

THE

EXECUTIVE

PERSPECTIVE

2015 PMO FORUM

MIND THE GAP

The PMO through the CIO's eyes

MALCOLM PASCOE
CIO – SAI Global

Stay connected



MIND THE GAP

AGENDA

Why do we need a PMO

Role of PMO

Programmes vs Projects

Capital Portfolio

Milestones / Logical View

Critical role of the sponsor

The gap



OUR PURPOSE: “Creating Trust in a Complex World”



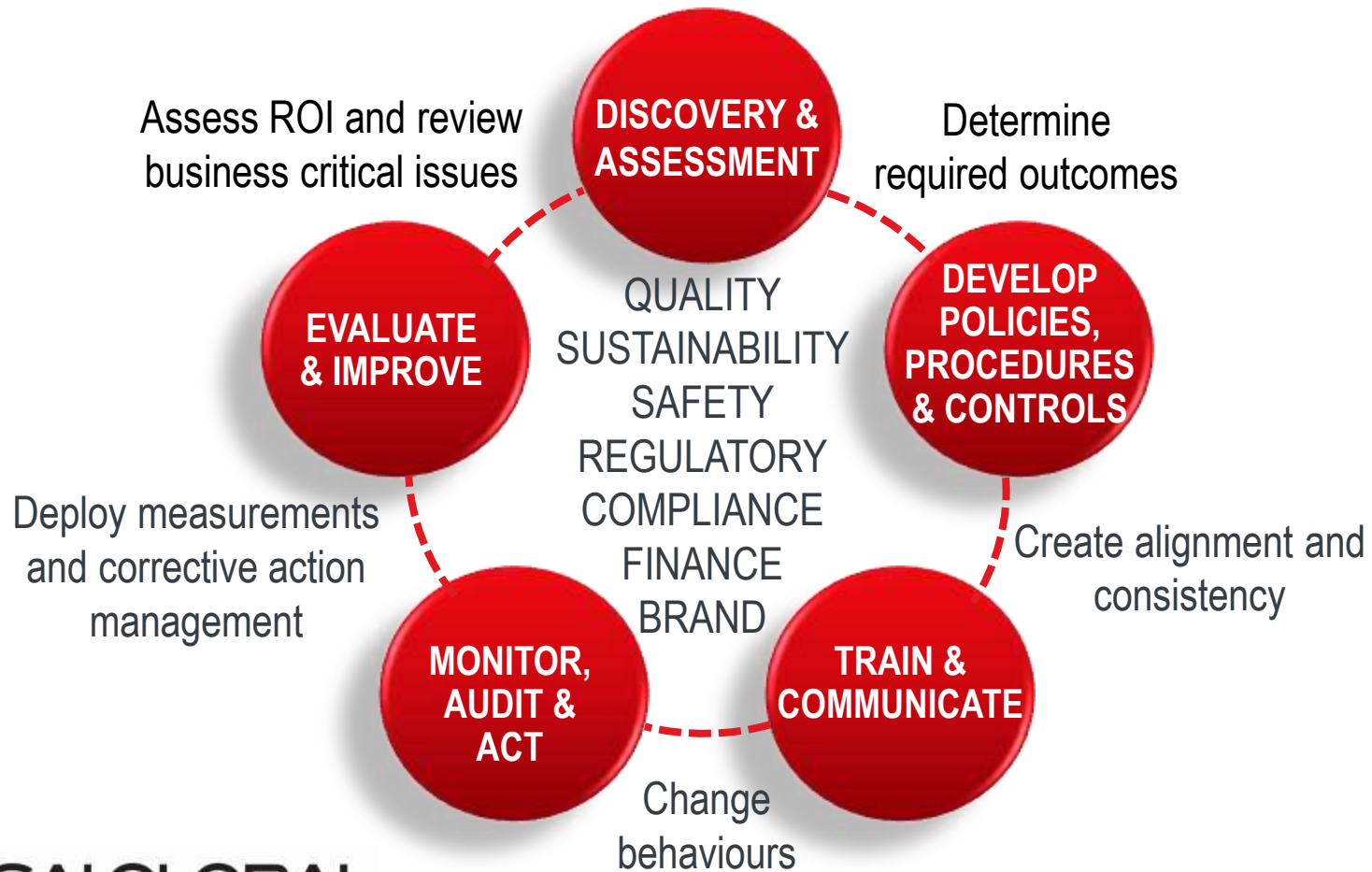
ASX Listed Risk Management organisation – focussed on an Australian based Property business and a globally integrated Risk Management Services business.

- ✓ More than 100,000 customers - ranging in value from “\$25” to “\$25M” pa
- ✓ Conduct c.600,000 property settlements each year in Australia
- ✓ Conduct c.100,000 audits each year globally
- ✓ Train over 5 million people per annum
- ✓ Manage 1 Million standards, regulations and legislative documents from 330 sources
- ✓ 23 successive halves of growth



Helping clients throughout their risk management lifecycle

VISION: To be the worlds fastest growing and most trusted risk management business



Business is becoming complex



Cost effectiveness,
growth and *speed*

More
volatility/uncertainty

More
compliance

increasing
performance and
accessibility expectations

More
competition

increasing
scrutiny, transparency
& governance

There's always more projects than
resource (people & money).
We must deliver the right things well

A business does 2 things

STRATEGIC OBJECTIVES



DELIVERS BUSINESS RESULTS & BENEFITS

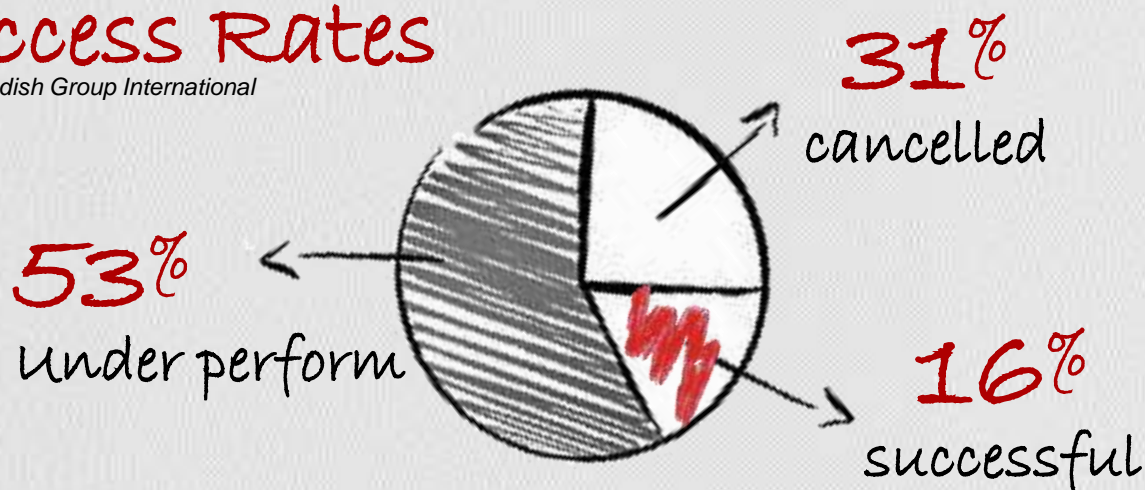




Business is complex & projects challenged

Success Rates

Source: Standish Group International



various studies report between 30% and 50% of projects are classed as failures

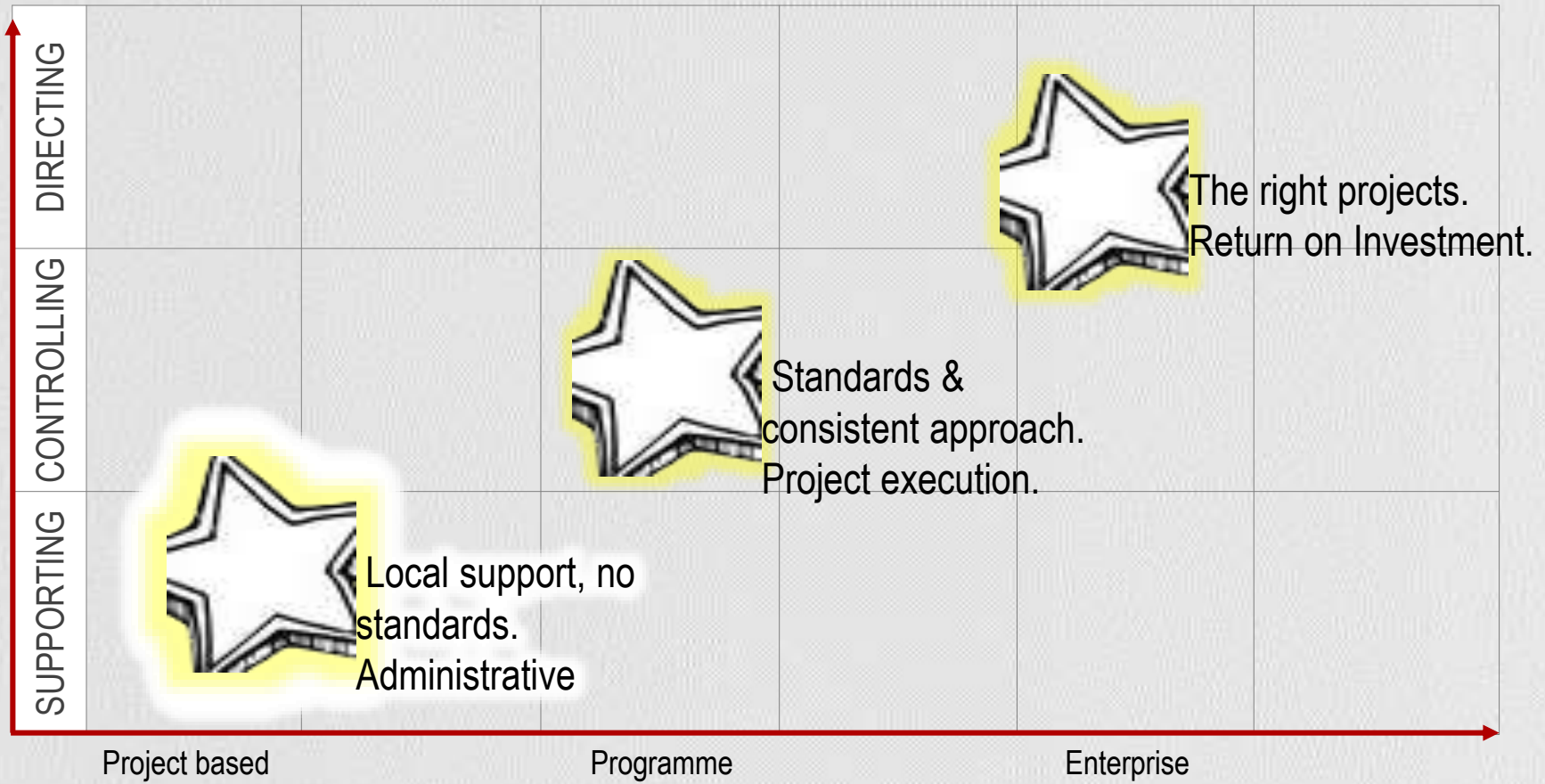
...world-class organisations enjoy project success rate close to 90%

What is it that allows these organisations to deliver business value at nearly triple industry standard?
The answer: **Almost all of them have institutionalised project management...**

Gartner



Role of the PMO



Tactical

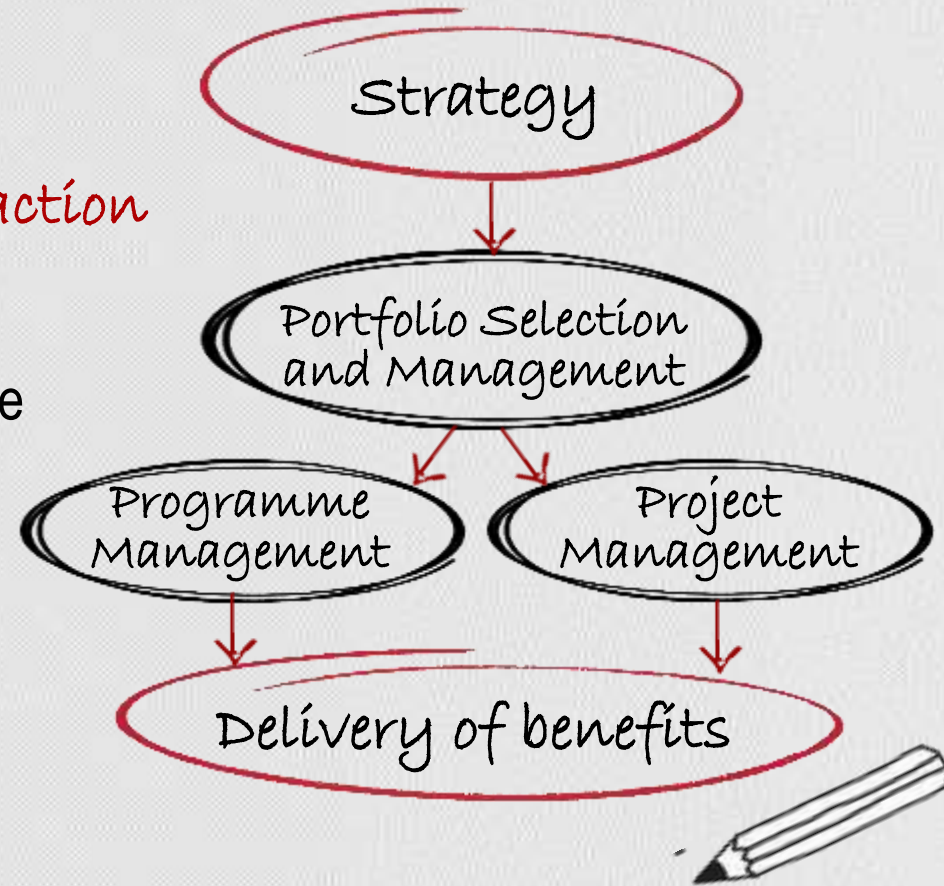
Organisation Culture, Skills and Capability, Nature of the portfolio

Strategic



Capital Portfolio

- » ePMO
- » Enterprise view and visibility across the organisation
- » Facilitator, Broker
- » Ability to convert *strategy* words into *action* (outputs → outcomes)
- » Establish the portfolio framework
 - › How you undertake capital/programme planning
 - › The facilitation of the approval cycle
 - › Prioritisation and major dependency Management
 - › Organisational change planning



“Is the organisation ready to get the most out of the project”

Programmes vs Projects



Project



- » Defined start and finish dates.
- » Focus on delivering products and benefits associated with this.
- » Simpler; only have to focus on delivering defined products.
- » Projects are 'ring fenced'.
- » Change control is a more structured and easier activity.
- » Micro view, will fight against others which threaten their success

Programme



- » Contain many projects, drive operational change.
- » Exist in a world that is constantly changing.
- » Macro view; have to consider the combined effect of a portfolio of projects.

More complex interface with the strategy



Less well defined end date.
Focus is on delivering benefits and requires involvement after projects have ended.
Every programme must directly benefit the organisation in some way.

Logical View



- » A milestone is a scheduled event signifying the completion of a major deliverable or a set of related deliverables
- » Usually a milestone is used as a project checkpoint to validate how the project is progressing and revalidate work. Milestones are also used as high-level snapshots for management to validate the progress of the project. In many cases there is a decision to be made at a milestone

» Milestones

- » There must be an artefact or physical deliverable
- » Any standard deliverable through the lifecycle
- » Every 1-3 weeks
- » Anything associated with payment or cost



“However beautiful the strategy, one should occasionally look at the results” DON WATSON



Critical role of Sponsors

“With strong sponsorship the most complex project can be successful but with weak sponsorship the simplest project can fail.”



Sponsors



Sponsor owns the objective and benefits. They have to provide the investment and 'clear the roadblocks'.

The scope statement forms the agreement between the Project Manager and Sponsor that allows translation between the objectives and deliverables.

The gap



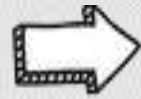
Exec needs...

Bravery

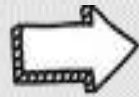
Capability and
insights

Strong forward
thinking

But gets...



Elephant in the room



PowerPoint!



Historical data /
Excessive detail

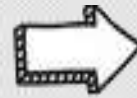
The gap



Exec needs...

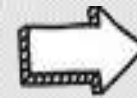
But gets...

Business Change



Technical tasks

Benefits (value \$)
and outcomes



Outputs



Thank you

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AGILE COACHING