

7 Best Practices for the Effective PMO

Gartner's Seven Best Practices for an Effective Project Management Office

It's now common knowledge why the approach taken by yesterday's PMO failed. This outdated model was mostly focused on creating and enforcing processes and simply couldn't keep pace with the demands of the business. Not surprising, the charter of today's successful PMO goes well beyond enforcing simple processes.

What drives the modern PMO is a fast moving results-focused approach that supports company revenue and business objectives. Here are seven best practices that Gartner recommends to demonstrate the PMO's value to the business and make any project management office run more efficiently and effectively¹:

1. Acquire the Right People, Knowledge, Skills and Collaborative Behaviors

This is the cornerstone of a highly effective PMO. When project managers who are part of a PMO act like administrators, they erode the PMO's credibility and make it appear to be focused only on everyday tasks and deliverables. This neglects a crucial part of effective IT project delivery – driving strategic change within an organization. "People are generally averse to change, so it's critical that the PMO hires staff with who can drive change in the face of resistance," said Ms. Schoen. "Project managers within the PMO need a broad range of 'soft' skills in communication, conflict resolution, persuasion and facilitation."

2. Identify and Execute High-Impact, High-Visibility Initiatives

It can take years to build a track record of improving PPM maturity and getting better IT investment results. It is, however, possible to quicken the process by identifying "easy wins" and improving delivery for a few highly visible and important PMO projects. It's critical to demonstrate the value of the PMO. This will ensure stakeholder commitment and support for future PMO-driven initiatives.

3. Report on What the Business Really Cares About

The business's view of the PMO is inconsistent. Business executives generally agree the PMO should report on the status of projects and programs, but most don't think it does this adequately. "The reality is that most PMOs are providing status reporting for projects and programs, but the perception of many business executives suggests either that there's a breakdown in communication or that the reporting isn't fit for purpose," said Ms. Schoen. "It's important to check that reporting provides organizational leadership with status information that supports effective decision-making."

4. Build a Framework That Shows How the PMO Aligns With Strategic Enterprise Objectives

A clear framework is essential to articulate the PMO's alignment with the continuously evolving organizational goals and direction. It also serves as an aid to identifying goals and milestones along the road to resolving obstacles and issues that block strategic success. In essence, it's key to communicating the PMO's value. What is often overlooked is the need for the PMO to define strategic goals with senior IT managers and business leaders. Unless this is done, the PMO's work is rarely perceived as valuable, however well it's carried out.

5. Provide Senior Managers with Simple, Unambiguous Information

PMOs are routinely perceived as failing to provide the kind of data that senior managers want. This leads to a disconnection between expectations and perceived reality. PMOs need to shift from a belief that "the more detail we give, the better" to an iterative evolution of reporting that provides leaders with the kind of information that supports them in their role. For time-starved senior managers, short, precise and informative reporting is most effective. These are busy people who want the "bottom line" — they expect the PMO to work with them to identify and provide this information.

6. Highlight the PMO's Achievements

Agreed metrics are important, but they should be complemented by promoting the PMO's success stories to the organization. This is less about "hard" numbers and more about the tangible benefits that are recognized by stakeholders, such as how shorter timescales for project completion have contributed to the solving of key business problems (overlong time-to-market for new products, for instance). In terms of benefits that are hard to measure, it may be appropriate to use surveys to measure the value the PMO provides.

7. Evolve the PMO to Support Bimodal IT and Digital Business

The PMO must adapt its service model to support the technological changes at the heart of every growth and innovation-led transformation project. For example, a PMO may have been formed several years ago, with the economic downturn being the primary driver. At that time, cost reduction and efficiency were the main desired outcomes, but the same business may now be far more concerned with flexibility and speed of delivery. Consequently, the PMO's configuration and staffing may no longer be ideal and may need to change to reflect the new focus. "An effective PMO continuously reexamines its processes and capabilities to ensure they are in line with the current needs of the business," said Ms. Schoen.

Next Steps

Identify new efficiencies, match resources with actual needs, break down cross-departmental silos and accelerate the collaboration between teams? These are all a part of how the modern PMO can add value. As the leader in enterprise-class work collaboration and project management solutions Clarizen can help you get there. Take our brief, informative product tour to learn more.