Let's Go All the Way

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It has been almost a year since the Global Infrastructure Group, a business unit of Global Finance Corporation, implemented their program management office (GIG PMO). The main goal of the PMO is to help improve efficiency and empower management to make better and more informed decisions through the use of the processes, tools, and standards. Prior to the implementation of the PMO, a working group was formed to assess the current state of GIG project management and the needs of its project management community. GIG management realized that project and program management added major value to the organization, and through the recommendations of the project managers (PMs), GIG felt it could achieve better efficiencies across the organization with a PMO in place. Several recommendations were presented to the head of GIG on the appropriate placement of the PMO and its authority and responsibility.

In the case study, we take a look into one of the PMO weekly meetings. On the agenda of the meeting today, two major items will be discussed. The first item is the implementation of the standardized project management process. While the team has worked hard on this for many months, the process is still a work in progress. One of the major issues that the PMO has to deal with is the customization of the process. "Standardize with flexibility" and "One size does not fit all" are the frequent comments from the project managers when they review the proposed process. "When I lead small projects, I will not spend time following all the steps in the process. Twenty procedures, three tools, and seven templates for the planning phase? This is ridiculous," said one of the Global Finance Corporation (GFC) project managers.

The second item is the way to improve the collaboration between the GIG PMO and the GIG project management community. The PMO implements the Link for Synchronization program to drive the implementation of the PMO initiatives, to involve GFC project managers in the PMO activities, and to communicate the training and mentoring programs. With the ambitious objectives of Link for Synchronization, PMO personnel anticipate the resistance from the GIG project management community.

GLOBAL FINANCE CORPORATION

GFC is among the international leaders in wealth management, capital markets, and financial advisories. With offices in 40 countries and territories across six continents, GFC serves the needs of both individual and institutional clients with a diverse range of financial services, including: personal financial planning, securities underwriting, trading and brokering, investment banking and advisory services, trading of foreign exchange, commodities and derivatives, banking and lending, insurance, and research.

Among other business units at GFC, Global Infrastructure Group (GIG) is responsible for developing technologies and solutions that serve GFC businesses. Each year, GIG initiates hundreds of projects and programs. Some of them are small (budget less than $50,000) and some of them are large (budget over $10 million). GIG has project management offices support its project management activities.

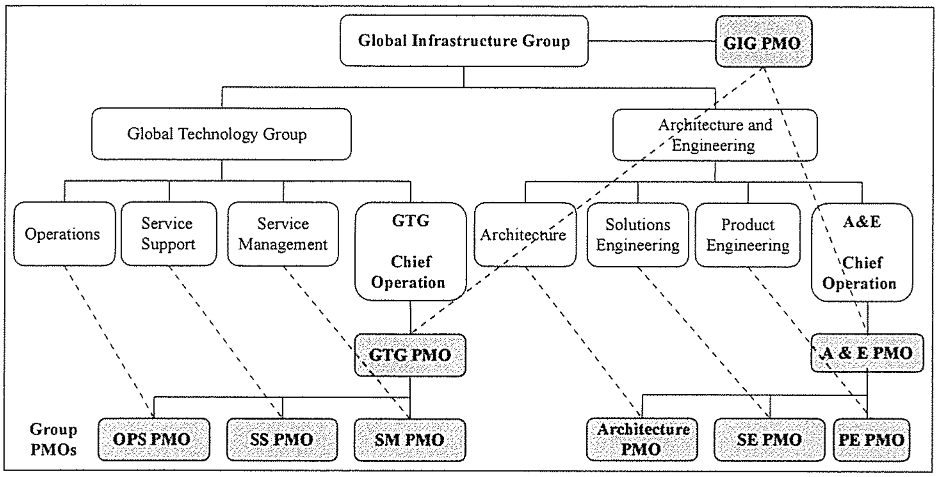
Project Examples

1. Corporate-wide Global Procurement System
   a. Description: The project is focused on implementing a corporate-wide Global Procurement System. The procurement system can be purchased as a product from another vendor or grown in-house, as long as it meets all requirements of the firm. The procurement system will be used for provisioning any assets.
   b. Duration: 2.5 years
   c. Budget: $11.2 million
2. Add Bloomberg Connectivity to 40 Branch Offices
   a. Description: 40 brokerage offices need connectivity to have Bloomberg stations at their locations. The connectivity needs to be set-up and terminals connected.
   b. Duration: six months
   c. Budget: $1.7 million
3. Move Equity Derivatives Group from the 6th Floor to the 5th Floor
   a. Description: Move the Equity Derivatives Group including all technology and physical equipment from the 6th floor to the 5th floor.
   b. Duration: one month
   c. Budget: $150,000

GIG PROGRAM MANAGEMENT OFFICE

GIG PMOs are organized with respect to the organizational structure of GIG (see Figure 24.1). GIG's business unit consists of two divisions: the Global Technology Group and Architecture and Engineering. Each division is composed of several groups. PMOs are set up to assist the groups within GIG (e.g., Global Ops PMO and Architecture PMO). The PMOs do not report into the group they support. They report to the Division PMOs (GTG PMO and A&E PMO), operating under the

Figure 24.1 Structure of GIG's PMOs



Chief Operation Officers. This helps PMOs promote synergies among the PMO groups and across the organization, which also helps more efficiently maintain standards across the groups. The division PMOs also report to the GIG PMO.

The GIG PMO is led by a managing director, who is also a peer with the heads of the GTG and A&E divisions. While the staffs of the group PMOs are mostly senior program managers who are PMP certified, several members do not have project management background and are tasked to develop project management tools and reporting standards. The head of the GIG PMO holds a weekly meeting where the leads of all the division and group PMOs attend and have a voice in the decisions. During the meeting, the team discusses the issues related to reporting and metrics for team management, future tools analysis, financials and demand management, and many other items.

PMO AUTHORITY AND RESPONSIBILITIES

The GIG PMO is authorized to make policies pertaining to a large variety of initiatives. The core policies are focused on projects that are completed by the GIG organization. The PMO is responsible for improving the process and tools which will support the GIG project management community and provide key management reporting to all levels of GIG management. The focus is to provide consistent and efficient project management methods, processes, and documentation:

- Driving, coordinating, and communicating with users, internal teams (development, logistics, and testers), and vendors
- Providing best in class project management techniques for engaging infrastructure and software development projects
- Providing objective project metrics with standardized reporting

- Constructing, managing, tracking, and reporting progress of project work
- Navigating GIG gate-keeping/governance committees for project initiation and approvals
- Managing and mitigating risk, scoping changes, and project issues
- Ensuring appropriate documentation is constructed for audit compliance

Some of the responsibilities of the GIG PMOs are:

- Managing the division PMOs
- Assigning PMs to projects over $10 million
- Final approval of any demand management, financial management, or project management tools/standards used in GIG

Some of the responsibilities of the division PMOs are:

- Managing the group PMOs
- Assigning PMs to projects between $1 million and $10 million
- Leading all development and research associated with the tools and standards being approved or researched by the GIG PMO

Some of the responsibilities of the group PMOs are:

- Assist in assigning PMs to projects under $1 million
- Assist in project prioritization with the group managers
- Spread the use of the tools/standards among the PMs within the groups
- Recruit PMs to join the programs within the PMO
- Manage and develop needed reports and metrics for the group managers

Typically, PMOs are not tasked to lead any GIG projects. Those projects are led by individual project managers who reside in their respective groups, reporting to their functional manager. If a project (program) has a budget over $1 million or requires extensive cross-organization collaboration, it will be led by a PMO program manager. The project managers from the respective groups who are involved in such an initiative will report to both the PMO program manager and their functional manager.

PROCESS IMPROVEMENT IS A CENTRAL THEME

GIG has a need for a transparent, consistent, and sustainable end-to-end project management process and tool set. The need can be elaborated into the following core areas:

- Process: Standardization and interoperability with processes of other business units
- Tools: Simplification and common platform

- People: Professional development, consistency of roles and responsibility, and qualification criteria
- Metrics: Transparency, management control, and decision support, and people performance and process optimization

To address the need, GIG PMOs developed a list of issues under the core areas that should be addressed. These issues are presented in Table 24.1. PMOs also identified the potential tools that should be implemented. The tools should help increase system throughput, reduce administration, promote standardization, and enhance communication.

Table 24.1 Core Process Improvement Areas

		Tools
Process	1. Project selection - Project prioritization - Reduced channel for requests - Workflow for all governance steps - Reduced administration	- Workflow Manager - Project and Portfolio Management Center
	2. Management of project timeline - Consistent framework/standardization - Collaboration via workflow updates - Project template - Better communication	- Enterprise Project Management System (MS Project professional 2007/ Project server)
	3. Communication and project documentation - Best practice - Continuous process improvement - Standardization	- Enterprise Project Management System - SharePoint 2007
	4. Management of project related expense - Total project expense - Budget alignment - Prioritization	- Project and Portfolio Management Center - Financial Tracking Tool
	5. Better identification and use of resources - Resource forecasting - Better utilization of resources	- Resource Forecasting Module (Time Manager (TM)) - Project and Portfolio Management Center
People	6. Professional development and PM competencies - Structured training - Career development pathway - Professional certification - Forums for sharing best-practice techniques - Mentoring program - Standardized communications platform	- Link for Synchronization
Metrics	7. Project reporting and metrics - Real-time project reporting - System/process/people/performance metrics	- Enterprise Project Reporting System

STANDARDIZED PROJECT MANAGEMENT PROCESS

GIG PMO put together a standardized project management process. Figure 24.2 illustrates the high-level process which includes four major phases. In each phase the more detailed steps are also proposed.

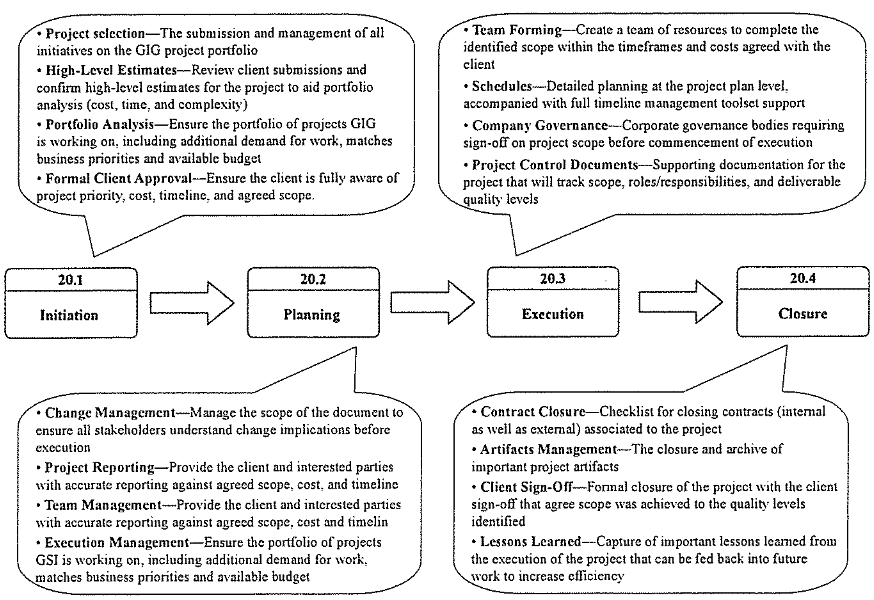
While many of the processes and standards are documented, there is a concern whether every GIG project should follow such processes and standards. Since the typical GIG projects have a short duration with a need to be completed with an as-soon-as-possible mentality, many of the project managers argue that with the methodologies in place, a project can be slowed with the amount of paperwork and tools that need to be involved.

BACK TO THE AGENDA . . .

Dan: It seems that all of us have the same concerns about the process that we've put together.

Dave: Yes. When I presented the process to the project managers in my division, they definitely agree that the process will help them do their job better, but they showed some concern about its application. They don't think that every project should follow all the steps in the process, especially in the planning phase.

Figure 24.2 A Standardized Project Management Process



Mary: I've heard the same things. I believe that we agreed when we put this process together that our process should be flexible. A lot of projects we have are small and need to be executed fast to meet the client's needs. For example, the smaller projects may not need to follow all of the 20 steps in the planning phase.

Dan: Okay. Now the difficult part begins. First off, we need to find a way to categorize our projects. The large ones will follow the full-blown process. The smaller ones can follow a shorter version. Now, we just need to decide which procedures and tools are appropriate for the smaller ones.

Dave: Let's think about this carefully. Let me throw in a number so that we can discuss the pros and cons. How about a $100,000 threshold? We could consider a project as "small" if its budget is below $100,000.

Mary: I think that the threshold should depend on the composition of projects we have in our GIG portfolio. You should be able to tell us this, Dan.

Dan: The majority of our projects are below the $100,000 budget.

Mary: So, I don't think that a $100,000 threshold is appropriate.

Dan: Should it be higher or lower?

The discussion continues. Before moving on to the next topic in the agenda. Dan, head of the GIG PMOs, asks all group PMO leads to go back and look at their data with their teams. Group PMOs will discuss with the heads of their division PMO, Dave or Mary respectively. Dan also asks both Chief Operation Officers to be involved in the division discussions. The final decision will be made together in the next meeting.

LINK FOR SYNCHRONIZATION PROGRAM

Recently GFC has placed a tremendous amount of time into recognizing project management as a critical discipline across the firm, yet there has never been a forum that has facilitated knowledge exchange between various business units. As GFC moves toward a more holistic global model, it is becoming increasingly necessary for best practices to be shared across the firm. Recently, GFC has begun to sponsor PMP certifications, developing internal and external professional development training curriculum, and reimbursing other PMP-specific study expenses. To help address this issue and to get all GIG project managers more in sync with the PMOs, including the standards and tools available, the GIG PMO runs a program called the Link for Synchronization.

Link for Synchronization will become a focal point for professional standards (e.g., PMI Body of Knowledge), the driver of tools and techniques (e.g., Microsoft Project Server 2007), the driver of standardized approaches (e.g., Demand

Management and Portfolio Management), and the precedent for extending this across the entire organization. The program is building in four areas: career framework and training, recruiting and mentoring, event coordination, and communications and web content.

Dan: Have any of you had a chance to check the new website of our Link for Synchronization program? I want to make sure that we are familiar with this website and communicate it to our project managers. It should be used to ensure timely communications among us. The website also features key project highlights, events, and lunch box learning schedules.

Dave: I saw it. I think that it looks great. The website is a backbone for our Link for Sync program. It seems to address all four areas we plan to implement.

Dan: Almost. We plan to use it as a platform and to present the outcomes. For example, in Career framework and training, our focus is on career framework updates and alignment. We want our project managers to participate in updating roles and responsibilities for project and program management. They can use the website to share their views.

Mary: This is great. So, we have all the information there. I suppose that the website will inform us about the training and lunch box learning programs too, right?

Dan: Yes. Let me make it clear. The focuses of lunch box learning and training are different. Lunch box learning will focus on key areas of project management and allow for project managers to participate in learning events and share experiences. With this, we will look for feedback on areas in which individuals or teams would like us to focus. The training will have formal curriculum. We will develop a standardized set of developmental programs to support core competencies, toolsets, and the GFC policies and procedures. Training will also focus on soft skills required to enhance the performance of project managers and their teams.

Mary: Should we bring in outside speakers once in awhile?

Dan: Definitely, it is part of event coordination. We will form a committee to create a yearly events calendar, which will be posted on the website. The committee will focus on regional, local, and global networking event planning with key topics and speakers from within GFC and the project management industry.

Dave: The topics that come up from lunch box learning can feed both the training and the events.

Dan: Right. Now since we already talked about three other areas, let's discuss a bit about recruiting and mentoring. Our focus in this area is to identify opportunities to attract new members and look for innovative and creative ways to recruit project managers within the firm. We also plan to coordinate the mentoring program. Our goal is to increase the level of ex-perienced project managers who are available to manage the increasingly complex projects necessary to support the business. We want this to be a competitive program.

Mary: How?

Dan: This program is not for everyone. We are thinking that the project managers who join the program should be nominated from their manager. Then, they will be assigned as an apprentice to a more experienced project manager who will serve as their mentor. This will provide the opportunity for the mentees to work closely with the mentors and to apply the techniques they are learning in a structured, supported environment. The mentors can support, reinforce, and elaborate on the lessons. This is very formal.

Mary: This sounds intriguing. Do you think it will work?

Dan: Why not?

Dave: Are we going to lose productivity during the mentoring? If a mentee, who first must be a star project manager to get nominated, works as an apprentice, who will work on their projects. With the limited resources we have now, do you think that people will have time to go through this program?

Mary: That's my concern, too. All project managers in my division are very busy. They are juggling so many projects at once. But I think the program would work if, at the end of the day, the project managers do not have to worry about their regular job but instead can focus on the mentoring program.

Dave: But we cannot afford that. The functional managers will say no to this right at the beginning.

Mary: Right. And who will be the mentors, the senior project managers in each group or the PMO project managers? If mentors also come from the functional group, then you lose the productivity of two experienced project managers. How can we sell this to the functional managers?

Discussion items

1. Discuss the placement of the PMOs for GIG. List the pros and cons of this placement?
2. Discuss the importance of having the head of the GIG PMO as a peer of the heads of the GTG and A&E divisions.
3. Discuss if GIG PMOs are set up for success or failure. Explain specifically at each of their initiatives.

4. Discuss why the $100,000 threshold is inappropriate if the typical range of project budget in the GTG division is from $30,000 to $220,000 and more than half of the projects have a budget below $100,000.
5. How important is the GIG Link for Synchronization program to the success of the GIG PMO and GIG project management practices? Is the program too ambitious? How should such a program be implemented?
6. Who should be in the committee for event coordination?
7. Suggest a way to implement the GIG mentoring program. Is it possible? If not, suggest an alternative mentoring program.