What's New with SAP Resource and Portfolio Management? A Detailed View of New Features and Functions

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In This Session ...
We'll cover the new features in SAP RPM (SAP Resource and Portfolio Management) 4.5 and cProjects 4.5

The key topics covered in this presentation include:
- Importance of innovation as key priority for most organizations
- Improved resource, portfolio and project management and visibility with SAP RPM and cProjects
- Usability improvements and general enhancements
- Better management and governance of the fuzzy front end of continuous product and service innovation using decision flow management
- Step through a demo that illustrates efficient staffing processes of the new closed-loop resource management

Agenda
1. Business Background
2. SAP Applications
   2.1. SAP Product Definition
   2.2. SAP RPM
   2.3. cProjects
3. Outlook
4. Wrap-up

Product and Service Leadership
From Strategy to Execution

Business Driver
- How to differentiate against Global competition
- How to increase productivity and design, manufacture, and service everywhere
- How to win high demanding customers
- How to apply compliance to achieve product and service sustainability

Strategy
- Innovate with Product Service and Process to Differentiate
- Efficiency to Increase Profitability and reduce Time to Profit
- Focus on Customer Satisfaction and Perception

Execution
- Continuous Product and Service Innovation
- Integrated Product Development
- Product Delivered as a Service
- Embedded Product Compliance

Importance of Innovation
66% consider innovation as one of their three most important strategic priorities …

... and satisfaction with innovation ROI is decreasing
Obstacles and Measurements

What are the biggest obstacles you face when it comes to generating a return on your investments in innovation?

- Long development times 38
- Non-lean culture 36
- Difficulty selecting the right idea 32
- Lack of validation within the company
- No enough customer insight
- Inefficient marketing and communications
- Ineffective ideation
- Lack of cross-functional collaboration

Obstacles vary ... and measurements are insufficient.

Weak Spots

How strong is your company's current performance in each of the following innovation capabilities?

- Percentage of respondents...

Top 5 NPDI Failures

- Poor portfolio management
- Insufficient resource management
- Inefficient project management
- Ineffective ideation
- Lack of cross-functional collaboration


High Level Process

Corporate Strategy  
Roadmap  
Portfolio  
Innovation Charter  
Projects

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Business Scenarios

SAP RPM enables the following business scenarios:

- Innovation Management
- Enterprise IT Portfolio Management
- Portfolio Management for Professional Services
- Capital Investment Portfolio Management

SAP RPM enables the following business scenarios:

- Innovation Management
  End-to-end management of the product innovation lifecycle. Collection of product ideas/product enhancements during product definition. Product concepts to be commercialized are delivered to the portfolio – leveraging strategic planning and analytical capabilities.
- Enterprise IT Portfolio Management
  Complete management and strategic alignment of the IT portfolio, including projects, programs, and baseline IT services.
- Portfolio Management for Professional Services
  Complete visibility across the operational portfolio of projects and services. Support of strategic portfolio demand planning to operational resource assignment and availability checks, along with capacity management reporting.
- Capital Investment Portfolio Management
  Selecting, balancing, and managing the optimum combination of capital investments in order to deliver consistent long-term value while addressing current contextual demands and constraints.
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Product Evolution SAP RPM

SAP RPM 1.0
- Portfolio Planning: Project Registration, Resource Planning, Enterprise Approval Process
- Integration to human resources, financial and project management systems

2002

SAP RPM 2.0
- Simulation
- Advanced Capacity Management
- Integration to SAP Product Development (Concepts)
- Enhanced Integration to project management systems

2003

SAP RPM 4.0
- Foundation for Decision Flow Management
- End-to-end portfolio life cycle support with detailed phase decision point integration
- Product Profitability Analysis
- Phase and Decision Point Dashboards
- UI & Usability Improvements

2005

SAP RPM 4.5
- Tighter cProjects Integration
- Flexible Portfolio Hierarchies
- Scoring
- Questionnaires, Scoring Models
- Financial and Capacity Planning
- Portfolio Reviews

2007

Manage Your Portfolio

Tasks
- Aligned with strategy?
- What are planned and proposed projects?
- What is the resource demand and what is my capacity?

Benefits
- Prioritization based on comprehensive assessment of portfolio value, balance and strategic alignment
- View the status of all initiatives, projects, proposals, operational services, and other portfolio objects
- Identify long-range resource demand, enabling you to estimate prospective headcount

Manage Your Portfolio (cont.)

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SAP RPM Features

Manage your Portfolio
- Flexible Portfolio Hierarchies
- Strategic Financial Resource Distribution
- Strategic Resource Demand Planning
- Project demand generation
- Staffing via Fast-entry screen
- Extended resource search and Staffing
- Financial and Capacity Planning
- Phase and Decision Point Dashboards
- UI & Usability Improvements

Manage your Resources
- Portfolio Reviews
- Portfolio Dashboards
- Portfolio Analytics
- Product Profitability Analysis
- Financial Reporting Cockpit
- Data and role synchronization

Increase Visibility
- Phase and Gate process Management
- Phase and Decision Point Dashboard
- Checklist Item

Execution Tracking
- Fast Sheet for Portfolio Item and Initiative
- Portfolio Reviews
- What-If Scenarios
- Questionnaires
- Scoring Models

Decision Support
Manage Your Resources

Tasks
- What’s the actual and future planned utilization of your resources?
- Efficient staffing of candidates/resource on projects

Benefits
- Forecast resource bottlenecks, highlight needed resource types, and compare available resources against those required
- Leverage reliable resource data including employee availability and qualifications by integrating employee data directly from your HR software

Staffing - Fast entry screen

*incl. summary line for overall capacity and for single resource

Manage Your Resources (cont.)

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Increase Visibility

Tasks
- Will we meet business performance targets?
- Aggregate information for Management
- Drill down to individual portfolio item (e.g., projects, operational services, concepts)

Benefits
- Gain complete transparency into portfolios and all projects and operations
- Centrally view key performance metrics, resource allocation, etc.
- Add your own specific KPIs

Item Dashboard

Initiative Dashboard

Increase Visibility (cont.)

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Reporting Cockpit

Execution Tracking

Tasks
- Are my items on time?
- How is the progress? Do we meet the planned decision points?
- Is the item cycle time/duration according to the plan?

Benefits
- Complete view of the process with all phases and decision points
- Support of phase reviews and portfolio reviews
- Workflow-based approval process for decision gates

Phase and Gate process management

Execution Tracking (cont.)

Tasks
- Are my items on time?
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- Is the item cycle time/duration according to the plan?

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Decision Point Overview
**Execution Tracking (cont.)**

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**Product Life Cycle Process Management via Initiative**

**Idea/Requirement**

**Projects**
- Project: Build Prototype
- Project: Design & Build

**Phase / Decision Point Dashboard**

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**Decision Support**

**Tasks**
- What is the item summary?
- How do I select the best item?
- How can we score against Registration and enforcing an enterprise decision-making process for approving?

**Benefits**
- Design your own forms (e.g., for executive summary reports)
- Use questionnaires to make qualitative data less ambiguous
- Scoring models to evaluate your portfolio and compare different initiatives that are competing for the same resources
- Standard compliance
- Exchange information with partners efficiently
- Registration and enforcing an enterprise decision-making process for approving portfolio items

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**Decision Support (cont.)**

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Demo Scenario Preview

- Qualify item via questionnaires
- Plan and financial and capacity data
- Prioritize with scoreboard and reporting cockpit
- Set up and schedule project
- Staff project and connect to controlling
- Confirm tasks and approve phase

Demo Scenario: SAP RPM

- Plan Timeline
- Plan Financial Data
- Assess Risk
- Review and Approve

Portfolio Management
Project Management

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Product Evolution cProjects

- Flexible project structuring (task hierarchies)
- Financial integration (internal order and PS replication)
- APQP enhancements (control plan – OM integration)
- DMS and Windows File Explorer integration, Project Status Report
- Multi-project management, project versions and simulations
- Resource Management enhancements (e.g., Role Charts and Vacant Role Search)
- Project Planning & Execution Improvements (e.g., Multi-Project Monitor and Six Sigma Support)
- Usability enhancements
- Integration enhancements (e.g., CATS Integration, Gantt diagram)
- Best Practice Scenarios

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Manage Your Projects

Tasks
- What are critical tasks?
- What is our progress?
- Are milestones passed?
- How is the related project doing?

Benefits
- Proactively manage multiple projects and cross-project dependencies
- In-place visualization of multi-project dependencies
- Identify project elements with respect to business criteria
- Reduce time to market and costs
- Scheduling (bottom-up, top-down)
- Search for open roles

Manage Your Resources (cont.)

Tasks
- How can I find the right resource?
- How can I make sure I don’t over commit?
- React on unexpected unavailability or changes

Benefits
- Better overview of open vs. staffed capacity
- Assess and improve stability of resource plan
- Search for open positions based on project and organizational attributes
- Adjusting project team supported by business partner replacement
- Project Member Substitution

Closed-Loop Resource Management

Efficient Resource Management is a closed management cycle that integrates strategic and operational planning and tracking elements:

Dynamic Resource Planning and Tracking

Manage Your Projects (cont.)

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Increase Visibility

Tasks
- Integration of information from a wide variety of areas
- How can I find cost details?
- Do I need to search in multiple systems?
- How can I collaborate with all parties involved?

Benefits
- Single Source of truth: rapid access to up-to-date, project-relevant data
- Accurate cost calculations based on planning periods
- Clear responsibilities
- Effective collaboration for all project stakeholders

Object Links for Roles
Execute and Track Your Projects

Tasks
- Gather information on:
  - Actual start and finish
  - Percentage of completion
  - Planned work
  - Collaboration with internal and external partners

Benefits
- Well-defined handovers
- Process confirmation fully embedded in company time tracking process

Best Practice Scenarios

Tasks
- Quality Control and Assurance:
  - Current process performance
  - Current degree of compliance?
  - Are specifications met?
  - What kind of problems exist?

Benefits
- Six Sigma data (e.g., target and actual ROI) included in the project dashboard
- Templates for standardized processes

Demo Scenario Preview

- Idea Management
- Portfolio Management
- Project Management: Requirements Management
- Product Design
- Document Management
- CAD Modeling
- Collaboration
- Sourcing
- Change Management

- Idea Management
- Portfolio Management
- Project Management: Requirements Management
- Product Design
- Document Management
- CAD Modeling
- Collaboration
- Sourcing
- Change Management

- Project Management: Staff Role
- Project Manager
- Staff Role
- Link Material & Specification
- Confirm Task

Demo Scenario: cProjects

- Modify and Schedule
- Set Up Accounting
- Review Reporting
- Approve Phase

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**Planned Scope Overview**

- **Goal of this release**
  - Reduce TCO
  - Increase usability
  - Improve performance
  - Close most critical process gaps

- **Target Industry**
  - Cross industry targeting upper MM-Markit + LE

- **Key Features**
  - Consolidation to "one product" with UI alignment
  - Closing process gaps, e.g., Decision Flow Management, Resource Management

- **Facts**
  - Delivery as composite application/Add-on

**Roadmap for SAP Portfolio and Project Management**

**2008**
- Foundation for Decision Flow Management (DFM)
- Support closed-loop resource management: Improved integration of SAP RPM with cProjects
- cProjects enhancements
- Enhanced Microsoft Project Integration
- UI and usability improvements

**2009**
- UI alignment and usability
  - Standardized data presentation, input, and update process and unify UI concepts
  - Reduce technical complexity
  - Improve UI extendability and flexibility
  - New Web-based Formulator User Interface
- Enable-End Process Support
- Enhanced central support of product development methodology (Phase/Gate)
  - Integration with master data
  - Enterprise Service-Enablement

**2010**
- Increase efficiency
  - Project/Portfolio simulation
  - Extend product portfolio management
  - Increase usability to support early R&D
  - Change management for projects & portfolio

**End-to-End Process Support**
- Flexible & central support of product development methodology (Phase/Gate)
- Integration with master data

**Resources**

1. **1. Benchmarking**
   Comprehensive registration page with survey templates and more
   www.benchmarking.sap.com/cgi-bin/qwebcorporate.dll?idx=7UUCAD&SRP1Q5=VECVN

2. **2. Product and Service Leadership**
   White papers and other resources

3. **3. SAP PLM Customer Value Network**
   Online customer community focused on business value realization with SAP PLM solutions
   https://cw.sap.com/community/cvn/plm_public

**7 Key Points to Take Home**

- Innovation is a key priority for most organizations, but there is much room for improvement
- Improve resource, portfolio and project management and visibility with SAP RPM and cProjects
- With SAP RPM, you are able to manage various business scenarios, e.g., Innovation Management, IT Portfolio Management, Capital Investment Portfolio Management, Portfolio Management of Professional Services
- SAP RPM 4.5 closes the loop between portfolio management and operational project management
- SAP RPM 4.5 better manages and governs the fuzzy front end of continuous product and service innovation using decision flow management
- Product Initiatives bundle projects and portfolio items for a successful coordination of activities
- SAP is continuing to improve portfolio, project, and innovation management capabilities

**Thank you!**

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