

## OVERVIEW



PM-Partners were asked to design and implement a PMO service in the IT department of a large international oil company.

**The business issue:** the Company has had duplicative projects in different parts of organization; there were no clear control points which would ensure project decisions are made in a controlled manner; project delivery time and budget were unpredictable and in most cases exceeded expectations in 2-3 times. Project managers have not had specific management experience or formal training.

## CUSTOMER PROFILE



- Major products: Crude oil, refined fuel products, fuel stations. Logistical services.
- Three principal markets: Europe, Russia, Latin America.
- Operating profit before tax in 2008 of \$6.2 billion
- Project portfolio - \$50 million a year; centrally managed projects - over 30 projects a year with the budget of over \$100 thousands each.

## PMPARTNERS ROLE IN THE PROJECT

### PMPartners provided:

- ✚ Overall project management.
- ✚ Requirements and inventory data gathering.
- ✚ Facilitation of prioritization workshops.
- ✚ Project management methodology development and implementation.
- ✚ Training and mentoring of project managers.
- ✚ Recommendations on PMO structure and staffing.

## PROJECT MILESTONES

Project	Start	End	Status	Owner	Priority	Impact	Cost	Risk	Complexity	Dependencies
Project A	2008-01-01	2008-03-31	Completed	John Doe	High	Medium	\$1.2M	Low	Medium	None
Project B	2008-02-01	2008-05-31	In Progress	Jane Smith	Medium	High	\$2.5M	Medium	High	Project A
Project C	2008-03-01	2008-06-30	On Hold	Mike Johnson	Low	Low	\$0.8M	High	Low	Project B
Project D	2008-04-01	2008-07-31	Planned	Sarah Lee	High	Medium	\$1.5M	Medium	Medium	Project C
Project E	2008-05-01	2008-08-31	Completed	David King	Medium	Low	\$0.9M	Low	Low	Project D

### Project management:

- PMO role defined based on expectations from business and expert advice
- Project life cycle standardized, control decision points and reporting put in place
- Governance structure implemented in every major project
- Best practice project management procedures and techniques introduced
- Related processes (ie procurement, budgeting) re-engineered.
- Project management IT system developed and implemented.

### Portfolio Management:

- Project inventory and classification to identify duplications
- Quarterly project prioritization workshops with top-management

### Resource Management:

- Project managers formally trained and certified.
- Resource demand monitoring and forecasting in place.
- Supply of project managers optimized (outsourced + received discounts on volume)
- PMO staff recruitment

## BENEFITS TO THE CLIENT

### As a result of the project the Company achieved the following improvements:

- ✓ Direct savings in the first year of over \$2 mln due to duplicative projects elimination;
- ✓ Increased reliability of projects delivery and transparency of projects progress;
- ✓ Faster delivery of new projects due to improved skills of project managers and efficient resource management.
- ✓ Track record of project ROI due to benefits realisation management within large projects.