Key Objectives in Achieving a Successful PMO

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Executive Summary

This white paper is intended to describe the functions and tools the Information Technology (IT) Program Management Office (PMO) must provide to achieve a successful environment in support of both executive management and the project managers responsible for individual IT projects. The white paper is provided in two parts:

- Part 1 is this brief summary directed at the senior IT executive.
- Part II provides more substantive detail directed at the personnel who are responsible for PMO implementation.

There are numerous experts in the field who can define a high level PMO overview in strategic terms, but, based on the author's 35 years experience in IT management, there are few people who can roll up their sleeves with the pragmatic "grass roots" knowledge to implement a successful PMO framework.

This white paper focuses on the concepts required to provide the direction and integrated framework the PMO must provide to ensure successful project management.

Organization Responsibilities

Project Management (PMO) Office – *The major role of the PMO is to define and maintain process standards by providing a framework to establish standard performance measures based on organizational goals and objectives, and providing tools and procedures to achieve this."*

In simple terms, the PMO's function is to provide clear direction, define standards; provide a centralized conduit for reporting to senior IT and corporate management; implement a methodology (Program Management Methodology) for developing projects; develop templates to define the project phases (Software/System Development Life Cycle); and above all, perhaps the most important and often neglected need, provide the framework and tools project managers will need to manage, status and report on their projects.

Project Managers – In summary, each project manager is responsible for interfacing with business units to precisely define business requirements; ensure compliance with PMO methodologies and standards; develop the project milestone schedules and budgets and track schedule and financial actuals to these targets; develop a plan and follow-up for any required corrective actions; and provide frequent status to the PMO and business units.


The Upper and Lower Tiers of PMO Responsibility

It is critical to understand that the PMO has two vertical responsibilities:

1) Upward reporting responsibilities to executive and IT senior management and collaboration with external organizations including IT Governance and internal and external audit.

   Above all, one of the major failure points in many PMO organizations is the inability to obtain a meaningful "buy-in" and zealous cooperation from the business units before work commences. This is a critical first step; otherwise, projects are doomed for failure from the start.

2) The downward responsibility is to provide the framework for individual project managers, and interfaces to critical organizations including enterprise architecture and quality assurance.

   The key in the previous paragraph is the term "framework," too often ignored or misunderstood by management in the small and medium size IT organizations, wherein an integrated framework of tools is severely lacking. Too often, project managers spin their wheels in a frustrating attempt to obtain the information necessary to status projects, which can lead to a disruption in their ability to discern and correct problems.
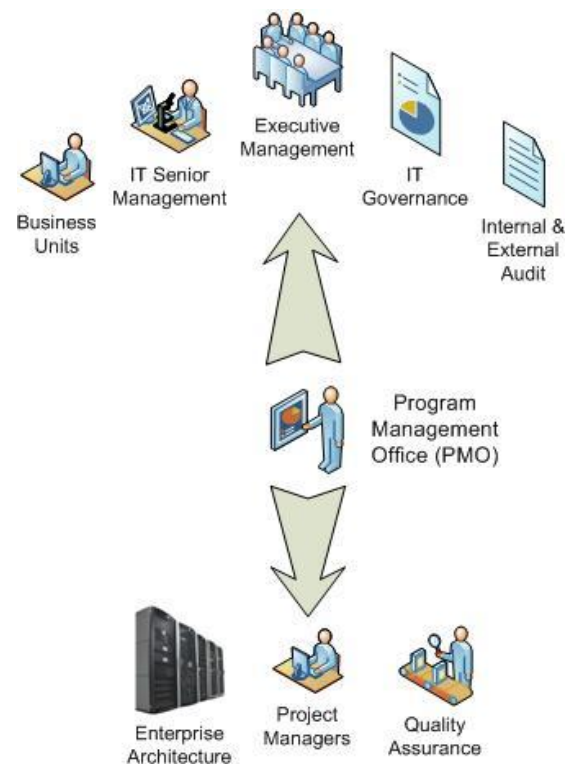
PMO Interfaces and Tools

Table 1-1 identifies the minimum interfaces and tools necessary for PMO execution.

Interface or Tool	Description
PMO Overview	This is a set of instructions for defining and using the tools available to PMO, business units and project management personnel. Too often, this critical information dissemination is overlooked in many organizations.
Funding Sources	Identifies the funding source and dollar value of all projects, and in some organizations will identify the types of funding, for example, capital vs. expense.
Project Staffing/ Responsibilities	Identifies personnel assigned and their role in each project.
Business Units/ Stakeholders	Identifies the business units, key personnel, and the stakeholders who will approve each project.
PMM/SDLC Documents	This is the well documented Program Management Methodology (PMM) employed by the company including templates and documents utilized in the System Development Life Cycle (SDLC) available for downloading by the business analysts and project managers
Work Process Flow/ Approvals	Provides a mechanism for process work flow and approval for each document in the life cycle (example: with the automated use of SharePoint), with appropriate alerts and notifications when approvals are delinquent.
Enterprise Architecture	Project designs must be reviewed by the enterprise architecture organization to ensure compatibility with long-term strategic and architecture goals, and as a repository for all standards (such as screen design or coding standards).
Project Issues	A list of project issues, with associated status, can be assessed by the project managers and business units and updated by the project managers.
Project Risks	Project risks can be identified and addressed by the project managers and business units and updated by the project managers.
Project Dependencies/Interfaces	Separate lists of project dependencies and interfaces are necessary for collaboration and actions between project managers, ensuring that these items are readily traceable.
Executive Management Reporting	To ensure project success, frequent and concise project status updates to executive and senior IT management, from data provided by individual project managers, is critical. This capability must include the ability to generate flexible and customizable reports to satisfy senior management and PMO on-demand requests.
Fixed Assets/Accounting	In many organizations, updates to accounting systems are required as new projects activate hardware and software during the "Go Live" process, including the proper accounting of expenses.
IT Governance	IT Governance must be actively involved in the decision processes. An IT Governance interface identifying policies should be readily available for project managers.
Change Control Process	A formal change control process must be in place prior to placing new products, services or modifications into production to ensure a secure production environment.
Auditing	The PMO must be aware of the intentions and demands of both internal and external audit to ensure proper documentation is available at anytime in the process to satisfy this organization.
Additional PMM Tools	Many organizations possess other tools that are instrumental in a successful PMO in addition to the tools identified herein.
Performance Metrics	Upon completion of projects, an evaluation of project performance must be addressed to enhance the learning curve for subsequent project implementations.

Table 1-1. Interfaces and Tools for PMO Control

Framework and Tools Integral to PMO

A graphic illustration of those interfaces and tools that must be provided for successful PMO execution is shown in Figure 1-1 as a visual reference. Note that this illustration does not identify the specific tools required by the project managers. That framework is discussed in the subsequent section.
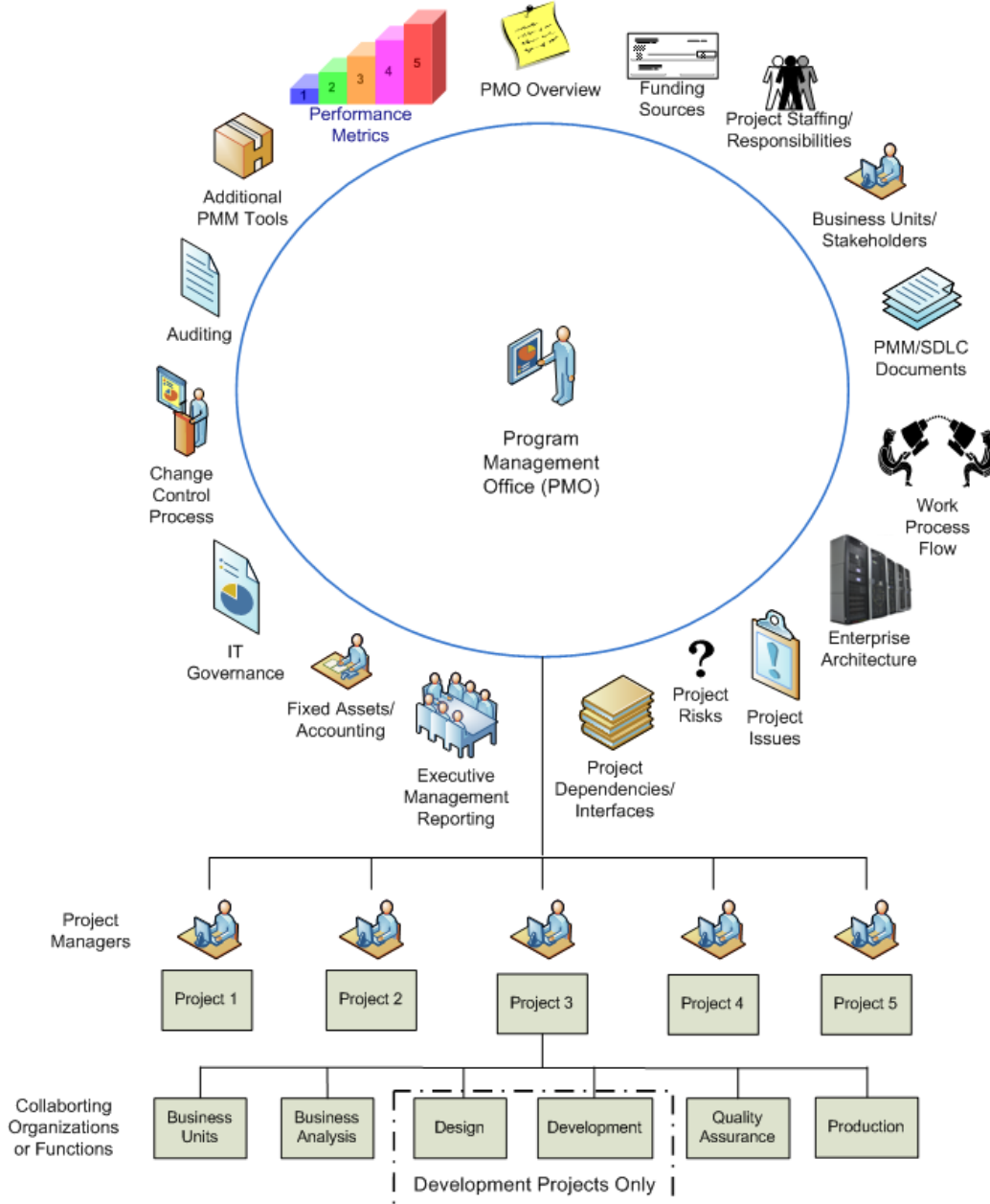

Figure 1-1. PMO Framework

Data Required by Project Managers

Let us ask the question, "In addition to the interfaces and tools needed for the PMO function, what data does the PM need to do his/her job?"

On the surface, the project's manager's role appears to be clearly defined, in that he/she must fulfill the following tasks:

- Meet with the business units to ensure that project objectives and requirements are well-defined
- Clearly identify project budgets and milestones at a level to permit detail tracking

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- Manage project staff members and responsibilities
- Validate that project implementation is in compliance with PMM/SDLC and enterprise architecture standards
- Define budget or schedule variances, and provide corrective action when necessary
- Report frequent status to the PMO on all projects.

This role appears to be a relatively straightforward, but the data that must be made available to the project managers to accomplish these tasks can become onerous and time-consuming to acquire unless careful planning and a degree of limited software development (where necessary) precedes project implementation.

Based on the author's experiences, the problem encountered by most organizations is project managers have a fair understanding of the tasks for which they are responsible, but too often the PMO has not provided these people with clear direction and integrated tools to do their job.

Project managers must wade through numerous obstacles; often harassing functional organizations to obtain the data they require to status their projects. Experience has shown that as much as 50% of project manager's daily efforts are devoted to chasing data that should be available at their fingertips.

Interfaces and Tools to Support Project Managers

Table 1-2 identifies the interfaces and tools necessary for project managers to effectively research, status, identify potential problems and report on projects.

Interface or Tool	Description
Setting Up New Projects	This is a set of instructions for setting up new projects that explains the purpose and mechanics of the tools provided for project managers use.
Project Reporting/Status	This is a repository by which project reports can be generated and organized for dissemination to the PMO. This feature will permit the project manager with the capability to generate ad hoc reports related to the schedules and budgets.
Project Checklist	The project Checklist will provide the project manager a step-by-step process to ensure successful project execution.
Project Budgets	Project budgets should be developed in sufficient detail to track internal and external costs including purchases of hardware, software and services, and maintenance costs (if applicable).
Milestone Schedules	The Milestone Schedules (Project Plan) will contain the milestone, projected and actual start and end dates for each task, elapsed days, and can include predecessors and resources required. Generally a product such as Microsoft's Project will suffice.
Document Storage and Retrieval	This is a repository containing all PMO and project-related documentation from status reports to Excel spreadsheets, presentations, correspondence, and in general, any project-related documents. It is recommended that a custom or Commercial Off-The-Shelf (COTS) application be developed for this purpose as Windows Explorer is not adequate for the task.
SDLC Documentation Status	The current status of all SDLC documentation must be displayed for all personnel to quickly assess the status of document completions, approvals and delinquencies.
Financial System Interface	In order to review charges made against projects, an interface to the company's financial systems must be available for access.
Procurement System Interface	In order to review purchases made against projects, an interface to the procurement system must be available.
Quality Assurance	Provide a link to the quality assurance processes integral to the PMM/SDLC, including reporting and feedback from application testing.
Project Architecture Diagrams	Project architecture diagrams will show data process flow and address the components of the project identifying executables, databases, files, user interfaces and reports.
Application Summary	The Application Summary provides high level details about each application including the business owner, purpose, major components, databases, IP addresses, etc.
Customer Status Reports	This feature will contain all customer status reports and presentations organized by project.
Closing Out Projects	Depending on your organization, various steps will be required to close out a project.

Table 1-2. Interfaces and Tools to Support Project Managers

Project Manager's Toolset

A graphic illustration of the project manager's toolset is shown in Figure 1-2.
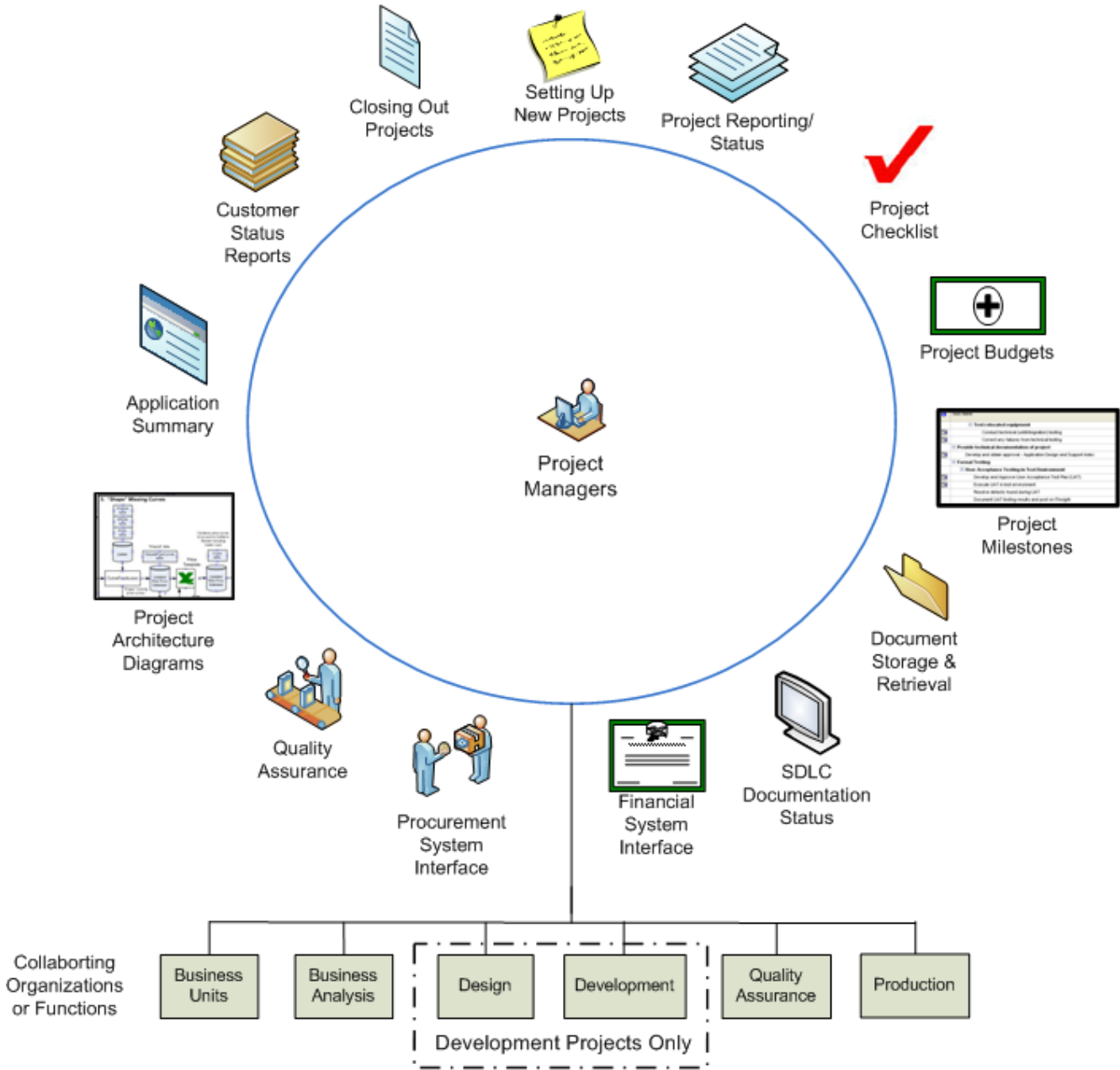

Figure 1-2. Project Manager's Toolset

Integrating All Tools in a Dashboard

All of the data elements required by all organizations including the business units, the PMO, and the project managers should be available on an integrated "dashboard" or full-display application for collaborative access by all personnel as demonstrated in Figure 1-3.

Figure 1-3. PMO Integrated Dashboard

This dashboard can range from a simple display containing hyperlinks to the various interfaces and applications to a sophisticated integrated custom application depending on the effort you wish to apply to this critical PMO focal point.

Access to the various features should be limited by user ID, such that users can only view data that pertains to their responsibilities.

Investing in Critical PMO Applications

For individuals who will be responsible for managing and implementing and managing the PMO, the second white paper in the series provides substantial details on a number of the features discussed in this summary:

Implementing a Project Manager's Toolset