The Problem with Global PMOs

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The **Project Management Office (PMO)** is a common occurrence in most organisations and is a standard component of the management and governance structures put in place to oversee large, complex, transformation programmes or portfolios of change projects and initiatives. Their remit can vary depending on intent and position in the organisation but primarily they are either **Centres of Excellence** responsible for standardising project management methodology, procedures and tools, the source of best practice or **Programme** specific responsible for monitoring and reporting, planning, resourcing, scope, risk management and compliance to standards. PMOs are an essential part of programme delivery, both analytical and directional, providing assurance of performance and adherence to plan. The PMO is the lens through which project leadership can steer the "ship" from proposal to realisation.

There are also the more strategic PMOs that sit at the **Executive** or **Business Unit** level that provide a landscape view of major change programmes and their alignment to overarching business strategies. These **Global PMOs** provide metrics, analysis and insight to senior leadership to support strategic decision making, course corrections or interventions.

Running any PMO successfully is challenging but Global PMOs are particularly exposed to not meeting expectations due to unclear, blurred responsibilities, inadequate relationship management and resistance from the projects that they are reporting on.

Before we discuss what, we can do to make Global PMOs more effective it is important to reiterate that they serve an important purpose and, when managed well, add significant value to the business and the Executive decision-making process. Executive teams need the Global PMO as the mechanism to measure where the company is on its overall transformation journey and understand how the various moving parts, whether IT, supply chain, HR etc. are performing against the strategic plan. One of the key factors for the successful implementation of any business vision is paying attention; having clear performance indicators to understanding where you are, what is working and what is not and responding promptly to changing circumstances.

But from the outset a Global PMO faces an uphill challenge in establishing itself in the organisation. The information it needs resides at the project level, therefore it is reliant on the projects to be collaboratively, transparent and free from any internal political bias. Vice versa for project teams reporting into a Global PMO can be a bitter pill to swallow. The project team is invested in its project, working hard to deliver a successful outcome. To them it may seem that the Global PMO is only interested in the exceptions, the negatives, providing a summarised analysis to senior leadership that is an incomplete picture of the overall project performance.

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What to Do About It

Purpose:

- Leadership need to consider the business justification for putting in place a Global PMO and the value it is intended to add. Will it be directive or passive, is it to drive improvements or to focus on analysis or both? There must be clearly understood expectations and objectives set at the beginning and communicated to the wider organisation.
- The boundaries should be defined as what the Global PMO is and what it is not, its authority and how it will be funded and resourced. There should be a charter that details the Who, What, Where, When, Why and How, that the leadership has signed up to.

Senior Leadership Support:

- For the Global PMO to be successful requires on-going leadership endorsement and support. The overall accountability must to seen to come from top line leadership.
- By its nature a Global PMO can be a source of friction as it highlights failings or areas of deficiency. There should be a senior Sponsor assigned both as champion and to run interference with colleagues when needed.

Global PMO Approach:

- The PMO Leader has to have the right balance of analytical and people skills to deliver the desired Global PMO "value added" and to successfully navigate the relationships with senior stakeholders and project teams to ensure Global PMO effectiveness.
- Design a framework, based on the expectations and goals agreed with the Leadership and defined in the Global PMO charter, that outlines the projects to be tracked, lines of responsibility, the output produced, and improvements targeted.
- Establish collaborative teamworking between the Global PMO team and the project teams. There needs to be definition of the reporting layers to avoid duplication, overlapping or report contradiction. The Global PMO report output should be a baseline analysis against the strategic plan, focussed on critical indicators. It should not be a reinterpretation of the project reporting output.
- Put in place information gathering, defined metrics and reporting mechanisms that are not overly bureaucratic and should only pull in information that is relevant to the Global PMO to fulfil its strategic purpose.
- Implement governance processes outlining how the leadership and stakeholders will receive and review the Global PMO output and how projects teams will be represented in these discussions, ideally through Project Sponsor participation.
- Provide the means for identifying improvements, sharing lessons learned and embedding best practice within the wider organisation.

Global PMO Leader Mindset

- The Global PMO leader is the fulcrum that the PMO's success pivots on. They have to be able to ensure quality output that is relevant and informative as well as managing senior stakeholders who may be politically motivated and potentially detrimental to the Global PMO's objectives.
- They need to be strong leaders, equipped to push the Global PMO agenda and adept at balancing strategic business understanding and project technical insight. Ideally, they should

be an individual respected in the organisation who have run and delivered complex change programmes.

- The Global PMO cannot be seen to be working in a bubble or appear to be only "managing up" with little regard for the project team's input. Their activities should not inadvertently counter the empowering and building of successful project teams or discouraging creative thinking.
- There can be a tendency for PMOs to fixate on the information gathering and analysis. A successfully PMO leader needs to know when "enough is enough" and to focus on supporting the leadership in better understanding the information provided to make informed, decisive decisions.

Relationship Management:

- The Global PMO should not underestimate the need for a defined communication strategy with project teams, stakeholders and leadership. Enough time and effort must be given to maintaining good, effective relationships that remind the wider organisation of the Global PMO's purpose as well as providing feedback loops as an opportunity for constructive criticism sharing in both directions.
- The project teams need to feel that they are part of the process and that their voice is heard either through the context of the output generated by the Global PMO or through Project Sponsor representation at leadership reviews. It is critical that the Global PMO's approach avoids a sense of "them and us", that will exacerbate potential conflict over time.
- The Global PMO must be a seen as an "honest broker", void of bias or self-serving agenda, not exerting undue influence. They should act as a coach to the project teams, a sounding board to debate options or best practice. They should be consultative and supportive of the project teams' endeavours. It should not feel as though the relationship is only focussed on the negative aspects of the project.

In conclusion the effectiveness of a Global PMO is much about relationships as it is about report quality. Without proper thought and groundwork, it is easy to fall into the trap of creating an adversarial dynamic with both sides pulling in different directions rather than united in a common goal for the greater good of the company.

The success of the a Global PMO should be assessed by the value provided to Leadership but also by the value added to the project teams. It should never seem as though one team is more equal than another. For the company the Global PMO is successful when all parties win.

About the Author: Mark has +20 years' experience in delivering complex, global business transformation programmes within the Pharmaceutical industry including manufacturing capacity optimisation, major system deployments and manufacturing facility acquisition and integration.

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