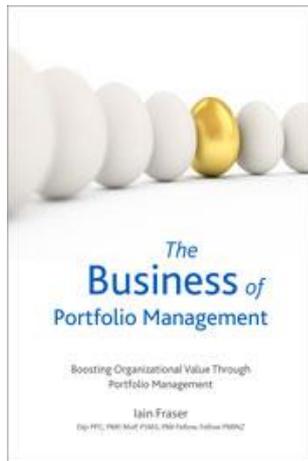


## PM WORLD BOOK REVIEW



Book Title: ***The Business of Portfolio Management: Boosting Organizational Value Through Portfolio Management***

Author: Iain Fraser

Publisher: Project Management Institute

List Price: \$44.95 (\$35.95 for PMI members)

Format: Hardcover, 166 pages

Publication Date: 2017 ISBN: 978-1-62825-372-6

Reviewer: Gus Sanchez, PMP Review Date: April 2018

### Introduction

Hello readers! I attended a recent PMI Chapter meeting (San Antonio, TX, in my case) where they had a table set up in the back of the room with several books, free to anyone who would read one and submit a review. Now, I happen to be a “slow” reader. Unfortunately for me, I never mastered the art of skimming or speed reading so it’s an “effort” for me to accept this challenge – but I did! The title was just too compelling to pass up. Thus, here is my first ever book review! I hope it can be of some help to some to you.

In 2013, I had the good fortune of attending PMI’s PMO Symposium in San Diego, CA. The organization had just published a set of papers showing a huge disparity between what organizations say they wanted/needed and what they actually did. 88% of the organizations researched said strategy implementation was important and 46% said they were good at strategy implementation. However, only 17% said that strategy implementation was *strategic*! The language did not match the behavior! Fortunately, the symposium went on to cover many topics to help address this challenge, including:

- “Agility: Reshaping How We Succeed in Business”, by Iain Fraser (yes, the author of this book)
- “Results Management Office: Moving from Processes to Outcomes”, by Kelley Laird and Ed Panzarella - Deloitte Consulting LLP
- “The Disruptive PMO: Change, Innovate and Lead”, by Ken Crawford
- And many, many more awesome presentations (including a great keynote presentation from Daniel Pink)

This was a trigger point for me, professionally, as I fully embraced these simple-to-understand but, unfortunately, super-hard-to-implement concepts of strategic

alignment and outcome/value-based work. So, as mentioned above, the book title itself was enough to make me grab a copy. Was it worth my time? Read on...

## Overview of Book's Structure

The book is well organized. There are four major sections:

1. Introduces a Value Management Framework, highlighting *why* your organization would want to implement/leverage portfolio management.
2. Covers portfolio management itself. *What* it is, how it is used, etc.
3. Talks about delivery techniques. That is, the components that make up a portfolio, like programs (groups of projects) and individual projects
4. Includes tools for leaders on influencing change and helping their organizations realize the value of portfolio management

Each section breaks down into individual, well-titled chapters that are clearly outlined in the table of contents, making this book a very useful reference guide, letting you easily focus on (or return to) the section/information that pertains to your area of interest or responsibility.

The book is chock full of reference materials. While some material, like opex (operational expenses) vs. capex (capital expenses) and organizational structures (functional, matrix), could be really good for someone relatively new to portfolio management, it may not be as valuable for a seasoned professional. However, it's all necessary to provide context. Just be aware there may be some sections that may cause you to say "I already know this".

There are useful diagrams, a decent glossary and a few case studies, allowing you to better see/understand the principles in a practical sense. You will also find helpful techniques (you know, the kind that follow some acronym like H.E.L.P. – Humor, Excite, Listen, Praise).

## Highlights

The introduction of a Value Management Framework and Life Cycle (composed of the five phases: Value Strategy, Value Planning, Value Engineering, Value Delivery and Value Capture) was definitely a highlight of the book.

The author also covers many other important and interesting topics like:

- Talent management – attracting and retaining
- Organizational Change Management
- Influencing change
- Benefits management

Overall, the book was very easy to read/follow/understand. However, because of the nature of this work, there are often times where the terms project, program and

portfolio management are used over and over, causing reader fatigue. But, again, this is all reference material so I accept that it comes with the territory. That aside...

I especially liked learning about the value management framework. There were the helpful “four questions” that could be posed to determine the difference between “staying in business” and “getting ahead”. The book identified many risk factors, like “short term value” thinking and overall organization maturity (or lack thereof). I also liked learning about some of the tools and techniques around portfolio management, like prioritization and selection.

### **Who might benefit from the Book?**

There are several people/roles across an organization that would benefit from reading this book. For example:

- Someone in a more traditional project management role would benefit from seeing the “big picture”, how their project effort is tied to a larger program or portfolio which, hopefully, is producing value for the organization. Even better, that it’s producing *strategic* value!
- For the more seasoned project/program/portfolio manager, this could help your *language* and boost your influence during conversations/discussions with organizational leadership
- Organization leaders may better recognize or understand where they are in terms of portfolio management maturity and its importance of moving

### **Conclusion**

“The average lifespan of a company listed in the S&P 500 has decreased from 67 years in the 1920’s to 15 years today.” - Richard Foster, Yale University. Furthermore, the global financial crisis (GFC) of 2008 was a wake-up call to organizations everywhere. Disruption, competition and other challenges make it ever so important for organizations to successfully identify and execute their strategic initiatives to survive and/or move ahead. This book is a really good resource for learning about strategic alignment, value management and the important part played by portfolio management. However, be prepared for a bumpy ride!

HBO’s CEO Richard Plepler would often say “Culture eats strategy for breakfast!”, a phrase attributed to the great management guru, Peter Drucker. Be aware that the culture within your organization can often pose some of the biggest roadblocks to achieving strategic alignment: Senior leaders reluctant to change, your organization’s maturity in project/program/portfolio management, short term goals of cutting costs, etc. However, that doesn’t mean you can’t be successful and play a part in turning things around. This book can help you prepare for that journey!

For more about this book, go to:

<http://marketplace.pmi.org/Pages/ProductDetail.aspx?GMProduct=00101599501>

*Editor's note: This book review was the result of a partnership between the publisher, PM World and the [PMI Alamo Chapter](#). Authors and publishers provide the books to PM World; books are delivered to the PMI Alamo Chapter, where they are offered free to PMI members to review; book reviews are published in the PM World Journal and PM World Library. PMI Alamo Chapter members can keep the books as well as claim PDUs for PMP recertification when their reviews are published. Chapter members are generally mid-career professionals, the audience for most project management books. If you are an author or publisher of a project management-related book, and would like the book reviewed through this program, please contact [editor@peworldjournal.net](mailto:editor@peworldjournal.net).*

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## About the Reviewer



**Gus Sanchez**

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Gus Sanchez is an experienced cross-functional team project leader specializing in Agile project delivery. He believes in partnering, collaborating and executing initiatives strategically-aligned with organizational goals and has a passion for sharing knowledge and business value delivery.

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