

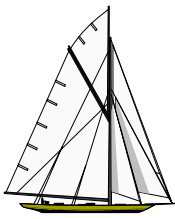
PMO Failure: Some Observations

By
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Having worked the last ten years assisting clients with setting up and running project management offices (PMOs), I've seen the value of a finely tuned PMO, but have also recognized areas of vulnerability. Recent articles have been promoting PMOs to solve many project and organizational problems.

In recent months, I have become aware of several key firms dismantling their Project Offices for a variety of reasons: the PMO could not demonstrate value, the cost was too great, projects were still not meeting target parameters, etc. Why did these PMOs fail? What were some of the root causes? I would like to offer the following observations for what I feel are key reasons of PMO failure:

1. ***The PMO is looked upon as a temporary fixture***— to be closed down after a key project is completed. Consequently, there is very little, or zero, money targeted for methodology development, training, and process improvement. A successful PMO is not a short-term solution. For “once only” projects, the proper solution may be a “special project”, Task Force status, or the use of a recovery team.
2. ***Many upper level executives fail to understand what project management is all about and how it can help them.*** And, based on what they have heard and read, they see the PMO as a fix to an immediate problem. The reality is that a PMO will take time to implement and effect change. Therefore, the PMO must be viewed as a commitment by management to incrementally improve their business processes over time. The PMO should have an impact company-wide across all projects.
3. ***Project methodologies are too academic.*** That is, they are loaded with great theories, lots of tools and templates, and volumes of information— but are out of touch with the way the organization needs to function. I have seen some organizations develop methodologies with close to 400 pages of instructions. Yet, because of the volume, combined with poor rollout, no one will use it. Having too much information is just as bad as not having enough. And, having the right information is what allows one to make good decisions. Without an effective PM process used by all, repeatable success is unlikely.
4. ***The organization has a history of little accountability, lack of discipline on the part of PMs, and few requirements in the selection of project managers.*** The organization's view of project management must change with the implementation of a PMO. If project managers in the new organization do not have authority (and responsibility) combined with a strong sense of purpose, then the same results



will be achieved: failed projects. And, it is important that the organization think about the required skills necessary for each project manager. Having just the technical knowledge is not enough.

5. **Some PMOs in IT organizations were created as an outgrowth of the Y2K efforts in those firms.** Essentially, companies formed “crisis project teams” to get the code fixed. It was like sending the Marines in to take the beach at all costs. Costs and resources were not considerations as the systems had to be revised and tested by key dates—so the projects were schedule driven.

Now, fast forward to post-Y2K: the war is over, there are a lot of Marines left standing around, so now let’s put them to work forming a PMO. The people used to working under “crises” conditions are now supposed to become methodology developers bringing structure and order to projects—quite the opposite of their recent experience. Consequently, the structure necessary to run a PMO in “peacetime” should have been developed by a different set of folks.

6. Finally, a truly missed opportunity occurs in transforming an organization’s culture when *the PMO is not used as a change agent*. When new perspectives, approaches, and processes need to be implemented, the PMO is the perfect vehicle for organizational change.

However, implementing a PMO requires careful planning and consideration. In other words, a PMO should be planned just like a project: determine objectives, identify stakeholders, develop a WBS/Schedule/Budget, determine risks, identify roles and responsibilities, and..... well, you get the idea.

After all, if the PMO can’t be well planned, you’re already off to a bad start.