Contents

FOREWORD xi
OVERVIEW OF THE BOOK xv
INTRODUCTION 1

CHAPTER 1  IT Portfolio Management: An Overview 7
Cha Cha Changes in the Current Environment 7
Focus on IT Investments 8
Forming, Norming, Storming: The IT Life Cycle 13
Does IT Really Matter? The IT Productivity Paradox 14
IT Portfolio Management 101 17
Comparison of IT Portfolio Management and Financial Portfolio Management 27
Value and Risks 28
Conclusion 33
Appendix 1A: Selected Firm-Level Studies of IT Returns 36

CHAPTER 2  Planning for IT Portfolio Management: Ready, Aim, THEN Fire 39
Introduction 39
Baseline Assessments 41
Organization Readiness 42
IT Portfolio Management Maturity 42
IT Portfolio Management Capability Assessment 46
Stakeholder Analysis 47
Refining IT Portfolio Objectives 49
Portfolio Metrics 53
Chartering the Effort 54
Task Planning 55
Communication Planning 55
IT Portfolio Management Software Selection 57
Conclusion 58
Appendix 2A: IT Portfolio Management Maturity Levels 59

CHAPTER 3 People and Governance: The Most Important Success Factors of IT Portfolio Management 65
Introduction 65
A Demanding Environment 67
The New Focus for IT: Business 71
The Business–IT Alignment 80
IT Governance 81
CobiT: Managing the Risk and Control of IT 91
Getting Started 92
Appendix 3A: Sarbanes-Oxley Compliance Road Map 97
Appendix 3B: Top Issues Faced by Management 99
Appendix 3C: Top Issues Mapped to Key Individuals and Governance Bodies 102

CHAPTER 4 IT Portfolios and Their Content in Context 107
Introduction 107
IT Discovery Portfolio 121
IT Project Portfolio 128
IT Asset Portfolio 142
Conclusion 168
Appendix 4A: Technology Readiness Levels: Hardware and Software 171

CHAPTER 5 Building the IT Portfolio 175
Introduction 175
Stage 1: Game Plan 185
Stage 2: Planning 202
Stage 3: Creating 211
Stage 4: Assessing 234
Stage 5: Balancing 246
Stage 6: Communicating 260
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td><strong>The IT Portfolio Management Market and Industry</strong></td>
<td>285</td>
</tr>
<tr>
<td></td>
<td><strong>Provider Assessment Methodology</strong></td>
<td>285</td>
</tr>
<tr>
<td></td>
<td>Introduction</td>
<td>285</td>
</tr>
<tr>
<td></td>
<td>IT Portfolio Software Market</td>
<td>286</td>
</tr>
<tr>
<td></td>
<td>IT Portfolio Software Selection Process</td>
<td>289</td>
</tr>
<tr>
<td></td>
<td>Industry Provider Assessment Methodology</td>
<td>292</td>
</tr>
<tr>
<td></td>
<td>Conclusion</td>
<td>303</td>
</tr>
<tr>
<td></td>
<td>Appendix 6A Advanced IT Portfolio Software Provider Evaluation Criteria</td>
<td>304</td>
</tr>
<tr>
<td>7</td>
<td><strong>Final Thoughts</strong></td>
<td>321</td>
</tr>
<tr>
<td></td>
<td>The Future Vision</td>
<td>326</td>
</tr>
<tr>
<td></td>
<td><strong>CASE STUDIES</strong></td>
<td>329</td>
</tr>
<tr>
<td></td>
<td><strong>INDEX</strong></td>
<td>367</td>
</tr>
</tbody>
</table>