

Actively Managing the IT Investment Portfolio

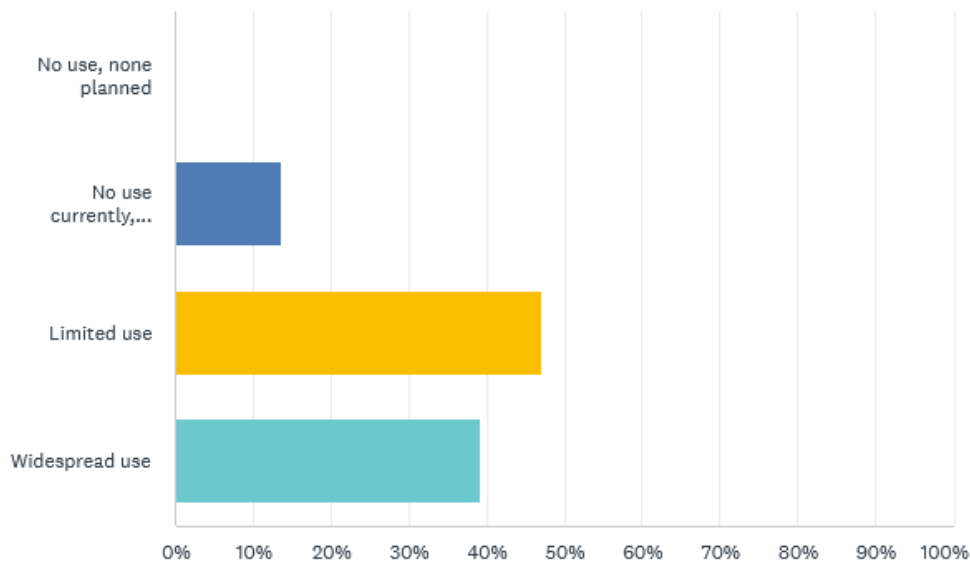
A Playbook Summary for State Government

Six Essential Plays for Effective State Enterprise Portfolio Management

From the 2023 NASCIO Top 10 Ballot we know that the majority of CIOs reported widespread or limited use of enterprise portfolio management (EPM). Based on this information and what we learned from webinars held on this topic in 2022, we created six basic plays states and territories should employ at the early stages of creating an en-terprise portfolio management discipline. Key points of those six plays are outlined below and the full report, with detailed information, can be found in the NASCIO [Resource Center](#).

How would you broadly characterize the use of enterprise portfolio management process and tools in your state? (select only one choice)

Answered: 51 Skipped: 0



ANSWER CHOICES	RESPONSES
No use, none planned	0.00%
No use currently, planning to implement	13.73%
Limited use	47.06 %
Widespread use	39.22 %



PLAY 1: Build a Compelling Business Case

Before state government can build an EPM function it will need executive and financial support which includes commitment from executive management for investment in people, process and technology. To gain this support, there must be a compelling business case which presents the costs and benefits of a sustainable EPM function and the inherent risks if the state does not establish an effective EPM discipline.



PLAY 2: Make EPM an Established Office within the Office of the State CIO

The enterprise portfolio management function is essentially “mission control” for the state CIO. The state CIO currently has the best enterprise-wide perspective on technology investments and the best purview of what is available and forthcoming regarding advancements in process and technology.



PLAY 3: Establish Governance for EPM

Effective enterprise portfolio management is a team sport that involves all relevant stakeholders who hold decision rights. The evaluation and rating criteria will involve difficult decisions for prioritizing investments, projects and programs and should be developed collaboratively and weighted for relative importance.



Play 4: Build a Collaborative Working Relationship with Agencies, Boards and Commissions

Ensure agencies, boards and commissions are involved when developing and adopting principles for guiding your enterprise portfolio management discipline. Involve them throughout all levels of the governance model and development of principles, standards, process and roles.



PLAY 5: Establish a Framework for EPM that Includes IT Investment Management

IT investment management (ITIM) is a key component in performance management within enterprise portfolio management. ITIM is about selecting the right investments in capital investments and service acquisitions, ensuring that these investments align properly to the organization’s missions, goals and objectives and ensuring that the investments are performing as planned.



PLAY 6: Guidance on Capabilities, Disciplines and Tools that Support EPM

Enterprise portfolio management requires and employs a host of enabling capabilities including disciplines and expertise, but it is not an exact science. There are a variety of approaches that states have employed which are detailed in the full report.