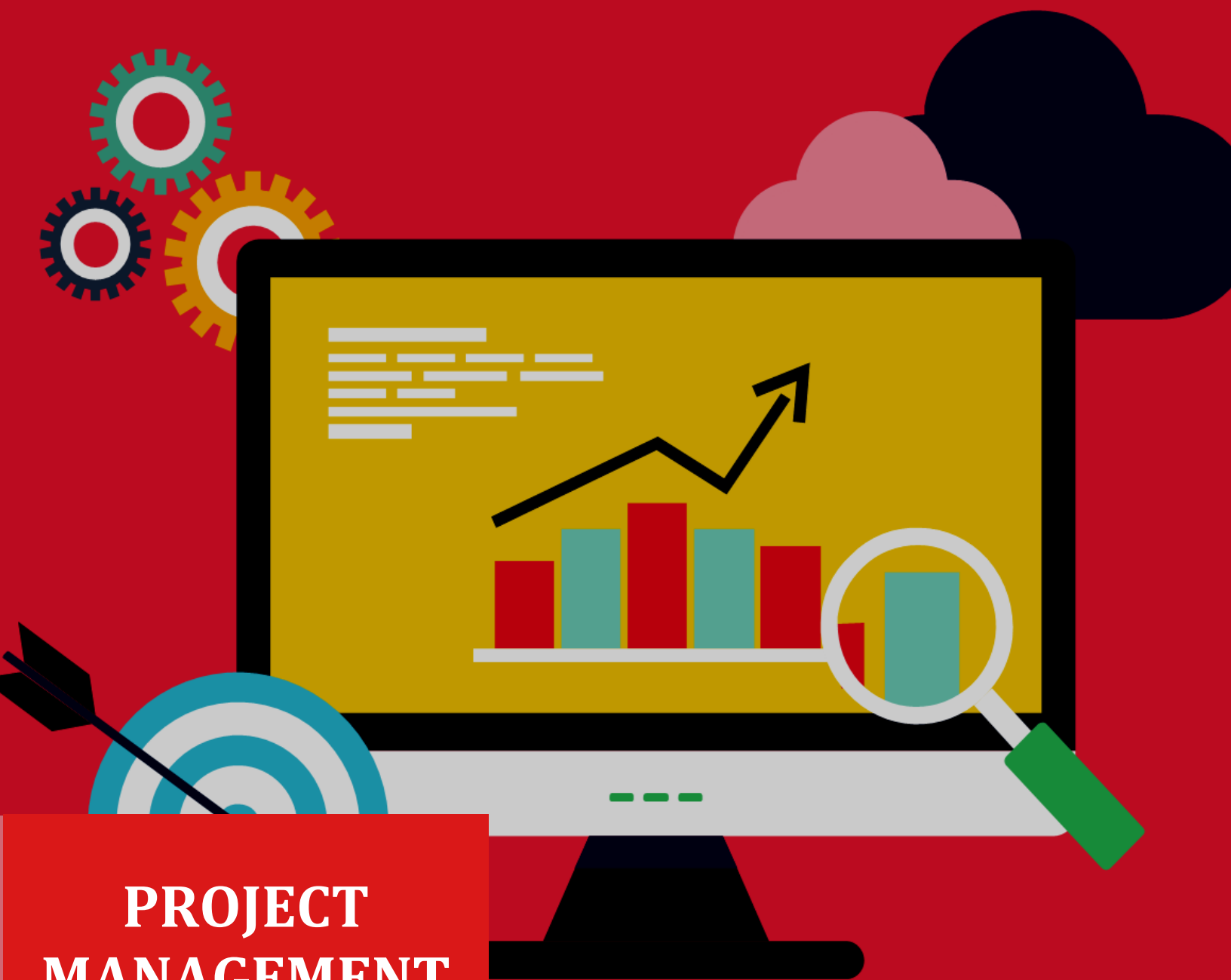




PROJECT MANAGEMENT OFFICE (PMO)

White Paper

Does This Sound Familiar?
“Our ERP Project is off the rails.”

- Project is late and over-budget
- Seen as an IT or business-only driven project
- Scope creep
- Decisions taking too long
- Data & integration problems
- Poorly defined business processes
- Lack of dedicated resources
- Inadequate change management &

**YOU NEED A PROJECT
MANAGEMENT OFFICE (PMO)**

The failure of Business Transformation projects is an all too common event. Many experts in the field suggest that this failure rate can be as high as 70%. This is a truly staggering figure and raises the question why?

While specific reasons vary by company there are some overarching themes that contribute to implementation failures. These can be generally categorized in the following way:

- **Lack of governance**
Successful projects have a clear governance structure in place, a management framework that defines accountabilities and responsibilities within which project decisions are made.
- **Scope control**
Controlling the scope of a project is critical to the success of any project from a timeline, functionality, and cost perspective. In order to achieve this a clear governance structure needs to be in place and skilled, determined project leadership needs to be provided.
- **Business requirements not defined**
A skilled and experienced BA works with the business to clearly define the business processes and the system functionality. Their role is to also challenge the business on “unnecessary” configuration changes.
- **Change management**
Change management is usually the least area understood and paid attention to.
- **Training**
Training development and delivery is often left to the last minute do to slipping timelines and budget overruns. As a result, users are not properly trained.
- **Budget control**
Many projects run far over budget due to the above issues and to the lack of have appropriate budgeting and cost controls. A strong process of cost estimations, budget setting and management of actual and forecast costs against that budget.

The solution to significantly reduce risk, and increase the value obtained from major projects is to establish a **program management office** (PMO). The general program management office framework consists of three framework components: **governance, enablement & tools** and **delivery management**.



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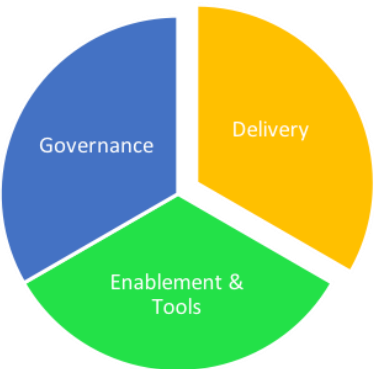
PMO three core components that work together to establish an organization capable of managing a portfolio of programs & projects

Governance

- **Project Portfolio Management:** Processes for balancing the investment opportunities to return the right value, by leveraging resources. Repeatable, sustainable methods for accepting and estimating work and aligning projects with business objectives.
- **Demand Management:** Standardized processes for the evaluation of work requests as well as the prioritization of those requests.
- **Value Delivery Management:** Measure, monitor and optimize the realization of ROI from project investments. Includes the assessment of business cases against standard criteria, tracking of in-flight metrics and the post-implementation review of initiatives.
- **Capacity Management:** Balance resource “supply” and “demand” to ensure that the most critical project receive the appropriate allocation of labor.
- **Performance Reporting:** Defining and implementing metrics and vehicles for communication with stakeholders to ensure they understand the status and health of delivery initiatives. This includes basic status reports and governance meetings, as well as the development of executive dashboards.

Delivery

- **Scope Management:** Defining and managing parameters within which projects will operate. Working across stakeholder groups to negotiate, define and document scope. Managing project scope change request process.
- **Initiative Management:** Developing and managing a project plan, including work breakdown schedule, resource assignment, utilization, base-lining and cost management.
- **Budget Management:** Developing business cases and cost benefit analysis, creating detailed project budgets and managing project financials within agreed upon tolerances.
- **Delivery Assurance:** Managing quality, both of the product (e.g., defect management) and of the project (e.g., health metrics). Includes navigating a project/product management life cycle's quality reviews, gathering expectations on quality, managing business reviews, approvals and final signoffs.
- **Resource Management:** Includes managing client personnel, additional consultants, contractors and Slalom staff. Also includes capacity management, utilization, team development and management are all important.
- **Issue / Risk Management:** Identifying, tracking, and reporting of risks and issues in the overall structure of managing project's budget, schedule, quality, and scope. Includes the processes, tools and methods for efficiently gathering, assessing and communicating issues and risks to project stakeholders.



Enablement & Tools

- **Organizational Readiness/Alignment:**
Define scope, schedule and activities, and analyze the cultural and operational readiness of an organization for Project and Portfolio processes and tools.
- **Stakeholder Management:**
Addressing communication and organizational change management for both project team members and all affected stakeholders. Gathering and formally documenting stakeholder expectations. Includes status meetings and reports, as well as the communications plan and customer acceptance strategy.
- **Integration Management:**
Coordinating the efforts across multiple projects, or across work streams. Ensuring projects are ready for "implementation" (e.g., user implementation, org. change, training), including operational turn-over. Addressing business process workflow changes. Understanding project(s) interdependencies and formally managing links.
- **Adoption Approaches:**
Identify ways to ensure that PMs use the tools once implemented, including training and change management.
- **Operational Work Aides:**
Leverage current processes, templates and methods, to create refined artifacts that aide your delivery team's success.

You may not require an in-house PMO. SPICE Technology Group can provide you with an interim PMO structure and resources to help manage your projects. In addition to a PMO structure and methodology, SPICE brings expert resources as required to help fill the expertise and resourcing gaps:

- Project Managers
- Subject Matter Experts
- Business Analysts
- Change Managers
- IT Developers



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About the Author



Ian Rogers is an accomplished business leader with 20+ years in Retail and Supply Chain Management, Portfolio, Program, and Project Management. Ian's expertise comes from working in multiple countries (Canada, UK, US, China) and in multiple sectors including manufacturing and multichannel retail (office products, mass merchandising, lifestyle brands). Over the years Ian has worked with companies as both a senior line leader and as a management consultant in Supply Chain and IT. This broad-based experience provides him with the ability to take a holistic view, thereby understanding the potential impact changes in one area of the business will have on other areas.

ENABLING MODERN COMMERCE FOR ORGANIZATIONS WITH COMPLEX SUPPLY CHAINS

About Spice

SPICE is a next-generation technology solutions and services firm that helps enable modern commerce for organizations with complex supply chains. Our customers consist of over 2,000 organizations worldwide, ranging from large global brands and retailers to regional manufacturing and distribution companies. As a full-service consulting & cloud solutions organization, we assist clients in improving their modern commerce capabilities by integrating business processes from source-to-customer.

Key Practice Areas include:

- Managed Analytics
- Omni-channel strategy, execution and systems integration
- Merchandise & Sales Operations & information management
- Supply Chain strategy, execution and systems integration
- IT strategy & execution

Key Cloud Solutions include:

- SPICE Insight
- Managed Analytics-as-a-Service
- SPICE Connect - cloud EDI integration
- SPICE Catalog - cloud product
- SPICE Trade - cloud B2B e-Commerce
- SPICE Merchant - Quick deploy Merchandise Planning & Forecasting
- IT Managed Services for Systems & Middleware



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