



Excuse Me...
**Where Do I Find
the Project
Management Office?**

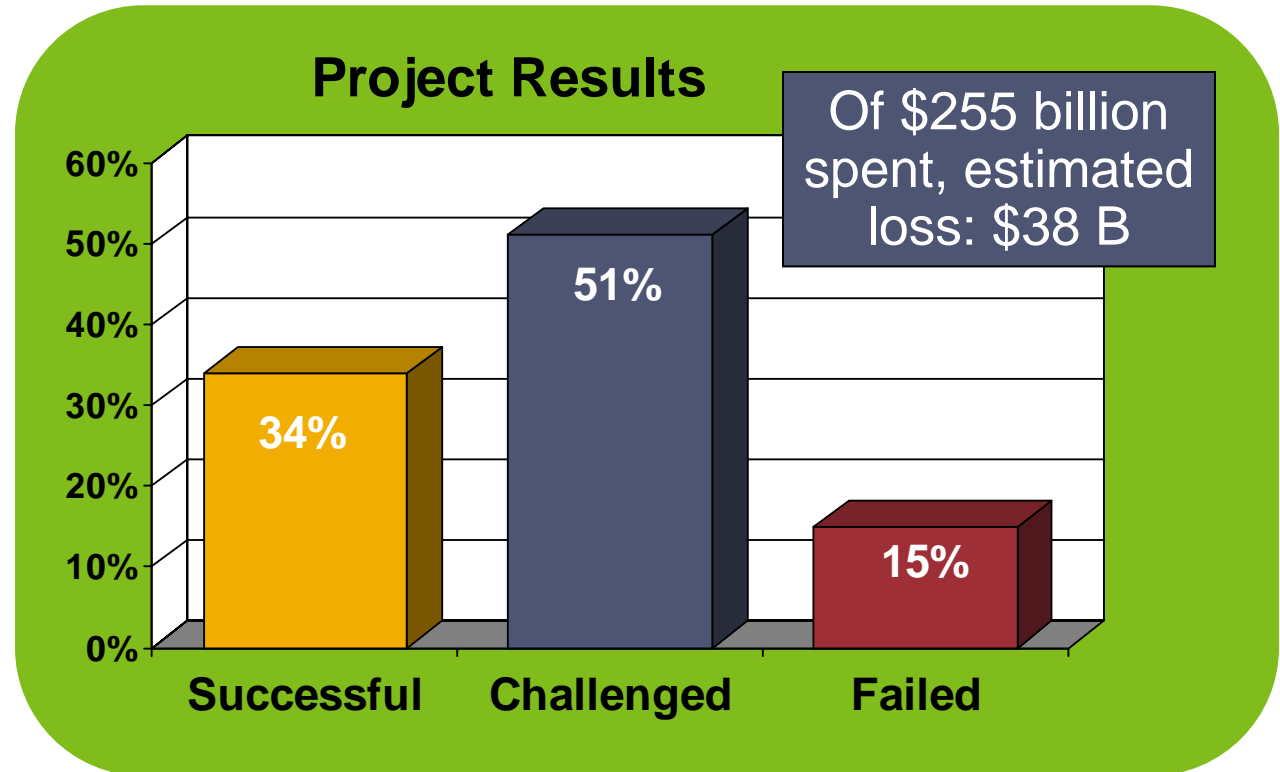
Bruce Chadbourne, PMP

INTRODUCTION

- What problem are we solving (Who cares?)
- What is the PMO and why is it the answer?
- What does the PMO bring to the party?
- Which PMO works best?
- Where do I position the PMO?
- What should my PMO do?
- How do I get started on the right foot?
- What is a business case...business plan?
- How do I get a **SUCCESSFUL** start?
- Where do I go from here?

WHAT PROBLEM ARE WE SOLVING?

- Businesses implementing projects
 - Effect organizational change
 - Deploy new products
- Recognized need for planning, coordination, execution



Adapted from The Standish Group International, Inc.

WHAT IS THE PMO?

- Project Management Office
- Dedicated resource to serve project needs
 - Startup
 - Planning templates
 - Tools for control
 - Training

...not a panacea



WHAT DOES THE PMO BRING TO THE PARTY?

1. Project management tools and techniques
2. Professionalism in project management
3. A culture shift of project management
4. Organizational improvement
5. Productive team projects
6. Financial improvement
7. Global recognition

- PMO raised success rates to 95%
 - Bombardier, projects of \$2.5B (9/2003)
- Project success improved (PMI®)
 - 37% in 1 year
 - 62% in 2 years

WHICH PMO WORKS BEST?

- ***Focus: Tactical vs. Strategic***
 - Tactical: Delivers a specific product
 - Strategic: Drives the business / function (e.g. IT)

- ***Funding: Supply-side / Market-side***
 - Supply-side: Corporate investment, overhead cost
 - Process improvement teams, R&D
 - Market-side: Long-term value, pays for itself
 - Capture / manage new product lines

WHERE DO I POSITION THE PMO?

- Corporate
 - Services the entire corporation
 - Project Support Office (PSO)
- Business unit
 - Services a major business unit or department
- Program
 - Services a program or a single project



WHAT SHOULD MY PMO DO?

1. Drive down project cycle times
2. Choose the project portfolio mix
3. Provide executive portfolio cockpit
4. Track & report progress
5. Mentor Project Managers
6. Provide tools
7. Help Desk
8. Establish methodology
9. Focus corrective action
10. Facilitate project governance
11. Prioritize the portfolio
12. Assist troubled projects
13. Provide training
14. Market its services
15. Establish data archives

“What Every PMO Should Do” (Kendall / Collins p.45)

HOW DO I GET STARTED?

1. Assemble PMO startup team
2. Build a business case
3. Develop a business plan



Business case: “Is it worth the investment?”

Business plan: Implementation plan, schedule & budget

MDP 118 tells exactly how to prepare these

WHAT IS A BUSINESS CASE?

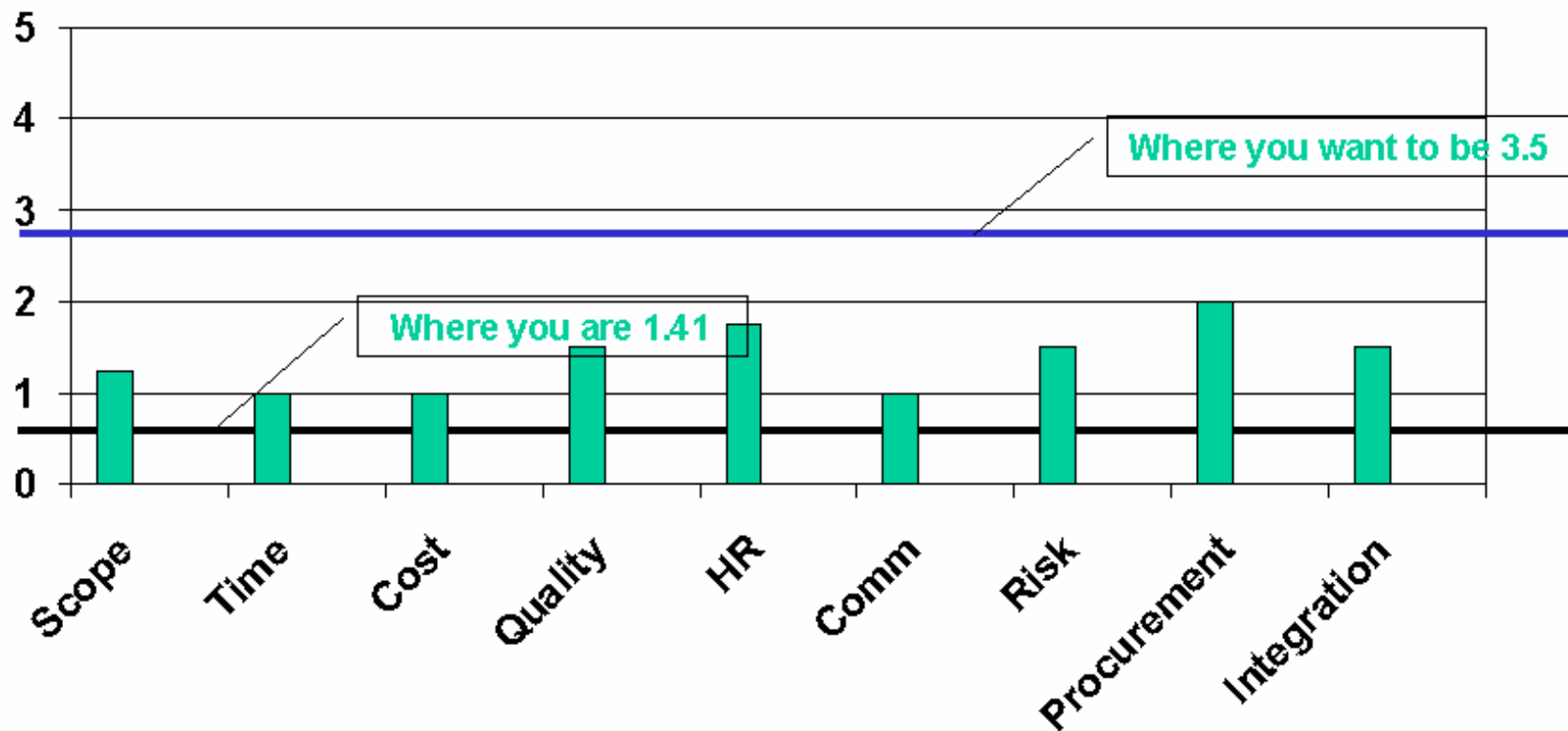
My Company

- 250 projects yearly
 - Average cost \$200K
 - 10% cancelled
 - 30% late by > 6 weeks
- Case: \$50M in projects
- \$10M well-spent
- Opportunity: \$40M
 - Invest \$1M in PMO?

1. Identify business need
2. Determine the PMO objectives
 - *What improvements can it deliver?*
3. Quantify the PMO ROI
 - What will it cost to deliver?

DETERMINE OBJECTIVES – ASSESS PM KNOWLEDGE

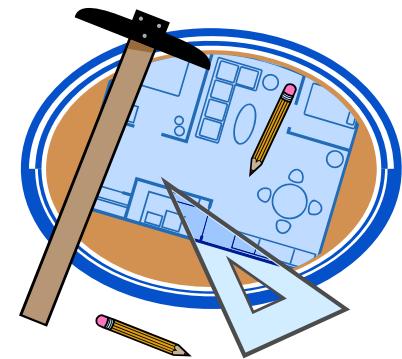
Where is the greatest need?



Tool: Project Management Competency Model (BUCEC)

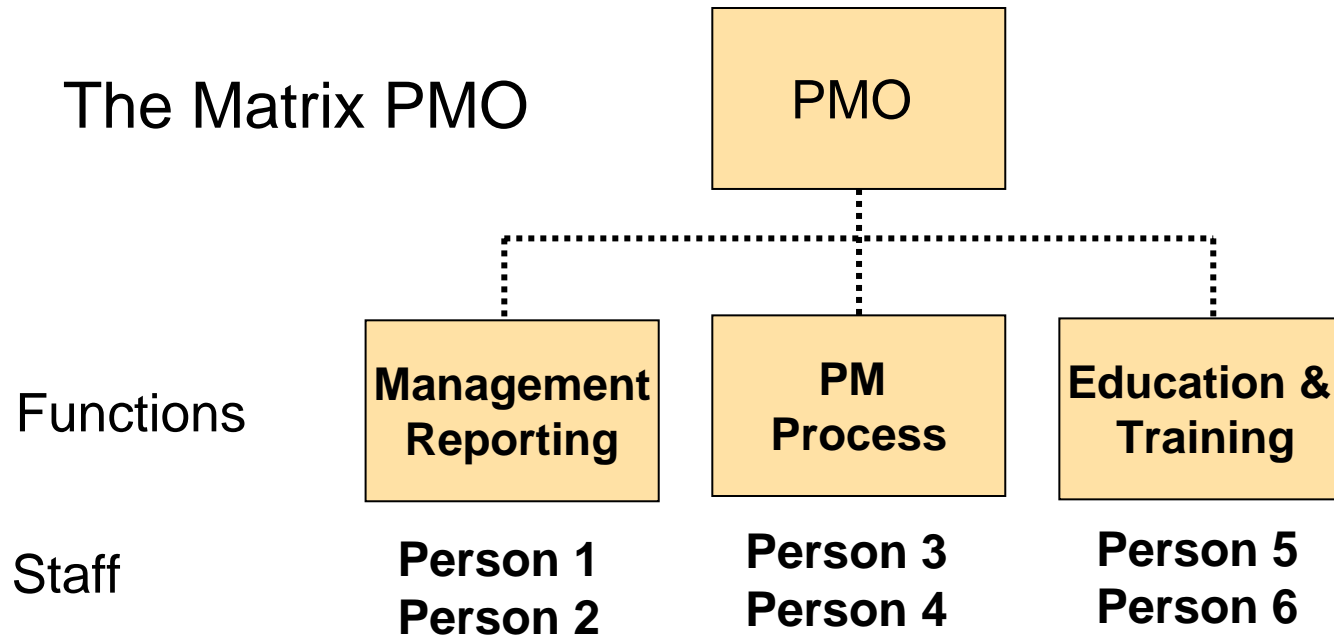
HOW DO I CREATE A BUSINESS PLAN?

1. Define specific deliverables
2. Establish success criteria
3. Determine the PMO organization type
4. Identify required resources, schedule, cost
5. Evaluate risk
6. Develop a communications plan



It's a project plan !

PMO FOR PROCESS IMPROVEMENTS

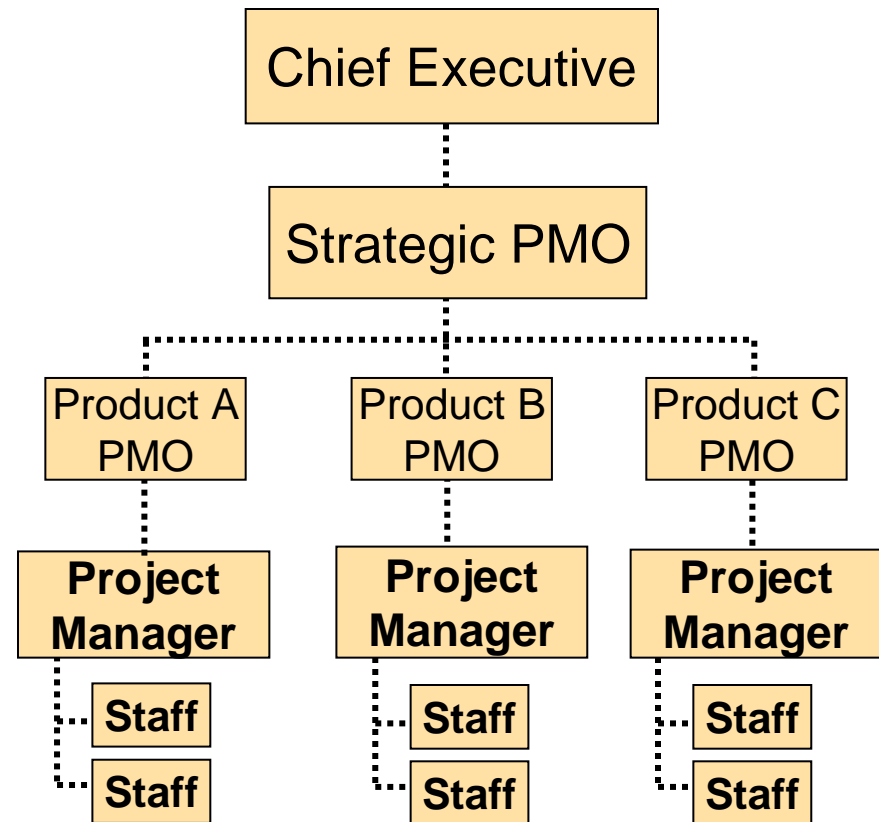


- Small core team
- Borrowed resources / collateral assignments
- Limited, focused charter / all projects to benefit from results

PMO TO MANAGE PRODUCT LINES

The Projectized PMO

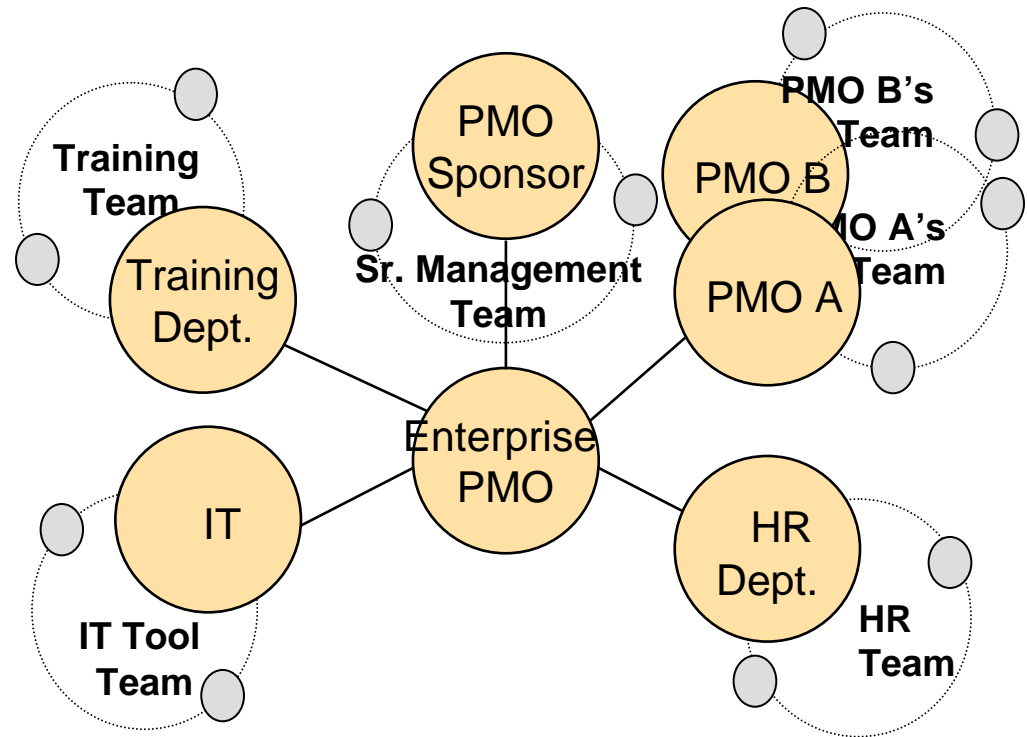
- Each PMO brings product to market
- Dedicated resources
- Consistency of technical processes



THE PMO TO DELIVER ORGANIZATIONAL CHANGE

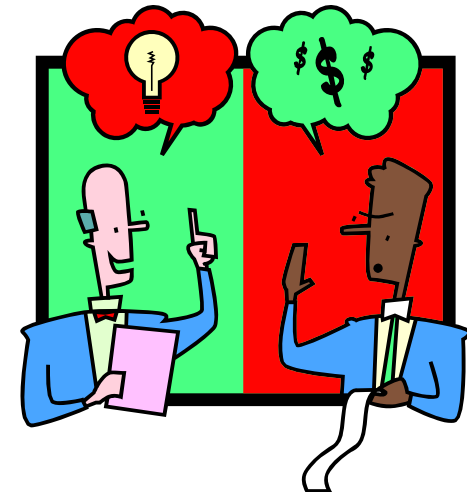
The Virtual PMO

- Deliver global change (e.g. ERP, Six Sigma)
- All functions participate
- Limited duration



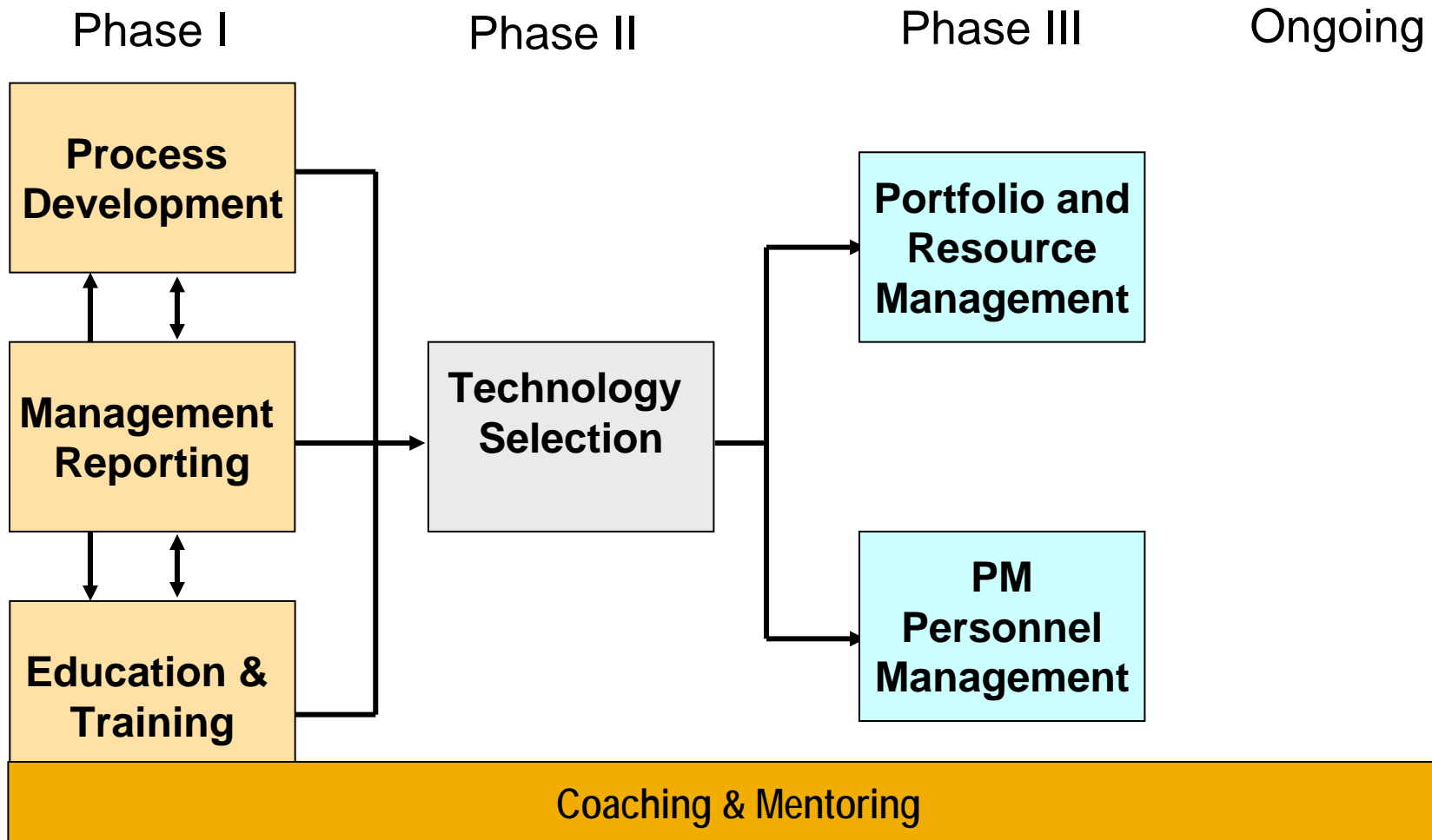
COSTS TO CONSIDER

- Labor (how many FTE?)
 - Project manager
 - Specialists / admin
 - Trainers
 - Help desk
 - Tools developers
- Facility
 - Office
 - Data / storage
 - Training room
 - Computer network
 - Software
- Special Events
- Materials
 - Training
 - Promotional
 - Process documentation
- Other?



Consider the total return...

TYPICAL IMPLEMENTATION SEQUENCE



← 6 – 12 months per phase →

HOW DO I GET A SUCCESSFUL START?

Add Value Quickly

1. Start projects the right way
2. Supply critical techniques
3. Conduct project walkthroughs
4. Establish a project managers' network



WHERE DO I GO FROM HERE?

- Take the BU program:
 - “Developing a PMO” (MDP 118)
- Further reading:
 - “Advanced Project Portfolio Management and the PMO – Multiplying ROI at Warp Speed” (Kendall, Rollins 2003)
 - “Creating an Environment for Successful Projects” (Graham, Englund 2004)
 - “Creating the Project Office” (Englund, Graham, Dinsmore 2003)



Questions & Answers ?

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Assessment (2004)"