Organization (X)

Organization (X) PMO Executive Proposal

(Preliminary)

ORGANIZATION (X) PMO Executive Proposal

This proposal is the formal written document for proposing/offering the creating, implementing, and operating the **P**roject **M**anagement **O**ffice (**PMO**) [1] in **ORGANIZATION (X)** - Saudi Arabia.

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[1]. **Project Management Office (PMO).** is an organizational structure that standardizes the project-related governance processes and facilitates the sharing of resources, methodologies, tools, and techniques. The responsibilities of a PMO can range from providing project management support functions to the direct management of one or more projects project. *[PMI PMBOK Guide – 6th Edition]*

Section I: Executive Summary/Commitment Letter

This proposal addresses corporate support needed to improve the **Productivity** in the projects activated in **ORGANIZATION (X)** to achieve the corporate goals. Getting the right projects, internally and externally, completed far more **productively** (i.e. *Productive = 3Es = Effective, Efficient, and Economical*) is key to meeting executive and stakeholder goals. This capability will be achieved by deploying a PMO with the following key objectives:

I. **Produce an executive-sanctioned, prioritized enterprise project portfolio[2].** This portfolio would be governed and visibly supported by the executive team. It would be utilized by all project and resource managers to ensure that decisions are made and resources are allocated according to executive mandate. Data in this portfolio would emanate from all business units. All executives and managers would receive reports to guide decision-making and actions from a common base of data.

II. **Build knowledge and skills to improve delivery performance.** The PMO structure & culture and executive support increase management's ability to meet executive goals through more productive project execution. Managers will productively utilize progress data within the portfolio and PMO tools to improve delivery performance and manage the constantly changing composition of the portfolio.

III. **Track, report, analyze, and improve project portfolio performance.** This step provides quick-starting tool utilization to collect, track, and perform project management activities on key project investments while providing strategic and tactical progress data to all stakeholders[3].

IV. **Replace deficient project management processes with standard and best practice tools, methods, and processes.** In order to drive best practices across **ORGANIZATION (X)**, and be able to share information meaningfully, the

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[2]. **Portfolio.** Projects, programs, subsidiary portfolios, and operations managed as a group to achieve strategic objectives. *[PMI PMBOK Guide – 6th Edition]*

[3]. **Stakeholder.** An individual, group, or organization that may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project, program, or portfolio. *[PMI PMBOK Guide – 6th Edition]*

ORGANIZATION (X) needs a common language and methodology; internally and externally.

V.   **Drive higher value from Project Management (PM)[4] training and skills development.** This step improves project management delivery capability by mapping current skills of the project management community, analyzing the collected data, and creating effective project management training curriculums which focus on key project management weaknesses.

VI.   **Implement PM Help Desk.** To obtain consistent, needed executive information on a timely basis, users will need help with the computer-based tools. The PMO tool and usability Help Desk will help users with readily available documented procedures and support when required.

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[4]. **Project Management (PM).** The application of knowledge, skills, tools, and techniques to project activities to meet the project requirements. *[PMI PMBOK Guide – 6th Edition]*

Section II: ORGANIZATION (X) PMO Project Business Case

Project Overview

Implement a PMO to improve Productivity in ORGANIZATION (X).

Background

The business is seeking to improve its capabilities to deliver projects that are strategic to the **Agility** (*Agility = Flexibility & Adaptability*) of the business. The need for this improvement has been demonstrated by the following:

- Lack of capability across top strategic initiatives to productively collaborate to avoid project delivery delays.

- Frequent priority changes, with constant disruption across the organization.

- Inability to complete sufficient projects to counter competitive and economic threats.

- Constant schedule and cost overruns.

Objectives

1. Deliver the capability of creating a balanced project portfolio that the executives believe will meet the corporate goals.

2. Put in place processes for managing projects and priorities in the portfolio, data gathering, reporting, tracking, analyzing and improvement.

3. Improve delivery of projects; in both speed and quality.

4. Allow more projects to be completed with the same resources.

5. Provide the information needed to support excellent executive decision-making in project selection and management.

Strategic Corporate Alignment

- **Internal Perspective**: Productive management of capital.

- **Operational Excellence**: Improve organizational process productivity and leverage strategic technology capabilities.

- **Learning and Growth**: Results-oriented leadership and decision making and communicate and share knowledge across the organization.

Opportunity Type

Selection of the appropriate box that demonstrates the type of opportunity **ORGANIZATION (X)** PMO project provides:

[✓]   Decreased costs

[✓]   Regulatory compliance

[✓]   Increased productivity

[✓]   Decreased risk

[✓]   Maintenance

Section III: ORGANIZATION (X) PMO Project Scope

ORGANIZATION (X) PMO Project Scope

- Identify minimum data requirements for project scheduling.

- Develop and document best practices and good practices.

- Determine minimum data requirements needed for the project portfolio.

- Gather, report, and analyze initial project portfolio data.

- Establish and facilitate first governance meeting.

- Deliver a library of easily accessible user guides for project managers, resource managers, team members, sponsors, and executives.

- Develop, implement, and operate processes to enable all project managers to deliver on minimum criteria (i.e.; Standardization).

- Add/hire staffs to take on roles and responsibilities that provide effective enterprise support.

- Implement necessary training/education/development processes.

- Shifting/adopting the organizational culture that is close to the project management culture.

ORGANIZATION (X) PMO Project General Deliverables[5]

I. **Phase 1 Deliverables:**

   1. **ORGANIZATION (X)** PMO Assessment Report.

   2. **ORGANIZATION (X)** PMO Improvement Plan.

   3. **ORGANIZATION (X)** PMO Value Proposition Charter.

II. **Phase 2 Deliverables:**

   1. **ORGANIZATION (X)** Portfolio Management Support.

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[5]. Kindly, for more illustration about the **ORGANIZATION (X)** PMO Project phases and time-phased major deliverables; refer to the attached **ORGANIZATION (X)** PMO Project Lifecycle document.

2. **ORGANIZATION (X)** PMO Data Administration.

3. **ORGANIZATION (X)** PMO Help Desk.

4. **ORGANIZATION (X)** Communications.

5. **ORGANIZATION (X)** Project Management Methodology Support.

III.   Phase 3 Deliverables:

1. **ORGANIZATION (X)** Portfolio Management Support.

2. **ORGANIZATION (X)** PMO Data Administration.

3. **ORGANIZATION (X)** Project Management Methodology Support.

4. **ORGANIZATION (X)** Project Portfolio Prioritization Processes Developed and Deployed.

5. **ORGANIZATION (X)** Project Management Training Support.

IV.   Phase 4 Deliverables:

1. **ORGANIZATION (X)** Enterprise Project Management (EPM) System Tool Identification and Review Process.

2. **ORGANIZATION (X)** EPM Tool Selection Process.

3. **ORGANIZATION (X)** EPM Tool Implementation.

4. **ORGANIZATION (X)** EPM Tool Conversion.

5. **ORGANIZATION (X)** Project Management Methodology Support.

6. **ORGANIZATION (X)** Project Management Training Support.

7. **ORGANIZATION (X)** Portfolio Management Support.

8. **ORGANIZATION (X)** PMO Data Administration.

9. **ORGANIZATION (X)** PMO Help Desk.

10. **ORGANIZATION (X)** Communications.

V.   Phase 5 Deliverables:

1. **ORGANIZATION (X)** Portfolio Management Support.

2. **ORGANIZATION (X)** Project Management Training Support.

3. **ORGANIZATION (X)** System Connectivity.

Section IV: ORGANIZATION (X) PMO Project Impact Analysis

Table 1.1 describes the impact of the ORGANIZATION (X) PMO on each stakeholder.

Key Stakeholders	Impact
Executives including CEO, CIO, CFO	ORGANIZATION (X) Executives will have a real-time view of how their projects capital and resources are allocated. This enables more informed decision making, and what-if scenario planning. Executives will have improved information on the implications of timeline constraints and scope changes. All projects will be prioritized by the Executives themselves.
Project Offices	ORGANIZATION (X) Project Offices will have access to processes, a portfolio view of their collection of projects, and detailed analysis of how their project resources are being deployed.
Project Managers	ORGANIZATION (X) Improved project management competencies, standardized life cycle, planning and scheduling methodologies, help with resource issues, issue tracking, and collaboration will help reduce project overruns. Most ORGANIZATION (X) project managers will need training to leverage the capabilities of tools provided. ORGANIZATION (X) Sponsor support will be significantly enhanced. ORGANIZATION (X) Cross-functional executive support will be more visible.
Team Members	ORGANIZATION (X) Project team members will be called on to help improve delivery. They will better understand the link between their work and the ORGANIZATION (X)'s goals. Team members will not make decisions on task priorities. ORGANIZATION (X) Cross-functional barriers between team members will be broken down to improve work flow and quality.
Resource Managers	ORGANIZATION (X) Project priorities will be clear. Conflicts between project managers and resource managers will be significantly reduced.

Critical Success Factors

- Executive and project office support across the **ORGANIZATION (X)** and Corporate in general.

- Project management training and skills development at every level of the **ORGANIZATION (X)**.

- Quality marketing of the PMO, its tools, and support.

- Acquisition/development of quality products to support excellence in portfolio management and project management.

- Effective tool training.

- Executive ownership of the portfolio.

Section V: Approach

Proposed Solution

Push/Pull Strategy© will be applied. Briefly, **pushing** via: Process establishing/reengineering, tool adoption, staff qualification, and culture shifting. **Pulling** via: setting up a real life example/benchmark project that will cause "domino effect" on the surrounding…

The **ORGANIZATION (X)** PMO project team will be comprised of two Project Management Professionals (PMP's); hand in hand with concerned Executives/Key Employees from **ORGANIZATION (X)** who will assemble initial data and select and implement all initial tools and data structures. This will allow the **ORGANIZATION (X)** PMO project team to focus on the hard and soft tools needed to further develop project management delivery rigor and discipline throughout **ORGANIZATION (X)**.

Alternatives Considered

- **Continue to manage projects as ORGANIZATION (X) is doing now** (lack of common structure, processes, and procedures). This alternative was eliminated because the **ORGANIZATION (X)** PMO Opportunity represents a great profit to **ORGANIZATION (X)** bottom line.

- **Minimum infrastructure**. Begins with one senior project manager, no formal PMO and no tools. This alternative was eliminated because an optimistic estimate of the amount of work required is several person years. **ORGANIZATION (X)** cannot afford to wait that long for the results.

- **Temporary infrastructure**. Build an **ORGANIZATION (X)** PMO and disband it once the initial objectives are accomplished. This alternative was eliminated because we believe that the PMO will prove that it will continue to provide outstanding ROI from improvement in project execution. In fact, this is one of the metrics that the **ORGANIZATION (X)** Executive team will use to continually evaluate PMO performance.

Assumptions

1. Deficient project managers in **ORGANIZATION (X)** will need to attend project management concept/practice seminars, courses, and guided-design workshops.

2. All project managers who are managing portfolio projects in **ORGANIZATION (X)** will buy-in to the **ORGANIZATION (X)** PMO project guidelines, including using a standard PMO tool suite as the project management tool.

3. All **ORGANIZATION (X)** units will ultimately use this tool to report status of their top projects.

4. **ORGANIZATION (X)** PMO tools and other training will be provided for all users at every level. **ORGANIZATION (X)** Executives will be vocal and positive in support of this training.

5. **ORGANIZATION (X)** PMO tool functionality will drive certain project processes.

6. **ORGANIZATION (X)** PMO staff will take an executive view of the business, driving project improvements to meet **ORGANIZATION (X)** goals.

Obstacles

- Finding qualified resources to support the PMO project.

- Defining the best way to incorporate every functional unit's need without sacrificing the need for a common structure.

- Buy-in of functional units to move approach to project management and utilizing the tools made available.

Procurement Plan

Mr. **Abdulrahman M. AlFadhil** and Mr. **Azam M. Zaqzouq** have been the primary negotiators from **ORGANIZATION (X)**. We will negotiate a purchase price for PMO software (that will be charged by **ORGANIZATION (X)**) and have surrounding agreements for software pertinent.

Stakeholder Expectations

Table 1.2 portrays the stakeholder group expectations.

Key Stakeholders	Expectations
Executives	**ORGANIZATION (X)** reports, views, and project portfolios will provide timely, accurate, and relevant information for improved decision making and strategic objective realization. In addition, there must be minimal impact to budgets.
Project Offices	**ORGANIZATION (X)** improved ability to view resource allocations, environment to further develop project managers' skill sets, and the capability of leveraging learning from past projects. **ORGANIZATION (X)** will also look for corporate support.
Project Managers	**ORGANIZATION (X)** Project Managers will get more stable, more advanced tools and processes to assist in planning and actively managing their projects. They must be able to efficiently [*Doing the "things" right*] and effectively [*Doing the "right" things*] control their projects, while maintaining a collaborative environment. There will be much less resource contention.
Team Members	An easier method of tracking their project participation. In

	ORGANIZATION (X) there will be much less conflict between projects and between project work and operational duties. (Automating their time reporting may initially be a burden, but increased task clarity and reasonable personal accountability for completing work will balance this.)

Change Control Plan in ORGANIZATION (X) PMO Project

As potential changes to the project base-lined scope, time and budget are identified, they will be documented by the ORGANIZATION (X) PMO Implementation Manager, logged, distributed to the ORGANIZATION (X) PMO Project **C**hange **C**ontrol **B**oard (**CCB**) and core team, and reviewed weekly (unless urgent). For urgent change matters, an emergency meeting will be convened. The CCB consists of the ORGANIZATION (X) PMO Project Director, ORGANIZATION (X) Director, and ORGANIZATION (X) GMs.

ORGANIZATION (X) PMO Project Termination Mechanism

Once it becomes clear that the ORGANIZATION (X) PMO Project objectives will not or cannot be met (Almighty Allah forbids!); the project will be terminated. The decision of termination will be taken by the ORGANIZATION (X) PMO Project Manager (Mr. Azam Zaqzouq, PMP) in concert with the ORGANIZATION (X) PMO Project **CCB**; that comprised of cross-functional senior stakeholders responsible for providing guidance and decisions regarding ORGANIZATION (X) PMO Project direction and changes affecting the ORGANIZATION (X) PMO Project outcomes.

Section VI: ORGANIZATION (X) PMO Projects Risks

Risk Identification Matrix

Table 1.3 describes the universal risks of **ORGANIZATION (X)** PMO Project, and

the approach that the PMO implementation team is planning to take.

Description of the Risk	Quantification	Risk Response
Unpreparedness of **ORGANIZATION (X)** facility layout and design that is an important component of the **ORGANIZATION (X)** PMO overall operations, both in terms of maximizing the productivity of production processes and meeting employee needs and/or desires	This is considered a high probability and medium impact.	Work closely with **ORGANIZATION (X)** Director to get all needed physical arrangement of everything required for the **ORGANIZATION (X)** PMO deployment.
ORGANIZATION (X) PMO Project Team needs to coordinate with multiple departments/business units. This could result in communication breakdowns and spreading core team support too thin during pilot and rollout. We can also be at risk that the **ORGANIZATION (X)** PMO tools might not be in alignment with some existing functional unit processes.	This is considered a high probability and high impact	Detailed marketing and communication plan for how to handle cross-functional unit communication. Align **ORGANIZATION (X)** PMO Project core team members to focus some efforts on specific business units. Investigate staffing a position to specifically work with business unit configurations and implementations.
Lack of buy-in for the **ORGANIZATION (X)** PMO Implementation Project at the senior management level will reduce or eliminate the corporate level benefits we are targeting to achieve from implementation. Lack of agreement over project priorities and resource assign-ments will also significantly reduce benefits. **ORGANIZATION (X)** users	This is considered a high probability and high impact risk.	Leverage functional unit contacts to uncover concerns/issues and develop a plan to address those at the functional unit level. Leverage executive owner and sponsor to uncover senior manage-ment concerns/issues and develop a buy-in presentation. We will not proceed with implementation until we have secured majority executive team support work with **ORGANIZATION (X)** functional units to uncover cultural change issues and incorporate a plan to address those during the functional unit

may also resist cultural changes that would result from tool implementation.		rollout.

Section VII: ORGANIZATION (X) PMO Project Costs

Project Costs Breakdown

Table 1.4 shows the **ORGANIZATION (X)** PMO Project costs breakdown summary.

Cost				
Cost Category	**Year 1**	**Year 2**	**Year 3**	**Year 4**
Project Costs:				
▪ Direct Expenses	SAR -----,--			
▪ Indirect Expenses	SAR -----,--			
Total Cost	SAR ---,---.--			
The ORGANIZATION (X) PMO Project Fees = SAR ---,---.--				

N.B.:

- The Fees of **ORGANIZATION (X)** PMO Project is **Inclusive** of:
    - Processes reengineering.
    - Training & Qualification.
    - Developing User Guides.
    - Full PMO Model/System Documentation.
    - PMO Tool Acquisition/Adoption.
    - Logistics.
    - Miscellaneous.

- The Fees of **ORGANIZATION (X)** PMO Project is **Exclusive** of:
    - **ORGANIZATION (X)** PMO Software Application.

N.B.: The PMO Project Cost is subject to change; as per the PMO Project Scope and Schedule.

Section VIII: ORGANIZATION (X) PMO Project Duration/Timeline[6]

Project Delivery Timeline Summary[7]

1. **ORGANIZATION (X)** PMO Project **Initiation/Planning** Phases:

   - Started by: **----, ----------** Completed by: **----, ----------** **(-- Day)**

2. **ORGANIZATION (X)** PMO Project **Executing/Monitoring & Controlling** Phases:

   - Started by: **----, ----------** Completed by: **----, ----------** **(-- Days)**

3. **ORGANIZATION (X)** PMO Project **Implementing and Operating** Phases:

   - Started by: **----, ----------** Completed by: **----, ---------** **(-- Days)**

4. **ORGANIZATION (X)** PMO Project **Closing** Phase:

   - Started by: **----, ----------** Completed by: **----, -------** **(-- Day)**

N.B.: *The whole PMO Project schedule is subject to change as per the PMO Project Scope and Schedule.*

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[6].The **ORGANIZATION (X)** PMO Project Duration/Timeline will be subject to change due to both: The actual needs assessment and progressive elaboration of the PMO Project itself.

[7]. Kindly, for more information about the **ORGANIZATION (X)** PMO Project phases and time-phased major delivarables; refer to the attached **ORGANIZATION (X)** PMO Project Lifecycle document.