

# Business Driven PMO Strategy

## Primer and Template

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What is strategy? And in the context of a PMO, what is a PMO strategy? Is it merely a thoughtfully documented plan of record for what a department head of a PMO wishes to do? Is a strategy a way to go from a current state to a future state? If yes, what should a PMO proponent aspire to have the PMO become in terms of that future state? Should the aspiration be the latest buzz and hype of the project management profession? Should it be implementing the latest tools and adhering to the latest best practices? Should it be aspiring for excellence in project management as viewed through the narrow lens of the certification standards of the industry? Though many PMO proponents are driven by such aforementioned things, none of these should be the drivers of a PMO strategy. At best, they represent component needs of a strategy of some kind.

A strategy is a plan of action that is designed to achieve an aim. With respect to PMOs, a PMO strategy is a plan of action that is designed to fulfill the PMO mandate. As discussed in the Business Driven PMO Mandate primer, the PMO mandate casts the purpose of the PMO as determined by the leadership team for whom the PMO exists to serve. And it is the business driven PMO mandate that establishes the leadership agreed to Vision, Mission, Goals and Measurable Objectives of the PMO. Hence, the purpose of the PMO strategy is to provide the plan of record for how the PMO will achieve its business objectives. Though most all other divisions, departments, and units within the business understand this basic business planning premise, the very basics of business planning and strategy development are lost upon many well-intended PMO proponents and the project management community in general.

### Problem

Most PMOs struggle with the concept of PMO strategy. Rather than thinking and speaking the language of business, PMO proponents mistakenly look to reference examples of such things as PMO charters, PMO models, and descriptions of PMO services and functions. Instead of developing a business strategy for their business unit, the PMO, such PMO proponents think and speak the language of project management and regrettably some even view the PMO as a project. The end result of this mindset is not

a well-tempered business strategy for the PMO as a unit or department in the organization, rather some form of a PMO Charter document that outlines activities that the PMO performs and that is maybe accompanied by a few Key Performance Indicators (KPIs) that represent some form of performance measurement of the said PMO activities. That this approach can be done and is being done is not debatable; that this approach is effective and will ensure a successful PMO is highly doubtful.

## Solution

The solution to the PMO strategy problem is to view the PMO not as some kind of non-accountable deep staff function such as a center of excellence or community of practice, rather to view the PMO as a business unit that exists, and is held to account, to meet specific goals and objectives just like other business units and departments in the organization such as marketing, sales, service, support, finance, manufacturing, and finance must do. Toward that aim, the Business Driven PMO Mandate must be established first and prior to any effort to develop the PMO strategy. Simply put, as strategy represents the means to the ends, without first understanding the ends to be achieved, it is not possible or sensible to undertake the development of a strategy.

The Business Driven PMO Mandate establishes the purpose of the PMO and provides a unanimously agreed to and shared vision for the PMO as well as the mission of the PMO and a specific and limited set of PMO goals and measurable objectives. We have all heard the expression, “if everything is important, then nothing is important.” This quote is especially pertinent for PMOs to abide by. The PMO cannot solve every problem of the organization, yet PMOs continue to be given or take on far more than is realistically achievable. Hence, the PMO must relentlessly choose to focus on those strategies, tactics, and actions that directly support the achievement of its own PMO goals as codified in the PMO mandate.

There are many approaches to business planning and strategy development. A good rule of thumb for PMOs is to use the business planning and strategy development processes and approaches that already exist in other departments and business units of the organization. For example, if the corporate planning office or marketing department has a business planning and strategy development approach that they use and advocate, then the PMO can adopt and adapt that approach for its own use. At a high level of planning, for each goal and measurable objective of the PMO mandate, the PMO should develop a strategy that consists of the following components:

- **Success Criteria.** This is a summary of the criteria that serves as fulfillment of the PMO objective. For example, if the PMO objective is to put in place effective executive dashboards and portfolio reports by a given date (how much by when), then the criteria for success must be enunciated and agreed to.
- **Action Plan.** For each PMO objective, this is a summary of the actions that must take place to achieve the objective. For example, if the PMO objective is to increase the capacity to perform projects by 100% by a given date (how much by when), then the actions that are needed to take to achieve this objective must be outlined.
- **Critical Success Factors.** For each PMO objective, the top critical success factors are listed and their impact to the organization is assessed. For example, if in order to achieve a specific PMO objective, training in project management is a key factor in being able to meet that PMO objective, this should be identified.
- **PMO Needs.** For each PMO objective, needs that the PMO has in order to meet its objective should be identified. PMO needs can include such needs as people, process, and tools kinds of things.

The purpose and scope of the PMO strategy is to make it clear to those served by the PMO how the PMO plans to meet their needs which are represented by the leadership team established PMO goals and objectives. Hence, the focus is on fulfilling the mandate of the PMO as measured by these goals and objectives - not merely staffing a PMO organization, implementing a tool, developing a methodology, and managing whatever projects and project-related work comes its way.

If desired, the PMO can refashion the business driven PMO mandate and PMO strategy into another style of document such as a PMO charter document where such things as PMO basic functions and services are outlined. However, great care should be taken to not confuse or add PMO functions and services to the PMO plan of record that are not relevant to the leadership team established mandate of the PMO.

## Attachment 1: Business Driven PMO Strategy

### Template

PMO Objectives (How much by when)	PMO Strategy
Objective #1	Success Criteria
	Action Plan
	Critical Success Factors
	Needs
Objective #2	Success Criteria
	Action Plan
	Critical Success Factors
	Needs
Objective #3	Success Criteria
	Action Plan
	Critical Success Factors
	Needs