

Strategic PMO

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Steps to Implement a Strategic PMO

1. Assess the Company's Current Condition
2. Project Office Rationale, Organization Structure, and Functions
3. Meet the Players
4. Project Office Planning, Preparation, and Strategy
5. Establishing a Project Management Methodology
6. Changing the Organizational Culture

Assess Company's Current Condition

Some Question to Ask an Organization Before Starting

- As a organization what knowledge about Project Management do they possess?
- How is PM knowledge acquired?
- What is the “basic” approach to organizing, planning and managing projects?
- How successful do they think they have been?
- What formal assessments have been conducted within the organization?
- What support for Project Management exists within the organization (Both business and IT)?

Additional Questions

- How does the executive level view the success of current project management practices?
- What do they want changed?
- Do they support entering into a formal assessment?
- Do they support introducing formal project management?

Determine Company's Maturity

- Before introducing PMO into a Company Determine if They Are Ready
 - Determine Company's Project Management Maturity
 - Perform Project Management Maturity Assessment
 - Five Levels of Maturity
 - Similar to CMMi

Determine Company Project Management Maturity

- Five Levels of Company Project Management Maturity
 - Level 5 – Continuous Improvement
 - Level 4 – Benchmarking
 - Level 3 – Singular Methodology
 - Level 2 – Common Processes
 - Level 1 – Common Language

Level 1 – Common Language

Characteristics

- Lip Service to Project Management
- Virtually No Executive-Level Support
- Small “Pockets” of Interest
- No Attempt to Recognize of Benefits of Project Management
- Self-Interest Comes Before Company Interest
- No Investment in Project Management Training and Education

Roadblocks

- Resistance to Change
- Leaving Well Enough Alone
- Not Invented Here
- It Does Not Apply to Us
- We Don't Need It

Level 2 – Common Processes

Characteristics

- Recognition of Benefits of Project Management
- Organizational Support at All Levels
- Recognition of Needs for Processes/Methodologies
- Recognition of the Need for Cost Control
- Development of a Project Management Training Curriculum

Roadblocks

- Resistance to New Methodology
- What We Already Have Works Well
- Believing That a Methodology Needs Rigid Policies and Procedures
- Resistance to “Horizontal” Accounting

Level 3 – Singular Methodology

Characteristics

- Integrated Processes
- Cultural Support
- Management Support at All Levels
- Informal Project Management
- Return on Investment for Project Management Training Dollars
- Behavioral Excellence

Roadblocks

- Don't Fix It If It Isn't Broken
- Resistance to a Singular Integrated Methodology (i.e. Repeatable Process)
- Resistance to Shared Accountability
- Fragmented Corporate Culture
- Overemphasis on Documentation

Level 4 – Benchmarking

Characteristics

- Establishment of Project Office (PMO) or a Center of Excellence (COE)
- Dedication to Benchmarking
- Looking at Both Similar and Nonsimilar Industries
- Quantitative Benchmarking (Processes and Methodologies)
- Qualitative Benchmarking (Cultures)

Roadblocks

- Not Invented Here Syndrome
- Does Not Apply to Us
- Wrong Industry to Benchmark Against
- Fearful of What Results Will be Found
- Resistance to Change

Level 5 – Continuous Improvement

Characteristics

- Lesson Learned Files
- Knowledge Transfer
- COE/PMO Mentorship Program
- Strategic Planning for Project Management

Roadblocks

- None

Project Office Rationale, and Functions

Project Office Rationale

- Assessing PM Software
- Coordination of Schedules for Various Projects
- Systems Interfaces with Other Business Systems

Project Office Functions

- Types of the Project Office
 - Level 1 – The Project Control Office
 - Responsible for handling Large, Complex Single Projects
 - Level 2 – Business Unit Project Office
 - Level 3 – Strategic Project Office

Project Office Functions

- Project Support
- Documentation
- Change Control
- Project Repository
- Tracking and Reporting
- Risk Management
- Resource Repository
- Cost Tracking
- Software Support –
Software Tools
- Processes, Standards and
Methodologies
- Training
- Consulting and Mentoring

Meet the Players

Roles

- The Executive Role
 - Identifying the Executive Sponsor
 - Management Participation – Project Office Steering Committee
- The Strategic Project Office Director
 - Staffing of Project Office

Project Office Planning, Preparation, and Strategy

Project Office Strategy

- Determine the philosophy of the PMO
 - Oversight
 - Review
 - Advisory
 - Mentoring

Planning

- Objectives and Milestones
 - Specific
 - Measurable
 - Realistic
 - Time-Constrained

Implementation Strategy

- Phase I – Establish the Foundation
- Phase II – Startup with Short-Term Initiatives
- Phase III – Rollout with Long-Term Solutions
- Phase IV – Support and Improvement

Ten Keys to Successful Deployment of PMO

1. Keep it Simple
2. Communicate
3. Make Sure Expectations and Goals are Shared
4. Focus on Value
5. Support Project Managers
6. Take Time to Understand the Organizational Problems from Various Point of View
7. Conduct Pilot Tests
8. Establish Incremental Goals
9. Involve the Right People Up Front
10. Plan

Five Ways to Fail

1. Forget Key Stakeholders
2. Demand Before Providing
3. Do It All at Once
4. Procrastinate
5. Work in a Vacuum

Why Does Strategic PMO Sometime Fail

- Lack of CEO Endorsement – Any type of strategic PMO must originate with Senior Management
- Failure to Reexamine – Strategic PMO is not a one-shot process, it's dynamic
- Being Blinded by Success – Simply because a few projects are completed successfully does not mean the methodology is correct
- Over responsiveness to information – Too many changes in too short of time

Why Does Strategic PMO Sometime Fail

- Failure to Educate – People cannot implement and repetitively a methodology they do not understand
- Failure of organizational acceptance – Company-wide acceptance of the methodology is essential
- Failure to Keep the Methodology Simple – Simple methodology based on guidelines are ideal
- Blaming Failures on the Methodology – Project failures are not always the result of poor methodology
- Failure to Prioritize – Serious differences can exist in the importance from different functional areas

Establishing a Project Management Methodology

Five Steps to Establishing a Methodology

1. Map
2. Benchmark
3. Define the Processes
4. Document
5. Release and Refine

Changing the Organizational Culture

Steps to Creating Project Culture

1. Assess the Need for Change
2. Ensure the Organization is Prepared for Major Change
3. Is the Proposed Change Consistent with Existing Organizational Climate and Culture
4. Plan the Change in as Much Detail as Possible
5. Ensure the Reward System is Structures to Motivate Employees to Focus on Implementating PM Methodology
6. Allocate Resources to Maintaining New System
7. Monitor the Process and Effectiveness of the Change

Last

- Remember This Is Just a Very Important Project
- So Use Good Project Management Principles

THANKS