PRINCIPLES IN PROJECT PORTFOLIO MANAGEMENT: BUILDING UPON WHAT WE KNOW TO PREPARE FOR THE FUTURE
Principles in Project Portfolio Management: Building Upon What We Know to Prepare for the Future
THE AUTHORS

- Lars K. Hansen, Aarhus University, BSS, Denmark [presenter]
- Per Svejvig, Aarhus University, BSS, Denmark
WHO AM I

Educations & Certification
• PhD in Information Systems, Aalborg University
• M.Sc. in Social science (Cand.soc), Aalborg University
• Certified Project Manager (PRINCE2, MS Project, IPMA)

Experience
• Started at Aarhus University 1. Oct. 2017
• External lector at ITU
• Municipality of Copenhagen
• Projectum
• Økonomi- og Erhvervsministeriet
• 15 years experience in project and portfolio management

Teaching
• IT projects and portfolio management
• IS strategy and management
• Project management and business development
• Agile portfolio management
• IS Philosophy of Science and Research

Research Areas
• Rethinking project portfolio management
• Agile and adaptive project portfolio management
Defining Project Portfolio Management (PPM)
The overall organizational ability to manage project portfolios strategically and holistically to support the success of the organization (Clegg et al., 2018)
How can we bridge this gap?
Defining principles
WHAT IS A PRINCIPLE?

• Principles can be understood as fundamental truths or propositions that serve as the foundation for a system of behavior or reasoning (Sankaran et al., 2021).

• Principles can be astonishingly resilient over time because they do not dictate what to do in specific situations. Instead, they more broadly tell us how to think in different situations and thus enable us to act in unknown circumstances (Bragg, 2018)
Example of enduring principles: the art of war

- 2500 years ago, Sun Tzu (from ancient China) proposed principles on how to win a war.
- His principles offered tactics such as using spies or striking from an unexpected direction.
- Sun Tzu's thoughts provided a shift in thinking as they broke with that time's existing axiom of meeting the enemy with heroism, honor, and "fairness."
- Quite remarkably, his principles are still relevant in modern warfare and are taught at military academies (Sawyer, 2020).
Our research:
looking back at what we know about PPM principles
METHODOLOGY

Executive summary of the research process

Drawing on the database of 669 PPM articles [1952-2019] developed in Hansen and Svejvig (2022)

Selecting the 100 most cited PPM articles within four paradigms

A structured analysis of 100 PPM articles by using the Gioia methodology

Stage 1: planning and formulating the problem
Defining the scope: principles in seven decades of PPM research
Method: narrative literature review

Stage 2: searching the literature
Drawing on the literature review conducted by Anonymous (2022) as this offers a database of PPM articles covering seven decades of PPM, which includes:
Utilizing six databases: JSTOR, Scopus, ScienceDirect, IEEE Xplore database, Project Management Journal database, and Google Scholar
Backward and forward search: used to adapt keywords and develop search strings for each database
Inclusion and exclusion criteria: the criteria for inclusion settled after approximate filtering of 1,000 articles
Coder training: two researchers conducted the filtering process by comparing the coding results and discussing discrepancies until an agreement was reached
Testing search reliability and quality via two criteria

Stage 3: establishing an initial data structure
Establish an overall data structure by coding 669 articles, associating articles with waves as defined by Lichtenberg (1998)
Coding reliability: we went through the codes at two separate points of time and found it acceptable that only the 3% of the codes needed to be revised

Stage 4: identifying a sample
Identify a sample for a detailed analysis: selecting a sample of 100 articles containing "enough relevant research items."
Comprehensiveness of sample: adding more articles contributed only insignificantly to our results

Stage 5: analyzing data
Develop semantic hierarchy analysis in four orders: concepts, themes, principles, and categories
Secure quality of analysis: rigorously demonstrate connections between data and results

Stage 6: displaying results
Leveraging results: using tables displaying results as a semantical hierarchy
Getting evidence into practice: a format revealing how principles are constructed helps practitioners to act in PPM-related situations

(Hansen and Svejvig 2023)
ANALYSIS: CREATING A SEMANTICAL HIERARCHY

Concepts -> Themes -> Principles -> Categories

(Adopted from Hansen and Svejvig 2023)
FOUR CATEGORIES OF PRINCIPLES

(P1) Find priority criteria
(P2) Select the right projects
(P3) Use tools to support decision-making
(P4) Managing portfolios in multiple project environments
(P5) Comprehend the deficiencies of computed methods
(P6) Increase maturity by adopting best practices
(P7) Apply a process view
(P8) Focus on governance
(P9) Secure a supportive culture
(P10) Focus on strategic effectiveness
(P11) Apply a holistic value approach
(P12) Focus on stakeholder involvement, roles, and responsibilities
(P13) Use alternative understandings
(P14) Cope with uncertainty
(P15) Establish preconditions for innovation and change
(P16) Enable agility outside of individual projects
(P17) Deal with paradoxes in transitional times

Create readiness to change and deal with paradoxes

Secure strategy effectiveness and stakeholder involvement

Build a coherent PPM system

Balance the portfolio
Pointing towards the future
**KNOWLEDGE PERSPECTIVES IN PRINCIPLES**

The ambition to control and predict the environment, using natural science as an ideal

The desire to interpret and understand and impact social interactions

When critical reflection culminates in deliberate changes in the status quo (Habermas, 1972)

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<tr>
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<th>Technical perspective</th>
<th>Understanding perspective</th>
<th>Emancipatory perspective</th>
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(Hansen and Svejvig 2023)

Lack of guidelines for what organizations should contribute to, e.g., equality, human rights, and climate change.
THE EMERGING FIFTH CATEGORY?

Progress moral and ethical responsibilities

Create readiness to change and deal with paradoxes

Secure strategy effectiveness and stakeholder involvement

Build a coherent PPM system

Balance the portfolio

(Adopted from Hansen and Svejvig 2023)
Wrap up
(1) How can we understand the intentions and assumptions underlying PPM principles?
(2) How can we lay out a path for the future?

Principles can be understood as fundamental truths or propositions that serve as the foundation for a system of behavior or reasoning (Sankaran et al., 2021).

**Definition**

**Project portfolio management (PPM)**

**Research process**

**Principles in PPM**

**Progress moral and ethical responsibilities**

**Knowledge ambition**

**Categories of principles**

**Semantical Hierarchy**

**Giorgio Methodology: Principles Themes Concepts**

**Principles**

**Technical perspective**

**Understanding perspective**

**Empiricism perspective**

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GROUP EXERCISE

1) What are your three main takeaways from the presentation?
2) Are there important principles that are left out from the presentation?
3) Do you agree that implementing (more) ethical and moral principles will be one of the future challenges?
CONTACT INFORMATION

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REFERENCES


