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ITIL V3 and the
PMBOK® – Distinct
but Complementary

ITIL V3 and the PMBOK® – Distinct but Complementary

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Introduction

This white paper examines the IT Infrastructure Library Version 3® (ITIL V3®) and the Project Management Body of Knowledge (PMBOK). A previous white paper on ITIL V2 and the PMBOK (<http://www.globalknowledge.com/training/whitepaperdetail.asp?pageid=502&wpid=222&country=United+States>) focused on how to use the PMBOK to implement ITIL after reviewing their respective bodies of knowledge (BOK). This time around, besides the BOK comparison, to paraphrase my favorite TV chef, Emeril Lagasse, we are going to kick it up a notch as we look at Portfolio Management and the Service Portfolio and how both help ensure that IT investments in projects and services help with Business IT Integration (BITI).

Project Management Body of Knowledge (PMBOK®)

The Essentials

While there are numerous project management methodologies around the world, the quintessential project management methodology in the North American marketplace is the PMBOK®, from the Project management Institute (PMI).

Project management, in a general sense, is the discipline of defining and achieving targets while managing and optimizing the use of resources (time, money, people, materials, energy, space, etc). The utilization of project management practices has become essential for a business to deliver value and services. The PMBOK® defines project management as “the application of knowledge, skills, tools, and techniques to project activities in order to meet or exceed stakeholder needs and expectations.”¹ The emphasis is on projects as a “temporary endeavor undertaken to create a unique product or service.”²

Within the PMBOK® there are nine knowledge areas and 44 processes (see Figure 1: PMBOK® Knowledge and Process Areas). These knowledge areas provide a set of best practices in project management that are industry and project agnostic. The PMBOK® project management processes are divided into five process groups or phases.

- Initiating
- Planning
- Executing
- Monitoring and Controlling
- Closing

A key characteristic of projects is that they are focused on creating deliverables. The definition of the work to be done in creating deliverables is achieved by creating a Work Breakdown Structure (WBS), followed by a schedule with timing and resources necessary to achieve the work, and lastly, execution of the schedule.

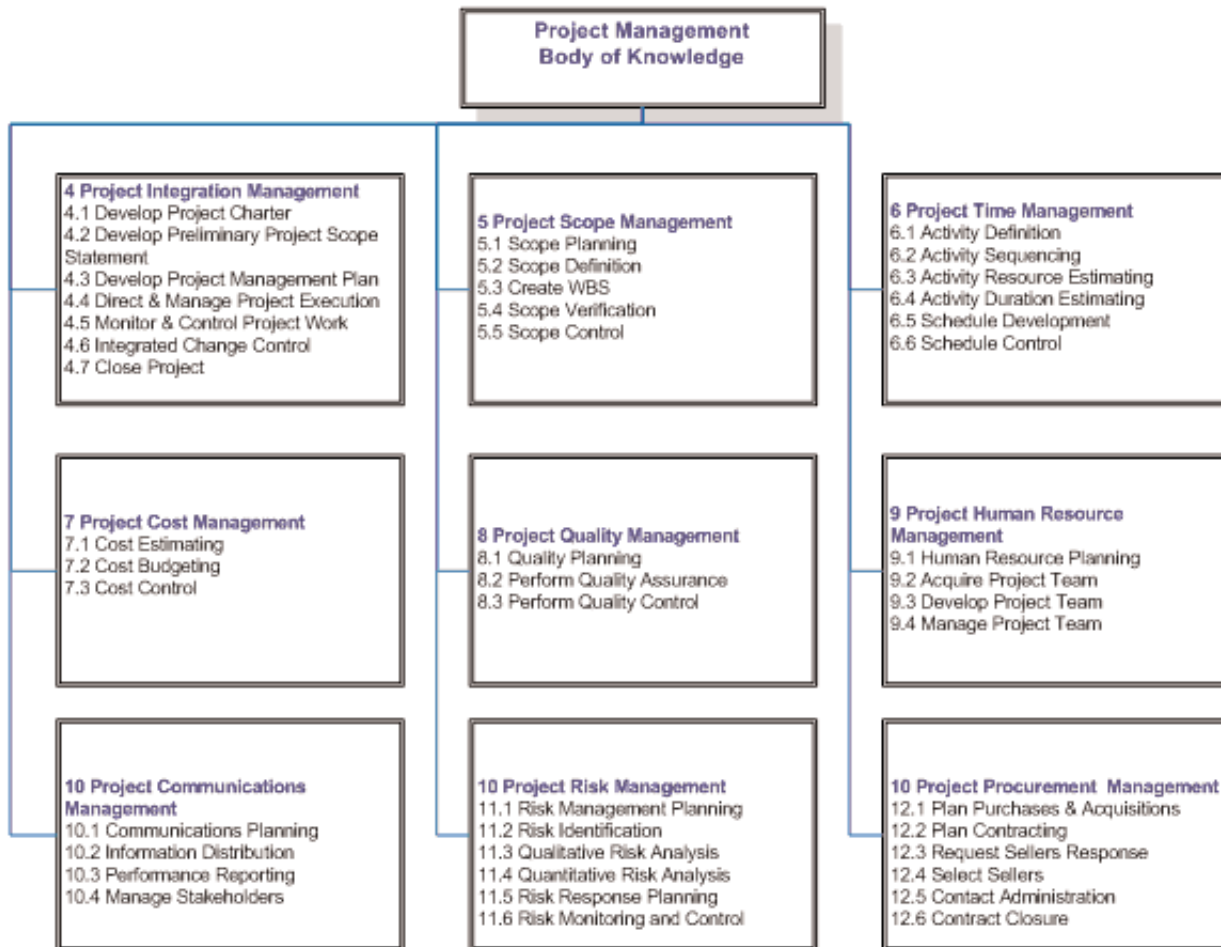


Figure 1: PMBOK® Knowledge and Process Areas

As noted, each PMBOK® Guide knowledge area includes several processes, each of which is designed to provide guidance on how to apply it to a real project. For example, Project Scope Management (5 in Figure 1) provides guidance on how to define the scope of your project, how to translate that scope into identified deliverables, how to define the work needed to create those deliverables (the WBS), and how to verify that your scope is being met (neither under- nor over-scope) through control and verification.

Project Portfolio Management

Portfolio Management is not a new term in the world of project management; indeed this has been recognized by the PMI in their creation of the OPM3 framework for portfolio management.

As the name implies, project portfolio management (PPM) groups projects so they can be managed as a portfolio, in much the same way your financial investor manages your financial portfolio on your behalf. Financial portfolio management was first discussed in the 1950s by University of Chicago economist Harry Markowitz, who described a portfolio as a diverse set of investments as a means to reduce or mitigate your financial risk exposure and produce a higher rate of return than could be possible by holding an individual investment vehicle.

This concept started to make its way into IT in the 1990s and gained momentum in the early part of this decade. The primary benefit from PPM is that it gives IT and business executives a birds-eye view of projects so they can spot redundancies, spread resources appropriately, and keep a close watch on progress. PPM provides insights not only into how much a particular project will cost, but also about its anticipated risks and returns in relation to other projects in the portfolio, thereby enabling projects to be evaluated against each other.

As a process, PPM is designed to help an organization acquire and view information about all of its projects, then sort and prioritize each project according to defined criteria, such as strategic value, resources requirements, cost, etc. Other primary objectives of PPM are:

- To capture all of the individual projects in the portfolio
- To develop a "big picture" view of each project and, by so doing, gain additional insight into the portfolio as a whole
- To facilitate portfolio and individual project assessments to see which new ones need to be added or whether any existing projects need to be changed, as well as which ones should be canceled, based on changing business or market conditions
- To provide efficient and effective utilization of an organization's finite resources and capabilities

Typically, PPM is initiated as organizations realize that the number of their IT projects is growing too large, and they need to adopt more formal mechanisms for how they define, select, and track their projects. The first step in PPM usually begins with an inventory of all current projects, with enough descriptive information about each to allow them to be analyzed and compared. The information at this stage usually includes the project name, its estimated duration and cost, business objective, how the project supports the organization's overall strategies, etc. Of course, PPM tools are of great assistance in such an effort.

After the project inventory has been done, the next step is for IT and business executives to examine each project and prioritize it according to previously established criteria in order to develop a well-balanced list of supportable projects. Of existing projects making the initial cut, they will then be further prioritized such that the organization's finite resources and capabilities can be best utilized. It is fairly common that some of these projects will not survive this review and will be subsequently cancelled.

Afterwards, new projects to be added to the portfolio typically would need a business case that addresses the established criteria for entry. As part of the on-going operation of the PPM process, the projects in the portfolio are periodically reevaluated by the portfolio management team to determine which projects are meeting their goals, which may need more support, or which may need to be down-sized or dropped entirely. Since the circumstances of each project and the business environment can change rapidly, PPM is most effective when the portfolio is frequently revisited and actively managed by the IT and business teams.

Large organizations also may establish a Project (or Portfolio) Management Office (PMO) for managing its large number of projects as well as to provide common processes and oversight.

So, what does Portfolio Management have to do with ITIL, you ask? Plenty, as it turns out. But first, let's turn our attention to ITIL V3 and an updated comparison between the PMBOK and the ITIL V3.

IT Infrastructure Library (ITIL)

The Information Technology Infrastructure Library (ITIL), a framework of best practices for quality IT service management and captured in five books, was originally developed in the late 1980s by the Central Computer

and Telecommunications Agency (CCTA), which later merged into the Office of Government Commerce (OGC). Since then, ITIL has been readily adopted and accepted as a global framework for IT Service Management. These procedures are supplier-independent and apply to all aspects of IT infrastructure.

Structure of ITIL V3

The ITIL Framework has evolved from its process-centric view in V2 to a strategic view in V3. As can be seen in Figure 2 below, everything that was in V2 survived into V3, but the content and structure have considerably changed. Instead of 10 processes and one function, there are now more than 25 processes and 4 functions that are directly defined with more of each possible in any given implementation.

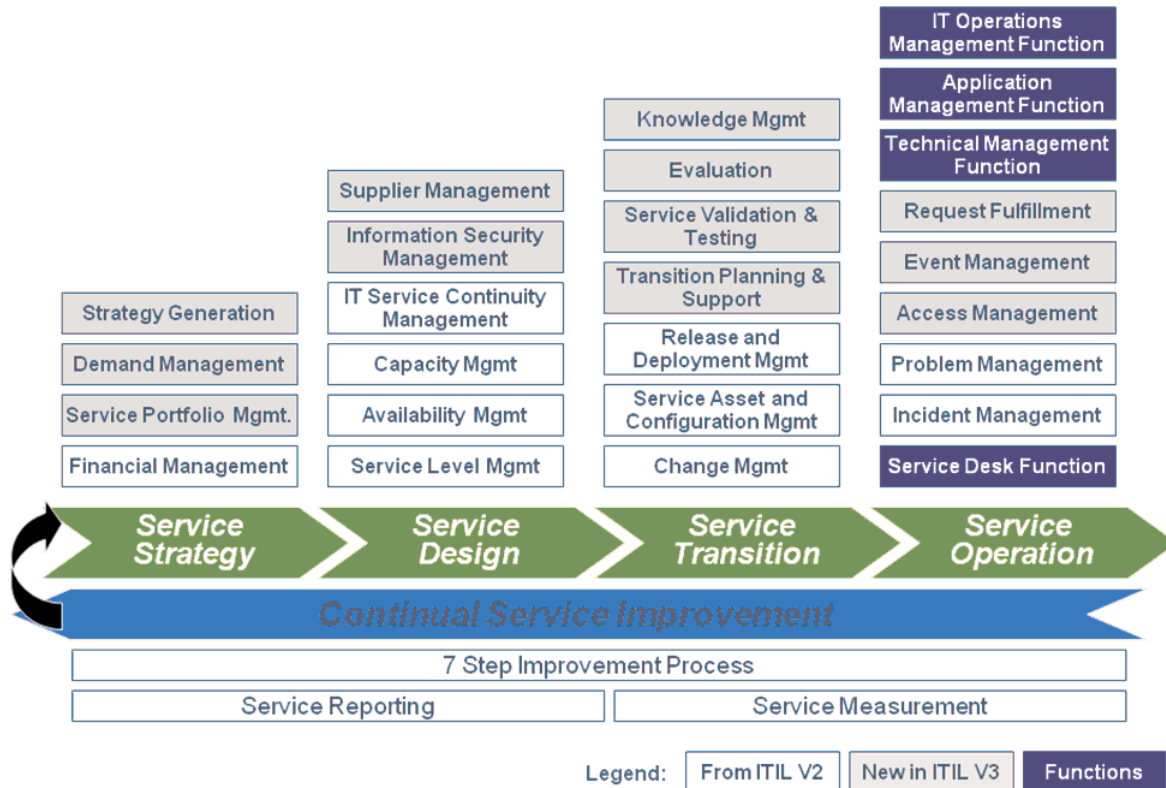


Figure 2: ITIL V3

The ITIL Library has two main components.

- **The ITIL core:** Best practice guidance applicable to any organization that provides services to a business (whether internal or external). This is what the five official ITIL V3 books cover.
- **The ITIL complementary guidance:** Complementary publications with guidance that is specific to industry sectors, organization types, operating models and technology architectures.

The ITIL core as described in the five V3 books can be further defined into three lifecycle contexts, which are described below (see also Figure 3).

Strategy Development

Service Strategy: Provides guidance on how to design, develop, and implement service management, not only as an organization capability, but also as an organization asset. Includes the financial management, service portfolio management, and demand management processes.

Strategy Implementation

Service Design: Provides guidance for the design and development of services and service management processes. Includes service catalogue management, service level management (SLM), capacity management, availability management, IT service continuity management (ITSCM), information security management, and supplier management processes

Service Transition: Provides guidance for the development and improvement of capabilities for transitioning new and changed services into production. Includes change management, service asset and configuration management, release and deployment management, service validation and testing, and knowledge management

Service Operations: Embodies practices in the management of service operations. Includes application management, technology management, operations management, and service desk management functions. Also includes the request fulfillment, access management, and event management processes.

Measurement and Evaluation

Continual Service Improvement (CSI): Provides instrumental guidance in creating and maintaining value for customers through better design, transition and operation of services by linking improvement efforts and outcomes with service strategy, design, transition and operations. CSI also combines principles, practices and methods from quality management (e.g., Six Sigma®), change management, and capability improvement through a closed-loop feedback system, based on the plan-do-check-act (PDCA) cycle as specified in ISO/IEC 20000.

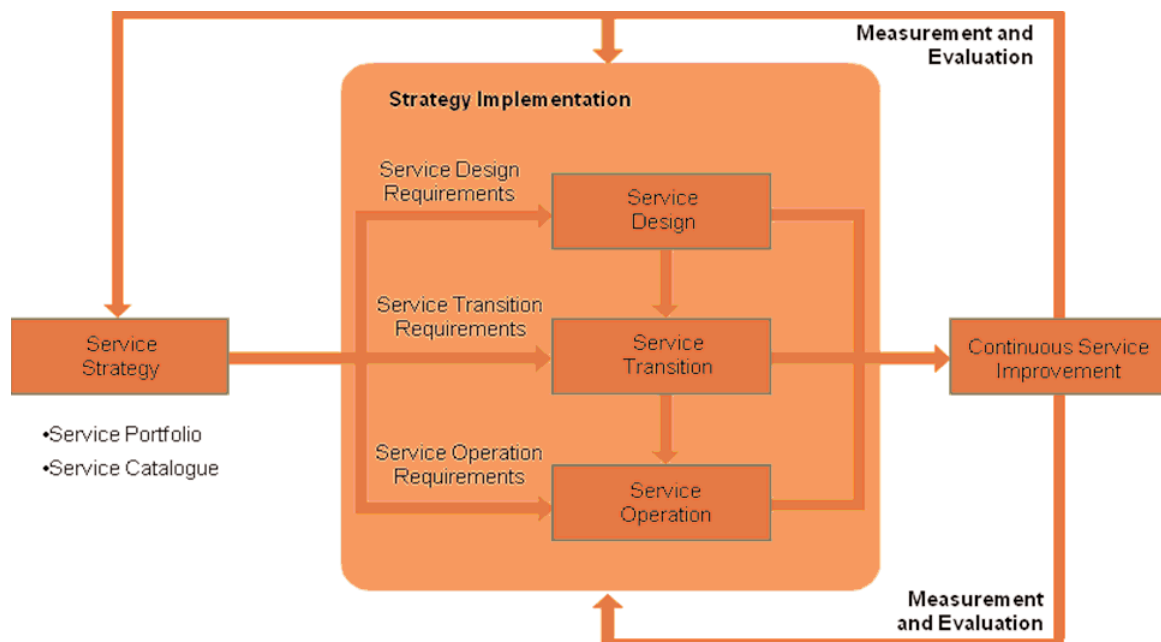


Figure 3: ITIL V3 is a Closed Loop Planning and Control System

Project Management and ITIL V3 – A BOK Comparison

Let’s now take a look at an updated Body of Knowledge comparison between ITIL V3 and the PMBOK®. As you will note, the differences from ITIL V2 (see more http://images.globalknowledge.com/wwwimages/whitepaperpdf/WP_Cooper_PM_ITIL.pdf) are striking, and more than ever, require organizations looking to adopt ITIL to better understand the world of project and portfolio management. For organizations with previous experience in portfolio management and how it applies to Project and Application portfolios, ITIL V3 will indeed feel like an old friend.

The key differentiators between them remain that project management can be applied to any domain, whereas ITIL has application only within the IT domain. Also, the PMBOK® Guide contains a code of ethics for professional conduct that can result in suspension or loss of accreditation for ethical breeches, but ITIL does not. While the PMBOK® Guide certainly has a wider sphere of influence, and the Project Management Professional (PMP®) is a very widely-recognized certification in the IT industry and elsewhere, the past several years have witnessed a strong surge in ITIL awareness and interest within the IT community.

The table below shows how the PMBOK® Phases and the V3 Service Lifecycle phases align.

PMBOK®	ITIL V3
Initiating and Planning	Service Strategy
Executing	Service Design Service Transition Service Operations
Controlling	Continuous Service Improvement (CSI)
Closing	Service Retirement

ITIL V3 does not have a direct phase equivalent to the Closing phase of the PMBOK®. This is because ITIL is geared towards a lifecycle for services and the requisite processes that are constantly being monitored, measured, and improved (CSI). The closest ITIL V3 gets to a “Closing” phase would be the retirement of a service, because a project, by definition, is a “temporary endeavor with a defined start and a defined end,” whereas ITIL is geared toward on-going operations that never end.

The IT Services Portfolio

A major change in ITIL V3 is within the definition of a Service; “A Service is a means of delivering Value to customers by facilitating outcomes customers want to achieve, without the ownership of specific costs and risks.” ITIL defines Value in terms of Utility (“fit for purpose”) and Warranty (“fit for use”). Utility is measured on the basis of the number of key “outcomes supported” and “constraints removed.” Warranty is measured in terms of the levels of Availability, Capacity, Continuity, and Security that are provided.

The idea here is that the business transfers the risks and costs associated with delivering on its outcomes to IT by buying services that satisfy those needs. As shown in Figure 4, the Business Change lifecycle and the IT Service Lifecycle are intertwined – business needs are satisfied by IT Services. The projects that get created to satisfy these changing business needs make their way into the IT and business project portfolios.

PMBOK® and ITIL V3® BOK Comparison

	ITIL V3 - 2007	PMBOK®	What does this mean?
Publications	<ul style="list-style-type: none"> • Service Strategy • Service Design • Service Transition • Service Operations • Continual Service Improvement • The Official Introduction to the ITIL Service Lifecycle 	<p><i>A Guide to the Project Management Body of Knowledge</i>, PMI, 2004</p>	<p>ITIL V3 takes a lifecycle approach to defining, designing, development and implementing IT Services and their requisite processes. This "cradle-to-grave" approach is very similar to how application portfolios are managed</p>
Emphasis	<p>Body of Knowledge (BOK) for managing the lifecycle of IT Services through strategy development, design of services, transition (build, test and deployment), operations and continual improvement</p>	<p>BOK for managing Projects which are a temporary endeavor</p>	<p>ITIL V3 is decidedly different from ITIL V2, because it places greater emphasis on the strategic value of Services than on the technical processes needed to implement and manage them in the live environment.</p>
Maintenance of BOK	<ul style="list-style-type: none"> • OGC owns; maintenance through ITSMF and practitioners • First published in 1980s 	<ul style="list-style-type: none"> • PMI owns; maintenance through PMI and practitioners • First published in 1980s 	<p>OGC outsourced the accreditation of exams and Examining Institutes (EIs) to the APMG in 2006. APMG also are the accreditors for PRINCE2. Previous EIs, such as ISEB and EXIN, now fall under the auspices of the APMG as does Loyalist Certification Services</p>
Objectives	<ul style="list-style-type: none"> • Make the field of IT Service Management (ITSM) into a profession • Address points of pain when IT Services are chartered, designed, transitioned, operated and improved • Establish common language for ITSM • Heavy emphasis on the strategic value of IT Services with a secondary emphasis on processes • Improve the strategic value of IT Services by taking a lifecycle approach and in so doing increase the capability maturity of IT 	<ul style="list-style-type: none"> • Make the field of Project Management into a profession • Address points of pain in delivering projects • Establish common language for Project Management • Descriptive rather than prescriptive 	<ul style="list-style-type: none"> • ITIL V3, with its emphasis on the strategic value of IT Services and its lifecycle, has literally taken a leapfrog approach to elevating the strategic view of IT in the eyes of the business. While V2 focused on business and IT alignment (BITA), V3 emphasizes business IT and integration (BITI). • Another Change is that Service Management now has two aspects of its definition: <ul style="list-style-type: none"> • Business Service Management <ul style="list-style-type: none"> • Manage all required processes and infrastructure to meet the requirements of the business customers; internal and external • Integrate IT and Business Services into an Integrated Value Network • Provide clear Metrics to drive the right behaviors in both IT and Business

PMBOK® and ITIL V3® BOK Comparison (continued)

	ITIL V3 - 2007	PMBOK®	What does this mean?
Objectives (cont.)			<ul style="list-style-type: none"> IT Service Management ITIL V3: "A set of specialized organizational capabilities that provide value to customers in the form of services" A shift in focus from Technology and Cost to Service and Value
Certifications	<ul style="list-style-type: none"> Foundations (entry level) Intermediate Lifecycle Stream - 5 individual certificates built around the five core OGC books: Service Strategy, Service Design, Service Transition, Service Operation and Continual Service Improvement Intermediate Capability Stream - 4 individual certificates loosely based on the current V2 offerings but broader in scope and in line with the updated V3 content. Managing across the Lifecycle (Expert) 	<ul style="list-style-type: none"> Certified Associate (intermediate) Project Management Professional (expert) 	<ul style="list-style-type: none"> In V3, ITIL has taken a huge right turn in its certification approach. Gone are the Practitioner and Service Manager certifications. These have been replaced by two new Intermediate streams (replacing the Practitioner stream) and the Expert level that replaces Service Manager. Another major difference is that to achieve the top certification (Expert) you have to accumulate 22 credits. You can see more at http://www.itil-officialsite.com/Qualifications/ITILV3QualificationScheme.asp and at http://www.itil-officialsite.com/nmsruntime/saveasdialog.asp?IID=168&SID=86
	Individual rather than organizational certification		
Ability to Sit Examination	<ul style="list-style-type: none"> Examination for all levels requires accredited and approved coursework No in-course assessment requirements No need to prove relevant work experience 	<ul style="list-style-type: none"> Examination for all levels requires accredited and approved coursework Must meet education requirements Must prove relevant work experience 	A notable change in ITIL V3 is that all of the examinations now have a multiple-choice component. However, the Lifecycle and Capability Stream exams, as well as the Expert exams, also have multi-part scenario-based questions and are 90 minutes in duration. The previous Service Manager certification had two 3-hour essay exams.
Similarities	<ul style="list-style-type: none"> Both originated from empirical observation, were elevated to the conceptual, and are being re-applied to the practical Both use the notion of frameworks to organize and present concepts 		

PMBOK® and ITIL V3® BOK Comparison (continued)

	ITIL V3 - 2007	PMBOK®	What does this mean?
Similarities (cont.)	<ul style="list-style-type: none"> • Both recognize the importance of people and culture • Both have achieved global acceptance and de facto standards • Both are emerging professions • Both have been accepted as embodiment of Best Practice in respective disciplines • Management processes within each are tightly integrated and are their main value proposition 		
Code of Ethics	No	Yes	
Domains	IT Only	Any Domain	

So the questions to be answered then revolve around which IT services need to be added or changed to satisfy those needs. How do we ensure that the services will be there when they are needed (timeliness), that they will meet the business requirements (effectiveness), and do so in a manner that is efficient (measurability)? That is where the Service Portfolio comes in.

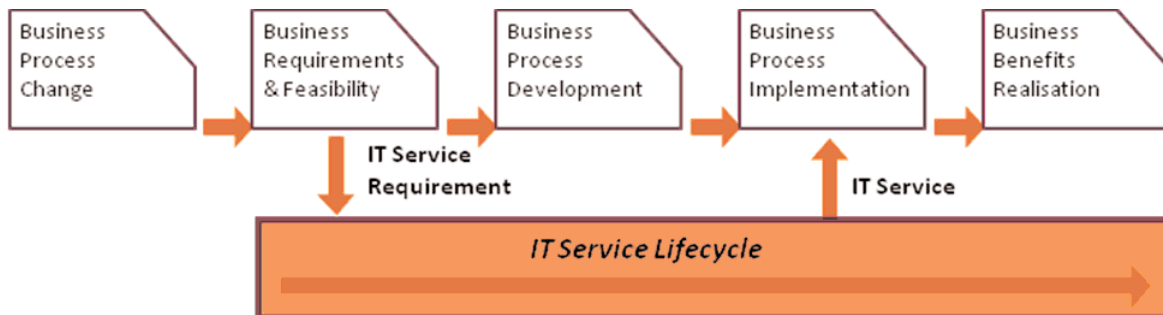


Figure 4: Business Change Lifecycle

To properly understand the Service Portfolio, first we need to understand where IT get its requirements. To do that, we first need to examine the IT Supply Chain.

The IT Supply Chain

Before we define the IT Service Portfolio, it is instructive to understand the IT Supply Chain. IT takes the lead on which services it must offer and the manner in which they are to be offered from the business.

While ITIL V2 was supposed to be focused on Business and IT *Alignment* (BITA), the reality is that it was far too focused on IT's technical processes, specifically as they related to IT Operations within Service Support. The Service Catalogue, while discussed, was certainly not the center of attention. ITIL V3, on the other hand, focuses on Business and IT Integration (BITI), with a much greater emphasis on the strategic view of the integration between the two. Indeed, processes, while still considered important, are secondary. The table below shows how the emphasis has changed from a process-driven view in ITIL V2 to a demand-driven one in ITIL V3.

Process-driven IT	Demand-driven IT
Mostly focused on Technology and Technical Processes	Focused on Customer Outcomes and Strategic Value
Still some aspects of Firefighting Mode (but who are the "Arsonists?")	Demand-driven
Organizational "Silos" - sometimes within Service Management	Enterprise Services and Processes
Unknown Costs	Financial Transparency
Technical Metrics	Business Value

IT obtains legitimacy for the services it offers, including how they are defined (Utility) and to what level they are provided and measured (Warranty), from its customers (the business). As shown in Figure 5, corporate strategies and plans are first translated into those reflective of individual business units, then into functional strategies and plans, and eventually into actionable, operational strategies and plans, all the while including both the business and IT viewpoints. The IT Steering Group oversees the translation through the layers to ensure that the Service Portfolio will continue to have new or modified services that meet the needs of the business. They will also have to decide which services to retire if they are no longer relevant.

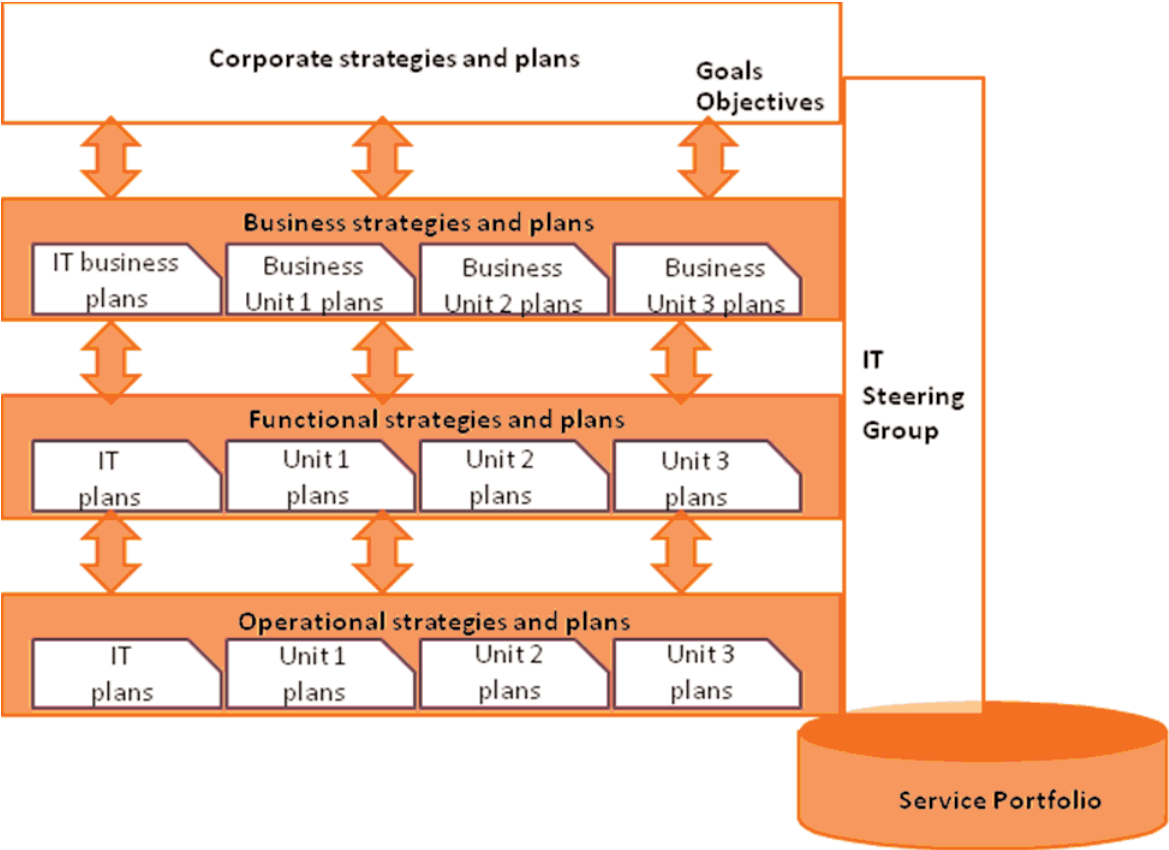


Figure 5: The IT Steering Group

Realizing that IT has become demand-driven, it stands to reason that there must be a supply-side as well. In fact, there is; the concept of Supplier Management has been introduced in ITIL V3. Supplier Management “manages suppliers and the services they supply, to provide seamless quality of IT service to the business, ensuring value for money is obtained.” This is very similar to the supply chain concept that has been around for decades in other industries, notably the hardware side of IT. How many of your hardware devices contain only parts from the vendor whose name is on the outside? Intel created a whole marketing campaign around the fact that it is “inside” your computer, but not the name on the outside of your computer. Within IT we incorporate numerous external suppliers already; hardware, third-party software, telecommunications, and hardware maintenance vendors, to name a few. ITIL V3 simply recognizes this very important aspect of what we already do in managing IT operations.

Below is a simplistic expression of an IT supply chain.

- IT has Service Level Agreements (SLA) with its customers
 - Which in turn are underpinned by Operational Level Agreements (OLA) internally within IT
 - Which in turn are underpinned by Underpinning Contracts (UC) with hardware and software maintenance vendors

Figure 6 further illustrates this concept of an IT supply chain, showing how IT suppliers (in this case a telecommunications provider) will also have their own internal OLAs and UCs with their suppliers.

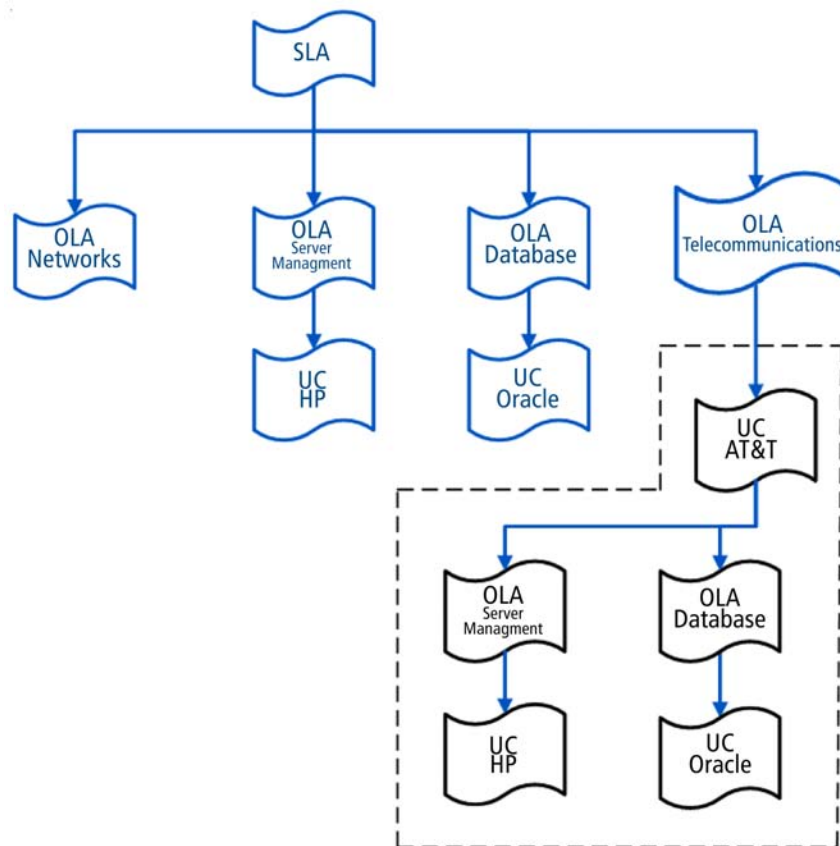


Figure 6: A Simplistic IT Supply Chain

Identifying the IT supply chain clearly establishes the fact that today's IT organizations operate in a complex web of inter-relationships with internal customers (via their SLAs), the internal organizations within IT (OLAs) and external entities (via UCs). This complexity behooves IT to ensure that the services it has available to be offered via its SLAs are not just aligned with, but are also integrated in, the business initiatives and IT projects (within the IT project portfolio) that are created to satisfy changing business needs.

What is a Supply Chain?

A supply chain, or logistics network, is the system of organizations, people, technology, activities, information and resources involved in moving a product or service from supplier to customer. Supply chain activities transform natural resources, raw materials and components into a finished product that is delivered to the end customer. In sophisticated supply chain systems, used products may re-enter the supply chain at any point where residual value is recyclable.

A typical supply chain begins with ecological and biological regulation of natural resources, followed by the human extraction of raw material, and includes several production links. For instance: component construction, assembly and merging, before moving onto several layers of storage facilities of ever decreasing size and ever more remote geographical locations and finally reaching the consumer.

Many of the exchanges encountered in the supply chain will therefore be between different companies who will seek to maximize their revenue within their sphere of interest, but may have little or no knowledge or interest in the remaining players in the supply chain. More recently, the loosely coupled, self-organizing network of businesses that cooperate to provide product and service offerings has been called the *Extended Enterprise*.

Wikipedia

Bringing IT all Together

The Service Portfolio in ITIL V3 has been created to address how IT would create and manage the right mix of services it offers to the business. The Service Portfolio is defined as "the complete set of services that are managed by a Service Provider" that is "used to manage the entire Lifecycle of all Services." The Service Portfolio has three categories:

- Pipeline (services that are proposed or in development)
- Service Catalogue (live or available for deployment)
- Retired Services

The Service Provider is the organization supplying Services to one or more Customers (internal or external). Service Portfolio Management is defined as "a dynamic method for governing investments in service management across the enterprise and managing them for value." So again, the notion of investment management is front and center. Service management, though, has two aspects that need to be considered, and both are given prominence in ITIL V3:

- Business Service Management
 - Manage all required processes and infrastructure to meet the requirements of the business customers, both internal and external
 - Integrate IT and Business Services into an Integrated Value Network
 - Provide clear metrics to drive the right behaviors in both IT and the Business

- IT Service Management
 - ITIL V3: "A set of specialized organizational capabilities that provide value to customers in the form of services"
- This definition truly denotes the shift in focus from typical discussion between IT and the business about Technology and Cost, to one of Service and Value

Creating the Service Portfolio for the first time is very similar to how the IT portfolio was established and serves to answer questions such as:

- Why should a customer buy these services?
- Why should they buy these services from us?
- What are the pricing or chargeback models?
- What are our strengths and weaknesses, priorities, and risks?
- How should our resources and capabilities be allocated?

Answering these questions also helps to solidify the change in IT focus onto the value of the services they offer rather than on the supporting technology and its costs. The basic Service Portfolio process, as outlined in Figure 7, illustrates the same kind of process for creating the Service Portfolio in which an inventory is done and the services are prioritized, based on their value proposition.

The composition of services within the Service Portfolio (Pipeline and Service Catalogue) is based on the value the services deliver when meeting defined business requirements. The reasons for new investments both within the business and IT are based upon one of three categories (Figure 8):

- **Run the Business:** centered on maintaining service levels
- **Grow the Business:** intended to grow the scope of services offered
- **Transform the Business:** move the business into new markets

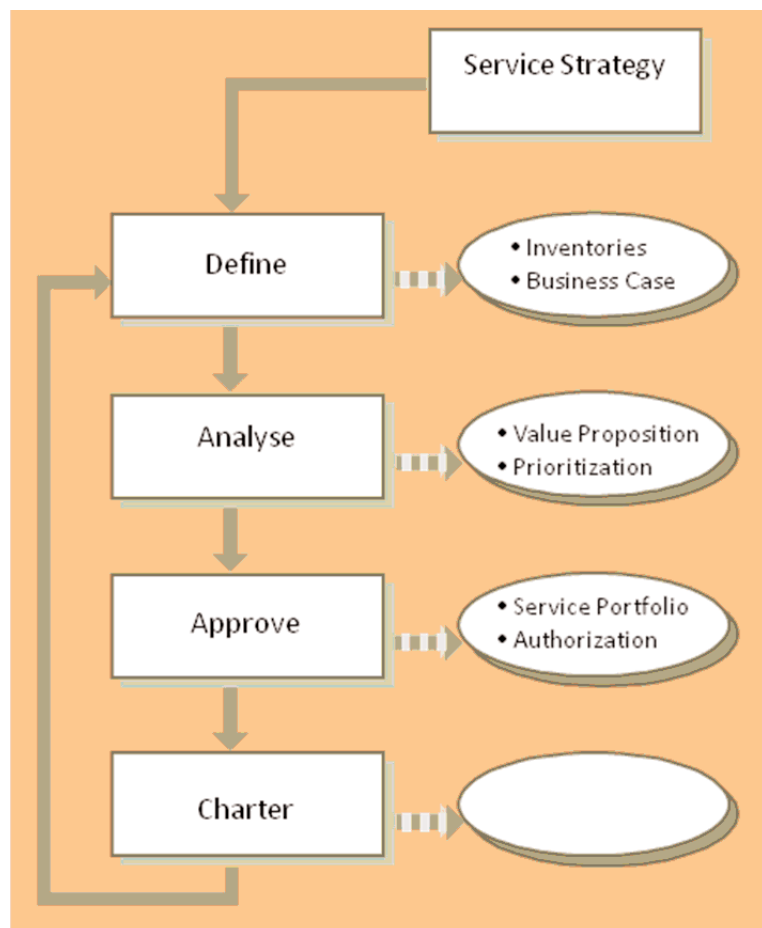


Figure 7: Service Portfolio Process

Traditional IT shops tend to place most of their emphasis on the Run the Business category, as that is where they are most comfortable and have the greatest experience. The forward-looking IT organization realizes, just like their business counterparts must do, that to maintain their market position and relevance with their cus-

tomers, they must do more than just run the business – they must identify opportunities for growth as well as look for opportunities to transform themselves.

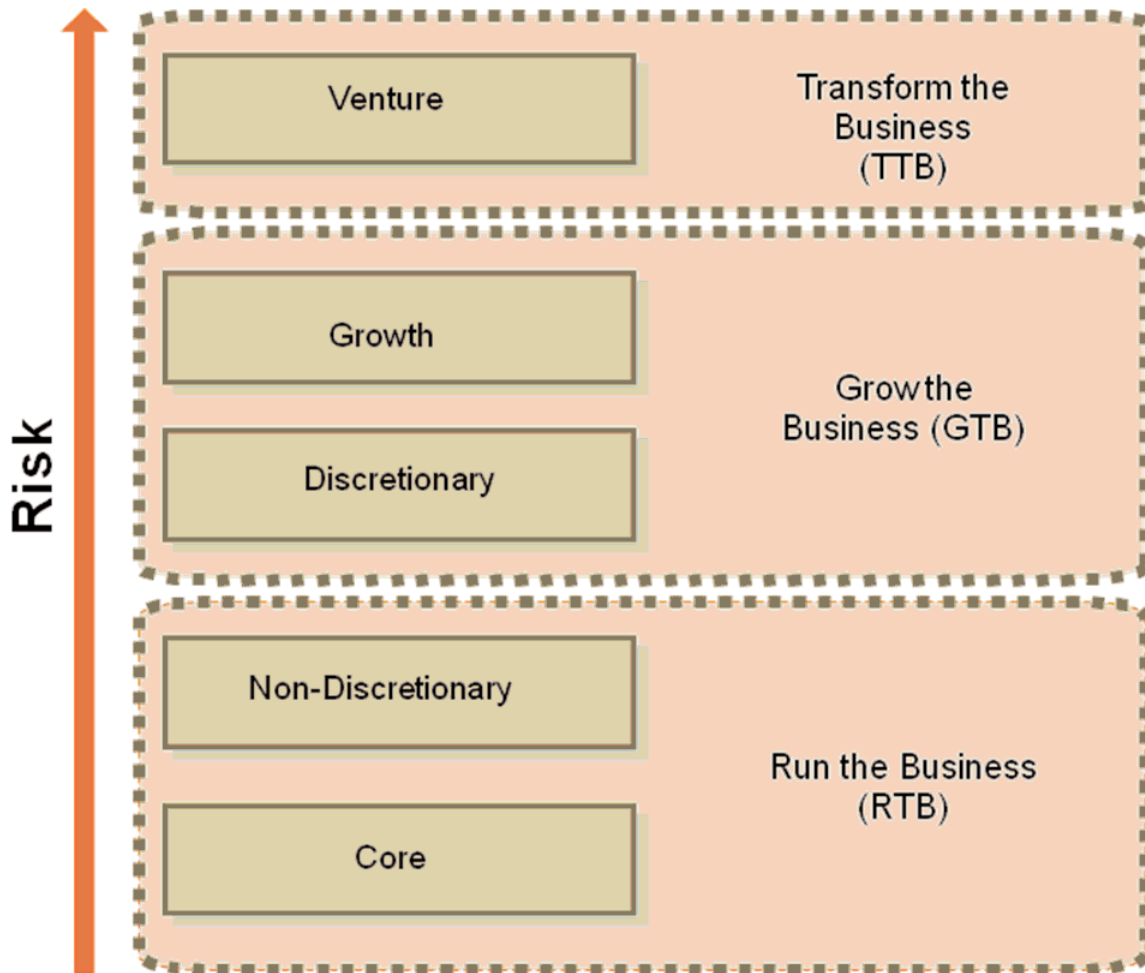


Figure 8: Service Investment Categories

Similar to what Project Portfolio Management has done to make IT projects more relevant to their customers, Service Portfolio Management is the way in which IT can start to make its overall service offerings more relevant as well. To restate the objectives of PPM in the context of the Service Portfolio:

- Capture all of the individual services in the IT Services portfolio
- Develop a "big picture" view of each service and by so doing, gain additional insight into the portfolio as a whole
- Facilitate service assessments to see which new services need to be added, which existing services need to be changed, and which ones need to be canceled based on changing business or market conditions
- Provide efficient and effective utilization of an organization's finite resources and capabilities

The Service Catalogue, which is a subset of the Service Portfolio, is where the services that are in the live environment or ready to be deployed (i.e., they are ready for sale but have not been sold to a customer yet) are described. Those that are in the Pipeline are either in development or have been Chartered, meaning they have

have been communicated to the organization and allocated resources. Newly chartered services are passed to the Service Design phase; existing services are refreshed in the Service Catalogue; and Services to be retired begin their sunset in Service Transition.

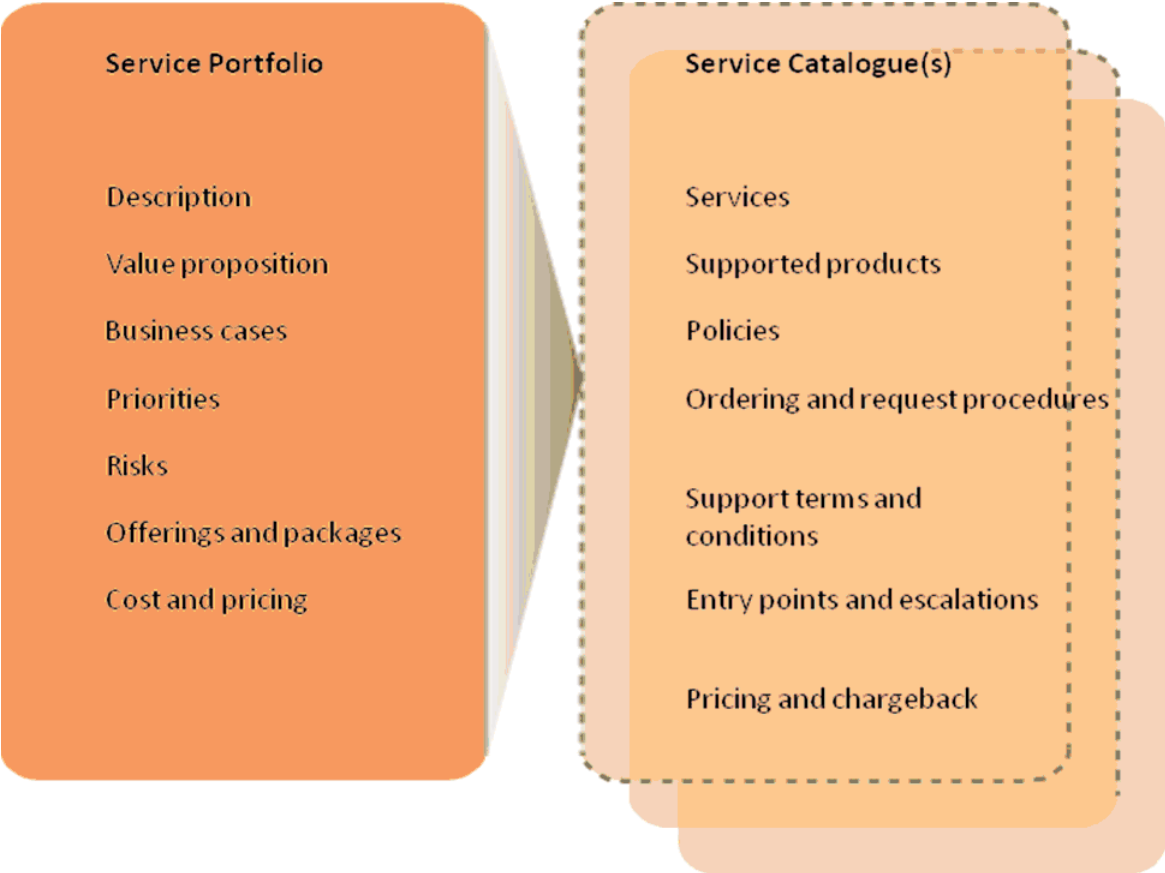


Figure 9: The Service Portfolio and Service Catalogues

Service Portfolio Management in conjunction with IT PPM, is how IT can ensure that the services it currently has in the Live environment or available for Deployment, as well as those that are planned to be built, are relevant to the current and future needs of the business. The constant review and updating of the Service Portfolio is just as important as the review of projects in the IT project portfolio due to the high costs for the production support of the IT services it provides to the business.

The complete IT Systems Lifecycle as shown in Figure 10 captures the project and service portfolios as well as the lifecycles for projects and services. The Service Portfolio is shown as overlapping the Project Lifecycle where project initiation is shown in order to demonstrate that the nature and composition of the existing IT Services need to be re-evaluated after projects are ready for deployment but before they hit the live environment. In this way, any alterations or new services can be addressed before the deployment.

And just as with the PMO in the project space, it may also make sense in larger organizations to establish a Service Portfolio Office (SPO) to properly manage the IT Services Portfolio that has representatives of both IT and the customers they serve.

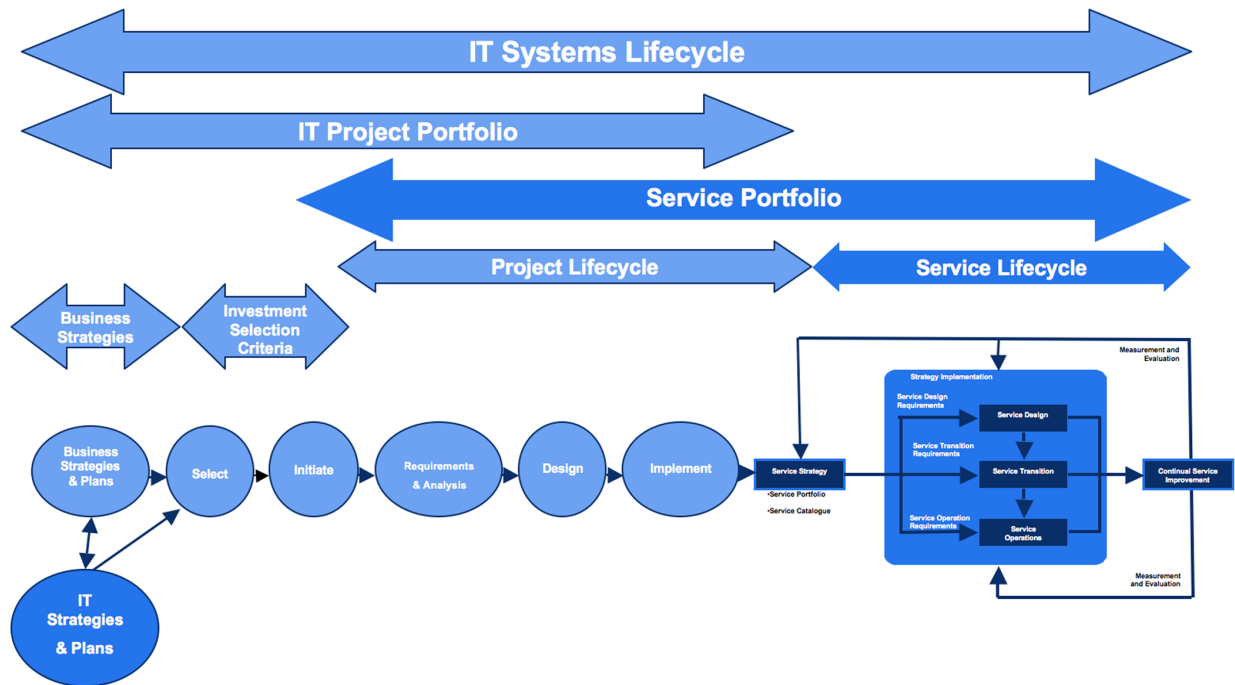


Figure 10: Complete IT Systems Lifecycle

Conclusion

The IT Project Portfolio provides the framework for IT and the business, via the IT Steering Group, to make informed decisions about the mix of projects it needs to satisfy new or changing business requirements. As part of that decision-making, some projects will be given a higher priority, while others may simply be cancelled as they are no longer relevant. The IT Supply Chain established that IT operates in a complex world of inter-relationships, both internally and externally. As part of managing those relationships, as well as ensuring that the services it provides to the business continue to be relevant, timely, and measurable, IT also needs to address the mix of services it offers in the same way it addressed the mix of projects it was managing to deliver against defined business requirements. This combination of the investments in the right projects and services that are tied to business strategies and objectives is at the crux of how Business and IT Integration are achieved. Moreover, a Service Portfolio Office with representatives from both business and IT can provide oversight and leadership to ensure that the IT Service Portfolio remains relevant.

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About the Author

Larry Cooper is a Partner in GPLI. GPLI provides a range of high-quality, cost-effective solutions in the IT governance and service management domains. Mr. Cooper has spent close to 30 years in IT in the public and private sectors where he has held roles such as a Software Developer/Programmer Analyst, Manager of Operations, Lead for Business Process Re-engineering, various Project Manager roles on projects upwards to \$100M, and A/Director, Business Technology. He has written and been published in books and industry articles on a variety of technologies, IT Service Management and Project Management topics. He holds three project management certifications including a PMP, an IT Service Manager certification, and he is an EXIN and ISEB accredited Master's-level trainer, as well as an ISO 20000 consultant and trainer accredited by the itSMF.

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