

Now on Now: Driving strategic portfolio planning and execution using the Now Platform®

ServiceNow Project and Portfolio Management provides faster time to delivery for our Agile projects

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Transforming project and portfolio management from idea through business value realization

End-to-end process links projects to IT's strategic goals

ServiceNow grew more than 30% this year—a tremendous opportunity but also a formidable challenge for our IT Project Management Office (PMO). During that same period, we saw a 45% increase in demand for high-quality IT projects that deliver measurable business value. Existing processes and delivery methods simply could not scale along with the company's growth. To address this, we introduced Agile Delivery, Business Value Realization, and Operational Excellence functions, and standardized several key building blocks such as demand intake, fiscal year planning, status report quality, continuous portfolio optimization, and program and portfolio structure.

This case study explores how ServiceNow's IT PMO utilizes the power of the Now platform, specifically [ServiceNow Project and Portfolio Management](#) (PPM), to plan, prioritize, execute, and report on our IT projects and ensure projects deliver value to the organization. By integrating modules for the ServiceNow [Agile Development](#) and ServiceNow [Scaled Agile Framework](#) (SAFe) methodologies, we are able to integrate demand, execution, and value realization into single platform and scale our output without significantly increasing our staff. Through continuous training and adoption of new platform features, we've been able to improve reporting quality, cross-functional project and portfolio visibility, and measure business value along the way.

Challenges

As it grows, ServiceNow needs to create, support, and manage a wide range of IT projects, from large, multi-year system deployments with cross-functional relationships and dependencies to

projects requiring a few small tasks. We were challenged to take on managing even more major technology initiatives involving automation, centralized dashboards, and large upgrades, all of which have a significant impact on IT resources and funding.

Current processes and technology made these complex projects challenging for our team. Project health/progress data were kept in silos, including spreadsheets, documents, and presentations. It was difficult to manage resources and project priorities. Many project management tasks were manual, repetitive, and didn't add value. We didn't have the tools to easily assess business value and strategic alignment before, during, and after the project lifecycle.

We recognized the need to improve portfolio governance by better aligning projects to IT strategies, annual budgets, portfolio plans, resource priorities, and business value. Our other requirements included:

- Make program / project management processes consistent globally
- Provide a single source of truth for each project, including budget and resources
- Track and report on value realization throughout the project and following delivery
- Tie each project to one of IT's six strategic pillars derived from IT CIO goals
- Serve as customer zero for ServiceNow [IT Business Management](#) (ITBM) applications (PPM, Agile solutions and Application Portfolio Management) and provide feedback to the development team

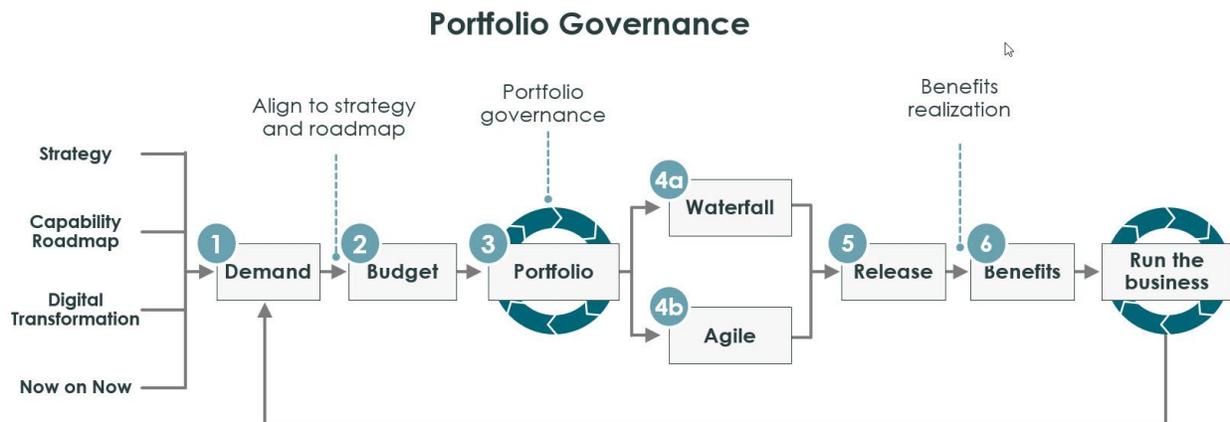


Figure 1 We began by developing a process that started with strategy and ended with business value realization.

Implementing digital workflows

We began by developing an end-to-end process to ensure all the requirements were met. This new process would require strategic alignment of investment demands and resources to IT strategic priorities and business goals. By using PPM, we could ensure investment types were clearly understood and projects were funded according to the priorities. After this high-level review, we could turn an idea into a project and select the appropriate project delivery model (waterfall or Agile). As pictured above, the process had six major steps.

The automated workflow underlying the process links development tasks (or stories in Agile) to projects, the projects to their programs and then to their portfolios. That way we could ensure the information used to make decisions is the same across all phases and better optimize the

project throughout its lifecycle. We could roll up project information from different pipelines, review it as part of a broader portfolio, and directly link it to the IT strategic pillars.

We use PPM to give us a baseline and the ability to address change during the project lifecycle. Because PPM runs on the Now Platform® we can dynamically prioritize and approve project starts. Schedules, budgets, and resources can be properly allocated and optimized to ensure the project is on track and benefits are being realized. Production support and minor enhancements can be lock funded.

We also recognized the adoption of a new process was not just about learning new technologies. It was about adopting a new mindset that gave project stakeholders--from software developers to business system analysts, product owners, and leaders--a voice in the project from beginning to end. After the project is merged into business operations, we regularly meet with business owners to review the business value to ensure the expected outcomes outlined in the demand phase have been realized.

Demands: From idea to project

For some portfolios, especially those linked to financial year planning process, we use the [Demand Management module](#) of PPM to establish demand governance and drive strategic discussions at the management level to prioritize our demands.

We use the workbench to collect new ideas and projects in demand records in Demand Management to create a pipeline. Business owners provide information, such as a description, business case, risk, value, and size, then submit a request.

The workbench provides a holistic, visual display of all demands where we can easily filter the demands based on the portfolio it serves. By prioritizing demands based on risk, size, and value, we can see the impact of the demands cross functionally.

Demands are visually presented as a bubble chart. That helps us see the impact of reprioritizing tasks by simply dragging and dropping project bubbles. A list view helps us dig deeper into portfolio and project details. Decisions about which demands should move forward or be reevaluated are easier to make with all the information available in one place.

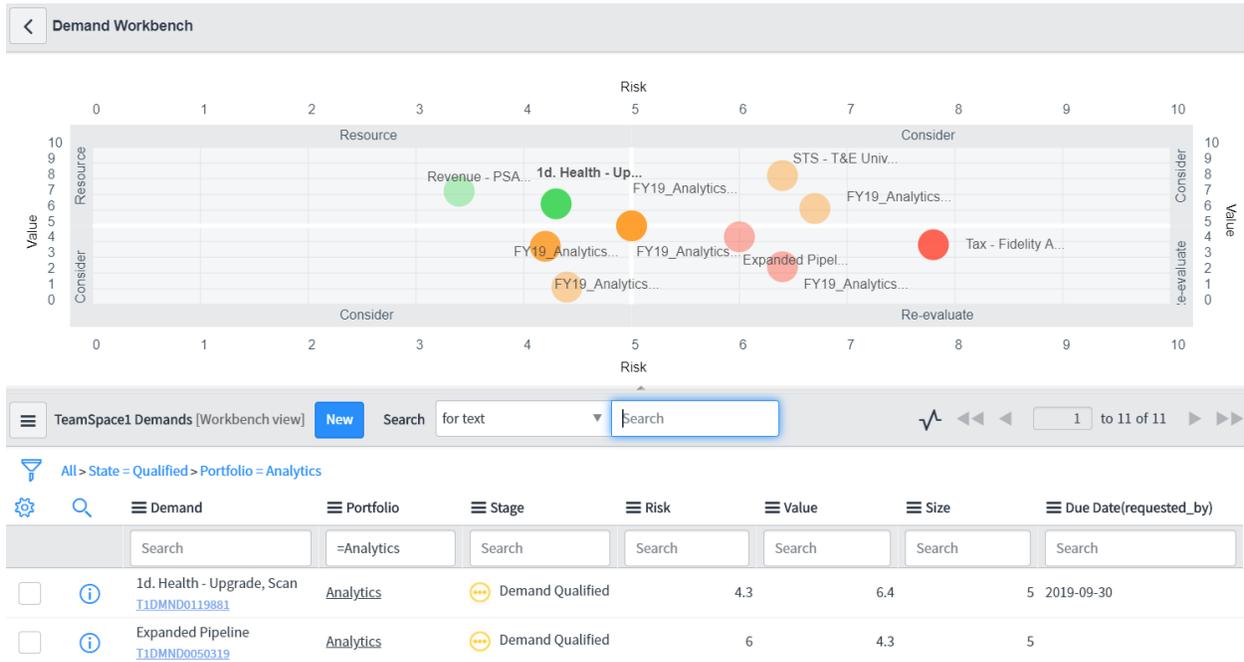


Figure 2 The Demand Workbench helps drive a strategic discussion for managers.

Once a demand is approved, it becomes a project. Thanks to the Now Platform, demand information (benefits, labor actuals, business case, etc.) carries over directly into the project record, eliminating duplicate data entry. This record then becomes a single source of truth for all project information.

For many portfolios we rely on the grid view in the PPM investment portal to provide an overview of several projects. We can create multiple views of our data using different filters, such as projects by project manager, projects in a portfolio, or all Agile projects. We can then tailor what portfolio information is shared with business and IT leaders so it is more meaningful and export data into a spreadsheet as needed.

Agile transformation

It is only at this point that approved projects are assigned a project delivery method—Agile or waterfall. We moved to Agile in 2019. Agile is ideal for our types of projects because we can deliver value in smaller increments, and continuously reprioritize as needed. It helps us to focus our energy on the high-priority stories that deliver the highest value to the business and more closely collaborate with our business customers. Waterfall is used for smaller projects with a limited scope.

We use two Agile project methodologies:

- Agile: For simple projects involving one Agile team (scrum of scrums for two or more Agile teams with interdependencies)
- SAFe: For projects with five or more Agile teams and complex interdependencies

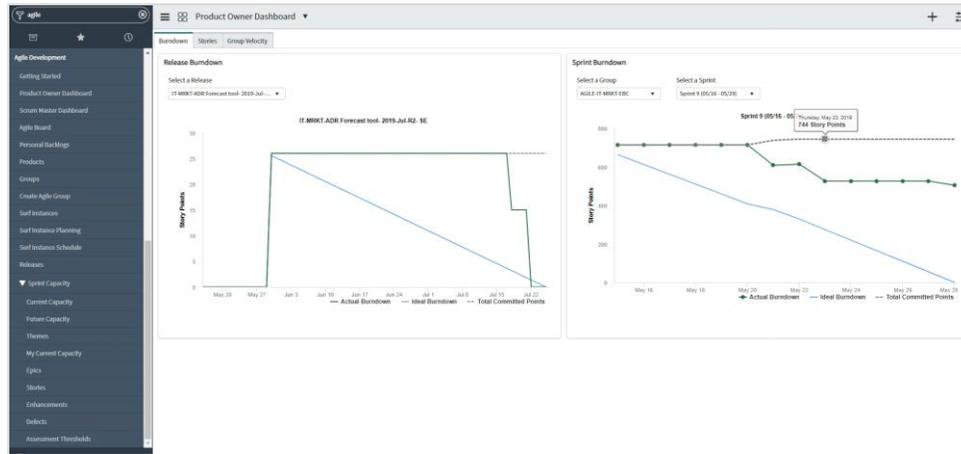


Figure 3 The Product Owner dashboard gives project managers the ability to manage a project from one planning console.

Project management strategy

PPM technology is the foundation of our new project management process, which improves collaboration among the project teams, business teams, and management. By centralizing all the project data, we can capture, review, and discuss risks, change requests, decisions, and issues and share them via real-time reports. Our project management strategy is based on three simple steps:

1. **CREATE:** The PMO uses a highly intuitive, easily configurable planning console to create the project, including allocating resources and tracking tasks, schedules, and percent completion. Using an out-of-the-box project template, the project manager creates a baseline, then adds risks, issues, and decisions. A team space is set up as a single pane of glass view of the project details and for collaboration. A scaled down version of our PPM template is used for self-managed, low-complexity projects that can be fast-tracked without PMO governance.
2. **MANAGE:** The planning console offers a visual dashboard for project so the team can see where the project is in its lifecycle, whether in a list view or Gantt chart view with project tasks, relationships and dependencies capabilities. Both IT and business users can track project status, schedules, resources, and financials. Click throughs make it easy for project managers to assess when to elevate a discussion, request a decision, or adjust a priority. The central portal of information improves team communications and enhances cross-collaboration. It also helps business owners actively participate throughout the project lifecycle.

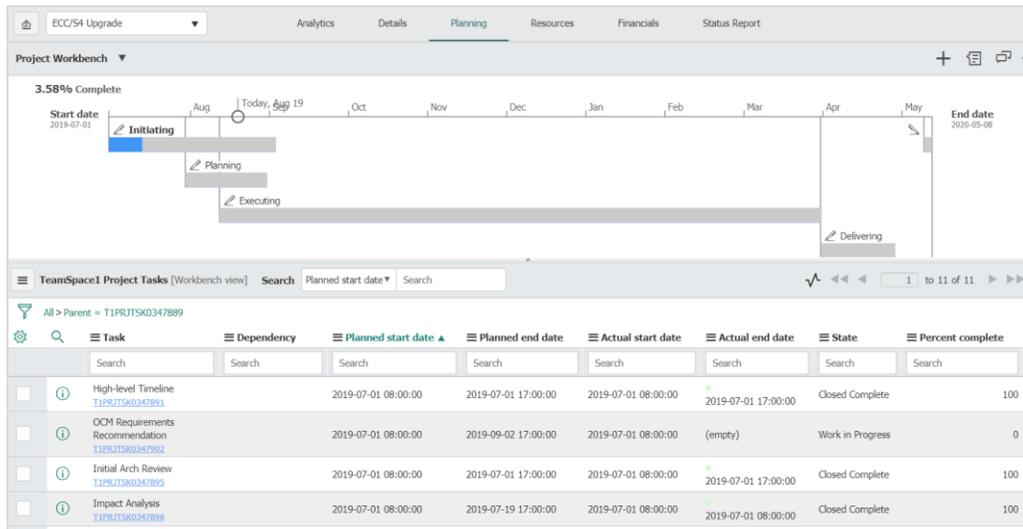


Figure 4 The project workbench displays project information for project visualization (top) and phase details (bottom).

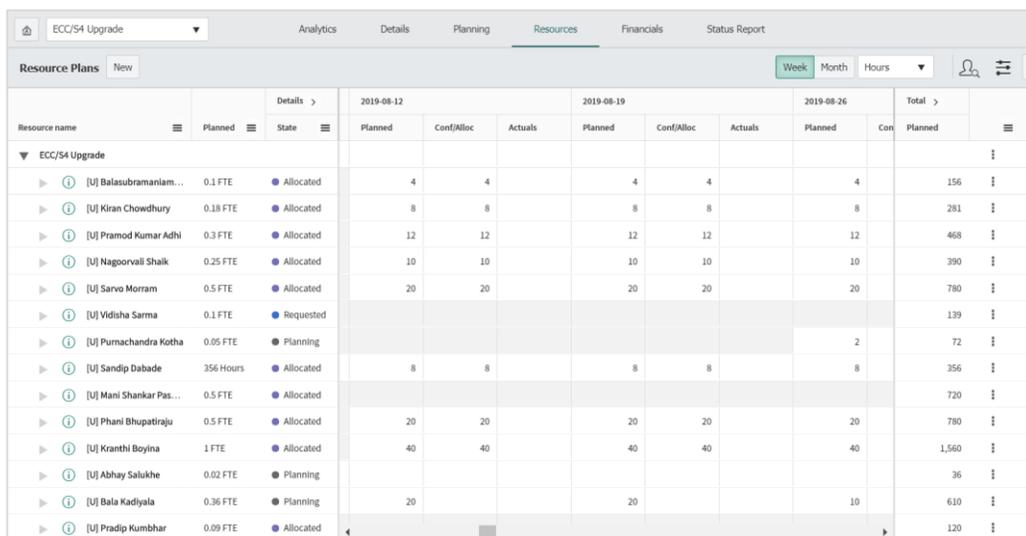


Figure 5 PPM features easy to access tabs: Analytics, Planning Console, Resources, Financials, and Status Reports.

- REPORT: The PPM planning console also features a status report tab for a real-time view of key data elements, including interdependencies at the team level. Data for weekly status reports on project health are automatically derived from the project record, improving data integrity and consistency across reports. Each report details progress in six areas: summary, milestones, risks, issues, budgets, and benefits. Red/yellow/green scoring helps the teams view the status and the path to green. Data can be customized to build different views for specific groups.

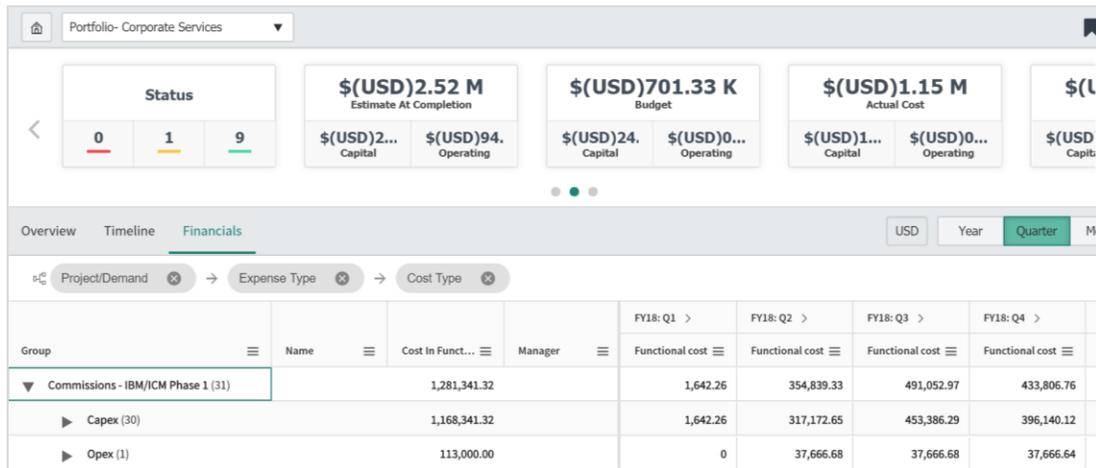


Figure 6 Project governance ensures projects align to strategic priorities and goals.



Figure 7 The Status Health History report displays a high-level visual status of a project

Portfolio governance

Governance is an integral part of any project management process. We hold weekly investment portal reviews of projects and demand pipeline to ensure continuous governance and optimization of the IT investment portfolio. We evaluate qualified demands to prioritize and approve based on risk, size, value and whether it is a strategic or an operational initiative. We ask questions: Which IT strategic pillar does it support? What is the expected value for the business? What are the risks? Who should manage it? What are the resources and budget required? If needed, we go back to our business owners for more information.

By having one tool for all the demands and projects, we have visibility across highly crossflow projects and can easily see the impact to boundary systems. Automated PPM reports enable us to elevate the conversation around the roadmap and the path to green. With a single source of truth for demands and projects, including budgets and financial reporting, decision-making for upper management is much faster and easier.

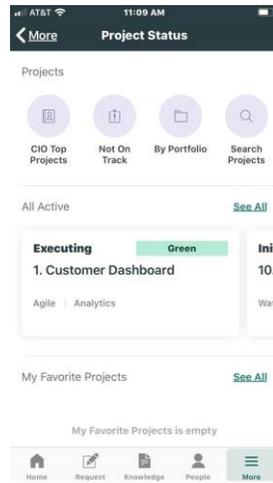


Figure 8 Tracking project information on a cell phone

Thanks to the Now Platform, we can now view project information on our cell phones in real-time. Mobile notifications alert us when a project status changes, or other users add comments or notes. We can view reports, risks, decisions, and issues as well as collaborate with other team members. Mobile has been especially useful for leaders who want to check on projects while on the go.

The work of delivering a project, whether via waterfall or Agile, does not end when the project record closes. We use PPM to assess whether the project's business value has been realized after it has been operationalized. Was the project worth it? We also discuss what we have learned and how to apply it to future projects.

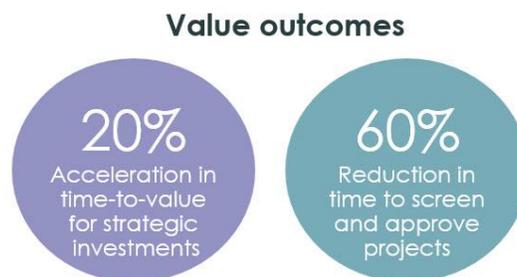
Evaluating outcomes

In terms of business value, our platform also allows us to create benefits plans to centralize and report on expected outcomes even after project deployment. Business value calculations are developed and finalized during the Planning phase and entered in PPM as a benefit plan

Once we realize the value, service owners and the PMO team can report this as an actual in a similar way they would a cost plan or a resource plan. These business value metrics are reported all the way to our executive staff to ensure we are not just going live, but truly realizing the value and expected outcomes from our most critical initiatives.

Getting the right stuff done faster

Our current project scope for Agile is nearly 200 strategic investments, 60 demands, and 126 projects. In our initial pilot, we saw a 20% acceleration in time to value for strategic investments and a 60% reduction in time to screen and review projects.



One of most critical benefits of our new project management process is having one source of truth starting with harvesting of an idea through its business value realization. This ensures our projects are aligned to our IT strategic objectives and business strategy. IT and the business

product owner have a clear and common understanding of project progress and can make decisions more quickly. We've been able to leverage platform synergies and capabilities to execute in the Agile and waterfall space, as well as deliver and measure business value, and scale in ways that we could not have done without PPM.

We've seen other benefits:

- Fewer cost overruns because we can avoid issues such as poor scheduling, lack of resources and lack of project visibility
- Reduced reporting cycles because the data is centralized and reports are automated
- Better ROI because Agile methodologies are flexible enough to accommodate changes
- Better resource utilization because of 360-degree visibility into resources across the enterprise, leading to better resourcing decisions
- Faster time to market because of multiple methodology support, shortened release cycles, and best practice templates that improve productivity and consistency across the globe
- Improved understanding of cross-functional interdependencies at the team level



Figure 9 PPM plays an important role in our portfolio management strategy. PPM, Agile Solutions, and Application Portfolio Management fit into our broader ITBM capabilities.

What's next

In the past year, we have developed an end-to-end project management process with a pipeline of work, a method to review and prioritize, and a framework for assessing projects against IT strategy and goals to see the true value realization.

Our goal is for continual improvement, with Agile adoption completed in 2020. As we transition, we are stress-testing our methodology and platform capabilities and providing feedback directly to the product development team for further improvements. We are also learning and improving our business value maturity model, ensuring more projects reach or exceed their business value realization, and driving our IT strategic imperatives forward.

Want to learn more? Check out these resources:

- Accelerating time to market ([webinar](#))
- Our Agile transformation ([case study](#))

ServiceNow

ServiceNow is changing the way people work. By defining, structuring, and automating work, we are creating a modern service experience for everyone in the enterprise. Our customers have demonstrated that service management isn't just for IT—it is a discipline for every service domain. It's possible now.

Now on Now is about how we use our own ServiceNow solutions to work faster, smarter, and better. With Now on Now, we're achieving true end-to-end digital transformation. To learn more, go to the Now on Now [website](#).