

The background features a blue-toned digital interface with various financial charts and tables. On the left, there are snippets of financial statements including 'Income Statement' (Operating income, Operating expenses), 'Cash Flow Statement' (Beginning balance, Inflow, Outflow), and 'Balance Sheet' (Accounts receivable, Inventory, Paid expenses, Fixed assets, Accounts payable, Short-term notes, and other liabilities). On the right, a 3D pie chart is partially exploded, and a line graph shows data points over time. A bright light flare emanates from the center of the charts.

# How J&J Leveraged Clarity to Drive Project Visibility



Webinar  
January 31, 2008

# Speakers

- **Michael Gosnear**

IT PMO Manager, Johnson & Johnson



- Michael Gosnear is the Information Technology (IT) PMO Manager for Johnson and Johnson.
- Currently Mike is leading the Johnson & Johnson Enterprise IT Rollout using the Clarity Toolset.
- 24 years of industry experience in both Government Defense Contracting and HealthCare environments,
- Prior to joining Johnson & Johnson, Mike worked in Defense Contracting Consulting for Computer Sciences, and General Electric.
- Mike has and Undergraduate Degree in Business Management and a Minor in Computer Sciences from Rutgers University, and an MBA from LaSalle University.

- **Mike Mahaney**

Clarity Practice Manager, Axis Group



- Mike Mahaney is the Solutions Architect and Clarity Practice Manager at Axis Group in Berkeley Heights, New Jersey.
- He has more than twenty years of experience in project and program management along with ten years of expertise in project and portfolio management software tools.
- Mike has served in domestic and international companies with strong exposure to IT, Supply Chain Systems, Mergers & Acquisitions, Product Development, Engineering, and Construction.
- In addition, Mike graduated from the US Naval Academy and served as an officer in the US Navy Civil Engineer Corps for seven years.
- He is a Professional Engineer and a member of PMI with PMP certification.

# Webinar Agenda

- Why large enterprises are increasingly adopting PPM solutions
- Keys to a successful implementation.
- Johnson & Johnson – A case study
- Gaining Visibility – PPM and BI
- Wrap-Up and Q&A



# Axis Group

- 11 years of continued growth
- Consulting firm specializing in:
  - Project & Portfolio Management
  - Business Intelligence
  - Information Governance
  - Enterprise Performance Mgmt
- CA Partner – Successful Clarity implementations over the past 3 years for 30 customers
- Offices in Berkeley Heights, NJ and Atlanta, GA



## Axis Group Advantage:

- Axis combines technical excellence and practical business acumen
- Proven project implementation methodologies- *BuILD*

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# Vision for Enterprise PPM

- WHO adopts PPM?
  - Large IT organizations
  - Project-based organizations like Engineering, Product Development, Pharma Clinical Trials Mgmt
- WHY adopt PPM?
  - Today's organizations are looking for transparency and visibility into their project delivery, project costs and resource demands
  - Through greater visibility, PPM solutions enable
    - Better decisions about investments
    - Better prioritization and alignment
    - Optimal resource allocation
    - Improved collaboration across organizations
    - Reporting based on a single source of the truth



# Business & IT Drivers for Enterprise PPM

- Tools are needed to prioritize investments
- Validation of project spend against to strategic goals.
- Productivity & Deliverable measurement and monitoring.
- Audit actions drive the need to demonstrate control and process stability for compliance and regulatory needs.
  
- IT organizations want to manage operations using a comprehensive project and resource planning tool.
- IT organizations need to manage customer demand & delivery expectations
- IT organizations want to offer project tools that are easily distributed and scalable.

# What Does a PPM Solution Help Manage?

## PROJECT AND OPERATIONS REPORTING

- Defining commitments, current status
- Communicate & Coordinate
- Manage issues, risks

## OPPORTUNITY ANALYSIS

- Customer facing
- Internal facing
- Yields
  - Project Consolidation
  - Project Shutdown
  - Project Authorization
  - Asset Retirement
  - Collaboration

## FINANCIAL TRACKING

- Project budgeting
- Project spend
- Audit support
- Annual business planning
- Ability to track cost
- Ability to charge back to customer

## RESOURCE MANAGEMENT

- Capacity planning
- Prioritization
- Justify staffing augmentation

# Road to Success

- **Have clear goals for success!**
- **Develop a roadmap** that is aligned with your organization's maturity.
  - Start small – begin with basic project management.
  - Add functionality as your business processes mature
    - Time tracking, Resource Planning, Financial Management
    - Continue to grow and mature in Process/Governance/Tools!!!
- **Select a tool** like CA Clarity that provides for maximum flexibility.
  - Partitioning supports segmentation of user communities.
    - Maintain centralized control while allowing each group to have their own terminology and “look and feel”.
- **Axis BulLD methodology** provides for rapid deployment.
  - Use an repeatable model and deliver results in short delivery cycles
  - Minimize change management effort
  - Focus on user adoption and QA the data



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# Keys to Success

*“Most new customers of PPM tools don’t know how to plan their tool implementation...Being able to create implementation models with key stakeholders will help them set realistic expectations – **the Big Bang Theory doesn’t work with PPM tools.**”*

- Forrester Research, December 2007



# PPM Success Story

## Leveraging Clarity at Johnson & Johnson

### A Case Study



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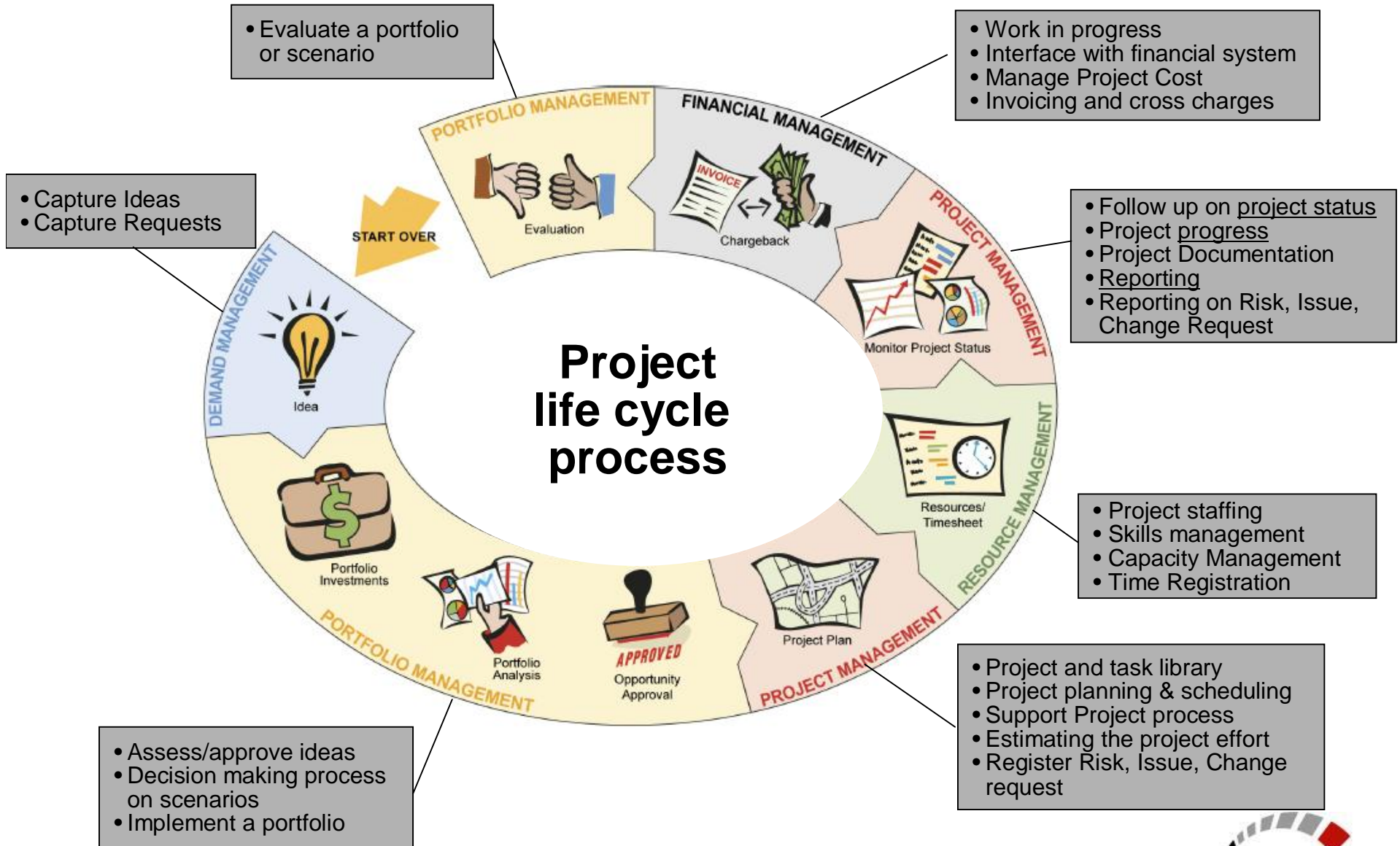


# Starting Out

- In 2005, J&J decided to select and implement an enterprise PPM
  - Major drivers for selecting an enterprise PPM
    - Provide a common Repository for managing IT & Business Investments
    - Manage IT Resources across enterprise
    - Consolidate Common Platforms (Standards)
    - Visibility into Investments
  - Reasons for selecting CA Clarity
    - Flexibility: Modular approach enabled organizations to grow into the tool as they matured.
    - Ability to Configure to meet different organizational needs
    - Useability of the tool (Interface)
    - Other company's success in implementing Clarity on a Large Scale.



# Clarity – What can it do?



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# Implementation challenges

- § Hype and confusion in the marketplace
  - ∅ Service and product providers are touting capabilities and potential resulting which are unrealistic
  - ∅ Industry conferences, sponsored by these providers, tend to further skew the perspectives
- ∅ Senior leadership looking for a revolution rather than an evolution
  - ∅ Although PPM is a paradigm shift, change must be calibrated and released in measured doses
  - ∅ Lack of sustained commitment to the 2-4 year journey
- Technology 'silver bullet'
  - ∅ Many efforts are driven through the IT function evangelizing a tool with inadequate emphasis on process and cultural change



# Implementation Challenges

- Over-engineering
  - ∅ Without a pragmatic approach and strong leadership, many resources tend to spend too much effort on perfecting the 'cool and new stuff' – ending up tunneling through plenty of 'rat holes'
- Skills not aligned with the required change
  - ∅ Internal resources may not be the best fit for Portfolio Management
    - ∅ Change Management
    - ∅ Portfolio Analysis



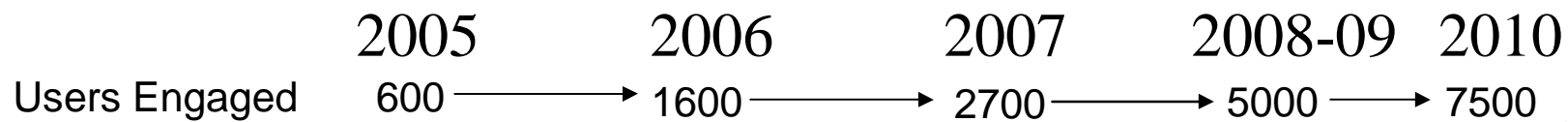
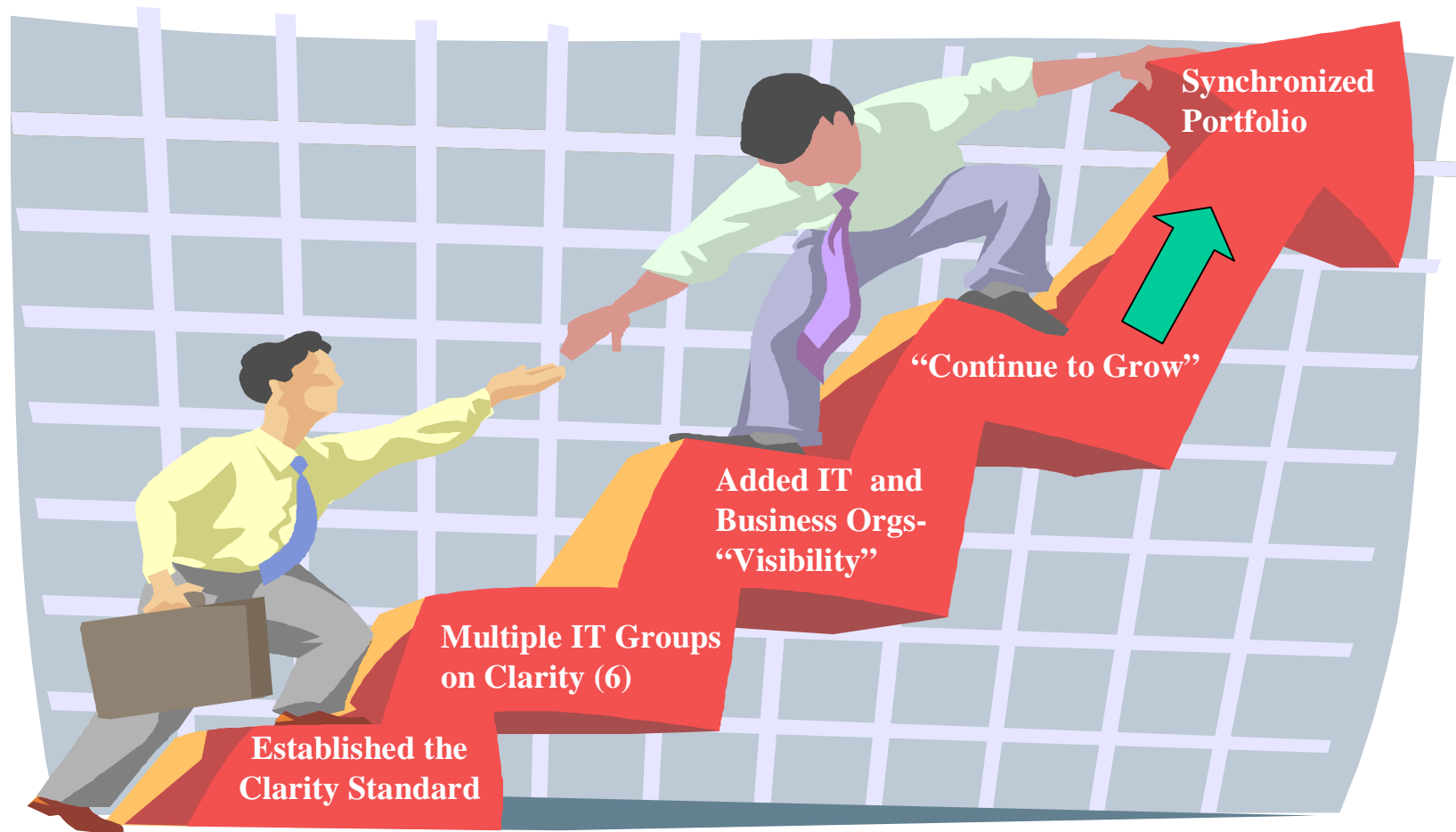
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# Expansion

- Moving to a Partitioned Environment
  - Enabled flexibility for individual organizations to capture critical information to run their business
  - Enable J&J to roll-up common information across the Enterprise.
  - Strategic Alignment and Decision Making
    - Identification of Leveraging Opportunities
  - In 2007 - 2008 Rolled out to additional groups including business partners.
  - Axis Group contributions.
    - Deployment group for Clarity Implementations
    - Supported Roll-out to all organizations
    - Maintain and Grow the Technology Platform
    - Train / Grow the organization in the Benefits of Clarity Environment
    - Establish common deployment process

# Progress



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# Clarity PPM at J&J Today

- One Clarity environment
- 16 organizations currently using and growing – U.S. and worldwide
  - IT, Medical Affairs, Operations, Sourcing, R&D, Quality, Corporate, Services
- Functionality being used:
  - Project Management
  - Resource Management
  - Timekeeping
  - Financial Planning
  - Portfolio Management
  - Demand Management
  - Applications
  - Workbench, MS Project
  - Leverage Opportunities
- Start-up costs savings realized of 200k+ for each implementation.
- Project 20% Portfolio Optimization/Savings over next 3 years.
- Leveraging:
  - Licenses, Reports, Portlets, Licenses, Knowledge, Training Materials, Hardware, Resources



# Gaining Visibility



- Portlets- Accessing Live Data
- Reports- For Standardized information
- Data Analysis & Extract- Assessment of Data/Portability
  
- Note: All data represented in purely fictional!!!

# Gaining Visibility

- Portlets- Accessing Live Data
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  - Data Extracts – Portability
- 
- Note: All data represented in purely fictional!!!

# Project Status Portlet

CLARITY  Search [Advanced]

**Projects**

Project Filter [--Actions--]

Filter [--Select--] [Expand Filter]

New  New from Template   Mark for Deletion  Cancel Deletion


<input checked="" type="checkbox"/>	Project Name ▲	Region	Business Planning Year	Budgeted Cost	IT Project Status	Status Indicator	Scope	Budget	Resources	Schedule	Stage
<input type="checkbox"/>	ABD Application Enhancements	EMEA	2008	900,000.00 USD	Planned						Requirement
<input type="checkbox"/>	Access Support Services	EMEA	2008	350,000.00 USD	In-Progress						Build
<input type="checkbox"/>	Accounts Receivable System V 6.0	EMEA	2007	950,000.00 USD	Planned						Test
<input type="checkbox"/>	Business Scorecard Initiative	North America	2008	565,000.00 USD	In-Progress						Initiation
<input type="checkbox"/>	CRM System Initiative	All Regions	2008	1,600,000.00 USD	In-Progress						Design
<input type="checkbox"/>	Customer Portal Improvements	Latin America	2008	305,000.00 USD	In-Progress						Design
<input type="checkbox"/>	Data Analysis Tools	Cross Regional	2008	625,000.00 USD	In-Progress						Requirement
<input type="checkbox"/>	Data Warehouse Enhancements	North America	2008	1,010,000.00 USD	In-Progress						Initiation
<input type="checkbox"/>	Desktop Applications Training	North America	2008	150,000.00 USD	In-Progress						Deploy
<input type="checkbox"/>	Desktop Deployments	Latin America	2007	160,000.00 USD	Completed						Post Implementat

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# Project Status Report

## Business Scorecard Initiative

Overall Status 

Scope



Budget



Schedule



Resources



Project Mgr	Mike Mahaney
Sponsor	Bill Brower
BRM/MM Lead	Lynn Tyndall
Phase	Requirements
Compliance	Unknown
Fin Sys Number	
Project ID	PRJ-23359
Start	11/1/2007
Finish	6/30/2009
Baseline Finish	

### Description

Develop and deploy web-based scorecard providing metrics on business performance

## Financial Planning

Currency \$

	Cost Plan	Cost Actuals	Benefits Plan	Benefits Actuals
Cost-Capital	310,000			
Cost-Expense	255,000			
Cost-NCS Capital				
Cost-NCS Expense				
On Going Support				
Bene Cost Reduc				
Bene Cost Avoid			300,000	
Bene Rev Enhance			500,000	
Total	565,000		800,000	

\* Data Based On Latest Submitted Plan

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# Project Status Report – Cont'd

## Commentary

### Status Comments

This is a sample project.

### Intangible Benefits

## Tasks, Risks and Issues

Milestones (Key Tasks)	Start	Finish	Baseline	% Comp
Project Plan	11/1/2007	11/16/2007		100.00%
User Requirements Specifications	11/19/2007	12/7/2007		100.00%
Funding Approval Received	11/26/2007	11/26/2007		0.00%
Functional Specifications	12/10/2007	1/30/2008		50.00%

Issues and Risks (High Priority)	Impact	Assigned To	Description	Resolution
<input checked="" type="checkbox"/> Funding	<input checked="" type="checkbox"/>	Mike Mahaney	Delay in funding approval may result in our having to put the project on hold. Changes to schedule may be needed upon resumption.	

# Project & Resource Utilization

Display only active projects

Code	Project Name	Manager	2007-Q1				2007-Q2			
			Allocated Hours	Avail%	Actual Hours	Avail%	Allocated Hours	Avail%	Actual Hours	Avail%
PRJ-13511	2006 NA Sales Dashboards	ki, Glen	572	55%	19	2%	564	55%	39	4%
PRJ-21575	A Demo Nov 14	, Brian								
PRJ-14948	ADMIN-IT	,	23503	54%	1995	5%	23301	55%	4499	11%
PRJ-16607	... Base Business	,	530	51%			530	51%		
PRJ-16608	... Service Request	,	13	5%	1	0%	13	5%	1	0%
PRJ-16618	... Base Business	,	572	55%	39	4%	563	55%	216	21%
PRJ-18320	AS400 Journaling Check	... Inge					178	25%		
PRJ-13150	... Global LMS Phase 1	..., Kathleen	168	32%	19	4%	26	5%	27	5%
PRJ-13136	Andover Continuum Implementation	..., Thomas	104	10%	1	0%	102	10%	2	0%
PRJ-18183	Application Inventory System	..., Mark	80	100%	36	45%	1024	100%	54	5%
PRJ-13734	Application changes to Support Paradigm	..., Daniel	1170	75%	18	1%	1152	75%	91	6%
PRJ-14004	Architecture Program	..., Daniel	1560	100%	21	1%	1536	100%		



Managers can use this report to adjust future allocations based on actual work. The folder on the left drills down to show resources and tasks on the project.



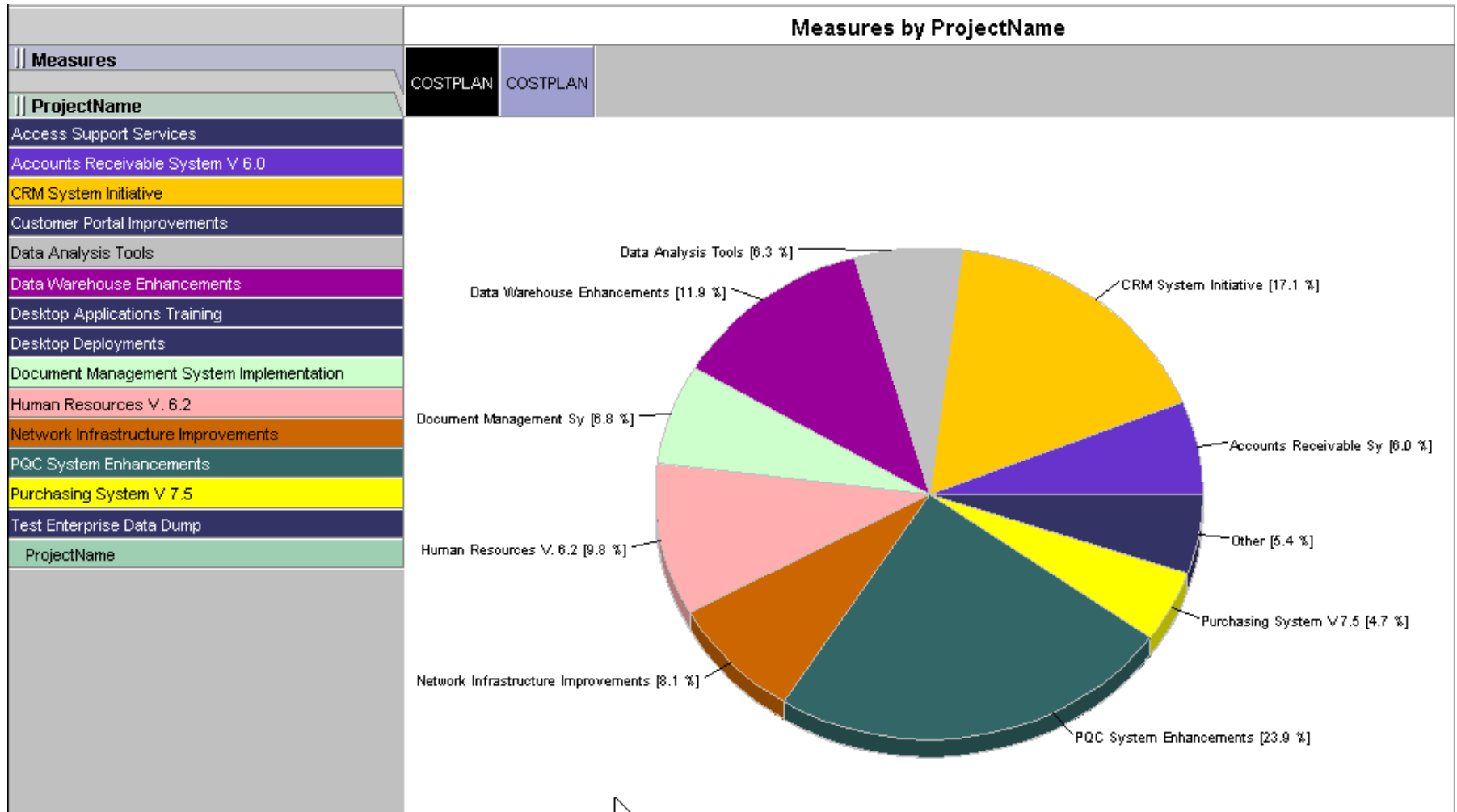
# Resource Utilization by Project Report

Display only active projects. Manager is , Mark

				2007-Q1			
Code	Resource Name / Task Description	Role	Allocated		Actual		
			Hours	Avail%	Hours	Avail%	
PRJ-18183	Application Inventory System	26-Mar-07 05-Nov-08					
	Maureen	OCD - IT Director	40	100%			
	Mark	OCD - IT Manager	40	100%	36	90%	
			80	100%	36	45%	

See 2007-Q2 where a resource was allocation 100% of the time yet only worked on the effort for 1% and 10% of the time.

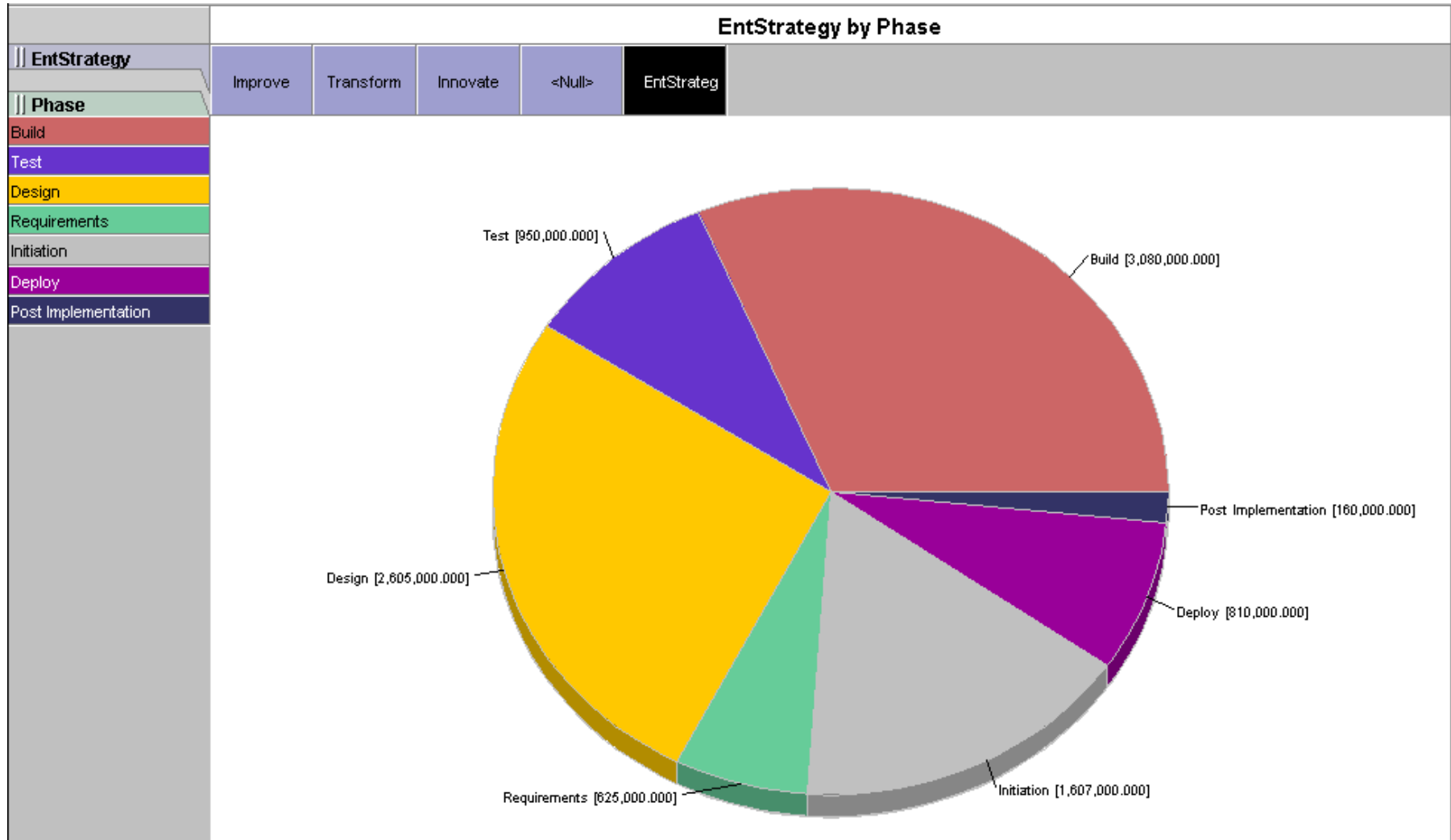
# Spend Distribution of Capital Funding



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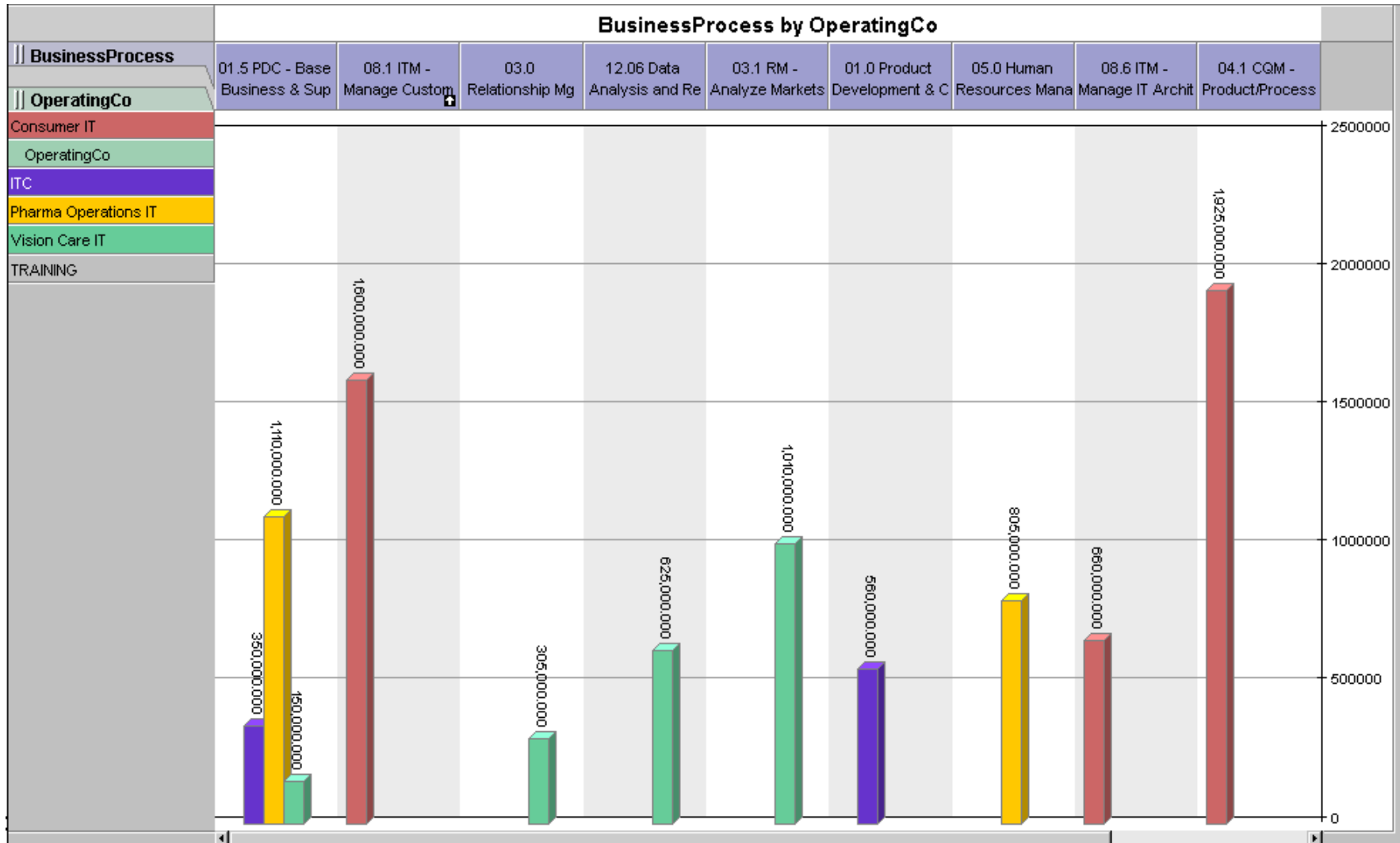
# Distribution of Spend by Phase



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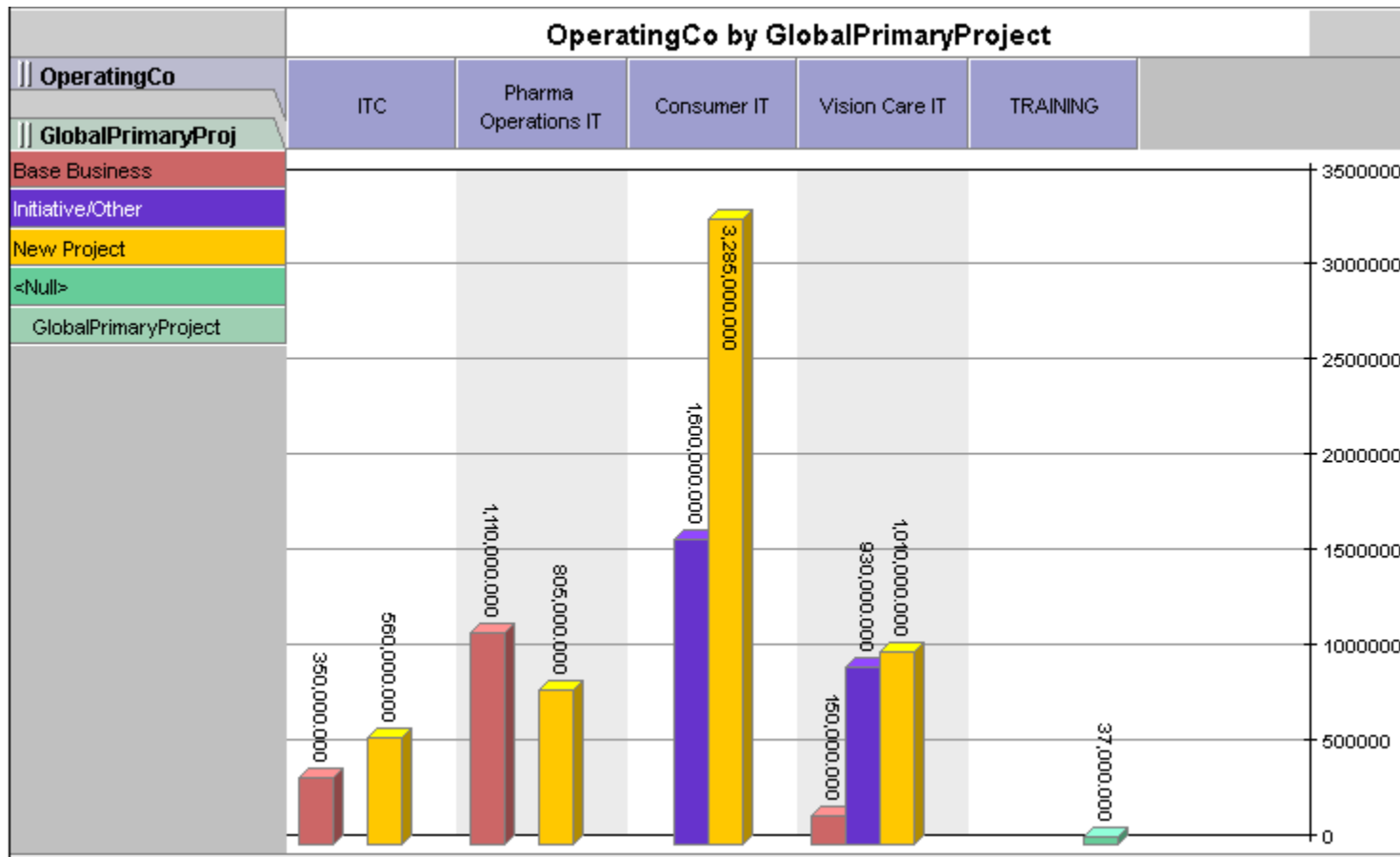
# Spend by Business Process by Company



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# Spend by Company by Work Type

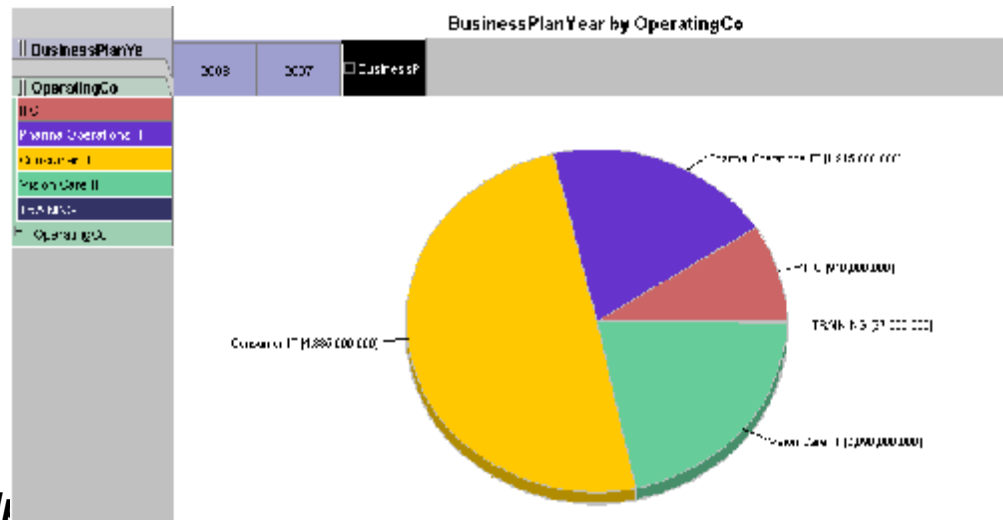
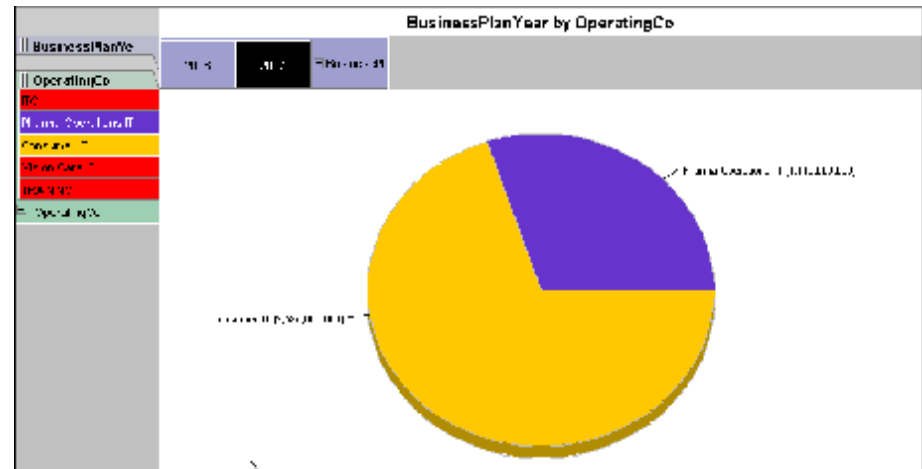
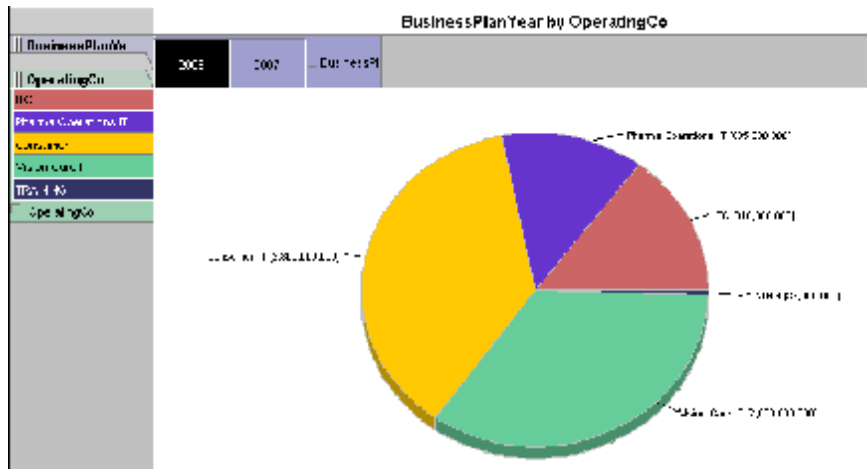


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# Spend by Year by Company

OperatingCo by BusinessPlanYear						
OperatingCo	ITC	Pharma Operations IT	Consumer IT	Vision Care IT	TRAINING	OperatingCo
BusinessPlanY						
2008	910,000,000	805,000,000	2,300,000,000	2,090,000,000	37,000,000	6,142,000,000
2007		1,110,000,000	2,585,000,000			3,695,000,000
BusinessPlanYear	910,000,000	1,915,000,000	4,885,000,000	2,090,000,000	37,000,000	9,837,000,000



# Benefits Achieved

- Visibility to project across 16 operating companies.
- Collaboration is growing across organizations.
- Greater Financial Control Year over Year
- Visibility to the full project lifecycle from business planning through completion and benefits
- Visibility and Balancing of Resource Demands
- Standardization for the enterprise data with flexibility at the operating level

# Summing Up

- Great portfolio management is a journey.
- Take baby steps but have a solid strategy that is aligned with customer requirements and organizational maturity.

## Q&A



# For Additional Information

- Presenters-  
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Mike Gosnear  
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- Visit us at ([www.axisgroup.com](http://www.axisgroup.com))
  - Download the recorded Webinar
  - Download brochures on Axis Group service offerings

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- Calming the Information Storm
- BI & Dashboards for your ERP Systems
- PMI SIG Webinar
- PMI NJ Symposium

Check [www.axisgroup.com](http://www.axisgroup.com) for details

# Data and Processes

- Consolidate your data.
  - Need to develop a plan to assemble and manage your project data through a common tool
- Decide what data is important.
  - Does it support alignment to corporate goals
  - Does it quantify critical resource demands
  - Does it quantify total investment and benefit?
- Introduce governance processes to drive decision making, including:
  - Funding
  - Prioritization
  - Resource Management
  - Commitment Management

