



# Extending your PMO from IT to the Enterprise to deliver greater bang for the PPM buck!

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# Agenda

- Project Portfolio Management 101
- Why not start enterprise-wide?
- How do you know that you are ready?
- Justifying the initiative – costs & benefits
- Where should you start?
- Case study – Halton Region

# Project Portfolio Management 101

- “Doing the right projects”
- Strategic approach to managing project investments with the goal of maximizing realized business value
- While PM focuses on initiation through closeout, PPM covers all aspects of project investment decision making and evaluation
- PPM practices can be applied departmentally or enterprise-wide
- Without good PM practices and good people, it is academic

# Project Portfolio Management 101

- Consistent governance
  - Project definition
  - Approval thresholds
- Consistent processes
  - Project intake & classification
  - Project selection & authorization
  - Project prioritization, balancing & termination
  - Resource allocation & evaluation
- PPM practices are often supported by
  - Project/Program/Portfolio Management Offices
  - Automation (PPM or PM tools)

# Why not start enterprise-wide?



# Why not start enterprise-wide?

- Benefits are obviously maximized when PPM & PM practices are applied organization-wide, BUT
- Magnitude of behavioral change is much wider → potential for significant resistance is much greater
- Initial (and ongoing) hard costs are higher → harder to justify investment
- Impacts of issues or failure are much more visible → harder to “recruit” sponsor & champions
- Process and tool deployment takes much longer → delay in recognizing benefits
- Hence, most initiatives start within a department

# How do you know that you are ready?

- Executive sponsorship exists outside of IT
- Technology project selection & prioritization consistently involves non-IT executives
- IT PMO is respected and is actively solicited for input and support of non-technology projects
- Non-IT executives are recognizing the value of PPM & PM practices
- “Practice what you preach” - IT is consistently following PPM & PM practices
- PPM/PM process “coaches” have been identified in other departments

# Justifying the change – costs & benefits

- **Hard Costs:**
  - PPM/PM
  - Consulting service costs for governance & process
  - Incremental hardware & software costs for supporting tools
  - Salaries for process coaches/champions across enterprise
- **Benefits:**
  - Increased alignment of project portfolio to strategic plan
  - Reduction in sunk costs on projects that delivered no value
  - Reduction in resource effort & costs expended on failed or terminated projects
- **Don't justify it based on "soft" benefits!**

# How do you get started?

- Secure visible executive sponsorship & commitment
- Target achievable short term (<1 year) objectives
  - Governance decisions
  - Work intake consistency
  - Portfolio visibility
- Consider offering basic “PM 101” training for key roles across the enterprise

# What NOT to look for in an executive sponsor!



# Halton Region – Case Study

- Halton Region
- Origins in IT
- PMO Implementation
- Project Portfolio Management at Halton
- PPM - “Are we there yet?”
- Lessons Learned

# Halton Region

- Upper tier municipality, composed of City of Burlington, Towns of Halton Hills, Milton and Oakville
- Located in between Peel and Hamilton
- Population – 460,000
- Services include:
  - Water, Wastewater, Waste Management, Public Health, EMS, Social and Community Services, Long Term Care, Long Range Planning

# Origins in IT - About the Halton Way

- Update of 12 year old methodology
- Aligned with PMI PmBOK
- Enhanced with project valuation and prioritization processes
- Commissioners and Directors now engaged in IT priority setting – better Governance

## Existing Tools

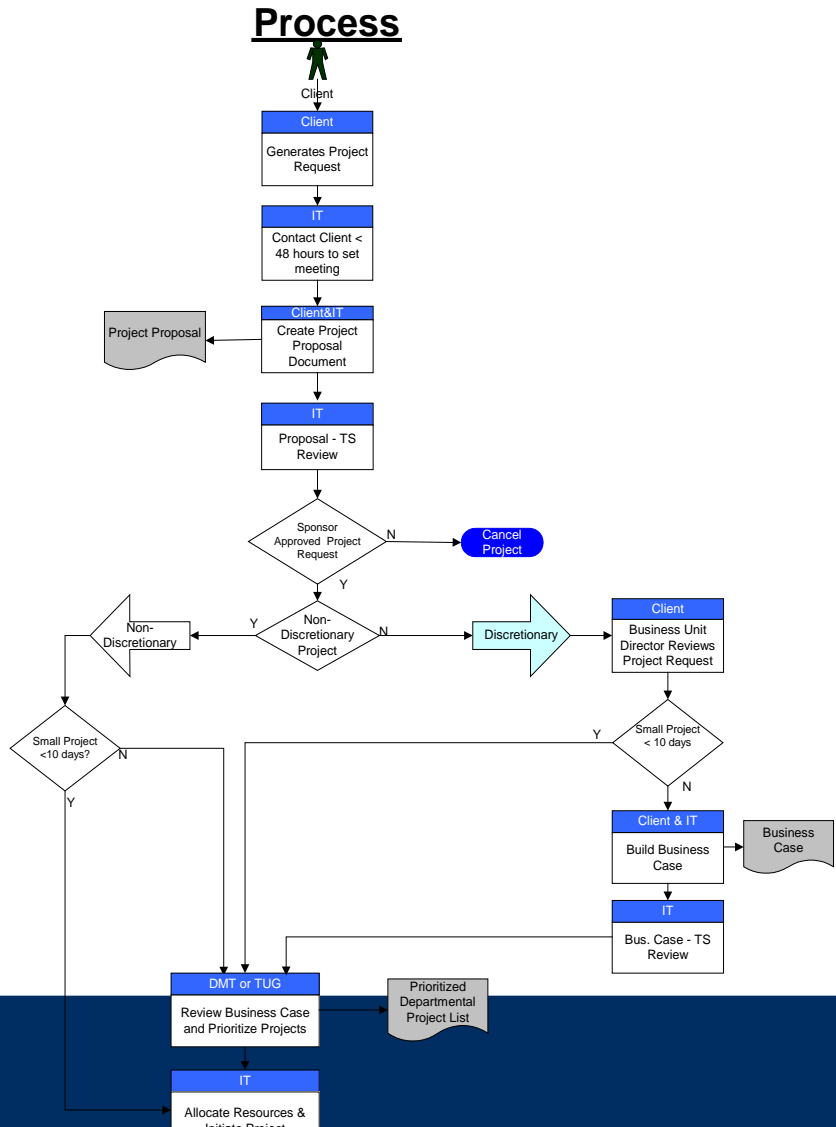
- Document Templates
- Spreadsheets (many)
- MS SharePoint
- MS Project (Central)
- SAP Activity Tracking

## Gaps

- Communication
- Comprehensive view
- Sustainability

# What does it look like?

## Project Initiation & Prioritization



1. Project Proposal document (2-4 pages)
2. Business Case document (4-6 pages)
3. One Project priority list per Department
4. Standard Requirement, Design, Implementation and Support Documents
5. Halton Way Guide
6. Halton Way Web Site

# Halton's PPM Tool Implementation

## Market evaluation

- Many detailed “bottom up” solutions
- Few mid-market “top down” solutions

## RFP awarded to Solution Q (Eclipse)

- Implemented July 2007

## Outcome

- One repository for project portfolio and issue management

# IT Management Portfolio Review

Eclipse v4.0.2.5 (Environment: Production) - Microsoft Internet Explorer

**ECLIPSE** Project Portfolio Management blauelr Solution Logout

Desktop **Executive Dashboard**

Portfolio: All 2007 by Progress

Program	Priority	Number	Project Name	Progress	Status	Start Date	Er
	9999	06-0015	.Issues - IT Management Team		In Progress	Nov 13, 2006	
	13	06-0054	2007 PC Life Cycle Replacement		In Progress	Mar 05, 2007	
	9999	07-0059	2007 Printer Lifecycle Replacement		Proposed	Apr 02, 2007	
	7		LIS(Geoware) Assesment & Upgrade		In Progress	Mar 01, 2007	
	1		211/311 Implementation		In Progress	Jan 08, 2007	
	5	07-0004	211/311 Staff Accommodation		In Progress	Jan 05, 2007	
	9		A/R for Police Services		In Progress	Oct 02, 2006	
	2		Access Halton - Information Sharing Process		Proposed	Sep 04, 2007	
Asset & Financial Reporting	2	07-0057	AFR- Tangible Capital Asset		In Progress	Jan 08, 2007	
Asset & Financial Reporting	2	07-0053	AM Implementation for Asset Mangement		In Progress	Aug 06, 2007	
Customer Service	9999	07-0075	ANCS Cleanup Project		Proposed	Jun 29, 2007	
	3		Appman Reporting Refinements		In Progress	Mar 06, 2007	
Asset & Financial Reporting	2		Asset Model and Integration Project		In Progress	Jan 08, 2007	
Asset & Financial Reporting	2		Asset Tracking & Reporting System		In Progress	Apr 02, 2007	
	9999	07-0020	Automated Dispensing System -Medication		In Progress	Mar 19, 2007	
EMS Strategic Plan	12		Base Hospital Call Reports (i-medic)		On Hold	Jan 01, 2007	
	8		Bulk Water Sites Data Collection (WAN expansion)		In Progress	Mar 06, 2007	
	12	07-0031	Burloak WTP Procurement and Installation		Proposed	Jul 03, 2007	
	9999	07-0021	Business Intelligence & Enterprise Portal		In Progress	Jan 08, 2007	
Capital Budget Project Managem...	5		Capital Budget System		In Progress	Jan 15, 2007	
	11		CCTV enhancements for Plant Security		In Progress	Feb 06, 2007	
	3	07-0022	CDM Report Creation Process		In Progress	Apr 02, 2007	
	5		CHS Records Management - Phase 2		In Progress	Mar 12, 2007	
	3	07-0014	City of Burlington CPA Cheque Standards		In Progress	Jan 11, 2007	
	9999	06-0022	City of Burlington's SAP System Upgrade		Proposed	May 01, 2007	
CMMS	9999	07-0074	CMMS Quick Wins - Construction Application Chan...		Proposed	May 07, 2007	
CMMS	1		CMMS-Work Order Management System		In Progress	Jan 08, 2007	
	13	07-0009	COMPASS Report for Hours Received		In Progress	Feb 05, 2007	
	13	06-0050	COMPASS Workload & Attendance Report Changes		In Progress	Mar 05, 2007	
	9999	07-0092	Computer Rm: Capacity Management, Electrical		Proposed	Jul 30, 2007	
	5	07-0027	Contact and Account Management System		Proposed	Mar 06, 2007	

Projects  
Other  
Reports

- Portfolio screen projected and updated in real time
- New project proposals reviewed and deferred or approved
- Active Red and Amber Projects are reviewed and addressed

# Origins in IT - Lessons Learned

- Top down reporting *is* sustainable
- PMO may not be required to start PPM
- Priority practice is a pre-cursor to valuation understanding
- Allow flexible application of project valuation approach -some departments may not be ready for it but can still give you a priority list
- Expose project information to clients as soon as possible

# Organic Growth - Halton Project Management

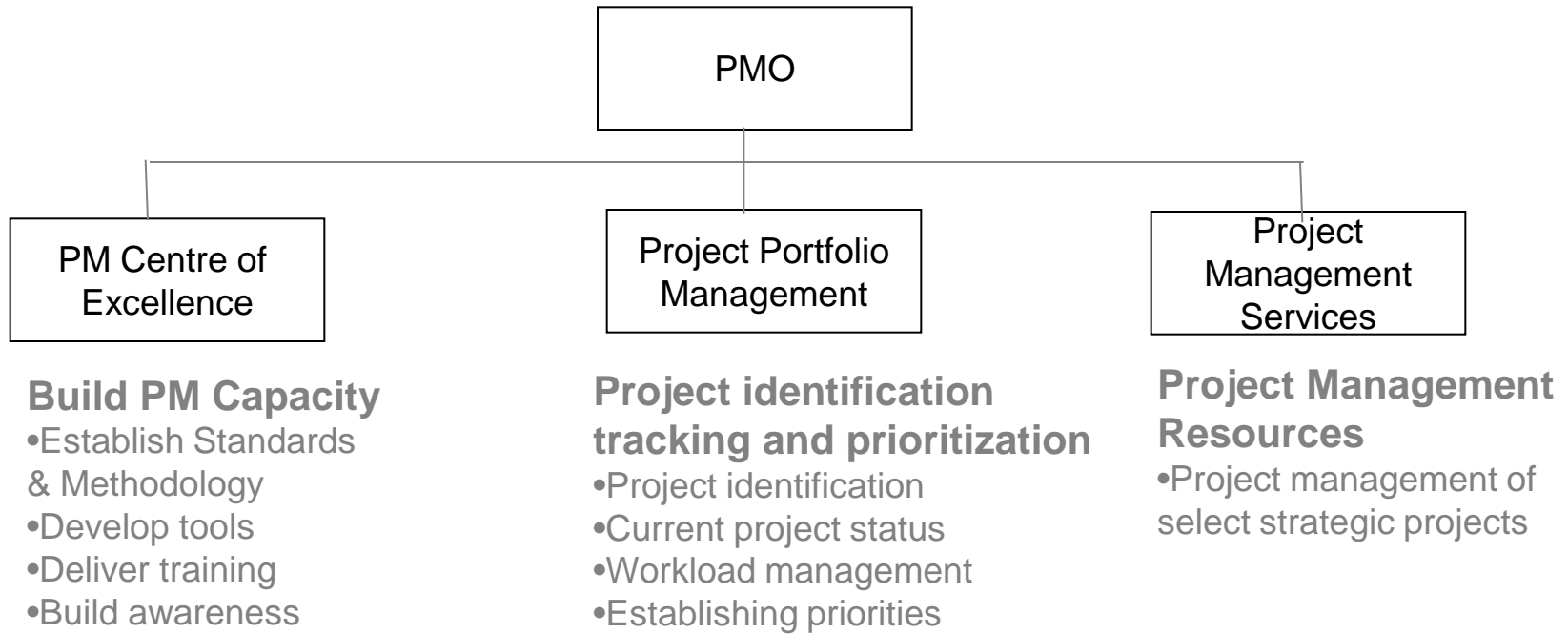
Broad range of mandatory and discretionary projects including:

- Capital Works (sewers, water mains, plant and administrative facilities)
- IT
- Official Plan/Growth Management
- Policy Development and Implementation
- Research
- Process/Service Enhancements

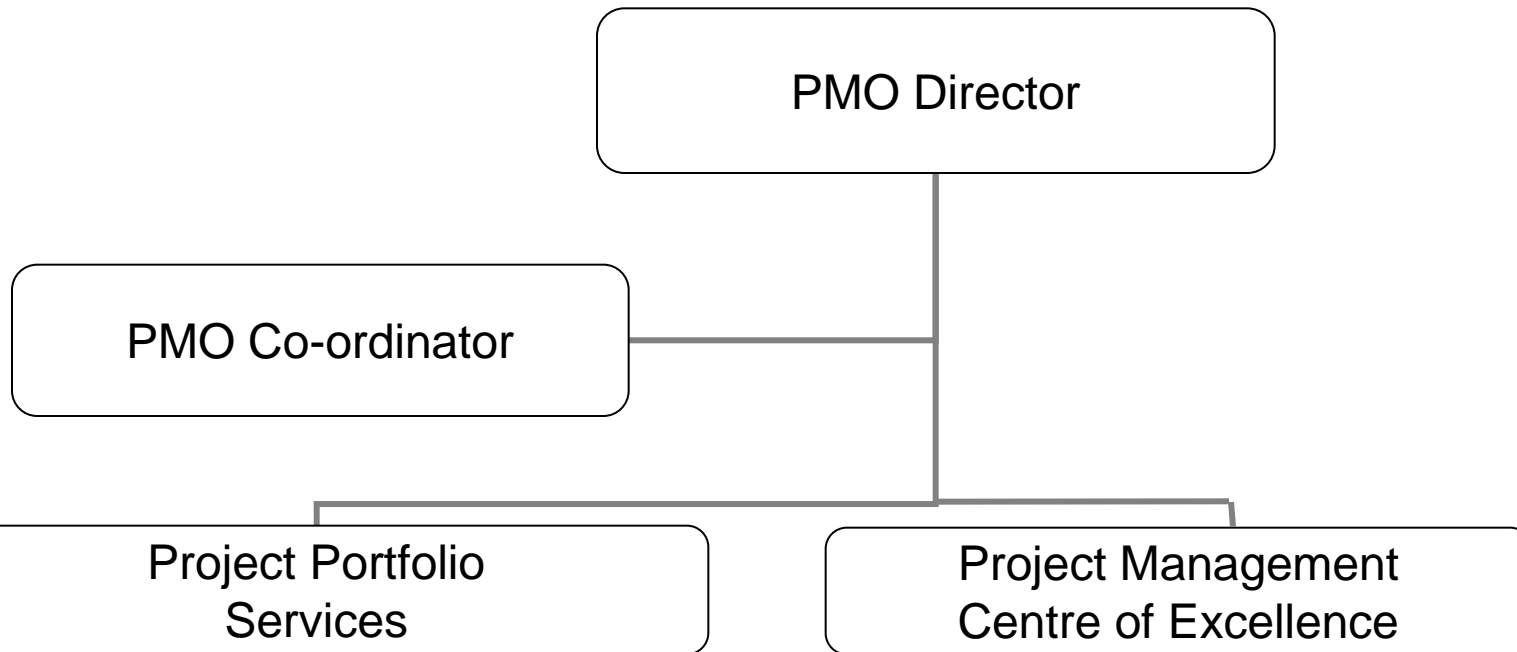
# PMO Implementation

- Created in October 2008
- Expand the project management capacity of the organization
  - Instil a culture of project management throughout the organization
  - Work with management to develop processes to identify and prioritize projects, allocate resources and monitor project progress
  - Develop and support the implementation and use of the Region's standardized project management methodology

# PMO Scope



# PMO Structure



- Manager
- Project Manager
- Project Manager
- Project Manager

- Manager, PM Centre of Excellence
- PM Analyst

- 8 FTE

# PMO Project Manager Duties

## Work directly with assigned Departments

- Assist MTs with Project Portfolio management and reporting
- Support Project Sponsors, Project Managers and Project Teams in applying project management methodology
- “Departmentalize” project management methodology

# Halton Project Portfolio Management Goal

PPM is the process by which an organization selects, schedules and resources its projects.

The goal of PPM for Halton is to develop and maintain a balanced portfolio of projects that the Region believes will optimize its strategic outcomes and maximize business results.

# MC Project Portfolio Management

Multi-phased implementation of a streamlined process that provides effective information on strategic projects:

- Phase 1 – Identification/Awareness & Status
  - Develop a consistent framework for project reporting
  - Integrate project status reporting with regular MC agenda
  - Facilitate discussion of upcoming council reports related to projects
- Phase 2 – Workload Management & Priority Setting
- Phase 3 – Required organizational adjustments & process finalization

# PPM System Implementation

- Solution Q's Eclipse software implemented in 2007 in IT
- Progressively expanded through departments
- Currently in use throughout the Region
- All projects registered in Eclipse, key information includes:
  - Description, milestones, strategic alignment, status (G, Y, R)
- Common corporate-wide report developed

# Management Committee Projects

Two types of projects that “MC Needs to Know About”

1) High profile projects

- Strategic to the organization
- Significant Council/public interest
- Major organizational impact
- Legislated with high risk/high exposure
- Complex inter-departmental/jurisdictional/local municipal involvement
- Significant change management

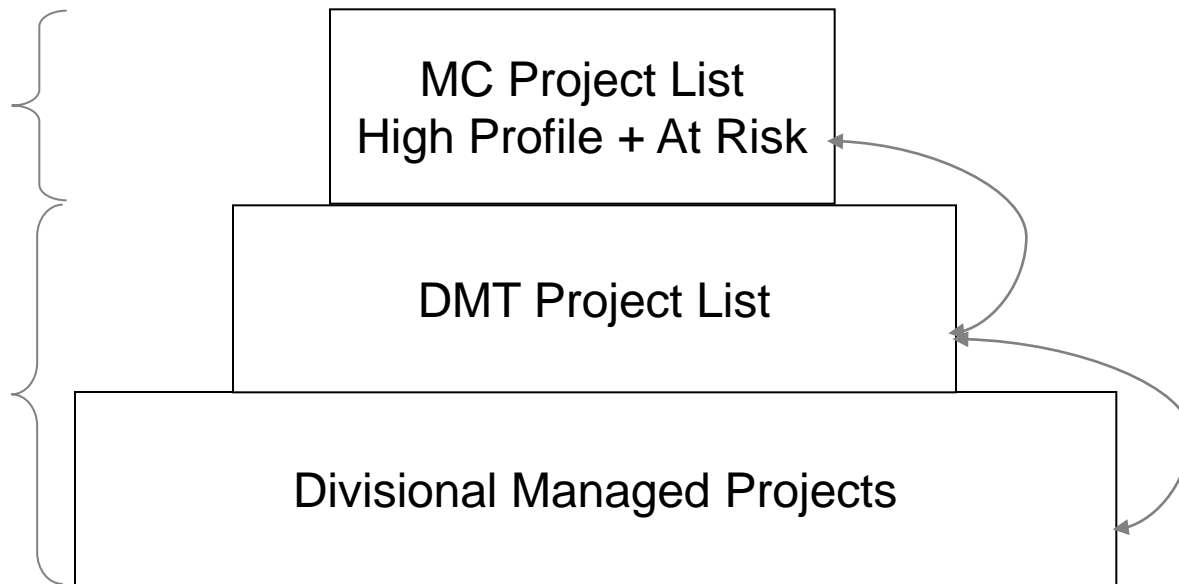
2) Projects at Risk – Approved projects that are at risk (yellow or red status) due to

- Increased political sensitivity
- Cross departmental input required
- Significant change to financial implications

# Haltom PMO PPM Profile

- High profile projects list developed annually
- “At Risk” Projects promoted to MC list by Department Head

- Projects created in Eclipse system and managed by Div./Dept



# Management Committee PPM Portal

Report Viewer - Windows Internet Explorer

http://webapps2/ReportServer/Pages/ReportViewer.aspx?%2fcs%2fprod%2fProjectPortfolio%2fMCM\_ProjectList&rs:Command=Render

File Edit View Favorites Tools Help

Report Viewer

Workplan Year: 2010, 2009 Department: Corporate Services, Health, Le Milestone Category: Council, Management Committ View Report

1 of 5 100% Find | Next Select a format Export

					Public Information Centre #2	Nov 30 2010		
					Staff Report - Final TMP	Apr 30 2011		
21	Oakville Sexual Health Clinic	Mary Anne Carson	G	Health	Obtain Finance Dept approval for new clinic	Mar 31 2010	✓	Report to A&F and Council prepared. Moving forward pending final Council approval on April 21, 2010.
					Obtain site for Sexual Health Clinic location in Oakville and receive approval for lease	Apr 21 2010	✓	
					Develop and implement communication plan for new clinic and clinical services	Aug 31 2010 Aug 23 2010		
22	New Site IT - Sexual Health Clinic Oak	Oakville Sexual Health Clinic	Jim Wallace	G	Corporate Services	IT Design Complete	Jun 17 2010	✓
						IT Site Commissioned	Sep 3 2010	
23	Sexual Health Clinic - Oakville	Oakville Sexual Health Clinic	Shawn Crawford	G	Corporate Services	Property Found	Mar 5 2010	✓
						Complete Design	Jun 1 2010 Jun 10 2010	⚠
						Tender	Jun 17 2010	
						Initiate Construction	Jul 5 2010 Jul 9 2010	
						Project Completion	Sep 3 2010	
24	Stimulus Funding Projects		Mitch Zamojc	G	Public Works			
25	Oakville Southwest WWTP Expansion	Stimulus Funding Projects	Dave Andrews	G	Public Works	EA Complete	Jul 29 2009	✓
						Design Complete	Sep 7 2009 Sep 11 2009	✓
						Tender Call	Sep 15 2009 Sep 29 2009	✓
						Tender Award	Dec 1 2009 Nov 19 2009	✓
						Construction Start	Dec 1 2009 Dec 7 2009	✓
						ISF Funding Complete	Mar 31 2011	
						In-Service Date	Aug 31 2011	
26	Tremaine Road widening Derry Road to Main Street	Stimulus Funding Projects	Tim Dennis	G	Public Works	EA Complete	May 31 2008	✓
						Design Complete	Nov 30 2010 Mar 31 2010	✓
						Tender Call	Feb 28 2011 Apr 6 2010	✓
								Tender closed April 22, 2010 Utility relocation commenced Property acquisition processing CH Permits pending Completion March 2011

Done Local intranet 100%

# Benefits

- Promotes awareness of projects and status
- Timely project status change updates = fewer surprises
- Ability to report on projects by strategic alignment
- Identification of all projects being executed can facilitate mitigation of potential resource/capacity constraints
- Clearly defined project reporting expectations and accountability

# PPM - Are we there yet?

- Phase 1 – Identification/Awareness & Status
  - Develop a consistent framework for project reporting
  - Integrate project status reporting with regular MC agenda
  - Facilitate discussion of upcoming council reports related to projects
- Phase 2 – Workload Management & Priority Setting
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# PPM at Halton

## Lessons Learned

1. Senior executive support is critical
2. A PMO is required
3. Adapt to continual change
4. Keep it flexible, keep it simple
5. A consistent management tool is essential

