

Key Tips on How To Build Your First Project Management Office

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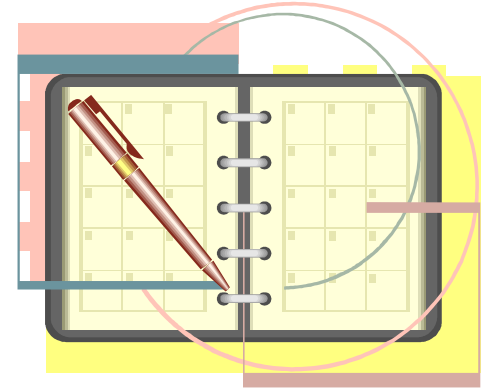
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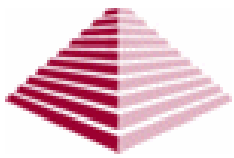
Agenda

- Overview
- PMO implementation model
- Basic PMO services
- Advanced PMO services
- Implementing in waves
- Common problems and best practices





Overview

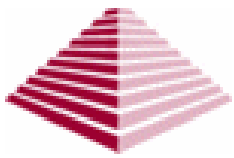


Overview

Project Management Office (PMO)

- More common in past with very large programs
- Coincides with the rise of project management awareness
- Many companies implemented with Y2K
- Entered mainstream as a way to better manage and control projects
- Still more common in IT organizations





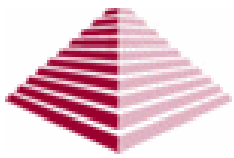
Overview

PMO Types

- Type I: Project Reporting
- Type II: Project Management Infrastructure
- Type III: Coaching and Training Center
- Type IV: Resource Center / Center of Excellence
 - Responsible for project success

Assumptions for today's presentation

- Implementing a Type III PMO – Coaching and Training
- Assuming larger organizations (to allow discussion of broad range of services)
- Balancing potential services against actual resources

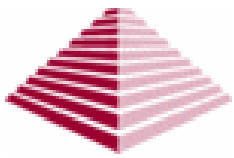


Overview

The value of project management

- Better predictability for cycle time and costs
- Improved quality of product deliverables
- Early identification and proactive management of project issues and risks
- Better containment and management of project scope
- Reduced time to get up to speed on new projects
- ... more





Overview

The value of a Project Management Office

- Provides one-stop view of project status
- Develops and deploys common project management methodology
- Determines skill gaps and areas of training focus
- Accelerates adoption of project management through training and coaching
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PMO Implementation Model



Overview of PMO Implementation Model

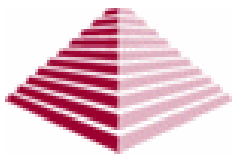
- Current State Assessment
- Future State Vision
- Gap Analysis
- Implementation Strategy
- Implementation Plan
 - First wave
 - Second and subsequent waves



Current State Assessment

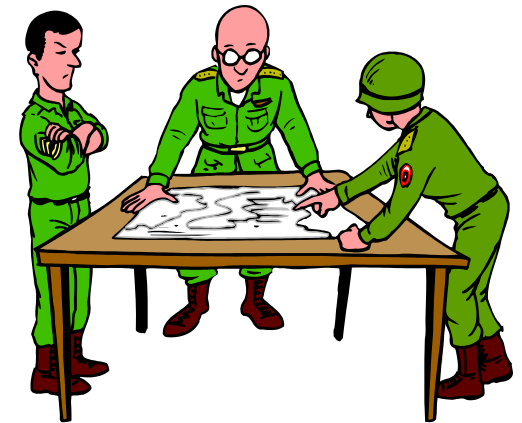
- **Mission** – *Aligns organization to value it provides to the business*
 - What the organization does, how, for whom
- **Vision** – *Perfect organization in a perfect world*
 - State what the organization is striving to achieve
- **Goals** – *What the organization is trying to accomplish (high level)*
 - Aligned to business benefit
 - May take multiple years to achieve

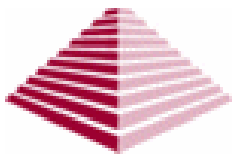




Current State Assessment

- Strategy - *How-to*
 - Overall plan and course of action to achieve goals
 - Based on external environment and internal capabilities
- Objectives
 - Low level statements
 - Describe what this organization will achieve this year
- Principles
 - Moral and ethical statements
 - Rules of behavior, how you value people
 - How people will resolve conflict

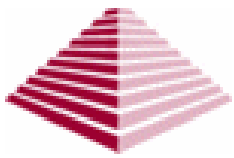




Current State Assessment

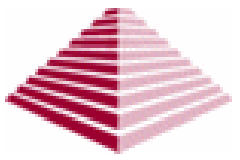
- History
 - Understanding major past events
 - General attitude toward change
 - How successful have projects been in the past
 - Will staff be open or hostile to this initiative
- Culture
 - "How we do things around here"
 - Informal (and formal) rules
 - How you act and interact with others
 - How you get your work done
 - What things are valued





Current State Assessment

- Governance
 - How the management structure functions
 - How you accomplish objectives using management
 - Consequences and incentives for following directives
 - Determines how well your organization accepts change
- Clients, Customers and Suppliers
- Stakeholders
- Business processes
- Other initiatives that may conflict
- Organization structure and how it helps or hinders project success



Current State Assessment

- Staff

- Roles
- Responsibilities
- Skills & competencies
- Makeup

- Locations

- One location, multiple, multi-national, etc.?
- How do locations interact?
- Cultural differences
- Language differences



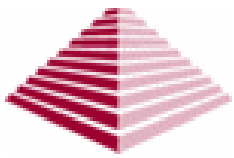


Future State Vision

- Clients / customers
- Suppliers
- Stakeholders
- Products and services
- Other initiatives
- Staff, roles, responsibilities, and skills

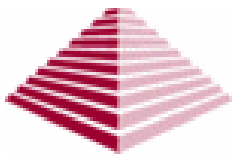
- Current State Assessment
- **Future State Vision**
- Gap Analysis
- Implementation Strategy
- Implementation Plan





Future State Vision

- Pick areas that make most sense
- Similar to Current State categories, but not exact
 - Some categories only apply to Current State
- This is a requirements gathering process
 - No right or wrong
 - Only right and wrong for your organization
 - Need to identify requirements and build consensus
- Iterative process
 - Your future state is likely to change when you see what it will take to reach it



Gap Analysis

- What is the gap between current state and the future state?
- Gain consensus
- The Gap Analysis is a means to an end, not the end itself

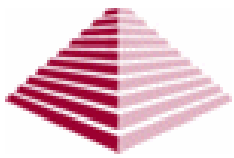
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Implementation Strategy

- Use the Gap Analysis
- Provides a framework to make decisions
- Sections
 - Overall scope
 - Enablers and barriers
 - Risks
 - Implementation strategy statements (how-to)
 - High-level approach

- Current State Assessment
- Future State Vision
- Gap Analysis
- **Implementation Strategy**
- Implementation Plan



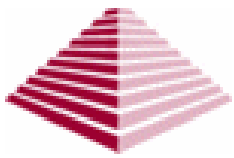
Implementation Plan

- Use the Gap Analysis and Implementation Strategy
- Identify the waves (more later)
 - Projects
 - Timeframes
 - Resources
 - Deliverables
- Create the roadmap to move toward your future vision

- Current State Assessment
- Future State Vision
- Gap Analysis
- Implementation Strategy
- **Implementation Plan**



Basic PMO Services



Consolidated Reporting

Consolidated status reporting

- Basic PMO service
- Provides consolidated view of all project status
- High level
- Follow-up with individual project teams for more details
- Must receive a status from each project team

Project dashboards

- Graphic, visual display
- Charts and graphs for overall status and trends
- One line status per project – green/yellow/red
- Drill down on each project for full status

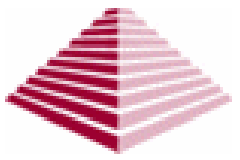




Methodology Management

- One of the basic PMO responsibilities
- Consistent and common project management methodology
 - Processes
 - Procedures
 - Best practices
 - Templates
 - Examples
 - Standards and guidelines
- Make sure the methodology is scalable



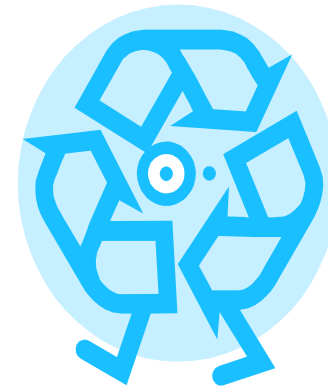


Methodology Management

Methodology development

- Options for initial methodology
 - Reuse
 - Buy and use as is
 - Buy and customize
 - Build
- Develop as you deploy
- Run as a project

Methodology development
Methodology enhancement
Methodology support



Methodology enhancement and support



Competency Enhancement

Training

- Many alternatives
 - Instructor led and computer based
 - Seminars / webinars
 - Books / magazines



Project Management Coaching

- Usually one-on-one or small group
- Advice is based on coach training and experience and is specific to the people being coached
- Need to “touch” the person, so best if done in person



Project Audits

- Validate compliance
- Provides opportunity for coaching
- Use quality assurance techniques
- Don't have to audit every project

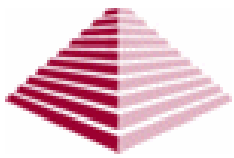




Document Repository

- Need a place to house documents
- Can't reuse prior work if you can't find it
- Include methodology, PMO documents, and well-done examples of completed work
- Can be automated tool or file directory
- Track repository usage





More Basic PMO Services

Metrics Collection

- Project focused and PMO focused
- Project management value focused
- Organization scorecard focused
- Benchmarking



Organizational Assessments

- Periodically determine progress of PM implementation
 - Look at all services offered
 - Analyze all metrics and feedback
 - Summarize project audits
- Compare against first and prior assessment
- Validate the value of implementation so far
- Adjust plans as appropriate



Advanced PMO Services

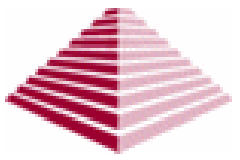


Advanced PMO Services

Implementing Earned Value Management

- Provide training and coaching
- Establish supporting infrastructure
- Implementation complexities
 - Require workplan accuracy
 - Capture actual effort and cost
 - Change culture
 - Weigh the cost against the value

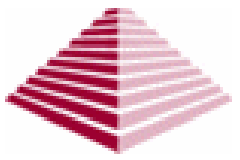




More Advanced PMO Services

- Designing a project management career path
- Collecting project metrics for improved estimating and process improvement
- Defining project time-reporting requirements
- Providing product management for PM tools
 - Plan and implement
 - Manage contracts, licenses and finances
 - Coordinate release management

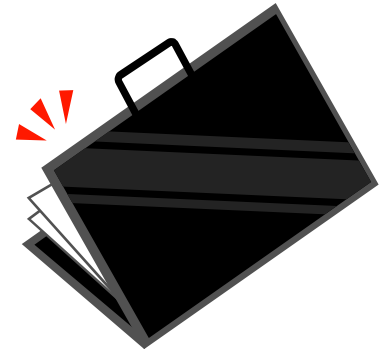




Advanced PMO Responsibilities

Establishing a portfolio management process

- Portfolio management
 - Improved resource allocation
 - Improved alignment of the work
 - Improved balance of work
- Portfolio management and the PMO
 - PMO sees all projects
 - PMO serves as a central coordination organization
- Common resource pool
 - Skills inventory
 - Current assignments
 - Project end-dates



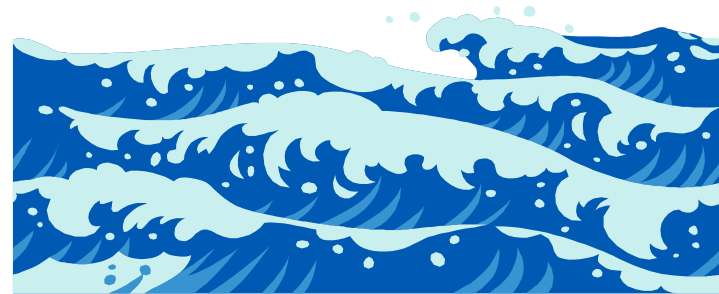


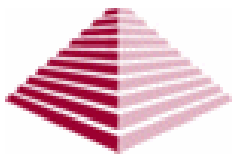
Implementing in Waves



Implementing in Waves

- Many models for implementation
- Use one that makes sense for your organization
- Deploy in “waves” or phases
- Don’t implement too much change at once
- Deploy most important priorities first





Implementing in Waves

First wave

- Plan and manage as a project
- Build overall communication plan
 - Multiple aspects of communication
 - Understand and satisfy target audience
- Focus on the basics
 - Define the project (Project Definition / Charter)
 - Plan the project (workplan / schedule)
 - Manage the project (Project Management Procedures)

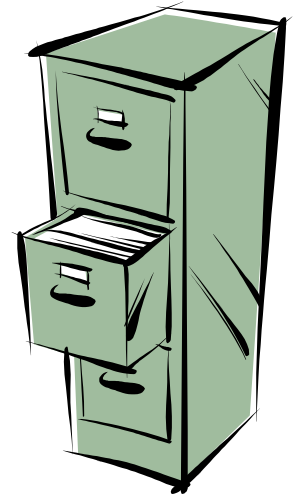




Implementing in Waves

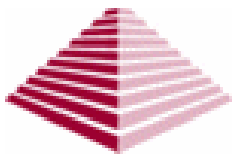
Second wave examples

- Second wave training
- More sophisticated common processes and techniques
- PMO review of all Project Charters
- Project management support organization
- Align organizational objectives and rewards systems
- Project audits
- Governance processes
- Project management tools
- Repository of project management documents
- Key learnings to derive best practices
- New organization assessment





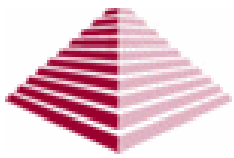
Common Problem and Best Practices



Common Problems

- Setting up processes and expecting everyone to follow them
- Expecting everyone in the PMO to be an expert
- Making all projects follow the same approach
- Not having the staying power
- Not creating a support organization
- Poor communication
- Weak sponsorship
- Trying to do too much with too little
- Focusing on PMO activities and not value





Best Practices

- Implementation best practices
- Treat as a culture change initiative
 - Resistance to change is normal
 - Be aware of logical and emotional resistance
- Show some results as quickly as possible
- Treat implementation is a process and a project (s)
- Sponsor at highest level
- Have multi-year staying power
- Be open to new ideas from the organization



Questions??

