Execution for the Executive

Strategically Transform your Organization

1. Introduction

Program management (PM) was once considered primarily as a control, oversight, and overhead function. Now, the disciplines and methods of PM—particularly the enterprise program management office (EPMO), process reuse, and portfolio management—cannot be separated from the disciplines and methods of strategic planning.

2. The EPMO

For federal executives, the value of having an enterprise program management office (EPMO) as a centralized management structure to oversee programs is immeasurable. It ensures that projects are managed consistently and working toward the same goals. Instituting an EPMO is an extensive, logical leap from planning and scheduling projects. In other words, the EPMO is essentially an evolutionary model to control and manage change.

The EPMO provides the structure needed to standardize PM practices, facilitate portfolio management, and determine methodologies for repeatable processes. The benefits include the following:

- Increased project success rate: According to CIO, 50 percent of survey respondents stated that project success (on time, on budget, on target) increased as a result of a PMO (CIO Research Reports, July 2, 2003).
- Increased productivity: Team members understand their roles and the goals of the project, working toward the same project end.
- Optimized resource allocation: Better alignment with strategic objectives, balance across project portfolios, and return on investment can be achieved.
- Improved discipline: Methods for planning, executing, and closeout are followed.
- Reduced cost: Due to streamlined processes, results are achieved at a more efficient rate.

3. Process Reuse

The notion that each initiative is new and unique gives rise to a position that it is advantageous to start from scratch with each initiative. Of course, most initiatives are not completely new. Most have been reassembled of existing parts or processes—perhaps with one or two new offerings—in different configurations to launch a new product. The goal is to establish trust in these parts so that others in the organization are willing to pick them up and use them as they are.

Many organizations are working with fewer resources and more pressure to produce results. But PM can rise to the challenge on a strategic level via the EPMO and portfolio management by offering reusable project artifacts.

4. Portfolio Management

Effective organizations take an enterprise view of their projects as investments. This view may be applied to an enterprise or a department or business unit and includes these actions:

- Commit to a strategic approach. Understand
- what is being spent, developed, acquired,
- and procured and for whom.
- Collect information on all projects relative to alignment with objectives.
- Prioritize those projects in terms of the value they bring to business objectives, which change over time, with periodic reviews.
- Focus on inventory, analysis, and optimization.

The enterprise view brings all PM disciplines—governance, risk management, tracking, and reporting—to bear, and introduces the notion of portfolio management, a highly effective method for making the most of limited resources.

Once an organization has an inventory of categorized and prioritized initiatives, it can make achievability decisions regarding project classifications (for example, cancel, hold, etc.).

With achievability understood, C-level executives can optimize projects based on scarce resources (hardware, software, staff, and skills) as well as alignment to strategic initiatives.

If you are looking to transform your agency into an effective organization, begin by implementing an EPMO that utilizes process reuse and portfolio management. Take advantage of a centralized management structure that incorporates PM discipline into every initiative (EPMO); consistently execute and deliver on time (process reuse), and be able to view all projects across the enterprise (portfolio management). This will ensure that your organization has the strategic advantage.