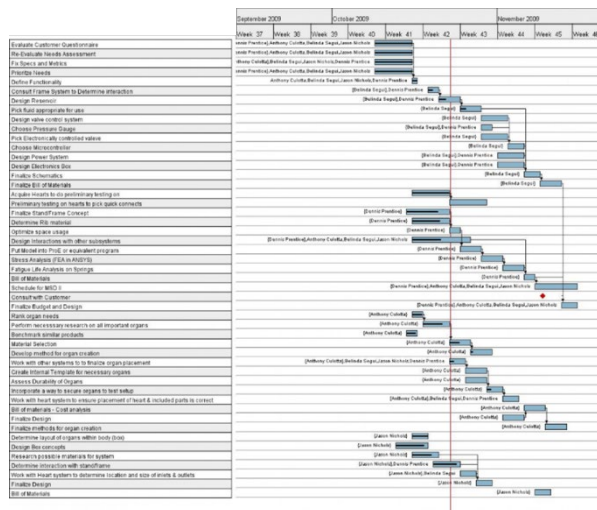


Benefits of Effective Project and Portfolio Management in Utility Transmission

With the continued need of utilities to upgrade their transmission infrastructure, Portfolio and Project Management have emerged as crucial elements of ensuring projects are completed on budget and on schedule. While the industry has always been focused on cost, the ability to deliver on schedule has been difficult. Transmission organizations have typically focused on meeting annual budget targets, while less concerned around the details of individual projects. Although cost and schedule are key to the successful completion of projects, SCOPE is a key element of project management that often gets overlooked. Without defining a detailed scope and careful scope control, cost and schedules will most likely be impacted negatively.

At the project level, fully defining and controlling the scope is the key to a successful project. Scoping enables effective planning for both the design/engineering and execution/construction phases by providing the baseline for project control.

Sound project management alone will not ensure organizational success. The second key element, portfolio management, ensures an End-to-End view of all work being performed. Portfolio processes encompasses all work in the organization and manages the work over a long-term outlook, typically several years. Portfolio processes provide the coordination of projects, programs, and maintenance, and align them with the budgeting process, available resources, and strategic plans of the organization.



A key product of any portfolio management process is the development of an annual plan. The annual plan is a defined schedule of all projects with allowances for unknown emergent work such as emergency events, internal/external customer work requests, and maintenance or field corrective work. This plan enables the organization to ensure resources are effectively utilized, and obstacles for work completion identified and mitigated.

Organizations that have developed and implemented effective project and portfolio management processes can expect to see:

- Predictable portfolio, program and project results
- Increased reliability
- Increased customer satisfaction
- Maximized capitalization
- Reduced scope change and associated costs
- Optimized work prioritization
- Reduction in project costs
- Increased throughput
- Reduction in field changes
- Increased customer satisfaction
- Optimized metrics development and usage

While improvement may seem to be a daunting task, the right approach can achieve considerable payback. Portfolio management is an important element to unlocking the value a fully integrated End-to-End process. With increasing capital budgets and finite resources, organizations can achieve an additional 15% - 20% project throughput on an annual basis, with the same staff, by implementing these processes.

Check back soon for our article on “Making the Case for Portfolio Management”.

To learn more or discuss how these concepts can be implemented in your organization, contact us today!

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