



**PLANVIEW DAY 2022 ROADSHOW**

**LONDON** | 16th June

# Stable Funding Agile Portfolios

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# Impediments to enterprise agility #1 - Funding

the million dollar question

How do we organize our work, organize our people and **organize our funding** to create the most efficient flow of idea to value for the organisation and our customers?

organize our funding

What is outcome based (stable) funding?  
How does it fit into an investment budget process?  
What are the inhibitors?  
Why do it?





# Stable funding retains portfolio integrity within risk appetite whilst driving our efficiency agenda

## What is Stable Funding?



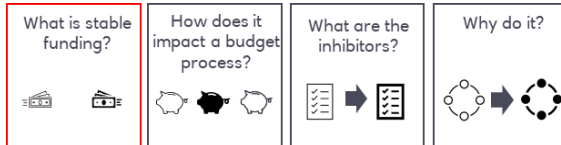
- Stable funding is the provision of a fixed budget over an agreed period of time for an agreed set of returns
- Stable funding is aligned to a 'value stream' e.g. a customer journey or a shared capability (e.g. digital, data)
- Using historical data and future forecasting we can identify stable and persistent demand for relatively smaller and incremental change
- There is a shift from project based demand management to funding long lived portfolios with a more persistent and efficient workforce focused on outcomes

## Why Stable Funding?



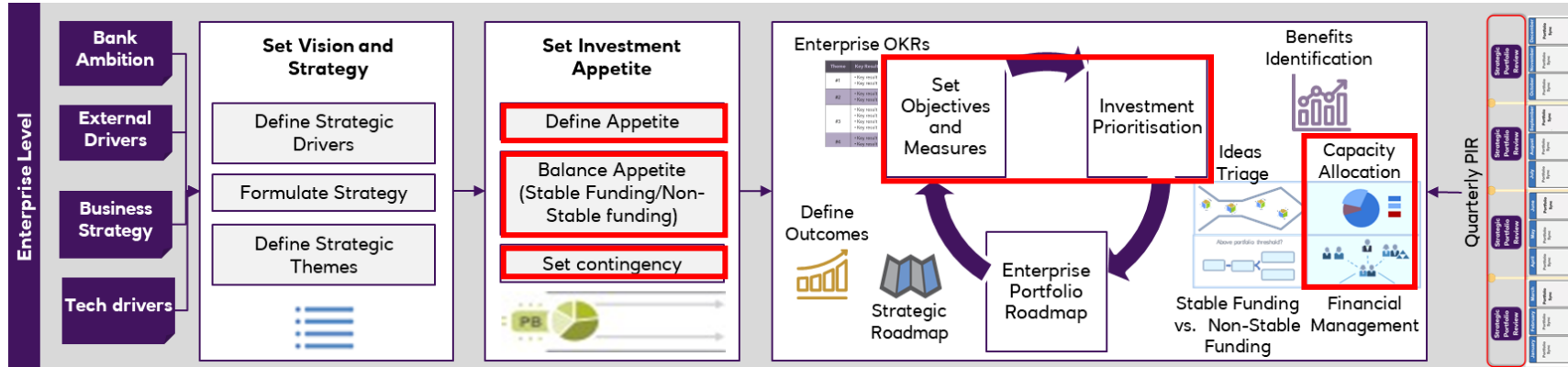
The introduction of a stable funding envelope gives us opportunity to:

- Accelerate the route to value and do more with less
- Shift focus towards outcomes rather than large numbers of smaller delivery projects
- Simplify and reduce overhead of governance
- Enable our resource efficiency goals





# A process focused on outcomes and balanced across horizons



What is stable funding?

How does it impact a budget process?

What are the inhibitors?

Why do it?





# Some key inhibitors to Stable Funding

## Key Objection

## Resolution / Mitigation

## Behavioural changes

**Loss of decision making rights in prioritisation of work** resulting in an inability to realise committed outcomes

- Agreement on financial ownership and decision rights for prioritisation

• Improvement in sequencing activities to support stable and persistent capacity

Under investment leading to specific remediation needs

- Agreement on funding by horizon guardrails

• Inclusion of technical debt and application currency maintenance in prioritisation

The **integrity and transparency** at the right level of granularity to meet our risk, regulatory and financial reporting needs

- Agreement on reporting requirements and validation they will be met

• Planview entries to focus on Portfolio 'Programme' entities supported by underlying backlogs

Our ability to leverage, manage and report **capitalisation of assets, impairments, tax credits etc**

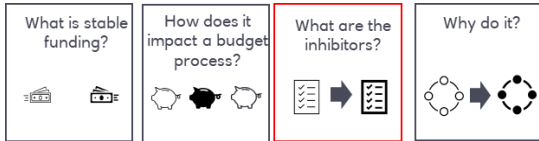
- Detailed review of financial processes and minimum data for compliance

• Planview entries to focus on Portfolio 'Programme' entities supported by underlying backlogs

Our **'readiness'** to operate, organise and work in a stable funding model

- Impact on portfolio operating models

• Shift thinking from programmes and projects to outcome based delivery





# Why do it?

	Reduced total cost of labour	Accelerated route to value realisation	Reducing administration and governance	Simplifying the Budget Process with focus on outcomes
	<p>✓ Removes acknowledged inefficiencies associated with ramp up/down of resources</p>	<p>✓ Develop long lived teams with 'skin in the game' and enhanced intrinsic knowledge</p>	<p>✓ Reduced administrative overheads from simplified management</p>	<p>✓ Balancing and stable funding component set early in the process, for a rolling period</p>
Pilot Outcome	One pilot removed 10% of managed service worker costs	One pilot delivered 30% more work within their persistent funding	One pilot reduced their governance from 30 work items down to 5	One pilot reallocated efficiencies to achieve more delivery

<p>What is stable funding?</p>	<p>How does it impact a budget process?</p>	<p>What are the inhibitors?</p>	<p>Why do it?</p>
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# Thank you!



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