

IT Portfolio Management and Mission Engineering®

Linking IT Portfolio Analysis and Investment Planning to Operations

Managers of IT programs at federal agencies are facing a difficult climate in the battle for finite resources. Many organizations struggle to demonstrate measurable business gains and operational value from IT investments, even when traditional portfolio management (PfM) approaches are used. To alleviate this problem, organizations must combine rigorous analysis of enterprise operations with portfolio analysis to ensure they capture needs and priorities and can easily translate them into IT capabilities to drive IT investment.

Why Booz Allen

Booz Allen Hamilton, a leading strategy and technology consulting firm, partners with clients to address the complex challenges of employing sound enterprise IT investment management. Booz Allen's IT PfM methodology makes it possible for IT to become the critical enabler of an organization's strategy that it should be. We apply an IT PfM methodology that is flexible and customizable to a client's needs and current processes.

Our IT PfM Methodology

Our approach balances the appropriate level of process and analytic focus through a transparent, repeatable, and justifiable process to ensure we achieve the best value of IT spend. The methodology recognizes that successful, ongoing PfM requires a foundational capability.

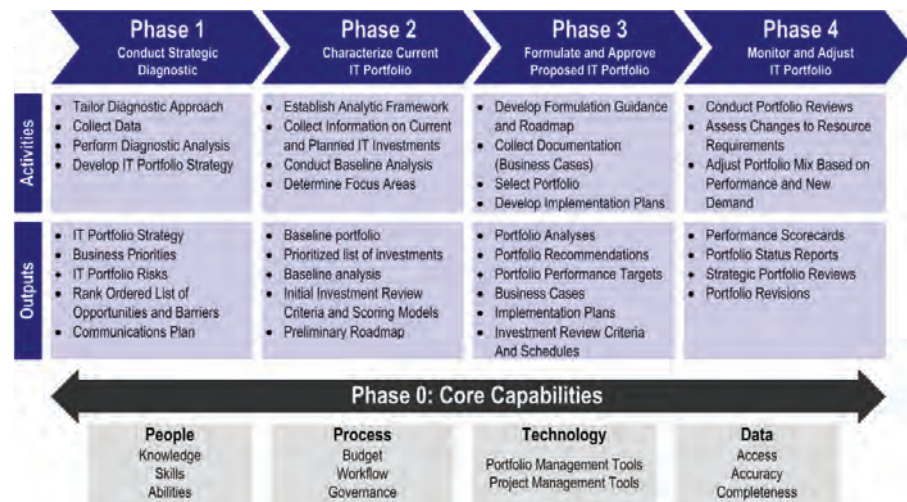


Figure 1. IT PfM Methodology

Mission Engineering. Mission Engineering (ME) is a Booz Allen innovation that bridges the gap between business and engineering by addressing each dimension of a customer's mission from both an operational and a technology perspective. ME provides a graphically rich framework for rigorously and progressively analyzing and assembling a detailed description of business and technology architectures.

ME products provide a robust and detailed depiction of operational capabilities, concepts of operation, information exchanges, business processes, interface specifications, user roles, data models, and requirements specifications and allocations.

About Booz Allen

Booz Allen Hamilton has been at the forefront of strategy and technology consulting for 95 years. Providing a broad range of services in strategy, operations, organization and change, information technology, systems engineering, and program management, Booz Allen is committed to delivering results that endure.

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ME comprises three analytic phases: community analysis, operations analysis, and systems analysis.

- **Community Analysis Phase**— Understand the boundaries of the enterprise and decompose the enterprise into operational segments.
- **Operational Analysis Phase**—Identify what operational work activities are performed in each segment of the enterprise. Provide traceability from business need to technology.
- **Systems Analysis Phase**—Identify business rules of the new architecture while maintaining the “intent” of the operational need.

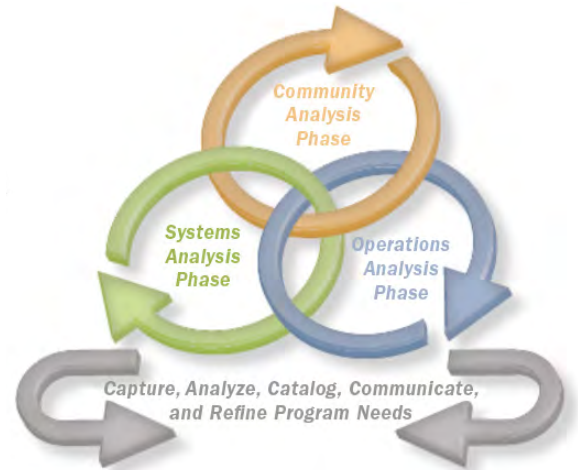


Figure 2. ME Methodology

The Value of Our Integrated Approach. By integrating Booz Allen’s ME methodology with our IT PfM approach, we bridge the gap between business, operations, technology, and investment management. This integrated approach positions clients to:

- Target IT investments by leveraging clarity into the enterprise’s operations
- Link investments to core enterprise functions and capabilities
- Understand interdependencies and solicit comprehensive input for IT business cases
- Strengthen portfolio analytic capabilities

Linking Investments to Operations. Our approach utilizes the core ME artifacts to augment portfolio analysis and visualize how IT investments support enterprise operations. Each artifact provides a different perspective of the enterprise portfolio and can be used to both plan IT investments and understand the impacts of the investments on organizational processes, systems, gaps, and architectures. From an operational perspective, IT decision makers can:

- Visualize how IT investments integrate into the larger enterprise “community”
- Depict aggregate views of the IT portfolio
- Assess dependency on other processes, systems, and IT investments
- Link investment functionality to specific enterprise and capability requirements
- Visualize portfolio allocation to identify redundancies, concentration, and overlap

Beginning with the first two phases of our IT PfM approach, ME positions IT decision makers to understand the portfolio’s operational value. Throughout the remaining phases, ME’s traceability establishes a line of sight from investment to operations to organizational goals and objectives. This line of sight helps ensure proper alignment for development, mixed-lifecycle, and steady-state projects.

Capabilities-Based IT PfM. Our integrated approach also positions organizations for employing capabilities-based IT PfM. The operational analysis component of ME enables capability portfolio managers (CPM) to understand how IT investments and programs support missions aligned with higher level capability directives. This integrated approach also allows CPMs to “drill down” the IT investment line of sight, from high-level directives down to low-level system and functional-level capability requirements.