

**pmo**

*paving the road to optimized IT  
value: perspectives and a case study*

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(updated)

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# agenda

Session theme: lessons for successful

## **deployment / adoption:**

- Provide pmo practice insights
- Cite case studies using CMMi: *case study, challenges, reflection, lessons learned*
- Discuss successful pmo premises

Open forum for discussion



# about pmo

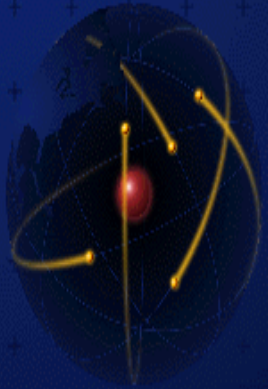
# definition of PMO by PMI®

“The Program Management Office is an organizational body or entity assigned various responsibilities related to the centralized or coordinated management of those projects under its domain. The responsibilities of PMO can range from providing project management support functions to actually being responsible for the direct management of a project”

PMBOK 3<sup>rd</sup> Ed

# pmo value creation

- PMO (Program Management Office) by design builds on a series of best practices including PMI® standards. In NA, the majority of Fortune companies have already or in the process of establishing IT PMO office.
- Structure may vary; PMO is either part of the business or the IT organization; regardless, its mission focuses on delivering business value with accountability for results



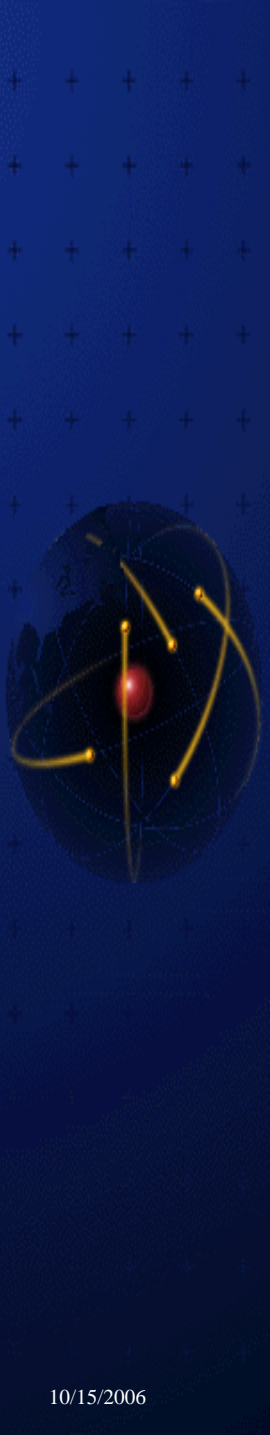
# example of an actual pmo charter

(education institution)

“The Program Management Office will provide:

- state-of-the-art project management software which will include automated project scheduling, project interdependency tracking, issue management, resource management and other tools;
- assistance in managing risks and addressing quality considerations;
- skills training for project managers;
- consistent and effective project management methodologies; and
- proactive communication of project and task status.

The benefits are straightforward and include higher probability of success, more consistent and simplified management, and accountability for all results. This should ultimately lead to higher client satisfaction and a better place to work and learn.”

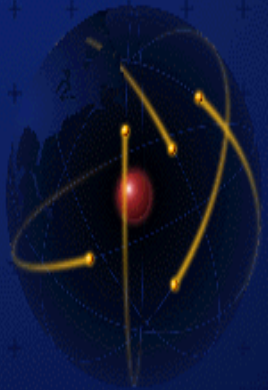


# cmmi<sup>®</sup> role

# cmmi® role

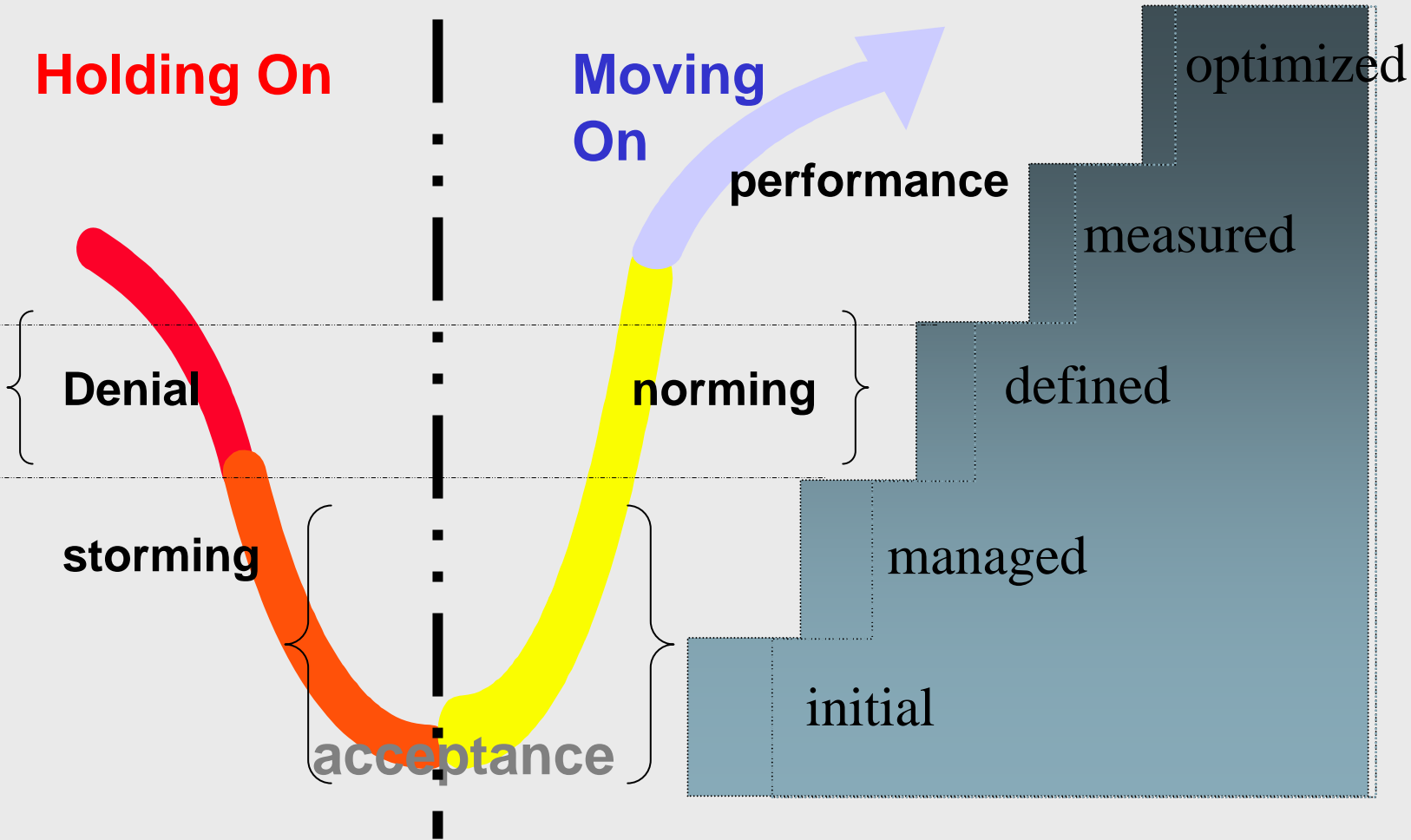
- Establishes an organization framework for successful project management practices
- Provides a roadmap for continuous process improvements across program and project portfolios
- Provides consistent measurements across the life cycles, e.g., SDLC, PLM... while providing a gauge for evolving the organization's maturity
- Iterative roadmap for adoption





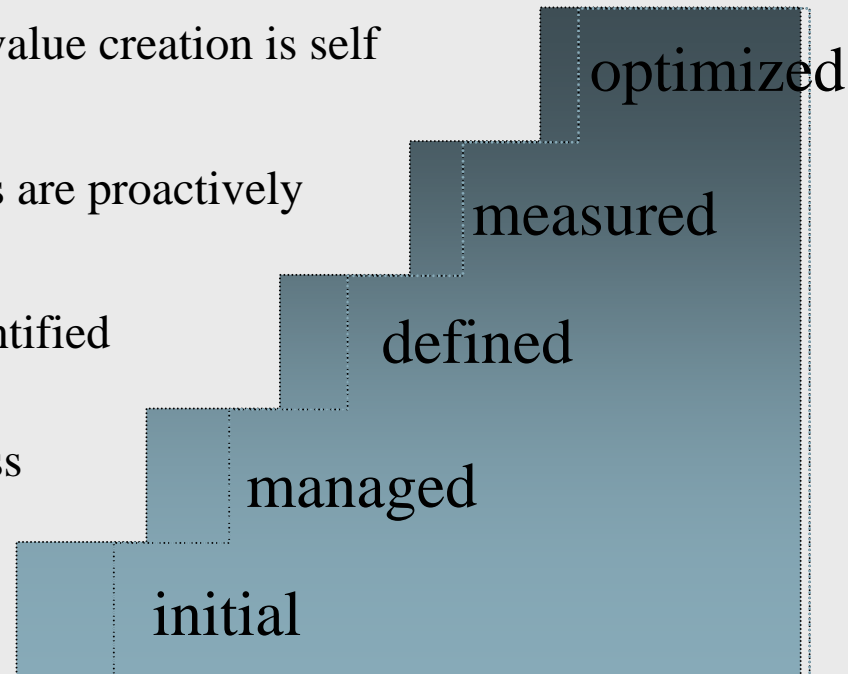
# Adoption and cmmi®

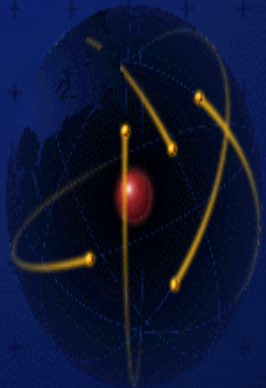
# adoption cycle correlation



# organization adoption correlation

- User-adoption is synergistic – value creation is self renewing
- User-adoption / success metrics are proactively gauged
- Audience needs are clearly identified
- Inconsistent deployment success
- Poor product/service adoption





## *pmo case studies*

# case study 1: “major telco”

(~\$40 billion in revenues)

- Established a Program Management Office
- PMO SEPG formed with local legs at the unit level
- Governance/Audit team (post deployment)
- Super Users at the local level
- Retained a major consulting team
- Introduced a series of templates to support SDLC, targeting level 3:
  - REQM, CM, PPQA (Proc and prod quality ass), MA; OPF (Org Proc), OT (train)
  - Project complexity-based requirements: High and Low
  - RTM: Requirements Traceability Matrix
  - Peer Reviews
  - Change Management process
  - Document management application
  - Project management software with resource allocation and time tracking

# case study 1: what went well?

- Engagement model was clear with the customer—introduced “Application Front Gate” to the IT organization
- Consistency of templates: for example, requirements documents were no longer called different names: BRD, RD...
- SEPG ensured consistent application across a matrix IT organization—process exceptions had to go through a review committee
- Paving the road toward meaningful measurement at the PPM level became within reach

# case study 1: challenges

## Target: Level 3

Given the culture, introduced a very aggressive rollout timeline:

- Project complexity-based requirements
- RTM: Requirements Traceability Matrix
- Peer Reviews
- Change Management process
- Master directory of process assets / document management tool
- Project management application (eVista Artemis)
- Audits

Once understood, adopted; still confusion persisted between high and low complexity project requirements

Poor adoption: Perceived as additional work

Basic adoption: perceived as unnecessary work; most completed the basic requirements

Well received by IT; not well by the business

Saved \$\$\$ on space needed for attachments; links didn't always work!

Poor adoption due to slow performance; cumbersome—lowered productivity

**Too Much Resistance—impacted productivity**



# audience reflection



# case study 1: lessons learned

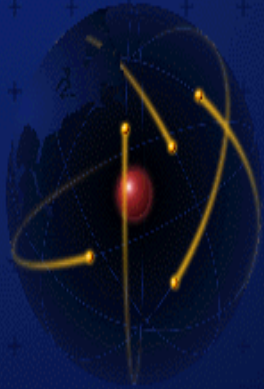
- Big bang introduction of people, process, and corresponding tools does not work all at once—*cultural adoption rate must be taken in account*
- CMMi champions were re-aligned elsewhere in the organization
- Process improvement is not defined by consultants—rather, it is defined by front line doers—engage cross team members across cycle (not only “smart” people)
- Tools’ capability and maturity must be mapped for productivity flow not just features
- Culture must be taken in account for an adoption rate and the subsequent roll-out success
- Closely evaluate capability to deliver (e.g. resources, training...)



# case study 2: “global shipping co.”

(\$5 billion in revenues)

- Established a pmo practice
- Defined balanced scorecard (BSC) which defined the PPM objectives
- Adopted ad-hoc CMMi
- Instituted PMI standards
- Enabled standard SDLC template in project management software
- Instituted an end-to-end project governance
- Piloted a project case study for the entire PMO team
- Debated PMO approaches of “process and tools”
- Promoted PMI certifications for consistent practices



# case study 2: what went well?

- EPS (SEPG like)
- PMO Balanced scorecard directly linked to corporate initiatives “upfront” while providing a tracking mechanism across project portfolios (PPM)
- Paving the road toward meaningful measurement at the PPM level became within reach provided the SDLC template is widely adopted



# case study 2: challenges

- Established a pmo practice
- Defined balanced scorecard (BSC) measurements
- Adopted PMI standards
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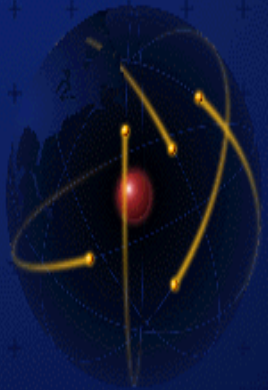
PMs had to come-up to speed on PMI leading practices

Vendor provide template 12207 was not relevant to internally, driven IT department—much customizations were needed

Many resisted the straight jacket

management had already made its decision regardless—PMs already knew

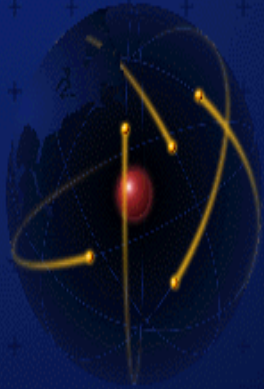
**CMMi was not adopted; as a result, missing a critical document such as RTM left the organization vulnerable to re-occurring project risks**

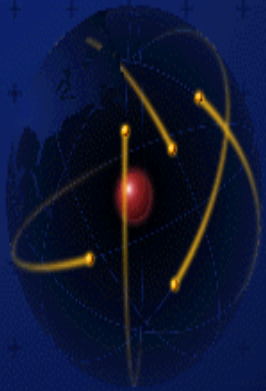


# audience reflection

# case study 2: lessons learned

- Deploying BSC and encouraging standardization by adopting standards enabled greater PMO value creation; however, not considering critical components of CMMi such as OPF, RTM... left PMO more vulnerable to frequent project over-runs





## **pmo success drivers top 3 premises**

*“Say not I have found the truth—rather, I have found a truth  
for the truth walks upon all paths”*

*Gibran K Gibran*

# pmo and enterprise effectiveness is one

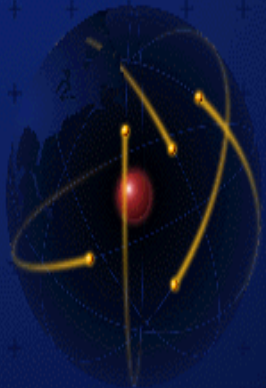
- The marriage between people, process and technology can be happy or a troubled one. How well we understand and sanction these performance drivers, positive and/or negative, determines the effectiveness of PMO and the subsequent level of customer value creation

Frameworks provide a roadmap—deployment  
is a science as much as it is an art



# capability & maturity modeling can advance PMO performance if,

1. PMs subscribes to a process of productivity
2. PMs use intuitive tool--process and tools are aligned
3. PMs competency is promoted and rewarded
4. Vertical process and process inter-relations are complimentary
5. Team members recognize that it is an evolution to higher maturity (don't jump steps)



# begin with understanding adoption drivers first

1. Begin with user-adoption drivers as a layered foundation: Motivated adopters lead first
2. Focus on value at the lowest denominator in order to drive adoption
3. Reward a culture of ownership—motivate for execution

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# about presenter

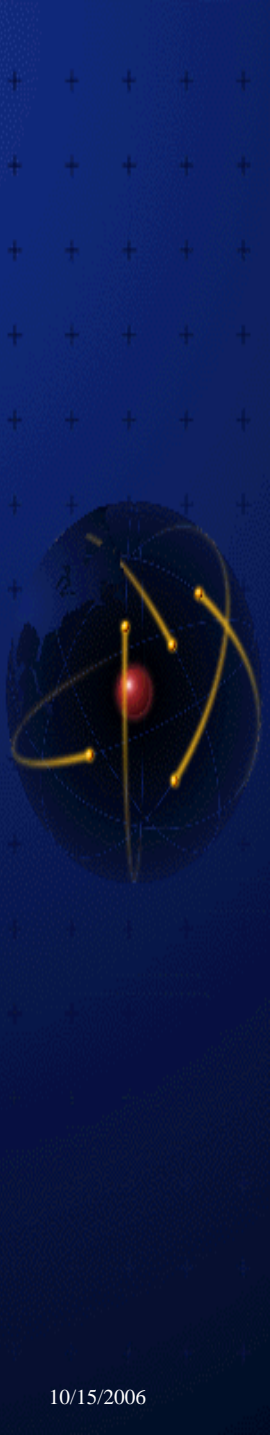
Terry Jabali

- Terry has over 16 years of consulting expertise for creating high performance organizations encompassing performance management frameworks, enterprise applications, and business intelligence. He is the Chief Architect of Applied Enterprise Dynamics, Inc. (AED). He advises CxOs and managers on turnkey solutions encompassing program and project management, service delivery modeling for IT organizations, customer-centric business process reengineering, performance management and business intelligence with key emphasis on analytics, scorecards, and actionable dashboards leveraging best practices frameworks such as the Capability and Maturity Model (CMMi®).

Terry serves as a Director on the board of Project Management Institute, Program Management Office (PMO) SIG. He is also a program certification panelist, impacting 200,000 worldwide members.

Prior roles: CRM Practice Head for North America, Clarify, Nortel Networks Principal, Computer Sciences Corporation (CSC) CRM Practice Head, Cedars (Peoplesoft) Leadership Development Director, American Society for Training and Development (ASTD-RMC) Founder, Fifth Generation Consultants Terry earned his B.A. degree in Applied Behavioral Sciences and completed graduate work in System Dynamics at MIT and Organization leadership at Stanford. Terry holds several industry certifications including CPM, Six Sigma Green Belt (ip), CPC, and others.

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questions