The Agile PMO – value driven
Agile Project Management Office
Agile – the next Frontier
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- Author of 11 bestseller business books
- **Global clients** - telecoms, hi-tech, software development, R&D environments and petrochemical & infrastructure
- Integrates the hard and soft parts of Business & Development
- Hooked on **mountain biking** and travelling
Do you realize value from your PMO?

TRICKY QUESTIONS 😊

• How many of you manage a PMO in the organization?
• Have you seen failures? What are the challenges?
• What is a successful PMO?
• What makes a PMO – Agile?
Take Away

• Avoid common pitfalls
• Increase value delivery
• Realize benefits of PMO/Agile
5%
30%
The numbers tell the story

Gartner 2012

ESI 2013

PMO

30% to 50% per year failure rate is due to distinctive mismatch between organization expectations of PMO (such as reliable results, value based prioritization and delivery of change through projects).

Stage 1: Gather & report on project progress data
Stage 2: Develop & enforce standards, methods & processes
Stage 3: Manage, allocate & control PM resources
Stage 4: Manage dependencies across multiple projects / programs
Stage 5: Track & report on project ROI & benefits realization
Stage 6: Manage the health of the Project Portfolio
How did we get here?

THE STORY OF PETE
The PMO charter

Build me a PMO worthy of Londec!

Yes Master
The first steps...

What to do?
Maybe some research?
Analysis of Current state?
Interviews?
I know...
How did we get here?

PAIR ACTIVITY

Provide a Mission / Vision statement for a PMO
The mission of the Project Management Office (PMO) is to provide an enterprise-wide approach to identify, prioritize, and successfully execute a technology portfolio of initiatives and projects that are aligned with the Helsinki strategic goals and educational vision...
The Gap Analysis – Stakeholders

No Tools, No Process, Training, Training, I need a Home, Worthy PMO Strategic Alignment

LEAD EXPECTATIONS

Gap Analysis
The Gap Analysis – Executives

I need Reports!
Better Control!
A methodology NOW

Worthy PMO
Strategic Alignment

Gap Analysis

LEAD EXPECTATIONS
PMOs lose focus – waste money

KOTTTER 8 STEP OF CHANGE LEADERSHIP

- Pay me a Lot! I can help
- Training Need Assessment?
- New Reports and Templates
- Support the PMs
- PMBOK? PLC
- I need a Staff
- Maybe Select Tools
Three months – invest in?

What Would You Do?
Focus on form not value/return!

PMO FAILURES

• The tactical PMO
• The process PMO
• The chocking PMO
• The tools PMO

50%
Drowning in administration

TACTICAL PMO

• Super secretaries:
  – Collect data
  – Write down project plans
  – Manage project issues
  – Summarize meetings

Glamor of being where ‘things happen’ - on top
Escaping from Process Alcatraz

PROCESS PMO

• ‘The bureaucracy is expanding to meet the needs of the expanding bureaucracy’ (O. Wilde.)
The Unavoidable Crash

BITING TOO MUCH

Losing Focus
Focusing on tools not on value

Starting with tools - Eternalizes the wrong WOW
The Strategic Value Driven PMO

PETE CHOSES DIFFERENTLY

30% + 5%
Increase return on investment

VALUE DRIVEN

5%
Why do we perform projects?

# PROJECTS IS AN OBSTACLE

Proper Mix – Present & Future

Not too Heavy

Resource Leadership - strategic drive success
Strategic resource identification

NON STRATEGIC IS STILL IMPORTANT
Strategic decision rule

GLOBAL RESOURCE MANAGEMENT VERTICAL RULE
Increase return on investment

VALUE DRIVEN

30%
30% overhead process & projects

NON VALUE ADDED
Increased visibility reduce NVA

AGILE – AN APPROACH TO REDUCE OVERHEAD
30\% + 5\% =
Combine global and local

THE AGILE PMO

30%

5%
The business as usual PMO that does process & reporting and waterfall executed projects is detrimental to organization health.

30% + 5% = 200%
Value driven PMO

OBJECTIVES

• Creating unified visibility and prioritization of project and resource status – Resource pool

• Analyze value added work

• Interface with Agile teams and support as needed
## Interface with Agile teams

**BIG GLOBAL CORPORATES**

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Big global corporates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Challenge</strong></td>
<td>Strict controls manifested in Linear Waterfall</td>
</tr>
<tr>
<td><strong>Possible solution</strong></td>
<td>The Agile PMO is the buffer between Agile-Scrum teams and the Linear control</td>
</tr>
<tr>
<td><strong>Comments</strong></td>
<td>Burn down charts are translated to phases for control; Requirement traceability done by PMO architect; Agile PMO maintains the dictionary between sprint planning, execution and the phase gating mechanism</td>
</tr>
<tr>
<td><strong>Insights</strong></td>
<td>Product owners can be part of the Agile PMO; Project initiating and closing managed by the PMO</td>
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# Interface with Agile teams

## Generic IT departments

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<td><strong>Challenge</strong></td>
<td>Constant changes to team’s work, inability to see the big picture due to ad-hoc work interfering; missing a true product owner</td>
</tr>
<tr>
<td><strong>Possible solution</strong></td>
<td>The Agile PMO substitutes the product owner role in acting as a buffer to oncoming requests also protecting effort to reasonable levels</td>
</tr>
<tr>
<td><strong>Insights</strong></td>
<td>Noticeably, Kanban works better for these environments;</td>
</tr>
<tr>
<td></td>
<td>Time boxing still makes sense, however a certain predefined buffer for ad-hoc work should be built into each sprint; Sprint durations should be flexible</td>
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50%
5%
A paradigm shift

AGILE PMO

For point 3, we perhaps set the PMO tone in the most important way. Instead of the PMO telling the project what they needed to do, our focus was on asking projects how we could help them. For example, we asked:

1. Are there any obstacles we can help to remove?
2. Do you need any additional people, resources, or changes in priority to keep to the plan?

http://www.pmhut.com/agile-pmo-a-new-hope
Take Away

AS YOU’RE WALKING OUT

• Are we performing the right projects
• Who are our strategic resource that drive portfolio success
• How do we manage the organizational perceptions of what a PMO is?
Thank You

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increase your return from projects!