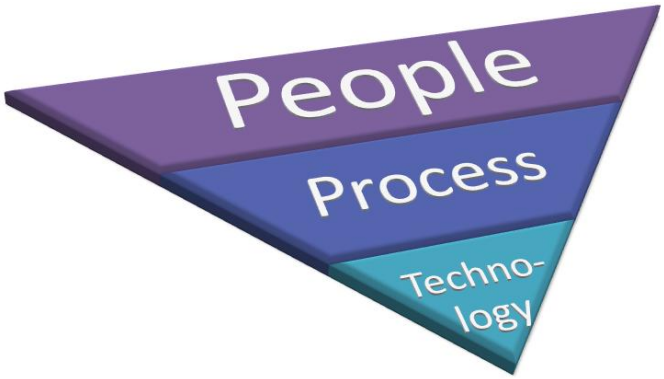
No Enterprise PMO Equals Poorly Managed Organization



From her corner office, the new executive decried, "Decentralize the PMO. Let each department be responsible for their own projects." Maybe she had made a pact with another executive for some other bit of power, or it could be she lost a power struggle and the PMO had to go, or possibly she has little regards for project management thinking it is a mechanical, blue collar discipline that methodically follows a recipe to execute each project. Bottom line, she is missing the point of the Project Management Office (PMO)—it is all about business goals. Unfortunately, for the company, decentralized PMOs provide little if any value. They are similar to distributed teamwork—an oxymoron. The concept is illogical.

The Purpose of a Project Management Office

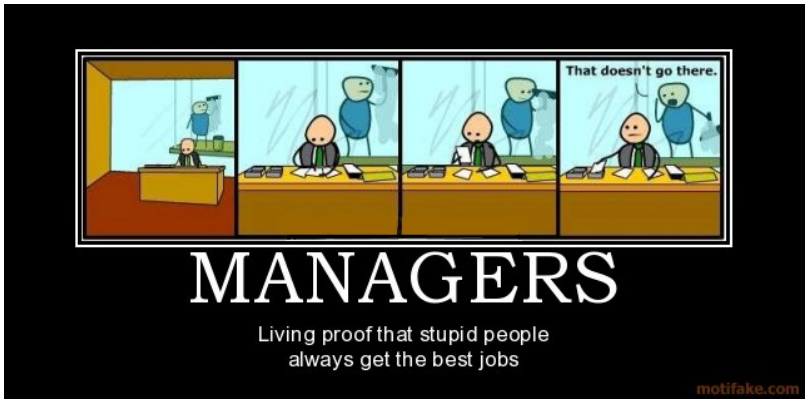
The challenge for any company is defining the goal of the Project Management Office. And, that is predicated on the understanding project management. Project management is more than the science of process, it is about people. Project management is 70%-80% dealing with people, 15%-20% executing process, and 5%-10% implementing technology. If the company's attitude is that project management is all about process, they have no basis for understanding the value of a PMO.

Companies that fail to understand this are easy to find. As the annual executive shuffle occurs, these companies create and disband PMOs at the stroke of a pen. If a PMO does not exist, an executive creates one to improve project success rates. If a PMO exists, it is broken up as the sacrificial lamb to the project Gods. No one takes the time to step back and look at the reasons projects suffer and then create a plan to address those issues. They take action for action's sake. It is easy to do and the justification is equally straightforward, after all, they can look around them and it appears all the other companies are doing it. Well, about half the companies are—ones that

built them last year.

The problem is the dearth of competent middle management . Managers new to their positions that must show they are "in charge" and the quickest way to show action and decisiveness is to play musical chairs obfuscating the problem and dispersing blame. This is ineffective, unless the goal is to confuse.

The Successful PMO's Purpose



The effective PMO's objective is ensuring all projects are aligned with, and maintain a focus on, the company's strategic goals. It is a small group working across all departments and upholding project prioritization, marshaling resources based on that priority, and helping project managers remove project roadblocks. In there lies the problem—a useful PMO has power to set priorities across each divisions. For this to work the PMO must be an enterprise-wide group reporting to the CEO or an equivalent authority. The people in charge of the PMO must be humble, rather than power mongering. They must have charisma, good judgment, excellent listening skills , integrity, and accountability. In other words, they have to be a superlative leader .

The Project Manager's Recourse

So, management has disbanded your PMO, what is a project manager to do? The easiest course of action is to wait a year; it will change. Unfortunately, if you have an effective PMO, after a year, you are going to lose it to the new executive's demonstration of prowess as he or she casts its members to the wind. You can protect yourself and the essence of the PMO by adopting three traits .

Live the corporate goals. This is your first challenge. There needs to be a strategic plan at a level of granularity that the projects can be mapped it the plan. Be ready to find projects that have little basis for existence in the corporate goals. Reprioritize, or even canceled, these projects. (In the tools section of this site there is a one-page project charter that can help with this task.)

Assume authority . Work with your peer project managers to prioritize projects. Tie the stacking to the strategic plan, publish it widely, and adjust it to changes in the business environment.

Level resource utilization. Instead of complaining about resource constraints, resolve them. Create a resource matrix, prioritized by project, and allocate people to each project as needed. When managers or project sponsors complain, get them in a meeting, show your logic, and have them suggest changes —if they can. Assuming you have done your work properly, their complaints will be unfounded.

Delicious

Tell Us Your Story

We have all been there. You are sure to have examples and can treat all of us to the path you took to maintain your sanity and successfully (hopefully) meet your organization's goals. Please take a few minutes and tell us your experiences with the PMO shuffle.

Tags: Failure, Leadership, Project Management

©2012 eCameron, Inc. BackFromRed™ and Back From Red™ are trademarks of eCameron, Inc. All rights reserved.

< Prev

Next >