



The Most Effective PMO Models

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- Please put your phone on silent mode
- Q&A will be taken at the close of this presentation
- There will be time at the end of this presentation for you to take a few moments to complete the session survey. We value your feedback which allows us to improve this annual event.

Names Used to Refer to The PMO



Source: *Pulse of the Profession™: Impact of PMO on Strategy Implementation*

Key Benefits of PMOs

CIO Magazine reported organizations with PMOs complete twice as many projects as those without and communicated 65% increase in project success rate (PMOs operating for more than 4 years)

- Improved alignment of projects and programs with organizational strategies
- Execution of repeatable, measurable, and consistent processes into projects
- Improved communication and change management
- Improved chance of project success and reduced operational costs

Current State of PMOs

80% of firms have a PMO in place; PMO average age is 4; average number of projects the PMO works on is 60/year*. However there are:

- No two PMOs that are alike!
- No agreed on nomenclature that defines or separate different PMOs
- No formalized model or consensus on the right form of a PMO

Current Challenges of PMOs

- Defining PMO's role within organizations
- Demonstrating & communicating added value
- Lack of direction and support from top managers/executives
- Not aligned with organization's strategy and objectives
- Organizational change management challenges - resistance to change

Most Common PMO Models in Practice Today

Business Unit/Departmental:

- Provides project management support and services to support a department within the organization
- Also provides appropriate information to other PMO entities as part of organizational governance
- May be responsible for the consolidated reporting for the projects, programs, and portfolios within its domain

Most Common PMO Models in Practice Today

Project Support/Services:

- Provides enabling processes to support management of project, program or portfolio work by utilizing the governance, processes, practices, and tools established by the organization
- May also develop tools and practices to specifically support a particular project effort
- May support mentoring, training, and certification activities for project managers within its area of responsibility

Most Common PMO Models in Practice Today

EPMO (Enterprise Project Management Office):

- Highest-level PMO often responsible for alignment of project and program work to strategy
- Also responsible for establishing and ensuring enterprise project, program and portfolio management governance and methodology
- Responsible for ensuring benefits realization, and organizational change management (education, communication) across the organization

Most Common PMO Models in Practice Today

Center of Excellence:

- Provides processes, methodologies, governance standards and tools to support project, program, and portfolio management throughout the organization

Most Common PMO Models in Practice Today

Project Specific:

- Provides project-related services as a temporary entity established to support a specific project or program

	Business Unit PMO	Project Support PMO	Enterprise/ Corporate PMO	Center of Excellence	Project-Specific PMO
Project/Program Delivery Management	46%	47%	30%	24%	46%
Standards/Methodology/Processes	15%	19%	20%	41%	16%
Portfolio Management Prioritization/ Strategic Planning/Governance	15%	12%	25%	14%	11%
% who have this PMO in their organization	54%	44%	39%	35%	31%
PMOs potential to contribute business value to the organization is fully realized	28%	32%	35%	32%	45%
PMO Reports to CEO	13%	22%	18%	16%	31%

Facts:

- Business unit PMO is the most common type
- Project-specific PMOs claim the highest level of business value realization among the PMO types
- Project-specific PMOs are more likely to report to a CEO
- Organizations that elevate the PMO to a strategic decision-making level are far more likely to be high performers

Which PMO Model Is Right For Your Organization?

One size does not fit all!

Driving Factors

- What is the perceived role of the PMO within the organization
- What is the Purpose:
 - Decision-making or advisory?
 - What portfolios will this PMO be responsible for?
- Expected scope of influence
- Expected services
- Expected value added

Roadmap to Successful PMO Model Implementation

- Current State Assessment
- Define PMO goals, scope, services
- Define PMO Maturity Roadmap
- PMO Build out planning
- Acquire/build PMO team
- Define Methodology/Process/Templates
- Tools Selection and Standardization
- PMO Implementation Pilot
- Multi-site Rollout
- Communication and Change Management
- Continuous Improvement

Success Factors

- Executive sponsorship and support
- Communicate value
- Proper PMO team structure with proper skill sets, defined roles and responsibilities
- Organizational readiness
- Communication and change management focus

PMO Outside Of IT/Engineering

Why Should You Consider?

- Keeps the focus on business priorities and assets
- More customer-oriented
- Business drives the technology solution to fulfill business and organization's strategic
- Objectives – rather than technology- drives the solutions

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Thank You

References

- Pulse of the Profession™: Impact of PMO on Strategy Implementation
- Pulse of the Profession™: PMO Models
- *PM Solutions: The State of The PMO 2014 Research Report*