



Recession? Bah, Humbug!

Three Gifts the PMO Can Bring to Your Organization

JUST IN TIME FOR THE HOLIDAYS, here are some happy tidings: most states in the U.S. are showing a slight uptick in employment and other leading economic indicators. In addition, when Moody's (the respected research and ratings firm) asked business decision makers about their plans, concerns and intentions, the resulting index of business confidence shows confidence soaring.ⁱ That means your competitors are starting to think about how to move ahead in the New Year.

Sales are still low, despite the optimism, so for the moment, the competitive moves required are those that can be achieved through making the most of existing resources. For most organizations, this will mean taking a fresh look at how people and projects are managed. For those organizations that—wisely—have already implemented a Project Management Office (PMO), such process improvement initiatives can be relatively painless, since they mainly focus on tweaking the existing organizational structures to optimize three areas where the PMO can really make a difference: strategy execution, resource management, and benefits tracking.

“The Strategy Management Office”

If your PMO is not already deeply involved in selecting, prioritizing and managing a portfolio of projects that is tightly aligned with your strategic plan, you may be suffering from untracked opportunity costs. Our research, as well as studies by leading IT and management research firms,ⁱⁱ tell us that only through an enterprise PMO can the portfolio of value-adding projects be optimized and tightly managed. Since all organizational change is initiated through projects (new products, new marketing plans, restructuring, and so on), the project portfolio acts as a strategy execution engine. Don't waste time and money on developing a strategic plan unless it is operationalized as projects and programs ... and managed by the PMO.

The Right People on the Right Projects

Participants in our courses and events tell us that their biggest challenge is resource management: finding, hiring, keeping, managing and developing the talents that move projects forward. Assessing resource management and project manager competencies are quick ways to leverage your existing resources. But researchⁱⁱⁱ shows that top-performing organizations are also making use of the enterprise PMO to manage project resources more efficiently. They are implementing simple tools to inventory skills. They are leveraging portfolio management to allocate resources more rationally. And, they are engaging in the kind of training – focused, on-the-job training with immediate relevance to existing projects – that boosts performance in measurable ways.

The PMO's Top Ten for 2010

1 project management methodology/ standards development	6 project management assistance (internal consulting)
2 project management advocacy	7 project scope management
3 project management coaching and mentoring	8 implementation/ management
4 portfolio tracking	9 project time management tool
5 project performance monitoring/ controlling	10 project policies, procedures, templates clearinghouse

Tracking and Measuring Value

Process improvement initiatives can be hard to sell to executives – unless they have a track record of value added. Fortunately, a decade of research by the Center for Business Practices (now PM Solutions Research) has amassed the hard data required; even better, it has identified best practices for baselining organizational process maturity, and measuring progress in concrete terms. When the PMO acts as a nexus of portfolio management, project management and resource management, benefits tracking is in the bag.

... and a Prosperous New Year

It seems that every organization has a PMO these days ... but few of them are mature in their processes.^{iv} Yet elevating the functions and positioning of the PMO can bring hidden gifts of opportunity, cost reduction, and people power to your bottom line.

To learn more about maturing your PMO,
contact PM Solutions at 800-983-0388 or
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ⁱMoody's *Economy.com*: The Dismal Scientist blog, accessed Dec. 2, 2009, at <http://www.economy.com/dismal/us-map/default.aspx>. *The Survey of Business Confidence* was viewed at http://www.economy.com/survey-of-business-confidence.asp?src=economy_homepage_survey on Dec. 3, 2009. ⁱⁱForrester Research. (2009) *The 21st Century PMO*. Presentation at the PMOSIG Conference, Nov. 2009, Atlanta, GA; M. Light, et al. (2005) *Realizing the Benefits of Project and Portfolio Management*. Gartner Strategic Analysis Report. ⁱⁱⁱJ. Pennypacker. (2008) *The State of the PMO 2007-2008*. Havertown, PA: Center for Business Practices. ^{iv}Center for Business Practices (2006). *Project Management Maturity: A Benchmark of Current Business Practices*.