

APMG EVALUATION SERVICE FOR PROJECT MANAGEMENT PRODUCTS

GOLD REPORT

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Product: **Investment Analyser and Portfolio Analyser**

This report covers the Gold Stage assessment of Investment Analyser and Portfolio Analyser, complementary applications from Proving Services Ltd., that I conducted between the 11th and 16th August 2006.

The purpose of Investment Analyser is to evaluate the viability of investing in individual projects. Initially it requires users to input some detailed information about the business strategy and objectives of their organisation and the benefits anticipated from a particular project. As a preliminary, the anticipated benefits are aligned with the overall strategy and objectives and their relevance to these is measured.

The next step involves answering a series of questions drawn from a library of 1750 questions that can be delivered in more than 26,000 combinations. The answer given to each question determines which subsequent questions are asked. This questioning can be rigorous and answers often require supporting evidence to be given. On average about 320 questions are asked during a full Business Case review - dependant on the number of benefits, objectives and strategic drivers in the project.

Following analysis, the program delivers a verdict on the achievability of the project and its attractiveness when measured against the organisation's strategy, objectives and benefits required.

Portfolio Analyser takes the Investment Analyser results of the various projects in the organisation's portfolio and compares them one against the other. It delivers a series of reports that detail the comparative benefits anticipated from each project and highlights the most and least achievable and attractive projects in the portfolio.

To facilitate the Gold Assessment process, Proving Services were invited to supply details of two clients who had been using these applications during the course of their business for a sufficient period to become well versed in the way they work. This they did and I interviewed the people who use the software in order to discover whether they were of the opinion that it works as it should and as they were led to believe it would.

The first client interviewed was a Directorate within the Ministry of Defence that has been using the software to help in the process of making decisions about multi-million pound capital

purchases for the past three years or so. In the business case for purchasing the product, they envisaged the principal benefit to be an improvement in the quality of the information available as a result of using the product. This was certainly achieved.

The purchase agreement included a support contract. Proving Services collaborated with their client for six months, which was spent adapting and tailoring their software to fulfil the client's specific requirements. Because of security considerations, the finished product was delivered on a stand-alone laptop computer. No problems with customising it were experienced.

It was felt that, because of the inherent complexity of the model, it presents a certain daunting quality when seen for the first time. However, once you start to use it and understand what it's doing, it's intuitive and easy to use. The Directorate was of the opinion that, for best results, the system requires a dedicated user responsible for applying the tools.

Support has been 'exemplary' and has been provided 'at a moment's notice'. On occasion, circumstances have necessitated changes being required quickly and the necessary support has been provided, seamlessly and without any problems.

Data was imported from Excel spreadsheets without any problems. Data is also exported to Word reports and this is easy to do.

The product does everything that was expected of it. There were two key elements to this. Firstly they needed the ability to assess risk. Secondly, the software needed to be flexible enough to be able to assess many factors simultaneously. They stated that the product delivered in both of these areas.

The product was initially tailored to their needs. They would now like a few changes made, but these relate to specific MOD requirements as opposed to normal product functionality.

They like the product. It's done what they wanted and has provided a far greater knowledge about the decisions they've made - helping them to understand the issues more clearly. They can't say that they wouldn't have made the same decisions if they hadn't used the product, but they understand much more about the decisions they have made and so can justify them more strongly.

The second client that I interviewed was the Criminal Justice Information Technology Directorate of the Office for Criminal Justice Reform, a trilateral organisation serving the Home Office, Department for Constitutional Affairs and the Attorney General's department. They initially employed Proving Services consultants to operate their system but, following the decision to purchase the software themselves, they set up an independent section to apply it. Following training, this section now uses the software for investment appraisal, portfolio and benefits management. The Director is completely certain that the cash savings resulting from the use of this software will be greater than those projected in the business case. He expects to break even this year and achieve greater savings next year. This is partly because they're making more use of the tool than was originally envisaged and, consequently, are saving more money. He believes that they're also producing better business cases and are making better decisions.

The product arrived on a CD. It was a five-minute job to install it onto the network and make it available to a number of people. Configuration, adjusting weightings and terminology was all easy.

It was felt that, once the user understands the model, and the reasons for asking the questions, actually using the software is easy.

Proving Services were on site whilst the product was being installed and configured. After a few days, a consultant returned to answer queries and handle teething difficulties. They have a 'very good' relationship with Proving Services, who they find to be 'very responsive'.

Export of data to Microsoft Access has been made without difficulty.

They knew what the product did when they purchased it because they previously had the experience of seeing the Proving Services consultants using it. It has performed as expected.

There were some changes to the model needed, to tailor it to their requirements, and Proving Services has taken care of these. No functionality gaps have been found. They consider their purchase of the software to have produced excellent value for money.

Consequently, I am satisfied that these two products meet the required standards and recommend that Investment Analyser and Portfolio Analyser be given the Gold Award.

S. Cotterell
17th August 2006