1 (title)
Good Afternoon. Welcome to Legg Mason's presentation on our implementation of the Project and Portfolio Suite for budget and resource annual planning and management.

2 (agenda)
After a brief introduction, we'll cover the evolution of our project governance in ServiceNow over the last five years. Following that, an overview of the project financials tracking we set up last year alongside the upgrade to Fuji's Portfolio and Project Suite. Lastly, our current process incorporating Demand that we put into place this year, its impact on reporting and our relationship to senior management and the business, along with our overall process improvements. There should be some time for questions at the end, and I'll keep an eye out for raised hands if you have a quick one during the presentation.

3 (intro slides)
I am Anthony Bongiovanni, Legg Mason's ServiceNow administrator. I started in mutual funds at Legg Mason in 1999 with transfer agent exception reporting automation, eventually becoming part of a shadow IT organization in Operations because we couldn't get sufficient time or budgeting for official IT projects.

In 2005 the automation and personnel involved were absorbed into the technology department. In 2010 I took part in our ServiceNow implementation, going live in February 2011. In addition to the Project and Portfolio Suite, we are using Incident, Service Catalog, Change, the CMDB, a number of custom apps, and integrations with Workday, Sharepoint, ActiveDirectory, and two external companies' service desks. This is my fourth Knowledge, and the first time I'm presenting.

4, 5, 6
Legg Mason is a global asset management company based in Baltimore, Maryland, that has a long history, a Vision, a Strategy, and a lot of moving parts.

7 (project governance)
You're welcome.

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The early history of technology project management was marked by an adversarial relationship between technology and the business. Withholding information was common on both sides, mostly because of a lack of clarity or completeness. The Business would make its requests, there would be a murky process in senior management for wrangling priorities and budgets, and eventually a list of approved projects would be handed down.

The only metric originally was go-live date. Time wasn't tracked, expenses weren't tracked – money was divorced from the process. The only question for technology was: "Are you going to deliver *on time*?" Project managers had little to no knowledge of what the actual budget for a project was. The system being used had permissions locked down tightly, so no one could see all projects by manager or total projects by phase – only what was specifically allocated to them.

The PMO focused solely on SDLC policy adherence. They had little timely info on project health. It took fifteen people three hours a week each to create what we would call a dashboard report.

In the end, they didn't actually care how much time was spent or the particular resources involved. There would be no metrics for that anyway even if they did care.

Eventually a project would get done. There may or may not have been any accounting of time spent on the project. The non-labor costs like hardware or software were all managed at a departmental level, not as a part of a project.

Since there was no consistent tracking of project cost, it was never clear how many resources were needed from year to year, how long a similar project may take, why some specific project was done, or why it was over budget or behind schedule. The answers to such questions were best guesses from experience.

Because of this, whether some projects were well-executed or merely small disasters was lost in the chaos. There was no secret which projects were catastrophes – but the major successes were drowned out in the noise of the machinery grinding away quarter after quarter.

The wrong lesson was taught by having a poorly functioning PMO: Technology decided a PMO was unnecessary, so it was dismantled.

In its place, some projects started recording labor via time cards regularly. Eventually this was compulsorily, department-wide, hourly or salary, on both projects and standard support and maintenance. This habit was incorporated into ServiceNow when we implemented Project and Time management almost exactly five years ago. Our initial release was already heavily customized to fulfill the request from senior management that projects would be accounted for clearly and consistently.

Now we had the numbers – hours spent on projects, common descriptors to tie projects to initiatives, non-labor costs included in the project budget, and …

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... an approval process for starting and, more importantly, changing projects. Upper management and the business stakeholders were included, to make sure they were aware of the state of the project.

This image shows the current workflow, which is used for project approval. We track stakeholders by several existing and custom fields on the project, adding specifically a field for business requester, and a list for business owners related to the project. This workflow looks as unnecessarily complicated as it does because it checks to make sure later approvers aren't repeats – it has to clear successive levels so we don't land on the business owner or CTO's desk with an obviously rejectable project.

The aforementioned project change requests would include the project manager's explanation for why they needed more time or money: reassigned or insufficient resources, vendor treachery, scope creep, misunderstood requirements. The customized approval email from ServiceNow also showed before-and-after states for the changing elements of the project. Data became communicated, acknowledged, tracked, and reportable. It was better, but was our first pass, and it needed improvement.

10 (financial reporting)
There were some technical limitations in how we customized Project. For one, the way we set up project changes were "clever" in the sense of being programmatically efficient but historically unusable. The original state of the project's budget wasn't preserved.

The difficult projects mentioned earlier also led to a need for additional reporting refinements. And later we had to integrate Project with Workday, since that system would be taking over time tracking and would be Finance and HR's primary system of record.

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We moved financial reporting off of the Project record to a pair of custom tables. One table held the metadata and calculated totals, and another table the individual line item details. We had been using the Finance and Cost Management plugins for aggregating time card costs, with labor rate cards for external labor, but still needed a place to record our planned budget and handle the project change requests.

What you see here are portions of the finance summary's form. The top image showing Headline Numbers also gives a preview of a few of the other form sections we'll get into shortly. Not seen is the main section of the form, where the project reference and some other finance metadata would be shown.

The Category Summary tab is the second image, where what used to be a single vague number for project budget is now broken down into where that budget is going. The right side includes the automatic roll-ups from time cards, and any invoices manually entered as 'Actual Items' in the line detail table.

Not shown are those Budget Items and Actual Items tabs. Those contain the calculated totals from time cards, broken down by whether the worker was an internal employee or an external contractor, and non-labor expense items like servers and switches and unreasonably priced proprietary software. Each line item also has the fiscal year the item was budgeted or expense recorded.

"GIBS", by the way, is the acronym of the technology department's full name, Global Information and Business Solutions. It used to be LMTS, and just CT before that. I've learned not to hard-code such things into field names.

This Summary screen was the biggest change for project and program managers. They were being held accountable for on-time delivery of the full scope at high quality within the agreed budget. The very first quarter they had this screen, their effectiveness increased … *measurably*. Now they could see what was really going on, with labor expenses rolling up in near-real time, once managers approved time cards.

If there were any surprises in these numbers, the project manager could go into time cards and find out that, say, a resource was logging time to the wrong project, or wasn't logging time at all. The issue could be identified quickly, before the project went too far off the rails with no one noticing.

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Whenever a project was carefully observed going off the rails, or more usually, a combined analysis/execution project now knew what its true budget was going to be, it would go through a Project Change Request. An editable copy of the approved budget would be created in ServiceNow. The project manager would update this copy, add the explanation, and submit the updates through the approval process.

If accepted, the copy would become the new approved budget for the project. The old budget record would be locked as a baseline. As shown here, the related list we added at the bottom of the Project record shows these baselined and current budget records. This one list was an overview of the project's history, from initial expectation to the present reality. It was one of several data sources for reviewing projects to inform the project manager, business stakeholders, IT sponsor, and the CTO of recurring patterns – good, or not so good.

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Simultaneous with the financial information changes, the need for more thorough reporting dovetailed nicely with ServiceNow's enhancements in Fuji with their Project and Portfolio Suite enhancements. The Portfolio Project form would become our primary reporting record for project status. The top left image there is what the mouse-over popup view of a Portfolio Project record. Project managers would snip that into an email or word document for their weekly status report.

Those comment fields under each heatmap value are displayed if you hover over the corresponding cell in list views or dashboard reports, like the one in the top right. Put the cursor over a red cell and it will tell you why it's red, if the project manager remembered to provide an explanation. That picture is a shot of the portfolio dashboard for Cybersecurity, and each row is a portfolio project record. The long text in the middle is a date-stamped weekly status report.

We also set up the custom finance record to have its own reference field to the project's primary portfolio, copied automatically from the project. For each fiscal year, the line items for projects within a portfolio were totaled by category. Every portfolio would then show its total budget and expense for each fiscal year, with drilldowns to the specific project finance records involved. The platform provides this functionality, via Related Lists, when you define references to other records. It is a subtle but powerful feature of ServiceNow that ties records together for reporting.

Each portfolio represented a business area technology supported – marketing, distribution, finance, HR, all the usual suspects. Using portfolio management in this way, we now had a single comprehensive view where we could see all the projects in a portfolio, their status heatmaps, and provide detailed numbers to Finance for them to quickly generate reports like the larger image shown here.

Generating those reports had gone from fifty hours a week to an hour. The data is mostly cut-and-paste, straight out of ServiceNow, complementing data Finance was getting out of their own system, formerly Peoplesoft and now Workday.

With these changes, the relationship between technology and the businesses rapidly transformed from the earlier one of suspicion and acrimony arising from ambiguous data and ill-defined expenses, to one of suspicion and acrimony arising from clearly documented problems.

14 (fiscal year planning)
With this financial and operational status reporting in place, the Technology department was granted control over its own destiny.

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Up through last year, each business area had their own distinct budgets for technology spending, whether for development or support. Armed with the powerful reporting and transparency provided by the records we kept in ServiceNow, along with the findings of a long-term process review, GIBS now controlled a single consolidated technology project budget, with a defined process for submitting, planning, and approving project budgets for the fiscal year.

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We're still evolving this process, and a full roll-out of Demand Management is ongoing. A lead in the recently reincarnated PMO sanitizes the various wish lists from each business and creates the primary set of demands. This year, they were manually ranked. We're debating whether we'll have the Board log in to ServiceNow to fill out assessment surveys next year. We like to dream.

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This shot has some demo data for Demand. If you haven't checked out the Demand module in ServiceNow, this is the workbench for viewing Demands, in this case ranked by Value and Risk. Stakeholders for each demand would have a set of Assessment questionnaires to complete, which are combined and synthesized into this scoring grid. Perhaps one day our fiscal year portfolio budget approval process will be this transparent. Until then, the PMO is recording the results of the current mysterious assessment for the next step.

The approved demands are converted into project records via a click on a link on the Demand form. From there, the regular project planning process takes over to fill in the business and technical details for these initial demands. A business rule we added makes sure a baselined financial record is also created that shows the original demand's approved budget, so we can watch how wildly reality diverges from expectation in real time.

18 (process)
Stepping back in time slightly – the process reviews mentioned earlier covered not just annual planning, but also management of projects themselves. We, at the time, still had no official Project Management Office. For a few years, ServiceNow was standing in as a robo-PMO, with business rules and workflows attempting to ensure completeness of project records.

The upshot is we knew better now why projects were failing, and how badly. It's a slightly different proposition to get web and .Net developers to actually manage their own projects in a way that doesn't end with business managers shattering their spittle-flecked headsets against the wall.

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A small team of actual professional project managers, some of them having experienced a project that completed within budget and on time (likely at some other company), revamped the cobbled-together project process flow. Along with a handful of new custom reporting fields for tracking the project lifecycle, and some additional training in the new process for technology project managers, we reaped some immediate improvements in project execution.

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Enforcing this process was a new Project Review Board. Each week, managers of projects that met some criteria would meet with the PRB for simple sanity checks. The criteria would not just be for projects having a problem, but also projects moving into a new execution phase. The PRB would ensure that project artifacts necessary at that stage – such as plans for User Acceptance Testing, timelines for communications to stakeholders and end-users, test plans for internal QA – are all accounted for.

The artifact checklist isn't shown in these slides. We have a custom table that uses Filter Conditions to determine what type of documentation is required for a particular project, and when. Each project gets a related list for its required artifacts, and the project manager sets whether it's met, or explains why it's not applicable.

Also added was a URL field for holding the location of the Sharepoint repository of the project documentation. Convenient for auditors.

The PRB lastly runs a lookback review at the end of all projects for a final document – what went well, what didn't, and how to apply any learned lessons in the future.

What is shown on this slide are a couple of the custom dashboard we added, some based on simple queries like comparing a start date of a project to its current phase, others like the one on the right that has a custom calculation field for resource hour burn rate. Reports like these would help the PRB alert specific project managers that they had an upcoming interrogation.

Again, the reports generated from these data take minutes instead of hours to build. The info is already presentation-ready if there is occasional diligence from the project manager to keep the records updated.

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Project tracking is a large but not comprehensive aspect of the ServiceNow platform at Legg Mason. ServiceNow has also played a major role in typical onboarding/offboarding workflows, our Change management process (which itself has an upcoming overhaul as well), and of course ServiceNow's regular patches and releases.

We are just starting to look at Helsinki, which has many enhancements to the Project and Portfolio suite that may render our customizations moot. The key, however, is the process, not the implementation.

For example, as mentioned before, and barely visible around the change from 2015 to 2016 is our Workday go-live, which included, on Day One, integration for Project data to get fed into Workday for Finance tracking, and Time Card data entered in Workday to be fed back to ServiceNow for project cost tracking by technology and its PMO. Time cards in Workday means we also have to send over project tasks and resources. Day One also included user data integration, with Workday the source of data for most fields, ActiveDirectory for others, and ServiceNow the automation that keeps them all in sync via Orchestration and some truly hideous web services. ActiveDirectory and Workday don't contain all of our affiliate employees, so Sharepoint, which for some undoubtedly amusing historical accident acts as our phone directory, uses ServiceNow to complete its own data.

Anyway – the key is the process. Use a good one, basically. We might finally have one, in Project at least.

22 (takeaways)
The platform isn't irrelevant, but you can have a marvelous project system and still fail to execute projects successfully. Whether you build an overly complicated snake-nest of a custom solution, or adopt ServiceNow's upcoming Helsinki enhancements, or somehow get by with some other inferior system, you must have a clear and

defined process for the entire lifecycle of a project, and a way to learn from successes and mistakes. Somehow, this was a revelation to us. Your mileage may vary.

Two: Record the data, analyze the data, and share the data. The relationship between Technology, senior management, and the business units has improved drastically simply because the process is transparent, they're kept informed, and we're not outrageously incompetent simply out of spite alone.

Lastly – there is no off-the-shelf system we could have bought that would have given us what we get now from ServiceNow and our ability to customize it. I've worked with tenanted systems, not naming any names, and there is no comparison to the responsiveness I've been able to provide with this platform. Just make sure you adhere to best practices when it comes to customizing ServiceNow, so you won't have to roll back anywhere near as much stuff as I have over the years.