



# Portfolio Delivery Framework

Version 3.0



## Document Control

Version	Summary of Changes	Author	Date
1.0	Sentenced as Approved Document	K. Carroll	30/05/2019
1.1	Reviewed and updated	S. Millett	13/07/2020
2.1	Reviewed and updated with disbandment of Governance Hub and renaming of governing committees.	S. Millett	18/09/2022
2.2	Responses received from ACTH consultation incorporated into the document where appropriate.	S. Millett	10/10/2022

## Document Review

Version	Reviewer	Position	Date
1.1	N. Macgregor	PMO Specialist	15/07/2020
1.1	K. Carroll	Senior Director, Governance Hub	24/07/2020
2.1	ACTH Consultation	ACTH Senior Executive & CHS and CPHB ICT Stakeholders	03/10/2022

## Document Approval

Version	Approver	Position	Date
1.0	Technology Strategy Committee	ICT Governing Committee	30/05/2019
2.0	Technology Strategy Committee	ICT Governing Committee	03/08/2020
3.0	Digital Committee & ACTH Executive Board	ICT Governing Committee	02/11/2022 01/12/2022

## References

Document	Version	Location
Project Delivery Framework	2.0	<a href="https://health.act.gov.au/digital">https://health.act.gov.au/digital</a>
Program Delivery Framework	2.0	<a href="https://health.act.gov.au/digital">https://health.act.gov.au/digital</a>

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# Document Purpose

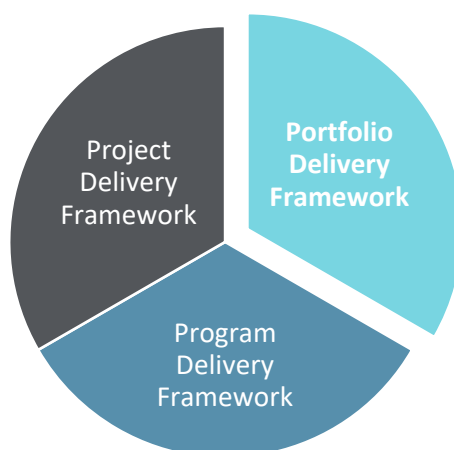
The purpose of the Portfolio Delivery Framework is to bring together, into a central document, the approaches that support the Digital Solutions Division to deliver a portfolio of technology solutions including innovation, maintenance and strategic aligned projects. This set of approaches and documentation is to provide all stakeholders with a single, authoritative and up-to-date source of advice on the portfolio management practices used by the Division.

## Portfolio Delivery Framework



This Framework document is underpinned by the:

- Project Delivery Framework, where project management approaches are provided to support project delivery, and
- Program Delivery Framework, where program management approaches are provided to support project delivery.



## Best Practice Methodology

The Digital Solutions Division has adopted and tailored the following international best practice methodologies for healthcare technology-based project, program and portfolio delivery:

- Project Management – Projects IN Controlled Environments (PRINCE2) and Scaled Agile Framework (SAFe)
- Program Management – Managing Successful Programmes (MSP)
- Portfolio Management – Management of Portfolios (MoP)
- Project, Programme and Portfolio Management Office – Portfolio, Programme and Project Offices (P30)

All of these methodologies are aligned with the industry recognised *Control Objectives for Information and related Technologies* (COBIT) maturity model.

It is assumed that the reader of this Framework has a level of familiarity with these best practice methodologies.

## Definitions

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Programs and projects are primarily focused on delivery of outcomes/benefits and outputs/products respectively. The Portfolio by contrast is focused on the overall contribution of these outcomes, benefits and outputs to strategic objectives.

Project and program management seeks to ensure successful delivery at each individual project and program level. However, Portfolio Management is concerned with ensuring that the programs and projects undertaken are the right ones in the context of the organisation’s strategic objectives, managing delivery at a collective level, maximising benefits realisation and ensuring that lessons are identified, disseminated and applied in the future.

## Portfolio

A portfolio is the totality of its investment in the changes required to achieve its strategic objectives. This is termed the “Digital Solutions Division Portfolio” (Portfolio) and the portfolio is a permanent function of the Division managed through the Office of the Chief Information Officer (OCIO).

## Portfolio Management

Portfolio Management is the coordinated collection of strategic processes and decisions that together enable the most effective balance of organisational change and business as usual activities. Portfolio Management achieves this by ensuring that initiatives are:

- Agreed at the appropriate management level and contribute to the Digital Health Strategy objectives, Calvary Public Hospital Bruce, Canberra Health Services and ACT Health Directorate priorities,
- Prioritised in line with strategic objectives and organisational priorities,
- Prioritised in the context of the rest of the portfolio, affordability, risk, resource capacity, operational, legislative and accreditation requirements and the ability to absorb change, and
- Reviewed regularly in terms of progress, cost, risk, benefits and strategic contribution.

## Programs

A program is a temporary, flexible grouping of projects created to coordinate, direct and oversee the implementation of a set of related technology capability in order to deliver outcomes and benefits related to the organisation’s strategic objectives.

The Portfolio is grouped into programs. Programs are temporary, though they may exist for many years at a time.

## Program Management

Management of a program is the action of carrying out the coordination, direction and implementation of a dossier of projects and transformation activities to achieve outcomes and realise benefits of strategic importance to Calvary Public Hospital Bruce, Canberra Health Services and ACT Health Directorate.

## Projects

A project is a temporary organisation, existing for a shorter time than a program, which will deliver one or more outputs in accordance with a specific business case. A particular project may or may not be part of a program. Whereas programs deliver outcomes projects deliver outputs.

The Portfolio is made up of multiple projects, grouped within programs under the direction of Senior Directors from each Branch within the Digital Solutions Division.

## Project Management

Project management is the planning, monitoring and control of all aspects of the project and the motivation of all those involved in it to achieve the project objectives on time and to the specified cost, quality and performance. Project Management is the most commonly used process within the Portfolio. All Project Management guidelines and policies are documented within the DSD Project Management Framework.

## Portfolio Management Objectives

The objectives of Portfolio Management are to ensure that:

- The technology solutions projects that are being delivered and those within the Demand Pipeline represent the optimum allocation of resources in the context of the organisation's strategic objectives, available resources and risk or achievability,
- The Portfolio is sufficient to achieve the desired contribution to the strategic objectives as designed by the Digital Committee,
- All initiatives are necessary to achieve the desired contribution to the strategic objectives (What are the right projects the organisation should focus on? Is the organisation doing projects that it should not be doing?),
- The selected change initiatives are being delivered effectively and cost efficiently and all potential benefits are realised,
- More of the right projects and programs are being undertaken in terms of:
  - Greater financial benefits and measurable contribution to strategic objectives
  - Removal of redundant and duplicate programs and projects,
- More effective implementation of programs and projects via management of the project demand pipeline, dependencies and constraints (including resources, skills, infrastructure, change appetite, etc) and redirecting resources when programs or projects do not deliver and are no longer making a sufficient strategic contribution,
- More efficient resource utilisation, transparency, accountability, governance, and
- Improved engagement and communication between the relevant stakeholders, including senior officers and Executives, in understanding and meeting organisational needs and

expectations and in communicating strategic objectives (and the means by which they will be achieved) to all those involved.

## Investment Criteria, Categorisation and Classification

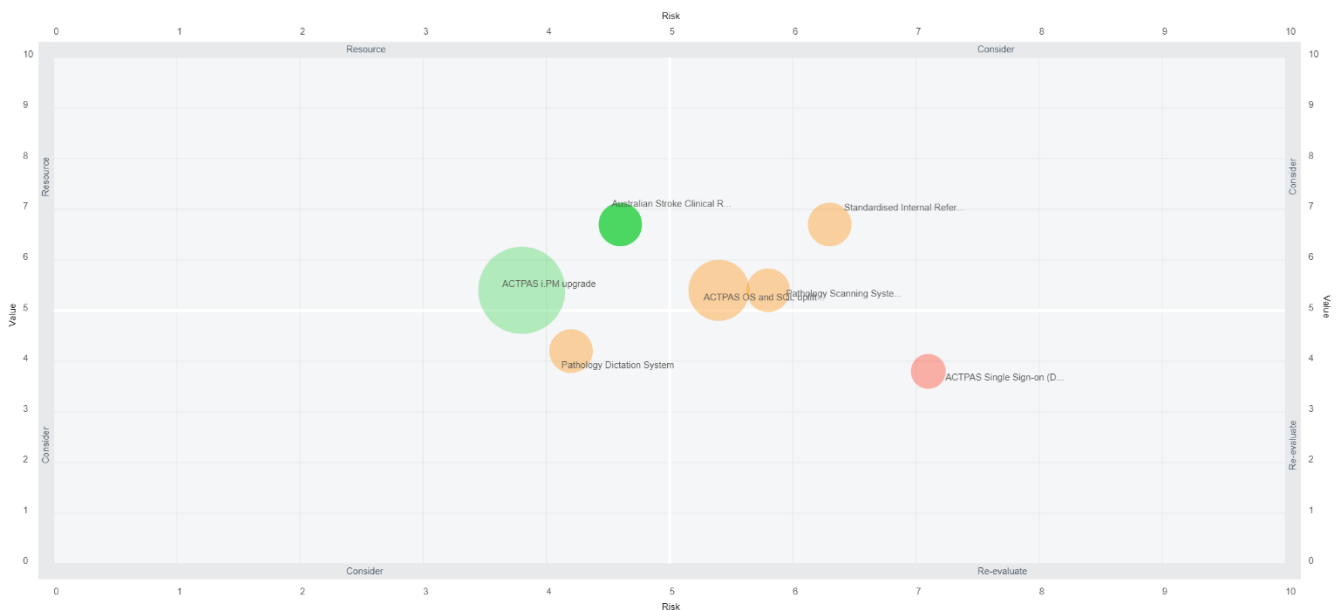
The categorisation and classification of an investment occurs during the development, review and subsequent approval of a business case. A business case is usually in the form of a Strategic Investment Proposal (SIP), Treasury Budget Bid or short form project brief (for smaller investments).

The Enterprise Architecture Office (EAO) is responsible for the initial customer engagement and business case development.

### Investment Criteria

In order to deliver a consistent and accurate investment assessment the EAO utilises the Political, Environmental, Social, Technological, Economic and Legal (PESTEL) Model for investment assessment. The Model is maintained by the Director, Enterprise Architecture.

The Model balances the value of the assessment against the associated risk of undertaking or not proceeding with the investment. From this a Value Score and Risk Score is determined to provide guidance to determine investments that need to be resourced, considered or re-evaluated. An example of this is below.



### Categorisation

Projects and programs within the Portfolio are categorised in accordance with the below definitions.

Category	Description
<b>Innovation</b>	A substantial positive change (> 30%) that may offer break-through solutions offering a significant advantage and/or quality and safety improvement, achieve a significant reduction in costs, offer new benefits or enhances current benefits.

Category	Description
<b>Maintenance</b>	Refreshing or renewing a current system(s) that does not enhance the functional activities by more than 20%. The outcome of the maintenance may offer some minor improvements, but not as a significant benefit.
<b>Whole of Government</b>	Projects that represents agencies working across portfolio boundaries to achieve a shared goal and an integrated government response to particular issues. Approaches will be formal through Technology Leadership Group and/or Chief Digital Officer and can focus on policy development, program / project management and service delivery.

## Classification

The governance to be applied to a project or program within the Portfolio is directly correlated to its classification. These classifications are to provide guidance around the governance, level of documentation and assurance applied.

The classification of the Project considers the outcome of PESTEL analysis. The resultant classification is recommended by the Director, Portfolio Management Office (PMO) and confirmed by the Chief Information Officer (CIO).

Classification	Description
Tier 1	Complex investment delivering significant capability with major political implications. Requires a Digital Solutions Program and/or Senior Project Manager to lead the delivery.
Tier 2	Moderate investment delivering new or modified capability affecting one or more service delivery areas. Requires a Digital Solutions Project Manager to lead the delivery.
Tier 3	Minor investment which does not introduce substantial new change or new capabilities. Undertaken as Business as Usual.
Tier 4	Minor investment which does not introduce new change or new capabilities. Undertaken as Business as Usual and not tracked by the Portfolio.

The criteria and associated weighting to determine the tier of a Project is outlined below. Programs are automatically assigned as a Tier 1, with Projects of Tier 1 through 3 potentially delivered under the Program.

Criteria	Weighting	Tier 4	Tier 3	Tier 2	Tier 1
Investment - Cost to deliver the project	5%	A small level of investment is required to deliver the project (e.g. less than \$100K)	A small level of investment is required to deliver the project (e.g. less than \$200K)	A moderate level of investment is required to deliver the project (e.g. \$200K - \$1M)	A significant level of investment is required to deliver the project (e.g. > \$1M)
Investment - Recurring annual costs	5%	No significant additional recurrent costs anticipated.	A small level of investment is required annually	A moderate level of investment is required annually	A significant level of investment is required annually (e.g. > \$500K)



Criteria	Weighting	Tier 4	Tier 3	Tier 2	Tier 1
after project delivery			(e.g. less than \$200K)	(e.g. \$200K - \$500K)	
Time	5%	Completed within 6 months	Completed within 6 months	An expected duration of 6 to 18 months	Conducted over an extended period of time (> 18 months)
Risk	15%	Little to no risk identified. Project sits in the Green section of the ACTIA Risk Rating Matrix (low risk).	Little to no risk identified. Project sits in the Green or Amber (low to moderate) section of the ACTIA Risk Rating Matrix.	Some risk to delivery and benefits realisation. Project sits in the Amber or Orange (moderate to high) section of the ACTIA Risk Rating Matrix.	Some risk to delivery and benefits realisation. Project sits in the orange or red section (high or extreme) of the ACTIA Risk Rating Matrix.
Interdependencies	15%	Minimal.	Minimal. Project may be required to deliver an output to another project.	Project carries a large number (+5) of Interdependencies within the Portfolio, and outside the Portfolio. Project requires external Release Management.	Project carries a large number (+5) of Interdependencies within the Portfolio, and outside the Portfolio. Project requires internal and external Release Management.
Resources	10%	A small, self-contained team of staff (<3) required to deliver the project.	A small, self-contained team of staff (<3) required to deliver the project.	Moderate sized team (>2) requiring an allocated DSD Project Manager, with shared resources from the Portfolio. SSICT Resources required to deliver project.	A large team (>5) requiring an allocated DSD Project Manager and Change Manager leading dedicated specialist resources and shared resources from the Portfolio. SSICT Resources required to deliver project.
Change	15%	No fundamental change to business processes.	No fundamental change to business processes.	A small number of divisions within ACT Health or Calvary Public	A large number of divisions within ACT Health or Calvary Public

Criteria	Weighting	Tier 4	Tier 3	Tier 2	Tier 1
				Hospital Bruce or Canberra Health Services. Some significant changes to business processes.	Hospital Bruce or Canberra Health Services, and/or areas outside of ACT Health. Complete business process redevelopment.
Clarity of Problem	10%	Clearly stated problem and solution.	Clearly stated problem and solution.	Well stated problem, with some solution options.	Problem defined at a high level only with no solution identified.
Technical Complexity	10%	Relatively simple, has been done many times before.	Relatively simple, has been done before.	Moderate, has been done before. May require system integration rework, or additional integrations (<3)	Very complex, has never been done before. Multiple system integrations required (>3).
Reputational Impact - Organisation Impact	10%	Low	Low	Medium	High

## Portfolio Management Control

### Purpose

The purpose of Management Control of the Portfolio is to ensure that progress, at an individual project, program and portfolio level is regularly monitored against its baseline. This helps to ensure that delivery stays on track with its objectives, constraints (such as budget) and that the portfolio remains strategically aligned.

### Portfolio Management

To manage the delivery of the Portfolio the Digital Solutions Division has:

1. Defined processes used to control the delivery of all initiatives in the Portfolio, including organisational change within this Portfolio Management Framework and the Project Delivery Framework.
2. Guidance and templates for the project life cycle, defined within the Project Delivery Framework to enhance the effectiveness of the projects by the use of consistent standards to be followed by all initiatives in the Portfolio.

3. Regular progress reporting for projects, programs and the Portfolio as defined within the Delivery Frameworks. The PMO coordinates the status reports from each initiative (projects) on a regular reporting cycle and collates this information for the Project/Program Boards to track performance against the approved baselines. A Portfolio Performance Dashboard is provided to the Digital Committee to track Portfolio performance.
4. Stage Gate reviews conducted by PMO, seeking approval for projects to move from one stage to the next in the project life cycle as defined within the Project Delivery Framework.
5. Regular Portfolio Level Reviews. The Portfolio can be reviewed as a whole initiative every 12 months to ensure progress to date against the overarching Digital Health Strategy horizons. In addition to assessing the performance of the Portfolio, the reviews will also assess how well the portfolio and project management processes are working.

## Project Dossier

The Project Dossier for the Portfolio is maintained within the Portfolio Project Management Tool for Digital Solutions Division.

# Portfolio Governance

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## Purpose

The purpose of Portfolio Governance is to ensure the Portfolio has defined and agreed roles and responsibilities within the organisation structure that engages the business, user and all stakeholder interest. Portfolio governance ensures the right portfolio information gets to the right stakeholders and at the right time, enabling more effective decisions.

## Portfolio Governance Committee

The Portfolio governance is aligned with the wider organisational governance structure.

Direction Setting and Decision Making	Digital Committee
<ul style="list-style-type: none"> <li>• Co-chaired by the Chief Information Officer and EGM, Health System Planning &amp; Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>- Direct resources</li> <li>- Garner additional/re-direct resources according to priorities</li> <li>- Purchase services and goods with appropriate procurement advice</li> </ul>
<b>Portfolio Governance</b>	

## Meeting Frequency

Meeting	Meeting Frequency	Chair	Senior Director DSD	Seeks decisions from
Digital Committee	Monthly	Chief Information Officer and EGM, Health System Planning & Evaluation	Senior Director, Office of the CIO	Nil.

## Roles & Responsibilities

The following key Roles and Responsibilities relating to Portfolio Governance:

Role/Committee	Responsibility
Digital Committee	<p>Provide oversight and leadership in ACT Health’s ICT investment (Portfolio), ensuring that it appropriately supports the achievement of ACT Health strategic and operational objectives.</p> <p>Executive leadership and direction on the development and implementation of the Digital Health Strategy.</p> <p>Ensure strategic and business alignment of the outcomes.</p> <p>Final recommendation of key decisions.</p> <p>Receives recommendations from the Project/Program Boards (Project Governance).</p> <p>Authorise project initiation from business cases.</p>
Chief Information Officer / Senior Supplier	<p>Ensure alignment of projects and overall portfolio to organisational objectives.</p> <p>Provide clear leadership and direction to the Portfolio.</p> <p>Gain approval from the Digital Committee for the Digital Health Strategy and Portfolio delivery.</p> <p>Remain responsive to organisational needs, ensuring the Portfolio evolves to reflect strategic objectives and priorities.</p> <p>Prioritisation of new technology initiatives.</p> <p>First level of portfolio oversight on behalf of Digital Committee.</p> <p>Ensure that the portfolio demand pipeline contains sufficient initiatives and that the initiatives progress through at adequate pace.</p>
Executive Branch Manager, Future Capability & Governance	<p>Monitor the Portfolio and its potential conflicts.</p> <p>Manage portfolio resourcing conflicts.</p> <p>Accountable for portfolio management methodology and processes.</p> <p>Provide overall direction and leadership for the implementation and delivery of the Portfolio.</p>
Executive Branch Manager,	Health Change and Release decision maker.

Role/Committee	Responsibility
Technology Operations	Ensuring that changes released into the ACT Health environment are fit for use, fit for purpose, and support business objectives.
Office of Chief Information Officer	Development and management of the Divisional budget and oversight of all technology spending by the Directorate.
PMO	<p>Conducts internal Portfolio Management and Assurance activities.</p> <p>Undertakes internal investment appraisals and reports accordingly.</p> <p>Portfolio Definition.</p> <p>Coordinating project assurance involving monitoring all aspects of a project/s performance, including the quality of deliverables.</p> <p>Conducting Stage Gate reviews to recommend to the Project/Program Board that the project remains viable and ensure that:</p> <ul style="list-style-type: none"> <li>- Risks are controlled</li> <li>- Correct processes and procedures are followed</li> <li>- Project scope changes do not go unnoticed</li> <li>- Internal and external communications are effective</li> <li>- The solution developed meets the business requirements.</li> </ul>

## Escalations (Manage by Exceptions)

Management by exception is a key feature of Project Governance with PRINCE2. It relies on very basic concepts allowing the organisation to effectively manage projects. For project factors such as time, cost and scope, the Project Manager has some flexibility (called Tolerances) before escalating an issue to the Senior Director, DSD Executive, Executive Sponsor or relevant Project/Program Board.

A Project Exception Report is provided to PMO when a project plan is forecast to exceed tolerance levels set. It is prepared by the Project Manager to inform the Executive Sponsor, CIO and Project/Program Board of the situation, and to offer options and recommendations for the way to proceed.

## Portfolio Resource Management

### Purpose

The resources to deliver the Portfolio are constrained. The purpose of resource management is to put in place mechanisms to understand and manage the amount of resources required and available. This enables:

- More informed decisions to be made regarding the initiation and approval of initiatives to match resource availability.
- More efficient and effective use of available resources.
- Limited resources to be allocated to initiatives in priority order.

- Improved delivery since initiatives will be less likely to be held up by temporary resource shortages or bottle necks.
- Improved realisation of benefits as the scale and timing of business change is proactively managed to ensure it is achievable.

## Resource Groups

Resource management concerns the balancing of demand and supply for any constrained resources that limits the capacity of the Portfolio to deliver the initiatives.

### Technical Resource Groups

Resource Group	Description
Environments	Managed according to the Health release management processes.

### Human Resource Groups

Resource Group	Description
Business Analysts	Undertake business and technical analysis for functional and non-functional requirements, traceability, business transformation.
Integration Specialists	Undertake integration analysis to document integration specifications.
Organisational Change Managers	Undertake all project communication and organisational change management activities.
Program Managers	Program Managers to provide oversight over large complex or multiple digital technology solutions projects that for a Program.
Project Managers	Project Managers to deliver digital technology solutions projects. Senior Project Managers to provide oversight over large complex or multiple digital technology solutions projects.
Project Officers	Support Project Managers in the delivery of projects.

### Shared Human Resource Groups

Resource Group	Description
System Administration	System Administrators responsible for support activities
Enterprise Architect	Enterprise and Solution Architects responsible for design, review and consultation with the solution providers. Technical lead for project delivery.
Integration Specialists	Responsible for system integration support activities.

Resource Group	Description
Testing	Test Leads responsible for test plan, test cases development and progress reporting. Testers responsible for testing activities.
Training and eLearning	Training team responsible for the development of training and support resources.
Transition	Resources to support the transition of project to Digital Solutions support and operations functions.

## Process

### Understand the need

Forecast Human Resource requirements including the number, experience levels, skill types and timing are captured firstly in the business case during the Pre-Project Stage or Identifying a Program Tranche. These are included in the Portfolio Resource Schedule.

### Portfolio Resource Schedule

This resource schedule is based on project/program budget forecast, where Project/Program Managers will forecast based on required skills as determined within the Project Initiation Document or Program Plan, aligned to the budget. The Demand pipeline is also reviewed and feeds into this schedule where business cases are likely to be approved for initiation.

As projects progress further through the Project or Program Life Cycle and resource requirements are clearer through the development of Project Initiation Document / Program Plan and Project Manager Stage Plans/Program Tranche Report, the Director PMO will monitor and work with Senior Director OCIO to recruit those resources if resources cannot be rolled off other projects.

The future pipeline includes Project/Program forecasts, and business cases. Future resources require the projects to forecast accurately and consistently – therefore the Director PMO will regularly review these in consultation with the relevant Senior Director responsible for project delivery.

### Portfolio Skills Register

The Digital Solutions Division also maintains a skills matrix register, based on the information above and the resources assigned to the roles. The skills register is aligned with Skills for the Information Age (SFIA).

### Portfolio Resource Report

Matching of demand and supply and ensuring the most highly prioritised projects are first in the queue for limited resources when there is excess demand occurs frequently. Ensuring sufficient contingency and monitoring project delivery is critical, so that slippages are assessed for their impact on the resource schedule.

The Portfolio Resource Management Report is able to predict times when excess supply is forecast. This report contains hours, tasks/work packages and impacts of not achieved, as entered by the Project Managers in their project schedules. This report prioritises project work according to organisational priorities.

## Closing the gap

Where shortages in supply are forecast for Project Human Resources, the Director PMO in consultation with senior management will look to recruit additional resources.

# Portfolio Benefits Management

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## Purpose

The purpose of Portfolio Benefits Management Approach is to provide a consistent approach across the Portfolio to clearly identify and manage the benefits being realised from the Portfolio. This will ensure the best use of available resources and that the contribution to operational performance and strategic objectives by the Portfolio is maintained.

Benefits management is at the very heart of program and portfolio management, which is achieved by projects creating outputs, which build technical capabilities, which transition into outcomes that service the purpose of realising benefits for the organisation aligned to strategic objectives. However, it is likely some initiatives will have some negative impacts as well as improvements. Where a negative impact of the change is forecast this is termed a dis-benefit. Realisation of the benefits (or dis-benefits) is most likely to take place within the operational environment.

The key objectives of benefits management for the Portfolio are to:

- Ensure the benefits are identified, defined and clearly linked to the Digital Health Strategy outcomes,
- Ensure the desired benefits are achievable and measurable,
- Ensure ACT Health Directorate, Calvary Public Hospital Bruce and Canberra Health Services business areas understand their role and responsibilities in benefit realisation, and are committed to undertaking those activities, and
- Actively drive the realisation of benefits, which includes actively measuring, tracking and recording benefits during the period of benefits realisation, Stage Gate reviews, during project Closure and Post Project benefits reviews.

Project Benefit Management is defined within the Project Delivery Framework. Where a Project is a part of a formal Program, the Program takes the responsibility for the management of Benefits.

## Portfolio Benefits Rules

The benefits sections of the business cases used in portfolio definition can include Tangible and Intangible benefits in the categories of:

- Cashable,
- Capacity,
- Better Health Outcomes,
- Patient & Family,
- Safety & Quality,



- Efficiency, and
- Staff Satisfaction.

The description of these are contained within the Project Delivery Framework. The Benefits are then mapped to the Digital Health Strategy or other organisational strategic outcomes via a Benefits Map for the Portfolio. However, the following rules apply for Portfolio Benefits Management and must be followed.

How to think about benefits realisation:

- **Benefits need to be first understood as outcomes** – Benefits management starts with defining the business change required, not the technical output or deliverable,
- **Benefits must be aligned to the organisation’s strategic goals, including the Digital Health Strategy** – If they are not aligned to strategic objectives their value must be questioned,
- **Benefits realisation is an end-to-end process during the full lifecycle of the investment** – Identification, measurement, reporting and evaluation will occur before, during and after project delivery.

How to approach benefits realisation:

- **Benefits are not automatic** – Benefits need to be actively monitored, tracked and reported to ensure they will be delivered in full and on time;
- **Benefits are dynamic, they need to be regularly reviewed and updated** – Failure to regularly review and update benefits may result in non-capture of new or changed benefits;
- **Benefits are both financial and non-financial** – A broad approach to the identification and categorisation of benefits is required and
- **Benefits must be measurable** – Evidence is critical to demonstrate that an investment provides value.

How to manage benefits realisation:

- **The organisation needs to own the benefits** – Accountability and responsibility for benefits realisation is key as this process usually takes place after the project has closed, and
- **Keep the number of benefits to a sensible, manageable number** – Successful benefits management focuses on a small, manageable number of benefits to focus on evaluating the value of a project or program.

## Roles & Responsibilities

Role	Responsibilities
Overall Governing Committee	Endorse the Benefit Logic Maps in relation to strategic outcomes and Digital Health Strategy.
Project/Program Board(s)	Provide direction and oversight for the achievement of the business outcomes. Assign benefit ownership for measuring benefits against the baseline measurements, post project implementation. Ensure benefits delivery is the focus of the program and all impacted business areas throughout program delivery.

Role	Responsibilities
PMO	Develop the Portfolio Benefits Management Approach. Develop the Portfolio Benefit Logic Map. Develop Project Benefit Profiles and Benefits Management Approach templates. Facilitates Project Benefits Mapping workshops. Monitors compliance to the benefits rules. Provides training and education to project staff on Benefits Management. Maintain a Portfolio Benefits Register. Undertake post project and program benefits reviews.

## Portfolio Benefits Reviews

Benefits Review should not only take place at the conclusion of a Project or Program. At a minimum, reviews should be held during each stage gate process to ensure that benefits realisation is still on track and, if not, immediate changes should be made to the benefits management approach. The outcome of a benefits review might also require the Overall Governing Committee and Project/Program Boards to review the value of the investment.

The objectives of a benefits review are to:

- Assess and update the individual benefit profiles and the benefit management approach to ensure that the planned benefits remain achievable and have not changes in scope or value,
- Ensure that the overall set of benefits included within the benefits map and benefits register remains aligned to the organisational objectives, and
- Inform stakeholder and senior management of progress in benefits realisation and help to identify any further potential for benefits.

After the project/program closes the responsibility for managing the benefits reviews moves to the organisational unit. Therefore, ensuring the organisational unit is fully engaged with the projects from the outset, and takes ownership and responsibility for delivering the benefits and performance improvement, is key to successful benefits realisation.

# Portfolio Risk Management

## Purpose

The purpose of Portfolio Risk Management practice is to ensure consistent and effective management of the Portfolio's exposure to risk at both an individual project and collective Portfolio level. This is crucial to the successful delivery of change initiatives of each project, to delivery of the Portfolio as a whole and ultimately the achievement of the strategic objectives.

The Digital Solutions Division undertakes a range of technical projects for delivery within the Portfolio. Project risk management requires standard processes and procedures. Uncertainty within projects when trying to achieve complex objectives is expected.

Risk Management within the Digital Solutions Division is based on PRINCE2 Methodology (best practice Project Management) and the ACT Insurance Authority (ACTIA) Risk Management (following internationally accepted standard AS/NZS IS 31000:2009 as the basis for best risk management practice within the Territory).

## Fundamentals

The objective of risk management is to maximise the likelihood that the project will successfully deliver the required capability on time and within budget by minimising the uncertainty associated with the project delivery. Risk management reduces the level of uncertainty by identifying both positive (opportunity) and negative (threat) effects that can be managed.

Effective risk management implies control of possible future events and is proactive rather than reactive. If risk management is done well, it will reduce not only the likelihood of an event occurring, but also the magnitude of its impact.

## Portfolio Risk Definitions

A definition and example of how project risks are to be described in the Portfolio is included in the table below.

<b>Risk</b>	<p>A risk is something that will impact on the achievement of the project's objectives. <b>The Australian and New Zealand Risk Management Standard (AS/NZS ISO 31000:2009 Risk Management)</b> defines a risk as <i>the 'effect of uncertainty on objectives'</i>.</p> <p><i>Example:</i> There is a chance that a breakdown in communication between stakeholders will delay key activities and result in outputs that do not meet quality standards.</p>
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## Portfolio Risk Management Roles and Responsibilities

Role	Responsibility
Senior Directors & Project Managers	Escalate risks to CIO, Executive Sponsors, Executive Branch Managers or Project/Program Boards as necessary.

Role	Responsibility
PMO	<p>Determine and enforce the risk management frameworks for projects and the portfolio.</p> <p>Identify, assess and escalate as Portfolio Risks.</p> <p>Assist in Project Risk Management.</p> <p>Facilitate Risk workshops.</p> <p>Facilitate project assurance including review of risk management practices to ensure they are performed in line with the risk management framework.</p> <p>Portfolio Interdependency Management in the context of risk management.</p> <p>Portfolio Reporting including Tolerances.</p>
Chief Information Officer/Senior Supplier	<p>Manage Technology Risks associated with the Portfolio.</p> <p>Review and resolve key technology Portfolio related issues.</p>
Executive Sponsor	<p>Ensure risks associated with the overarching business case including benefits, quality, budget, etc. are identified, assess and controlled.</p> <p>Escalate risks to Overall Governing Committee as necessary.</p>
Senior User	<p>Ensure risks to the benefits are identified, assess and controlled.</p>

## Identification and Management of Portfolio Risks

Identification of Portfolio risk occurs through the day-to-day management of the Portfolio and its projects. Clearly expressed risk appetite and tolerance statements help the Portfolio to consider potential consequences as the projects pursue rewards for an “appropriate” level of risk. Risk appetite and tolerance need to be balanced for the portfolio. ACT Health Directorate, Calvary Public Hospital Bruce and Canberra Health Services are risk adverse organisations with lower risk appetite due to critical patient safety aspects.

Risks to the Portfolio include:

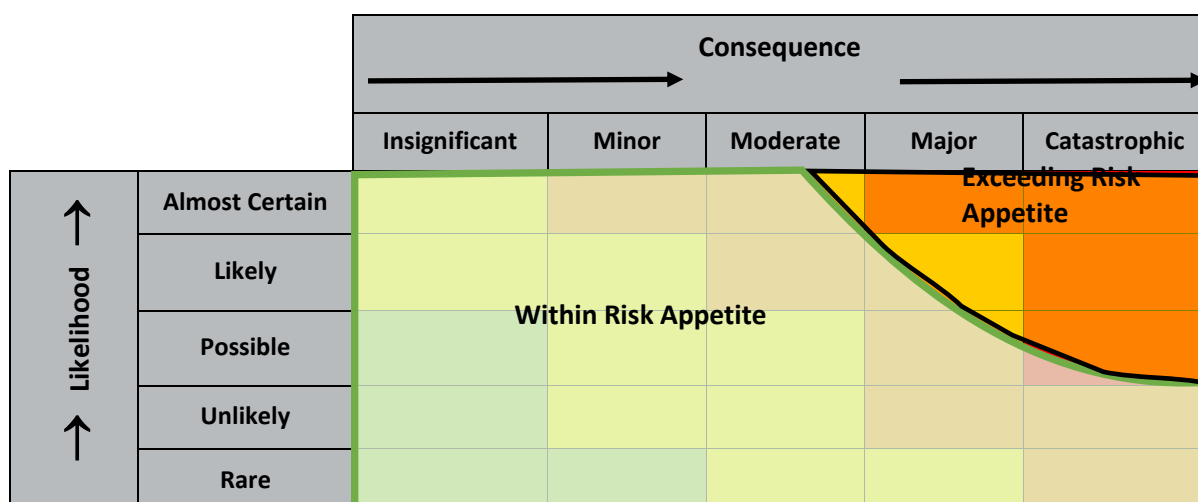
- The post treatment rated high project risks that are increasing and have a treatment due date in the next 4 weeks, and/or increasing to extreme rating.
- Risks that are repeated across multiple projects.
- Project interdependencies (see Interdependency Management section).
- Realised project risks when the issue has a Priority of high or critical, and an Impact of moderate, major or catastrophic.

Regular review of the Project, Program and Portfolio risks will occur as facilitated by the PMO to identify risks that may affect the Portfolio.

### Portfolio Risk Appetite

Risk appetite is the amount of risk the organisation is willing to endure over the life of the portfolio. The Division is willing to assume the Portfolio will remain successful with up to 20% of all project risks with ratings post treatment of High. The Portfolio will not accept project risks rated as Extreme post treatment, as more effective measures or agreed acceptance by governance will need to be implemented with the assistance of PMO.

Boundaries outlined on the probability and impact grid, where there is no appetite to accept any risks rated as Extreme post treatment.



## Portfolio Risk Tolerance

Portfolio risk tolerance is the Portfolio’s readiness to bear the risk after treatment in order to achieve the objectives. Risk tolerance related to project risk is outlined within the Project Delivery Framework, Project Tolerance Guide and Decision Guide (and the commensurate Program Framework). This is an effective escalation process in place for the projects.

All Project risks that are rated post treatment as **Extreme** and new **High** risks are considered out-of-tolerance and are communicated and ‘escalated’ for oversight and review and will automatically form part of the Portfolio risks. All Extreme and High project risks will be communicated to the Project/Program Board, Executive Sponsor and CIO. This is facilitated by the Senior Director responsible for project delivery, with the information provided by the Project Manager/Program Manager. Tolerances remain low for the Portfolio as the importance of the Portfolio in achieving strategic objectives outweighs that of individual projects.

	Green	Amber	Red
Description	Portfolio risks exist, however, there are sufficient treatments in place.	Portfolio Risks are requiring attention. The risk register for the portfolio includes risks rated as high or extreme. Project risks are increasing.	Portfolio is carrying a high level of project risks that as an aggregate risk the portfolio from achieving its objectives. Project risks are not effectively treated.
Tolerance Level	There are no new High or Extreme risks on the project or portfolio risk registers.	Up to 33% of active Tier 1 projects are reporting RED for project risk tolerance and/or overall project tolerance.	There are any projects with Extreme Risks post treatment More than 33% of active Tier 1 Projects are reporting RED for project risk tolerance and/or overall project tolerance.

	Green	Amber	Red
Escalation	Nil.	Escalate to Digital Committee via a watching brief. CIO and Executive Sponsors with the assistance of the Project/Program Boards are provided opportunity to correct key projects according to delegated authority.	Escalate to Digital Committee with options for treatment and a recommended approach requiring decision and direction set by the Committee.

## Portfolio Risk Reporting

Portfolio Level risks will be reported to the Digital Committee as part of the Portfolio Performance Dashboard.

## Portfolio Interdependency Management

A critical part of the Portfolio concerns dependencies. The Portfolio is delivering within a complex environment and it can be particularly challenging to identify, track and manage dependencies effectively. This is partly because dependencies are not always immediately obvious, but if they are not managed effectively this can represent a serious risk to the Portfolio delivery and ultimately benefits realisation.

Many Tier 1 and Tier 2 projects in the Portfolio depend on other projects or initiatives to deliver outputs that are essential to their successful implementation. Most also contribute some products, work packages and enabling capabilities to other projects or initiatives. The aim is to get all these products and work pages coordinated to minimise schedule slippage, reduce solution conflict and prevent duplication of effort so that overall Portfolio performance is optimised. Portfolio Interdependency Management (PIM) takes a performance-based approach to this challenge.

Interdependency Management is a combination of processes, tools and techniques that enables the Portfolio to identify, validate, analyse, track, advise and report on the project dependencies. PIM provides processes, tools, and techniques to better manage the project dependencies, assisting the Project Managers with risks and issues identification and management throughout the Project Life Cycle.

At the Portfolio Level, PIM provides visibility across critical interdependencies and a better understanding of their impact on the Portfolio. Clear identification and management of Project Interdependencies are key pre-requisite for developing a manageable and successful project portfolio where project selection and review process are effective. When all project interdependencies are considered, projects that fit better are selected and the success rate of completions is usually increased. Optimal benefit delivery can be assured where group success is maximised as opposed to the individual project success on a portfolio level.

Interdependencies for the project needs to be managed as a risk, where assessment can be made to reduce or avoid any potential threats of impacting delivery of the project, as well as exploiting opportunities to enhance synergic deliveries to the overall portfolio. The project level external dependencies tracking will be recorded in the Cross-Project Interdependencies Register and will detailed within each Project Risk Register.

Tracking interdependencies across projects and products enables us to ensure:

- Complex network of project interdependencies are coordinated and synchronised across work streams;
- Work packages are compatible and interoperable with each other across the Portfolio;
- Enabler availability and usage by other projects can be tracked;
- Vendor Deliverables & Payment Milestones are clearly identified tracked and
- Easier communication of projects and program including understanding of implications of change across the portfolio.

## What is a Dependency?

A dependency means one activity is dependent on another. Dependencies are usually managed at the project level but Program level dependencies (between a Program and a Project outside of the program's) remit may also occur.

There are two types of dependencies to a Project: Internal and External. An external project dependency is one between a project activity and a non-project activity, where the team does not have complete control.

For example, one project requires the hardware to be purchased and built by another project before the first project can install the software.

Internal dependency is between two project activities – the project team have control over this. An internal project dependency is the logical, constraint based or preferential relationship between two activities or tasks such that the completion or the initiation of one is reliant on the completion or initiation of the other.

For example, the training material cannot be created until the solution is installed and completely configured and tested in the development environment. Thus, one activity is dependent on the other.

## Portfolio Project Internal - External Dependency Grid

Often certain task dependencies are internal to a Project and external to the Portfolio or internal to the Portfolio but outside the direct circle of influence of the Project Manager. The various combinations are discussed below.

		Project	
		Internal	External
DSD Portfolio	Internal	<b>Sequential Project Tasks</b> e.g. Training users is dependent on having training material prepared	<b>Links to Other Projects</b> e.g. Project A must complete Phase 1 before Project B can begin
	External	<b>Tasks to be completed by 3rd party suppliers</b> e.g. Provision of software, building work	<b>Health &amp; Safety Standards</b> e.g. building plans must be signed off by external agency before project can continue

**DSD Internal – Project Internal Dependencies:** These apply to sequential tasks – the ones that must be tackled according to a pre-defined logic flow in the project schedule.

**DSD Internal – Project External Dependencies:** These apply to tasks that are taken care of by other projects. Certain internal project related activities may rely on their outputs, but they are not under the direct control of the Project Manager.

**DSD External – Project Internal Dependencies:** Activities commissioned by third party suppliers are an ideal example of this category. The output has a direct bearing on the project, but the vendors are not employed by the Portfolio.

**DSD External – Project External Dependencies:** For a project to reach completion, the company building must be accessible. This is a factor outside the Portfolio and the project but can adversely affect the deliverables.

## Portfolio Project Interdependencies

Portfolio Project Interdependencies are defined as products, work packages or capabilities required for the successful delivery of an individual project, which directly impacts the success of the overall Portfolio. Interdependencies represent a subset of the overall project risks and key deliverables. They can be categorised as either Inbound or Outbound Dependencies.

Inbound Dependencies are the products, work packages, capabilities that the project requires from external sources in order to deliver successfully.

Outbound Dependencies are contributing products, work packages and capabilities that the project needs to deliver to external sources, or other projects or programs which impact their delivery capability and in turn affect the health of the overall Portfolio of projects.

## Project Interdependencies Typology

### Interdependencies Nature and Constraints

- Resource – Need to resource sharing in Human, Hardware, Software, Environments between projects
- Technology - Need to leverage knowledge created in other projects
- Technical - Development of one ICT system necessitates development of another system
- Market - New product enters a market of an already existing product or uses knowledge of the current market
- Knowledge – Knowledge and learning from one project used by other projects
- Outcome – Project dependent on the results of another project
- Benefit - Synergy of implementing interdependent projects

### Interdependencies Structure

- Inbound – Get from another program, project or vendor
- Outbound – Give to another program, project or vendor

### Interdependencies Quality Type

- Hard – Product, Work Package or Capability developed for one project is needed by another project/s. At DSD the hard interdependency quality is critical to the dependent project, it cannot continue without this information, product, or work package/s.



- Soft - Product, Work Package or Capability from one project supports capabilities required by other projects. At DSD the soft interdependency quality is required by the dependent project, it can continue without this information, product, or work package/s. However, it will be required prior to completion.

**Interdependencies Capability Types:** Each interdependency falls within one of the following types of capability

- Business – Policies, DSD Staff, Calvary Public Hospital Bruce, Canberra Health Service Staff, other divisions in ACT Health Directorate
- Applications – Application, Integration/Interfaces, Business System Data & Information
- Technology - Dev Environment, Test Environment, Production Environment, Training Environment, Networks, ICT Security, Hardware, Infrastructure, Capital Works

### **Project Portfolio Interdependencies Sources**

- External sources of a project's portfolio interdependencies are from another Project or vendor outside of the Portfolio
- Internal Sources of a project's portfolio interdependencies are from other projects or Vendor within the same Portfolio

## Interdependency Management Cycle

Initial identification and evaluation of external project dependencies for the Portfolio is achieved by the Enterprise Architect and/or Business Analyst during Pre-Project.

Detailed identification of project dependencies occurs during the Initiation Stage and continues during the Planning Stage as the project team determines which dependencies are required during the process of sequencing activities for the project schedule. These are documented and managed (treated) as project risks. Continuous identification, evaluation and validation of dependencies occurs during all project stages.

Interdependency workshops with Project Managers and PMO can be held (where applicable) so as to further understand the Portfolio risk associated with the amount of project interdependencies. The Portfolio Interdependency Register (held by PMO) maps outbound projects (Task A) with inbound projects (Task B) and each interdependency is numbered accordingly (1A & 1B). This register is tabled at monthly Digital Committee meetings.

The workshops occur where commitment is recorded between projects and due/expected dates are communicated and discussed. Where Task A is forecast to be completed after Task B requires this, the Task B project will need to quantify the impact and mitigation actions will need to be undertaken, according to the risk management plan. This will be communicated and managed by governance according to the Project Tolerance Guide.

# Portfolio Stakeholder Engagement and Communication

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## Purpose

The purpose of Portfolio Stakeholder Engagement and Communication practice guidance is to provide a coordinated approach to stakeholder engagement and communication for the projects within the Portfolio so to ensure that:

- The needs of Calvary Public Hospital Bruce, Canberra Health Services and ACT Health Directorate and all internal and external stakeholders are identified and managed appropriately.
- Stakeholder support for the Portfolio and its projects is gained, and maintained, by effective consultation and involvement in the definition and delivery of the Portfolio.

## Fundamentals

Portfolio stakeholder engagement encompasses the following main elements:

- DSD Executive, Project Executive Sponsors, Digital Committee, Overall Governing Committee and Project/Program Boards being visibly involved and proactively supporting Portfolio communications. This helps to embed collaborative working by emphasising the need to cooperate as a team.
- Developing a consistent approach to stakeholder engagement and communications (through the Project Stakeholder Engagement and Communication Approaches) at all levels in the Portfolio, ensuring shared vision of what the Portfolio is designed to achieve, and communicating this shared vision effectively.
- Collaboratively working with Calvary Public Hospital Bruce, Canberra Health Services and ACT Health Directorate Communications and Government Relations areas as the communications experts.
- Focus on senior management and executive at the Portfolio level as one of the key principles that lays the foundation effective portfolio management and success is senior management commitment and support.
- All projects undertake stakeholder analysis and engagement according to their needs, information and change management.
- All projects undertake communication throughout the project life-cycle according to the ADKAR Framework as outlined below.
- The creation of a Portfolio Stakeholder Engagement and Communication Plan following the approval of the Digital Health Strategy.

# Portfolio Organisational Change Management

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## Purpose

The purpose of the Portfolio Organisational Change Management is to develop a supporting structure to implement project level changes that make up the entirety of the Portfolio changes and manage potential barrier points of the change.

Change management plays an important role in successful organisational transitions. It provides conceptual scaffolding for people, the process, and the organisation implementing change. Effective change management drives greater benefits realisation and achievement of results and outcomes, particularly focusing on the return on investment, cost benefits alignment and benefits to the organisation. Building change management capabilities means greater success on critical projects and initiatives. Other reasons for using change management include:

- Minimizes resistance,
- Increases engagement,
- Improves performance,
- Reduces costs, and
- Enhances innovation.

By helping staff better understand the change, we create a workplace that is more open-minded and open to change. When projects and initiatives are mismanaged from the “people side” of the change perspective, results and outcomes are generally not achieved. Additionally, there is a lower likelihood of meeting objectives, finishing within schedule, and completing the project on budget.

Awareness of the size of the changes, which stakeholders will be most impacted and how the organisation has previously handled change will be identified by the projects. The Portfolio Organisational Change Management Framework will be supported with the individual project organisational change management approaches, demonstrating a structured approach towards managing the change to support the end users to adopt and use the new solutions implemented.

This document provides direction and results in informed decision making throughout the individual change processes and the impact on the organisation. The change management process is continuous throughout the life of the Portfolio through the project life cycles.

## Change management methodology

### *Three Phases of Change*

The Portfolio Projects will align with the three-phase process of structured organisational change that the Project Manager or Change Manager can work through for the projects. The Prosci and ADKAR Change Management Framework provide the strategies and tools that will link the Portfolio with the people side of change management. With no change management, the likelihood of achieving ultimate utilization, speed of adoption and proficiency expectations tied to financial return goes down significantly.

## Phase 1

### *Preparing for Change*

Helps change and project teams prepare for designing the project organisational change management approaches. It answers questions such as:

- How much change does this project need?
- Who is impacted by this project and in what ways?
- Who are the sponsors who need to be involved to make this project successful?

Includes activities to prepare the project team for 'doing' change management, to enable the project sponsors to support the change, and to help architect a high-level change management framework (this document). During this phase projects may be conducting readiness assessments, planning the change management team, assess the impacts. This will largely be completed \*Pre Project by PMO and form part of the initial project sizing and tiering and is then completed during Project Initiation.

## Phase 2

### *Managing Change*

Includes the design of project change management activities, and the implementation of those activities throughout the business. Aligns with the project Planning, Executing and Delivering Lifecycle Stages. Project organisational change management plans and activities will be customised based on the characteristics of the change and the unique attributes of the audiences. Each of these plans will be filtered through the **ADKAR model** (see below). The **ADKAR model** defines the required result that we need to produce with these change management plans and activities.

Products created for the projects can include: Project Organisational Change Management Approach, Stakeholder Engagement and Communication Approach, Training Approach, Resistance Approach, Coaching Plan and Sponsorship Roadmap.

## Phase 3

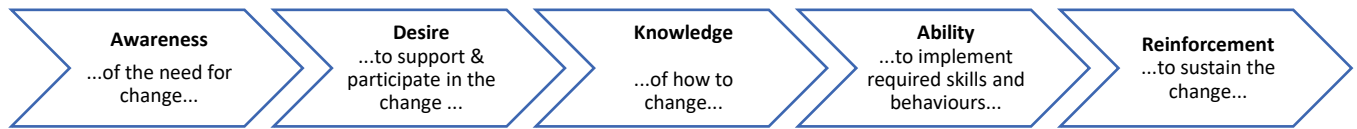
### *Reinforcing Change*

Includes the analysis of the results of your change management activities and implementation of corrective action. This focus area also includes celebrating early successes, conducting "after-action" reviews and transferring ownership for change management to the business owner. Create specific action plans for ensuring that the change is sustained. Develop measures and mechanisms to measure how well the change is taking hold.

## *ADKAR Model*

The Organisational Change Management Framework applies a structured approach to project change management applying Prosci's ADKAR Model. This model includes the five 'building blocks'

for managing major change as follows:



The ADKAR model provides a systematic change approach that can be applied to complex organisational changes such as those that require technology implementation within the Portfolio. The systematic application of change management will provide staff and other stakeholders the best chance of being well informed and prepared for the changes associated with the project through delivery of strategic activities and key messages.

This methodology is chosen as it reflects at what stage each impacted group need to receive what communications to support the end users through the changes. Having the correct sponsor, who has the credibility and influence to work with impacted stakeholders will align to the success of the project and realisation of the benefits.

*Organisational Change Management* understands what tools we have to help the individuals make changes successfully. While change occurs one person at a time, there are processes and tools that can help facilitate the change across the groups and the organisation. Without a structured approach, change management tools can be limited to only communication and training.

## ADKAR Definitions

**Awareness-** building awareness will involve communications about the need for the business to change and the expected impacts on the employees. Key business leaders should deliver the "business awareness" messages while supervisors and front-line managers should deliver the "individual awareness" messages. The return of the investment for business and for the project to be a success the sponsor needs to be active and visible throughout the whole of the project especially right from the start. The expectations of the sponsor needs to be well communicated from the beginning of the ADKAR process so as he/she has understanding of the commitment and importance of their role.

**Desire-** is built through conveying the importance of what's in it for me (WIIFM) of the business change for the employees. Effective delivery methods will aim to reduce fear and anxiety and create buy in from the impacted groups. Support the sponsor to connect how the change is related to the overall vision and strategy of the organisation. It's important to share with the sponsor the risk of not achieving the changes implemented to business.

**Knowledge-** impacted groups will need to have understanding of the benefits of being involved in the user acceptance testing (UAT), to make sure their requirements have been heard and that the tool is fit for purpose. The sponsor will need to be supported by the change manager as to the important milestone dates of the projects.

**Ability-** In order for staff to adopt and use the implemented changes they need to feel supported and confident with the training sessions and how to access the support resources. The sponsor needs to be aware as to what is working and what is not working, how each sponsorship coalition group is progressing in his/ her organisation, build and leverage these coalition groups to ease the burden on primary sponsors, what the key messages are for each impacted group throughout the project and develop a non-time consuming sponsor activity that can also fit into BAU to support the upcoming implemented changes.

**Reinforcement-** is important for keeping the change stick. Communications post go live are very important as they will continue to build support for the change to be habit forming. Support sponsor with employee feedback, engage sponsor and early adopters to identify quick wins to celebrate, manage the acknowledgement of the sponsors good work in the presence of others especially upwards in the organisation.

## Goals and Assumptions

Effective Portfolio change management enables the transformation of strategy, processes, technology, and people to receive the necessary support to help them manage the change. The overall goal of change management is to increase the organisation’s return on investment by increasing the:

- Speed of adoption related to a change solution,
- Utilisation rate or participation in the new way of doing or being,
- Proficiency or ability to incorporate the change into the BAU work environment,

The successful delivery of the Portfolio Project change management is based on the following current, known assumptions:

- Adequate resources and funds will be available for change management activities.
- There will be an integrated approach between portfolio management activities and change management.
- Active and visible sponsorship from sponsors and managers, including a willingness to play a part in the change.

## Roles and Responsibilities

Role	Responsibility
ACT Health Directorate, Calvary Public Hospital Bruce and Canberra Health Services Executives	<p>Authorise the organisational changes via project business cases.</p> <p>Participate actively and visibly throughout the portfolio and projects.</p> <p>Build a partnership of sponsorship and manage resistance.</p> <p>Communicate directly with end users (employees).</p> <p>Middle managers and supervisors communicate directly with employees advocate for employees.</p> <p>Coach direct reports through changes that impact their daily work.</p> <p>Liaise between project team and employees.</p> <p>Identify, analyse and manage resistance with staff.</p>
Project/Program Change Managers	<p>Apply the methodology and processes.</p> <p>Lead the development of the change management strategy and plans and track progress.</p> <p>Help managers and supervisors effectively coach their employees through the transition.</p> <p>Help Senior Executives effectively meet the sponsor of change role.</p>

	Help project teams to make the bridge between implementing a solution and realising benefits.
Project Managers/Program Managers	Integrate change management components and activities into the business case, schedule, budget etc. Provide timely, accurate and succinct information about the change.
Employees	Engage with the Change Managers. Provide feedback and reaction to the change and the change management efforts. Take control of their own personal transition.

## Portfolio Assurance

### Purpose

The purpose of Portfolio Assurance Management is to ensure that all management aspects of the Portfolio and its projects are working appropriately against the Digital Health Strategy, and that the Portfolio stays on target to achieve its objectives and produce quality outcomes. This approach for the Portfolio defines the approach taken to provide assurance from portfolio definition (new demands), project initiation and planning through to delivery for the in-scope projects.

### Fundamentals

Robust assurance ensures the Portfolio and its objectives, outcomes and benefits have the best possible chance of being achieved. Portfolio assurance activities run continuously.

There are two dimensions to Portfolio Assurance:

- Assurance Controls – defined as measures, processes or standards that are put in place to ensure Portfolio and project conformance and/or performance objectives are achieved, and
- Assurance Activities – active review activities to confirm achievement of the desired level of assurance.

This Approach will define the manner in which assurance controls and activities will be implemented in order to ensure that the Portfolio delivers outcomes in line with the expectations of its key stakeholders. This is achieved by:

- Defining the assurance control mechanisms,
- Defining the assurance and control activities to be undertaken
- Establishing and communicating expectations of the Portfolio and projects, regarding the level of controls and assurance activities required by the Division.

### Objectives

The assurance objectives for the Portfolio are to:

- Assure the Portfolio delivers capabilities to best support the achievement of the organisational objectives, priorities and required outcomes against the Digital Health Strategy,
- Provide assurance to stakeholders that activities are implemented in accordance with specified quality requirements,
- Ensure required artefacts are developed and maintained for the Portfolio and all its projects,
- Provide an assurance link between the Portfolio, its projects and relevant Governance bodies,
- Review the assurance arrangements throughout the life of the Portfolio,
- Provide reports to highlight the quality of assurance arrangements and to improve delivery confidence and
- Recommend improvements where identified and deliver.

## Approach

Portfolio Assurance is a layered control environment, with both internal and external assurance mechanisms. This is articulated through the figure below.

There are two assurance streams for the Portfolio:

1. Internal Assurance – these assurance mechanisms are established and undertaken by management within the Portfolio, Programs, Projects and the Digital Solutions Division, and these mechanisms and activities are outlined in this Assurance Approach.
2. External Assurance – delivered directly to the CIO, Digital Committee, Overall Governing Committee and/or Project/Program Boards for the Portfolio through an independent adviser from outside the organisation. This may be a consultant or contractor.





# Assurance Mechanisms

Assurance as defined in this strategy consists of assurance controls and assurance activities. The assurance control environment in conjunction with the assurance review approach will ensure that:

- Portfolio, program and project processes are performed as documented,
- Portfolio, program and project products meet the appropriate standards and requirements,
- Portfolio and organisational outcomes are likely to be realised by projects, programs and their deliverables,
- Non-conformances found in products are identified and the appropriate corrective action is initiated, and
- Assurance results are reported to the appropriate managers and/or personnel.

## Assurance Controls

Assurance control activity consists of controls over the management of the Portfolio and controls over the delivery of products and outcomes for the Portfolio. Together, the control environments provide assurance to the on the achievement of the Portfolios performance and conformance objectives.

Control Mechanism	Description
Enterprise Architecture Office	Provides assurance and guidance to the Executives, regarding: <ul style="list-style-type: none"> <li>- The development and maintenance of project architecture.</li> <li>- Project business and technical architectural business analysis consultation.</li> <li>- Architectural procurement alignment.</li> <li>- Standards, templates and Enterprise Architecture Governance developed by the projects.</li> </ul>
Portfolio Management Office	Organise and conduct project stage gate reviews and health checks, for ongoing health and viability of the projects and Performance against project plans and delivering against the Digital Health Strategy. Support and respond to findings from external assurers.
Management Controls	Built within the Portfolio and Projects is a management control environment consisting of a range of frameworks, approaches and plans with which the Portfolio manages and executes its key functions. The main management control areas are: <ul style="list-style-type: none"> <li>- Governance,</li> <li>- Stakeholder Engagement and Communication,</li> <li>- Benefits,</li> <li>- Organisational Change,</li> <li>- Scheduling including Interdependency Management,</li> <li>- Financial Management,</li> <li>- Resource Management,</li> </ul>

Control Mechanism	Description
	<ul style="list-style-type: none"> <li>- Risk Management, Issues Resolution and Change Control,</li> <li>- Monitoring, Control and Reporting, including Information Management, and</li> <li>- Assurance Implementation.</li> </ul> <p>This Assurance Approach is dependent upon and relies on this control environment to define the management controls and it is the responsibility of the Portfolio and Project Management to oversee the implementation and reporting of the management controls.</p>

## Assurance Activities

In addition to the assurance control environment, PMO will undertake a series of assurance activities and reviews to monitor the on-going operation and adherence to assurance controls. The focus for these activities and reviews is on testing to ensure that the products / outputs of the Portfolio, programs and projects pass through the control approach.

### Internal Assurance Activities

Assurance Activity	Description	Responsibility
Project/ Program Health Checks	<p>Health Checks are a management product delivered at both the Program and Project level.</p> <p>Such assurance review activities will be planned and executed throughout the project lifecycles. The focus will be on early detection and prevention of nonconforming products being delivered for the projects/programs.</p> <p>Recommendations identified from Health Checks will be managed as described in the Assurance Monitoring and Review Activity Section in this document.</p>	PMO
Tranche Reviews	<p>Tranche Reviews occur between each Tranche of program delivery, prior to the program formally moving to the next Tranche. The Program Manager is responsible for ensuring that the program documentation is a clear and concise representation of the project and where it is currently up to in its delivery. The Program Manager is also responsible for ensuring that documentation is endorsed in accordance with the Program Delivery Framework.</p>	PMO
Stage Gate Reviews	<p>Stage Gates occur between each Stage of project delivery, prior to the project formally moving to the next Stage. The Project manager is responsible for ensuring that the project documentation is a clear and concise representation of the project and where it is currently up to in its delivery. The Project Manager is also responsible ensuring that the documentation is endorsed in accordance with the Project Delivery Framework.</p>	PMO

Assurance Activity	Description	Responsibility
Checkpoint reviews	In addition to the Stage Gates process, Checkpoint reviews will be conducted by the PMO during the stages. This is to ensure the project remains aligned and forms part of the project assurance as well as project control.	PMO Project Managers
Document Reviews	A rigorous document review process is undertaken against all project artefacts. Documents are developed and peer reviewed within the project/program teams.	Program Managers Project Managers Project Team Program Team SMEs
Closure Reports	<p>Post Implementation Reviews are management activities that occur during the project/program closure delivered project/program level. This will be undertaken as the final stage for project/program deliverables. This will evaluate how well the objectives and outcomes were realised and identify and distribute organisational learning. Review outcomes will be added to the Portfolio Lesson Register.</p> <p>The Closure Report will compare what was planned to what actually occurred and assess whether the outcome was successful. The lessons and feedback including key findings, further improvements and recommendations will be documented and incorporated into the planning and development of further deliverables.</p>	Program Manager Project Manager
Lessons Reviews	<p>Lessons will be captured in the form of a lessons register. The register will include:</p> <ul style="list-style-type: none"> <li>- The source of the lesson,</li> <li>- Which aspect of the project it is relevant to, and</li> <li>- To whom it has been communicated or is applicable.</li> </ul> <p>Timely dissemination of lessons to managers, stakeholders and others working on the projects in the portfolio is a key assurance mechanism.</p> <p>Information will be sourced from:</p> <ul style="list-style-type: none"> <li>- Stage Gate and Health Check Reports,</li> <li>- End of Stage Reports,</li> <li>- Change Requests, and</li> <li>- Independent assurance reports.</li> </ul>	PMO Project Teams Program Teams

## External Assurance Activities

Assurance Activity	Description	Responsibility
Independent Portfolio and Project Assurance Reviews	Independent Assurance is delivered directly to the portfolio Digital Committee /Overall Governing Committee or project Project/Program Boards through an independent adviser from outside the portfolio. This may be a consultant or contractor or an independent entity within the division.	Digital Committee / Overall Governing Committee Project/Program Boards

## Monitoring Assurance Activity

At the completion of each assurance activity PMO will be responsible for recording and documenting the results to:

- Discover trends and confirm improvements,
- Highlight difficulties and possible improvements in the processes within the activities,
- Determine the types of corrective action to be carried out and how long corrective actions take to implement.

Types and numbers of non-conformances may highlight the need for more support from the PMO or more training in the use of the procedures themselves. Results of assurance reviews may also influence the scheduling of future reviews. Outcomes of each review, including trends and highlighted problems or problem areas, will be reported to the DSD Executive. Review documents will form part of the assurance records maintained by the PMO which may be reviewed by external assessors to test whether the internal reviews are operating effectively.

Finally, the Assurance Register for the portfolio will be maintained by PMO.

Portfolio Assurance Recommendations Register	<p>The register will form an audit trail for the Portfolio assurance control checks. Each Recommendations Register entry will include:</p> <ul style="list-style-type: none"> <li>- Dates of the assurance check;</li> <li>- Type of assurance check;</li> <li>- Method of assurance check;</li> <li>- Product being checked;</li> <li>- Results of assurance check;</li> <li>- Action items required and</li> <li>- Acceptance and sign-off.</li> </ul>
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