

SITA drives governance, compliance and distributed development initiatives with IBM Rational Portfolio Manager software.

Overview

■ Challenge

Because of late project deliveries, SITA was faced with the possibility of missing marketplace opportunities. The company lacked an overall view of its global project portfolio and a central repository for project documentation, leading to cost overruns and missed deadlines.

■ Solution

SITA standardized on IBM Rational Portfolio Manager software to implement a consistent project portfolio management process, increase on-time delivery of projects, avoid duplication of effort and align its project portfolio with its corporate strategy.

■ Key Benefits

SITA has a clear view of its project portfolio and common risks company wide. The company has a single source for all project management information; and it has significantly improved financial management and time management for all types of projects.

As the world's leading service provider of IT business solutions and communications services to the air transport industry, SITA provides its customers with advanced information and communications technology, from in-flight mobile communications to check-in kiosks, luggage tracking systems and more. Serving more than 1,800 customers and 640 member organizations in over 220 countries and territories, SITA backs its global reach with a local presence.

In the past, SITA's worldwide reach made it difficult for the company to efficiently manage its project portfolio. With numerous business units each using their own project management solution, there was no way to get a clear overview of all the projects that were planned or under way. Ivo Essenberg, project manager at SITA, explains, "We had many project management solutions in place, and every corner of the organization was working by itself with no collaboration.

We wanted to establish consistency and centralized reporting so that we could see—from a senior management perspective—what was going on in the business overall."

Delays and cost overruns

The lack of a consistent project and portfolio management solution was manifested as risk at the business level. "We had no comprehensive view of our portfolio of projects; we lacked documentation, and every project was treated differently," recalls Essenberg. "As a result, we found that projects were late, there were cost overruns and we relied on last-minute heroism for IT projects as well as customer-facing product development. We saw internal projects failing and never completed. If we had products that were late for market, it affected customer satisfaction, and we incurred penalties on delivery schedules. Depending on the marketplace segment, we could also miss marketplace opportunities that would affect our competitive position."

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To address these problems, SITA began to put in place a business policy that defined the proposal and approval process that all new projects would have to follow. As this policy was being defined, SITA started to evaluate project and portfolio management solutions. “We wanted to ensure that whatever methodology or process we defined could be implemented with the solution we chose,” Essenberg says. “In addition, we recognized that each business unit had its own unique requirements, so we had to consider the possibility of implementing multiple customizations. As a result, flexibility and the ability to customize were top priorities.”

Selecting a solution

At the time, SITA was using at least five disparate project management products throughout its worldwide operations. In its search for a single, uniform solution, SITA evaluated each of these products based on stringent criteria. From a business perspective, the solution would need to help SITA meet deadlines more consistently, avoid duplication of effort, support governance and compliance initiatives, and align its project portfolio with business needs.

At the project manager level, SITA was looking for a comprehensive yet flexible solution. “Customizability and flexibility were essential because we did not want to have to go back to the vendor any time we wanted to change a layout or a configuration,” says Essenberg. “The breadth of functionality was also a very critical factor because we wanted to integrate anything related to project management into a single repository. We wanted a single solution that we could use for time sheets, document management, scope management and project plans.”

After a thorough evaluation of available solutions against these criteria, SITA standardized on IBM Rational® Portfolio Manager software to support its project and portfolio management processes. “Rational Portfolio Manager has enabled us to see everything in the portfolio clearly and identify common risks. Because we are so

regionalized, we could have a project in trouble in one region, another project in trouble in another region, and the two regional vice presidents would try to handle them without seeing the overall picture. Now that we have Rational Portfolio Manager, our program management office (PMO) can see if two units are having the same problem. They can see if it's a system issue or an upstream problem in engineering. As a result, we are in a better position to avoid risks, and we can stop problems from developing into major issues because we see them earlier."

Deploying Rational Portfolio Manager software

SITA began its deployment of Rational Portfolio Manager by asking one person in each business unit to serve as a point of contact. These individuals had deep knowledge of their own side of the business, which they combined with their growing expertise in Rational Portfolio Manager. The company then began migrating its portfolio of large projects into Rational Portfolio Manager to enable schedule reporting.

According to Essenberg, Rational Portfolio Manager helped SITA accommodate the genuine differences between business units, while also enabling the various units to agree on common ground. "With Rational Portfolio Manager we could choose the modules that we wanted to use, and set up each business unit independently of each other. That was a significant advantage," he notes.

"At the same time, we were able to shift our mentality away from the idea that every business unit is different and they don't need to talk to each other. Instead we realized that the basic needs are all the same. We all have project plans, we all do document management and we all now can use Rational Portfolio Manager to meet those needs. We came up with standards, naming conventions and a set of basic agreements. For us, that was a major breakthrough."

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Soon after that, SITA had more than 250 people tracking their time using time sheets in Rational Portfolio Manager. SITA teams began using a broad range of Rational Portfolio Manager capabilities, including scope management, document management, scheduling management, financial management and resource allocation.

Facilitating compliance with legislative regulations

As a global enterprise, SITA must comply with the local laws for each country in which it does business. To demonstrate compliance with various labor laws, the company uses the time sheet capabilities of Rational Portfolio Manager to precisely track and report the number of hours worked by employees.

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Rational Portfolio Manager is helping SITA address compliance with audit requirements as well. Essenberg explains, “A number of our projects involve government funding. For example, in Canada we have projects for which we are obliged to maintain data for at least seven years to comply with Canadian auditing regulations. Rational Portfolio Manager is helping us ensure compliance because we now have a central repository for all our documents and records. Instead of trying to track down different versions of a document floating around in e-mail and on hard drives, we now have more control and we know where the current version of the document is.”

Support for geographically distributed teams

SITA project teams use Rational Portfolio Manager document management capabilities to share documents of any kind, anywhere in the world. Rational Portfolio Manager maintains a revision history whenever a change is made, enabling teams to work asynchronously, whenever it’s most convenient for them.

“We have many projects that use resources from around the world,” says Essenberg. “A project for a customer in Australia may use resources based in London, Toronto and Vancouver. With all the time differences, Rational Portfolio Manager has really helped us maintain a central repository on a single server. With this repository—whatever the time is—we can see every document related to a project, check the state of projects and access all the project information we need.”

Improving internal governance processes

By providing upper management with insight into the state of each project, Rational Portfolio Manager has helped SITA govern its process more effectively. “The visibility Rational Portfolio Manager provides has enabled us to better apply our internal governance processes,” Essenberg reports. “It has especially benefited our project management office, which plays multiple roles in creating the project management methodology, distributing best practices and serving as a watchdog for projects. The PMO needs accurate, up-to-date project information. Because we have Rational Portfolio Manager, we can see all the projects. We can see all the risks. We can find all the information without having to call every project manager in the business and ask for it.”

He continues, “Before Rational Portfolio Manager, all the project data and project schedules were self-reported by project managers. The project managers’ supervisors could override those reports, and the PMOs could make changes on top of that. So we had self-reported information that could be changed and rechanged without any controls. With Rational Portfolio Manager, everything is accurate; we can see the plans people are using, what they are delivering against, the documentation and the schedule. We have much better governance and a much better feel for how the project is being conducted.”

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Rational Portfolio Manager software and financial management

Recently, SITA has focused on project financial management. Using Rational Portfolio Manager reporting capabilities, SITA tracks variances by comparing initial budget estimates to actual expenditures.

With a direct interface to the company's general ledger, Rational Portfolio Manager has also enabled SITA to find and resolve discrepancies in its financial management processes. Essenberg comments, "In the past, we used spreadsheets for financial reporting from the general ledger. When we started to use Rational Portfolio Manager, people began seeing numbers that they didn't agree with. Now we are making sure that problems are corrected in the general ledger, not just in the reports. By highlighting these issues, Rational Portfolio Manager has helped improve our financial management and governance."

Meeting delivery dates

SITA project managers use Rational Portfolio Manager to allocate resources on projects by matching available skill sets with defined project requirements. "Departments that are really taking advantage of the resource management capabilities of Rational Portfolio Manager have been able to streamline their activities. They have a better view of what is happening, so when new projects are coming down the pipeline, they can stop themselves from overcommitting. This has enabled them to respect their delivery dates much more consistently," notes Essenberg.

Rational Portfolio Manager has enabled SITA's engineering teams to track how much time is spent on new development versus operational activities, which has led to improved processes for prioritizing tasks. "Operational problems always take away from development time, because solving a customer problem takes top priority. However, by highlighting the problems, Rational Portfolio Manager helps the team to focus on quality process and lower the number of fires they have to fight, which also helps them deliver on time," says Essenberg.

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Bridging the gap between IT and business

Although SITA had not deployed any IBM Rational software development tools prior to Rational Portfolio Manager, the company's success in project and portfolio management has prompted a number of groups within SITA to adopt IBM Rational RequisitePro® software for requirements management. The company is also considering adopting IBM Rational tools across the software development lifecycle.

Today, SITA is managing more than 450 different projects with a total budget of more than US\$1 billion using Rational Portfolio Manager. In addition to helping SITA improve governance, compliance and timely delivery of projects, Rational Portfolio Manager is helping the company bridge the gap that often separates IT from the business. Essenberg explains, "We use Rational Portfolio Manager for all of our projects, whether it is hardware development, software development or a customer deliverable. The key advantage for us is an overall vision into all SITA projects. Like all companies, SITA has a limited capital budget. IT projects and customer engagements both use part of that budget, so analyzing one in isolation from the other only reveals part of the picture. Rational Portfolio Manager allows us to see the entire mix of events and the links between engineering and specific customer engagements. We have a single source for all project management-related information, which leads to better decision making and enables us to address risks before they develop into major issues."

For more information

To learn more about IBM Rational Portfolio Manager software, contact your IBM representative, or visit:

ibm.com/software/rational

"We use Rational Portfolio Manager for all of our projects, whether it is hardware development, software development or a customer deliverable. The key advantage for us is an overall vision into all SITA projects."

—Ivo Essenberg, project manager, SITA



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