

2013 PMO of the Year

PMO OF THE YEAR AWARD WINNER:

CANADA HEALTH INFOWAY PORTFOLIO MANAGEMENT OFFICE

Group Director: Rose Ann Radosevic, BAA, PMP

Canada Health Infoway (Infoway) is an independent, not-for-profit corporation funded by the Government of Canada. Infoway jointly invests with its provincial and territorial partners to accelerate the development, adoption and effective use of digital health solutions across the country and helps to deliver better quality and access to care for improved health, and more efficient delivery of health care for patients and clinicians. According to PMO Group Director Rose Ann Radosevic, “by leveraging existing investments, Infoway and its partners take advantage of trends and emerging technologies to improve the patient experience, especially important for Canada’s widely dispersed population”.

To deliver on this promise, Infoway plays the role of “Strategic Investor” to plan, invest, advise, and monitor projects that are managed and implemented by its partners – provincial/territorial Ministries of Health and other public sector entities such hospitals and health regions. As a Strategic Investor, Infoway is responsible for the stewardship of US\$2.1 billion of public funds, and must be transparent and accountable for these investment decisions. By using project management best practices and standards, treating the investments as projects with defined scope, schedule and budgets, Infoway is able to track the funds from approval through to closure and provide status updates at any point in the process. Its role and its business model make Infoway a unique organization within Canada and possibly the world.

A normal part of accountability for any organization is the review, audit and reporting process, which for Infoway is extremely rigorous as the organization is subject to value-for-money audits and performance evaluations by the federal government as well as regular financial and compliance audits. There have been more than 25 of these audits over the past ten years, which is a large number even for a publicly funded entity, yet all of them have resulted in positive reports.

Between 2008 and 2009, Infoway underwent an in-depth 18-month audit by the Office of the Auditor General (OAG) of Canada to determine if Infoway was exercising ‘due regard’ in managing its funds and investments. In its report to the Canadian Parliament in November 2009, the OAG concluded that Infoway had “accomplished much in its eight years, and that it is exercising due regard in approving, monitoring, and making best use of its funds for EHR (electronic health record) projects.”

Similarly, in 2011 the risk management consulting division of Aon PLC evaluated the organization’s enterprise risk management framework and practices and found that “Infoway’s ERM Framework was considered to be within the top 15 per cent of all organizations. Sophisticated and disciplined risk management processes and tools were in place to actively manage project, program and jurisdiction risks.” The Aon consultants noted that the maturity of Infoway’s ERM framework was remarkable given the relatively small size of the organization (less than 200 employees).

THE HISTORY

Established in 2004, the Portfolio Management Office (PMO) holds a unique place in the organization as a neutral body reporting into the Chief Operating Officer. Since 2005, the Infoway project portfolio has increased four-fold, and the value of the projects has increased by a factor of six. Current staffing consists of the Group Director, two Senior Project Control Officers (PCO), one PCO and a Manager of Changepoint Solutions. All are PMP-certified. The PCOs are recognized as experts on project management methodologies and have established strong relationships with Infoway's regionally-based project teams, located across Canada. They offer these project management teams a "one-stop shopping" experience, not only providing guidance on Infoway's Project Lifecycle methodology but also serving as liaisons between project managers and other Infoway departments such as Finance and Information Management. As a PMI Registered Education Provider, Infoway's PMO offers courses, best practices and instruction resulting in a better informed project management team, as well as professional development units that project managers can use to maintain their PMP standing.

By 2008, it had become apparent that having multiple data sources within the organization was problematic from the perspective of accuracy, efficiency and the ability to absorb changes in Infoway's business. A single source of truth was needed. Together with input from a cross-functional working group, a business case was developed and subsequently approved by the Executive Management Committee. Ultimately, Changepoint was selected as the software solution and was Infoway's largest ever internally-facing information technology initiative.

An ambitious three-month timeline was established for the first phase of the Changepoint implementation that included software configurations, electronic workflow and change management to reflect existing processes that supported user adoption. In the end, the implementation was delivered on time and on budget, winning the project team the CEO's "Team of the Year Award" for 2008-2009.

With the implementation of Changepoint, the PCOs were able to drastically reduce the time necessary to review and prepare the Portfolio Report, from three weeks to three days. Turnaround time to create ad-hoc reports was also reduced from two weeks to a matter of hours. The project managers who use Changepoint have consistently reported high levels of satisfaction.

Exhibit 1 highlights some of the areas that the PMO has impacted through the processes and tools they have implemented.

EXHIBIT 1: INFOWAY'S PROGRESS AGAINST KEY METRICS SINCE 2005

	2005	2008	2013	PMO Director's Comments
# of projects and \$ value of the portfolio (active and closed)*	150 projects* US\$302.7M Portfolio	443 projects* US\$1,491.6M Portfolio	623 projects* US\$1,976.6M Portfolio	"The ability to manage a portfolio this large with a limited number of PMO employees is greatly related to our committed PMO team, mature processes and efficient PPM tool."
Average project duration (in months)	12	19	25	"The projects we have invested in have become more complex, taking longer to complete. Issue and risk tracking has been instrumental in ensuring stakeholders are apprised of the project's performance and any current or potential challenges."
# of active PMO employees	3	6	5	"Prior to implementing our PPM tool we were at our highest staffing level. Efficiencies resulting from the implementation of Changepoint allowed us to reduce headcount by 17% despite a 29% increase in our portfolio and enhanced services and reporting."
Average number of projects/PM	3.5	4.2	6.6	"Our efficient processes and tools have allowed the project managers to almost double the number of projects they are assigned."
# of PMO audit findings	>5	0	0	"We have 100% compliance with our processes. We consistently receive positive accolades from auditors and external evaluators who have assessed our processes and tools."
# of senior management reports	4	5	7	"Changepoint offers a single source of truth related to our investment projects and therefore we continue to receive more information requests from senior management."
Average turnaround time for Portfolio Report	15 business days	9 business days	3 business days	"Through the evolution of our tools, the Portfolio Report is now fully automated in Changepoint thus reducing its production time by 80%, providing more timely information to our stakeholders, and increased resource efficiency and employee job satisfaction."

*The above counts reflect project phases (feasibility, detailed planning, and implementation), which is the level at which Infoway's Project Lifecycle methodology is applied. Related project phases are grouped together for external reporting purposes. The 623 project phases mentioned above equate to nearly 400 project "families".

THE PROOF IS IN THE PERFORMANCE

Infoway's focus on quality and measurement is illustrated through benefits evaluation reports. These reports are critical to understanding how the systems implemented by their partners have impacted the targeted end users and demonstrate the success of the investments. The nature of the studies has ranged from a 2008 study of the benefits of the Diagnostic Imaging (DI) investments to a 2011 study that evaluated benefits related to telehealth investments.

Infoway's project management approach is not only important internally and to its partners, but is also recognized internationally as a business model for other countries that are attempting to advance the adoption of an EHR and other digital health projects. Delegates from around the world have come to Infoway to understand how the strategic investor role works within the projects and to gain an understanding of the processes used to manage the investments.

In 2012, the Infoway Board of Directors asked how the portfolio's performance compared against the Standish Group's research on IT project outcomes. The resulting analysis revealed that Infoway had a higher percentage of successful projects than the Standish Group study participants, even when the results were narrowed to health care IT projects only. In addition, while 16% of the health care projects in the Standish Group study failed, only 4% of Infoway's portfolio fell into this category (and virtually all of these cancellations occurred very early in the projects, before any significant expenditure had occurred). Infoway attributes this to a governance model that includes:

- A gated funding process – projects are approved in shorter phases to ensure that investment is limited to projects that can be fully achieved
- Rigorous due diligence during the project phase approval process
- Binding legal agreements that define deliverables and associate them directly to capped payments, reducing the risk that scope will not be completed and/or that significant budget overages will occur.

The Infoway PMO continues to evolve their operations to meet all business requirements, proving again and again that they are agile, receptive and efficient at meeting the complexities that come with receiving Federal funds and working with multiple stakeholders vying for these funds. John Burns, Infoway's then- Senior Vice President of Investment Projects (and a former Chief Information Officer of a large multinational bank), was quoted as saying, "Our PMO is the most helpful and effective that I have ever seen."

Richard Alvarez, President and Chief Executive Officer of Canada Health Infoway noted, "Transparency and accountability has become a priority for government funded organizations. A PMO that is built on best practices, strong governance and a commitment to excellence is a critical factor to our success."

PMO OF THE YEAR AWARD FINALIST:

JONES LANG LASALLE PROJECT AND DEVELOPMENT SERVICES PMO

Jones Lang LaSalle is a financial and professional services firm specializing in commercial real estate services and investment management. The Project and Development Services (PDS) Project Management Office is a team of subject matter experts that supports the entire Project Management business line of over 1000 real estate project managers.

Headed by Senior VP Steven Moran, the PDS PMO strives to “move the needle” in the business’s three Key Strategic Growth Objectives:

1. Revenue Growth
2. Improving the JLL Brand
3. Supporting JLL’s People

The widely distributed PMO team primarily focuses on strategic projects that support the PDS multiyear plan, and primarily supports the Americas Region, but also indirectly supports over 2,500 colleagues globally, as they work to ensure global consistency of project delivery.

Among the PDS PMO’s areas of expertise, three stand out:

Strategic Learning and Development Programs. The PDS University develops and delivers comprehensive training programs on a variety of topics including project management best practices, leadership development, sales and general business skills. Working closely with HR, the PMO provides assessment tools and curricula to build individualized training plans for staff at all levels.

Strategic Sourcing. Providing access to procurement practices aimed at finding, evaluating and engaging suppliers that provide goods and services to JLL and its clients, this team is responsible for delivering the Synergy Preferred Supplier program, which incorporates Total Cost Management, supplier relationships, and integration of evolving procurement tools.

Business Intelligence. The BI component of the PMO provides leadership and clients with innovation, reporting, benchmarking and analytical insights to help drive efficiencies, growth, and value through internal and external research and data analysis.

The PDS PMO also created a new technology based on a customized version of Oracle’s EnterpriseOne platform (OneView Financials). The new tool, Mobile OneView Projects (OVP) allows JLL’s project management tool to be accessed from almost any mobile device. Provided to clients at no additional cost, Mobile OVP focuses on those key functions that are most beneficial to perform from the road.

“A large number of the initiatives that will enable our growth will be managed by the PMO. That is how important the PMO is to our team in the Americas and globally. ... Other business lines also see the PDS PMO as a model for how to operate effectively and raise their game. The business fully recognizes the value of the PMO, how it can drive change I am proud of the organization that Steve Moran built and don’t hesitate to declare it a game changer for my business.”

~ Todd Burns, President of PDS Americas (Executive Sponsor)

PMO OF THE YEAR AWARD FINALIST: BENTLEY MOTORS BEYOND 18 PMO

The first UK-based company to place in the PMO of the Year Award competition is the luxury car manufacturer Bentley Motors Ltd.

Founded in 1919 by W.O. Bentley and acquired by Volkswagen in 1998, Bentley has exciting plans for the future and has set itself ambitious targets. The development of the 2018 business strategy called "Beyond 18" was triggered by the overall VW Group 2018 Strategy. The PMO was primarily set up to define and drive the strategy and large cross-functional strategic projects, while providing standards, consistency and transparency.

The journey began with a health check assessment of processes throughout the business. This assessment was carried out by the PMO, Bentley Board and executives in the company, and identified the main business issues that needed to be addressed. Eleven strategic projects were identified, where boosting project management capabilities would make the biggest difference to achieving the strategic goals. The PMO, working together with the eleven strategic project leaders and cross-business project teams helped bring best practice tools, project management methodology and coaching to the projects.

To ensure maximum buy in and engagement, the strategy and strategic projects were rolled out to all employees via a change program. This program, led by the PMO was designed specifically to engage every employee in understanding the need for change and how each person can personally contribute to the strategy and achieving the strategic targets. The program was kicked off via a series of one-day teambuilding events during which employees participated in developing a shared vision of the future culture at Bentley and bringing the strategic projects to life via interactive games.

The results of the Beyond 18 Program are visible. Bentley uses a scorecard framework that balances Employee Satisfaction, ROI, Car Sales Volume, and Customer Satisfaction and every programme target set in 2012 have been surpassed.

Jan-Henrik Lafrentz, Member of the Board for Finance, IT and Strategy (PMO Sponsor) writes that "The PMO has enabled us to both focus on implementation and achieve our 2012 targets. Many of the projects underway are addressing some of the biggest process and organizational challenges that we've faced. The PMO has been instrumental in driving these projects forward and improving project management capability and discipline across the business."

Lafrentz went on to praise the rollout of Beyond 18, calling it "the biggest change initiative in Bentley's history."

For 2013 – 2014, the PMO is striving to share their knowhow and train people in every function on project management to drive implementation, increase transparency and ensure sustainable results.

To read an interview with Emma Haslam and meet the Beyond PMO team, visit the Strategy & Projects blog at www.pmsolutions.com/blog.