PMO In A Box

Prepared for UBS

Roadmap

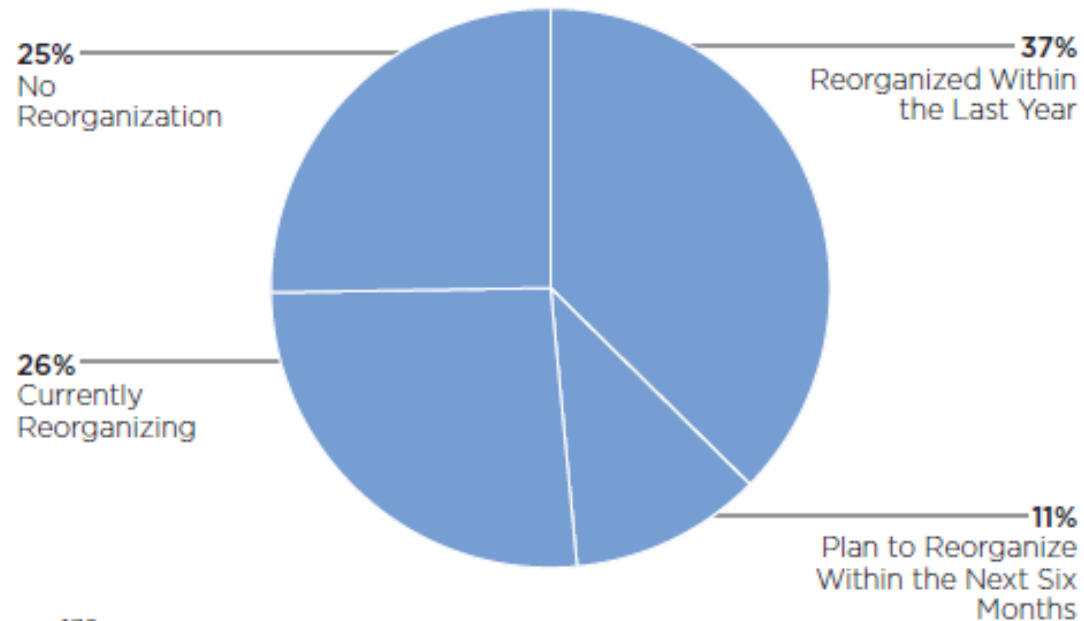| Why PMO In A Box?	Establish PMO Governance	Standardize Methodology	Create a Stakeholder Partnership Plan

PMOs Are In Transition

Percentage of PMOs Reorganizing or With Plans to Reorganize

25%
No
Reorganization

37%
Reorganized Within
the Last Year

26%
Currently
Reorganizing

11%
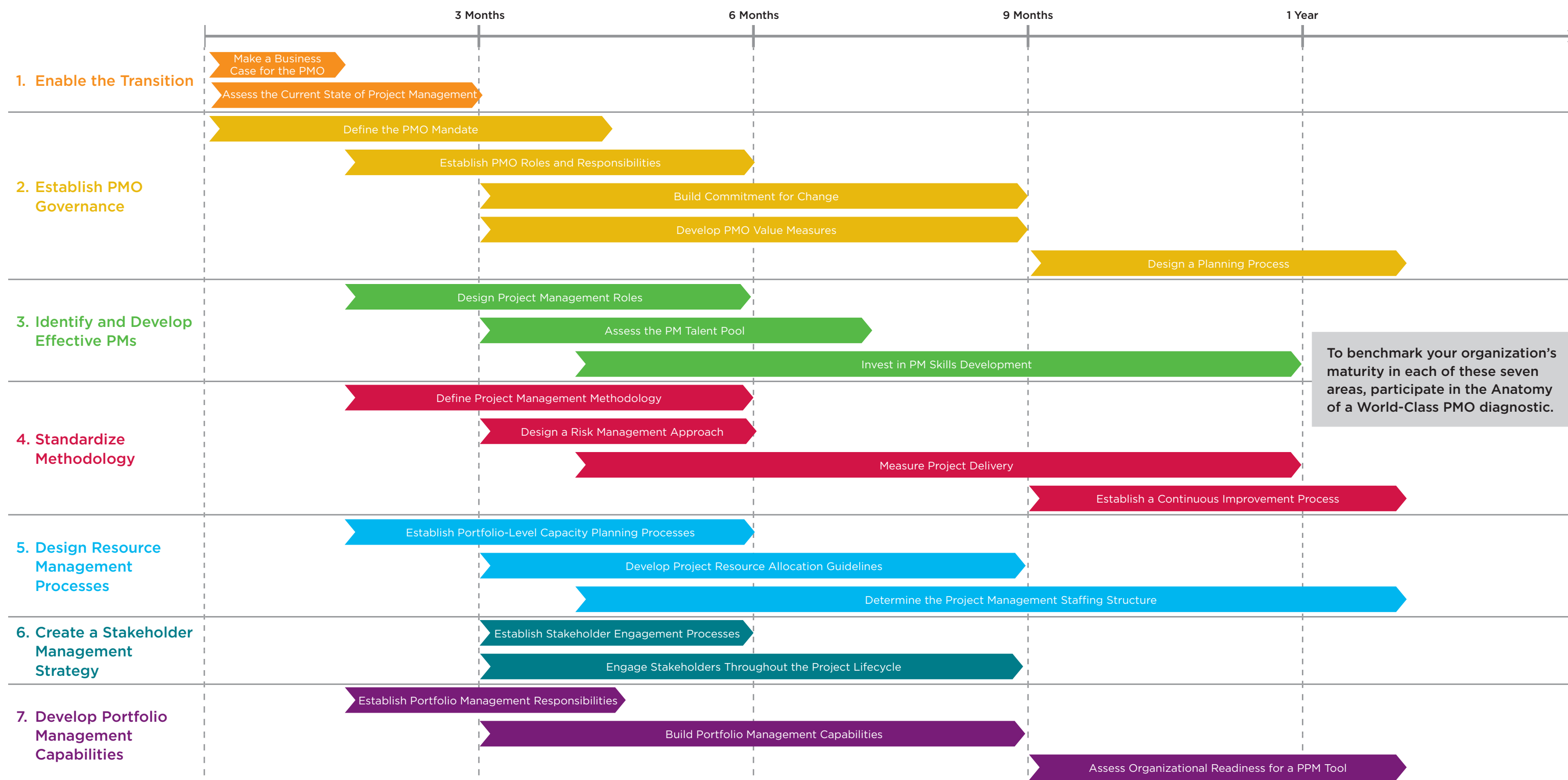Plan to Reorganize
Within the Next Six
Months

n = 139.

Note: Pie does not equal 100% due to rounding.

PMO in a Box: A Step-by-Step Guide for Establishing the PMO

> Use this roadmap to identify the key steps and timeline for launching your PMO.   For detailed guidance on each of these seven steps, see **PMO in a Box: A Step-By-Step Guide for Establishing the PMO.**

	3 Months	6 Months	9 Months	1 Year

1. Enable the Transition
- Make a Business Case for the PMO
- Assess the Current State of Project Management

2. Establish PMO Governance
- Define the PMO Mandate
- Establish PMO Roles and Responsibilities
- Build Commitment for Change
- Develop PMO Value Measures
- Design a Planning Process

3. Identify and Develop Effective PMs
- Design Project Management Roles
- Assess the PM Talent Pool
- Invest in PM Skills Development

4. Standardize Methodology
- Define Project Management Methodology
- Design a Risk Management Approach
- Measure Project Delivery
- Establish a Continuous Improvement Process

5. Design Resource Management Processes
- Establish Portfolio-Level Capacity Planning Processes
- Develop Project Resource Allocation Guidelines
- Determine the Project Management Staffing Structure

6. Create a Stakeholder Management Strategy
- Establish Stakeholder Engagement Processes
- Engage Stakeholders Throughout the Project Lifecycle

7. Develop Portfolio Management Capabilities
- Establish Portfolio Management Responsibilities
- Build Portfolio Management Capabilities
- Assess Organizational Readiness for a PPM Tool

To benchmark your organization's maturity in each of these seven areas, participate in the Anatomy of a World-Class PMO diagnostic.

Tailor Your Approach Based on the PMO Mandate

Organizational Model   Sequence of Launch Activities

Portfolio Monitoring Office: Track project health status and monitor risks across the portfolio.

| Section 2: Establish PMO Governance | Section 7: Develop Portfolio Management Capabilities | Section 4: Standardize Methodology |

Portfolio monitoring offices can help define risk management protocols within project management methodology.

Project Management Office: Create methodology standards, documentation requirements, and risk management guidelines.

| Section 2: Establish PMO Governance | Section 4: Standardize Methodology | Section 6: Create a Stakeholder Partnership Strategy | Section 3: Identify and Develop Effective PMs | Section 5: Design Resource Management Processes |

Project management offices may be involved in project-level assignment of PMs.

Portfolio Management Office: Support project selection and develop portfolio prioritization processes.

| Section 2: Establish PMO Governance | Section 7: Develop Portfolio Management Capabilities | Section 5: Design Resource Management Processes | Section 6: Create a Stakeholder Partnership Strategy | Section 3: Identify and Develop Effective PMs | Section 4: Standardize Methodology |

Not all portfolio management offices will manage PMs directly or define methodology.

Roadmap

Why PMO In A Box?	**Establish PMO Governance**	Standardize Methodology	Create a Stakeholder Partnership Plan

2. Establish PMO Governance

Key Steps

Implementation Guidance

Define the PMO Mandate

- ☐ Align the PMO mandate to organizational priorities.
- ☐ Refresh the mandate to ensure continued alignment.

Establish PMO Roles and Responsibilities

- ☐ Determine core PMO responsibilities.
- ☐ Design the organizational structure.
- ☐ Define principles to guide the direction of project management.

Build Commitment to Change

- ☐ Develop an organizational change management plan.
- ☐ Identify key supporters and resisters of change.
- ☐ Tailor the PMO launch message to stakeholder concerns.
- ☐ Utilize multiple channels to deliver the PMO launch message.
- ☐ Minimize project-level disruption from new PMs.
- ☐ Monitor organizational perceptions of the PMO.

Develop PMO Value Measures

- ☐ Track the PMO's business impact.
- ☐ Benchmark your project management costs.

Design a Planning Process

- ☐ Develop a long-term planning process.
- ☐ Create a strategic roadmap for the PMO.

Table of Contents

CEB's **PMO Charter Template** is a prepopulated template that organizations can customize to create their PMO charter. The PMO Charter establishes the purpose for the PMO's existence, its primary functions, its stakeholders, and its structure.

CEB is now Gartner.

Executive Summary: PMO Charter on a Page

Mission: "*Manage the project portfolio and enable project management staff to enhance organizational responsiveness.*"
Vision: "*Make project management a competitive advantage for the organization.*"

Guiding Principles

1. **Business Value**
2. **Judgment**
3. **Enterprise Perspective**
4. **Risk Management**
5. **Shared Accountability**
6. **Stakeholder Partnership**
7. **Proactivity**
8. **Time Management**
9. **Cost-Efficiency**
10. **Reuse**

Objectives	Metrics
Manage the Project Portfolio	Portfolio Health; Business Case Approval Rate; Portfolio Change Load; Resource Bottleneck Visibility; High-Risk "Driver" Projects,
Manage Methodology Standards	Methodology Flexibility; Compliance with Methodology Standards
Deliver Projects	On-Time, On-Budget, and On-Scope; Initial Estimate vs. Actual Time and Budget
Engage Stakeholders	Sponsor Satisfaction; Projects with Dedicated Sponsor, Sponsor Engagement
Enable Project Management Staff	Prevalence of Entrepreneurial PMs; Project Team Stability; PM Utilization
Manage the PMO	Total Cost of Project Management; Estimated vs. Actual PMO spend

Key Stakeholders

- PMO Executive Sponsor
- PMO Steering Committee
- Governance Partners (Risk, Audit, etc.)
- Functional Partners (Human Resource, Finance, etc.)
- Project/Program Sponsors
- Part-time Project/Program Managers
- Full-time Project/Program Managers
- Project Delivery Resources
- Other PMOs

Organizational Structure
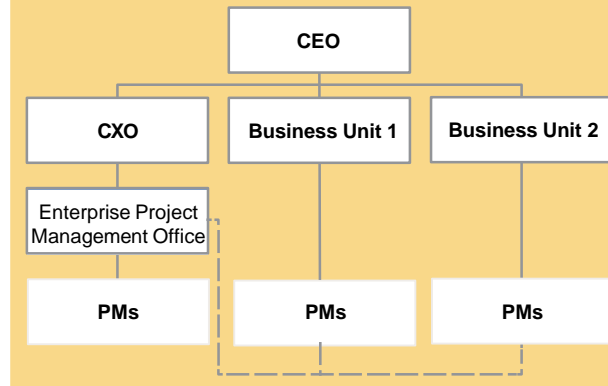
Key PMO Staff

- PMO Head
- Methodology Director
- Resource Manager
- Service Manager
- PM L&D Director
- Project Coordinator
- Project Manager
- Program Manager
- Portfolio Manager
- Project Recovery Consultant

Sample PMO Activities

- Define a Stakeholder Management Approach
- Engage Project Sponsors
- Prepare Business Partners to Manage Projects
- Collect Project Proposals and Business Cases
- Manage the Project Prioritization Process
- Select and Report Portfolio Metrics
- Manage Project-Driven Change
- Define Programs
- Define Project Management Methodology
- Improve Project Management Methodology
- Manage Project Process Adherence
- Design a Risk Management Approach

Tailor the PMO Launch Messages to Concerns

Stakeholder Impact of Process Changes

Stakeholder Group	Change in Stakeholder Workflow	Potential Stakeholder Concerns	Key Benefits Messaging
Senior Management	▪ For the first time, the right information will be visible up to the CEO level.	▪ Processes may not mature fast enough and stunt the company's growth. ▪ IT may not adequately support the business.	▪ Better insight on investments and returns ▪ Ensure highest-priority projects get the most attention.
Business Executives	▪ Need to be more collaborative with IT and Finance in planning ▪ Need to align with the new governance models ▪ Only approved projects will get done.	▪ May create more red tape and reduce responsiveness	▪ Increased alignment of investments to functional strategies ▪ Business units can approve higher thresholds of investments at the cross-functional council level.
IT Executives	▪ Share accountability for ensuring rigorous portfolio prioritization.	▪ There may be resistance to adoption.	▪ PMO transforms from a policing to an enabling organization. ▪ Investments are better grouped and easier to manage.
Account Managers	▪ Need to own the planning process and the transition to project delivery	▪ There may be more bureaucracy that slows down work.	▪ Fewer fire drills regarding portfolio and annual planning
Project Managers	▪ Update cost-benefit analysis template at every project stage gate.	▪ More process steps to comply with	▪ Easier to communicate with business partners about projects due to consistent processes
Process Owners	▪ Process owner approval no longer required in project selection due to streamlined oversight	▪ Lower involvement in decision making	▪ Insight on project pipeline and notification of changes when they occur

The PMO anticipates potential pushback against the new process by considering each stakeholder's concerns and tailors change management messaging accordingly.

NetApp

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Track the PMO's Business Impact
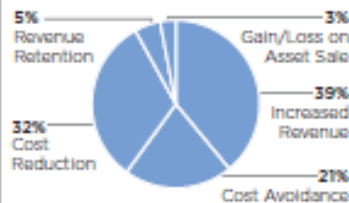
PMO Scorecard

Illustrative

Key Messages:
- The number of projects managed by part-time PMs is moderately high and suggests the potential need to hire more full-time PMs soon.
- Stakeholder satisfaction is within the target range at 86%.

Portfolio Value

Portfolio Sources of Value Creation
(Percentage of projects in the portfolio)

- 5% Revenue Retention
- 3% Gain/Loss on Asset Sale
- 39% Increased Revenue
- 32% Cost Reduction
- 21% Cost Avoidance

Cumulative Business Value Delivery

	Number of Projects	Original ($M)	Revised ($M)
Increased Revenue	10	30	15
Cost Avoidance	2	12	8
Cost Reduction	7	19	12
Revenue Retention	5	5	2
Gain/Loss on Asset Sale	3	2	1
Total	27	68	38

Stakeholder Satisfaction

- 70%
- 80%
- 86%
- 90%
- 95%
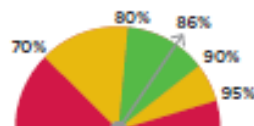
Portfolio Health

Overall Portfolio Health
(Percentage of projects in the portfolio)

- 11% Red
- 23% Yellow
- 66% Green
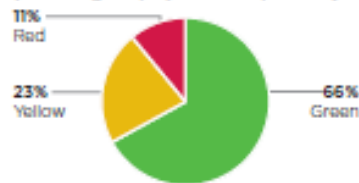
Project Delivery Performance to Date
(Percentage of projects in the portfolio)

- On Time: 80%
- On Budget: 73%
- On Scope: 62%

Cost of Project Management as a Percentage of Total Project Spend

- 18% Project Management Costs
- 82% Project Portfolio Costs

Resource Utilization

Portfolio Management, by Resource

- 23% Part-time PMs
- 77% Full-time PMs

Ratio of Contractors to FTEs

- 31% Contractors
- 69% FTEs

Average Hours worked per Week by PMs, by Month
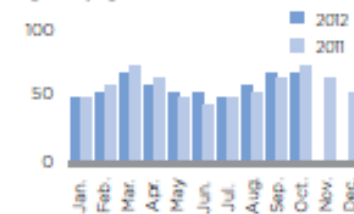
- 2012
- 2011

100 / 50 / 0

Jan. Feb. Mar. Apr. May Jun. Jul. Aug. Sep. Oct. Nov. Dec.

Roadmap

| Why PMO In A Box? | Establish PMO Governance | **Standardize Methodology** | Create a Stakeholder Partnership Plan |

Standardize Methodology

Key Steps

Implementation Guidance

Define Project Management Methodology

- ☐ Develop a methodology framework.
- ☐ Assess the portfolio for Agile suitability.
- ☐ Provide guidelines for project documentation.

Design a Risk Management Approach

- ☐ Identify a comprehensive set of project risks.
- ☐ Tier methodology rigor based on project risk level.
- ☐ Conduct a detailed risk assessment for complex projects.
- ☐ Document project interdependencies.
- ☐ Develop a process for assessing ongoing project health.

Measure Project Delivery

- ☐ Select project delivery metrics.
- ☐ Define a standard set of project business outcomes.
- ☐ Identify leading indicators of project benefits realization.
- ☐ Design a project status report.

Establish a Continuous Improvement Process

- ☐ Improve project management process quality.

Develop a Methodology Framework

Project Delivery Phases and Steps
Illustrative

● Stage-Gate Meetings

Cadbury

Phase	Step	Business Project Manager	IT Project Manager
Define Project		• Validate project alignment to BU strategy. • Draft high-level business requirements.	• Assess level of business sponsorship.
		Stage-Gate Meeting Focus: How much effort should we invest in designing a solution?	
Refine Solution		• Refine requirements. • Draft business case and targeted benefits. • Identify business resources and change required.	• Develop high-level project plan. • Draft project charter. • Review and refine solution alternatives and estimates and identify potential risks.
		Stage-Gate Meeting Focus: Do project benefits justify further project effort?	
Develop Plan		• Sign off on scope. • Sign off on benefits and funding.	• Finalize budget, detailed project plan, and resource procurement. • Support funding estimates.
		Stage-Gate Meeting Focus: Has the business case, solution, and plan to execute been developed sufficiently?	
Validate Deliverables	Design	• Approve design and technical documentation.	• Complete design and technical documentation.
		Stage-Gate Meeting Focus: Is the design complete, and does it adhere to business requirements and scope?	
	Build	• Ensure business process testing is complete.	• Complete installation, unit, and system testing.
		Stage-Gate Meeting Focus: Has development and testing been completed to satisfaction of business users?	
	Test	• Ensure user acceptance testing is complete and system is ready to go live.	• Complete data migration and conversion.
		Stage-Gate Meeting Focus: Is there adequate support post-go-live? Are we ready to decide go versus no-go?	
Implement and Review Outcomes		• Ensure end-user training is complete. • Assess benefits for tracking. • Close project completely.	• Complete documentation and monitor support. • Initiate project closure.
		Stage-Gate Meeting Focus: Is the solution stabilizing, and have users been trained sufficiently to address change needs? Has benefits realization begun?	

Assess for Agile Suitability

Sample Criteria from Agile Suitability Scorecard

Project Characteristics

1. Requirements

2. Total effort

3. Interfacing systems

4. Regulatory compliance

...

Sponsor and Stakeholder Characteristics

13. Sponsor buy-in for Agile methodology

14. Business organization willing to commit more time to provide feedback

15. Product owner or sponsor has experience with training on Agile.

16. Business sponsor, product owner, or business SME available and able to make quick decisions on project priorities

...

Project Resources

22. Team size

23. Percentage of resources that will be dedicated full-time

24. Team experience in project's technology domain

25. Team experience in project's business domain

Tier Methodology Rigor Based on Project Risk

Tiered Project Methodology
Approach for Deliverables and Governance Tiering

BMO Financial Group

Up-Front Complexity Filter (15 Questions)

Detailed Risk Assessment (70 Questions)

20% High Risk
80% Low Risk

Full Methodology

Mandatory Deliverables (9)
1. Letter of Engagement
2. Seed Funding
3. Project Charter
4. Detailed Risk Assessment
5. Project Status Report
6. Activity Network Diagram
7. Risk-Tracking Worksheet
8. Client Satisfaction Survey
9. Post-Implementation Review (PIR)

Additional Deliverables (20)
1. Stakeholder Participation Form
2. Funding Documents
3. Project Management Plans
.
.
.
20. Application Support Documents

Corporate Audit Involvement
Corporate Audit reviews the detailed risk assessment to determine involvement during the project lifecycle.

Light Methodology

Mandatory Deliverables (2)
1. Letter of Engagement
2. Project Charter

Local Project Management
1. Processes and Guidelines
2. Projects for Low Business Unit-Specific Guidelines

Corporate Audit Involvement
None

Determine Project Risk with Size and Complexity

Project Size			
Criteria	Small	Medium	Large
1. Work Months	< 24	24–170	> 170
2. Budget $XXXs	< 500	500–1,000	> 1,000
3. Elapsed Project Duration (Months)	≤ 4	5–12	> 12
4. Project Team Size	≤ 4	5–12	> 15

Source: BMO Financial Group; CEB analysis.

Project Complexity			
Criteria	Low	Intermediate	High
1. Requirements Complexity	Straightforward and well understood by project team	Complex and well understood by project team	Complex and not well articulated
2. Number of Projects Impacted	0	1	≥ 2
3. Interfaces to Existing Systems	0	1–3	> 3 or external
4. Internal/External Groups to Coordinate	1	2–4	> 4
5. Processing Type	N/A or batch processing only	Simple online query and update	Complex processing—Internet/distributed systems
6. Data Complexity	N/A or < 50 entities	50–100 entities	> 100 entities
7. Online Response Time	> 7 seconds	3–7 seconds	≤ 2 seconds
8. System Availability	N/A or less than/equal to 95%	98%	Greater than 99%
9. Number of Daily Transactions	≤ 1,000	1,000–50,000	> 50,000
10. Business Criticality	< 30 days outage tolerable	1 week outage tolerable	1 day outage tolerable
11. Data Quality and Conversion	N/A, good quality, simple to convert or automatable	Fair complexity, average complexity, average to convert	Poor quality, very complex, difficult to convert

Define Standard Set of Project Business Outcomes

Benefit Category

Illustrative List of Benefit Elements

1. Increased Revenue

1.1 Increase product pricing or spread.
1.2 Increase product cross-sales.
1.3 Acquire new customers from existing markets.
1.4 Acquire new customers from new markets.

2. Cost Avoidance

2.1 Purchases avoided
2.2 Service fees avoided
2.3 New contractor hiring avoided
2.4 New staff hiring avoided
2.5 Increased time to market
2.6 Reduced risk
2.7 Extended replacement cycle
2.8 Hardware/software avoidance

3. Cost Reduction

3.1 Migrate customers to online channel.
3.2 Reduce staffing levels.
3.3 Lower purchasing costs.
3.4 Lower service costs.
3.5 Lower cost of capital.
3.6 Reduce transaction time.

4. Revenue Retention

4.1 Customer renewal rate increased
4.2 Customer defection rate reduced
4.3 Extended contract life

5. Gain/Loss on Sale of Asset

5.1 Difference between purchase and sale price

Develop leading indicators to track critical preconditions for project benefits capture.

- Leading indicators are KPIs for midcycle milestones that business partners can act on, demonstrate positive correlation with project success, and are typically nonfinancial in nature.

- Lagging indicators reflect past performance, cannot be addressed by specific action, and usually involve financial results, triple constraints, or customer feedback.

- Ensure leading indicators exist for value delivery to enable midcourse correction and improve benefits realization post-launch.

IDENTIFY LEADING INDICATORS OF PROJECT BENEFITS REALIZATION

BMO Financial Group

Illustrative Benefit Element: Increase Client Cross Sales

Idea	Feasibility	Planning and Commitment	Development	Functionality Delivered	Business Outcomes Attained
Notional Benefits	Refined Benefits	Committed Benefits	Tracked Benefits	Tracked Benefits	

Project Execution Leading Indicators (Complete Milestone on Time)

Milestone
- Business sponsor identified and engaged
- Online training centers signed off
- Super users identified

Value Delivery Leading Indicators (Operational KPI)

Milestone
- Number of sales calls by salesperson
- Number of new accounts open within existing clients
- Net increase in converted assets

Project Execution Lagging Indicators

Milestone
- Variance to duration
- Variance to cost

Value Delivery Lagging Indicators

Milestone
- User satisfaction score
- Revenue realized from implementation

DEFINE PROJECT MANAGEMENT METHODOLOGY | DESIGN A RISK MANAGEMENT STRATEGY | MEASURE PROJECT DELIVERY | ESTABLISH A CONTINUOUS IMPROVEMENT PROCESS

Ongoing Project Health Checks

Category	Potential Leading Indicator of Project Trouble
Project Performance	1. Project spending is trending significantly under estimate or not using allocated CAPEX. 2. A growing number of dependent projects are on hold. 3. Business case has not been reevaluated in light of changing business conditions.
Communication	4. No challenges or conflicts were raised in informal and formal project reviews. 5. Different perceptions were taken from the same meeting.
Decision Making	6. Project stakeholders often disagree about decisions. 7. "Analysis paralysis"—no formal process to ensure decisions are made. 8. Project team members don't have a clear understanding of the initiative's purpose.
Talent and Resource Management	9. The project team begins to experience attrition. 10. It is difficult to identify and allocate necessary resources. 11. Project team members look stressed and are often "fire fighting." 12. It is difficult to recruit the right talent to participate in execution.
Stakeholder Engagement	13. Ambiguity exists regarding different project stakeholders' responsibilities. 14. Stakeholders are missing project team meetings and sending delegates. 15. Sponsor is increasingly focused on other projects. 16. Stakeholders are not excited or eager about the project's outcome. 17. Sponsor is dismissive of project risks. 18. Stakeholders are not comfortable escalating issues to project manager.
Process and Methodology	19. Project requirements frequently change without formal assessment. 20. Interim goals are defined verbally rather than documented.

Roadmap

Why PMO In A Box?	Establish PMO Governance	Standardize Methodology	**Create a Stakeholder Partnership Plan**

Create a Stakeholder Management Strategy

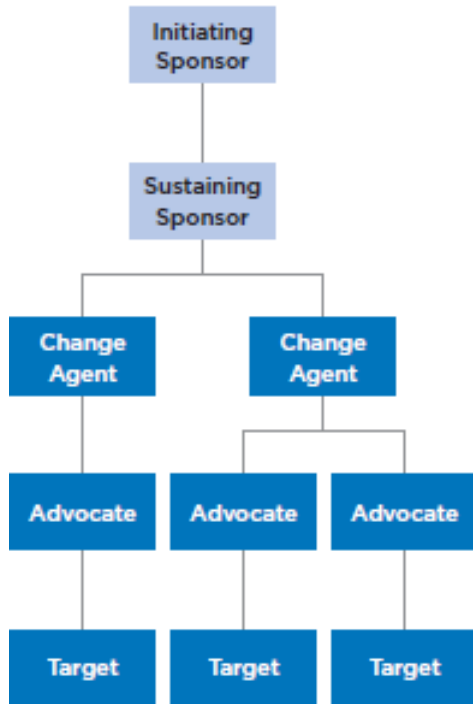**Key Steps**

Implementation Guidance

Establish Stakeholder Engagement Processes

- ☐ Identify all relevant project stakeholders.
- ☐ Classify stakeholders based on their potential to drive or prevent change.
- ☐ Target communications toward high-impact stakeholders.

Engage Stakeholders Throughout the Project Lifecycle

- ☐ Communicate project sponsor responsibilities.
- ☐ Clarify sponsor involvement with other stakeholders.
- ☐ Measure sponsor engagement on an ongoing basis.

Identify All Relevant Stakeholders

Stakeholder Roles

- Initiating Sponsor
- Sustaining Sponsor
- Change Agent
- Change Agent
- Advocate
- Advocate
- Advocate
- Target
- Target
- Target

Expected Stakeholder Activities

Raytheon

1. **Initiating Sponsor:** Tier 1 Leader	▪ Secures funding and resources ▪ Communicates vision and objectives ▪ Engages team in driving the process
2. **Sustaining Sponsor:** Direct report to initiating sponsor	▪ Manages resources and budget ▪ Influences peers and teams to engage ▪ Contributes operational oversight and business process knowledge
3. **Change Agent:** Functional or business unit experts	▪ Communicates specific changes ▪ Supports training from design to delivery ▪ Coaches and engages local leaders
4. **Change Advocate:** Professionals from affected group	▪ Serves as local expert ▪ Champions process, tools, and benefits ▪ Measures progress against goals
5. **Change Target:** End users affected by the change	▪ Communicates issues to change agents and change advocates ▪ Adopts new system or process

CEB is now **Gartner**

Classify Stakeholders

Individual Stakeholder Profile
Illustrative

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CISCO

Project: SAP Financials Implementation (Illustrative)

Name: Francisco Santos
Department: Internet Business Solutions Group
Title: Senior Consultant, Operations

Priority Segmentation

Type of Stakeholder

☐ Executive Sponsor   ☐ Supplier
☐ Project Sponsor   ☐ Developer
☐ Customer   ☐ Sponsor's Boss
☐ Financier   ☐ Auditor
☑ Super User   ☐ Other
☐ User

Change Posture

☐ Supportive
☐ Neutral
☑ Resistant

Change/Influence Matrix

Change Posture	Impacted	Influential	Make or Break
Supportive			
Neutral			
Resistant			■

Low   Medium   High
Degree of Influence

Personalized Communication

Motivations and Incentives

- Reduce administrative burden.
- Recognition of consecutive project success to aid 2008 promotion opportunity
- Boost employee morale across department.

Primary Influencers

- Laura Shah, Director, Operations
- Deborah Goldstein, Team Manager, Customer Service

Communication Preferences

☐ Weekly update e-mail
☐ Weekly update phone call
☐ Standing in-person meeting
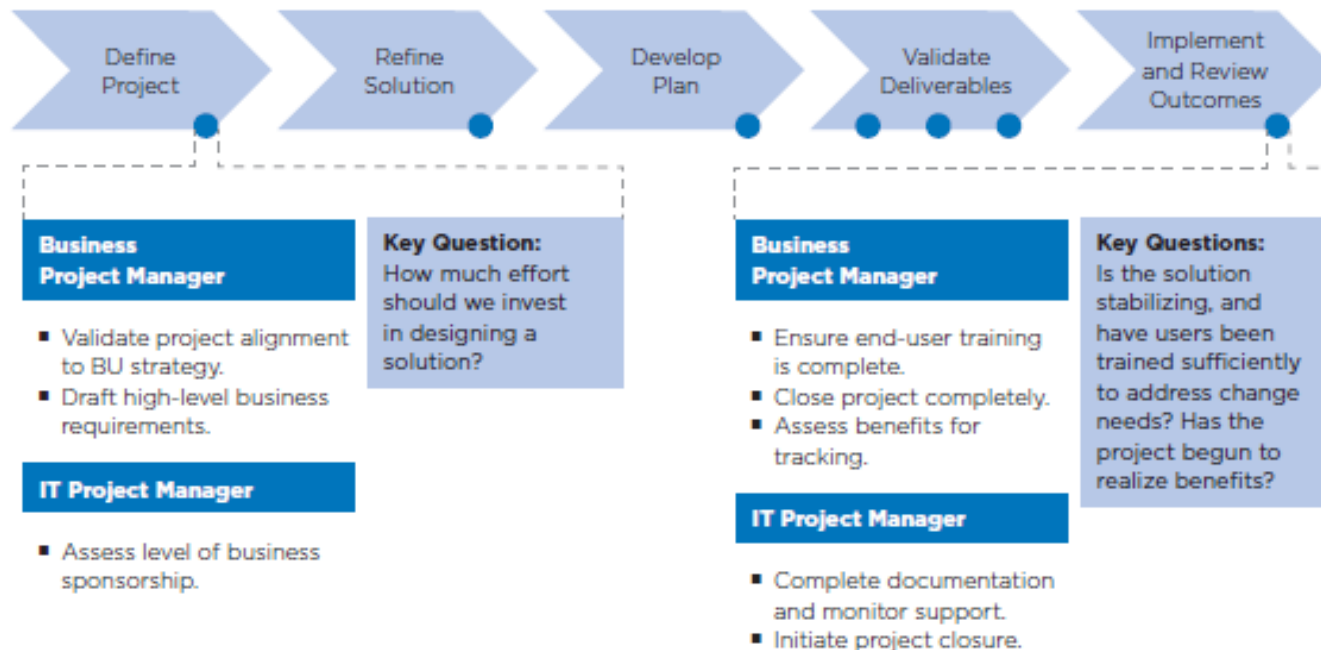☐ Trigger-based phone call
☑ Trigger-based e-mail
☐ Ongoing e-mail CC

Strictly Confidential

Communicate Project Sponsor Responsibilities

Project Management Methodology Overview

Define Project → **Refine Solution** → **Develop Plan** → **Validate Deliverables** → **Implement and Review Outcomes**

Business Project Manager
- Validate project alignment to BU strategy.
- Draft high-level business requirements.

IT Project Manager
- Assess level of business sponsorship.

Key Question:
How much effort should we invest in designing a solution?

Business Project Manager
- Ensure end-user training is complete.
- Close project completely.
- Assess benefits for tracking.

IT Project Manager
- Complete documentation and monitor support.
- Initiate project closure.

Key Questions:
Is the solution stabilizing, and have users been trained sufficiently to address change needs? Has the project begun to realize benefits?

Access the Sponsor Resource Center

Advance Your PMO's Maturity

	INTERMEDIATE	PROGRESSIVE	WORLD CLASS
Establish PMO Governance	▪ The PMO mandate is clear, focused, and well understood internally. ▪ Stakeholders are still skeptical that the PMO adds value. ▪ The PMO reports on some forward-looking metrics at the project level only to enable operational success of project management. ☐	▪ The PMO mandate is clear, focused, and accepted by all key stakeholders. ▪ The PMO is perceived as a "value enabler." ▪ The PMO reports on its performance based on program- and portfolio-level business outcomes. ☐	▪ The PMO regularly partners with senior leaders to recalibrate the mandate. ▪ The PMO is seen as a "value generator." ▪ The PMO uses leading indicators to forecast a holistic perspective of PMO performance. ☐
Identify and Develop Effective PMs	▪ PMs are effective process administrators. ▪ There are no standard guidelines for recruiters to identify soft skills in PM candidates. ▪ The PMO evaluates PMs on sponsor satisfaction as well as compliance with methodology, budgets, and schedules. ☐	▪ PMs partner with sponsors to contribute attainment of business outcomes. ▪ The PMO provides standard guidelines for hiring PMs with strong soft skills. ▪ The PMO has shifted the focus of performance evaluations to how well PMs deliver business outcomes. ☐	▪ PMs are leaders who drive business value through their own decisions. ▪ The PMO hires through case-based interviews, often drawing candidates from the business. ▪ The PMO primarily rates PM effectiveness by the level at which he or she establishes and drives business outcomes. ☐
Standardize Methodology	▪ The PMO offers several methodology tracks delivering different levels or project rigor. ▪ The PMO triages business case definition and benefits tracking rigor based on project size, relative impact, and strategic importance. ☐	▪ The PMO has a flexible management methodology that requires all projects to comply with a minimal set of deliverables deemed critical for business outcome attainment. ▪ The PMO has an integrated suite of standard benefits realization metrics that apply to a majority of projects, although the majority of these are lagging indicators of project performance. ☐	▪ The PMO empowers the best PMs to work within a standard set of guidelines rather than to execute a methodology. ▪ The PMO identifies and includes leading and lagging indicators of benefits realization as key components of the business case that sponsors must approve before development begins. ☐
Design Resource Management Processes	▪ The PMO tries to prevent bottlenecks by requesting business and technical SMEs' availability for critical projects. ☐	▪ The PMO achieves aggregate views of resource supply and demand by regularly matching resource utilization data with portfolio resource needs to identify major surpluses or shortages of skilled resources. ☐	▪ The PMO adds skill and competency matching on top of simple experience and risk-level requirements to elevate project execution efficiency. ☐
Create a Stakeholder Partnership Strategy	▪ The PMO focuses on PM training to ensure better stakeholder management. ▪ The PMO provides PMs and business sponsors with standard descriptions of sponsor roles and responsibilities, as well as standard templates for stakeholder communication. ☐	▪ The PMO manages stakeholder relationships by focusing on both the PM and the sponsor. ▪ The PMO coaches and facilitates the involvement of business sponsors at the most important points in the project lifecycle. ☐	▪ The PMO guides PMs on how to assess organizational receptivity or resistance to change. ▪ The PMO broadens the standard definition of stakeholders to include end users as well as business sponsors. ☐
Develop Portfolio Management Capabilities	▪ The PMO applies standard project approval criteria, such as business value, degree of fit with enterprise objectives, urgency, and risks to execution, to select projects or programs across the organization. ▪ However, the PMO is not able to withdraw funds or resources from a project. ☐	▪ The PMO monitors projects through their execution phase and reevaluates their business case as business conditions change. ▪ The PMO has the power to stop in-flight projects where the business case has significantly changed or when higher-ROI projects enter the portfolio. ☐	▪ The PMO advises executives on project selection to maximize long-term enterprise value. ▪ These may include projects from across the risk spectrum such as "principled bets" (i.e., high-risk but also high-value projects). ☐

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Thank You