



Program Management Office (PMO): Overview

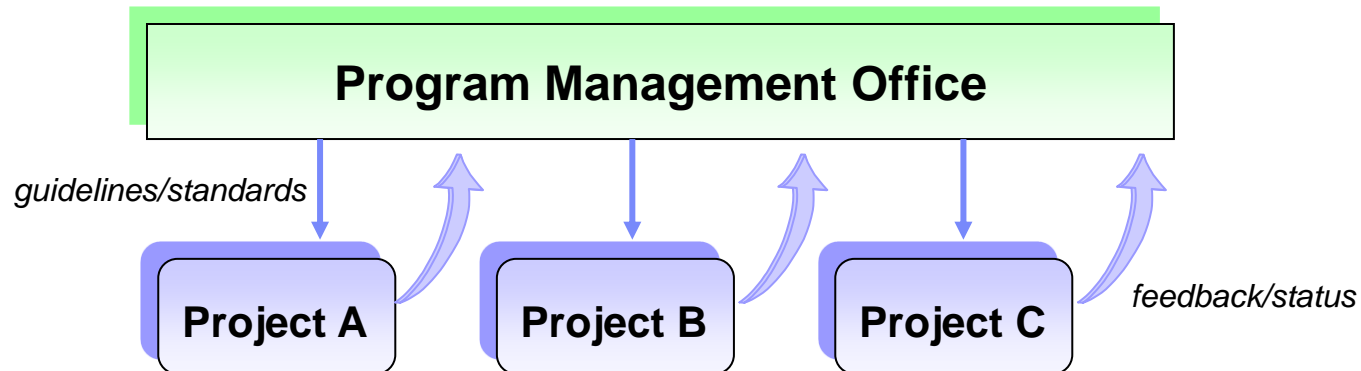
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Program Management Office: Overview

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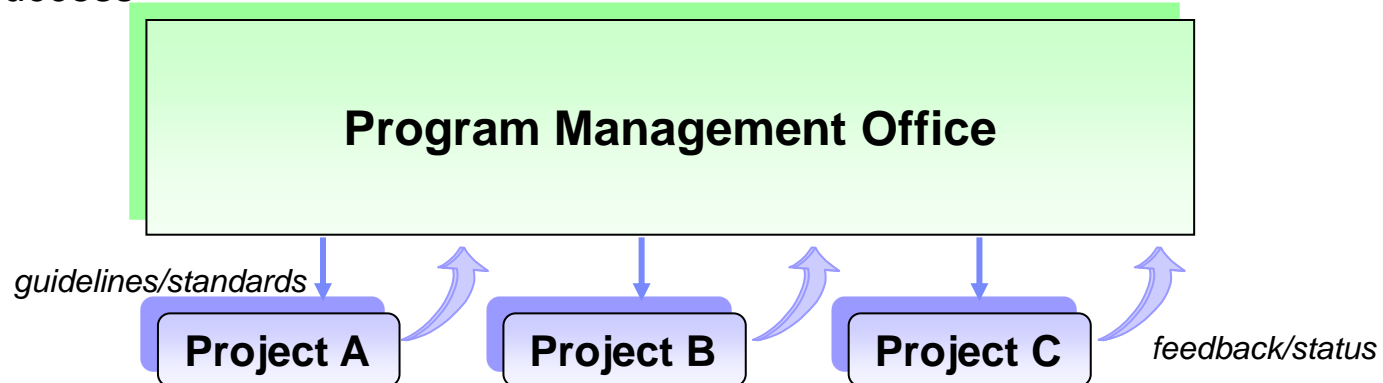
Program Management Office (PMO): Definition

- Program Management Office (PMO) is the department or group that defines and maintains the guidelines/standards of process, generally related to managing interrelated enterprise projects, within the organization. The PMO strives to standardize and introduce economies of repetition in the execution of those interrelated projects. The PMO is the source of documentation, guidance and metrics on the practice of program/project management and execution. It utilizes its structure and skill set to influence and drive the evolution of thought to continual organizational improvement.



Program/Project Management: Definition

- ❑ **Project** Management is a disciplined practice that ensures quality delivery of a single project, having specific objectives and scope.
 - It is focused on detailed management of all project tasks, deliverables, and resources for a given project.
 - Team models, structure, and methods practices are key to project management.
- ❑ **Program** Management is a process that is designed to ensure quality delivery for a set of related projects.
 - It provides synergy, integration, and consistent delivery among multiple projects, with focus on multi-project integration and prioritization.
 - It is a management process that applies the proper environment and infrastructure to ensure project success



Program/Project Management :Goals

Project Management

- ❑ Increases the probability of success that a project delivers planned results on time and within budget
- ❑ Ensures quality delivery and successful execution
- ❑ Provides an environment that facilitates project execution
 - Process/Methods, Tools, Organization, Skills, Governance

Program Management

- ❑ Ensures a consistent delivery approach across projects
- ❑ Assists in defining inter-project priorities and dependencies
- ❑ Facilitates successful project execution and management
- ❑ Provides oversight and control for the overall program
- ❑ Develops and supports project teams and process owners
- ❑ Continuously improves project and process management capabilities

Impacts of an Effective PMO

- ❑ There is a sense of purpose and urgency among the teams
- ❑ Everyone has a clear understanding of their roles & responsibilities
 - need validation from management and agreement from all parties
 - there is synergy among the teams and all key parties
- ❑ An integrated work plan is driving day to day team activity
 - inter-project “touch points” are defined and agreed to
 - project status is regularly reported against plan
- ❑ Issues and decision points are clearly defined and quickly resolved
- ❑ All work products/deliverables are managed in a document library
- ❑ There is open and active communication flow among all parties
- ❑ Team resources are available when needed and fully utilized
- ❑ The business owners and stakeholders are pulling for results
- ❑ Business units begin to understand why we need the project

The PMO process must impact team behavior or it is useless

Program Management Office: Deliverables

- ❑ An established PMO structure that facilitates project execution
- ❑ Well aligned expectations among all project constituents
- ❑ A consistent approach to managing projects
- ❑ A clearly defined governance structure
- ❑ Agreed to roles & responsibilities
- ❑ Standard processes for project management, that includes:
 - Scope management
 - Risk management
 - Issue management
 - Deliverable management
 - Quality assurance
 - Team formation and management
- ❑ A project support structure, that includes:
 - Project management methods and support tools
 - Project accounting and reporting system

Program Management Office: Benefits

- ❑ Maximized return on investment for projects
- ❑ Projects deliver the intended business value
- ❑ Consistent delivery approach across projects
- ❑ Improved project execution results: quality, cost, time
- ❑ Accelerated realization of benefits (time to business value)
- ❑ Integrated project solutions
 - minimized project redundancy
 - maximized interoperability

Program Management Office: Governance

Effective governance is critical to project success

- ❑ Establish a clear governance structure and ensure that it is in force
 - Clearly define the project organization structure with well a defined decision process and roles
 - There must be accountability for each role with consequence management
 - Utilize other governance mechanisms (e.g., business case analysis, prioritization process)
- ❑ Project governance must establish a clear decision process in these business impact areas:
 - Strategizing/Planning: establishing direction for the new system
 - Prioritizing: setting clear priorities for all project activity
 - Investing: allocating resources for project tasks
 - Executing/Delivering: deciding how to best delivers results
 - Performance Management: specifying the metrics important to capture/track

Clearly Defined Roles & Responsibilities are Key for the PMO and Project Teams

“RACI” analysis helps to clarify roles & responsibilities for all project participants

Responsible “Doer”

- Individual(s) who perform an activity—responsible for action/implementation. The degree of responsibility is assigned by the accountable person. *R’s can be shared.*

Accountable “Buck Stops Here”

- The individual who is ultimately accountable; includes yes/no and power of veto. *Only one “A” can be assigned to an activity/decision.*

Consulted “In the Loop”

- The individual(s) to be consulted prior to a final decision or action is taken. Two-way communication.

Informed “FYI”

- The individual(s) who needs to be informed after a decision or action is taken. One-way communication.

Team Formation and Staffing

- ❑ Teams are the main delivery vehicle for projects
 - They provide the necessary resources to complete the project
 - They provide cross-functional representation
- ❑ Teams require diverse skills (functional and interpersonal)
 - Functional knowledge is key in each of the areas represented
 - Interpersonal capabilities are also important for a well functioning team, but often neglected
- ❑ Team participation needs to be dedicated to the project and committed to completing their assigned tasks
 - Functional managers must ensure their staff on a team takes their project participation seriously.
- ❑ Teams evolve through a natural lifecycle perform they start performing to their abilities

Managing Distributed Teams

- ❑ Each year, more project teams are geographically distributed, posing new challenge to project management:
 - Communication Challenges:
 - Physical distribution
 - Time zone differences
 - Different organizations
 - Different languages and cultures
 - Awareness Deficits – lack of awareness of:
 - Project status
 - Task dependencies
 - Daily colleague activities and deadlines
 - New information – e.g., scope changes, issues, etc.
- ❑ New technologies are now available to enable successful management of distributed project teams
 - Knowledge/document management
 - Collaborative technology
- ❑ Effective use of these technologies demands well-defined processes and PM methods

Project Management Office: Guidelines

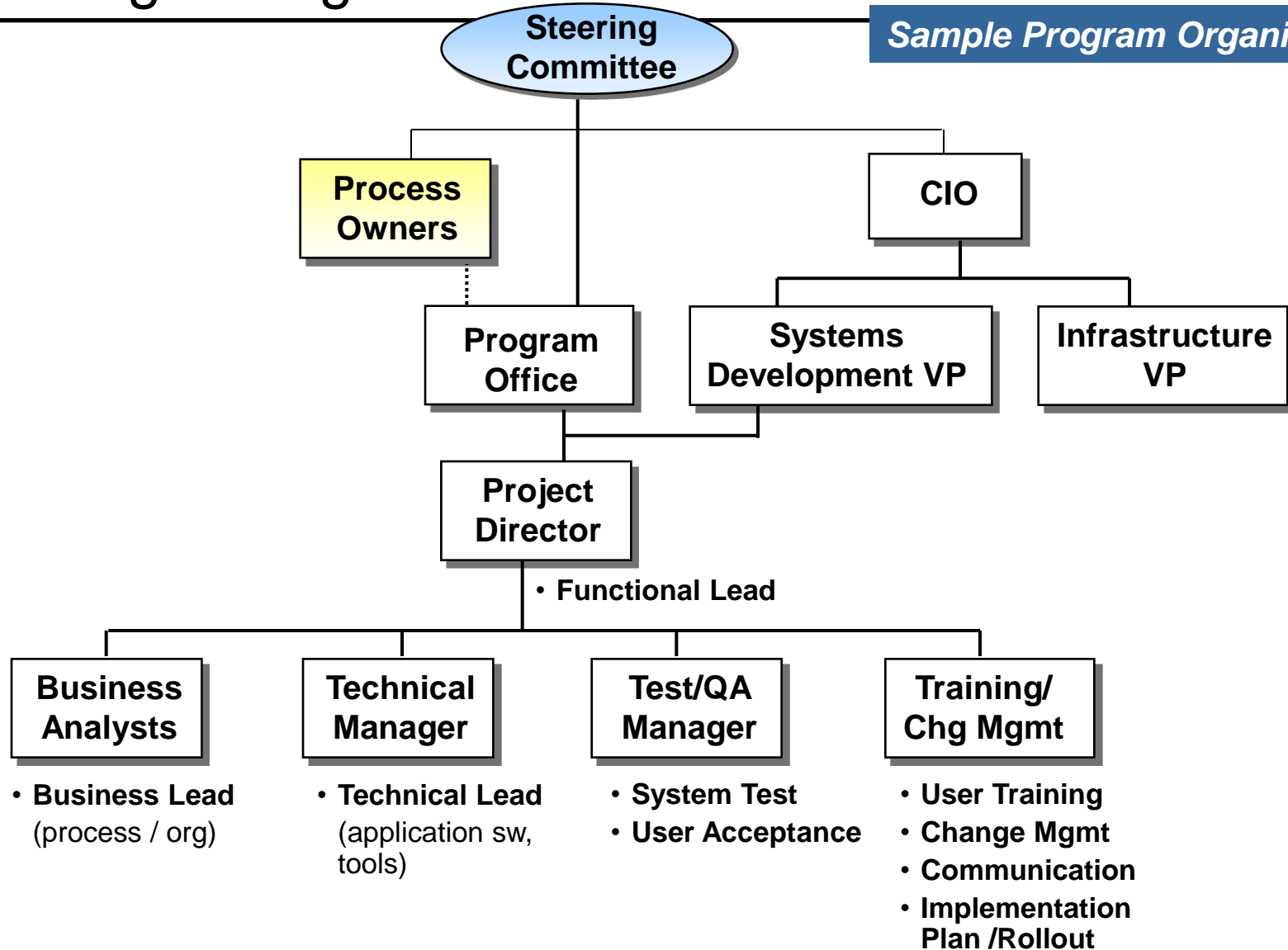
- ❑ Establish an effective methodology for project management and consistently apply it on all projects
 - A good methodology provides standards for quality project management
 - Project Success by YCA is a proven PM methodology
 - Support the methodology with PM tools (e.g., MS/Project, Primavera)
- ❑ Develop Project Manager proficiency
 - Hire seasoned project managers, if necessary
 - Train them in your PM methodology and standards
 - The key factor in successful projects is strong PM
- ❑ Clearly define roles & responsibilities for key project participants
- ❑ Ensure that all stakeholders are represented
- ❑ Establish an effective PMO organization and structure
- ❑ Ensure effective communication in all venues
- ❑ Document/distribute everything

System Integrator Challenges

- ❑ Clarifying the SI relationship, role, and responsibilities
 - ❑ Program/Project management role
 - ❑ Who manages who
 - ❑ Establishing shared values
- ❑ Agreeing on how the SI adds value – managing expectations
 - Driver for process redesign and brings best practices
 - Methodology differentiators; pre-developed templates/configurations
 - Expertise: Application , Industry, Process
- ❑ Establishing the contract type and accountability for results
 - Scope management / Change order process
 - Time & Materials vs. Fixed Price
- ❑ Review the SI staff and hold them accountable to provide the agreed to team

Supporting IT Organization Structure

Sample Program Organization



Roles

Champion

Person who originates the idea and wants the change to occur

Steering Committee

A standing cross-functional group of senior management representing key business functions, focused on key decision responsibilities

Business Process Owner

Key managers who are responsible for driving process design, achieving project business benefits, and assuming responsibility for newly implemented process

Program Manager

Provides overall program management and support for all project teams

Stakeholders

Individuals who impacted by and will utilize the new solutions. They serve as the business representatives for defining requirements and validating new designs.

Roles (cont'd)

Quality Assurance and Project Control

Develops processes and structure to monitor and ensure project quality. Provides objective, independent feedback on project processes and progress. Provides suggestions for improving project success. Coordinates quality measures with Process Owners and Audit

Project Accounting and Control

Ensures team members have required information (budget/actuals; guidelines, etc). Analyzes and reports on project actuals to budget each month. Administers contracts and reviews project invoices from suppliers month. Administers invoice payment with Procurement. Manages and consolidates project plans, track issues, changes, scope management processes. Maintains an inventory of all project work products and deliverable

Change Communication Team

Develops a Communication Plan and ensure timely execution of the plan

Roles (cont'd)

Change Facilitator

Develops a Change Management Plan that incorporates the Communication Plan. Defines the required changes with input from Process Owners and Project Managers, assesses readiness and barriers. Ensures that Change Management plans influence Training Plans. Coordinate training across all teams

Project Managers

Provide day-to-day project management for their business function

Business Analysts and Leads

Manage business tasks and resources, focusing on details for their business function; analysts are also working team members

Technical Managers

Provide day-to-day project management for technical issues

System Development

Provides overall IT leadership for the project

**To receive additional materials and details on
Program Management Office (PMO): Overview,
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