

1st
Edition



Project Management Office

PMO

Establishment and Operation

A practical guide with real cases

Dr. Ahmed AlSenosy

Ph.D, MSc, MBA, PfMP, PgMP, PMP, PMOC,
PMI-PBA, PMI-RMP, PRINCE2[P]



Preface

PMO is the main and potential driver of all organizational initiatives and changes; which in turn contributes mainly to achieving the strategy and the long-term and short-term goals of the organization, and it is worth noting that the world is witnessing major changes especially with the challenges of the Corona epidemic 19, and its multiplicity in the methodologies used in the establishment and operation of the Project Management Office, in my role I drafted and built this book based on several various sources and methodologies; Which contributes to helping smoothly and easily to establish a project management office and support workers in this sector with a practical application guide, helping them in the accomplishment of their mission, that the project management office is one of the important parts within the organization that had been neglected in the past years in many organizations, which affected negatively on project performance and achievement of strategic goals; It strongly supports and encourages organizations that have not yet initiated; In setting up this office; to start building and enabling it within the organization.



Acknowledgment

I would like to thank everyone who contributed to finishing this book with the current form of reviewing, auditing, designing and directing, especially mentioning Mr. Bassam Samman from CMCS Company and supporting him with content on the pmweb software that enriched this book. I also single out engineer Abdul Rahman, book designer, Hossam Alnono for cover design, and Dr. Yasser Al-Qadi, for his review of the final content.

Thanks also to my family, my father, my wife, my brothers, and sisters for their support and encouragement.

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إن هذا الكتاب مسجل ومرخص في وزارة الإعلام السعودية برقم ١٣٠٧٢٠٢٠٠٠٢٦٥٣٠ وردمك برقم ٩٧٨-٦٠٣-٠٣-٤٧٠٩-٤ وغير مسموح نهائياً بتداول هذا الكتاب أو نسخه أو مشاركته بأي صورة كانت دون إذن كتابي من المؤلف وخرق ذلك يخول المؤلف بمقاضاة المتعدي قانونياً.
والله خير الشاهدين.



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Qualifications

- Member and Certified by the project management institute – Pennsylvania - USA as:
- Project manager professional (PMP®) – 2011
- Risk Manager Professional (PMI-RMP®) – 2013
- Professional Business Analysis (PMI-PBA®) – 2017
- Program management professional (PgMP®) – 2018
- Portfolio management professional (PfMP®) - 2019
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- International Trainer Professional (TOT®) Diploma - Cairo University - 2014
- Arbitration in Construction Contracts Diploma – Arab Academy for Science – 2016

- He has implemented more than +230 courses in project management,
- The author of Project Management PMP (Book)
- He has several dozens of articles in project management, more than sixty videos in project management.
- Speaker in conferences and forums in project management topics (Big 5, SEC , DPMF, Cairo Construction Research Center).
- Chairman for RWAAD Magazine specialized in project management, www.rwaadpm.com
- Founder and owner of PES Inc. www.professionalengineers.us



For whom this Book?

For all project management personnel from project management office (PMO), portfolio managers, program managers, and project managers, as well as owners of organizations and heads of routine operating departments.

For everyone who wants to create, operate, or re-energize their project management office.

This practical guide will enable, establishment and operation of the Project Management Office in a structured and organized manner that ensures the success of the (PMO)project.



How to read this Book

I have designed this book to cover all topics related to the PMO project in order to facilitate the implementation as well as operating accordingly, the book includes five sections cover the following:

Section one

(Project management framework) which will cover generally the project management framework to introduce roughly the reader about the project management field, this section contains two chapters as per the following:

- Chapter 1 The Crucial Role of Projects in Achieving Strategic Objectives
- Chapter 2 What is the Project Management Office (PMO)?

Section two

(Phase one: Organization Project Management Maturity Assessment), this section is about the PMO journey first phase which explains practically how to assess the organization project management maturity, this section contains two chapters:

- Chapter 3 How to Establish the PMO?
- Chapter 4 Phase one Organization Project Management Maturity Assessment

After finalizing the first phase directly or in parallel you need to design and develop your PMO methodology, processes, procedures, templates, and formats, this section will contain the following chapters:

Section three

(Phase two Creating the PMO Methodology and Processes)

- Chapter 5 Developing PMO strategy using Balanced Score Card (BSC)
- Chapter 6 Design PMO Organization.
- Chapter 7 Define the Project Life Cycle.
- Chapter 8 PMO Governance.
- Chapter 9 Build the Project Management Policies and Procedures.
- Chapter 10 Develop Project Management Standard Forms, Templates.

When you have completed phase three you need now to automate and integrate your PMO processes flow and system using Enterprise Project Management EPM tool, who to do this you will see that practically in section four, which will cover the following:

Section four

(Phase three Integrating Project Management Processes into the PMIS)

- Chapter 11 Configure and implement Integrated Performance Monitoring and Controlling System.
- Chapter 12 Managing PMO KPIs and Dashboards.

In order to operate your PMO efficiently; you need team with required PM skills to cover all PMO services effectively, therefore section five will provide practically a project management competency framework, this section contain the following chapters:

Section five

(Implementing Project Management Training for Staff)

- Chapter 13 Implementing Project Management Training for Staff.
- Chapter 14 Develop Competence as a Portfolio, Program, or Project manager.

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Section One

PROJECT MANAGEMENT FRAMEWORK



PMI, 2018

Organizations are wasting an average of \$97 million for every 1 billion \$ invested, due to poor project performance.

Mark Langley , PMI ' CEO, 2018



“

If your organization is not good at project management, you're putting too much at risk in terms of ultimately delivering on strategy.

”

Too much Money is being wasted on poor project performance, for many reasons:

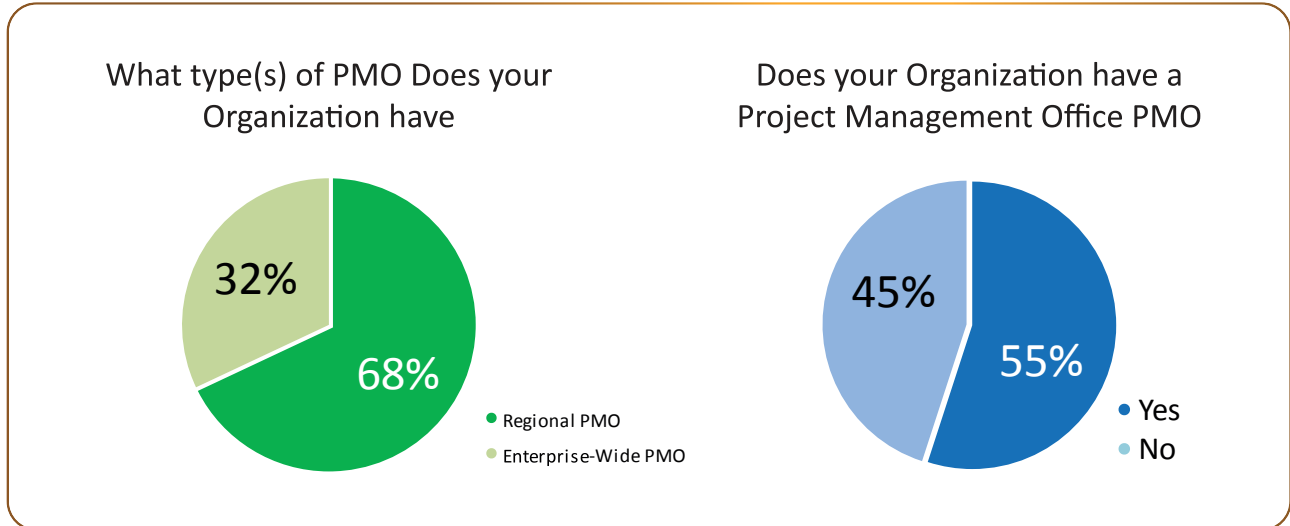
Organizations fail to bridge the gap between strategy design and delivery. Executives don't recognize that strategy is delivered through projects. The essential importance of project management as the driver of an organization's strategy isn't fully realized.

Top Drivers Of Project Success:

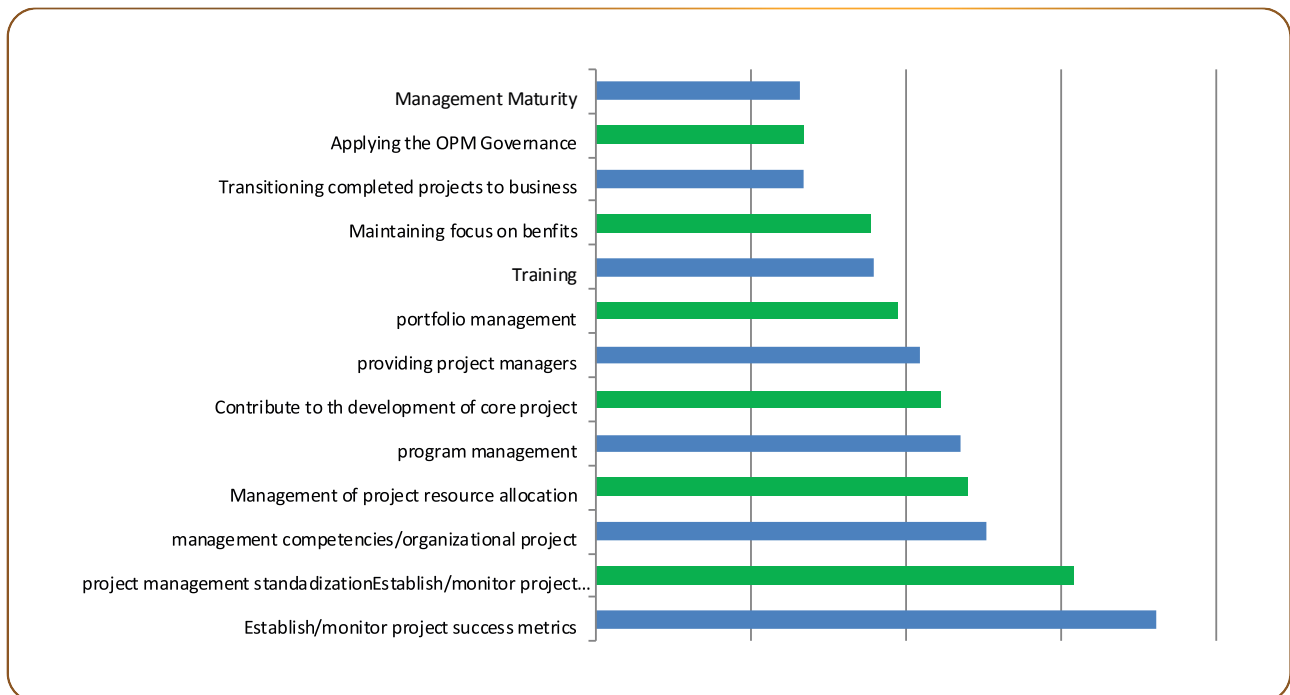
1. Investing in actively engaged executive sponsors.
2. Avoiding scope creep or uncontrolled changes to a project's scope.
3. Maturing value delivery capabilities.

Those proven principles drives your PMO design attributes and variables, the following pages we also will illustrate many PMO statistics in MENA region to help you as well.

MENA Region Projects Status As per RwaadPM magazine

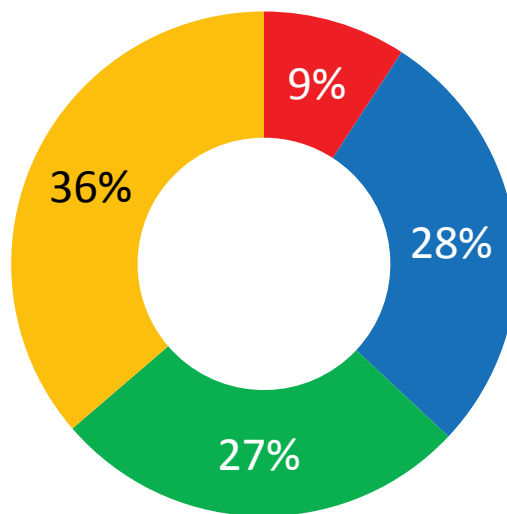


Which of the following functions does the PMO full fill within your Organization ?

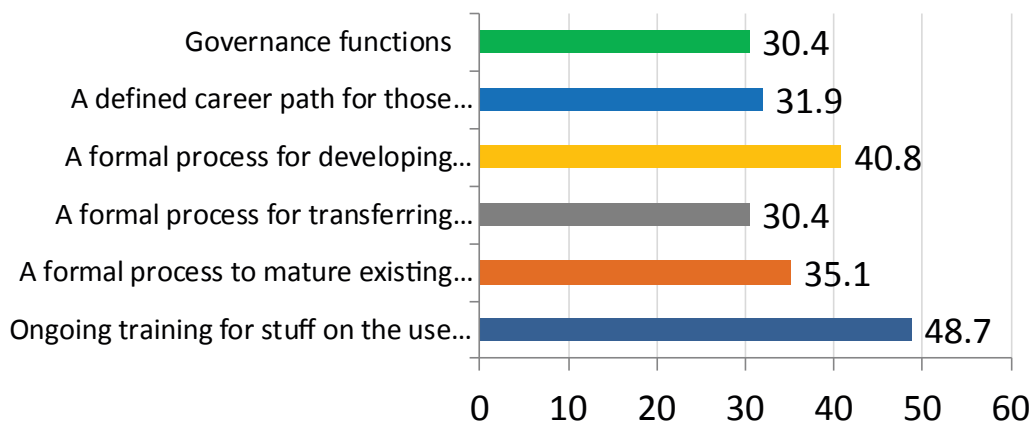


To what extent does your organization use standardized project management practices?

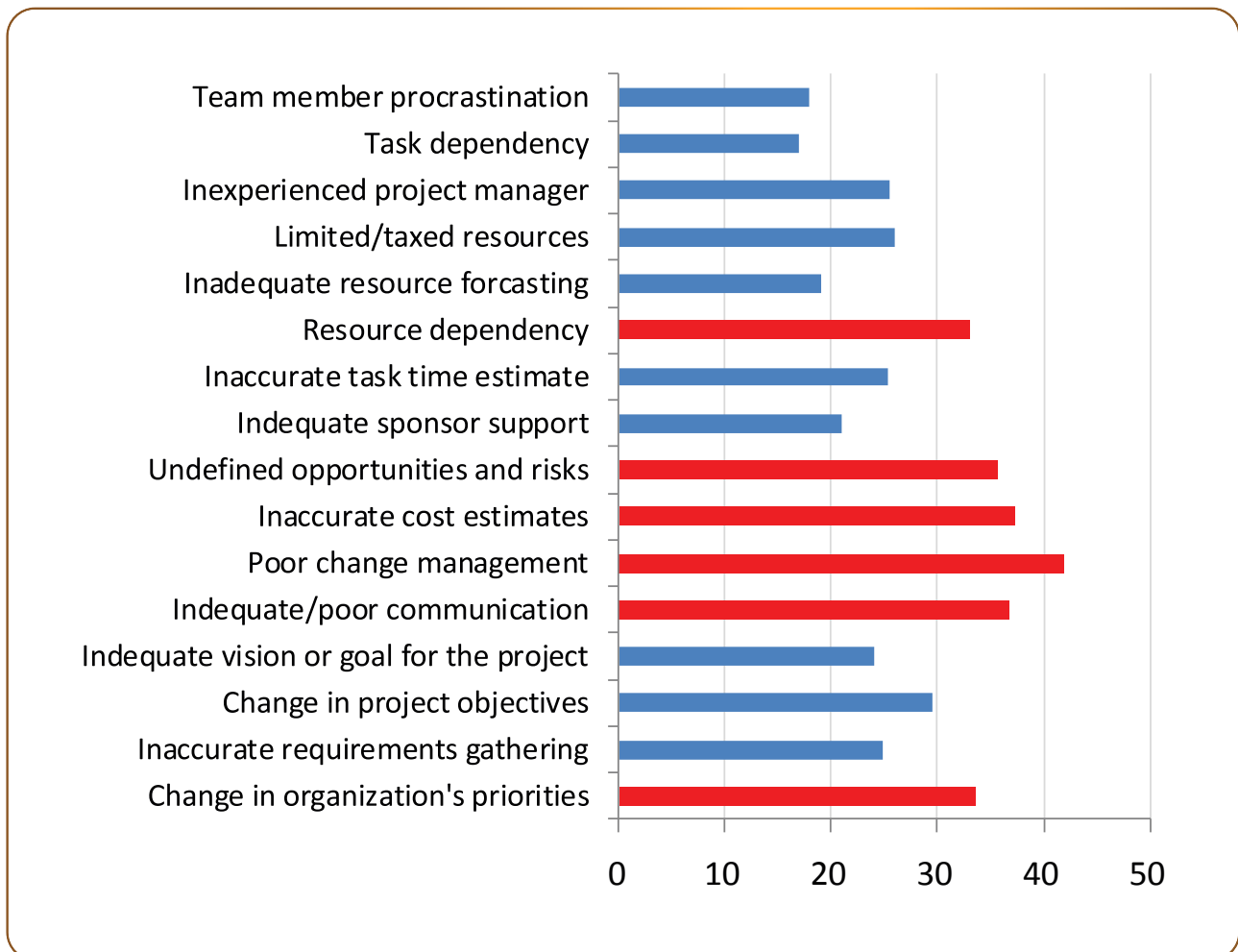
- standardized practices are used throughout the entire organization
- standardized practices are used by most, but not all, departments
- standardized practices are used by some departments
- standardized practices are not used



Does your organization currently have...?



“of the projects started in your organization in the past 12 months that were deemed failures, what were the primary causes of those failures? (select up to five)”

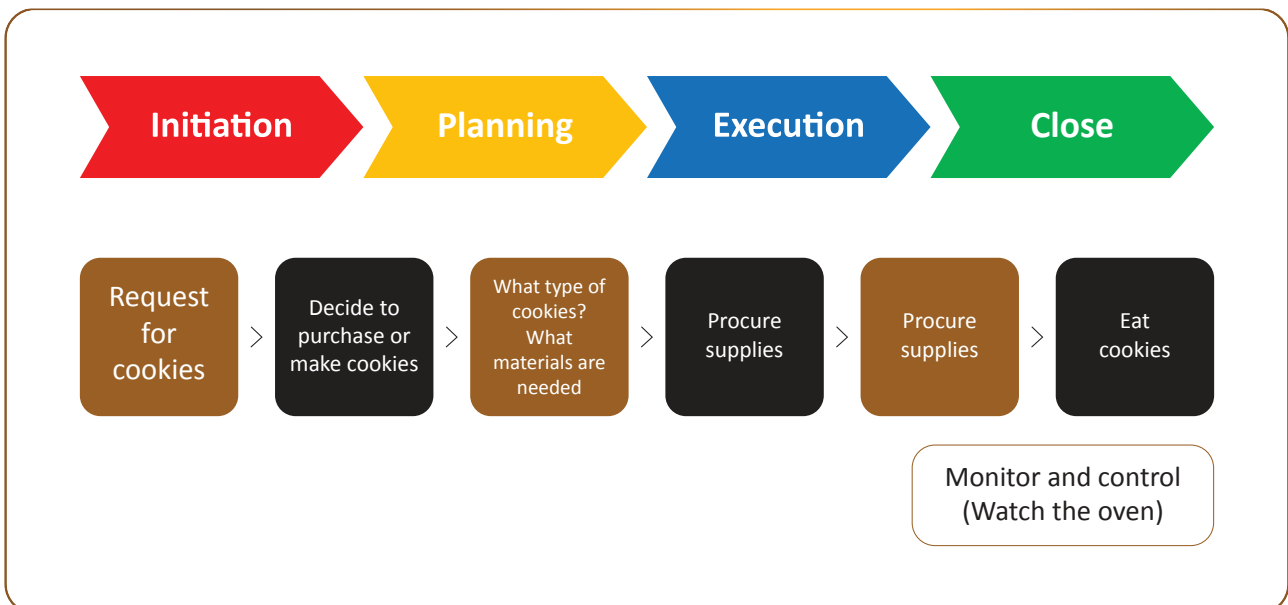


These statistics, according to the source, were collected from sample nearly 1000 professionals in the project management sector in the Middle East, which allows us to envision the status of project management offices in the Middle East as a point on which to build on it.

What is a Project?

Projects are temporary endeavors undertaken to create unique products, services or results. The project is self-contained and intended to provide single defined and realizable objective.

Cookie Project Lifecycle



What Is Project Management?

Project Management is the application of knowledge, skills, tools and techniques to project activities to meet project requirements.

What Is Project Program?

- A program is a group of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually.
- Programs are essentially tied to objectives that are too big to be accomplished through a specific objective and that have too many moving parts. So the objective is broken into smaller but related chunks that are managed separately and together they deliver on the overall objective.

Program and Projects

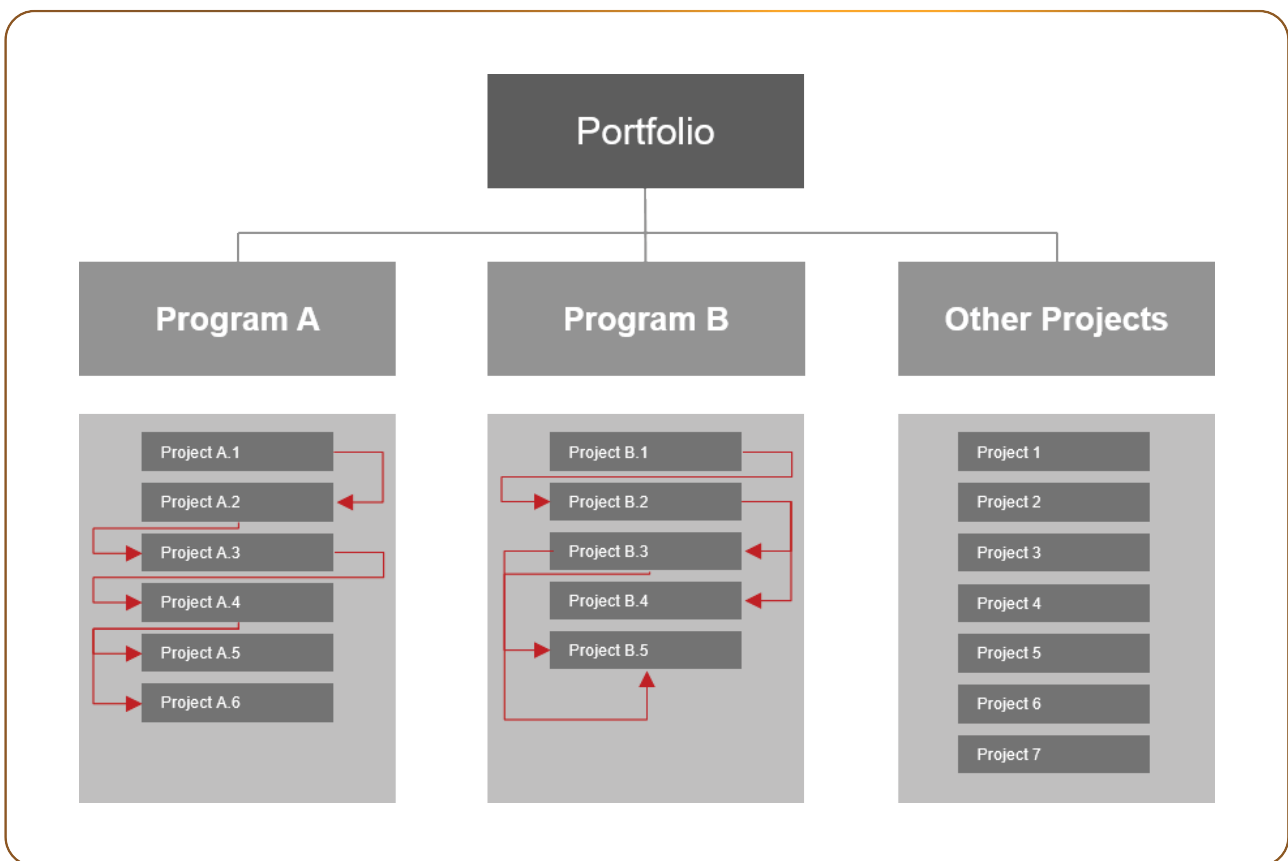


Figure No 10, Program management example

What is Program Management?

- Program management is the centralized coordinated management of a program to achieve the program’s benefits and objectives.
- Projects within a program are related through a common outcome or a collective capability that is delivered.
- Program management focuses on these project interdependencies and helps to determine the optimal approach for managing them.

Interaction between Program Management & Project Management

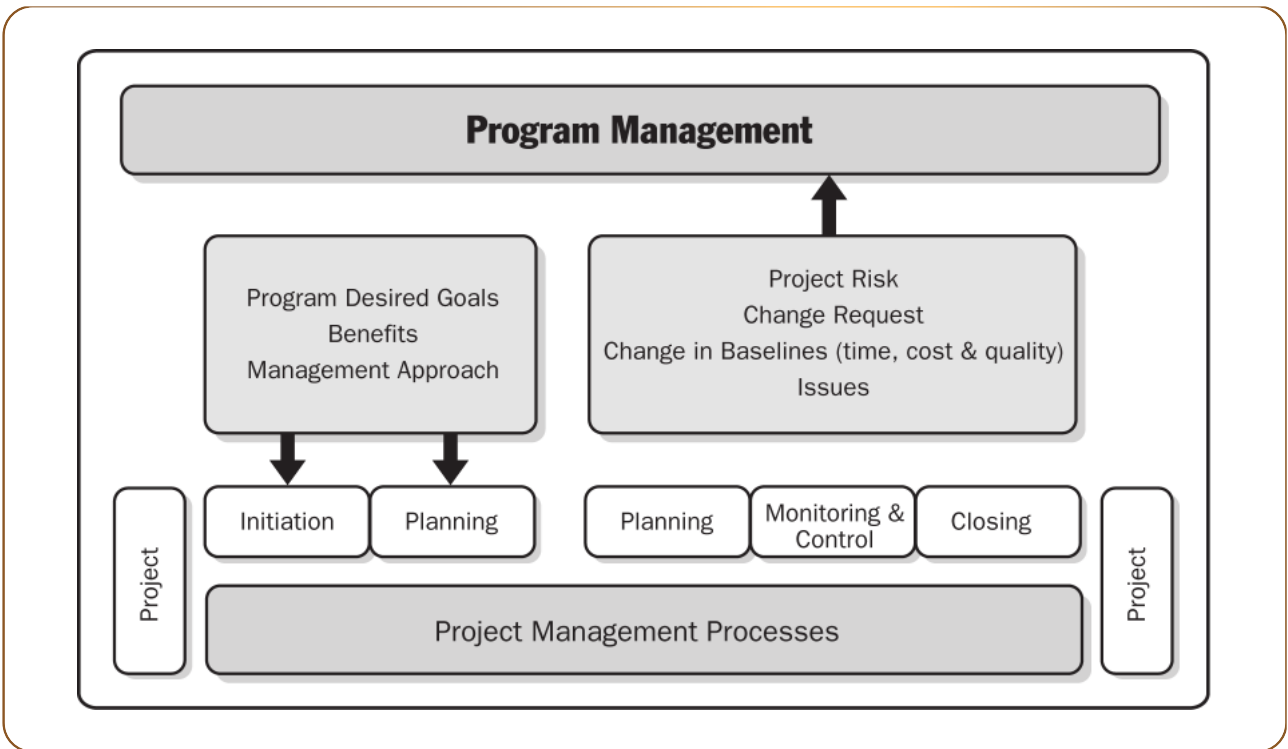


Figure No 11, Program management lifecycle, source; PMI PgMP standard

What Is A Portfolio?

- It is a collection of projects and/or programs and other work that are grouped together to facilitate the effectiveness of that work to meet strategic objectives.
- The projects don't necessarily deliver on a specific objective, however; they may just happen to be the same kind of project or represent all of the projects owned or performed by a specific business unit.

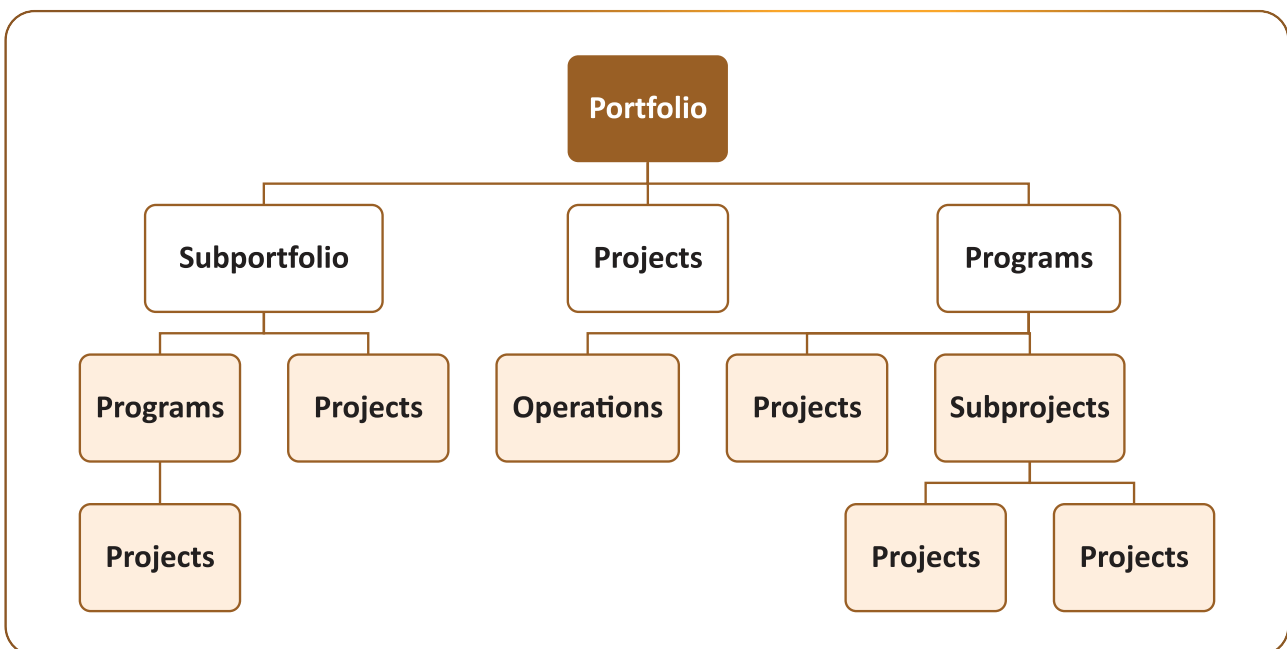


Figure No 12, what is portfolio

What Is Portfolio Project Management?

- The art and science of applying a set of knowledge, skills, tools and techniques to a collection of projects in order to meet or exceed the needs and expectations of an organization's investment strategy.