Demand Management

Demand management offers a unified view of all work in a central location. Its purpose is to quickly help organizations gain visibility into projects and operational activities; standardize and streamline data collection; enhance decision making; and subject initiatives to the appropriate governance controls throughout their life cycles.

The Microsoft® Enterprise Project Management (EPM) Solution provides flexible demand management capabilities to help organizations accomplish the following:

- **Build governance workflows** to subject **different** types of work requests—for example, a help desk ticket, or a project of any size—to the appropriate controls throughout the life cycle of the issue or project.
- **Standardize and streamline data collection** by using configurable forms and business case templates.
- **Capture all requests in a central repository** to enhance visibility.

Governance

Governance can generically be described as the rules, processes, and laws under which businesses are operated, regulated, and controlled. In the context of project and portfolio management (PPM), governance provides a best-practice framework and set of guidelines to effectively create, control, and deliver all types of work, enhance accountability, and optimally align spending with the organization's strategic imperatives. Governance processes are continuously refined based on empirical data and lessons learned to improve process velocity and time to market, while assuring the quality of the products, processes, or services delivered.

Establishing effective governance processes help organizations meet the following demand management needs.

- **Effectively communicate and realize business strategy. G**overnance processes provide a blueprint for an organization to successfully communicate, implement, and realize its business strategy. Best-practice processes must first consider the business's strategic direction, and then provide a framework for selecting the right initiatives and improving project delivery to maximize return on investment (ROI).
- **Subject varying initiatives and work to the right level of controls**. Organizations need to define the right processes to effectively control all types of work—project and operational—and related activities, including issues, risks, and change requests, without introducing excessive bureaucracy that will negatively affect time to market and employee morale.

- **Drive accountability and traceability.** Establishing formal checkpoints within the governance processes and identifying individuals with the appropriate approval authority helps drive accountability and increase awareness, and provides an auditable record of all investment decisions.
- **Better identify and comply with regulatory requirements.** Governance can help organizations identify, anticipate, and respond to industry standards and regulatory requirements. This reduces the risk of costly fines, negative press, or even criminal proceedings.
- **Unify disparate lines of business by using enterprise processes.** Often, departments within organizations essentially operate in silos and, in effect, self govern. Establishing enterprise governance standards will break down division walls and improve efficiency, communication, and transparency across the organization.
- **Drive governance acceptance and adoption through education and communication.** The success of PPM governance processes can be measured by their adoption, in addition to other metrics. Effective communication to educate employees and demystify the process is essential to driving adoption of and satisfaction with governance processes.
- **Refine governance processes to improve business results.** The processes that comprise the governance framework should undergo regular evaluation, and then be refined based on empirical data and lessons learned. By analyzing processes, analysts can identify and resolve bottlenecks to improve forward movement without affecting quality or bypassing required organizational controls.

The Microsoft EPM Solution gives organizations the tools they need to help them define, standardize, communicate, and enforce governance processes to control all types of work, project and operational, throughout the life cycle of any initiative. A workflow platform that is both rich and flexible makes it easy to define the right level of controls in any organization.

Microsoft® Project Server 2010 governance capabilities help Project Management Offices (PMOs) quickly define and automate multiple workflows to manage different types of projects—for example, business projects, as opposed to IT projects—throughout project life cycles, and create event-driven workflows to control other activities: issue and risk management, change management, document approval, and so on. A Project Server 2010 workflow is primarily composed of a set of sequential stages that represent the main steps within the life cycle of a project (see Figure 1).

Figure 1. Example of stages in an end-to-end workflow

Each workflow stage includes a list of deliverables to be completed before the project can successfully move forward in the workflow. For example, deliverables early in a project's life cycle could include various Web-based forms that contain metadata that relate to the business case or project charter.

These could include project information, cost estimates, resource estimates, strategic impact assessments, and so on. Ultimately, the workflow controls what deliverables and forms are displayed at each stage and the actions that need to be taken—it can even specify required fields to be completed. When a user completes a stage, the workflow performs the necessary data validation to ensure that all deliverables have been satisfactorily completed before moving the project to the next stage.

Governance phases in Project Server 2010 provide a common language across projects managed by different workflows that PMOs can use to aggregate data to facilitate enterprise reporting. Project Server 2010 drives accountability and traceability—PMOs can add checkpoints or gates within the workflow, to ensure that stakeholders with proper approval authority are notified when an initiative reaches a decision point. Project Server 2010 provides support for different types of approval techniques, including for individuals and groups, and sequential approvals to accommodate a wide range of process types and scenarios. Workflow notifications are conveniently published in the Workflow Approvals view in Project Server 2010, accessible from the left menu bar. When they receive an approval notification, a stakeholder can review the corresponding deliverables and then approve or reject the project, in addition to capturing comments (see Figure 2).

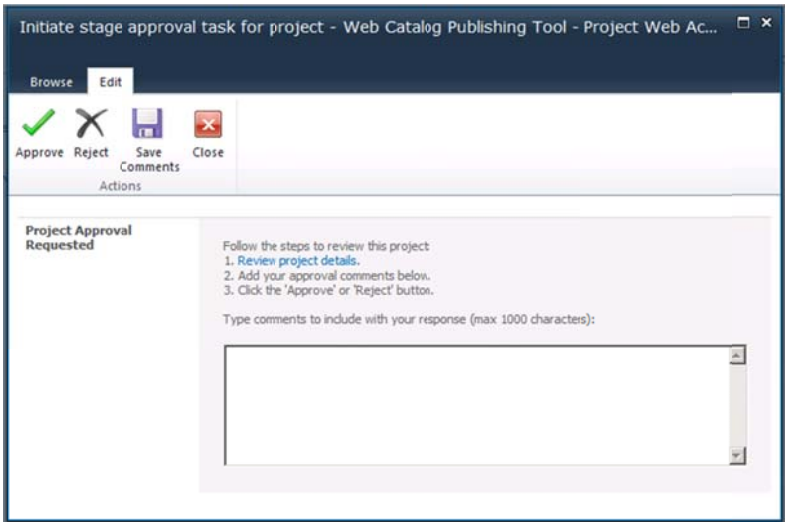

Figure 2. Project Server 2010 – Workflow Approval task

Project Server 2010 maintains a simple log of all approvals to provide an auditable history of investment decisions. Approval gates provide validation steps to help organizations drive accountability, increase awareness, and effectively comply with compliance regulations.

In addition to individual notifications, Project Server 2010 dedicates a Proposal Stage Status page to each project, designed to provide a single portal for all workflow information, and to intuitively guide users through the workflow (see Figure 3). The page effectively communicates the main stages and deliverables included in the workflow, and assists with driving adoption and acceptance of the process. The governance page displays:

- The name of the current workflow stage that the project is in.
- The status of each deliverable required to be completed for the current phase.
- A table of all stages in the workflow, with their corresponding deliverables.
- Approval and rejection comments.

The Project Server 2010 Proposal Stage Status page simplifies the workflow process, so it is easy for team members to identify the deliverables that they have to complete and easily find the right Project forms or views.

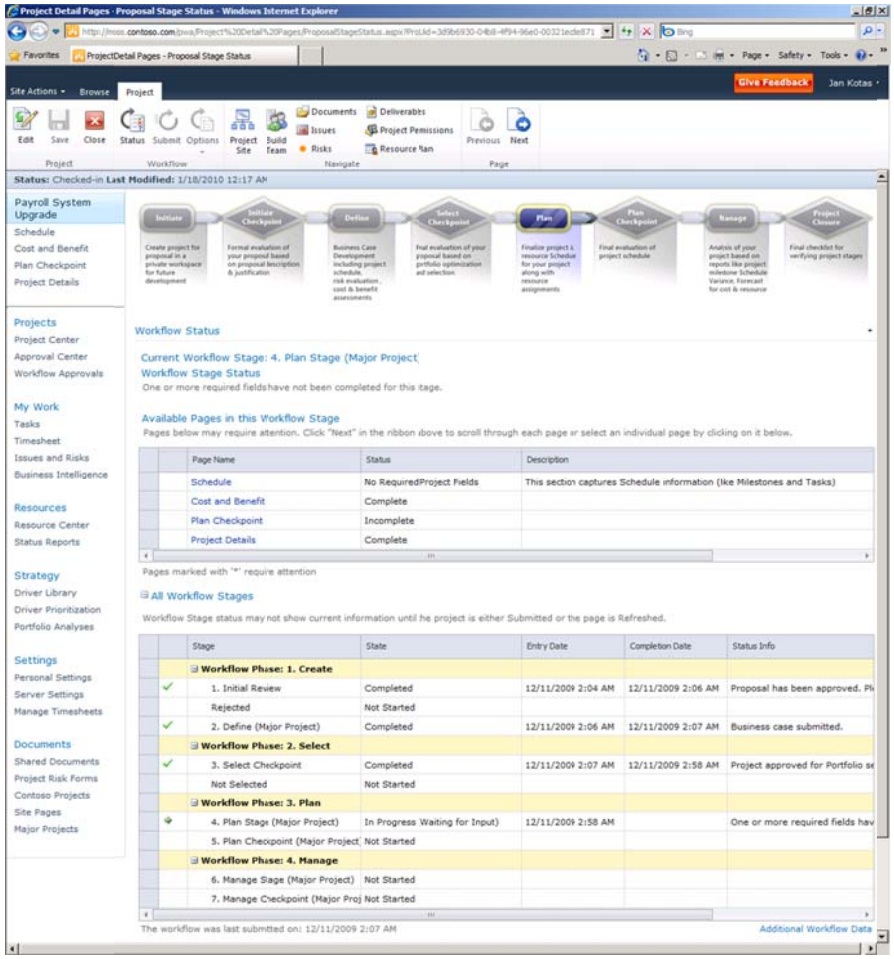

Figure 3. Project Server 2010 – Proposal Stage Status page (Note that this screen shot includes a custom workflow graphic)

Project Server 2010 workflow capabilities can help PMOs establish, communicate, and enforce an enterprise governance framework to unify disparate lines of business and drive efficiencies and transparency across the organization. Project Server 2010 includes a sample workflow that can be extended or customized using Visual Studio® 2010 to meet an organization's unique requirements. The powerful workflow infrastructure in Project Server 2010 gives PMOs the tools to model both simple and complex best-practice processes—for example, Project Management Body of Knowledge (PMBOK), Prince 2, or agile project management methodologies. In addition, these tools facilitate integration with

line-of-business (LOB) systems, and help PMOs easily refine workflows to improve performance based on lessons learned and empirical data.

In addition to project life cycle controls, Project Server 2010 provides support for more granular activities and a variety of planning methodologies. Specific events and processes, such as issues and risk management, change management, status reporting, and document review and approval can be better controlled by using event-driven workflows.

Organizations use a variety of planning methodologies to help ensure that they select and deliver the right initiatives. Project Server 2010 supports the following planning methodologies.

- **Annual Planning:** An organization proactively undertakes an extensive analysis to identify, select, and fund all projects to be delivered in the next fiscal year.
- **Just-in-Time (JIT) Planning:** An organization convenes recurring portfolio selection meetings, usually quarterly, to analyze new requests and to reassess the strategic alignment of projects already underway to maximize the portfolio's return on investment (ROI).
- **The Hybrid Model:** Combines the best of annual and JIT planning. Organizations proactively select projects for the upcoming year, but in addition, hold recurring selection events to refine the portfolio throughout the year.

Work Initiation and Business Case Development

For an organization, *demand* can include all requests for different types of project and non-project work that potentially will consume organizational funds or resources. Project requests can flood into an organization through a variety of structured and informal sources: customer requests, hallway conversations, e-mail exchanges, executive decisions, and business maintenance activities, for example. The varied nature and form of project requests can make it difficult for PMOs to gain visibility and control of initiatives across the enterprise. By capturing all requests in a central location and standardizing the collection of metadata and metrics, organizations can quickly gain visibility across all requests and ongoing projects to help improve decision making and ensure that they are working on the initiatives that are right for the organization.

Formalizing the project initiation process helps organizations accomplish the following:

- **Gain visibility by centralizing collection of demand.** By simply capturing all project requests in a central repository, PMOs can immediately gain visibility across portfolios, making it easy to identify and eliminate duplicate or overlapping initiatives. Capturing both proposed and in-flight projects in a single location helps analysts quickly assess the effect of demand on budget and on the resource pool.
- **Standardize metadata and metrics to drive consistency.** One of the most important steps in successfully managing project portfolios is standardizing project metadata and metrics across all

types of projects. Inconsistent metadata and metrics make it impossible to drive enterprise reporting and to effectively compare and contrast competing project requests.

- **Streamline data collection improves cycle times.** Providing a single location and best-practice template for capturing new requests provides an intuitive and repeatable framework that drives efficiency and reduces the time it takes to create and submit both simple and complex requests.
- **Achieve enterprise consistency while providing LOB autonomy.** There is no such thing as a one-size-fits-all project initiation process. In many organizations, different departments operate independently and have customized initiation processes and business case forms. A common challenge for a PMO is to define processes and templates that provide enterprise standardization and control, while giving business partners in the organization a feasible level of freedom and autonomy.
- **Interoperate with LOB systems.** Requests can come from anywhere within or outside of the organization and might reside in specialized systems—for example, in a Customer Relationship Management (CRM) or service management system. Integration with LOB systems is critical for consolidating all work in a central repository to enhance awareness, formalize decision making, and assess the effect of project proposals on scarce resources.

The unified PPM capabilities of Project Server 2010 provide a flexible framework for capturing, selecting, and delivering all types of work, from simple tasks to complex projects and programs. Project Server 2010 extends Microsoft® Project Portfolio Server 2007 to create a solution that offers organizations a dedicated demand management interface, standardizes the collection of all work, and provides visibility and control across the organization.

Capture All Requests in a Central Repository

Project Server 2010 offers flexible new project initiation capabilities to provide visibility across all portfolios by capturing requests and managing in-flight projects in a central repository. Consolidating all requests and projects that are already underway in a single location provides executives with transparency across all investments, so it is easier to assess the impact on scarce resources and select the right initiatives for the organization to fund and complete. The Project Center view in Project Server 2010 helps to ensure that users can create flexible scorecards to better visualize and report across portfolios and throughout the project life cycle. Project Center can be configured to provide a demand management scorecard (see Figure 4) that reinforces the benefit of capturing all projects and work requests in a central repository. The scorecard shows projects grouped by multiple dimensions—for example, workflow stage and department—and includes relevant metadata—dates, cost, system health, and so on—in columns to convey the status of all initiatives from inception to completion.

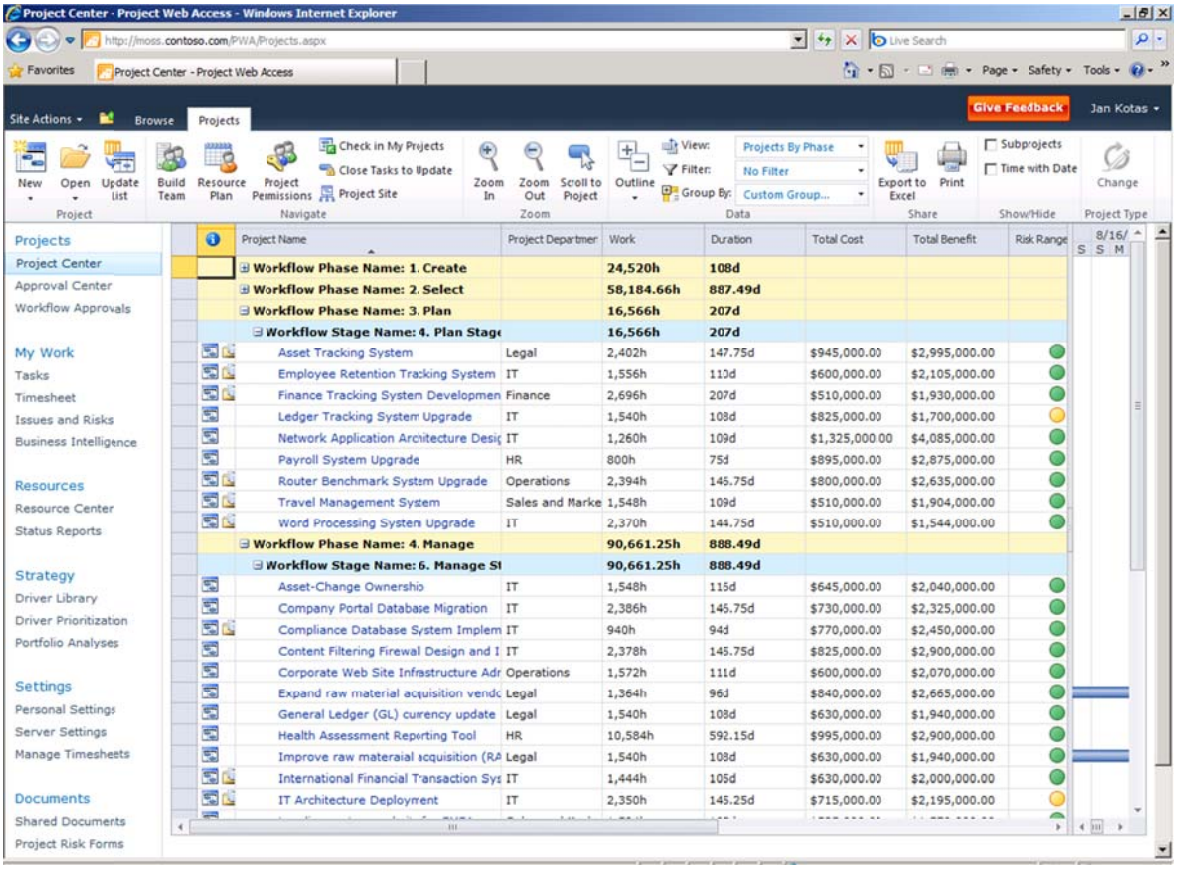

Figure 4. Project Server 2010 – Project Center scorecard

Requests come from a variety of sources and can be initiated in and reside in specialized systems. To support this diversity of input, Project Server 2010 provides a comprehensive application programming interfaces (API), Project Server Interface (PSI), to consolidate requests entered into other productivity tools and LOB systems alongside requests created directly in Project Server 2010.

Standardize and Simplify Data Collection Across the Enterprise

Centralizing all requests in a single location is the first, important step to enhanced visibility and control. However, without standardizing metadata and metrics across projects, it becomes difficult to accurately undertake a comparison of competing investments and to facilitate enterprise reporting.

The new project initiation platform in Project Server 2010 helps organizations standardize the initiation process, capture all types of requests, and develop simple to complex business cases. The main capabilities that comprise the new project initiation platform in Project Server 2010 are Enterprise Project Types (EPTs), or project templates; Project Detail Pages (PDPs), which are online forms; and governance workflows. To appreciate the flexibility of the platform, it is important to understand how these capabilities work together.

- Enterprise Project Types (EPTs) are project templates that represent various types of projects and non-project work within the portfolio. For example, you could create an EPT to represent a software development project or a marketing campaign.
- Project Detail Pages (PDPs) are configurable online forms used to collect or display project information: descriptive data, cost estimates, strategic impact assessments, and so on.
- Governance workflows subject each project template to the appropriate controls throughout its life cycle and determines which online forms are displayed at each stage in the project life cycle.

Project Server 2010 makes it easy to get started by providing example project types and project detail pages, and a sample workflow; all capability types present an intuitive administration interface for creating custom project types and online forms to meet the organization's unique needs. The PMO can create a new project type using the administration interface by completing a simple form, which includes the following tasks (see Figure 5).

- Capture an EPT name and enter a description.
- Select a governance workflow: The workflow will subject the project to the appropriate controls throughout its life cycle.
- Associate the project type with a custom Project Site template: Each project type can have a custom workspace to enhance team collaboration and communication.
- Link to the appropriate departments: Each project type can be global or it can be associated with individual departments within the organization.
- Choose a best-practice project plan template: Associate a best-practice project plan, including predefined phases, tasks, and resource assignments, with a project template.
- Specify an initiation form: This form is displayed when a user selects the project type when creating a new work request.

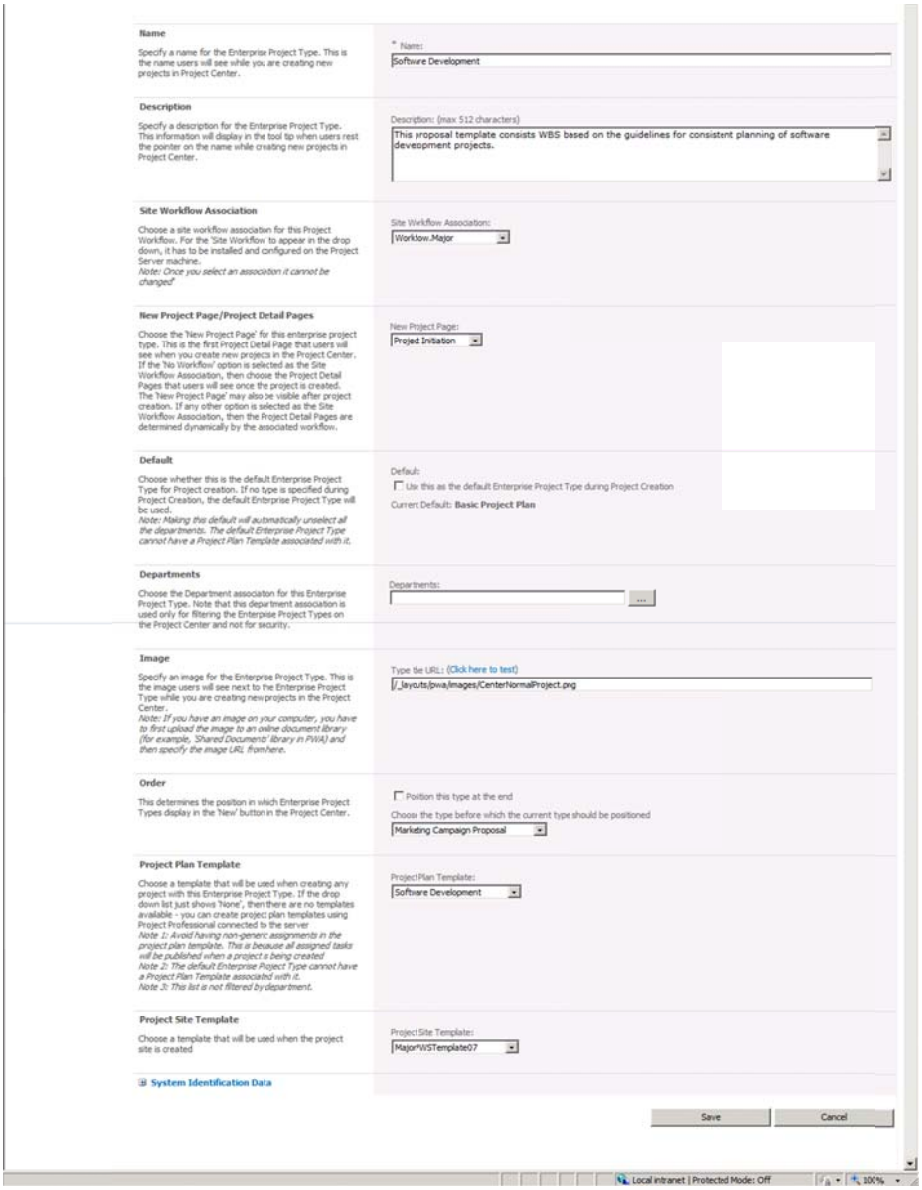

Figure 5. Project Server 2010 – Enterprise Project Type definition form

After publishing the project type, the template name will be displayed in the list of available project types when a user clicks the **New** button in the wizard-like Project Center (see Figure 6). As indicated earlier, project types can be global—that is, associated with and available to all departments—or linked to specific departments within the organization. This flexibility helps PMOs control the project types that are displayed for each department, ensuring that employees see only the types that are relevant to their LOB.

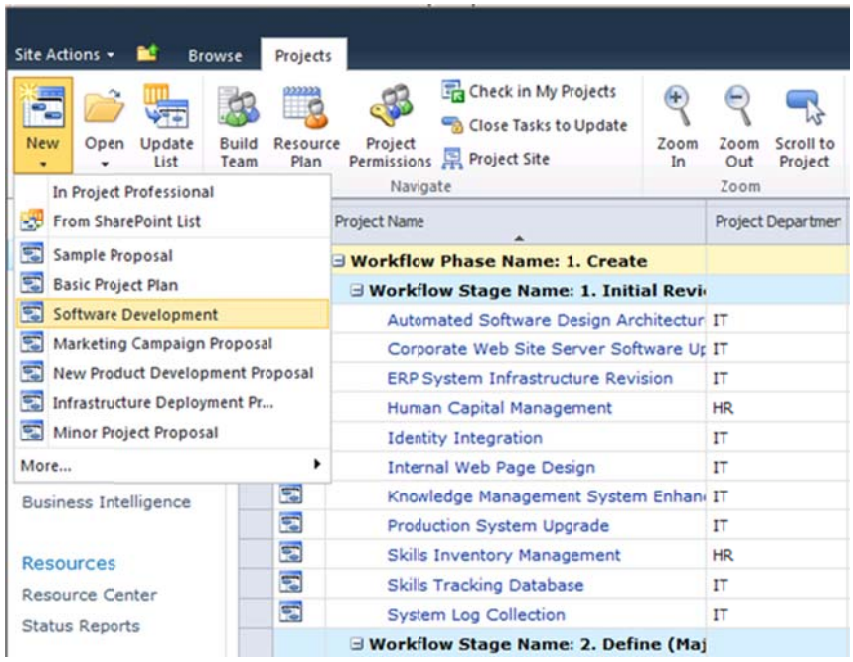

Figure 6. Project Server 2010 – Published project templates

Project Server 2010 integrates the Microsoft® SharePoint® Server 2010 extensible Web part infrastructure, so it is easy to build a library of configurable online forms, or Project Detail Pages, that can include custom fields and Web parts. An administrator can simply create a new form by choosing the required custom fields and arranging them within the Web part (see Figure 7).

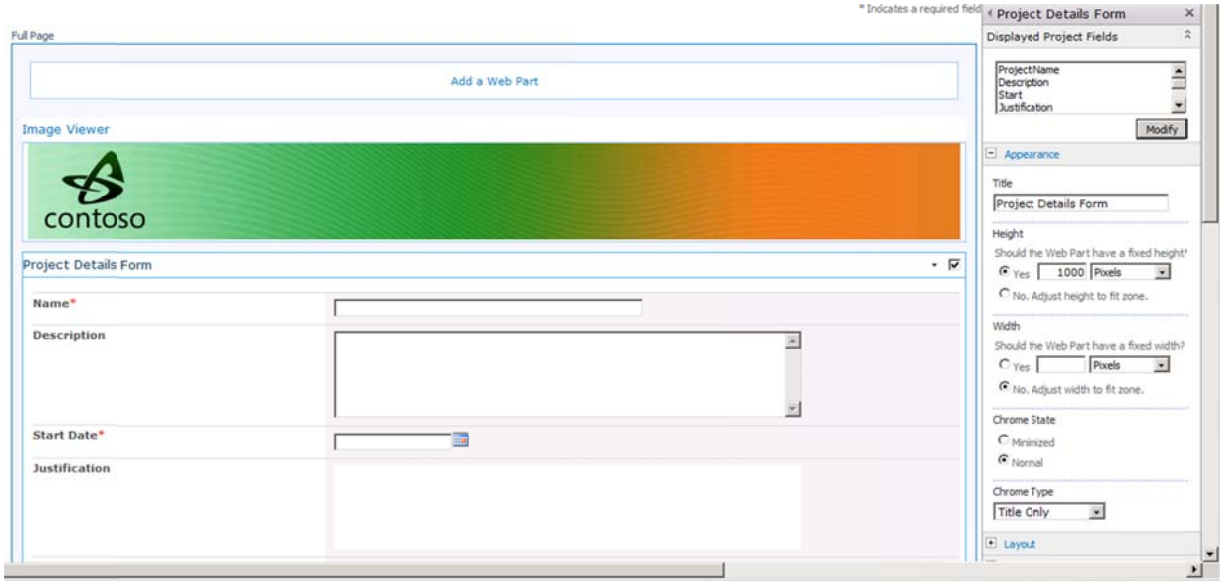

Figure 7. Project Server 2010 – Enterprise custom fields Web part

More complex forms such as risk questionnaires, cost estimate worksheets, and benefit estimate worksheets can be built by using Microsoft InfoPath® Forms Services or Office Web Apps, and then being included in the project business case. This flexibility helps the PMO define various forms associated with business cases for different types of projects while ensuring that key metadata is standardized across requests to facilitate enterprise reporting.

After creating the required online forms, an administrator simply links the forms to the stages within the appropriate governance workflow. The workflow accomplishes the following:

- Determines which online forms are displayed at each stage in the project life cycle.
- Dictates the configuration of individual fields within the form; for example, it can specify whether a field is mandatory, or whether a field should be editable or read-only.
- Performs data validation to ensure that the form has been correctly completed or to assess whether all deliverables have been completed before the request can progress to the next stage in the workflow.

As demonstrated by this overview, Enterprise Project Types, Project Detail Pages, and governance workflow capabilities work together to control and standardize the project initiation process, while providing the PMO with the flexibility to meet custom LOB requirements and maintain enterprise standards.

PMOs can enter new requests in Project Server 2010 in the new Project Center view. The Project Center provides a single, wizard-like interface for initiating all types of work, thereby streamlining the project initiation process. Submitting a new request is easy: on the **Project** tab in the Office Fluent Ribbon in Project Server 2010, simply click the **New** button. Select the appropriate project type from the list (see Figure 6), and the corresponding request form appears (see Figure 8).

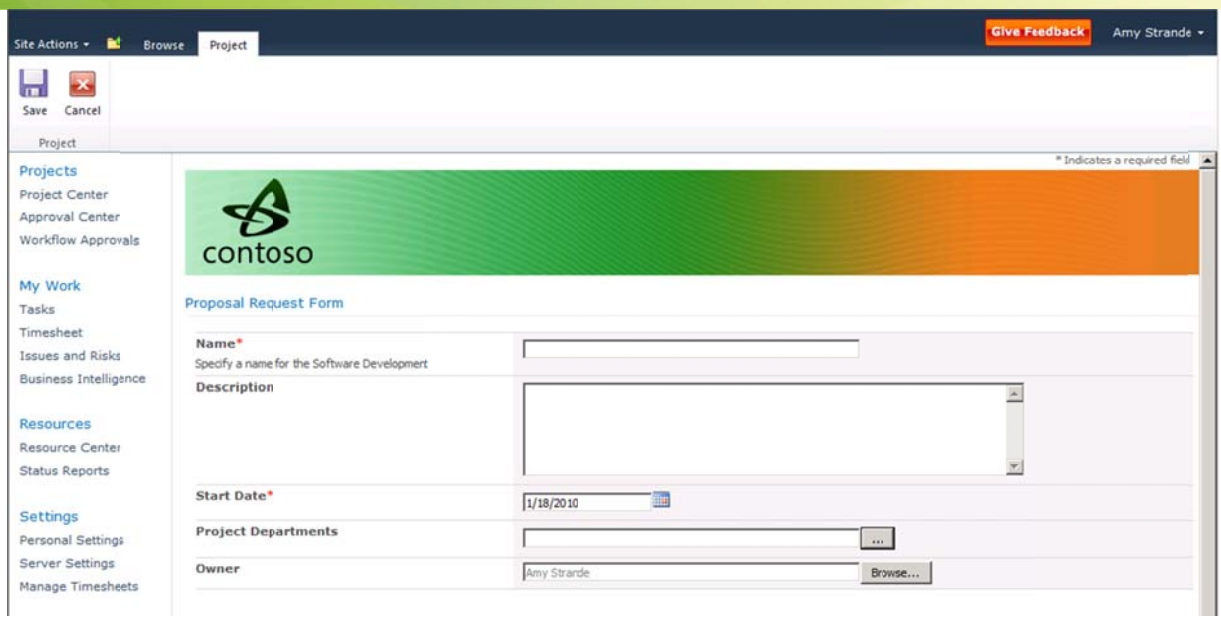

Figure 8. Project Server 2010 – Proposal Request Form

After completing the request form, save and publish the project. If the project type has been associated with a governance workflow, the project is subject to the controls and business logic already associated with the workflow. The workflow dictates what happens next. The request could be routed through an initial approval checkpoint or it could simply move to another stage that includes additional forms and deliverables to be completed by the project team.

On the Proposal Stage Status page in Project Server 2010, you can clearly see the required forms and deliverables to be completed for the current stage in the workflow (see Figure 9).

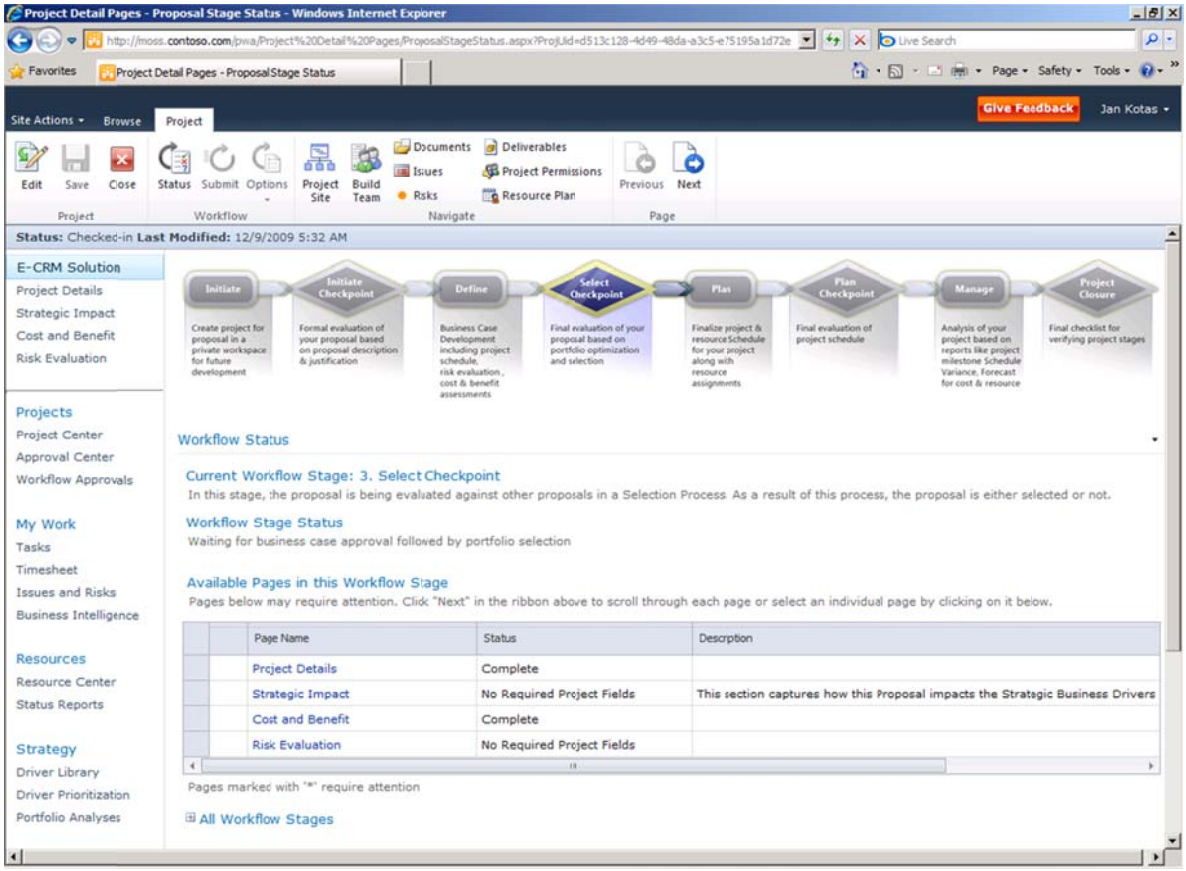

Figure 9. Project Server 2010 – Proposal Stage Status page

To complete the required forms, simply click a form in the left menu bar, or you can choose to sequentially step through the forms using the wizard-like settings in the Ribbon—that is, using the **Next** button and the **Previous** button (see Figure 10). The intuitive and familiar interface helps effectively communicate the governance process, educate users, simplify data entry, and improve adoption and end-user satisfaction.

Figure 10. Project Server 2010 – Next and Previous buttons on the Project tab

Additional Resources

For expanded help, step-by-step guides, and video training on how to get the most of Project Server 2010 and the Microsoft EPM Solution, visit Microsoft Project.

To learn more about Project 2010 and the Microsoft EPM Solution, refer to the following list of related links:

Product information

MSDN Project 2010 Beta

Project 2010 Blog

Project Team Blog

Interactive content - Videos & Sessions & Webcast

Project 2010 Video Showcase

Enterprise Project Management Microsoft Events

Project Developer Center

Microsoft Office Project TechNet

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