**Reason #5: Better Prioritization of Efforts**

It is the job of each individual project manager to look out for the interests of his or her team, attempting to secure whatever finances or resources are needed to complete the present project or projects.

Essentially, your company pays those project managers to be selfish, in a way.

However, without an extra level of management acting as an umbrella that connects all of those teams and departments together, which is essentially the job of project portfolio management, those individual project managers may find themselves working against each other, team against team, to the detriment of the efficiency of your overall company.

This is another amazing reason why your team needs portfolio management. Only by organizing all of those teams, looking at your company from the “big picture” perspective, will your company be able to prioritize the resources and efforts at your disposal to get the most important projects done first.

Not all projects are created equal, as we stated earlier. On top of that, even projects that are equally “good ideas” may not have the same degree of urgency or importance.

When you are able to see things from the big picture, you are then able to decide which projects need to be a priority for the company overall. This may mean transferring resources or personnel from one team or department to another so as to put as much focus as possible on particular projects.

Why would certain projects need to be finished first? For a number of reasons.

Some projects must already be completed and in place before others can be started. In the case of some projects, there may be a window of profitableness, a limited time in which that project, once completed, can produce the strongest ROI. In such a case, it is paramount for certain projects to be completed as quickly as possible, while others may be able to wait a while longer.

Having the ability to prioritize the placement of resources and efforts within your company from one team or department to another is a huge benefit to having project portfolio management in place.

**Reason #6: More Flexible Timetables**

When it comes to project portfolio management’s ability to redirect companywide resources to prioritize some projects over others, there is an incredible side benefit worth mentioning here, and it serves as our next reason why your company should have portfolio management at its disposal.

Being able to prioritize some projects over others allows you to form more flexible timetables.

Overseeing multiple projects simultaneously without the benefit of project portfolio management’s bird’s eye view and level of control, you may feel a bit like a spectator and some sort of race. You can certainly bed on which project will be finished first, but you may feel that you have little to no control over those timetables. That control is squarely on the shoulders of the individual project managers for each team or department.

However, when you have the level of management in place to take resources from one project and dedicate them to the completion of another project, you will be able to better control how quickly some projects are completed.

Wouldn’t it be nice to be able to promise the delivery of some completed projects very quickly, more quickly than those individual teams would be able to finish them? Wouldn’t it be fantastic to have that extra level of flexibility in response to the ever-changing landscape of your company’s market?

That is an excellent benefit to having project portfolio management at your disposal.

**Reason #7: Better Calculate Project ROI**

Previously, calculating the ROI of a specific project would be the responsibility of the team leaders in charge of completing that project, such as the project manager. Unfortunately, more often than not, the projections for return on investment do not turn out to be as realistic as planned.

Why is it that project managers a time failed to calculate the projected ROI of a specific project? This is simply a symptom of not seeing the forest because of the trees.

Some projects can boast huge promises of profitability, and that the scale they are working, those promises sound reasonable.

A benefit of having a layer of management at a larger scale, such as project portfolio management, is in being better able to calculate a more realistic promise of ROI. How is this possible? Because that bird’s eye view will be better able to see how similar projects have worked in the past, compensating for changes in the market, as well as other factors.

With the advantage of a portfolio management level of perspective, your company will be better able to calculate the perspective ROI of any particular project, based on the track record of similar projects, both within your company and within other organizations. It simply a matter of having more data at your disposal and being better able to use that data to make more accurate predictions.

Having high fidelity predictions for future income for any particular team or department within your company, you will be able to make better plans during your strategy sessions, perhaps allocating the right amount of resources in that same team or department in future financial quarters.

The last thing you would want to do is dedicate resources according to a false promise of ROI, only to discover that the majority of those resources will be wasted on a project that turns out to be largely unprofitable. Project portfolio management can prevent that from happening.

**Reason #8: Better Calculate Overall ROI**

In addition to being better able to calculate the perspective ROI of individual projects, having the advantage of project portfolio management will also mean being able to better calculate the productivity and ROI for your entire company.

Having a more accurate prediction of upcoming profits will be incredibly beneficial to upper management, as well as any investors and stakeholders in the company.

With this kind of information, you will be better able to make solid plans for your company’s future, markdown better goals for upcoming years, and make smarter investments for upcoming companywide objectives.

**Reason #9: See the Big Picture**

Throughout this entire article, we have again and again talked about the benefits of seeing things from a birds eye view, seeing the [“big picture” perspective](http://www.slideshare.net/anandsubramaniam/project-portfolio-management) on everything that is taking place within your company.

This, on its own, is one incredible reason why your company simply cannot survive without portfolio management.

The larger your company, the more data there will be available to you from all the individual teams and departments within your company’s organization. Buried under mountains of data, it can be very easy to get distracted from the big picture that is the overall direction your company is going.

There are very few people with in your company’s organization that will be able to see the larger picture. Individual employees each have their own jobs to do, and they absolutely must stay focused on their individual jobs. Project managers are responsible for their own projects, and they cannot be distracted by what is happening elsewhere in the company, since you want them zealously fighting for the success of the projects assigned to them and their teams.

Even those that are working in upper management have their own worries to focus on, be that human resources, public relations, property management, etc.

Having project portfolio management boiled down all of the relevant data from multiple individual projects and deliver that data to you as a concise, big picture report will prove invaluable to helping everyone in the company stay focused on the objectives placed before them, not having to worry about what other parts of the company are doing, reassured that the overall function of the company is working efficiently and responsibly.

Having someone focus on the big picture will be essential to keeping all stakeholders happy and reassured that their investments of time and money are being well spent and will turn a strong and long-term profit.

**Reason #10: Build a More Profitable Future**

Portfolio management does much more than provide a snapshot of what your company is doing right now. It can also help you to plan for a more profitable future. How is that?

By providing better overall ROI figure, and by helping decide between “good idea” and “bad idea” project proposals, portfolio management can help you make better decisions for the future by shedding light on where the company is heading right now.

We must always keep in mind that any company is only as good as the decisions its leaders make. The better the quality of those decisions, the more stable the company’s future can be, and more reassured everyone involved will feel. For this reason, project portfolio management is vital for your company. It can help you make more informed decisions about what projects to pursue, as well as how much you should invest in those projects.

Essentially, having portfolio management at your disposal is like equipping your company with the best, most organized facts, to help you make better decisions and plan for a more profitable future.