VALUE AND DECISION MAKING IN AGILE PROJECT PORTFOLIOS

Karyne Ang, University of Sydney, Australia
Lars K. Hansen, Aarhus University, Denmark
Per Svejvig, Aarhus University, Denmark
Agenda

• Background and motivation

• Preliminary findings: Case studies on agility, value and decision making in project portfolios

• Dynamic relationship between value, decision making and organizational levels
  • Value as a spectrum
  • Decisions in moments – before, during and after
  • Organisational levels – micro, meso and macro levels

• Brief discussion and anonymous survey to follow
Agile portfolios

Agile portfolios are useful when organizations need to respond to fast changing environments.

Organizations with agile portfolios can be characterized as:
• Having small and multidisciplinary teams
• Using rapid prototyping and tight feedback loops
• Focusses on adapting to change rather than following a pre-set plan of actions
• Focusses on outcomes and value (e.g. growth, profitability, and customer loyalty) rather than outputs (e.g. lines of programming code, features, new products).

The research gap and practical problem

Lack of research: How agile portfolios function, particularly in decision making involving multiple stakeholders to maximise value at the portfolio level.

From observation and anecdotal evidence: Managing value in agile portfolios appears to be a significant practical problem.
Theoretical frameworks

Value is perceived as a spectrum or range of stakeholder expressions.

At one end, unknown, unanticipated, unarticulated and hidden; to the known (identified), articulated and qualified realm; to the other opposite end of the spectrum of the known (clearly identified), articulated, visible and quantified value.

‘Value Spectrum’ perspective
whereby Value appears as a range

Value Spectrum Framework [1,2] (Ang & Killen, 2016; Ang et al., 2015)

Value: Multi-levelled and multi-dimensional perspectives across a project organisation

Overarching ‘Value Spectrum’ perspective whereby Value appears as a range

- Unarticulated, Hidden, Intangible
- Identified, Articulated, Tangible, Qualified
- Clearly identified, Visible, Articulated, Tangible, Quantified

....within which other stakeholder value perspectives have been found to reside...

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Macro (Portfolio)</th>
<th>Meso (Program)</th>
<th>Micro (Project)</th>
<th>Individual</th>
</tr>
</thead>
</table>

- Financial
- Singular (transactional)
- Generative
- Transformational

- Personal rewards
- Value networks & relationships
- Preventative
- Reflective-future oriented
- Symbolic value

DYNAMICS AND RELATIONSHIPS OF THE ORGANISATIONAL LEVELS, DECISION MOMENTS AND STAKEHOLDER PERSPECTIVES OF VALUE

A discussion about:

3-D Agile multi-stakeholder Value matrix
using sensemaking principles for PPM and OPM
1. What potentially works about the matrix
   • Why/how is it working
   • What could break it?
   • Identify barriers in using this matrix

2. What does not work about the matrix
   • Why not, how is it not working
   • What could make it work?
1. What potentially works about the matrix
   • Why/how is it working
   • What could break it?
   • Identify barriers in using this matrix

2. What does not work about the matrix
   • Why not, how is it not working
   • What could make it work?
The Dynamics of decision making moments and organisational levels

1. What potentially works about the matrix
   - Why/how is it working
   - What could break it?
   - Identify barriers in using this matrix

2. What does not work about the matrix
   - Why not, how is it not working
   - What could make it work?
The Dynamics of Value as a spectrum and decision making moments

1. What potentially works about the matrix
   • Why/how is it working
   • What could break it?
   • Identify barriers in using this matrix

2. What does not work about the matrix
   • Why not, how is it not working
   • What could make it work?
Cross-overs of dynamic relationships and patterns observe

1. What potentially works about the matrix
   - Why/how is it working
   - What could break it?
   - Identify barriers in using this matrix

2. What does not work about the matrix
   - Why not, how is it not working
   - What could make it work?
VALUE AND DECISION MAKING IN AGILE PROJECT PORTFOLIOS: CASE STUDIES

Preliminary findings

[Can not be shown in this Powerpoint]