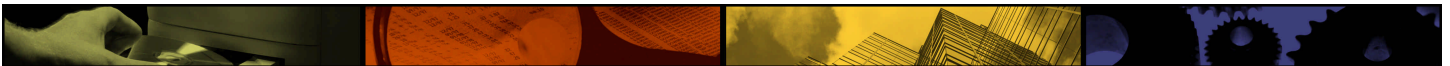




AN INTERTHINK CONSULTING WHITE PAPER



BUILDING BETTER PROJECT ORGANIZATIONS

AN OVERVIEW OF INTERTHINK CONSULTING'S PROJECT MANAGEMENT OFFICE IMPLEMENTATION FRAMEWORK

Contents:

- The Challenge of Project Management
- The PMO: A Key Ingredient
- Creating Project Success
- PMO Implementation Process
- Realizing The Benefits

by:
Mark E. Mullaly, PMP
President, Interthink Consulting Incorporated
markm@interthink.ca

The Challenge of Project Management

In the last decade, organizations have invested tremendous amounts of money, time and resources in the development of their project management capabilities. Training courses have been delivered, methodologies have been developed and tools have been implemented. For many companies, however, the performance of their projects has not improved significantly, and seldom have they attained the rarefied heights originally promised at the outset of these improvement efforts. Projects in organizations today still share many common challenges:

- **Projects still do not deliver on time and on budget.** The most common challenge of all is still meeting the original commitments of the project. Whether the result of unforeseen risk, poor estimates, unmanaged scope changes, lack of resources or a host of other reasons, projects are still missing the goals that are set for them.
- **Projects live outside of the organizational management process.** There are projects, and then there is the rest of the work that the organization performs. Most organizations are not project-driven, nor are they in the business of delivering projects. Nonetheless, projects are the means by which all change is – or should be – managed within companies today. For projects to be successful, the approach to managing them must be integrated within the planning, budgeting and administrative processes of the organization.
- **Consistent approaches and common processes do not exist.** Even for those organizations that do have project management processes and methodologies, consistent application of these processes is often more of a goal than a reality. Because of size, risk or importance, projects are given dispensations from using the methodologies. Because they are perceived to be cumbersome, bureaucratic or restrictive, the methodologies are ignored by the project managers and teams. Because they are not understood and applied consistently, they never attain the level of management habit that would allow the organization to be successful.
- **The role of the project manager is not recognized or defined.** The roles, responsibilities and accountabilities of the project manager to deliver the project must be formally defined and understood. As well, the accountability for the success of the project must also come with the authority to take the actions necessary to attain those results. For many organizations, the role of project manager is an extension of another job, and one where there is no clear definition of responsibilities. Without a defined mandate and responsibility, success is hard to attain.
- **Senior management support and commitment is inconsistent.** Senior management support cannot by any means be passive. The sponsors, steering committees and customers of projects must be actively involved throughout the lifecycle. Equally important is that this support and participation must be provided in the context of the processes and methodologies within the organization. Senior management's roles and responsibilities should be as clearly defined as those of the project managers, and they have as important a role to play in ensuring each project's success.

The PMO: A Key Ingredient

The Project Management Office (PMO) is one of the critical components in successfully implementing an organizational project management approach. While the details of process, tools and structure will vary between companies based upon their unique needs and objectives, an effective PMO serves as the lynch pin in ensuring project management success.

The PMO is the central resource for project management within the organization, particularly through its formative stages. Just as a company's Finance Department serves as the hub for all financial management, the PMO serves as the focal point for creating a project organization. They are the heart of your improvement efforts, and perform an on-going role in ensuring the effective management of projects.

An effective PMO will play a number of key roles in organizations as they develop the maturity and scope of their project capabilities:

- **Process, Tool and Resource Development.** The PMO has a central role in developing, implementing and supporting the continued improvement of processes, methodologies, tools and support resources.



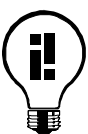
This ensures that processes are consistently defined and implemented, and that your project teams and stakeholders are able to benefit from the efficiencies associated with a common approach and terminology.

- **Training, Coaching & Mentoring.** The PMO is responsible for establishing the training curriculum to support the roles & responsibilities associated with the defined processes. As well, the PMO provides on-going support to project managers, team members and other stakeholders in understanding, applying and adapting the standard processes and tools in support of individual projects. Your project teams and stakeholders benefit from a consistent curriculum that directly supports the defined processes and methodologies.
- **Library & Repository.** The PMO serves as the central library of project deliverables and records, in order to ensure that current project information can be efficiently accessed, and that project archives are available to support the planning efforts of future projects and to serve as a source of feedback into the continued refinement of your processes and templates over time.
- **Portfolio Planning & Facilitation.** The PMO acts as either a driver or facilitator of the portfolio planning process, in order to maintain an organizational perspective of projects and programs. The organization is able to benefit from a consistent approach to project definition and initiation, and a common evaluation and prioritization framework to ensure your organization's project needs are being met.
- **Resource Planning.** The PMO manages centralized resource allocation and assignment information, in order to facilitate the planning and management of project resources at a consolidated, organization-wide level. This ensures that your company is able to benefit from the optimal allocation and use of its project resources, and to maximize the number of projects it is able to deliver in a given period.
- **Results Monitoring & Reporting.** The PMO is a clearinghouse of project status information, acting as both a focal point and an objective auditor of project progress, and providing consolidated project and program reports to senior management and other stakeholders. Your organization benefits from a consistent, objective understanding of project progress and the attainment of project outcomes, and is able to efficiently focus its attentions on those critical projects requiring support or intervention.

Creating Project Success

Interthink Consulting's PMO Implementation Framework provides the key attributes necessary to ensure successful deployment of your organizational project management capability. Building upon our industry-leading assessment tools and experience in building and deploying world-class project management capabilities, we have developed an implementation method that can guide your organization in the creation and evolution of its project management approach.

- **An assessment-based approach to improvement.** To be able to define where you want to go, you must first understand where you are. We use our PM:RoadMap™ assessment tool to evaluate your competencies and readiness for an organizational project management approach.
- **Improvement objectives are tied to the goals of the organization.** Cookie cutter formulas simply do not work. There is no single model of organizational project management that is appropriate for every organization. We tailor improvement plans to your unique goals and drivers, and identify the capabilities necessary for success on your terms.
- **A detailed plan of the improvement effort.** The improvement plan defines the unique means by which our PMO Implementation Framework will be applied in the context of your organization. Change is not accidental. As much as any other project, it needs a good plan.
- **A comprehensive understanding of organizational change.** Creating an organizational project management capability requires a multi-pronged approach that addresses processes, structures, tools, resources and training. We take a holistic view of the change effort, making sure that each capability is aligned and necessary.
- **A solid business case for change.** The results of project management are by their nature intangible and hard to ascribe. Yet improving project management requires an investment in time, effort and money.



Because of our research in the field of organizational project management, we are the only company in the world that is able to deliver a business case tailored to your improvement goals.

PMO Implementation Process

Interthink Consulting's PMO Implementation Framework adopts a planned, assessment-based approach to developing the maturity of project management in your organization. The key phases of our implementation framework are represented by the following diagram:



- Assessment.** The Assessment phase establishes the current capabilities of the organization. Based upon our PM:RoadMap™ assessment framework, we evaluate the processes, structures and capabilities of your organization. As a result, you are provided with a clear picture of the current status of your organization relative to both our Project Management Process Model (PM²) and comparable companies in our benchmark database in terms of industry, size and structure.
- Planning.** The Planning phase establishes the roadmap for improvement in your organization, in the context of your unique needs and objectives. We facilitate the identification of your specific project management goals, and develop an improvement plan that defines all of the necessary steps to evolve from your current organizational status to your desired capabilities and maturity level. Once defined, our unique business case provides a concrete assessment of return to your organization as a result of realizing the established goals.
- Marketing & Awareness.** A key aspect of any organizational change effort is having all affected stakeholders understand why the change is occurring, how it will affect them, and the role they will play in assisting in the change effort. Through the Marketing & Awareness phase, we establish a comprehensive communication plan that supports making the initial case for change and providing on-going feedback and information throughout the process of building your project organization.
- Capability Development.** Building upon the defined goals and objectives and the details of the improvement plan, the Capability Development phase governs the development, enhancement or implementation of all processes, methodologies, tools, repositories, training courses and other resources necessary to support the creation of your planned project management framework.
- Implementation.** The Implementation phase governs the essential transition and change management efforts necessary to introduce and actually apply the target project management capabilities. We identify how the capability will integrate with your organizational processes; the required changes to position and role descriptions and training plans; and provide support and mentoring to teams, departments and individual stakeholders.
- Continuous Improvement.** Organizations do not stand still, nor can their capabilities. The Continuous Improvement phase manages the on-going progression of the developed capabilities in order to adapt to the needs of your organization as they evolve, and to reflect improvements and best practices as they are learned and applied.



Realizing The Benefits

The benefits of Interthink Consulting's PMO Implementation Framework are a concrete, practical set of approaches and best practices that support attaining your unique goals and objectives:

- Our implementation approach is as scalable as our solutions, providing your organization with a PMO capability that is directly tailored to your needs and reflects the current maturity and development of your organization.
- We provide objectivity and industry expertise. We have learned what works in a number of organizations and models, and can provide recommendations that maximize your investment and help you to avoid the potential pitfalls.
- Our approach is fully integrated, resulting in a PMO capability that can be holistically adapted to any size or type of project. Your project teams benefit from a consistency of understanding, resulting in project management being applied as a well-defined and familiar habit.
- We offer solutions that are vendor independent. We are not affiliated with any tool providers, although we are experienced with using and implementing the leading solutions in the field of project management. Regardless of your technical and operational environment, we can help to select and implement the toolsets that are appropriate.
- Our approach directly leverages an established maturity model against which over 550 organizations from around the world have been benchmarked. By tying the implementation of your PMO to a maturity model, the solution we help you to implement today can be easily adapted in the coming months and years. The investment that you make today will continue to support your needs tomorrow and beyond.
- We measure our success by your organization taking ownership of its processes and capabilities. We don't want to run your organization for you. We encourage the transfer of knowledge and the assumption of ownership of the PMO by your staff, ensuring that your project management capabilities are able to take root and continue to grow.

Build The Organization of Tomorrow Today

As companies look to project management as the means by which they will attain their strategic goals, an organizational project management approach is an imperative. Through a consistent capability, your organization will be able to efficiently and effectively deliver project success. Your project teams will be able to reliably meet their goals, and deliver their expected outcomes. Interthink Consulting's PMO Implementation Framework provides the clarity, objectivity and certainty necessary to create these project outcomes today.

For more information on how our PMO Implementation Framework can guide your organization in the creation of a world-class project management capability, contact our offices today.

