

Portfolio Description:

An AVM (Application Value Management) EAS (Enterprise application System) Portfolio was launched as a part of Cognizant's strategic goal of providing the most efficient and cost-effective solution to meet and exceed the expectation of Cognizant's Customers. Application support (application management) service in Cognizant is called AVM.

AVM EAS Portfolio is part of the Cognizant Digital system & Technology (DST) Service line, bringing digital capabilities and industry expertise together into horizontal offerings and industry solutions. This offering accelerates the essential leaps that today's technology makes possible and complement those solutions with consulting and services built for the speed of business today.

Application value Management (AVM) within the industry is undergoing a dramatic shift as the world becomes digital. The next generation of application management will require new skillsets, new technologies, and new mindsets – bringing everyone across the organization together allows us to achieve this future state more quickly.

I was part of this corporate Governance team and later appointed as a Portfolio Manager and was tasked with preparing a business case for this investment proposal. I identified various sources of revenue (based on different models such as input models (fixed Capacity), output models (fixed bid, Application-based, Service Based), and outcome-based (gain share) models).

In line with corporate objectives, my analysis considered both existing customers of Cognizant across various lines-of-business and potential market synergies. One of the critical analysis areas was the business value that would be likely-delivered by different proposed offerings (based on Service Catalog) and price-points that customers would be willing to bear, at-present, and expected levels of competition and market conditions.

After initial deliberations about overall long-term revenue projections, the Organization executive board finalized that a minimum 30 % Profit Before Taxes (PBT) contribution to the bottom line of corporate business would be the only metric for investment appraisal selecting a new portfolio.

I have also contributed to the recommendation of Key stakeholders of the corporate governance team to be part of a portfolio governance board that can significantly add value in achieving portfolio goals and objectives because they were part of the feasibility process.

Portfolio Vision:

To be most efficient and cost-effective solution provider in Application value management space to meet and exceed expectation of Customers.

Portfolio Mission:

Build a creative and diverse global technical team, Building an application value management Eco system, which includes Standardized Service Process, Standardized Service Catalog and make a positive impact with Customers, refreshing their technology models, matching their

business' capabilities with its ambitions by simplifying, modernizing and securing enabling systems.

Portfolio Goals:

Predict and optimize application value management cost of Customers and Cognizant
Drive Continuous Optimization of Application value management services.

Portfolio Objectives:

#1 in the mind of Client, Analysts & Partners

100% success rate in Renewals.

Improve deal win ratio by 20%

Reduce Cost to Serve by 40%

Automation to reduce overall effort by 25%

30 to 35% YoY productivity savings to Customers (3 years)

Experience section of application, provides more details about this portfolio

Question

Experience Summary #1: Strategic Alignment

- A. **Identified and prioritized portfolio criteria and evaluated portfolio component priorities based on the organization's strategic goals and objectives.**
- B. Option B: Created and/or updated a portfolio roadmap based on the organization's strategic goals and objectives

AVM EAS Portfolio was the most significant and critical portfolio. I came up with the most optimal portfolio to get the organization focus.

I used focused-group-technique with several rounds of meetings with the key stakeholders of the portfolio. This technique was used to explore the opinions, knowledge, and perceptions of purposely selected group of individuals, who have good knowledge/experience with the portfolio prioritization. I had also identified other roles such as scribe, timekeeper, and facilitator. The key objective of this focused group meeting was to establish the portfolio prioritization model which includes identifying the prioritization criteria, establishing weighted ranking for each criterion and establishing ranking (0 -5) guidelines to the criteria.

The resultant portfolio prioritization model was based on six criteria (1. Strategic alignment, 2. Size of the component, 3. Margin, 4. Value Delivery, 5. Risks and 6. Feasibility). And next, for these six criteria, their relative weightings were established. In the first attempt at establishing the weightings, a simplified form of parity comparison (comparing one criterion over another)

was utilized. Further, voting Technique with the clustering method was adapted to build the weighted-ranking method.

I created ranking guidelines to the criteria (0-5). Following are sample values with respective description to understand the rankings: 0 – The criteria is not applicable to the component. 1 – The criteria has a low priority. 3 – The criteria has a medium priority and must be met. 5 – The criteria has the highest priority and is essential for the portfolio value delivery.

This portfolio prioritization model was used for ranking the portfolio components, and decision-making. This ensures, only those components get selected for investment which contributes maximum to the organization goals and objectives.

I conducted a kick-off meeting of the portfolio with the key stakeholders and the portfolio steering committee to present the concept and portfolio strategic plan. I ensured that the business case adopts desired level of feasibility study, and focuses on strategically aligning portfolio with organizational vision, while delivering intended value to the organization.

For establishing the inventory of portfolio components, I leveraged screening-process based on key-descriptors gathered and documented with the help of the PMO. This exercise helped to flag any duplicate-efforts within the larger organization, or if any existing efforts or investments were appropriately molded. Further, I categorized these shortlisted components and ranked prioritized to evolve a prioritized list of components for optimization and investment diversification.

In order to operationalize, one of the key strategic elements of portfolio was focusing on transitioning the solution to the ongoing operation team, and for that, I periodically reviewed and collated the status of each portfolio component from the respective components managers. This ensured that all the portfolio components remained consistently aligned to the overall operational goals and objectives.

As an outcome, I was able to better allocate organizational resources to Portfolio Components and support initiatives that enable “make or hire” decisions. This also eliminated obsolete projects and ensured that only well-aligned projects are approved and that any projects that become obsolete are also caught early.

Question

Experience Summary #2: Governance

- A. **Defined and implemented a governance framework for the portfolio and/or portfolio components.**
- B. Implemented and enhanced the governance aspects of the portfolio management plan in support of portfolio goals and objectives

Given the dynamic organizational environment, with portfolio components constantly changing, implementing a framework for effective portfolio governance management is mandatory. To ensure this, as the Portfolio Manager, I studied the governance framework of past similar portfolios by accessing the “Knowledge Management System” of the Organization.

Based on this, I created the AVM EAS Portfolio Governance framework: which defines the roles-and-responsibilities of the portfolio manager, the component managers (which includes Program managers, Project managers and Operation Managers), the hierarchy of the portfolio, the process of portfolio review meetings (including the format, frequency, and mandatory participants), the process of phase gate reviews and the portfolio health checks, the approval process, the criteria for initiating-executing-closing-transitioning of the portfolio components, improving portfolio management capabilities and the issue escalation/resolution process.

The most important elements of AVM-EAS governance framework was its three layer structure:

1. Layer 1: Strategic-layer-Governance, at the Executive level
2. Layer 2: Tactical-layer-Governance, at the Components level
3. Layer 3: Operation-layer-Governance, at the ongoing operational level

As a result, this layered approach ensures that portfolio, program, project and operational governance, follows a consistent approach and is aligned to the organization’s objectives, sustainable, and can be delivered efficiently.

One of the key aspects of the governance model was the continuous improvement of portfolio capabilities which includes developing and deploying various tools, metrics, and trainings. I have designed an excel based tool called the “AVM EAS Component Request Manager”, which provides the structure, guidelines needed to approve the pipeline of new projects which will go thru four different states: Newly-added, Review-in-Progress, Decision-Pending, and Approved or Rejected. This tool ensures that, the relevant stakeholders can track the progress of a project requests through these four states.

Another key aspect of project portfolio governance is having a reporting structure that provides visibility across all components. I implemented the PMIS tool called as “Work front”, which provides a software-as-a-service platform for enterprise-workflow-management, project and portfolio management and resource-management. Built in Portfolio dashboards roll up data from multiple components for an ‘at-a-glance report on health’, used to capture and report on Resource-utilization, Risk-management, Issue/escalation, and Portfolio-health-checks.

In order to Operationalize, Portfolio level issues, high-level changes in the Portfolio were discussed in the portfolio review meetings (layer 1). Component level issues and changes were discussed in the component governance meeting (layer 2), which I would chair as the Portfolio Manager. I advise, and decision as required on the Pipeline demand (human resources and material), Project Status, utilization, RFP and Procurement. Operation, where the portfolio realizes the business value, I ensured this governance model (Layer 3) focuses on the operationalization of the components.

As an outcome, this governance framework ensured well-thought timing and sequence of each layer of governance for oversight & decision support. I had ensured the participation of the decision-makers at each intermediate-step of finalizing the Portfolio Governance Framework which was part of Portfolio Management Plan, which also ensured that all stakeholders were constantly engaged. This resulted in the AVM EAS portfolio successfully achieving the organizational goals and objectives.

Question

Experience Summary #3: Portfolio Performance

A. Managed portfolio performance to optimize portfolio effectiveness and efficiency (may include resource utilization, revenue enhancement, expense reduction)

Option Selected Is B: Evaluated continuous progress toward the achievement of business or strategic goals through the measurement of portfolio value.

For AVM EAS Portfolio, one of the top criteria for prioritization is the Value Delivery and hence the higher value components are more likely to get the right resources with adequate availability.

Second, while outlining the portfolio performance management plan, I have ensured, through multiple engagement and communications sessions that every stakeholder understands the value of and confirm their commitment for the portfolio benefit delivery.

The **Benefits Realization analysis** was another important activity that I performed to ensure that the portfolio delivered the stakeholders' intended benefits. Tools like **Results chain and Outcome probability analysis** helped me to increase the intended benefits accruing to the portfolio and moreover proposed that these reviews should be conducted as per the portfolio governance plan and as and when there is alarm from the portfolio management team.

AVM EAS Portfolio governance board structure that has three layers, which helped me in continuous progress monitoring toward the portfolio value delivery. I made sure, that, the top layer of governance board which mainly consist of Executive level player and were responsible for Investment related decision gets RAG (Red, Amber, and Green) report, traffic light report, Bubble chart report, Pie chart, Histogram, and other form of dashboard report for making quick and right decisions. The middle and bottom layer of governance layer, who were accountable for making delivery and execution related decisions were furnished with more detail report such as bar chart report, sensitivity and scenario analysis report.

Since, I had ensured that, the prioritization criteria were mapped to the strategic goals, it was not very difficult to calculate or assess strategic value score of portfolio components and calibrate performance to ensure they remain align to business goal. This calibration was achieved through Monte-Carlo simulation. With the help of PMO and portfolio management team, I have derived different value score for these criteria based on risk probability assessment which became input parameter for this simulation tool.

My continuous focus on enterprise environment factor also helped in ensuring that the define portfolio value remains within tolerance limit. For performing internal environmental impact assessment and knowing the factor which resides within organization or portfolio boundaries that could impact portfolio value, I have involved all key stakeholder using virtual or colocation meeting. Besides performing trend analysis, I have also used what-if and EVM (Earned Value Measurement) technique for performance measurements. These qualitative and quantitative analysis tools greatly contributed in forecasting and controlling portfolio value.

In order to Operationalize, my benefits dependency map (BDM) for the portfolio gave me clear picture of result chain. The BDM could clearly highlight the relationship between planned benefits and the solutions which were needed to deliver these Benefits.

As an outcome, due to my continuous focus on the portfolio performance and benefits-delivery, I demonstrated that the portfolio was indeed giving the intended business value and meeting the portfolio's strategic goals and objectives.

Question

Experience Summary #4: Portfolio Risk Management

A. Defined and/or enhanced the portfolio risk strategy, including tolerance and thresholds, based on the portfolio goals and objectives

B. Enabled the organization to capitalize on opportunities or manage threats based on portfolio risk management processes, methods, and/or techniques.

I ensured detailed orientation and trainings in already institutionalized organizational-risk management procedures, making each individual aware of their role/responsibilities in ensuring delivery of portfolio value. I also prepared an exhaustive portfolio risk management plan, working closely with the Portfolio Management Office and Portfolio Governance Board to operationalize the same.

I approached the Portfolio Management Office, obtained a list of similar portfolios from the “Knowledge Management System”, and identified past/historical risks that are likely to impact my portfolio. Further, working closely with the teams, I leveraged Portfolio Benefits Dependency Map to map Portfolio Architecture baseline and Portfolio Work Break down Structure (PFWBS), to understand interdependencies at different levels like - portfolio-components, categorization and work-packages; and accordingly plan risk-management and portfolio-optimization. This resulted in providing directions to every program, project managers

and team members, to duly considered risk-aspects in every meeting, thereby triggering identification, analysis, planning and monitoring of risks.

By setting appropriate risk-related communication practices, I ensured adoption of suitable approach that facilitated in building common understanding of risks and opportunities across teams and also at different levels of hierarchy. This required me to use tools like RACI and Benefits Distribution matrices and Salience Models, to clearly define in portfolio communication management plan - suitable communications channels, tools, Frequency, formats, methods and individuals responsible, i.e. standard 5Ws (who, what, when, where, why) + H (how), for each type of communication.

I assigned risk to myself or my portfolio team members based on the calculated risk score and on which level a risk was identified i.e., at the portfolio, Program, Project, Operational level. I gave the risk owners complete authority in case the risk occurred. I also developed an escalation matrix in case of risk occurrence. In my meetings with the Portfolio Review Board, I defined the risk tolerance limits. I got approval for how much contingency reserve and management reserves, in financial terms, should I set aside from the portfolio to deal with the risks. Residual risks and those risks with a low-risk score were maintained in the watchlist and monitored less frequently than high and medium risks.

In order to operationalize the portfolio, one of the key strategic elements of portfolio was focusing on transitioning the solution to the ongoing operation team, and for that, I periodically reviewed the risks in the transition. This ensured that all the portfolio components remained consistently aligned to the overall operational goals and objectives.

Another element of my risk management model was DMAIC (Design, Measure, Analyse, Improve & Control) approach from Six-Sigma framework which help in delivering robust, sustainable and widely acceptable solution and continuously optimizing ongoing Portfolio operational state for achieving the organization strategic objectives.

As an outcome, all the above efforts have ultimately helped in opportunity maximization and threat reductions for the portfolio and organization as a whole.

Experience Summary #5: Communications Management

- A. Developed and/or updated a portfolio communications strategy to support effective decision making and achievement of portfolio goals and objectives**
- B. Engaged stakeholders to set and manage expectations and influence the success of the portfolio

Communication strategy plays an important role in key decision making; thus, as a portfolio manager, I have invested significant personal time developing an effective communication

management plan. I ensured transparency in all communications, and ensured that benefits, risks and opportunities were conveyed to concerned stakeholders in timely manner, along-with suitably-tailored status, performance and progress reports in line with stakeholder needs.

Accordingly, my first step was to identify these stakeholders through brainstorming sessions and multiple meetings with Corporate Governance team as well as functional leaders. Some of the tools that I used for identifying and classifying stakeholders were onion diagram approach, the Resistance Pyramid, salience model and stakeholder map.

While developing the stakeholder engagement strategy, I invested efforts with my Portfolio Management team and Portfolio Management Office (PfMO), using Stakeholder Engagement Assessment Matrix tool, to understand and categorize their current and desired levels of engagement (Unaware, Resistant, Neutral, Supportive and Leading) in the portfolio. This helped identify gaps, understand underlying reasons and develop specific engagement and communication strategies to bridge the same. I wanted to ensure that they move to the Leading or Supportive category.

As a result, close involvement of the PfMO, ensured tailoring of the Communication Management Plan in line with corporate communication policies. While my Portfolio team addressed many of these gap-areas as per plan, I focused my energies on closely-engaging key stakeholders who were resistant; to address their concerns; and derived their support towards achieving portfolio-objectives, through strong communication.

This also required me to conduct specific stakeholder analysis by developing a matrix with Required Change on Horizontal Axis and Expected Benefits on the Vertical Axis. This analysis clearly depicted that stakeholders who were expecting low benefits, but faced with more changes in their operational areas, were resistant. Through communication, negotiation and conflict-resolution techniques as part of requirements analysis I could convert resistance to support.

When transitioning the component deliverable to operations state for value delivery, one of the main issues that I faced is resistance to change. Resistance to change is a normal reaction linked to the perceived loss of control and new way-of-working. I worked with operations team and frequent communication that focused on highlighting Portfolio objectives and its contribution to organization for its future state achievement helped defusing their resistance.

In order to operationalize, in the Portfolio Kick-Off meeting itself, I invited key stakeholders including the operation leads and ensured that these stakeholders are actively involved during the portfolio execution, which ensured to keep the communications strategy and plan consistently relevant to the changing business environment.

To ensure continued support of team-members for achieving portfolio goals - another mechanism adopted with the concurrence of Executive Management - was to align rewards, incentives, and recognition system in line with identified individual KRAs, in support of the Portfolio. For this, closely worked with the PMO, Portfolio Management, and the functional teams, I ensured

adherence to multi-channel communication among teams ensures a fair-and-equitable system, with clear goal-setting, performance evaluation, and rewards recognition.