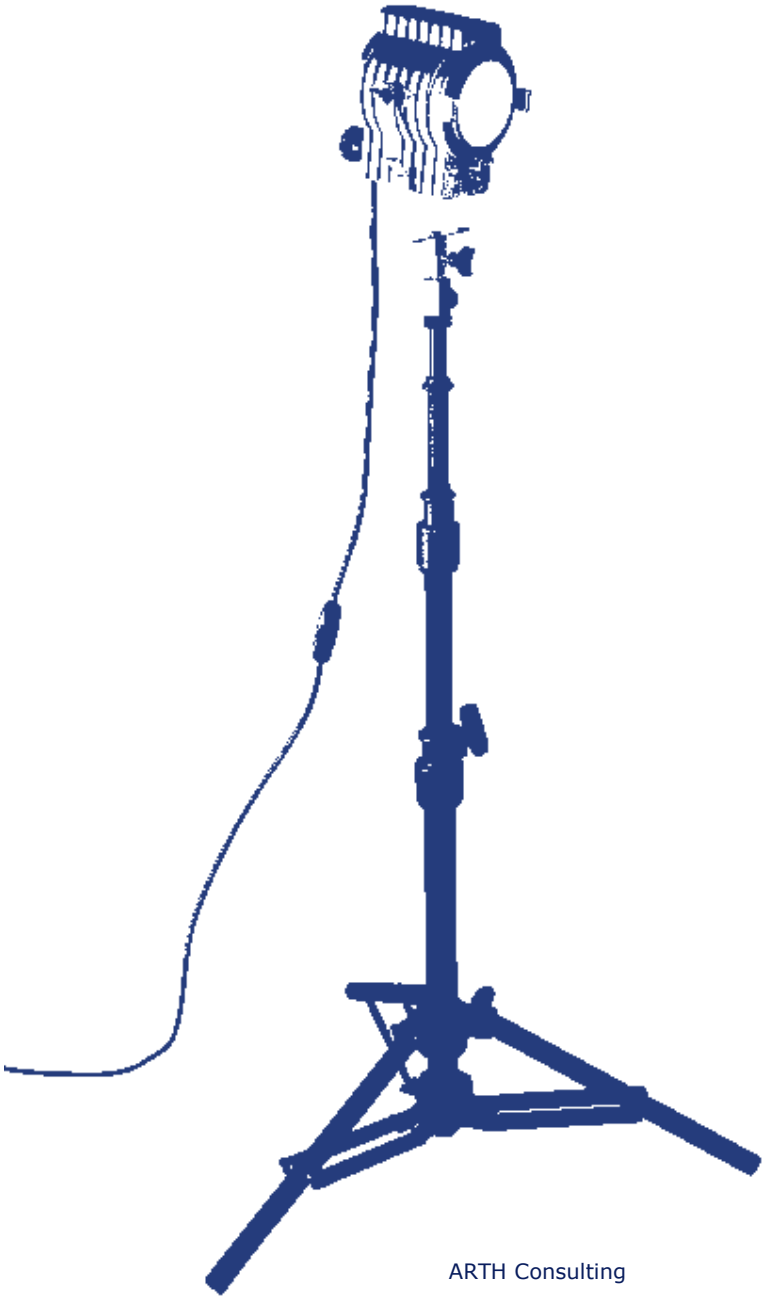
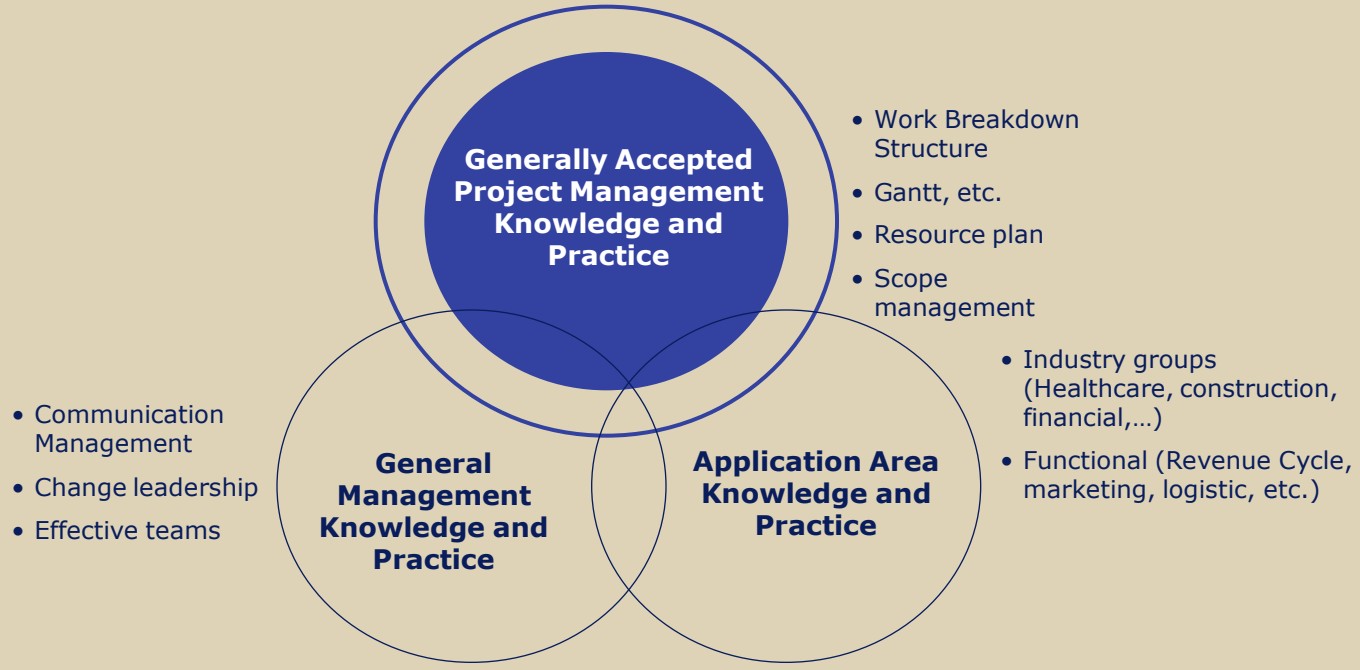
PMO 101

ARTH Consulting



Why Is Project Management Needed?

A lot of the knowledge needed to deliver projects is unique to the application area of the project. However successful projects have to combine specialized knowledge with general management practices and most importantly with sound project management practices.

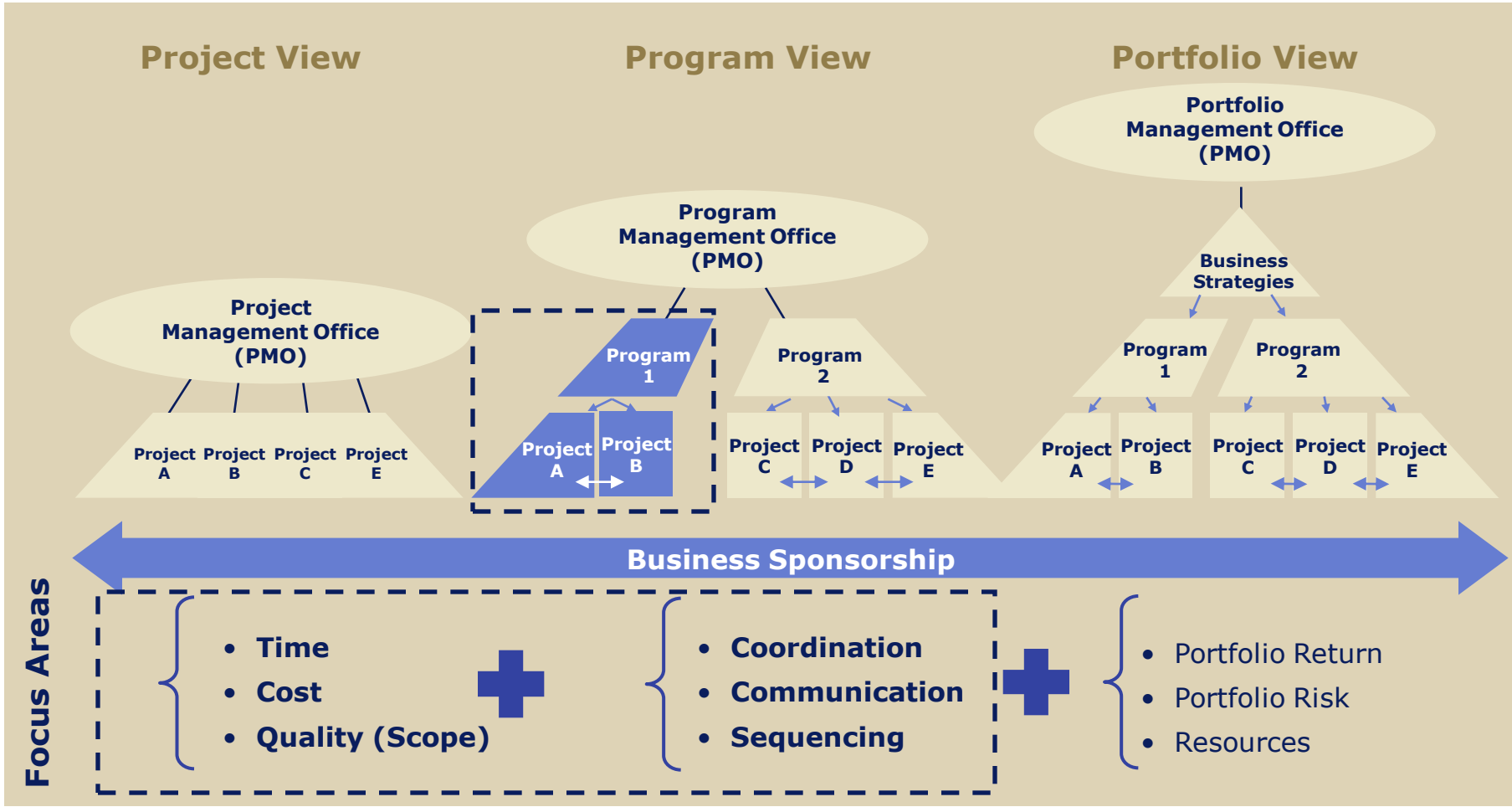


Why Project management?

- Guide Project Execution
- Manage the risk/quality of the project
- Deliver to a documented set of requirements on time and on budget
- Facilitate the project communication

PMO Definitions and Evolution: Project, Program, Portfolio

The pyramid model describes the value added from a project view to a portfolio view. As the number and complexity of initiatives increase, managing them as separate, independent projects is not sufficient. The focus should be on better management of Time, Cost and Scope as well as better coordination between the different initiatives



PMO Maturity Levels

Level 1 – Supports One Project

Level 2 – Supports Several Projects in a Program

Level 3 – Supports a Division/Department

Level 4 – Supports the Entire Organization

Level 5 – Supports Business Strategy and Enterprise Resource Allocations

The PMO at Level 5

The organizational structure, methodologies, processes, procedures, controls, tools, people, training, and other components serve to integrate existing projects, manage the portfolio, control functions, and successfully deliver the organization's business objectives

Project Management Framework

Process Groups / Knowledge Area	Initiating	Planning	Executing	Controlling	Closing
1. Project integration	1.1 Project Charter 1.2 Project Scope Statement	1.3 Project Plan Development	1.4 Direct & Manage Project Execution	1.5 Monitor & Control Project 1.6 Change Control	1.7 Close Project
2. Project Scope Management		2.1 Scope Planning 2.2 Scope Definition 2.3 Create WBS		2.4 Scope Verification 2.5 Scope Control	
3. Project Time Management		3.1 Activity Definition 3.2 Activity Sequencing 3.3 Activity Resource Est. 3.4 Activity Duration Est. 3.5 Schedule Dev.		3.6 Schedule Control	
4. Project Cost Management		4.1 Cost Estimating 4.2 Cost Budgeting		4.3 Cost Control	
5. Project Quality Management		5.1 Quality Planning	5.2 Quality Assurance	5.3 Quality Control	
6. Project Human Resource Management		6.1 Human Resource Planning	6.2 Acquire Project Team	6.3 Manage Project team	
7. Project Communications Management		7.1 Communications Planning	7.2 Information Distribution	7.3 Performance Reporting 7.4 Manage Stakeholders	
8. Project Risk Management		8.1 Risk Management Planning 8.2 Risk Identification 8.3 Qualitative Risk Analysis 8.4 Quantitative Risk Analysis 8.5 Risk Response Planning		8.6 Risk Monitoring and Control	
9. Project Procurement Management		9.1 Plan Purchase & Acquisition 9.2 Plan Contracting	9.3 Request Seller Responses 9.4 Select Seller	9.5 Contract Administration	9.6 Contract Closure

PMO Functions

Project Focused

- Consult
- Mentor
- Augment

Enterprise Oriented

- Promote
- Archive
- Practice
- Train

Project Areas of Assistance

- Standards for managing projects
- Standardized report forms
- PM software
- Proposal development methodology
- Project start-up assistance
- Charters and scope statements
- Kickoff meetings
- Project risk assessment
- Project visibility room
- Project requirements changes
- Project workbook or library
- Timesheets
- Administrative assistance
- Project reviews
- Issue resolution
- Project closeout support

Enterprise Areas of Assistance

- Estimating
- Project selection
- Data integration
- Reward and recognition
- Project audits
- Communication facilitation
- Customer satisfaction

PMO High Level Plan

Project Management | Portfolio Governance | Methods & Standards | Resource Management | Training & Mentoring | Rollout

PMO Install	Timing
1.0 Project Management	
1.1 Finalize Vision	Week 1 & 2
1.2 Finalize scope	Week 1 & 2
1.3 Finalize project plan	Week 1 & 2
2.0 Portfolio Governance	
2.1 Governance committee process	Week 3 & 4
2.2 Prioritization processes	Week 3 & 4
2.3 Change management process	Week 3 & 4
2.4 Project Dashboard (Red/Yellow/Green) reporting	Week 5 & 6
2.5 Project review process	Week 5 & 6
2.6 Other reports	Week 5 & 6
2.7 Governance Committee in place	Week 7 & 8
3.0 Methods and Standards	
3.1 Status reporting	Week 3 & 4
3.2 Standard project deliverables	Week 3 & 4
3.3 Project initiation processes	Week 5 & 6
3.4 Estimating processes	Week 5 & 6
3.5 Project plan templates	Week 5 & 6
3.6 Project milestone standards	Week 5 & 6
3.7 Scope management processes	Week 5 & 6
3.8 Change management processes	Week 5 & 6
3.9 Project acceptance process	Week 5 & 6
4.0 Resource Management	
4.1 Time recording system	Week 5 & 6
4.2 Resource forecasting system	Week 5 & 6
4.3 Resource management process	Week 7 & 8
5.0 Training and Mentoring	
5.1 tools and processes	Week 7 & 8
5.2 Project level tools, templates, and processes	Week 7 & 8
5.3 Time capture and resource forecasting	Week 7 & 8
6.0 Rollout	
6.1 tools and processes	Week 7 & 8
6.2 Project level tools, templates, and processes	Week 7 & 8

PMO Success Factors

Success Factor	Key Questions to Ask
Clear Vision	Does your vision meet Vision the SMART (Specific, Measurable, Achievable, Realistic, and Time-Bound) criteria?
Clear Leadership	Who will be leading the project? Is there one decision maker clearly in charge or do decisions get made by committee?
Clear Expectations	What will be different after the PMO plan has been executed?
Defined Risk	What may prevent the project from meeting its objectives?
Clearly Defined Roles & Responsibilities	Are roles and responsibilities for the PMO plan clearly defined? Are the right resources doing the right things at the right time?
Clear Approach	Is the plan strong enough or clear enough for the project team members to support and embrace?
Change Management	What happens if something changes? What is the project team's ability to absorb and manage change? Is there a predefined change methodology already in place? If so, can it be used to support the objectives of the project?

Appendix

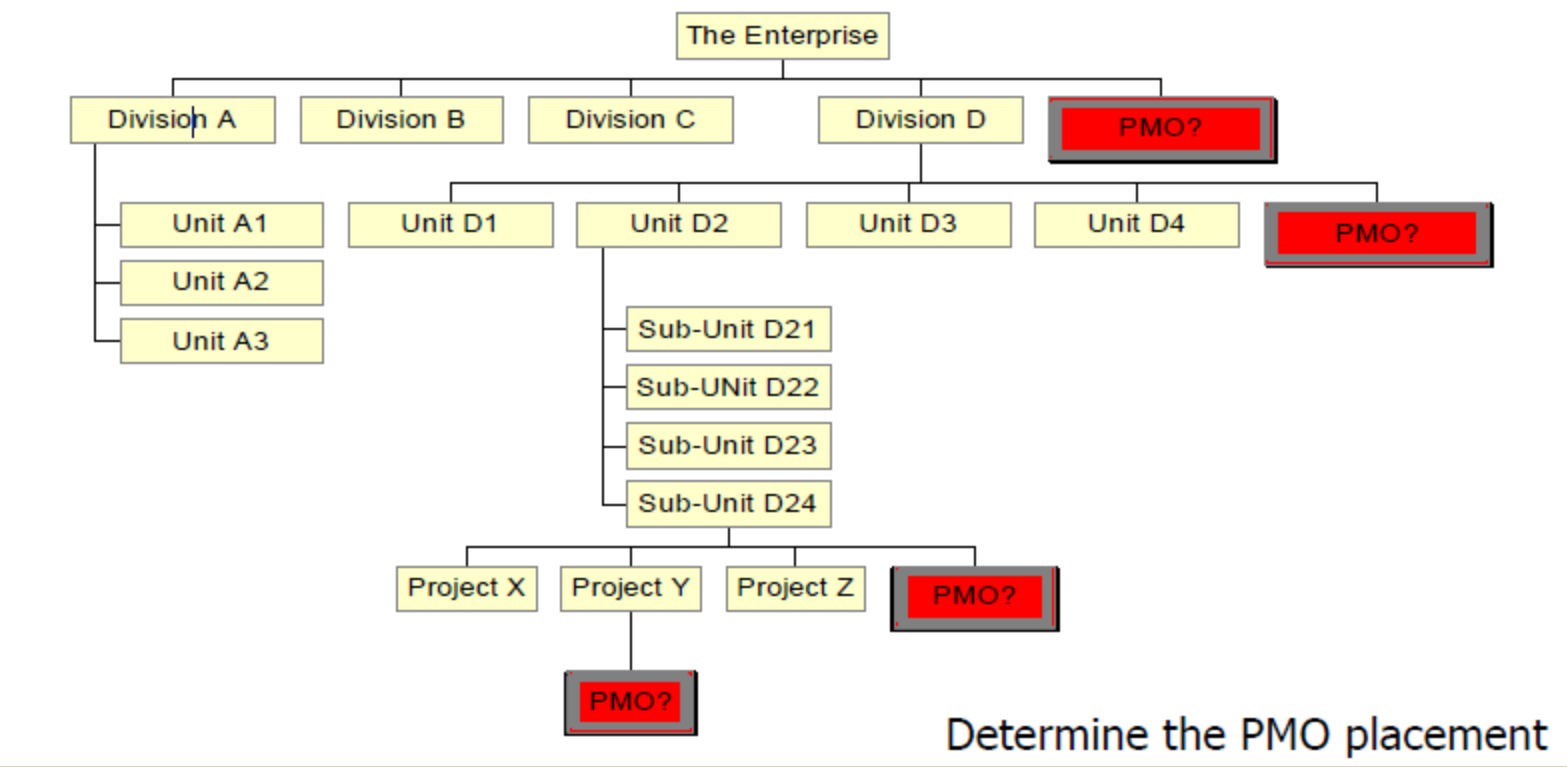
PMO Charter
Sample PMO Deliverable

PMO Charter			
VP of Projects	Phone	Fax	Email
Director, PMO	Phone	Fax	Email
Objectives			
Scope			
Assumptions			
Constraints			
Major Risks			
Major Milestones			
Approvals			

PMO Roles & Responsibilities

Sample PMO Deliverable

Determine where in the organization the PMO should report. List advantages, disadvantages, challenges and critical success factors associated with each option. Discuss and negotiate options with the sponsoring executive.



PMO Processes & Tools

Sample PMO Deliverable

Describe tools the PMO will use for it's processes and knowledge areas.

Processes & Knowledge Areas	Tools
Planning & Execution	
Risk & Issue Management	
Scope Management	
Communication Management	
Quality Management	
Change Management	
Schedule Management	
Financial Management	
Supplier Management	
Document Management	

PMO Resource Estimation

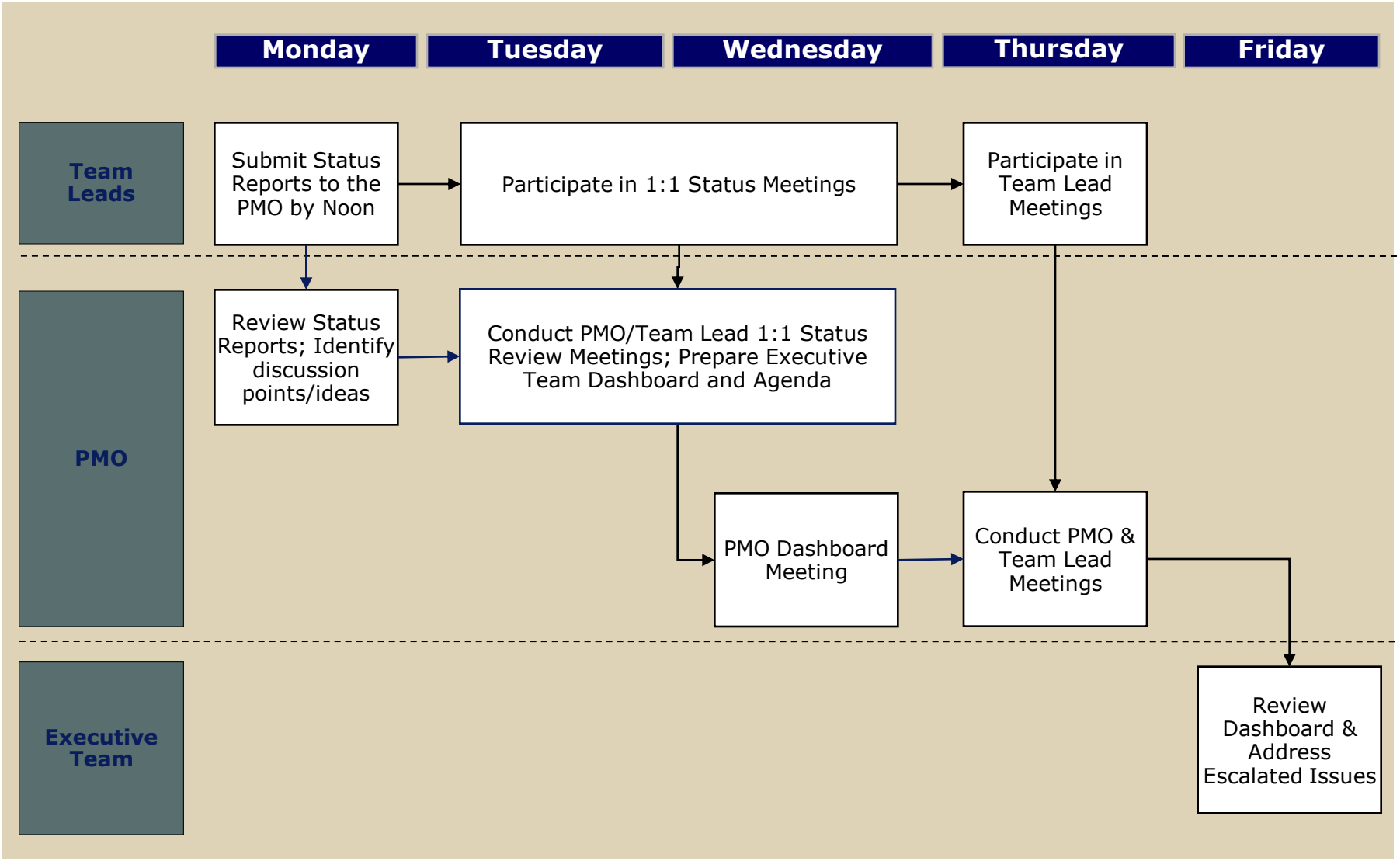
Sample PMO Deliverable

Cost of PMO setup

	Promote	Archive	Practice	Train	Consult	Mentor	Augment
Scope							
Cost							
Quality							
Schedule							
Risk							
Contract							
Integration							
Reporting							
Communications							
Team Relations							
Client Relations							
Vendor Relations							

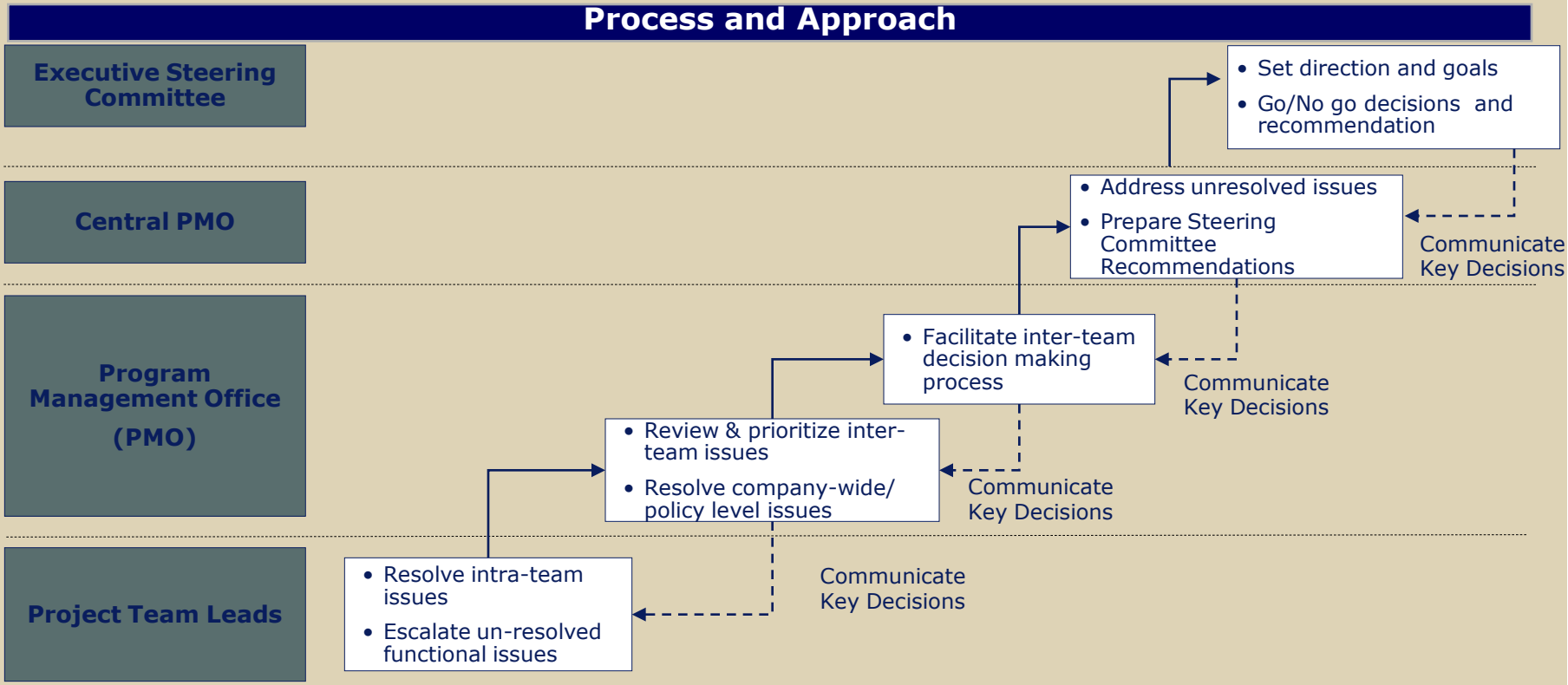
Weekly Status Reporting Cycle

Sample PMO Deliverable



Issue Management & Resolution

Sample PMO Deliverable



Key Elements of Approach

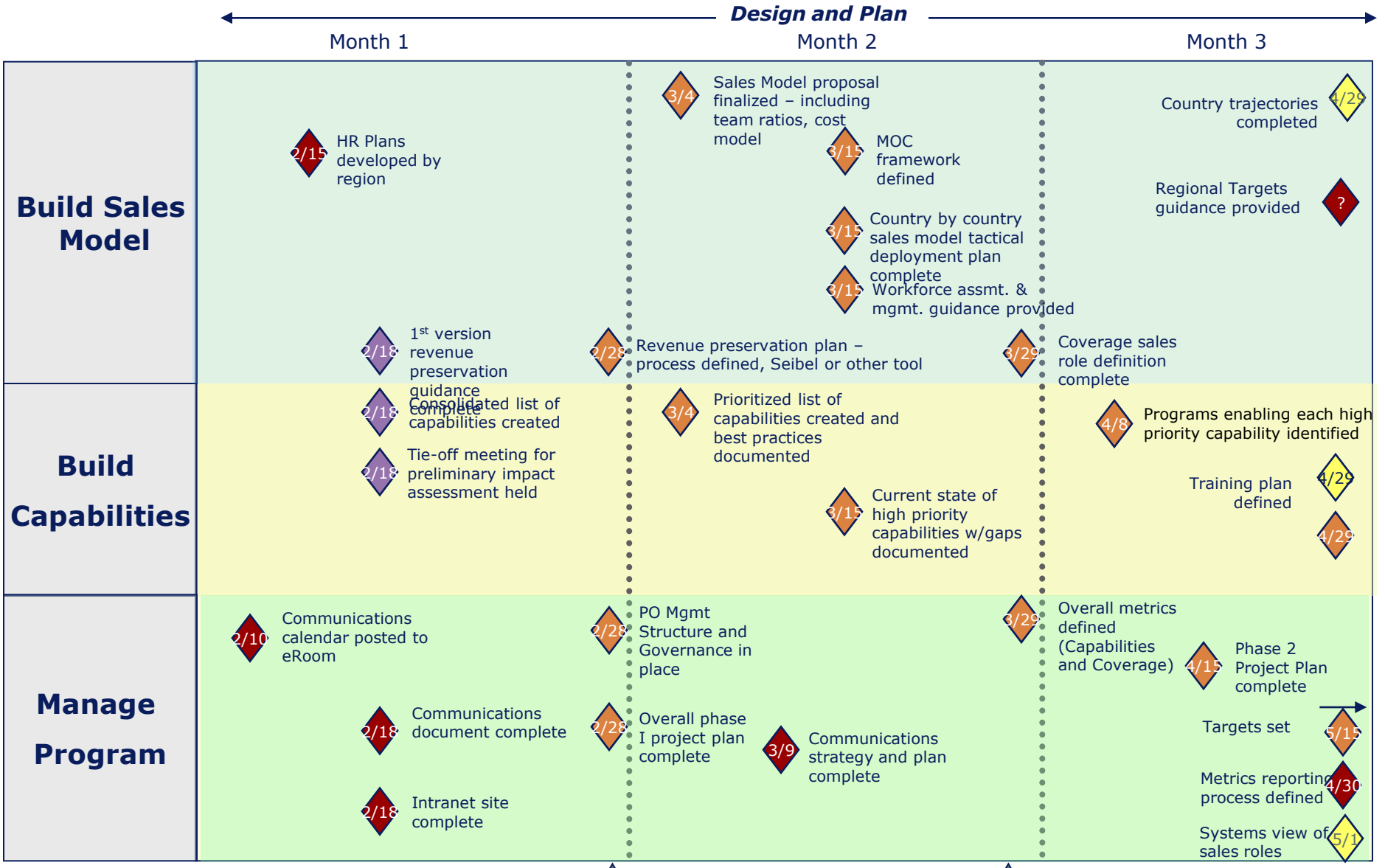
- Drive decision-making and issue resolution at the project team level
- Resolve issues that span teams or require policy/company level decisions at the PMO/Steering Committee level
- Manage and track issues escalated to the PMO/Steering Committee in the PMO issue log

PMO Issue Log

Sample PMO Deliverable

PMO Program Milestone Plan

Sample PMO Deliverable



Project Status Report – Page 1
Sample PMO Deliverable

Project Name: YYYY
Reporting Period: 12/29 – 01/02
Project Manager: Shail Sood
Objective: Build a product to prevent a XXX from being placed via XXX. This will improve XXX competitive positioning relative to current XXX marketplace, expand client-base by providing alternative to purchasing XXX solutions, and drive incremental revenue

Overall Status	Schedule	Risk	Budget	Resource
G	G	Y	G	Y

Progress since Last Period

- Complete draft version of user guide
- XXX development and test script creation in progress
- Prototype Conversion testing in progress
- Continue to work with YYY deployment (infrastructure), fail-over, end user agreement, and XXX integration
- Continue to work with DB2 DBA on Data model & Table creation
- Business met with legal to discuss various fail-over scenarios and to understand what would satisfy their need
- Continue to work on XXXXXXXXXXXXXX
- OE submitted a SSR to build a server for Cycle-0 testing with IIS and .NET environment
- YYYY
- XXXX

Issues/Risks/Comments

- Issue – Need XXX & YYY
- Risk – ZZZ integration
- Risk – Resource Risk

Risks: 1L/0M/1H
Issues: 0L/1M/0H

Activities for Next Period

- Provide user guide feedback to YYY
- Continue to develop YYY test scripts
- Continue to work with YYY on XXX deployment (infrastructure), fail-over, end user agreement, and ZZZ integration
- Continue to develop XXX and YYY conversion
- Continue to test Prototype Data migration
- Continue to work on XXXXXXXXXXXXX
- ZZZ to build a server for Cycle-0 testing; once build XXX to deploy their latest code base
- YYYY
- XXXX
- ZZZZ

Deliverables / Milestones

Start Date: 06/01/08
End Date: 04/30/09

	Planned	Actual	% Complete
R – Admin Tool Requirements	12/05/08		50%
A – Data Model Implementation	12/26/08		86%
C – Manage Emp. (Bus layer & backend)	12/26/08		95%
C – Cycle 0 – Beta Testing Release	12/29/08		0%
C – Reports (Bus layer & backend)	01/02/09		80%
C – XXX Re-write	01/05/08		91%
C – XXX Conversion	01/07/09		78%
C – XXX and Impacted Reports (Bus layer & backend)	01/16/09		68%
C – Exceptions (Bus layer & backend)	01/16/09		72%
C – Cycle 2(UI Improvements, Alternate Flows)	01/30/08		20%

Legend:
G – Project is within budget, scope and on schedule
Y – Project has deviated slightly from the plan but expect to recover
R – Project has fallen significantly behind plan and is forecast to impact either budget, scope and/or schedule.

1

Project Status Report – Page 2
Sample PMO Deliverable

Project Name: YYYY **Reporting Period:** 12/29 – 01/02
Project Manager: Shail Sood
Objective: Build a product to prevent a XXX from being placed via XXX. This will improve XXX competitive positioning relative to current XXX marketplace, expand client-base by providing alternative to purchasing XXX solutions, and drive incremental revenue

	L	M	H
Total Open Issues:	0	1	0
Total Open Risks:	1	0	1

Issues

Description	Action Plan	Priority	Resolution Date	Issue Owner	Status
Need YYYYY & XXXXXX from each prototype clients	YYY needs to reach out to all 3 prototype clients to request this information. 2 methods are proposed (a) XXX (b) YYY	M	01/16/09	XXX	Issue was raised to business. UUUUUUUUUUUUUUUUUUUUU. YYYYYYYYYYYYYYYYYYYYYYYY
Do we need 24x7x365 YYYY system?	YYYY needs to reach out to Legal/ Compliance to check if it's needed UUUUUUUUUUUUUUUUUUUUUUUU UUUUUUUUUUUUUUUUUUUUUUUU	H	01/05/09	YYYY	Issue was discussed with the technical team. The effort to implement bi-directional data exchange is significant and the need may not justify the cost of implementation and maintenance. 12/30: YYYYYYYYYYYYYYYYYYYYYYYYYYYY YYYYYYYYYYYYYYYYYYYYYYYYYYYY

Risks

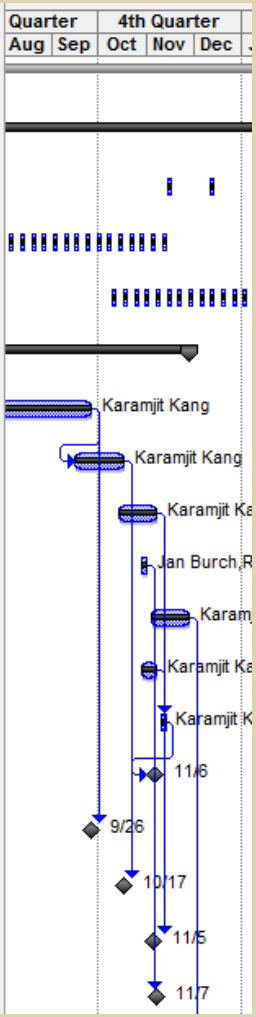
Description	Probability	Impact	Risk Owner	Risk Response Plan
YYYY Classic integration	L	H	AAAA	Step 1: AAAAAAAAAAAAAAAAAA Step 2: BBBBBBBBBBBBBBBBBB Step 3: Shail to escalate it to steering committee if issues are still not addressed
Resource Risk: We lost few project key resources due to BBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBBB	H	H	BBBB	Step 1: AAAAAAAAAAAAAAAAAA Step 2: BBBBBBBBBBBBBBBBBB Step 3: Shail to escalate it to steering committee if issues are still not addressed

Legend:
- L — Low impact to budget, scope and/or schedule: < 5%
- M — Medium impact to budget, scope and/or schedule: 5% – 10%
- H — Major impact to budget, scope and/or schedule: > 10%

2

Program Status Report
Sample PMO Deliverable

Project/ Initiative	C*	P*	S*	Prior Status	Last Week Achievements	This Week Objectives	Risks/ Issues/ Comments/ Stakeholders
Technology Roadmap, Strategy and Implementations							
Project 1	G	H		▪Scope, business requirements documents are complete ▪Development underway	▪Functional specs and TT screens are signed off ▪STech continue to architect, design, & develop ▪STech hired OE	▪Finalize UUBatch scope, requirements and file format ▪Continue development	▪Q1'09 release with reduced features **Stakeholders**: Business, STech, SI
Project 2	G	H		▪Completed BR, use cases, wireframes, functionally architected sol, and received bids from vendors	▪Continue to review and evaluate vendor bids	▪Go/No-Go decision ▪Accordingly start development	**Stakeholders**: Business, STech, SI
Project 3	S	M		▪Discussed and documented to-be stage ▪Documented High level requirements and got buy-in	▪Reviewed and signed-off business requirement document	▪XX to come up with cost estimates	▪YY initially agreed to implement at no cost ▪ XX is delayed. Not likely to leverage it in 09 **Stakeholders**: Business, STech, SI Business & Tech
Project 4	S	M		▪Documented high level mapping requirements	▪Reviewed and signed-off business requirement document	▪YY to come up with cost estimates	▪Same as above ▪Client X($300-400MM) may need it
Project 5	S	H		▪Refer previous reports for details	▪Stated not likely to be a priority for 2009		

Project Plan (snapshot)
Sample PMO Deliverable

		Task Name	Duration	Activity Status	Schd Start	Schd Finish	Act. Start	Act. Finish	Resource	% Comp.	Pred.
0		TR Web Project	244.13d		Mon 6/2/08	Fri 5/8/09	Mon 6/2/08	NA		25%	
1		Project Management	243.13d		Tue 6/3/08	Fri 5/8/09	Tue 6/3/08	NA		99%	
2		Monthly CBS Management Updates meetings	125.13d		Fri 11/14/08	Fri 5/8/09	Fri 11/14/08	Fri 5/8/09	E,CD,GS,LD	100%	
10		Project Status Meetings	115.13d		Tue 6/3/08	Tue 11/11/08	Tue 6/3/08	NA	E,CD,KK,OE	99%	
35		Project Monitoring, Communication, Issue Resolution	131d		Fri 10/10/08	Fri 4/10/09	Fri 10/10/08	NA	SS	99%	
63		Requirements Gathering & Analysis	130d		Mon 6/2/08	Fri 11/28/08	Mon 6/2/08	NA		97%	
64	✓	Web UI Requirements	85d		Mon 6/2/08	Fri 9/26/08	Mon 6/2/08	Fri 9/26/08	KK	100%	
65	✓	Report Requirements	5w		Mon 9/15/08	Fri 10/17/08	Mon 9/15/08	Fri 10/17/08	KK	100%	64
66	✓	Master link/delink requirements	4w		Mon 10/13/08	Fri 11/7/08	Mon 10/13/08	Fri 11/7/08	KK	100%	
67	✓	TR Batch considerations	1w		Mon 10/27/08	Fri 10/31/08	Mon 10/27/08	Fri 10/31/08	JB,RQ	100%	
68	✓	Admin Tool requirements	4w		Mon 11/3/08	Fri 11/28/08	Mon 11/3/08	Fri 11/28/08	KK	100%	
69	✓	Peformance testing specifications	2w		Mon 10/27/08	Fri 11/7/08	Mon 10/27/08	Fri 11/7/08	OE,SS,ME,CD	100%	
70	✓	Peformance testing specifications review / feedback	0.6w		Mon 11/10/08	Wed 11/12/08	Mon 11/10/08	Wed 11/12/08	OE,SS,ME,CD	100%	69
71	✓	*Performance testing specifications Sign Off*	*0d*		*Thu 11/6/08*	*Thu 11/6/08*	*Thu 11/6/08*	*Thu 11/6/08*	*,OE,ME,CD*	*100%*	*70*
72	✓	*Web UI Requirements Sign Off*	*0d*		*Fri 9/26/08*	*Fri 9/26/08*	*Fri 9/26/08*	*Fri 9/26/08*	*SS,ME,KK*	*100%*	*64*
73	✓	*Report Requirements Sign Off*	*0d*		*Fri 10/17/08*	*Fri 10/17/08*	*Fri 10/17/08*	*Fri 10/17/08*	*SS,ME,KK*	*100%*	*65*
74	✓	*Master link/delink requirements Sign Off*	*0d*		*Wed 11/5/08*	*Wed 11/5/08*	*Wed 11/5/08*	*Wed 11/5/08*	*KK*	*100%*	*66*
75	✓	*TR Batch considerations Sign Off*	*0d*		*Fri 11/7/08*	*Fri 11/7/08*	*Fri 11/7/08*	*Fri*	*JB,RQ*	*100%*	*67*