

PMO STRATEGIES: BEYOND PROJECT DELIVERY

Practical strategies for improving the alignment of the Program Management Office (PMO) with corporate objectives



PMO Strategies

Beyond Project Delivery

KEY FACTS:

- A PMO SHOULD ADD VALUE TO THE BUSINESS BY VALIDATING THE APPROACH, ASSUMPTIONS AND BUSINESS CASE BEHIND THE PROJECT ACTIVITY.
- PRODUCT BREAKDOWN PLANNING ALLOWS A TOP DOWN MANAGEMENT APPROACH TO YOUR PROGRAMS ALLOWING YOU TO PLAN AND ALLOCATE CLEAR DELIVERABLES TO YOUR PROJECT TEAM.
- A KEY ROLE OF THE PMO IS TO ADD VALUE. THIS IS ACHIEVED THROUGH THE DEPLOYMENT OF A PROJECT MANAGEMENT APPROACH AND METHODOLOGY DESIGNED TO MAXIMIZE THE EFFECTIVENESS OF THE PMO TEAM.
- THIS WHITEPAPER WILL PROVIDE YOU WITH A SERIES OF PRACTICAL STRATEGIES FOR ALIGNING THE PMO WITH CORPORATE OBJECTIVES AND PROVIDES AN OVERVIEW OF HOW TO USE THE 7 STEP ALIGNMENT MODEL TO PLAN PROGRAMS INTO SUCCESS.

Practical strategies for improving the alignment of the Program Management Office (PMO) with corporate objectives

At the executive level, management is all about strategy, market position, structures, approaches and key objectives. These provide guidance and a framework for operational decisions to be made within; the rules, game plan and targets that drive the way the company does business and reacts to events on the ground.

When we talk about alignment, we are talking about how the strategy and objectives set by the executive team gets translated into action on the ground. Generally this is done through initiatives, objectives and measures designed to change, reward and steer behaviour towards an end result.

In between these two spheres of influence sits two key elements within the organization. Information Technology, whose systems enable the organization to do business; and the Program Management Office, which is there to manage, oversee and drive the change agenda.

If you ever wondered why the PMO often sits within or very close to IT, it is this shared position, at the heart of the organization, that drives that closeness.

As roles, they are some of the most demanding and complex within the organization. IT and the PMO own the translation from strategy to execution; and the alignment of two often very different views of what the business is, and visions of where it is going.

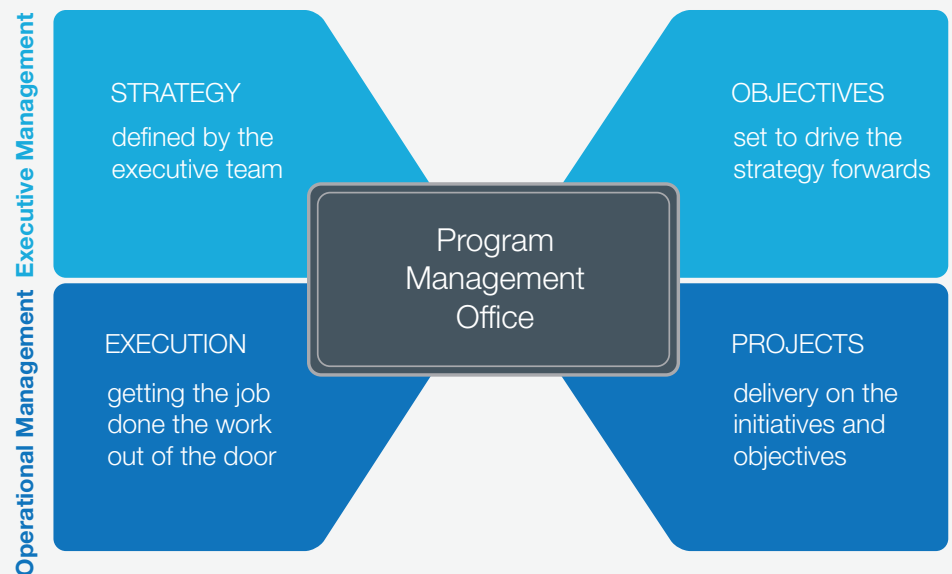
Alignment occurs when the processes, systems, people and strategy come together to create a high performance organization. These businesses are identifiable from the outside not by their processes or approaches – but by their results. They grow faster than the market when the market trend is positive, they defy the market trend and continue to grow in difficult trading conditions.

How Does An Effective PMO Help Drive Alignment

The role of the PMO is to do far more than report on progress and budgets. A PMO should add value to the organization by validating the approach, assumptions and business case behind the activity and then managing the resourcing and interdependencies between the various projects, initiatives and other transformation activity.

KEY FACTS:

- IN A MAJOR ORGANIZATIONAL TRANSFORMATION PROGRAM THERE IS LIKELY TO BE A NUMBER OF PIECES TO THE PUZZLE.



In order for a change program to be successful, projects need to be planned into success. That means they have achievable objectives, the right deliverables, effective resource utilisation and careful monitoring of Key Performance Indicators. This is all about execution, but there is a more strategic function that the PMO can perform in connection with these programs, through a set of shared goals defined by the executive management team. Expressed as a series of initiatives, these need planning, resourcing, funding (through the creation of compelling business cases), phasing and managing so that the combined demand and overall impact is manageable in the context of business as usual, and the delivery of the business objectives.

In a major organizational transformation program there is likely to be a number of pieces to the puzzle. You may need to improve and rationalise your internal processes; you might need to introduce new technology to automate non-value added tasks and reduce latency from your operations; you may need to develop new performance management strategies to keep the program on track and ensure gains are being made and reported on; finally you might well require impact assessments on how the changes will affect your people – and what additional (transitional) support will be required to enable delivery.

You need a central team to manage this, to break down the objectives into manageable deliverables, to allocate these to individuals and teams for delivery and to track spend, utilization and delivery in all of these different areas.

KEY FACTS:

- SUCCESSFUL PROGRAMS ARE PLANNED INTO SUCCESS. THIS INVOLVES THE EFFECTIVE BREAKING DOWN OF THE CORPORATE OBJECTIVES INTO PRODUCT DELIVERABLES.

Alongside this you will need a methodology under which the change program will be run. The processes and control mechanisms you select need to be properly “right sized” and effectively utilized to ensure the program stays on track.

All of this is where a good PMO can help you make the right choices and set the right course.

Enabling The PMO to Align Projects with Corporate Objectives

Successful programs are planned into success. This involves the effective breaking down of the corporate objectives into product deliverables. This is done by identifying the products that must be delivered to enable the objective to succeed and is often started by the question “so what does success look like”. There are rafts of tools available that allow you to break this down including KeyedIn™ Solutions 7 step assessment model.



The purpose of this is to create deliverables – both in terms of project deliverables (documentation etc. to enable the project to proceed) and business deliverables (what you are actually going to deliver to the business).

KEY FACTS:

- KEY TO ACHIEVING YOUR STRATEGIC OBJECTIVES IS BEING ABLE TO VISUALISE HOW YOUR STRATEGY WILL TRANSLATE INTO PROJECTS.

Product breakdown planning allows a top down management approach to your programs. This allows you to plan and allocate clear deliverables to your project team; monitor budget, resource, progress and value against this high level plan; effectively utilising in house, near shore and off shore resources to deliver the project and to manage the interdependencies between the various deliverables.

Once the top level “products” are identified using this model, the Program Management Office can then break these down to a maximum of three levels to generate the sub-products by combining the deliverables with a budget, timeframe, quality and test plans, to create a “Work Packet” that can be assigned to a team for delivery. By measuring delivery against budget and critical path at a work packet level you are able to maintain control of the project, re-planning and managing expectations where necessary, without the overhead of trying to manage task based planning for the many resources and teams working on the project. By working at the deliverables level, by capturing simple and effective project status reports, you are able to quickly and easily drive visibility and communicate progress across even the most complex programs.

Time for Technology

This is where technology pays. In order to be effective, the PMO needs to be able to both plan for success, measure progress and track spend against the budget and the timeline. At the same time, getting data points should not be a burden— if it becomes so, it simply won’t get done effectively.

By planning in the right way, utilizing the right tools and managing at the most effective level, a Program Management Office can add transparency, visibility and control without diverting the teams from what they need to focus on – DELIVERY!

How the PMO can add value

A key role of the Program Management Office is to add value – not simply report on progress. This is achieved through the deployment of both an approach and a methodology designed to maximize the effectiveness of the PMO team.

At Keyedin™ Solutions we promote a six stage methodology that is geared towards creating a strong & empowered PMO that is continually adding value to the business. The adoption of such a process will allow your organization to ensure that all project activity is aligned with the corporate objectives – because every deliverable will have been distilled directly from the corporate objectives.

Conclusion

Alignment doesn't just happen – it needs to be planned, measured and managed. By utilizing a top down approach to program planning; driving project deliverables from the corporate objectives and working to a defined business model that is distilled from the executive vision – your organization can achieve alignment and square the most difficult circle in business today.

Technology is key to providing the visibility and control required for effective alignment. By ensuring your business processes are driven by an effective business model, and entrusting the transformation of the key value add processes to a proven methodology will ensure that your business processes and your IT systems are developed in lock step with the strategy, under the watchful eye of an over-arching PMO.



About KeyedIn™ Solutions

KeyedIn is an agile Cloud-based software company focused on delivering powerful results in critical areas like project management and custom manufacturing to specialized vertical markets. Solutions include project portfolio management (PPM), professional services automation (PSA) and enterprise resource planning (ERP) systems that are offered in several editions to support the needs of both small-medium size businesses and large multi-national corporations. And KeyedIn Flex, the company's rapid application development platform, allows custom applications to be developed faster and more affordably than ever before.

With the needs of today's businesses in mind, KeyedIn offers a true SaaS model for a more flexible, scalable and affordable means to solve complex problems and deliver business results faster.

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