

GUIDE

Better Portfolio Management decision making with Jira Align

A guide to help you pick the right solution
for your organization

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Introduction

The intention of this whitepaper is to highlight some of the more important activities that portfolio management teams need to perform and connect them to the benefits Jira Align provides in support of these activities. We will do this by illustrating how the layers of scale in Jira Align are used to capture, review and present essential information in real time, allowing portfolio leaders to make the best, informed decisions they can for how their portfolio operates.

Performing these activities regularly and consistently is part of any portfolio management team's operational and governance activities. To support these teams, requires that portfolio leaders have accurate and up to date information, along with a central location that can provide it. Jira Align provides portfolio management teams with a mechanism that helps them make critical decisions better and easier.



The primary topic areas that will be covered are as follows.

- Defining Opportunity - deciding what initiatives are worth pursuing
- Portfolio Workflow - refinement to approval through the kanban of initiatives
- Business Value - Estimating value and prioritizing of initiatives
- Roadmaps - planning and forecasting initiatives
- Operational Support - dependency management within the portfolio
- Funding Allocations - Budgets, spend tracking and investment themes



Portfolio Management in practice

Good portfolio management is one of the more important areas of focus for any organization. Portfolio leaders are responsible for making decisions that connect organizational goals and business objectives to the portfolios and define the specific initiatives that need to be approved, planned and funded to make this happen.

Since no two organizations are alike, portfolios will also differ with regard to their structure and intent. What will however be similar across most all portfolios, will be the regular activities that need to be performed to deliver the expected outcomes of the business. Some of these



activities require more frequency and attention than others might. It is the most important of these activities and those often considered to be essential for the successful operation of a portfolio, that we will explore further. We will also illustrate how Jira Align supports portfolio management teams in performing and managing these activities.

As a logical starting point, we'll begin by considering how the process of demand management is performed and where these inputs are stored. Depending on how and where a portfolio collects input that drives initiatives and content to be developed, differing options may be required. Not to confuse the intake process described here as a service desk type of input collection, but rather an understanding of how demand will drive the type of initiatives needed to support the intended business outcomes. Being able to decide which initiatives should be accepted into the portfolio pipeline and planned for development is an activity that needs to be done early and often, as part of the demand management process. Understanding who is creating the requests and defining how they need to be qualified, is generally the beginning of any portfolio management workflow.

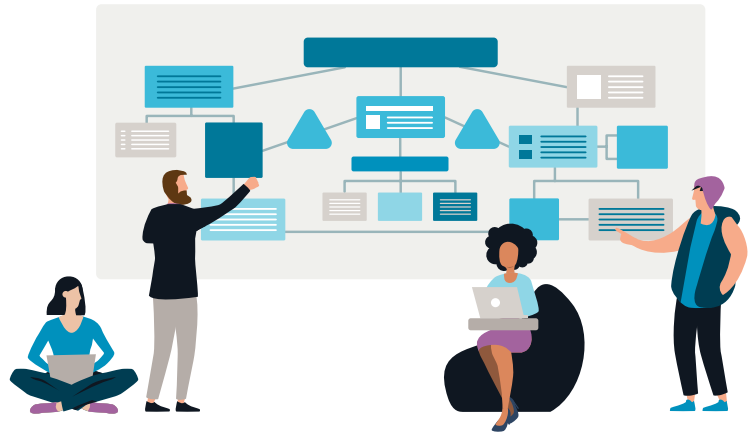
Once opportunities have been defined and demand is captured during the intake process, each request or initiative will require some level of refinement and

evaluation. This is managed through the portfolio workflow process, or rather the portfolio kanban. Further developing initiatives in this way ensures that portfolio managers collect the right information to determine whether an initiative should eventually be approved or not. Depending on the requirements, there are different types of input that will be considered relevant for collection as part of this workflow process. Jira Align offers a variety of ways to customize the refinement activity to best accommodate the needs of each workflow process step.

Determining which initiatives will provide the most value to the business will always be a critical aspect of developing opportunities too. In order to perform this activity, portfolio management teams need a mechanism that will allow them to assign value to initiatives and compare them against each other. By doing this, they will be in the best position to prioritize and forecast the most important work across all the portfolio teams. To support this activity, Jira Align offers several options to evaluate and compare initiative value.

Once the portfolio management team has approved work that has come through the workflow refinement process, it will need to be forecast on a timeline and eventually planned for execution by the various delivery teams.

Using roadmap views that allows forecast initiatives to help understand when delivery and capacity availability is best suited for the teams is often a need for portfolio management teams when they seek to best manage their overall pipeline of work. When the initiatives have higher priority, they offer more value for the business or are enablers that are needed sooner rather than later, then being able to commit to specific intervals becomes the need for portfolio managers. Jira Align offers





roadmapping functionality that provides both options for forecasting and planning committed work. The roadmapping functionality is extremely versatile and can convey parent-child connection, priority, association to delivery objectives and expectations across all delivery teams to help them plan their own iterations.

The intention of forecasting is also not just to create a way to visualize and plan work alone however. It is also an important activity that helps portfolio teams ensure they do not overload the programs and individual teams that will deliver the initiatives. Being able to balance what is approved and forecasted against a known capacity for teams is another essential aspect needed to make good decisions and one that supports better flow of work across all teams.

Portfolio management teams also are required to maintain some level of awareness for how well the different teams or working together. Having a means to understand and potentially be proactive in addressing impediments or issues that may disrupt or block operational flow is important mechanism for them to have. Jira Align does provide various options to investigate operational bottlenecks through its strong, dependency management functionality. Not only can individual teams or programs

identify single item dependency issues, but when needing to take a higher level view to identify and understand cross organizational bottlenecks this type of view is also possible through various dependency maps. The information that Jira Align provides to track and visualize dependencies from team to the highest level of need is one of the more powerful tools it has to help support operational flow.

When portfolio managers are able to visualize this kind of dependency mapping they are far better positioned to support the delivery teams in removing the impediments or avoiding them altogether in the future. Active dependency management and visualization of them from teams to top level management can be an invaluable tool when seeking to optimize how the organization operates.

And the last of these essential, portfolio management activities that we will explore is that of funding and

spend tracking. Both activities are required to make good decisions that ultimately support the business goals. These activities are likely to be done regularly, so new initiatives can be planned and ongoing initiatives can be assessed for delivered value continually. Portfolio managers depend on quantifiable information and known outcomes so they can be in the best position to determine whether to continue funding work of an initiative or to stop it and reallocate those funds to others.

It is through these portfolio activities highlighted above, going from demand management and defining opportunity to approval, forecasting and funding that we will elaborate in the following sections. All of which will be illustrated through the different Jira Align functionality mentioned.

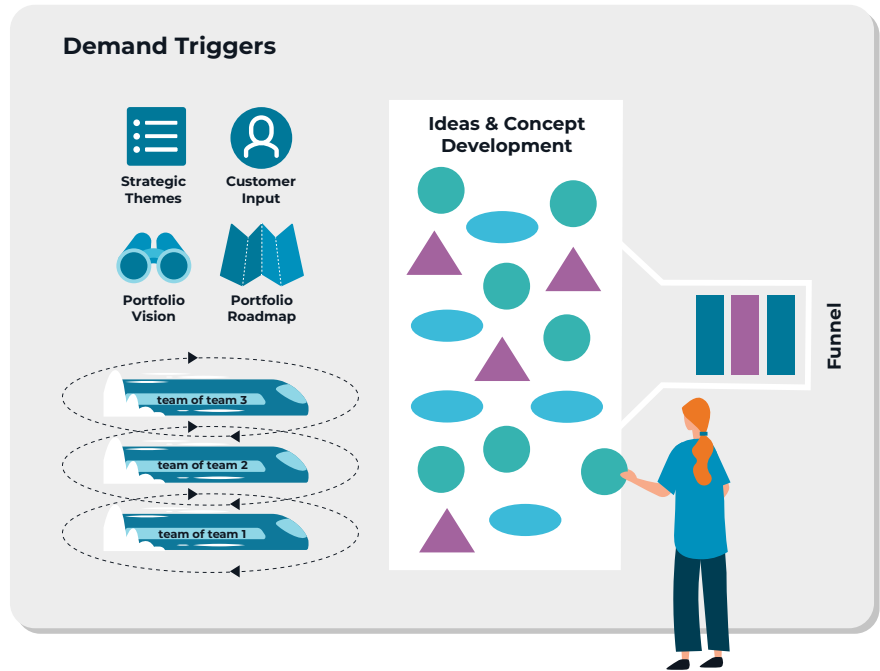
Five principle Portfolio Management activities

1. Defining opportunity: Intake & Demand Management

In most organizations, there is seemingly a never ending stream of good ideas being generated. Ideas that are intended to improve revenue, customer satisfaction, operational effectiveness, and develop new or existing products and solutions. These different types of inbound ideas or suggestions may come from a variety of different sources; customers, senior executives, product managers, sales and even the delivery teams themselves.

Whether an organization is managing projects that are intended to deliver a set of these ideas together or developing larger initiatives connected to business objectives, having an easy way to capture them easily will always be the first step in any portfolio demand management and intake process.

Intake sources & collection



To better support decision making around the intake process, portfolio leaders need to understand what triggers the different types of demands and where or who they are coming from. This can help provide a contextual way to categorize priority or relevance of the requests.

In Jira Align, there are different options that can be used to help capture and manage the initial ideation and intake process. A mechanism that makes it easy to collect the minimum inputs necessary for any idea, project or initiative. One option is to use the Ideation Module.

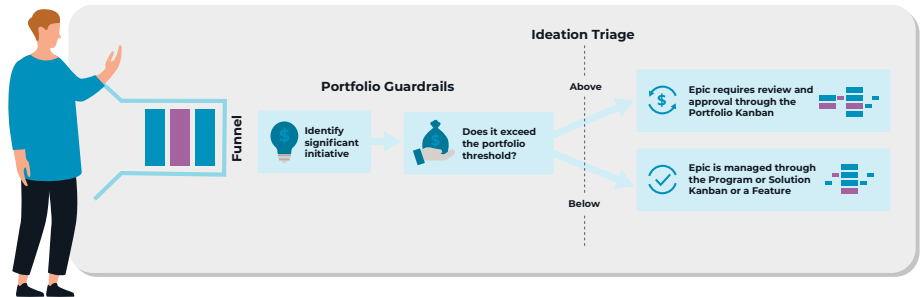
This module provides a means to manage ideation intake from targeted sets of users. Another option is to setup a portfolio and program intake structure for creating epics and features. These new work items will act as the primary container that will be reviewed to understand its relevance and import. Depending on what is expected from the intake and ideation process this will determine which option is most beneficial for your management team.

The ideation module

If your organization is looking for a method that allows a variety of individuals to contribute ideas or suggestions, as part of a time limited or ongoing intake process, the ideation module can be a useful option for this. The ideation module should not be looked at for use as a service desk replacement however. This module is for collecting input and ideas from groups of users that are generally targeted for a purpose. Especially when the ideas anticipated to come in are not always large enough to require portfolio management input or guidance but might be aggregated together or be expected to enhance existing products or solutions. The Jira Align ideation module provides the following:

- Open to users without requiring a Jira Align license
- Allows for capture of information via custom templates
- Portfolio or ideation module admins who manage the ideation groups can convert any idea into a Jira Align work item (epic, capability, feature or story)
- It is also possible to map an idea to an existing Jira Align work item and allow the person who submitted the idea to track its progress
- Most useful when operating campaigns for collecting targeted inputs, from customer groups, sales, product managers, or other defined communities

Opportunity & Ideation Management



Direct intake work item creation

If within your portfolio or product teams you have particular roles whose responsibilities include the creation of the initial proposal of work based on various source inputs, then setting up an internal Jira Align intake hierarchy to support the demand management process will be of real benefit for your portfolio team.

This setup works in Jira Align by creating work items as either Epics or Features and placing them directly into the intake funnel. The funnel will be the location where all initially defined opportunities will be placed. To ensure the necessary information is captured as part of the intake process, Jira Align provides you with an Intake Form that helps define a quick business hypothesis and anticipated outcomes for the proposed initiative. The specific fields for this intake form can also be customized, allowing you to create your own template intake form, usable for individual portfolios or reused with other portfolios.

- Presented as a unique tab in the details panel
- Information stays with work item, accessible from one location

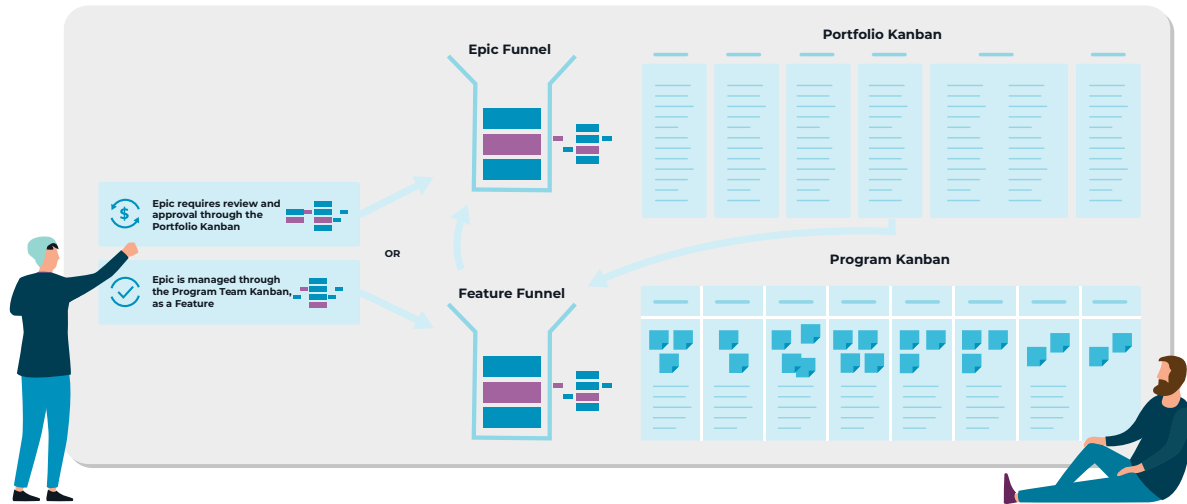
- Determine what input is needed if default is not an option
- Custom intake form templates require setup for all desired fields
- Custom intake forms associated with specific portfolio & programs

Jira Align default intake form

The image shows a screenshot of the Jira Align default intake form. At the top, there are six tabs: Details, Design, Intake, Benefits, Value, and Spend. The 'Intake' tab is selected. Below the tabs, the form is titled 'Default Form'. It contains five numbered sections, each with a text input field: 1. Justification, 2. Department, 3. Requestor, 4. Reviewer, and 5. Approver. A person is standing next to the form, pointing at the Requestor field.

To support this intake process activity and to be able to keep up with the demand levels coming into the funnel, it is recommended to have a dedicated group of individuals to be responsible for it. This team of qualified individuals would most likely be a smaller subgroup of users from within the portfolio or product management teams. We refer to this group or small team as the Triage Team. They would be responsible to provide initial estimates for cost

to deliver or budget expected, complexity of effort, initial business value estimate and to determine the possible number of teams needed to deliver the work. Their ability to perform this activity will be based on their previous experiences or other specific inputs they can collect easily, as part of their role.



- Initial estimated cost or budget
- Funding approval is required (Y/N)
- Belongs to 'grow the business' or 'run the business' themes
- Anticipated business value or outcomes
- Execution requires effort from single or multiple program/product teams

Once the triage team has captured the necessary inputs, they can make a determination whether the item is significant enough or meets the threshold of funding that requires approval by the portfolio management team and place it on the portfolio kanban funnel. If the initiative does not meet this criteria then it can be assigned to a specific program's backlog funnel and managed autonomously by that program or product team.

No matter how your ideation process captures and gathers inputs, all new ideas and initiatives deserve to be reviewed in a consistent way. The approach for setting up the type of demand management process you require can certainly be supported with Jira Align. Either of the above options, whether used individually or in combination, can greatly benefit the early decision making that is necessary, as part of this regular portfolio management activity.

2. Comparing business value and estimations

Refining opportunities: Portfolio workflow process

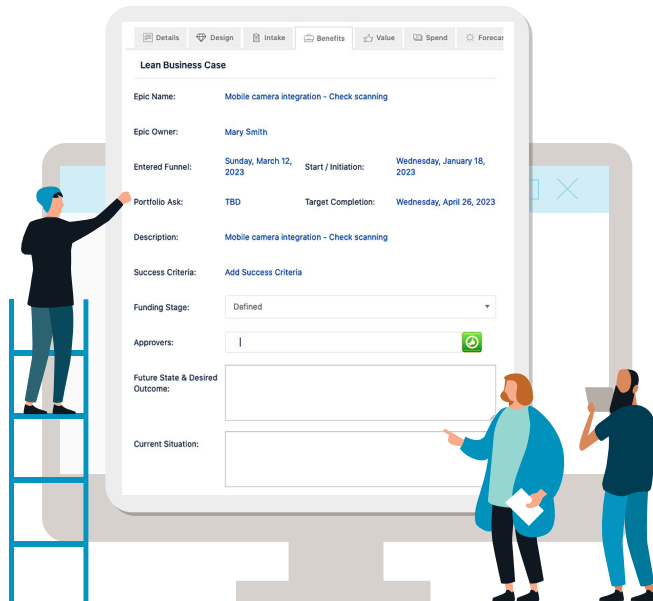
Taking in ideas and managing them early on, as part of the demand management activity is just the beginning. To go any further with these ideas and turn them into portfolio initiatives requires a consistent workflow process to refine them. The definition of each step required and the actions to be taken as part of those steps, is what is commonly referred to as the portfolio kanban.

It is through this kanban workflow that selected items will be reviewed and analyzed for further development by the portfolio management team. The specific activities defined as part of these steps will ultimately be what are needed to provide portfolio managers with the information to make a final decision for approval or not. To support this essential activity, Jira Align offers a method that supports regular engagement in these activities and captures all necessary inputs in a single location to do this.



The above example reflects one version for the refinement steps that take an initiative from the intake funnel to the portfolio backlog. Each of these process steps has a purpose, defined by the portfolio management team, to facilitate activities that progress the initiative forward, ultimately so that a decision to approve or not approve it. Specific exit criteria can be defined and configured to act as a simple checklist to ensure the relevant inputs or actions have taken place before promoting the initiative forward. Jira Align helps tailor the portfolio workflow to support the needs of any portfolio management team.

One of the more common actions that will take place, as part of the early workflow process steps, is to create a lean business case for each initiative. Doing so helps clarify expected outcomes and relevance for the initiative, along with how it can be qualified later, once delivered. To avoid having to create such a lean business case in a separate document and storing separately from the work item itself, Jira Align provides a Benefit Tab that can be customized to capture all necessary inputs expected, as part of your lean business form. This offers another example of how Jira Align helps capture and maintain relevant information for portfolio managers to make effective decisions in a single location.



The Lean Business Case format form in Jira Align provides some previously captured inputs from the Detail Tab for each initiative along with a variety of fields below. The default fields can be kept while others are removed and additional fields put in place to best tailor your needs. Another advantage of using this form is that it offers a place for portfolio managers who must approve initiatives, a place to do so and keeps track of when and who approved, for auditing purposes later. So when a threshold of cost, level of refinement or other criteria are met, the required approvers can review all needed information easily, from a single location and approve the initiative to go into the portfolio backlog.

No matter what process steps are necessary to support your portfolio management workflow, defining the purpose for each step and also being clear for what inputs are needed will always be an important first step. Creating a lean business case and combining that with the means to approve initiatives into the backlog, from a single location is also an invaluable benefit for any portfolio management team.

Early value estimation:

Early in the refinement process for an initiative, even as part of the actions to move an item out of the funnel and onto the next step, having a fairly light-touch option for assigning value can be useful. Something that is easy enough to capture vital information based on the person(s) performing this early evaluation while still providing enough detail to allow for cross initiative comparison.

To support this light-touch approach, Jira Align provides four fields that capture critical attributes that can be used for comparison. The Strategic Scoring fields offer a standard scale from 1 to 100 for both value assignment and a wild guess for effort to deliver it. The Strategic Analysis fields offer a way to associate the initiative to a particular strategic driver for the organization and also the degree of confidence in the ability to deliver the initiative.

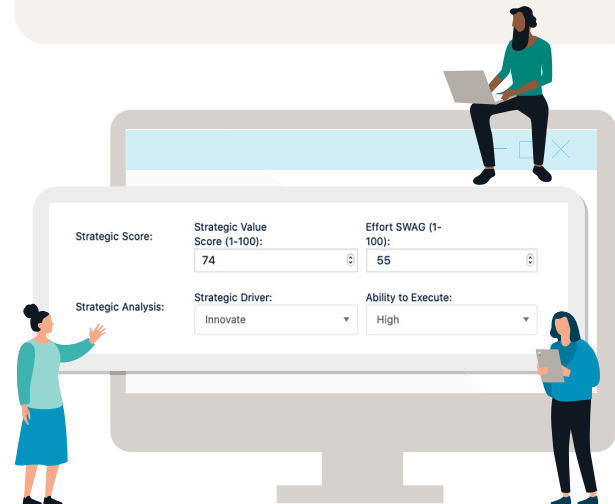
When used together, these scores allow Jira Align to place them into a single report for collective comparison against each other and evaluate which initiatives may require a bit more early investigation to determine further merit or priority.

For early and quick strategic scoring these fields are used

- Strategic Value Score (1 -100)
- Effort SWAG (1 - 100)

For early and quick strategic analysis these field are used

- Strategic Driver
- Ability to Execute



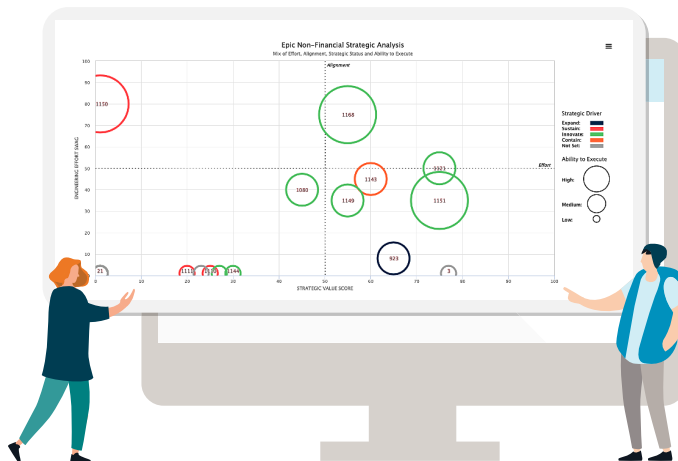
The strategic scoring helps portfolio managers place a high level of value and effort estimation of the work, both factors that can be used to support further refinement of the initiative and gain insight for how this might fit into the existing portfolio roadmap.

The strategic analysis scoring provides an early level of confidence that the teams will be able to deliver the initiative and this may change as more is known or understood about what is needed. It also provides a way to associate the initiative to customer defined strategic drivers that can be used to better align with larger goals or areas of the business generally.

None of the scores may be as precise as what will be required to make a final decision later on, but having a comparison process started early in the refinement cycle of work can begin the discussion around the initiative. As more information is obtained or more known about the initiative being proposed, then these numbers can be updated as and when desired by the portfolio team.

When the information for the Strategic Score and Analysis have been entered, the initiatives can be viewed against each other using the Epic Balancing report. Initiatives are represented with a circle located in a quadrant that

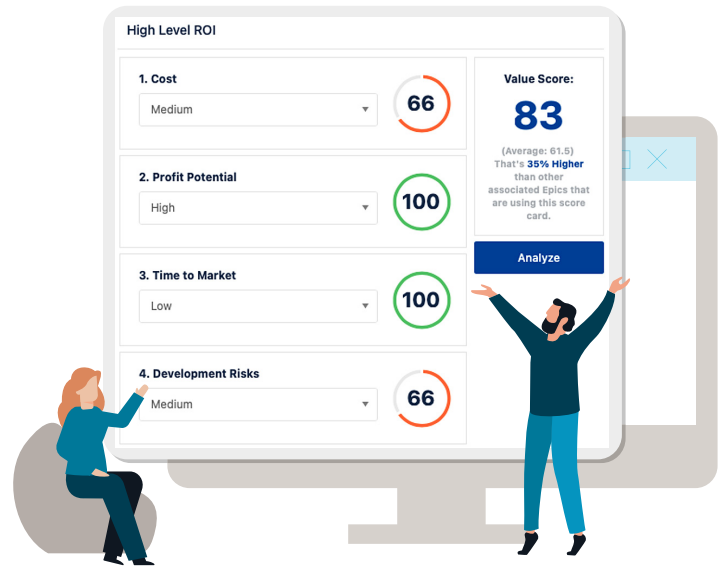
scales effort (vertically) against value (horizontally). Each initiative will also have a designated color associated with the strategic driver and size of the circle relates to one of the three confidence levels for ability to deliver. Selecting on any of the circles allows portfolio managers to access the details of the chosen initiative and update or amend information for it accordingly.



The value scorecard:

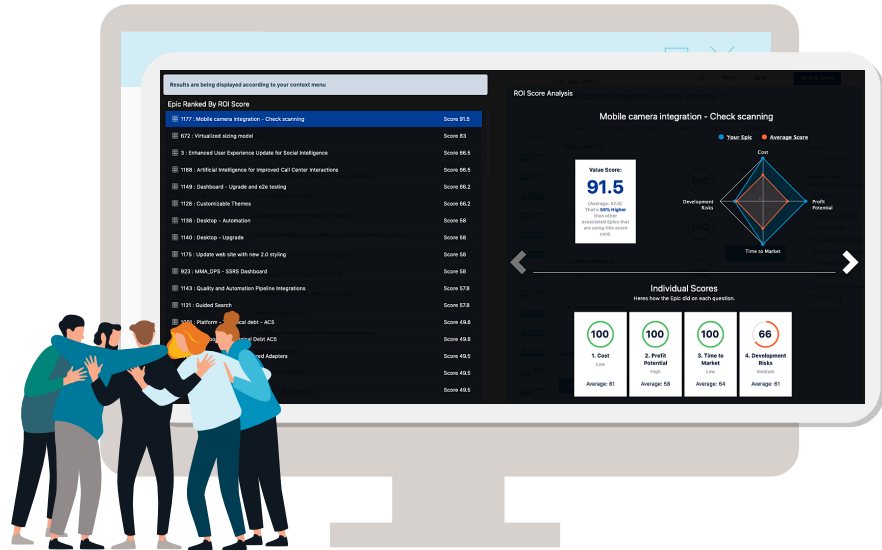
Another option Jira Align offers for assigning value to initiatives and comparing them is through the use of the Value Scorecard. This is a customizable scorecard that equates all evaluation factor scores to a total of 100%. It then provides you with insight for how each initiative compares against all the other portfolio initiatives, based on these same common factors. When evaluating the initiatives, each one is compared to the average score for all of the initiatives associated with the portfolio and also with a stack ranking of them all to see which initiative has the highest value score vs. the lowest.

Using the Value Scorecard, portfolio management teams can gain valuable insight for which initiatives should be prioritized in the roadmap, based on business value estimated, at that given point in time. Any of these scores also can be amended or changed as more information or refinement of the initiative is known also.



The method for evaluation may also need to change as more input is collected about an initiative's relevance or importance for the business.

No matter which option is used to estimate and assign business value for an initiative, having a means to perform this activity is an activity portfolio management teams will want to perform easily and consistently. Doing so can also help to determine where to focus their attention and possibly lead to better prioritizing and forecasting decisions.



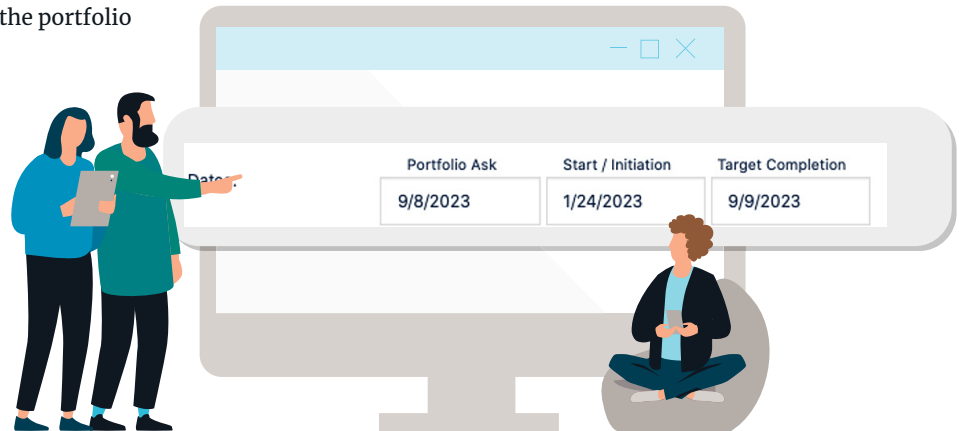
3. Planning, forecasting and the delivery roadmap

How portfolio management teams define opportunities and evaluate them as part of a refinement process will eventually include a step that involves the forecasting of these initiatives. Doing this provides portfolio teams a way to begin to visualize what initiatives will be started and when they are anticipated to be completed. Having this sort of visualization process can also provide portfolio teams with a means to clearly communicate which initiatives should be worked on next and which will be worked on further out in a timeline. Forecasting the delivery roadmap allows for up to date changes in planning and commitments to be shared across the portfolio and to be better understood by all.

To support this type of activity, Jira Align provides the Roadmap functionality. The roadmaps are high versatile and make it easy for portfolio teams to consider options when forecasting timeframes for when work might be planned and when ready, to commit work to a plan connected to specific timeframes.

These roadmaps also offer portfolio teams the option to make manual adjustments to the forecasted roadmap for experimentation and discussion purposes without actually making permanent changes to the roadmap too soon.

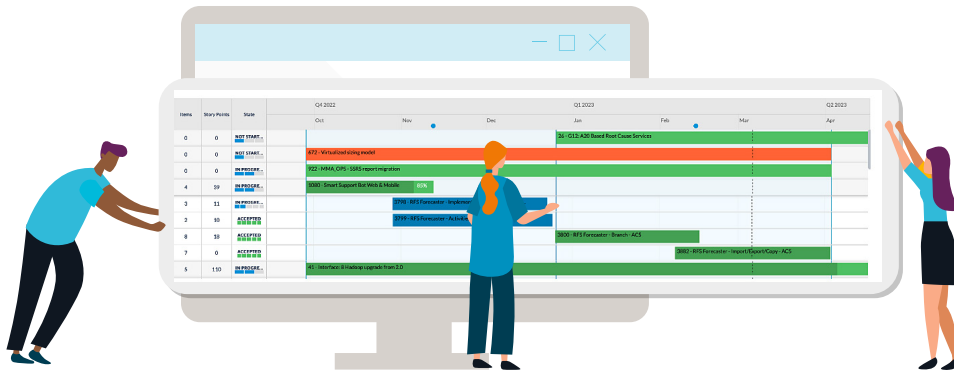
To support this activity, in the Jira Align epic details panel, there are fields that portfolio managers can use to provide the anticipated dates for delivery, start of work and completion of work. Once entered, these dates are what Jira Align will use to display the initiative on the roadmap. Because the initiative is only placed by dates, the calendar roadmap view is what must be used to see this forecast.



When product or feature planning is needed, then the initiative can be assigned to the expected program increments the work will take place over and this will allow it to be displayed on the program increment roadmap view also. This will also allow the Feature by Epic view to show when each of the associated features are planned.

One of the biggest advantages of the roadmap functionality is that it can display different work item types, depending on the need. Either as a list of single work item types or as

parent-child pairs, both represented across the selected timeframe. How the selected timeframe is represented can also be adjusted depending on whether you wish to see planned work as it spans individual planning increments (PIs) and the associated sprints or whether you wish to see it span across quarters and months of a calendar year. This is done by simple selection of an icon for either.



Roadmaps to view single work item types, as planned or forecasted.

- By Themes
- By Epic
- By Feature

Roadmaps can also display a two-layer view of work items and their children that provide a more detailed understanding of whether the work necessary to deliver larger initiatives are planned in alignment with the forecasted expectations. The image above is an example of the 'Feature by Epic' view using the quarters and months timeframe opinion.

To help better communicate timeframes for when approved initiatives will likely begin and when they are anticipated to be completed, Jira Align's roadmaps allows you to chose two different methods for illustrating this.



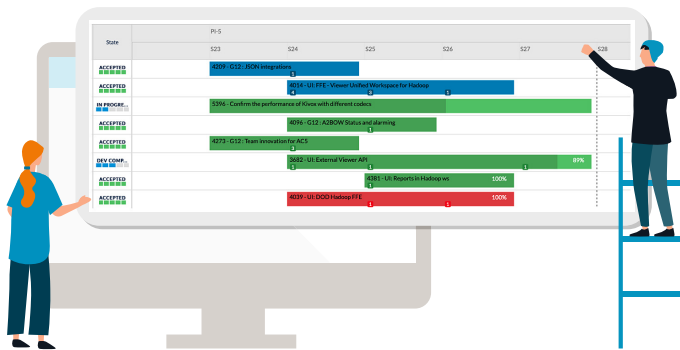
One option is that you can view your roadmap with a calendar layout (month by quarter view). A second option is to view your roadmap showing program increments (sprint by program increment view) that displays the sprints associated with each of the selected program increments chosen for viewing. This is easily changed by selecting an icon to toggle between the two roadmap views.

When presenting a roadmap using the program increment view, the individual stories planned for any sprint associated with the program increment(s) chosen will be displayed under a column representing each sprint



name. The number displayed represents the number of stories planned for that sprint, for the feature presented in the roadmap. Having this level of detail presented in a roadmap can help product managers, RTEs and scrum masters understand if their sprint planning is aligned with the higher level feature and epic plans.

Managing the delivery roadmap and keeping it up to date allows the epic owners, or those responsible for specific portfolio initiatives, to view progress, risk status and other relevant information as work is being delivered, while also being able to forecast work intended for the upcoming quarters. Being able to display both are valuable to any portfolio management team.



Connecting the delivery roadmap to themes & goals

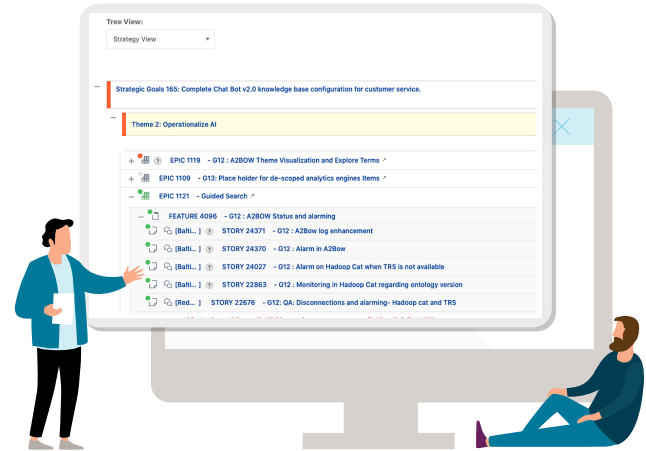
Providing a mechanism for portfolio management teams to place approved initiatives on a roadmap and arrange those that are forecast and planned over upcoming time periods isn't all that needs to be visualized. Portfolio management teams also need to ensure that there is a connection between these initiatives and investment themes that are defined and to support the strategic or annual goals. It is these same investment themes that drive the portfolio direction in many ways also.

To support this additional need to visualize and connect items, Jira Align offers two different ways to aid in doing so. One is using the roadmaps two-layer view of Epic by Theme, which can be displayed in a calendar or program increment view, similar to how the Feature-by-Epic view was shown above. However, because roadmaps can only provide two layers of parent-child hierarchy, nothing below the initiative (epic) would be visible on the roadmap displaying epics by theme unfortunately. When you need to visualize all layers of work being planned and executed that are associated with a particular investment theme, you'll need a different way to see this. In Jira Align, this is possible with the Worktree.

The Worktree (shown above) provides several different options for viewing work structures contained in Jira Align, as well. In the view shown above (fig xx.x) this illustrates how the Tree View called 'Strategy View' provides insight into how stories being worked on at the individual team level are connected all the way up to a specific investment theme and the strategic or annual goal that investment theme is supporting. A direct linkage from the top most organizational goal to the specific stories that are intended to help progress it. Real time progress of all the work in progress and planned work for the span of time selected (i.e. program increment(s)) will be presented for any portfolio manager or senior management leader to see and understand.

Regular reviews of the forecasted plan along with being able to determine actual progress against goals that initiatives are intended to deliver outcomes for, is a significant benefit for any portfolio management team. A view that displays this level of detail in a single view, will certainly help management teams observe and manage the flow of delivery across all teams. It will also provide timely insight for when adjustments to planned work activities may need to be addressed or shifted to deliver the best outcomes for the business and not overload capacity of the teams.

The worktree view - strategic goals to individual stories





4. Operational flow - Dependency Management

One area of interest for many portfolio management teams is how to best sustain operational flow across all the different teams of the portfolio itself. The best roadmap plan can be easily disrupted if reoccurring or frequent bottlenecks go unresolved, or worse, unnoticed

altogether. Often bottlenecks are a result of numerous dependencies that exist across teams to deliver work. So, ensuring that dependencies of any kind are recorded is an important activity that needs to be established, however being able to visualize all the dependencies and engage with them proactively, before issues truly arise from them provides a great advantage to any portfolio team.

To help provide insight into how and where dependencies are located in the organization, Jira Align offers a multi-layered approach for identifying and tracking them. The layers help individual teams make commitments for delivering dependency requirements in a timely manner, allow for clear visibility of them as part of an increment plan and also provide higher level understanding for where and how often certain dependencies tend to aggregate in the system. Depending on the role of an individual, each of these differing views of dependencies can be easily identified and managed through the different functions Jira Align offers.

Dependency maps:

To help provide transparency for where dependencies exist and for which teams dependencies are associated with, Jira Align provides various dependency maps to visualize these situations. Two of the more utilized options are the grid view and wheel view dependency maps. They each offer insight and details for where higher than expected volumes of dependencies associated with different teams exist.



The grid view dependency map provides understanding for what teams have outward dependencies towards another team, and the total number of them for that team (shown above in the darker, numbered boxes). By selecting on any of the numbered boxes shown, this will open up a panel that provides a level of detail for each of the dependencies (number in the box) that exist towards the teams listed on top, including resolution status. If further understanding is needed regarding a specific dependency between the two teams, then you can select on the individual dependency in the open panel and gain a more granular understanding for how or what that single dependency may be causing an issue or risk.

The wheel dependency map provides another way to visually see and identify which teams have a large number of dependencies associated with them. The dependencies pointing to any given team are representations of both inbound and outbound dependencies of that team. You will need to select the team of interest to see a full list of all dependencies, separated into the inbound and outbound categories. Being able to easily identify the teams with



the most dependencies associated with them, provides a powerful insight for where bottlenecks may tend to accumulate. The benefits for being able to understand the type of dependencies and the number of them for each team in this way offers insight for where potential process, skill gaps or capacity allocation are occurring.

Scrum masters, RTEs and program program managers can use the multi layer views to address dependency issues as part of the sprint sync meeting. Portfolio management teams can use the information provided to take action and make team or program adjustments or seek to fill skill gap deficits that may exist.

What the dependency map views represent are high level insights for where choke points might exist and how they may impact the broader delivery organization. Each of these will need to be investigated further to fully understand if an issue does exist and each of the map views offer a good place to start that investigation and drill down, as needed.

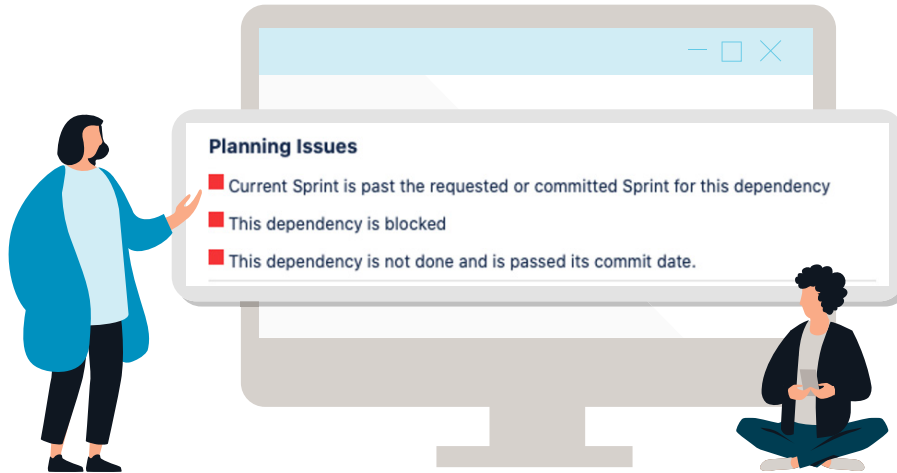
Program board dependency management

When program teams (ARTs) plan, the individual teams will begin to identify dependencies as they break down Features into Stories. This is an expected part of each planning cycle. It is then also expected to record those captured dependencies and be able to manage them as part of each sprint of activities for each team. Scrum Masters and RTEs will always want to have an initial view for the number of dependencies and the individual teams they are connected to, but also need to know what Features can be impacted for delivery if the captured dependencies are not resolved in time. To support these needs and provide a digitally interactive way to view and manage dependencies of this type, Jira Align offers the Program Board and how it shows connection between work, teams and dependencies altogether.

The Jira Align program board is a digital version of the type of board that is created in big room planning events, only this one can be viewed from anywhere online. It also allows users to look inside any of the work items or dependencies connected to the work items with a simple click of a link. In the image below, Features are represented

by rectangles and dependencies represented by the chevron shapes. The colors are a reflection of status, whether completed, accepted, warning or issues exist and need to be investigated further.





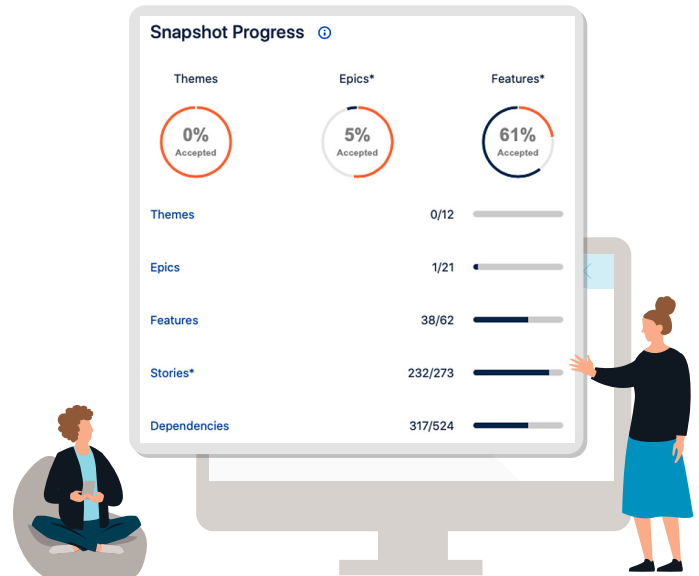
To investigate any work item or dependency, selecting on the icon will open a Quick Review panel and at the top of each, a list of Planning or Dependency Issues will be displayed (see below caption). Each of the bulleted points provided, offers a specific area to look into that will help resolve the issue. When scrum masters, RTEs or product

managers can see potential risk on the program board arise, due to color shifts and then take proactive steps to mitigate that risk so the dependency does not delay or block planned work, this makes managing the flow across all teams much better.

Strategic view of dependencies

Because of the potential risks that cross team dependencies pose to any delivery organization, awareness and management of them will always be important. Even for the most senior leaders, a degree of understanding and awareness for the number of dependencies that exist and how they are being managed, is an attribute for them to keep an eye on. Jira Align takes this need into consideration and provides a degree of awareness for this, as part of the Strategy Room information details.

Using a Snapshot, usually to align with a fiscal year, all the dependencies associated to work planned across increments tied to the fiscal snapshot, will be shown in the snapshot progress widget of the Strategy Room (shown below). This panel illustrates the different work item type progress along with the dependencies associated to that work, for a given snapshot of time, including the number of resolved dependencies. Having access to this sort of information even at the highest levels of an organization can help in keeping awareness and impact of the dependencies, as part of the ongoing leadership and portfolio management conversations.




5. Allocation of budget and spend tracking

The allocation of funding is one of the more important responsibilities of any portfolio management team. It is an activity that needs to be done regularly and one where initial funding decisions are typically made as part of the refinement and planning effort. Then later, as part of the team's governance activities, the tracking of spending needs to be performed to ensure it stays within the budget allocated. There also needs to be an understanding for what work has been delivered or being worked on and is consuming the budget initially allocated.

Jira Align provides a layered approach for the allocation of

budget and tracking the spending, at different intervals along the way. The portfolio team establishes the initial budget (a single amount) and then Jira Align provides additional

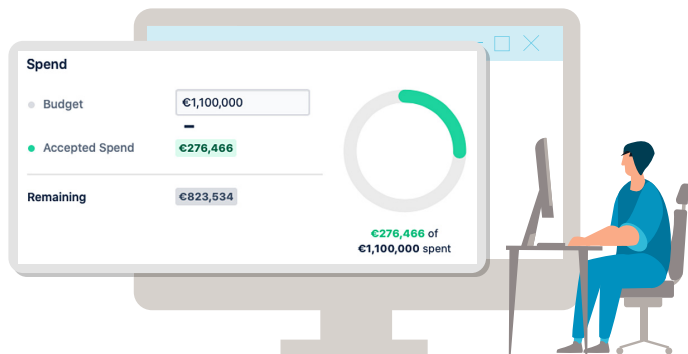
- 
- Budget
 - Forecasted Spend
 - Estimated Spend
 - Accepted Spend

understanding of anticipated spending, based on historical data and current work breakdown estimations done as part of planning by teams. The following key areas are what connects this layered approach and provides the understanding of spend tracking initially and as work progresses.

Budget -

To begin this funding and spend tracking activity the portfolio management team will need to determine an initial budget anticipated to deliver the initiative. This will most likely be decided based on individual team member's product experience, technical knowledge or skills, customer requirements and the cost of previous and similarly defined initiatives.

The amount of budget entered in Jira Align is input manually. This is what will be used as the starting point from which accepted spend calculations will be deducted, going forward. The remaining amount of the budget, which is left and the total amount of the budget which has been consumed (accepted spend) will be presented and updated, as work progresses. You can see how this appears in the details panel for a Jira Align Epic in the image below.



The estimated effort entered for the initiative may vary and may also be updated, as part of the refinement process, but the intention for using the forecasted spend is to help the portfolio management team allocate the budget needed, based on quantifiable data contained in Jira Align and personal experience. When a program increment is closed, then the forecasted spend associated for that increment will be locked, creating an increasingly more accurate forecast when the next and upcoming increments progress.

Forecasted spend -

Once an initiative has been assigned specific planning increments (PIs) for when the work to deliver the initiative will be executed, then the forecasted spend calculation can be provided to the portfolio management team. This is the amount of calculated cost that acts as the earliest prediction for the amount of funding that will most likely be needed to deliver the initiative to completion. The forecasted spend is based on the average, historical spend per point for the different programs (ARTs) that will be contributing work towards the initiative and the amount of effort (t-shirt sizing, points, Team weeks) initially planned for each of the defined increments.



Estimated spend -

As the initiative is broken down into Features that the individual program teams will deliver, the Features will be given estimations of effort by the product or program managers responsible for the delivery of them. It is assumed these Feature estimates will provide a closer approximation to the actual effort required to deliver all of the work for an initiative, and this is why it is used to calculate the Estimated Spend amount.

The Estimated Spend is calculated by taking the sum of all the Feature effort estimates planned for the defined program increments, by all contributing program teams. The Features used for this sum are both children to the initiative and independent Features associated to the same investment Theme the initiative is. Collectively, the sum of all these effort estimates will be converted to points in Jira Align and multiplied by the individual programs' Spend per Point average. The output of this formulation is the amount of Estimated Spend represented in the panel above.

Accepted spend -

The last of the different spend calculations is the Accepted Spend. This calculation is provided after the completion of the first planned increments work is delivered. The amount presented is based on the sum of all story points delivered by all the individual teams associated with each of the programs working on the initiative. This calculation is considered to be the best representation of spend to date, since it is based only on completed and accepted work at the team level. The story points assigned by teams are also considered to be the best representation of true effort, for work required to deliver the initiative and thus used to calculate the Accepted Spend to date.

In order for the Accepted Spend calculation to provide as accurate an amount as possible, there are some habituated ways of working that need to be in place across all teams, to make this reliable and consistent.

When these attributes are setup and maintained as part of the regular sprint and program increment cadence, by all teams, the Accepted Spend calculation becomes the best way to track spending based on work delivered and associated to the specific initiative. This gives up to date information to the portfolio management team that can be used to evaluate whether to continue funding the initiative with the present budget or to spend more.

- Teams need to assign story points to all their work consistently for each sprint
- Teams need to plan and close sprints when completed
- The team members associated with each team needs to be maintained
- The percent of the sprint each team member will be allocation to work on stories planned for the sprint also needs to be managed
- A blended rate or cost center association with each team member role needs to assigned to the program increment or user profile

Investment themes and quarterly increment funding

Portfolio teams have another aspect of funding to consider when developing and approving initiatives through their pipeline, that being how much of the portfolio budget needs to be allocated to support the strategic themes. These 'themes' or investment themes are what also connect the organization's strategy to the portfolio itself and provide direction for the outcomes the portfolio is responsible for delivering.

Investment themes provide guidance to the portfolio management team and influence what initiatives need to be developed, refined and funded to deliver the expected strategic objectives. They can also be used as guardrails when making allocation decisions that provide a mechanism for keeping spending in line with overall strategic needs.

When a portfolio has organized its delivery teams around value and these teams are established and expected to be long standing teams, then being able to predict a forecasted budget, quarter over quarter helps support a model for leveraging guardrails and investment theme

tracking. By allocating funding to quarterly increments the budget for each is consumed for work delivered over the duration of each quarter. The percentage of the budget consumed to deliver work associated with the investment themes can then be tracked in real time.

In Jira Align, the Investment vs. Spend report provides the ability to track the investment themes against the incremental funding. Using this report as part of the portfolio management team's governance activities

can be another valuable way to review and track spending associated with the Investment themes that drive the portfolio.

This report sets the investment theme budgets, based on the percentage of increment funding to be applied to a specific time period and then uses the Forecasted, Estimated and Accepted spend calculations to provide the clearest picture for how the portfolio is utilizing the budgets allocated in support of the strategic goals.



**Establish the portfolio
team cadence of activities**

We covered many important and necessary activities that are part of a portfolio management team's core responsibilities. As these teams gain better awareness for which activities are most needed and provide benefit for how they work, they will need to establish some sort of cadence for how and when these activities should occur. The frequency of each and which portfolio managers or stakeholders will participate can be determined as each activity is incorporated into the portfolio team's regular and ongoing responsibilities.

Based on the activities we explored earlier, it will be important for portfolio teams to focus on establishing a regular cadence of activities for themselves to follow, to perform these actions. The frequency of each will vary and will need to be determined by the portfolio team itself, to best align with the needs of the business. The bullet points below are not exhaustive but highlight what to consider the relevance for activities to be managed and how Jira Align supports them and your portfolio management team.

- Determining weekly, monthly and quarterly activities to have in place
- Which portfolio team members will be responsible for specific activities
- Triage team reviews intake weekly/ bi-weekly, depending on volume
- Portfolio WIP limits to best manage flow and capacity allocation
- Approval of initiatives, forecasting and connecting to OKRs
- Budget allocation & planning increment establishment
- Spend tracking reviews of (teams & programs) vs outcomes



Conclusion

Wrap-up

Effective portfolio management is an essential part of any organization. Making portfolio teams effective is a combination of regular and recurring activities, executed and improved over a defined cadence. The activities we explored in this paper were intended to provide insights for how Jira Align supports certain operational and governance related aspects of good portfolio management practice and illustrate how these activities are made easier, so portfolio managers can ultimately be in a position to make the best decisions for the business.

The topics covered focused on some of the more common and important portfolio management activities that will always be necessary, no matter how the portfolio is structured. We explored these topics and made considerations related to them for how portfolio leaders define and consider opportunities, evaluate and refine those opportunities, assign business value and fund them, along with managing delivery workflow processes to ensure outcomes are not stuck. These are the areas and activities we consider to be the most relevant, especially if an organization is seeking to adopt a new portfolio

management strategy or consider ways to improve what they already have in place. We also aimed to provide the best examples for how Jira Align supports these activities and ensure portfolio management teams are able to gain the most benefit from them.

If you are interested in learning more about Jira Align or how Eficode can help establish or improve your portfolio management practices, we would be happy to help you with those endeavors. As a certified Agile at Scale Atlassian partner we are fully equipped to support your implementation needs to successfully onboard your teams and portfolios into Jira Align.

We have done this with multiple customers spanning different industries such as, Banking & financial services, medical device and Healthcare services. Eficode offers several service packages that can help your organization better understand how Jira Align can support your individual business needs and to implement and scale your adoption of Jira Align.

Take the next step

Get a 360-view of your portfolio with our Portfolio Management Assessment

We will give you detailed recommendations on what to improve, and how to prioritize the actions.

Combined with Jira Align Production Jumpstart we'll help your organization's get started with Jira Align and enhance your Agile at scale transformation.

[Contact us](#)

