



5 Secret Killers of Your PMO

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Five Secret Killers of Your IT PMO

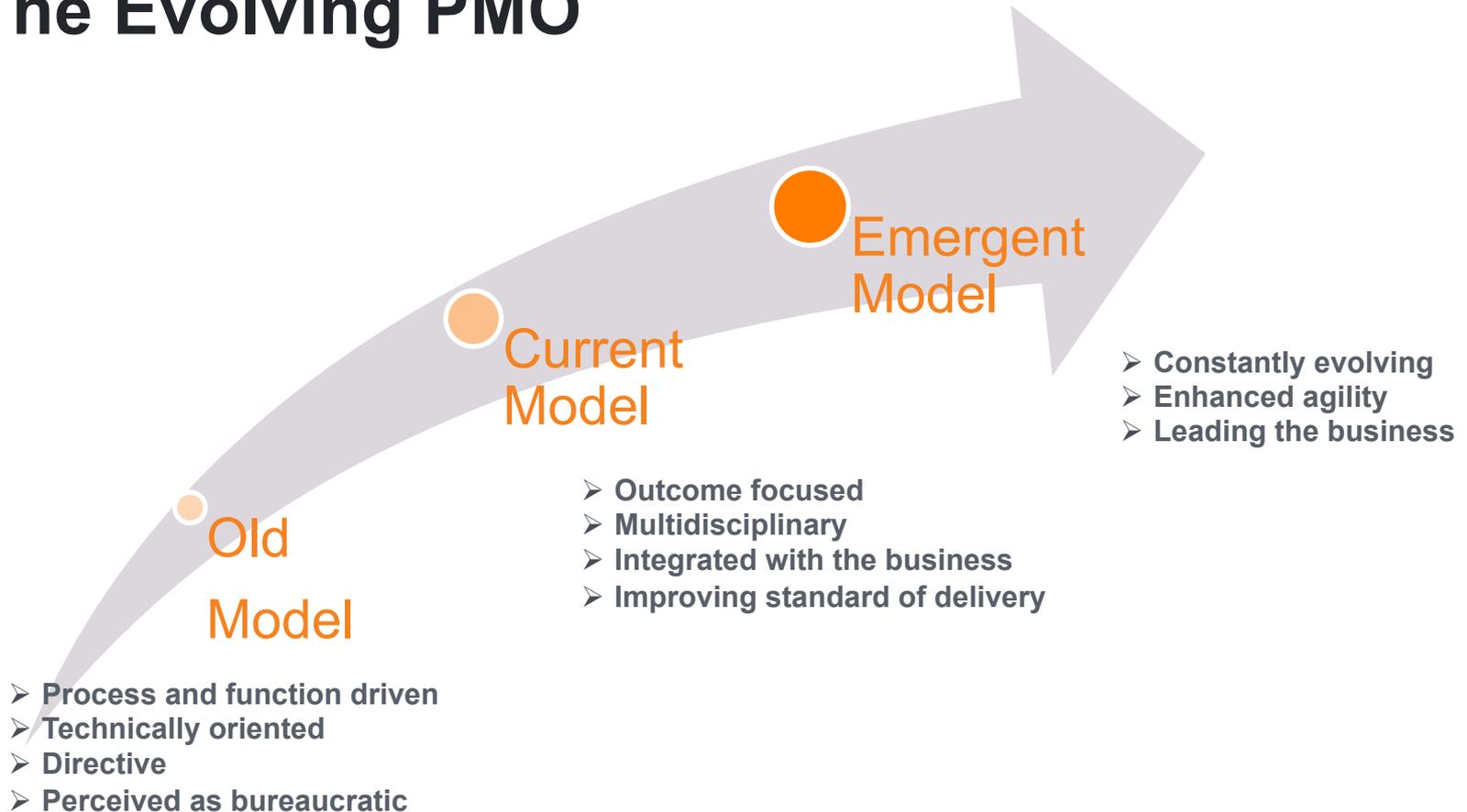
In this webinar, you'll:

- Learn how IT teams can buck the trend of high failure rates
- Discover ways to end the work methodology war and enable your teams
- Understand the effect that status updates and meetings are having on your work
- Explore better ways to get visibility, predictability, and efficiency into your workload

“The PMO, especially as it evolves into a stronger driver of strategy, could be a beacon for other operational and functional areas that could be impacted by new approaches to managing projects.”

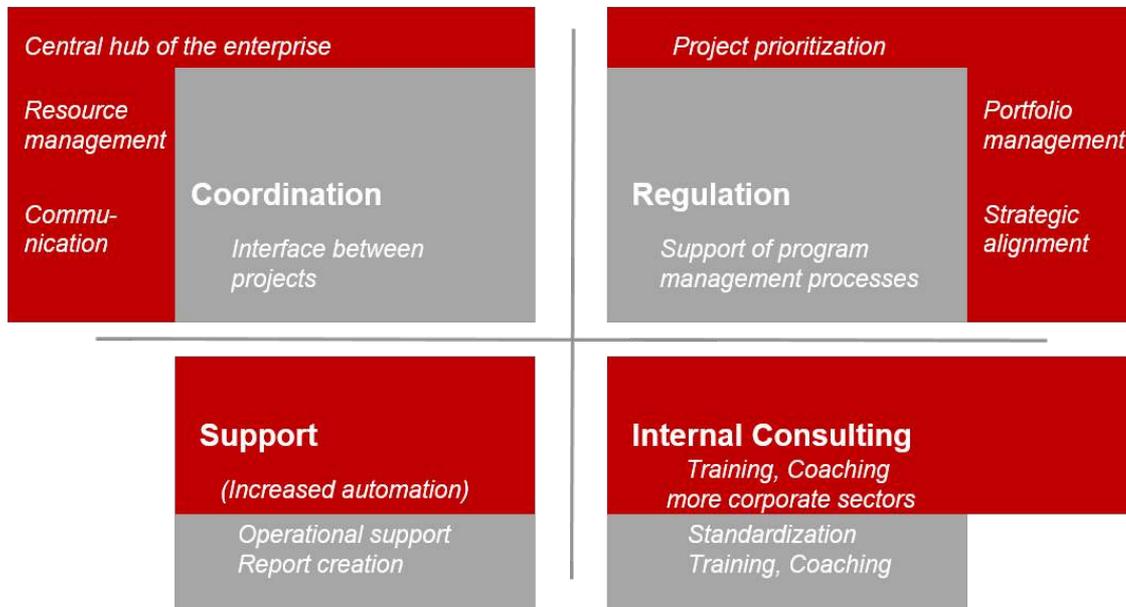
Source: PMI Pulse of the Profession Report 2017

The Evolving PMO



Roles of the PMO

Change in PMO Responsibilities



Source: TPG The Project Group

Figure 3: Expected changes in the PMO responsibilities: grey = today, red = projection

Source: PMO's Future Lies in Strategic Project Management – TheProjectGroup.com

New PMO Models

(S)PMO Areas of Responsibility



Why Have PMOs Failed?

- **50% of project management offices *close within three years*** (Association for Project Management)
- ***Since 2008, the correlated PMO implementation failure rate is more than 50%*** (Gartner Project Manager 2014)
- ***Only a third of all projects were successfully completed*** on time and on budget over the past year (Standish Group's CHAOS report)
- ***68% of stakeholders perceive their PMOs to be bureaucratic*** (2013 Gartner PPM Summit)
- ***Only 40% of projects met schedule, budget and quality goals*** (IBM Change Management Survey of 1,500 executives)

Source: *PMOs Fail - ProjectManager.com.au*

Building Momentum to PMO Success

- ❖ A majority of firms (85%) have a PMO in place.
- ❖ PMOs are a strategic resource. Most report to a VP or higher; 49% directly to the C-level.
- ❖ There is a direct correlation between the age of the PMO and its capability.
- ❖ PMOs are now more likely to engage in tasks that impact strategic planning, governance, and portfolio management.

Source: State of the PMO Report 2016 - PM Solutions

Building Momentum to PMO Success

- ❖ PMOs in high-performing organizations contributed a significantly higher percentage of value in all measures of performance.
- ❖ More than half of PMOs use contracted resources to manage projects / programs.
- ❖ PMOs in high-performing firms are far more likely to have a training program in place.
- ❖ PMO staffs are highly experienced (10 years) and almost half (45%) have PMPs.
- ❖ There is a direct correlation between PMO capability and the value it contributes to the organization.

Source: State of the PMO Report 2016 - PM Solutions

Three Ways Best In Class PMOs Excel



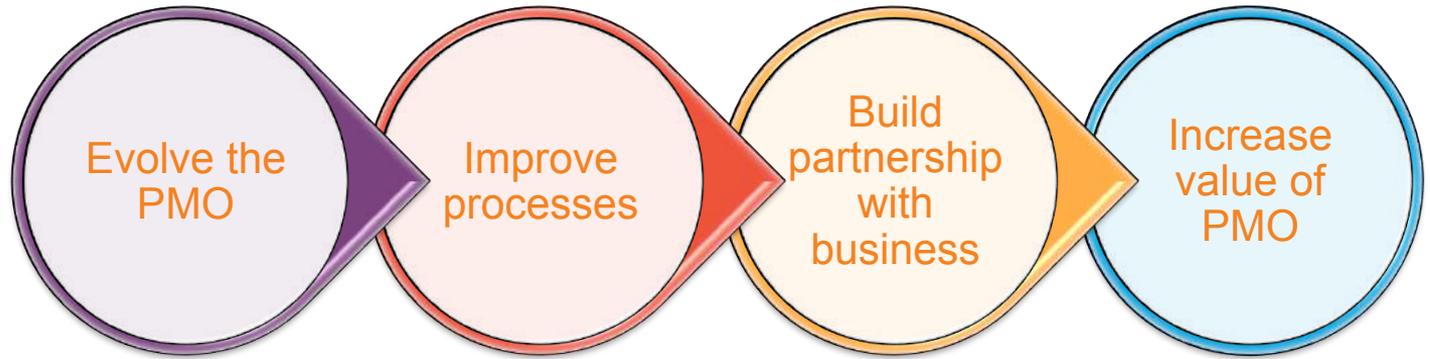
Source: State of the PMO Report 2016 - PM Solutions

Organizational Agility and the PMO

- ❖ 100% of Best-in-Class PMOs use agile project management practices.
- ❖ Agility will be required in order to respond to changes revealed by benefits realization tracking.
- ❖ An increasingly uncertain world means that risk response must become part of our DNA.

Source: Take Your PMO to the Top – PM Solutions

Path Forward - What is Next



Source: Take Your PMO to the Top - PM Solutions

Challenges for PMOs - 2017



The Five Secret Killers

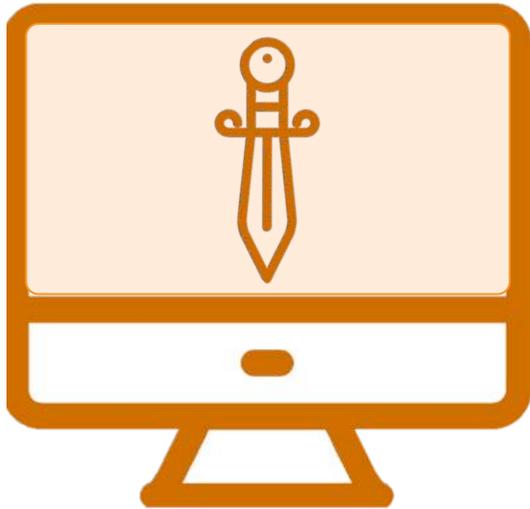


Constant Status Inquiries

Crushed by a mountain of meetings

CONSTANT STATUS INQUIRIES

The Weapons:



- When your boss asks for a status update on all of your projects, how do you find that information?
- Do you have to manually find information from each team member?
- Do you have to log in to multiple tools to access status updates?
- Are you required to present data in different formats for each stakeholder?

CONSTANT STATUS INQUIRIES

Understanding your losses

EVALUATION ► STATUS MEETINGS

Information below is based on a 30-person team with a blended rate of \$70/hour. See Appendix A.

Average # of Weekly Meetings	5
Average Length of Meeting (in hours)	1
Hours per Week in Meetings	150
Weekly Costs of Status Meetings	\$10,500
Monthly Costs of Status Meetings	\$42,000
Yearly Costs of Status Meetings	\$504,000

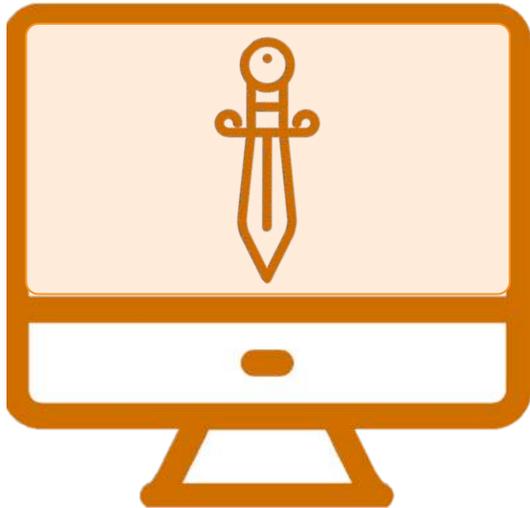
A grayscale photograph of a foggy street scene. In the foreground, a tall, ornate street lamp stands on a sidewalk. A path leads from the lamp towards the background, where other street lamps and trees are visible but obscured by the thick fog. The overall atmosphere is misty and somewhat somber.

Poor or no visibility into your team's workload

Death by a thousand sticky notes

POOR OR NO VISIBILITY INTO YOUR TEAM'S WORKLOAD

The Weapons



- How do you help team members know what to work on?
- When a new request comes in, how do you know who to assign it to?
- Have you or a team member experienced burnout because of their workload?
- Do you have to log into multiple tools or individually inquire to assess availability?

POOR OR NO VISIBILITY INTO YOUR TEAM'S WORKLOAD

Understanding your losses

EVALUATION ► PROJECT DELIVERY

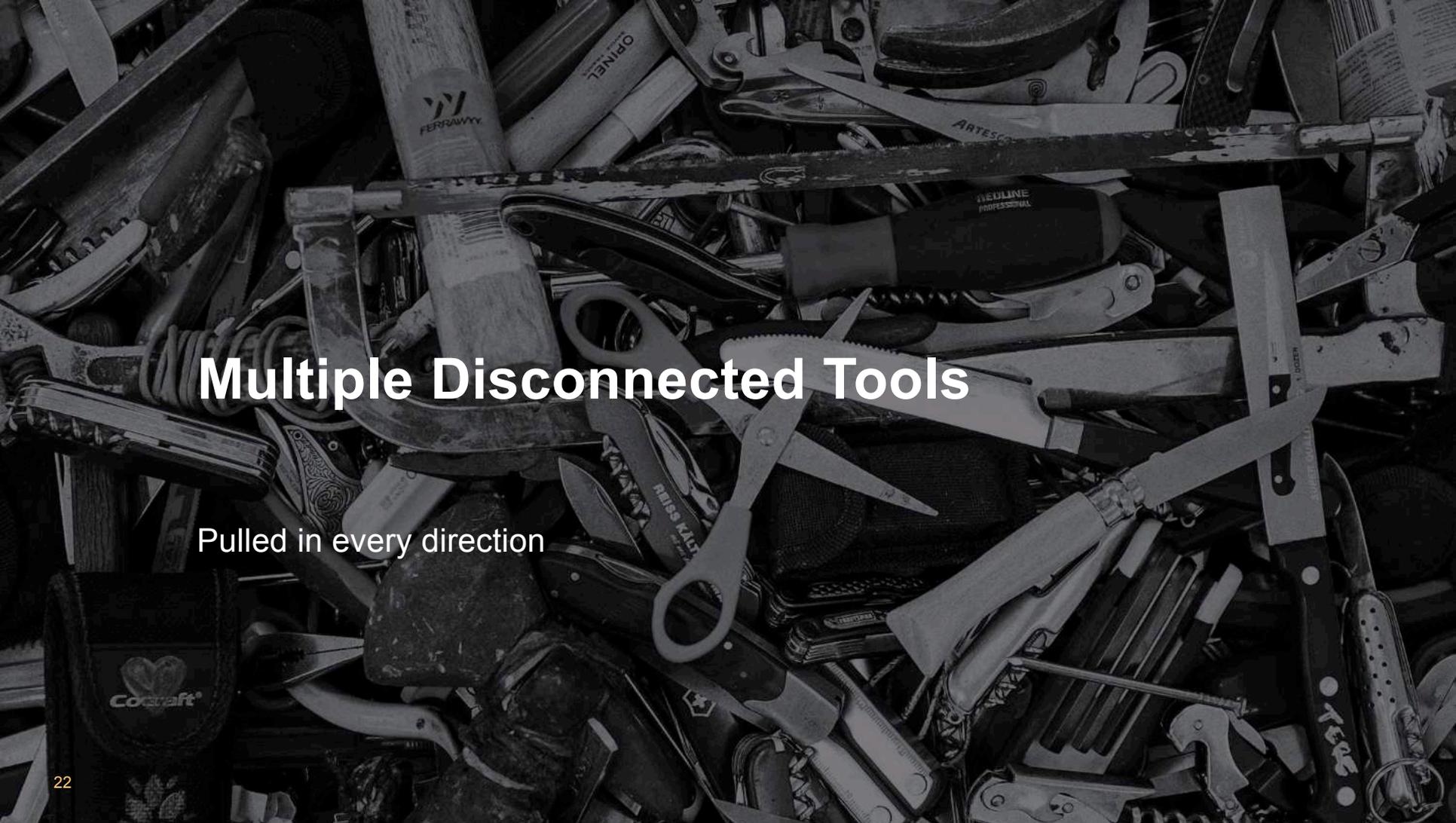
Information below is based on an example of 40 projects per year with an on-time rate of 50%. This example also assumes the planned cost of a project is \$10,000, late projects total 20, and the cost of a late project is 1.5x the planned cost.

Average # of Projects Completed per Year	40
Average Project On-Time Rate	50%
Average # Late Projects	20
Average Planned Cost of a Project	\$10,000
Cost of Late Projects (1.5x budget)	1.5
Total Average Cost of a Late Project	\$15,000
Additional Cost Above Original Cost for Late Projects	\$5,000
Yearly Cost of Late Projects	\$100,000

EVALUATION ► EMAIL

Information below is based on a 30-person team with a blended rate of \$70/hour. See Appendix A.

Average # of Emails per Day	100
Average # of Hours in Email per Day	4
Average # of Hours in Email per Week	20
Weekly Cost of Email	\$42,000
Monthly Cost of Email	\$168,000
Yearly Cost of Email	\$2,016,000

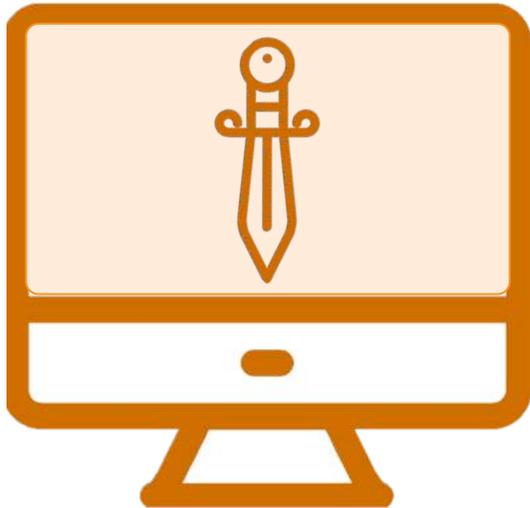


Multiple Disconnected Tools

Pulled in every direction

MULTIPLE DISCONNECTED TOOLS

The Weapons



- How many different tools do you and your team use to manage work and projects?
- Do the tools you use integrate with one another?
- How much time do you spend building reports from data that is housed in multiple tools?
- Do you struggle with tool adoption from your team?
- What is your current process for approvals?

MULTIPLE DISCONNECTED TOOLS

Understanding your losses

EVALUATION ► BUILDING REPORTS

Information below is based on an example of five team members building reports at a blended rate of \$70/hour. See Appendix A.

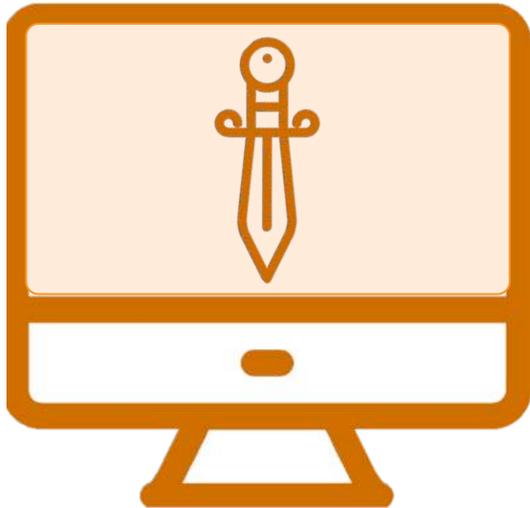
Average # of Hours Spent Building Reports per Week	8
Total Hours Spent Each Week Building Reports	40
Weekly Cost of Building Reports	\$2,800
Monthly Cost of Building Reports	\$11,200
Yearly Cost of Building Reports	\$134,400

Requests from EVERYWHERE

Too much to handle

REQUESTS FROM EVERYWHERE

The Weapons



- How do work requests come to your department or team today?
- How are work requests prioritized?
- What common interruptions do you see in your day?
- How do you prioritize fire drills that interrupt your day?

REQUESTS FROM EVERYWHERE

Understanding your losses

EVALUATION ► AD HOC WORK

The information below is based on the average IT team spending 45% – 55% (18 hours) of their time per week on unplanned and urgent activities¹⁶ and is based on an example of a 30-person team with a blended rate of \$70/hour. See Appendix A.

Average # of Hours Spent in Ad Hoc Conversations, Ad Hoc Meetings, and Prioritizing Ad Hoc Work per Week	540
Weekly Cost of Ad Hoc Work	\$37,800
Monthly Cost of Ad Hoc Work	\$151,200
Yearly Cost of Ad Hoc Work	\$1,814,400

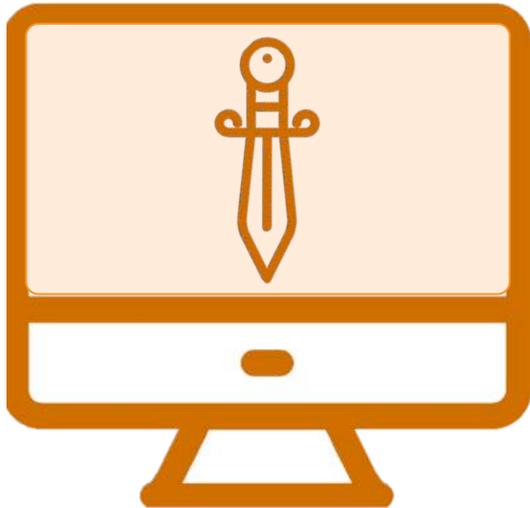


Messy Mixed Methodologies

Master of none

MESSY MIXED METHODOLOGIES

The Weapons



- Do you manage both Agile and traditional Waterfall (or linear) projects?
- If you manage Agile and Waterfall projects, how do you make them work together?
- How do you translate the sprints and iterations of Agile teams into the launch dates and milestones executives and other project managers need?
- Does your team create workarounds in order to get Waterfall data to project leaders and executives?

MESSY MIXED METHODOLOGIES

Understanding your losses

EVALUATION ► MULTIPLE TOOLS FOR MULTIPLE METHODOLOGIES

The following information is based on the data that shows the average worker uses 13 different tools to manage their work and time. Add in projects that require Agile and Waterfall communication, and project managers are responsible for double-entering data into even more tools. The following information is based on an example of half of a 30-person team with a blended rate of \$70/hour. See Appendix A.

Average # of Hours Spent Double-Entering Data	75
Weekly Cost of Double-Entering Data	\$5,250
Monthly Cost of Double-Entering Data	\$21,000
Yearly Cost of Double-Entering Data	\$252,000

A chessboard with a white king piece in the center, overlaid with an orange tint. The king piece is the central focus, standing on a light square. Other pieces are visible in the background, slightly out of focus. The text "Outmaneuvering The Killers" is overlaid in white on the board.

Outmaneuvering The Killers

Invite Diverse Perspectives



Tackle Problems Across Silos to tear them down



Having the right tools for the job

When you have the right culture
The right tools make all the difference



Having the right tools for the job



Q&A



Resources

- [The Biggest Challenges in Your PMO in 2017 – ESI](#)
- [PMI Pulse of the Profession 2017](#)
- [What the Main Challenges PMO Face Today? - ESI](#)
- [PMI Pulse of the Profession – PMO Frameworks](#)
- [Next Generation PMO – ESI](#)
- [Top Ten from the PMO Conference 2017 - ESI](#)