, and change management. In the past few decades, many large companies are going downhill, not because they do not have any chance in their market, instead, they have too many opportunities to keep them distracted. Therefore how to build up effective EPPM system, how to find out the priority from these market opportunities, how to catch them

to become your new value creation? All these questions will push you to read this book, and to find out the right answer from this book.

Overview of Book's Structure

This book is organized into four sections with four accompanying appendices.

Section 1: Introduction to Enterprise Project Portfolio Management (EPPM)

This section introduces basic concepts of EPPM.

Section 2: Prerequisites for EPPM

In this section, you will learn some key concepts: like Strategic Planning, Decision Framing and Data Integrity.

Section 3: CREOPM™ : A framework for EPPM

This section is core part of the whole book. It discussed how to do the best practice in Portfolio Management step by step:

1. Project **C**ategorization
2. **R**isk Analysis
3. Integrated **E**valuation
4. Portfolio **O**ptimization
5. Project **P**rioritization
6. Portfolio **M**anagement

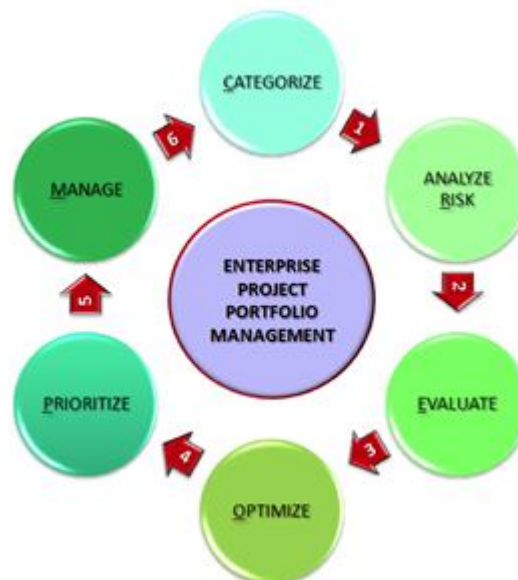


Figure 1 The CREOPM™ framework for EPPM (copy from the original book)

Section 4: Case Studies in Enterprise Portfolio Management

It supplies two typical case studies: IT Portfolio Management and R&D Portfolio Management.

The book is not just on theoretical descriptions, in its appendix A, and B, the experienced authors provided very practical tools and algorithms to help readers do the risk analysis and optimization. And in appendix C, and D, it lists very detailed documents about MODA models for IT Investment Prioritization and SIRC's Enterprise IT Portfolio.

Highlights: What's new in this Book

Before touching with this book, I also found many well-intentioned books that contain "Project Portfolio Management" in their book title, but most of them only engage in excellent discourses in project management.

This book attempts to take the mystery out of project portfolio management and to prescribe a foundation for its use. It defined a pragmatic framework called CREOPM™. When applied judiciously and with organizational and analytic discipline, this framework can lead to enhanced portfolio value creation across all types of businesses and industries.

CREOPM™ is new from all other books, this unique guide and professional reference presents a structured framework for EPPM, especially on strategic and analytic capabilities in EPPM.

Highlights: What I liked!

First of all, I like its practical, step-by-step approach. It does not just tell you what CREOPM™ is, but also helps you to build the essence of the logical, sequential connectivity between six components in categorizing, analyzing risk, evaluating, optimizing, prioritizing and managing.

This book provides an orientation to strategic planning (in Section 2), which is a necessary prerequisite to successful EPPM. Apply the basic prerequisites, then build capabilities as ongoing steps (in Section 3) provided to both portfolio management practitioners and decision makers.

Case studies, (In Section 4), the Authors provide good examples based on project prioritization and portfolio optimization in depth with a well definition of strategic and financial business goals. The authors demonstrate the "Superiority", optimization combined with prioritization.

Appendix is another highlight of this book, unlike other books; you cannot ignore this part if you are the person who believes that project portfolio management can best be accomplished by a combination of experience and good judgment.

Who might benefit from the Book

Although the lessons from this book are primarily IT and pharmaceutical based, the lessons can be utilized by new tech companies or anyone who is making decisions about capital or operations in light of uncertainty and trade-offs. Strategists who are responsible for advising CEOs, CFOs, CIOs about what it will take to integrate strategic plans, portfolio plans, and business plans in order to meet the organization's short, medium, and long term goals.

If you are students in the business school, or management related graduate school at master's level (MBA, EMBA, MIS), this book will also provide good case studies.

Conclusion

In summary, successful EPPM is as dependent on the acquisition and practice of knowledge and expertise for decision making as it is on the understanding of organizational dynamics that can enhance or marginalize its impact. The discipline of enterprise project portfolio management is not a function that is always readily capable of adding quantifiable value to the bottom line in the immediate term. Instead, it requires protracted sponsorship and support to build the appropriate level of organizational discipline necessary to yield value in the short, mid to long term.

In order to develop the requisite expertise in EPPM, it is necessary to have a thorough grasp on the below topics:

- Business, strategic, and technical skills as prerequisites for EPPM
- The CREOPM™ framework (or its equivalent)
- The application of real-world project portfolio management case studies

Finally, and also the most important key point in this book is your organization will not just stop at value creation with EPPM, but also transform to value maximization.

Enterprise Project Portfolio Management; by Richard M. Bayney, Ph.D. and Ram Chakravarti; Published by J. Ross Publishing; 2012; Hardcover, 356 pages; ISBN: 978-1-60427-060-0 List Price: US\$69.95 ; <http://www.jrosspub.com/Engine/Shopping/catalog.asp?store=12&category=182&item=14275&itempage=2>.

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About the Reviewer



Johnny Gan, PMP



Johnny Gan has many years of software R&D experience at [HRsmart.com](http://www.hrsmart.com) (<http://www.hrsmart.com/>). Mr. Gan received his MS degree from Southern Methodist University in Dallas, Texas, USA, and is also certified by the Project Management Institute as a Project management Professional (PMP®). Johnny can be contacted at qianggan@gmail.com .