Богданов и партнеры

"Project Management 2010 With Minimum Costs"

PMO and Measurements as the Key Elements for Successful Execution

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15 October, 2009

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Project Management Office

"A PMO must be able to help executives with execution of strategy, as determined by the project mix and flow, or the PMO will not achieve sufficient level of value to sustain itself"

"Advanced Project Portfolio Management and the PMO – Multiplying ROI at Warp Speed" by Kendall and Rollins

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PMO – Traditional Requirements

- **To support the projects managers in the organization, and the operation manager, with the methodology and knowhow in using the Project Management tools**
- **To support the projects managers in the organization, and the operation manager, in preparing projects' design reviews and other progress reviews (PDRs and CDRs)**
- **To constantly compare plans to actual execution (control) and present results to the organizational management**

PMO – Additional Requirements as a Result of CCPM Implementation

1) **To analyze consistently the data (plans vs. execution) to identify potential problems**
2) **To suggest alternatives (at least two) to resolve all problems (current and potential problems) and to advise about the possible business results of implementing each alternative**
3) **To present results of the alternatives to top management**
4) **Translate top management decisions into plans**
5) **Monitor and control the execution of the modified plans**
6) **Go back to 1**

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PMO – Additional Requirements - continue

7) **Calculate and present consistently and frequently the organizational measurements and the comparison to its objectives**
8) **Manage the buffers and the consecutive process of on-going improvement**

The PMO and the Measurements

- **The two most important measurements that are directly under the control of the PMO are:**
  - **LT = Lead Time: The Flexibility Measure – the ability to plan and to design projects so that it will be executed in shorter time than previously**
  - **DDP = Due Date Performance: The Reliability Measure – The ability to complete the project in the time that the organization was committing to**

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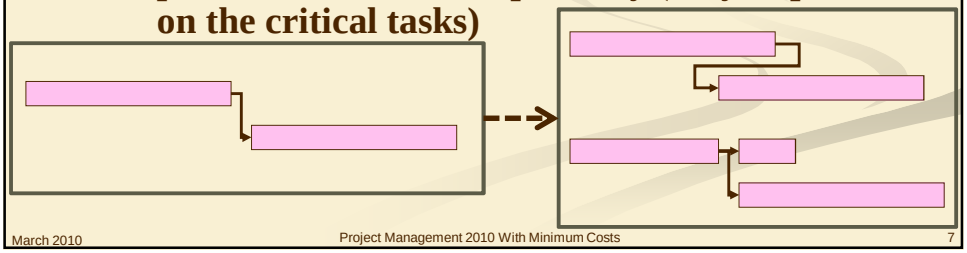
The PMO and the Measurements

- LT = Lead Time – how can we achieve shorter lead times (all after initial design was completed)?
  1. Challenge the structure of the project
     - The tendency is to link between tasks through the FS link (Finish to Start link) which is also the default value of MS Project
     - Many times the possibility is there to have parallel tasks, at least partially (very important on the critical tasks)



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The PMO and the Measurements

- LT = Lead Time:
  2. Challenge the tasks of the project
     - Taking out the small internal buffers from the individual tasks and moving it, partially, to global manageable buffer to protect the entire project
     - This is equal to moving tasks from duration t_1 (with high probability of about 90%) to duration t_2 (with lower probability of about 50%) where t_2 is equal to about half of t_1
     - e.g. 2 weeks duration in 90% probability = 1 week in 50% probability

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The PMO and the Measurements

- **LT = Lead Time:**
  3. **Challenge the development process**
     - **Always new ways can be found to achieve the objective of a project in new, different, development methodology**
     - **This can be done by using new technologies, new materials, new software packages, etc.**

The PMO and the Measurements

- **DDP = Due Date Performance:**
  1. **Identification of the constraint of the project = the Critical Chain(s)**
  2. **Building the protection mechanism against the uncertainties of the project – the buffers**
  3. **Buffer Management (BM):**
     a) **Identify the risk situations early enough to be able to apply the correction plans**
     b) **Collect statistics regarding the reasons for the buffer penetrations and the Pareto of the statistics leads to the main reason for delays – POOGI (Process of on-Going Improvements)**

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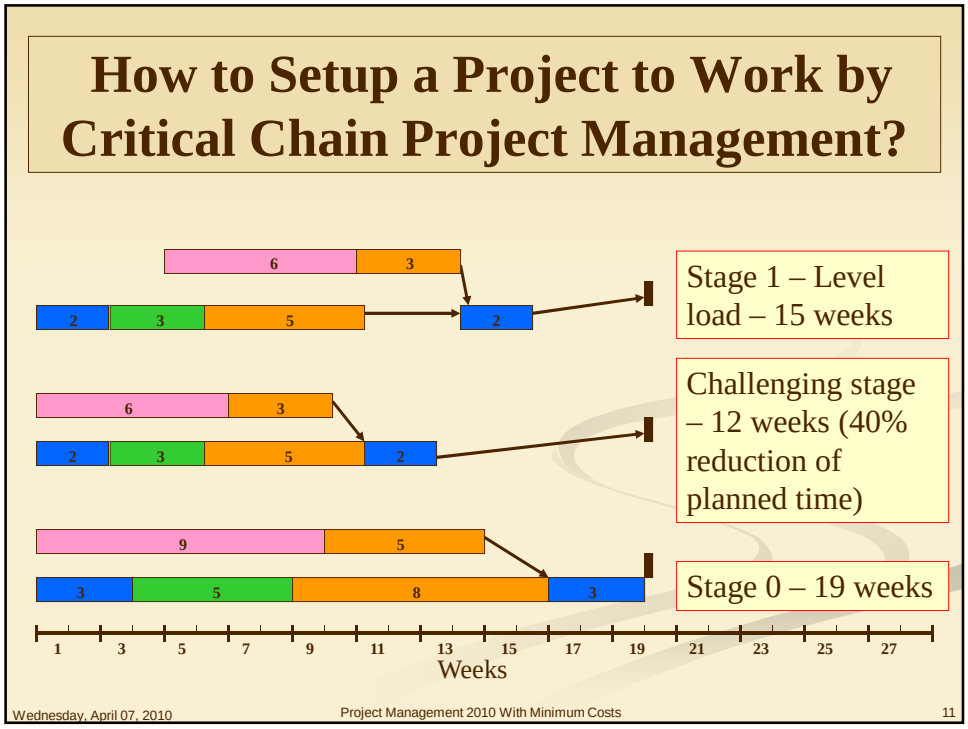

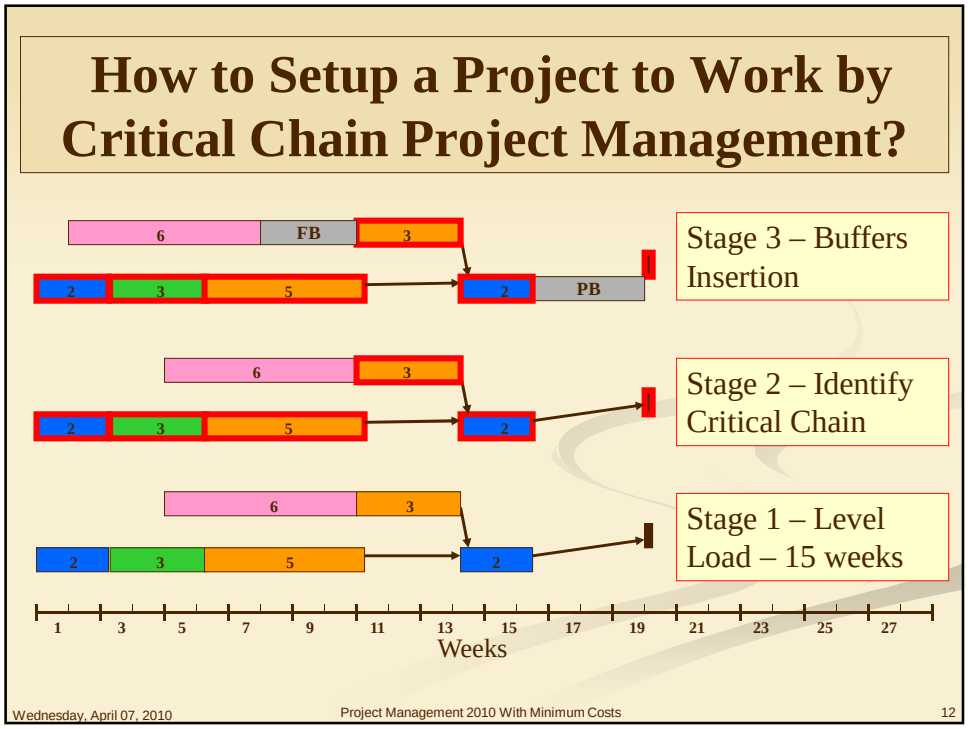

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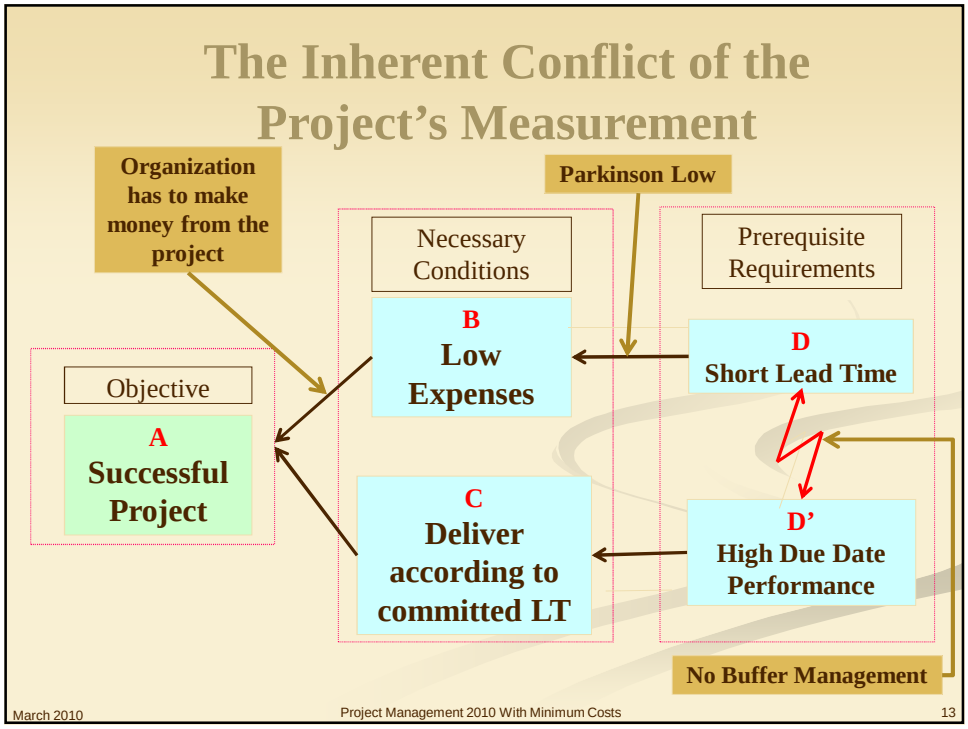

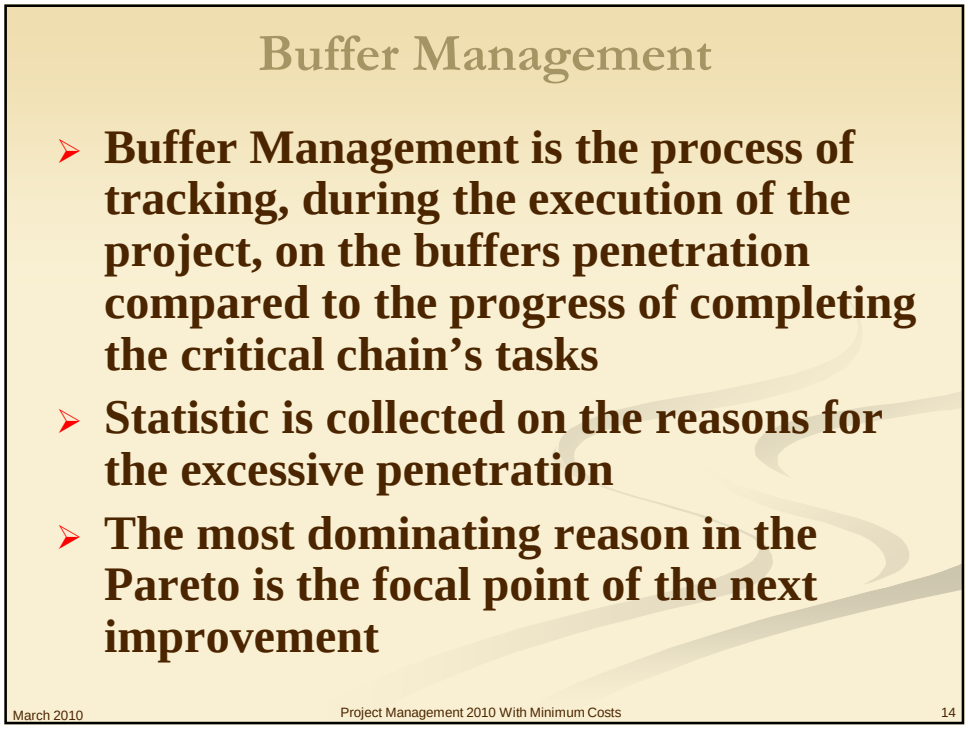

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The PMO and the Measurements References & Case Studies

References:

All requesting references, links to case studies or "what to do next"- can write to me through my e-mail avraham@leapforward.co.il and they will receive the required material

Questions?

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