

OVERVIEW

As business activities become more complex they are striving to achieve more visibility and consistency across their project portfolio. Project Management Offices emerged as a way of achieving this and the need for them not only increases with the amount of projects and programmes that are run but also with the importance placed on those initiatives.



When thinking of deploying one it is important to realise:

- The introduction of a PMO is a significant organisational change and the implementation will need to be carefully planned in alignment with your business culture.
- Significant benefits can be realised through consistency and efficiency
- There is no universal definition of a PMO, so the role it will take must be individually defined for each organisation.
- It is vital to review the PMO regularly as it needs to adapt and change with the business.

ROLE OF THE PMO

Although there are many types of PMO, there are three broad categories:

Functional PMO: This type of PMO is used in one functional area or division of an organisation

Programme or Customer PMO: Common projects or customers are clustered together

Enterprise PMO: Structured to give corporate and strategic visibility

The scope of the PMO can be defined as monitoring, supporting and controlling. The services offered can be narrow or broad but must be defined to ensure sustainable success. They mostly consist of:



- Providing central administrative support
- Acting as an information-hub for project status, risks, issues
- Developing, maintaining and regulating the project processes, tools and methodology
- Optimising the allocation and utilisation of resources
- Training, coaching and mentoring of project management staff

WHY HAVE A PMO?

In a survey conducted by CIO and the Project Management Institute (PMI), the top two reasons for establishing a PMO were to **improve project success rates** and to **implement standard practices**.

There is also a strong link between the length of time a PMO has been operating and project success rates: The longer the better. While 37% of those who have had a PMO for less than one year reported increased success rates, those with a PMO operating for more than four years reported a **65% increase in project success rates**.

As with all business improvement projects there is a cost and a payback, only by considering this can you determine if it is a worthwhile investment. Regardless, the first step is to define the terms of reference and the scope of the project management office for your organisation.

PM-PARTNERS PMO DEPLOYMENT



PM-Partners have implemented PMOs in organisations of many different sizes and industries. We are an accredited P30 (Portfolio, Programme & Project Office) provider which reflects the latest guidance from the British Government's Office of Government Commerce (OGC).

We approach our deployments like a project and mainly follow these steps:

1. Establish a Project Management Improvement Forum, made up of influential people from all major functions of the business.
2. Develop a PMO Charter to define and agree, the value proposition to the business, what the PMO will do, the services it will offer and the customers it will offer the services to. Identify key stakeholders, an executive sponsor and obtain sign off. Define the transitional or build phase that will be required to set up the project office and its associated processes. Build your charter from the contents of this document
3. Conduct a current and future state assessment to help define the work ahead and provide some measurement of success as you move forward. (See Current & Future State Design)
4. Establish the PMO using a project management approach with a formal business case and scope ensuring that outcomes are realistic and achievable within the constraints of the business and culture