

PMO Lifecycle – Quantitative Results

The Set-up, The Build-out, and The Sustainability

Dr. Waffa Karkukly, *PMP*
December 2011
info@globalpmosolution.com



About Us



We are a project, program, portfolio, and PMO delivery-oriented organization focused on providing project, program, portfolio, and PMO services helping organizations from strategy to execution. We lead our clients to performance improvement through learning and collaborating. Whether your organization requires project assessment and/or prioritization, needs to establish delivery practices, Project Management Organization or outsource/ virtualize your practice, our experienced professionals will assist you to think through, plan and deliver change in a culturally sensitive and pragmatic way.

Outline

- Objectives
- Do you know your PMO ?
- Research Questions
- Practical Perspective and benefits
- PMOLC
- Survey Findings and Discussions
- Conclusion
- Q&A



Objectives

To shed light on PMO practices specifically pertaining to PMO lifecycle and the challenges a PMO faces today. Due to the evolution of the PMO and its lifecycle, this presentation provides valuable feedback based on results from a survey that contributes to the project management field in general and to PMO practices specifically.

Do you know your PMO ?

- Are you Head of PMO or someone who built a PMO?
- How long did it take to build that PMO?
- Does your PMO today have the authority it requires?

Research Questions

- Which phase in the PMO lifecycle is more complex?
- What are PMO challenges in each phase in the lifecycle?
- What is the PMO leader's role in PMO lifecycle?
- How does the level of PMO authority impact *change management and project management*?

Practical Perspective and Benefits

Understand the PMO set-up, build-out, and sustainability; and the complexities associated with each of these PMOLC phases.

Assess the PMO's authority and the PMO leader role and whether they influence project management and change management in organizations.

PMO Lifecycle - PMOLC

- PMO Set-up

Define organization objective from building a PMO resulting in an approved PMO road map that describes the activities and steps required to build a PMO.

- PMO Build-out

Establish an execution plan implementing the approved roadmap activities including building the required functions leading to PMO rollout

- PMO Sustainability

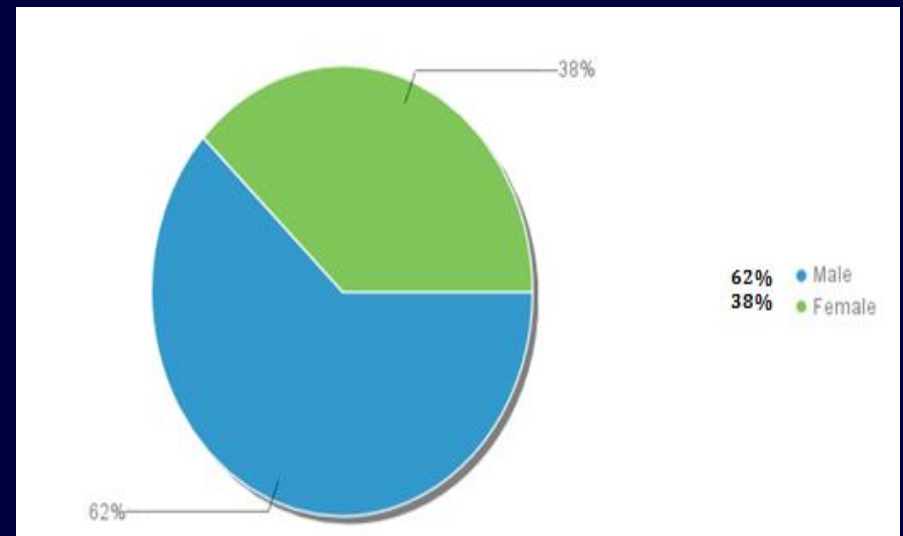
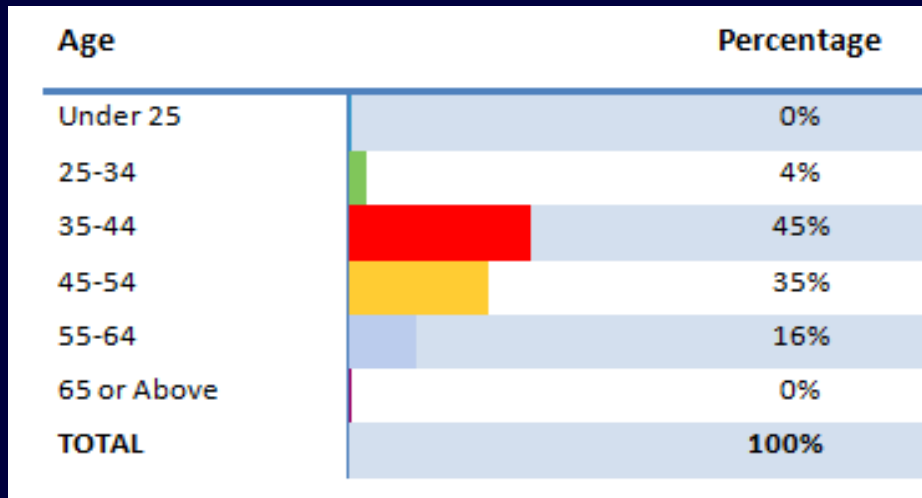
Establish all supportive services that allows for continuous improvements cycle to mature the PMO practice and improve performance

Survey Structure

- Survey consisted of 25 questions.
- 100 respondents logged on to the survey between April 2011 - June 2011.
- Respondents were heads of PMO or consultants who built PMO's
- Completion rate of 73%.

Survey Findings and Discussions

Demographic Data



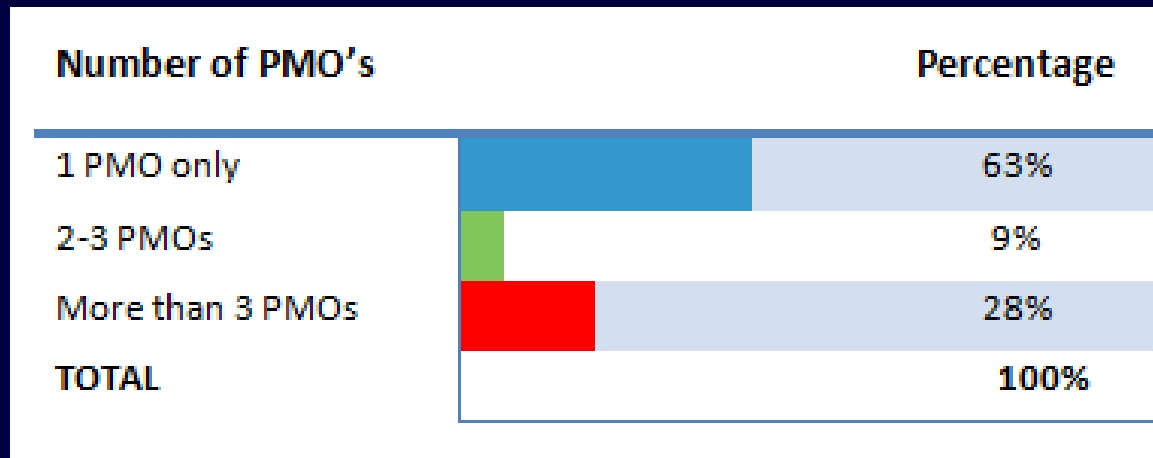
Survey Findings and Discussions – Cont.

Demographic Data

Geographic Location	Percentage
US,	25%
Canada,	35%
Latin America	4%
Europe,	20%
Australia	0%
Asia Pacific	4%
Other, please specify:	13%
TOTAL	100%

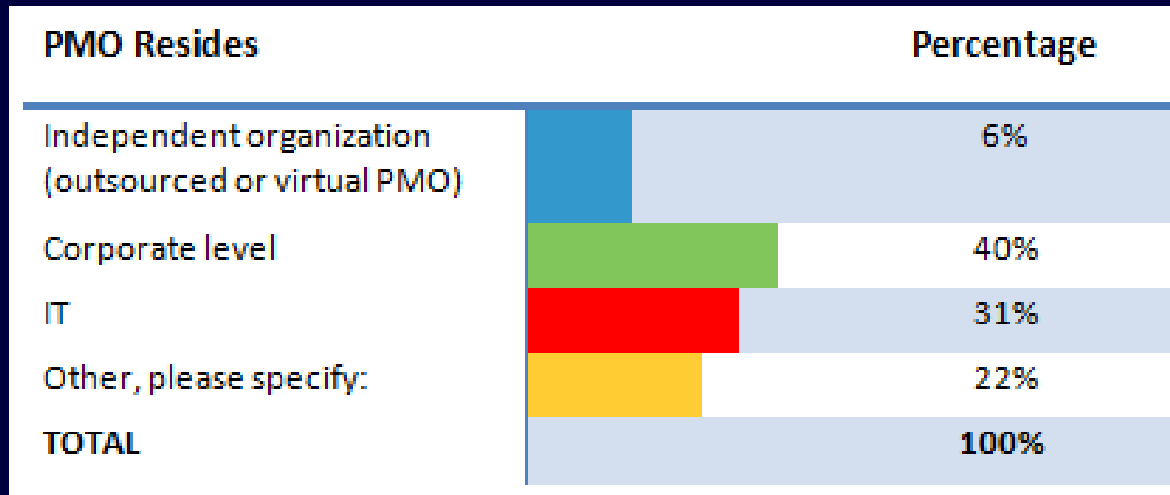
Survey Findings and Discussions – Cont.

How many PMOs does your organization have?



Survey Findings and Discussions – Cont.

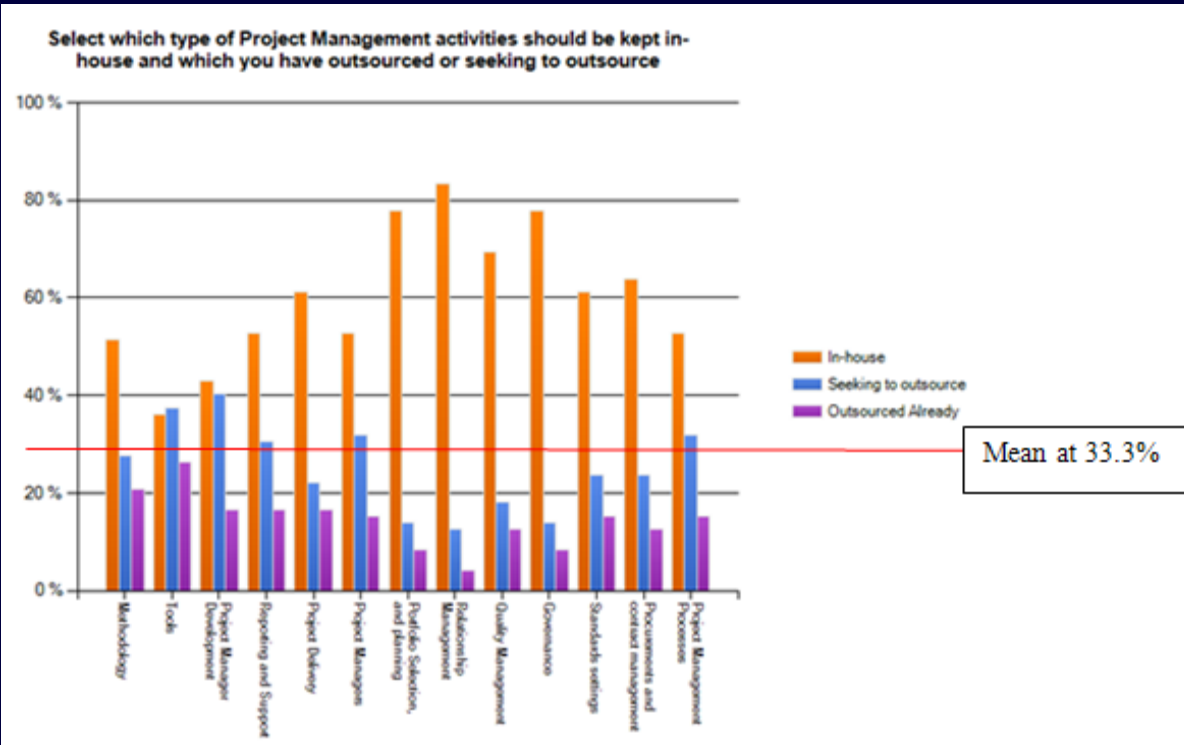
Where does your PMO reside?



Other
under CIO
Operations
North American Business Operations
On corporate level and on performance unit level
Corporate, Business Line and IT
Part of Delivery Services
Finance
Headquarters
Functional Organization
Business Unit Finance: recently a strategy board has been installed at corporate level
Own department
3 in IT, 1 in R&D, 1 in other org
Operations

Survey Findings and Discussions – Cont.

Virtual PMO Phenomenon – Where to?



Outsourced

- Tools
- Methodology
- Project Manager Development

Seeking to Outsource

- PM Processes
- PM Procurement
- Project Managers

Survey Findings and Discussions – Cont.

Virtual PMO Phenomenon – Drivers?

- Cost
- SME (Subject Matter Experts)
- Speed of implementation

Virtual PMO Phenomenon – Benefits?

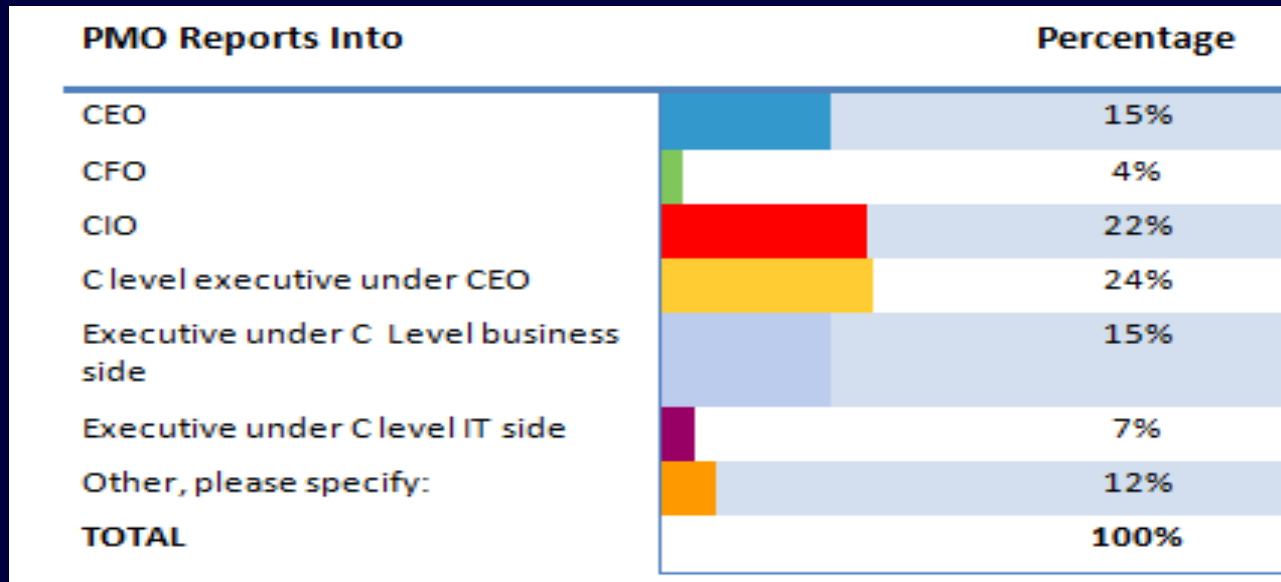
- Competitive advantage
- Cost savings
- Governance
- Standards

Virtual PMO Phenomenon – Challenges?

- Quality
- Security
- Cultural Challenges

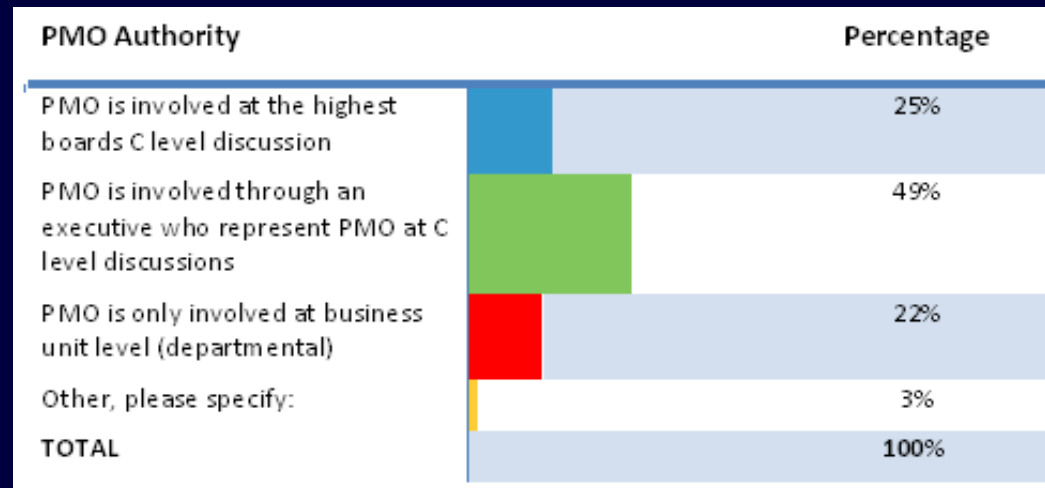
Survey Findings and Discussions – Cont.

Where does your PMO report into?



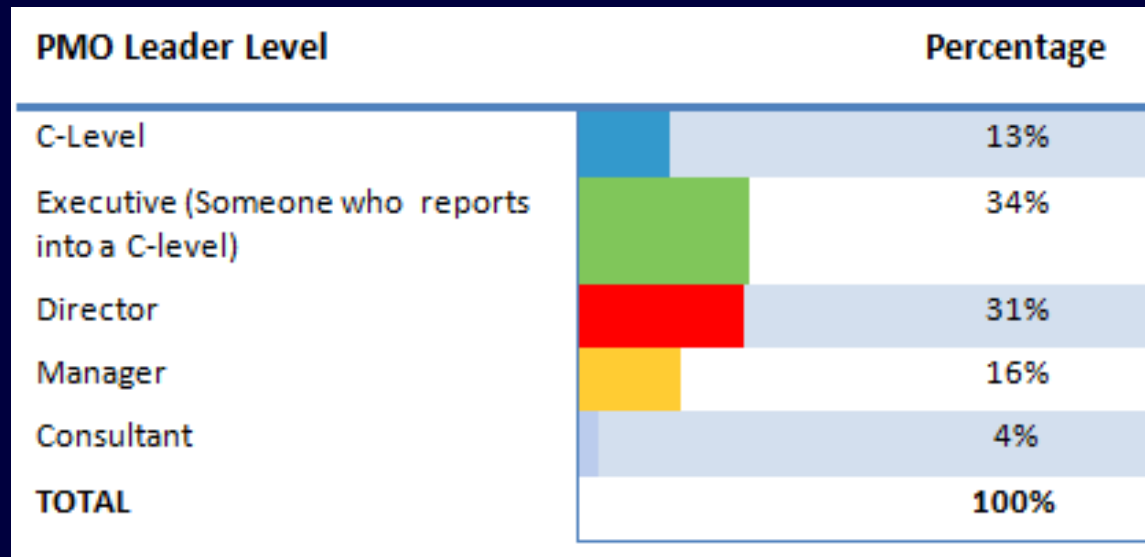
Survey Findings and Discussions – Cont.

How do you define your PMO's authority in the Corporate hierarchy?



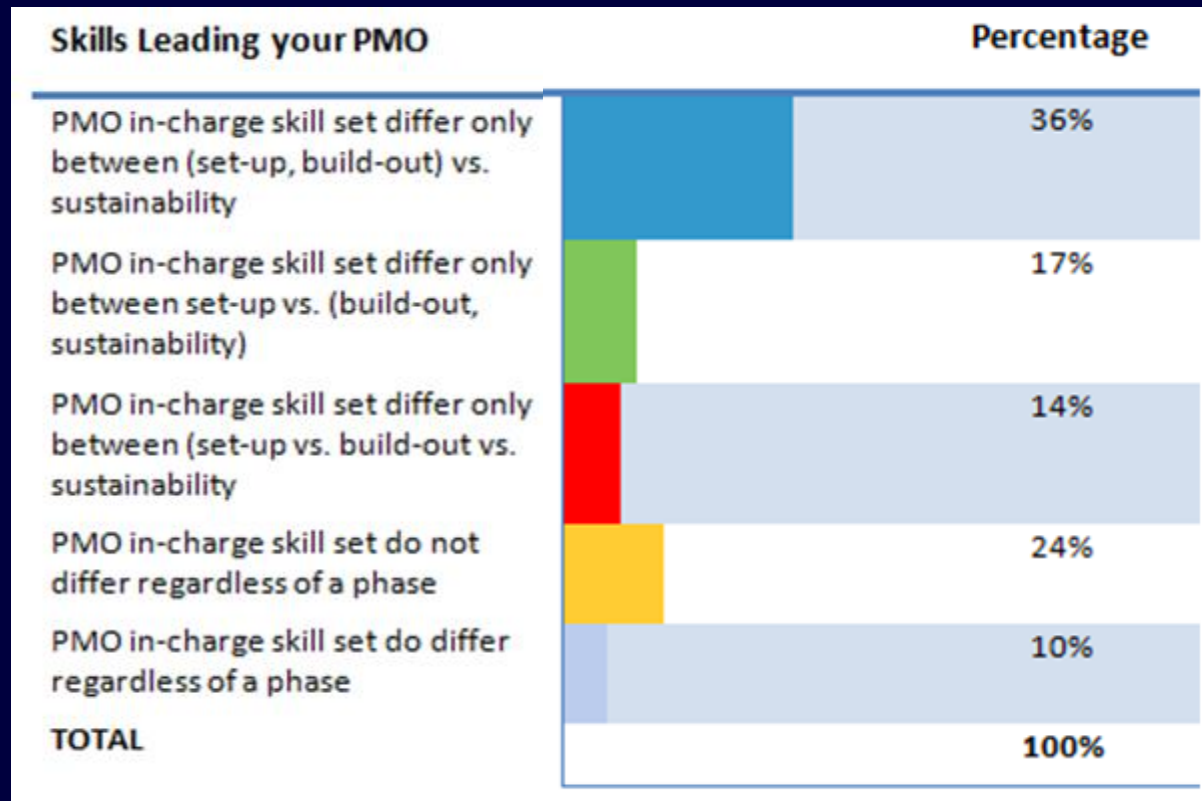
Survey Findings and Discussions – Cont.

What level of management leads your PMO?



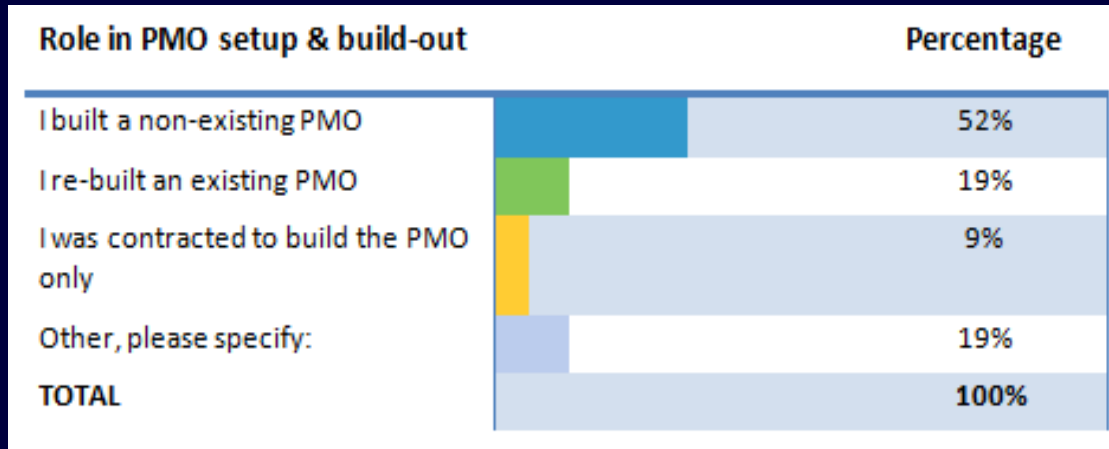
Survey Findings and Discussions – Cont.

Do the skills of a PMO head differ ?

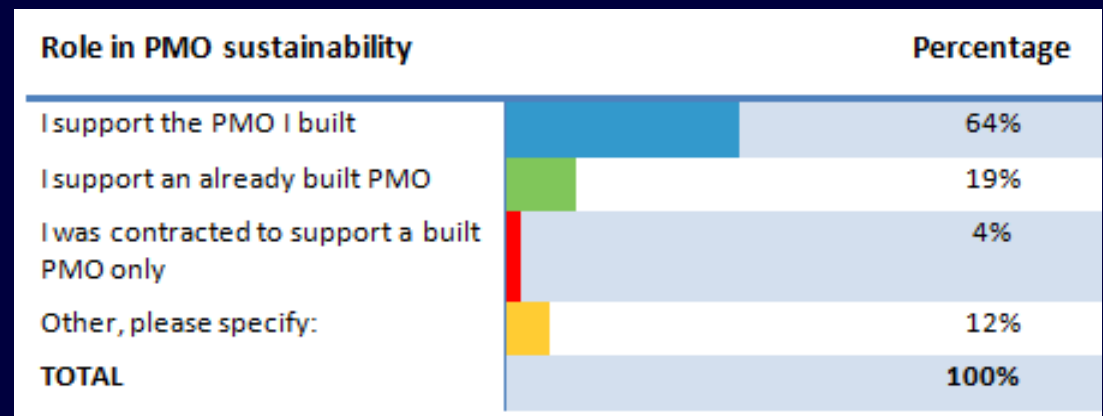


Survey Findings and Discussions – Cont.

What is your role in the PMO setup & Build-out?



What is your role in the PMO Sustainability?

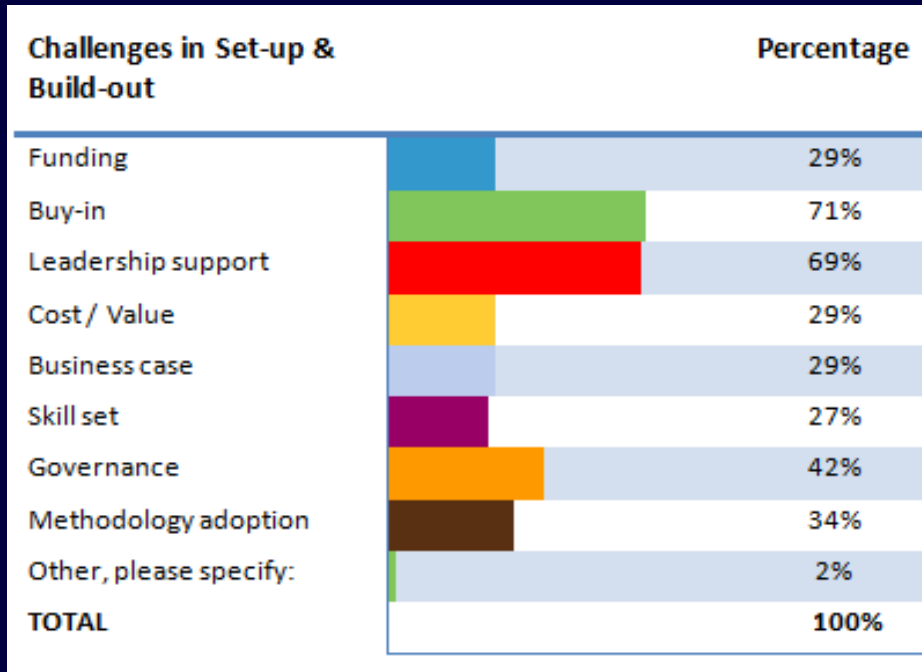


Do you know your PMO?

What is the biggest challenge that faces your PMO today ?

Survey Findings and Discussions – Cont.

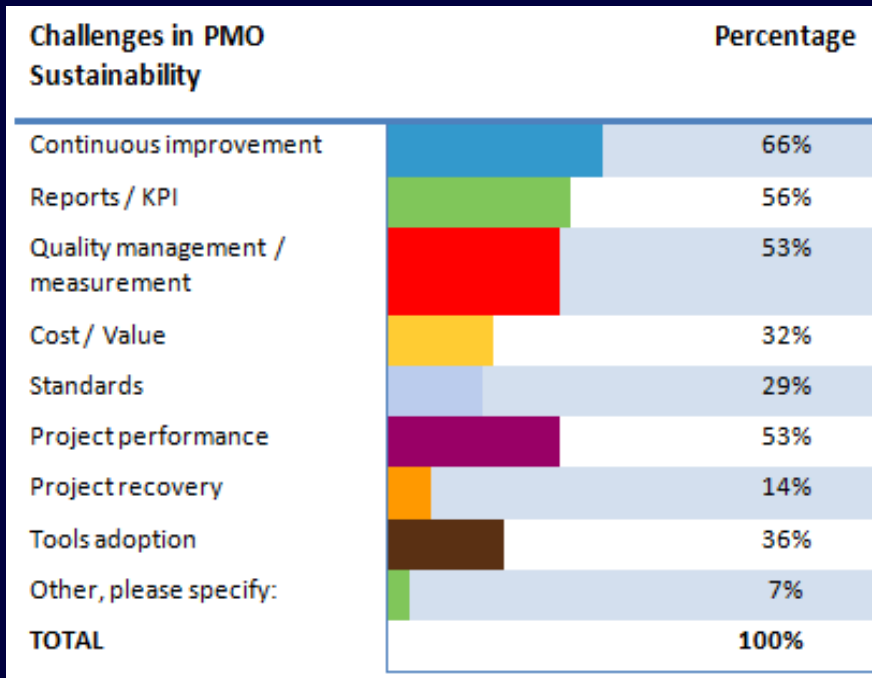
What are the unique challenges in the Setup and build-out phase?



- Buy-in
- Leadership Support
- Governance

Survey Findings and Discussions – Cont.

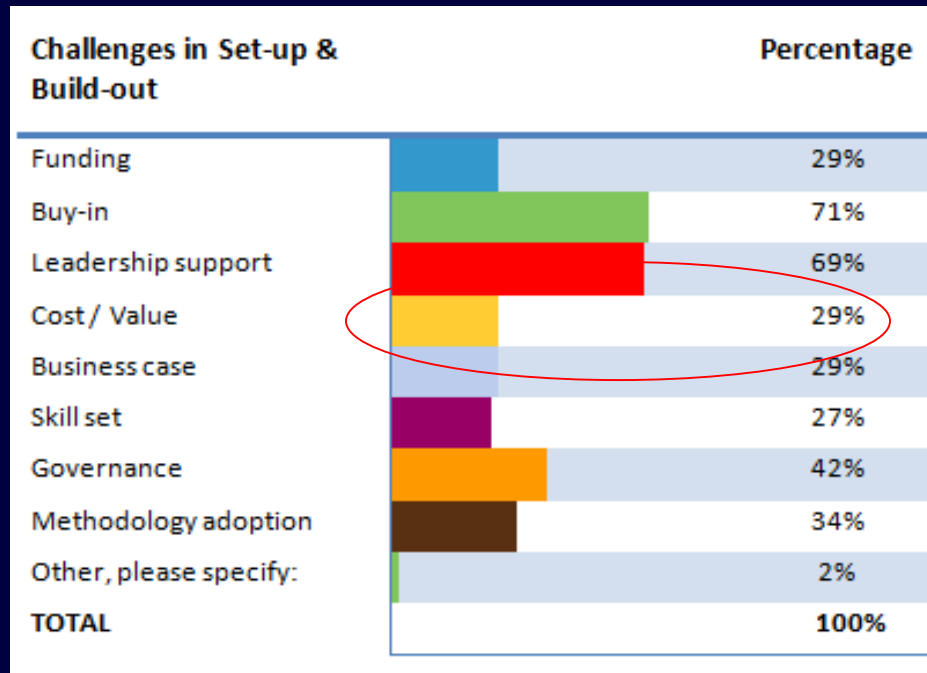
What are the unique challenges in the Sustainability phase?



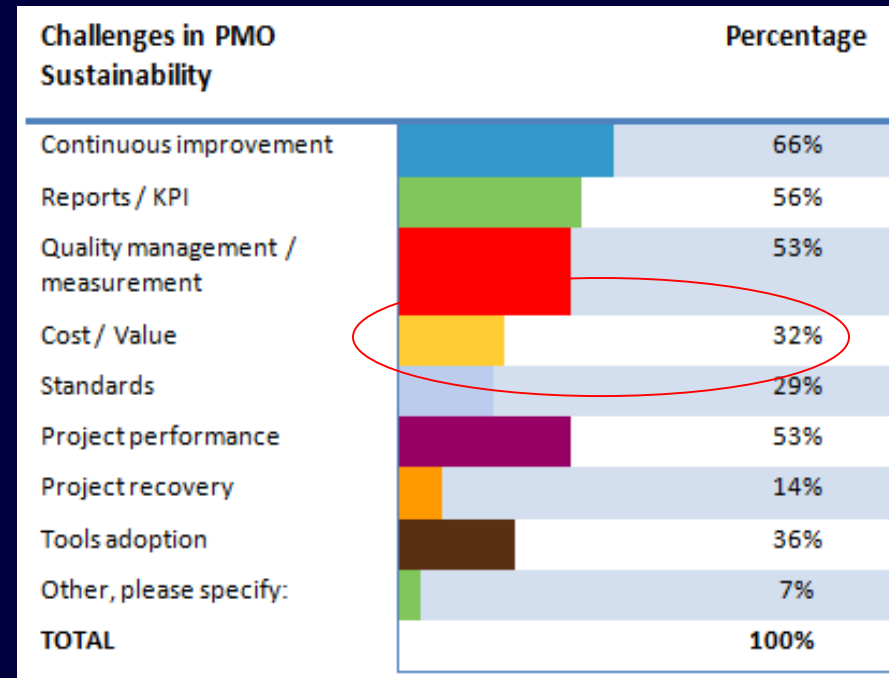
- Cont. Improvement
- Reports / KPI
- Quality Mgmt / Project Performance

Survey Findings and Discussions – Cont.

What are the unique challenges in the Setup and build-out phase?



What are the unique challenges in the Sustainability phase?



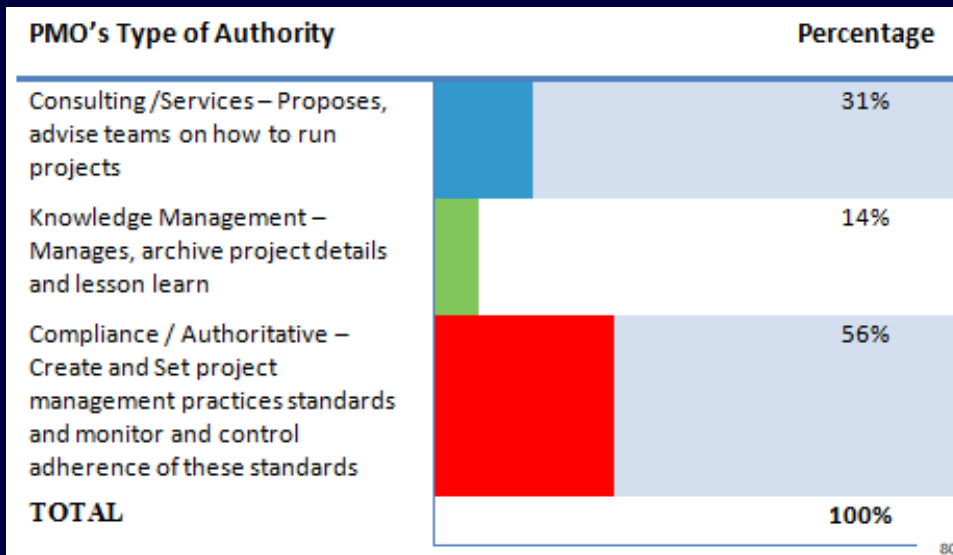
- Funding
- Leadership Support
- Governance

- Cont. Improvement
- Reports / KPI
- Quality Mgmt / Project Performance

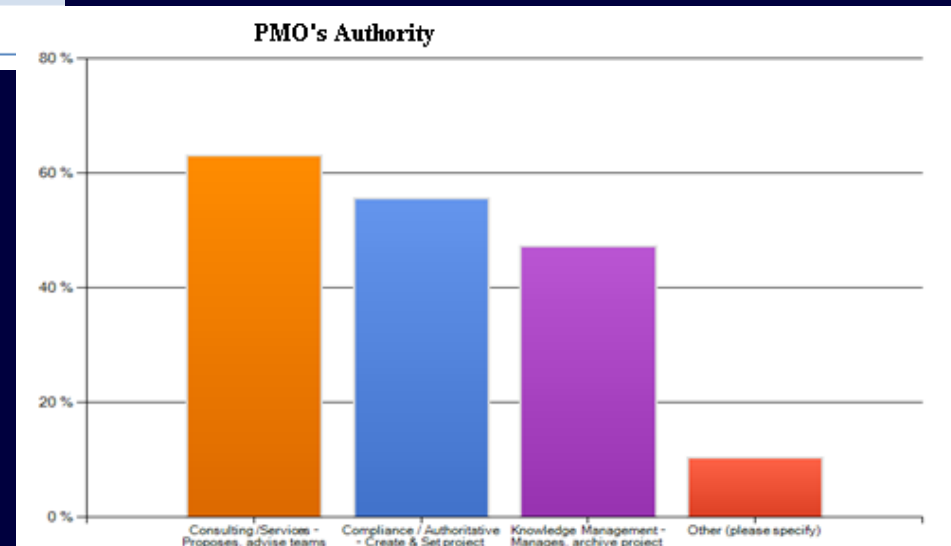
- Cost / Value
- Adoption (Methodology / Tools)

Survey Findings and Discussions – Cont.

What type of authority does your PMO have?



August 2009 through November 2009



Survey Findings and Discussions – Cont.

Do you believe change management and project management adoption in an organization is correlated to the level of PMO's authority?

Change Mgmt & PM adoption	Percentage
The higher the authority, the more PMO's influence in change mgmt and PM adoption	76%
The lower the authority, the less PMO's influence in change mgmt and PM adoption	7%
The level of authority doesn't impact PMO's influence in change mgmt and PM adoption	15%
Other, please specify:	2%
TOTAL	100%

Survey Findings and Discussions – Cont.

What PMOLC is more complex? Rank the complexity in the phases (set-up, build-out, sustainability)?



Most Complex

Complex

Least Complex

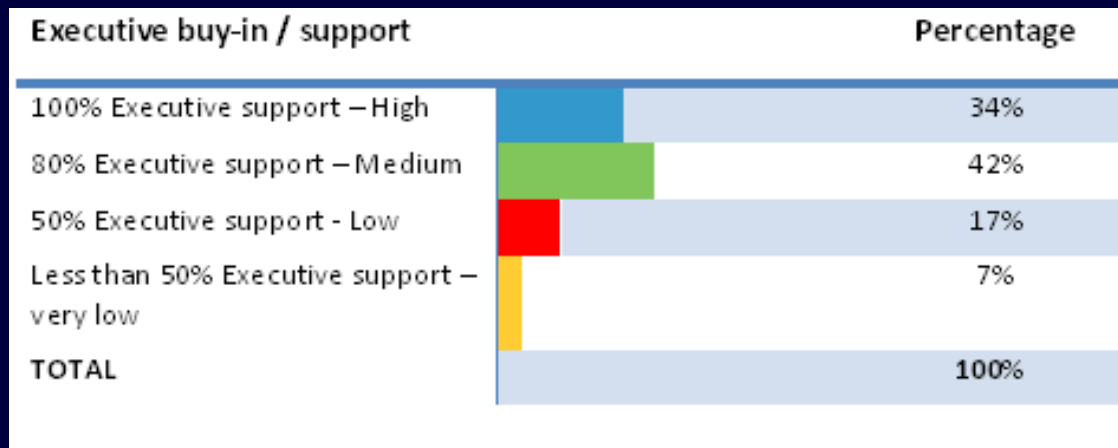
➤ **Change Management**

➤ **Build-out**
➤ **Sustainability**

➤ **Quality and Audit**
➤ **Setup**

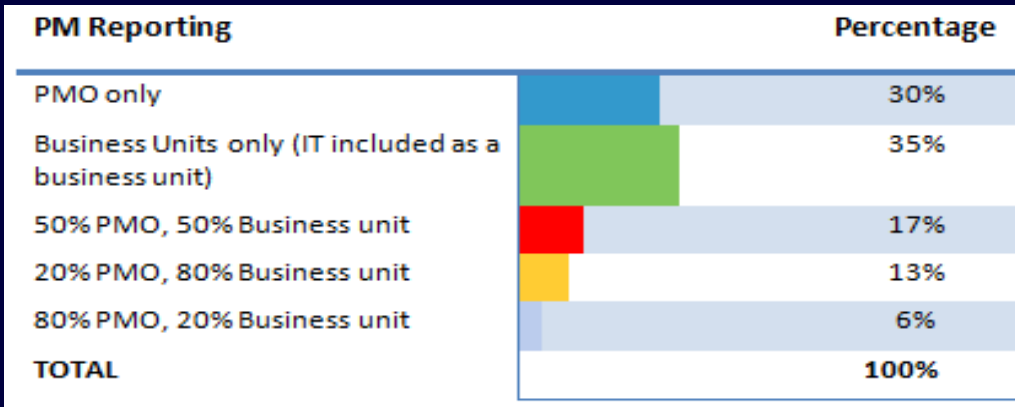
Survey Findings and Discussions – Cont.

Describe the level of Executive buy-in?

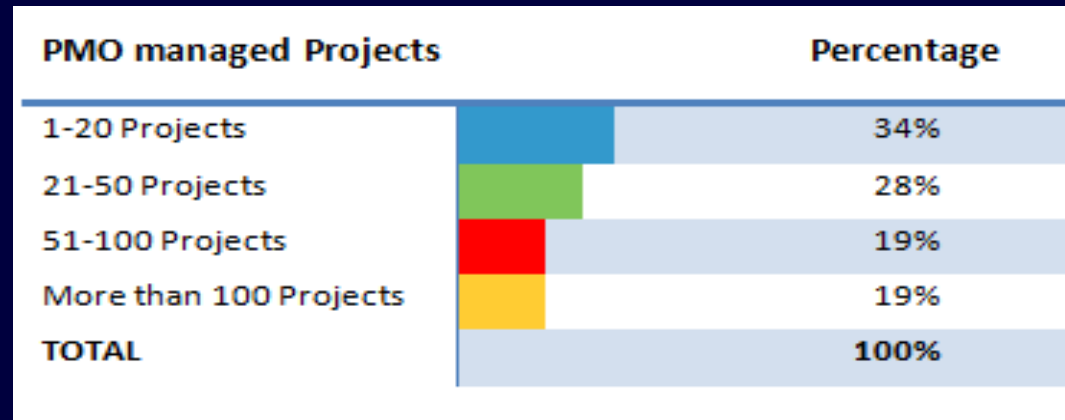


Survey Findings and Discussions – Cont.

Where do project managers report into?



How many projects does your PMO manage in a year?



Conclusion

- First, the PMO lifecycle is complex; the complexity ranged from highest for build-out, followed by sustainability, last for set-up.
- Second, PMO challenges differ by phase specifically between (set-up and build-out) vs. sustainability, but there are similar challenges regardless of phase (Value / Cost, Adoptions {tools & standards})

Conclusion Cont.

- Third, the level of authority of PMO and its impact on project management and change management in an organization is correlated to the level of authority PMO has.

Survey shows 56% were authoritative PMOs

- Lastly, the reporting levels of PMO and PMO leaders title and position in the organization is on the rise.

Survey shows 40% of PMOs reside at Corporate level, and 47% of PMO leaders at the C or Executive level

Future Work

Case studies on PMO controversial topics and organization practices with PPM, insourcing, outsourcing, etc.

Stay Tuned

Q&A

