

Projects Portfolio Definition Document

[Use this template to define the purpose, staffing, governance and processes of your portfolio and the office assigned to support it. Data provided in the template are for example only.]

An organization’s projects portfolio represents its strategic intent and direction. To a large extent it is the projects portfolio that makes strategy come alive and enables an organization to reach its stated goals. This document describes <Name of organization>’s <Name of portfolio> portfolio. It serves both as the charter for its existence and as the initial planning document for its development. Questions related to this document should be directed to <Name of portfolio Director>.

Note: this unlicensed template is limited in function and content.
You are free to modify licensed versions of these templates.
See www.cvr-it.com for licensing information.

1. Portfolio Purpose	
Purpose of the Portfolio – Describe what this portfolio will do for the organization	
Business driver for this portfolio – Describe the factors that led to the creation of this portfolio	
Types of projects, programs and other portfolios that make up this portfolio	
<ul style="list-style-type: none"> • Functional areas whose projects will be included in this portfolio <ul style="list-style-type: none"> ○ Executive Initiatives ○ Finance ○ Sales & Marketing • This portfolio contains two sub-portfolios: Finance and Sales & Marketing • This portfolio is responsible for the 20% of projects that account for 80% of these divisions’ project investment, including both strategic and operational programs and projects. 	
Total portfolio budget (i.e. the total dollar commitment for all components in this portfolio, including projects, programs and sub-portfolios)	
How the portfolio will manage risk (e.g. how investment risk will be measured; degree of risk that is acceptable)	
Specific objectives of the Balanced Scorecard that the portfolio will support	
BSC objective	How the objective will be supported
Financial ROI: Finance	
Financial ROI: Sales & Marketing	
Current risks to the portfolio	
Risk Description	Risk Mitigation Strategy

Assumptions and Constraints	

2. Portfolio Stakeholders and Governance

Who is the portfolio Sponsor? (i.e. the person or group who requested that the portfolio be created and is ultimately responsible for its success or failure)

Governance; who monitors the portfolio, how and when?

The Portfolio Review Board will meet quarterly to review portfolio results and to hear plans for any change (e.g. new projects or project terminations)

Primary portfolio stakeholders (e.g. functional groups)

Group / Individual	What they expect from the portfolio	How they support the objectives of the portfolio
Project Portfolio Management (PPM) Office	n/a	<ul style="list-style-type: none"> Facilitate definition of portfolio objectives Manage the portfolio Keep executive management informed on portfolio status
Executive Management	<ul style="list-style-type: none"> Meet performance targets Accurate and verifiable status reports Honest assessment of risk 	<ul style="list-style-type: none"> Provide clear strategic objectives Support effective project management process Support an effective portfolio governance process
VP Finance		
VP Sales & Marketing		
Program Managers		
Enterprise Project Management Office (EPMO)		

Project Portfolio Management (PPM) Office staffing (list PPM Office Director and staff)

Role	Function
PPM Office Director	<ul style="list-style-type: none"> Make certain that the portfolio is balanced Provide key stakeholders with timely assessment of performance (portfolio and its components) Measure the value of the portfolio to the organization
Portfolio Analyst	<ul style="list-style-type: none"> Analyze project proposals for selection criteria Monitor portfolio for risk and return

3. Portfolio Processes

Processes (List the primary processes that the PPM Office will use for management of the portfolio)

<ul style="list-style-type: none"> • Facilitation of both governance process definition and execution • Project selection and prioritization • Project funding (e.g. ensure that project budgets are adequate for their scope; drive the use of confidence limits in all estimates) • Project resource management <p style="text-align: center;">More processes are listed in the licensed template</p>		
Portfolio communication. The PPM Office will communicate with:		
Whom	About	On this schedule
Portfolio Review Board	Current portfolio status and plans for the near future	Quarterly
Metrics for portfolio performance (e.g. milestones, achievement of financial targets and realization of other business value. Financial measure may include aggregate return on investment, NPV etc)		
<ul style="list-style-type: none"> • The PPM Office will use Earned Value data from the EPMO for evaluation of project and program status. 		
Plan for continual improvement of portfolio performance		
The PPM Office will use OPM3® to evaluate and determine best improvement strategy for projects, programs and the portfolio itself on an annual basis		
Existing organizational standards or practices that may impact the PPM Office		
Relationship of the PPM Office to the EPMO e.g. does the portfolio office also serve as a PMO?		
The PPM Office and EPMO are separate but interdependent offices.		
<ul style="list-style-type: none"> • The PPM Office determines the makeup of the portfolio, authorizes work on specific projects and monitors overall portfolio performance • The EPMO sets the project management standard, oversees the execution of approved projects and provides accurate and timely project status information to the PPM Office 		