

# TREND SERIES

Join PM Solutions CEO J. Kent Crawford as he gathers insights and inspirations from PMO leaders at conferences, presentations, and client workshops around the nation and the world in the new featured Trend Series.

## A Disruptive Career Path

Paul Ritchie, Executive Director of Information Technology at Eppendorf, a biotech equipment manufacturer, has been a frequent participant in PM Solutions events, and he contributed the foreword to the second edition of Kent Crawford's award-winning book, *The Strategic Project Office* (Auerbach, 2011). We asked him: What more advanced functions or structures for project management have you seen developing?

"One new aspect of PMO management is the kind of large-scale, boundary-less contract management that is becoming common, especially in IT environments. It's very difficult to outsource vendor management of IT programs to the procurement function. The PMO can plan the evolution of a contract over time; it's not a static exercise, not a single-point negotiation. The PMO addresses contract questions and changes throughout the entire life cycle of the project or program. We understand the time value of planning as well as how work products evolve as they take shape.

"In a previous role (at a global consumer products company) I saw that in any environment where your business does not generally have a lot of long-term projects, software contracting is a disruptive influence. In a company that's not project-centric you may not be able to rely on the procurement function to navigate the complexity of temporary and contract resources, intangible outcomes that don't come naturally to a manufacturing business. At Eppendorf I don't have a PMO, but we are bringing procurement into IT. It is a little touchy to justify, unless you have a large contract or program under way, but transformation projects provide a wedge to transform processes around the perimeter of the project itself.

## New Roles for the PMO: "Whatever Makes Sense for the Business."

by Jeannette Cabanis-Brewin

According to PM Solutions CEO J. Kent Crawford, "In some companies, PMO is a bad word." But that may still be good news for project management leaders.

Crawford was just back from a few days onsite with a PM Solutions client in the manufacturing sector, where he has been working with a Continuous Improvement (CI) group to integrate the PM Solutions PM Maturity Model with their CI Maturity Model. The company is using Organizational Change Management (OCM) to drive PM process improvement, but after less than stellar project management performance in the past decade, setting up a separate organizational structure for project management isn't a popular strategy. Instead, says Crawford, "The company is using this integrated process model to ensure that the processes they are developing become enculturated within the organization. They are trying to create an overall methodology that unifies the various process life cycles. And they are looking at all facets of process, from executive buy-in to user adoption."

Some companies are employing Six Sigma practices on all initiatives. At a recent event, a business leader from a major grocery chain described how, using big data, they analyze traffic flow at individual stores to optimize resource assignments in order to reduce lines at the checkout counters. By cross-training stockers as cashiers, they are always prepared for traffic surges. This kind of predictive analysis, says Crawford, is a project with a "product" that is informational and feeds into other projects (training, store design). The groups that oversee these initiatives may not be called PMOs but they function like PMOs. They work on both tactical and strategic projects that are often aligned with each other by a common theme, even though they may not be thought of as a formal program that needs PMO oversight.

## Elevating PM's Role

What can we learn from these examples to help us elevate project management's role in organizations? "At the PMO Symposium," says Crawford, "we heard over and over that we need to focus on strategy. But the way forward that I see working on client sites lies in merging PM with other processes such as Continuous Improvement, Organizational Change Management, and Six Sigma." This can mean restructuring the organization in ways that PMO leaders might not anticipate.

One former enterprise PMO director that Crawford has met with lost the "enterprise" title and with it, the cachet of reporting directly to the CEO, in the restructuring that followed a merger. This might have been viewed this as a demotion, but Crawford's advice was: "Embrace it! Really, PMOs don't establish strategy, nor should they. They should support it." In the new structure, he explained, "You'll have more clarity about what winds up in the portfolio, which

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“Another big area of opportunity/danger for PMOs is Mergers & Acquisitions (M&A). There are potent transformational programs, whether the company is being acquired, acquiring, or divesting.

“At a major global software company that I worked for, I saw that PMOs on either side of an M&A transaction have a transformational role to play, a way to drive success in the integration of their projects. Mastery of the M&A process by a PMO—or its director—can be an ongoing role in a company that uses acquisition as its main growth strategy; and there are many who do these days.

“Another example, again from the consumer-products company: I went there to be part of the creation of a new company, which was being split off from a larger organization. The PMO managed the creation of IT and shared services. Walking into that, you know it’s a program that’s going to come to an end. ‘No job’ is a high-probability outcome. But having an M&A on your roster adds a lot of ‘beta’ to your career—in the sense of variation, not always for reasons you can control but with the potential to be very positive. Increasingly our careers need to focus on working with what you have with creativity and flexibility. It’s never boring, anyway! It’s an irresistible challenge.

“PMO leaders in M&A need to be “agile dancers” in terms of their professional lives and accept that, in many cases where we manage transformational programs, we will move up and out. For me it has been a tremendous experience. Change is disruptive to careers as well as organizations ... but in a good way!”

makes your position stronger.”

As this example illustrates, today’s PMO leaders need to be ready for all sorts of new organizational configurations. Crawford points to Paul Ritchie’s recommendation that PMO directors become “agile dancers” ... and he isn’t referring to Scrum but to professional flexibility that welcomes change and capitalizes on it (see sidebar). “The merger and acquisition space in particular is one that is ripe for the benefits that project and program management can bring,” Crawford notes. “But it is disruptive in nature, to both organizations and processes. Project management leaders need to be ready for whatever organizations need from them – even when it means our cherished notions about what organizational structure or career paths should look like.”

Continuous Improvement, Six Sigma, Organizational Change Management, predictive analysis ... the need for project management has not diminished, but more and more it becomes integrated with other business processes. Crawford is optimistic. “I think the future will see PMOs shift and adjust to whatever makes sense from the business point of view. And whatever makes project and program management more deeply integrated into the business is a win for the project management profession.”