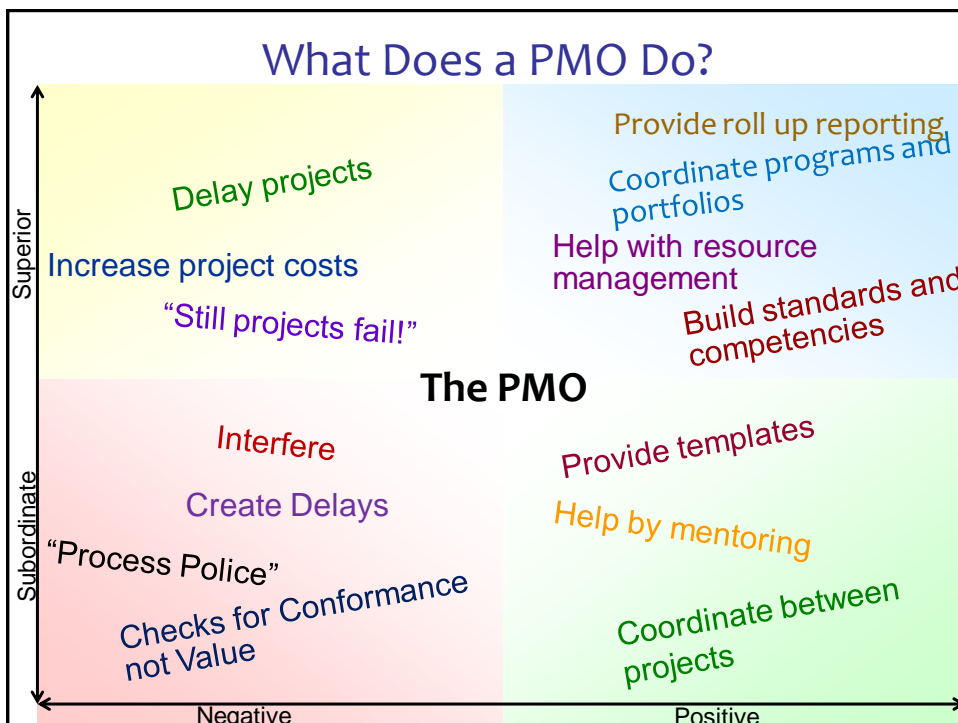
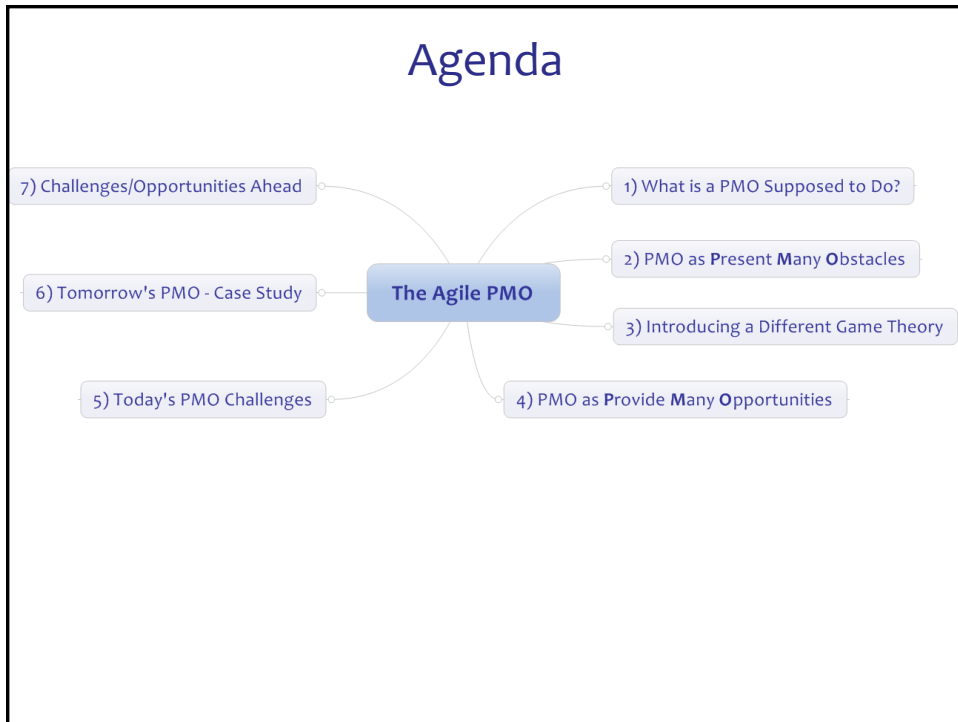


## Presenter Background



- Project Manager and Trainer
  - >25 years IT experience on utilities, defense, & finance
  - 10 years PMO Agile-to-Traditional Integration
- Agile Project Management
  - Helped create Agile method DSDM in 1994
  - 17 years agile project experience (DSDM, XP, Scrum, FDD)
  - Board director of Agile Alliance and APLN
  - Author, trainer, and presenter Agile Conference 2001-9
- Traditional Project Management
  - PMP, PRINCE2 certifications
  - PMBOK v3 and v5 contributor and reviewer
  - Trainer for PMI SeminarsWorld 2005-2011
  - Presenter PMI Global Congress 2004-2011
  - PMI-ACP certification designer



## What is a PMO Supposed to Do?

1. Monitor and control project performance
2. Develop and implement standard methodologies, processes, and tools
3. Develop the competency of project personnel, with training and mentoring
4. Multiproject management, including program and portfolio management, coordination and allocation of resources between projects
5. Strategic management, including participation in strategic planning and benefits management
6. Organizational learning, including the management of lessons learned, audits, and monitoring of PMO performance
7. Management of customer interfaces
8. Recruit, select, and evaluate project managers
9. Execute specialized tasks for project managers (e.g. preparation of schedulers)

Source: "Identifying Forces Driving PMO Changes" - PMI Project Management Journal, September 2010

## What is a PMO Supposed to Do?





1.  Monitor and control project performance
2.  Develop and implement standards
3.  Develop personnel /w training and mentoring
4.  Multiproject management
5.  Strategic management
6.  Facilitate organizational learning
7.  Manage stakeholders
8.  Recruit, select, and evaluate project managers
9.  Execute specialized tasks for projects

## Agile and PMO Misalignment






For some agile projects the PMO can Present Many Obstacles



## PMO as Present Many Obstacles

1.  Monitor and control project performance – track progress against inappropriate measures such as getting requirements fully documented and signed off
2.  Develop and implement standards – enforce conformance to a methodology that does not incorporate or acknowledge iterative development, adaptation, close business involvement, and frequent retrospectives
3.  Develop personnel /w training and mentoring – considering only traditional methods and creating a training curriculum that omits approaches such as agile, lean, and kanban
4.  Multiproject management – assuming architects and business analyst involvement should finish early on a project. Expecting people to work split across 4 or more projects

## PMO as Present Many Obstacles





5.  Strategic management – not recognizing agile prospects for early ROI, or its application on projects with fixed deadlines, or opportunities for competitive advantage
6.  Facilitate organizational learning – auditing projects against inappropriate guides, failure to capture iteration retrospective findings
7.  Management of stakeholders – Failure to understand the full role of business representatives to agile projects, selecting unsuitable business champions and SMEs
8.  Recruit, select, and evaluate project managers – Looking for the wrong skills, assuming agile certifications equal competence, inability to interview well on agile practices
9.  Execute specialized tasks for project managers – failure to provide specialists familiar with agile practices

## Introducing a Different Game Theory






“Software as a cooperative game” – Alistair Cockburn  
(software development as a cooperative, finite, goal-seeking, group game)



## A Different Game Theory





1.  Monitor and control project performance – track the game performance, are we winning, how much time do we have left, are the players OK?
2.  Develop and implement standards – support the game, build and maintain facilities, provide equipment
3.  Develop personnel w/ training and mentoring – train and coach the players, identify future captains
4.  Multiproject management – manage teams, tournaments and leagues to make sure everything stays co-ordinated

## A Different Game Theory






5.  Strategic management – game development, new rules of play, league development
6.  Facilitate organizational learning – Game recording, game statistics, records, halls of fame
7.  Manage stakeholders – organize fans, sponsors, press, and all other associated parties
8.  Recruit, select, and evaluate project managers – Scouting, recruiting new players, transfers, and monitoring performance of players
9.  Execute specialized tasks for project managers – Provide referees, medical support, coordinate with the cheerleaders



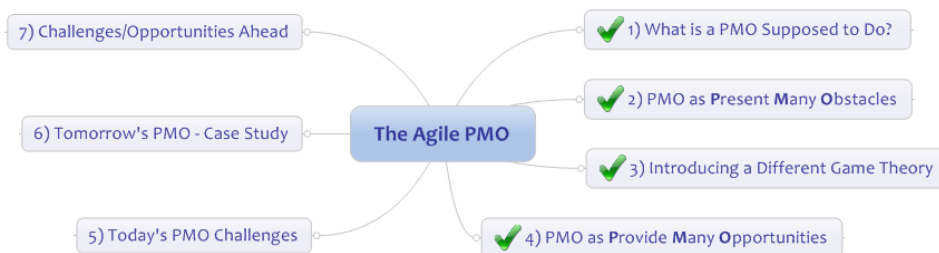
### PMO as Provide Many Opportunities

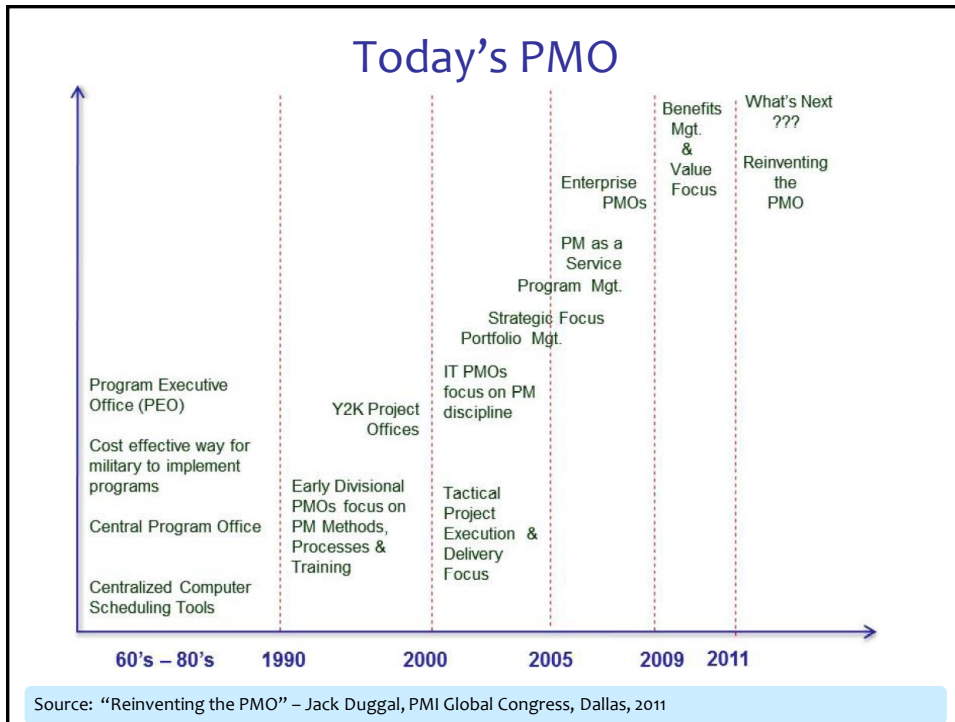
-  1. Monitor and control project performance – track velocity, track team and sponsor satisfaction ratings, look for dangerous velocity trends, check backlog size, monitor iteration and release plans
-  2. Develop and implement standards – provide templates for user stories, test cases, cumulative flow diagrams, etc. Provide agile PM tools, educate supporting groups on iterative development concepts
-  3. Develop personnel /w training and mentoring – provide agile training courses, coaches, mentors, send people to local agile events
-  4. Multiproject management – coordinate between agile teams, communicate between projects outlining progress, issues, retrospective findings

## PMO as Provide Many Opportunities

5.  Strategic management – identify projects with opportunities for early ROI or competitive advantage
6.  Facilitate organizational learning – gather project velocity profiles, capture retrospective findings, include perceived PMO cost vs. value in project metrics
7.  Manage Stakeholders – provide Product Owner training, provide guidance on acceptance testing and how to evaluate and give feedback on systems. Champion the importance of SMEs to projects
8.  Recruit, select, and evaluate project managers – develop guidelines for interviewing agile project managers
9.  Execute specialized tasks for project managers – train and provide retrospective facilitators, create agreements with agile project trouble shooters, provide mentors and coaches

## Agenda





## Today's PMO Challenges

- Today's projects are moving quicker than PMO's can respond
- PMO's struggle assisting projects that **DANCE**

**D**ynamic and changing

**A**mbiguous and uncertain

**N**on-linear and unpredictable

**C**omplex

**E**mergent nature of projects that causes instability

Source: "Teaching PMOs to DANCE", PMI Community Post magazine, September 2009

## Today's PMO Challenges

Today's projects are **VUCA**:

They exhibit:

**Volatility**

**Uncertainty**

**Complexity**

**Ambiguity**



- ➔ **Vision**
- ➔ **Understanding**
- ➔ **Clarity**
- ➔ **Agility**

*"The illiterate of the 21<sup>st</sup> century will not be those who cannot read and write. But those that cannot learn, unlearn and relearn" – Alvin Toffler*

Despite heavy investments in PMOs many organizations are not seeing the anticipated benefits.

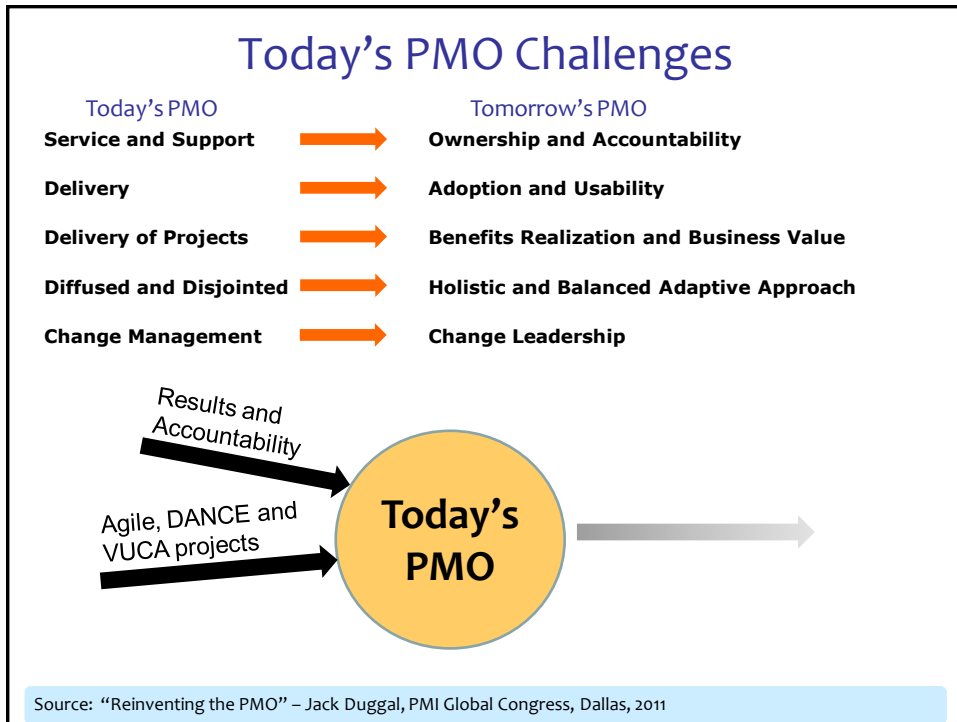
Source: "Leading in a VUCA Environment", Harvard Business Review Blog, January 2011

## Today's PMO Challenges

The need to shift:

- **From Service and Support to Ownership and Accountability**  
Traditionally, PMOs provided services and support without owning accountability for project success. PMOs were challenged to show value, while organizations wondered why the project success rate did not necessarily go up despite investment in PMOs
- **From Delivery to Adoption and Usability**  
Typically, PMOs are focused on improving execution capabilities. Projects are implemented well, but often the outputs and deliverables are not used or adopted. With a shift to an adoption and usability mindset, PMOs can promote and plan for adoption throughout the project lifecycle to ensure intended realization of projects' benefits and value
- **From Delivery of Projects to Benefits Realization and Business Value**  
No longer is delivery of on-time, on-budget projects considered successful. It is necessary but not enough. PMOs need to cultivate a mindset to shift to a benefits and outcomes focus and establish measures to ensure benefits realization and achievement of business value
- **From Diffused and Disjointed Focus to Holistic and Balanced Adaptive Approach**  
Often PMOs are pulled to address the current pain or fix the problem of the day. This results in a diffused and disjointed PMO focus and limits the ability of the PMO to provide a balanced approach
- **From Change Management to Change Leadership**  
Change management in the PMO realm has focused on configuration management and procedural changes. Evolving PMOs understand the need for organizational and behavioural change and get involved in change-readiness assessments and preparation. PMOs can play a key role in understanding, leveraging and leading change

Source: "Reinventing the PMO" – Jack Duggal, PMI Global Congress, Dallas, 2011



## Tomorrow's PMO

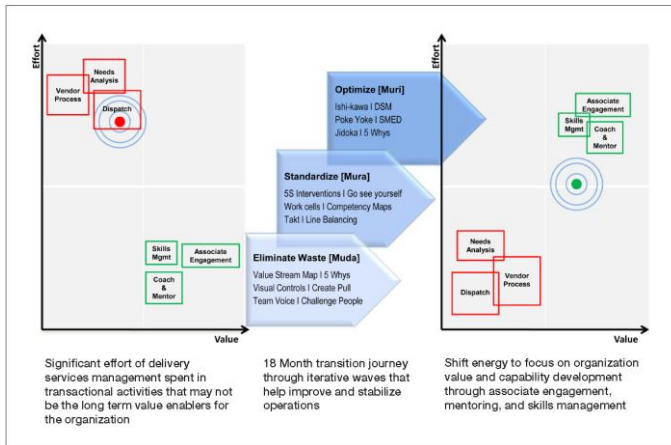
	Traditional / Foundational	Evolving 2 <sup>nd</sup> & 3 <sup>rd</sup> Generation PMO	Reinvention Next Generation PMO
<b>Mindset</b>	Mechanical mindset (views organization as complex machine; linear; cause & effect)	Systems mindset and approach	Organic mindset and approach (views organization as complex adaptive ecosystem)
<b>Purpose &amp; Focus</b>	Tactical execution and delivery	Strategic decision-support & prioritization	Holistic link between tactical and strategic and business value
<b>Role</b>	Controlling and Auditing	Service / Support / Coaching / Hands-on player / Advising and Business Decision-support / Demand management & Capacity Planning	Force multiplier – enabling, facilitating, expediting, linking and connecting addressing pain points and adding value in a holistic way
<b>Model</b>	Reporting / Centralized	Consulting / Community / Strategic Decision-support	Clean room / Strategy Execution Office / Adaptive
<b>Management of Measurement &amp; Value</b>	Projects Compliance and certification	Portfolio & Programs Project delivery	Managing Portfolio of Benefits Benefits realization and business value
<b>Success</b>	Consistent and repeatable methodology and compliance	On-time, on-budget delivery	Measurement of benefits realization, adoption and percentage of business value realized
<b>Rules and Processes</b>	Rigid and heavy rules and processes	Flexible rules and processes	Responsive, adaptive rules and processes
<b>Compliance</b>	Forced compliance – monitoring and control	Voluntary compliance – support and collaboration	Self-regulating and Desire-based Compliance
<b>Governance</b>	Compliance orientation	Delivery orientation	Business orientation
<b>Best Practices</b>	Top-down best practices and learning	Bottom-up informal learning and collaboration	Networked learning and un-learning.
<b>Emphasis</b>	Focus on the "What" – task management	Focus on the "Why"	Focus on the "Who" – stakeholder / customer relationship management
<b>Ownership &amp; Accountability</b>	Tasks, outputs and deliverables	Delivery of benefits, and outcomes	Adoption and benefits realization
<b>Change Mgt.</b>	Configuration management (Change Control/Advisory Board) – Procedural focus	Change readiness assessment and preparation	Change leadership – understanding, leveraging and leading change - Behavioral focus

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Source: "Reinventing the PMO" – Jack Duggal, PMI Global Congress, Dallas, 2011

## Case Study – Tomorrow’s PMO

Nationwide Insurance – Enterprise IT Delivery Services, PMO of the year 2011  
 300,000 employees, Columbus Ohio, \$40M PMO budget, PMO Director: Maria Urani



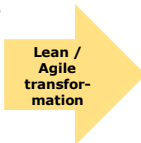
*“Using lean principles, we were able to shift wasted time spent on low-value-add transactional activities like assigning resources, to value-adding activities such as coaching, associate engagement, and skills development” – Maria Urani, VP, PMO*

Source: “PMO Of The Year” – Project Management Office Award, September 2011

## Case Study – Tomorrow’s PMO

### Old Way

10 different PMOs, inconsistent PM practices  
 300 PMs, different processes, no coaching  
 Business groups circumnavigating process  
 Delays in startup and value realization



### New way

Single PMO  
 15:1 PM to PM Coach ratio  
 40% increase in Gallup Eng. score  
 with >600 projects, median time to staff a project = 6 days

- “Switch to business value focus”
- “Assess projects on benefits realization, not process followed”

Source: “PMO Of The Year” – Project Management Office Award, September 2011

## Challenges / Opportunities Ahead

### 1. Education



How do we get the word out about the need for agile PMOs?

### 2. Transformation



How do we convert out existing PMOs to agile/next gen PMOs?

### 3. Measurement



How will we tell if the new PMOs are working?

### 4. Recognition



How will we identify and promote successful PMOs?

## Summary

- Agile projects present a challenge to traditional PMOs
- Game Theory helps explain how PMO's can help projects
- There are lots of opportunities for PMO's to help agile projects
- Today's PMOs are under many pressures to evolve
- Tomorrow's projects are Agile, DANCE, VUCA – so must our PMOs

## Resources



Links: PMO CoP - <http://pmo.vc.pmi.org/Public/Home.aspx>  
(PMI's PMO Community of Practice with articles on agile projects)



Ideas and Training – [www.LeadingAnswers.com](http://www.LeadingAnswers.com)



Contact Mike: [Mike@LeadingAnswers.com](mailto:Mike@LeadingAnswers.com)

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