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Turning Goals into Reality



Achieving results with the right PMO Approach

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Introduction

This strategy approach was especially designed for Fortis Investments.

A Project Management Office is a shared competency designed to integrate project management practices within an organization. It can be a key resource in establishing an organizational competency in project analysis, design, management and review. Given the appropriate governance, the PMO should accomplish the following:

- Establishes an enterprise standard for project management.
- Improves communication and the leveraging of resources within the organization.
- Helps reduce the disastrous effect of failed development projects on enterprise effectiveness and productivity.

The PMO is the centre of project management best practises within the Bank.

Purpose

IT projects undertaken using a proven project management methodology carry less risk and a greater chance of success than unstructured projects. Consult Inc estimates that a consistently used methodology improves productivity by at least 30 percent. An organization (of any size) needs a formal project management methodology when it seeks to have consistent, predictable results and a process that is open to improvement. In the absence of a stable and constantly maturing process for IT project delivery, there is no possibility that project management will be consistently improved because improvements are random and non-repeatable.

The PMO by design is responsible for developing and providing a consistent project management methodology and standardized project management tools. It also needs to be responsible for institutionalizing a project governance process to ensure uniform oversight of all Fortis Investments current and future IT project initiatives.

Critical success of the PMO will depend on its effective ability to qualitatively measure consistent alignment of prospective IT initiatives with business and operational strategy

Key drivers of the PMO should include the following:

- **Refine project governance to succeed**

Ensure that PMO practices are fully integrated with existing Fortis/BNP governance structure – end to end – driven by Fortis Investments Belgium, starting from business case development and ending with measuring actual value.

- **Prioritize to stay on course**

Establish a Fortis Investments Belgium prioritization process that objectively and continuously evaluates project initiatives to ensure value from targeted investments is achieved.

- **Align and be ready to adjust**

Ensure that all potential project initiatives align with business strategy and, where necessary and appropriate, adjust plans to maintain alignment.

- **Protect business value**

Control business value (benefits from project initiative) by clearly defining the expected value to be received, how and when it will be achieved and then monitor and reassess regularly throughout the lifecycle of the project initiative.

- **Hold people accountable**

Clearly define individual, group, and organizational accountability for materially realizing benefits (value), including integration of proposed benefits with operational plans and budgets.

- **Invest in process and people**

Recognize and implement project best practices that make sense and acknowledge the need to have a link between business strategy and project execution. Develop the capacity to deliver consistent quality, care, and execution in all proposed project initiatives.

Approach

The first step in successfully addressing the above key drivers for the success of the PMO is to ensure that stakeholders understand its vision and mission:

Vision



Mission

1. Incorporate the PMO into the overall project management strategy, thus reducing delivery costs, improving the quality of project deliverables, improve resource management and produce more effective results.
2. Provide oversight for the overall management of projects and programmes within the Fortis Investment portfolio. Even though responsibilities and services will vary between countries, the unification of all projects within one overall standard will help to improve efficiency, costs and execution of project deliverables.
3. Eliminate employee's frustrations by doing away with variances in project policies, standards and procedures that shift from project to project. Standardizing this operation would unite standards, procedures and policies to make them uniform, thus improving project processes.
4. Redefine the PMO model (i.e. Manager)

Apply the “*Manager*” model in order to concentrate project management capabilities and responsibilities within the PMO, thus providing direct management of projects. (This chosen model will most likely be re-aligned to the “*Coach*” model once a stable success rate has been accomplished).

Herewith a brief overview of the “*Manager*” and “*Coach*” models

Manager PMO Model

This model assumes a governance process that involves the PMO in all projects regardless of size, allowing it to access scope, allocate resources and verify time, budget, risk and impact assumptions before the project is undertaken

Concentration project management within the PMO, thus making it responsible for managing the IT project portfolio.

Coach PMO Model

Provides project management services and training, it assists with project planning, e.g. start/closure. Implements methodology and processes

Conducts high-level project reviews and reporting and last it performs best practices reuse management.

In Conclusion

This PMO approach will add consistency to project management within Fortis Investments, it will increase the number of successful projects and will show value to executive management, line managers and overall staff.

It will balance its roles of project control versus project support and it should be viewed as neutral and objective in its dealings between executive management and business unit project managers.

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