

# Choosing the Right PMO Vision

## Achieving the Ability to Execute Strategies

A Blog Series by Bob Turek



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Are strategies executed? Does innovation abound?

Don't be alarmed! Reading a blog series can be good for your thinking- it's a medium that is conversational, builds on itself, asks questions, and gives you time to think through how you would "vision" a PMO that supports strategy execution.

Originally written for [www.projectmanagement411.com](http://www.projectmanagement411.com), a b5media company blog, it was linked to by Margaret Rouse at IT Knowledge Exchange [itknowledgeexchange.techtarget.com](http://itknowledgeexchange.techtarget.com) for it's thought provoking and visionary

content—which I cannot take credit for; Gerald Kendall and Steven Rollins inspired me through their book *Advanced Project Portfolio Management and the PMO: Multiplying ROI at Warp Speed*. That book, combined with my 25 years of technology enablement project experience, results in a blog series designed for executives to walk through the development of a PMO vision that can drastically improve the execution of strategies.

So, here it is in all it's raw, blog-like glory. Read it and be changed:

*(NOTE: a listing of the posts to aid in summarizing and reviewing follows the posts.)*

### **Choosing the Right PMO Vision: Achieving the Ability to Execute Strategies**

**Monday, November 05, 2007, 11:30:35 AM | Bob**

My last two posts, “What is a Project?” and “Innovation Requires Selling Value”, are basic nuts and bolts views of the PM world that could be the bookends of my topic area. One is simply challenging typical views of what a project is and the other challenges PMOs to take on value selling innovation which, in turn, drives projects. They are foundations of my thinking about PMOs and PM. Possibly a better way to blog about this area is through an approach I've developed designed to take executives through a discussion, and help facilitate the choice, of the right PMO model. The agenda for this discussion is as follows:

1. Key considerations- why a PMO in the first place, reporting structure, underlying theme
2. Senior executive pain- rampant project and strategy execution failure leading to considering a PMO
3. PMO models- low vs. high value and why they must be high value or risk disbandment
4. Value assessment- why this is a necessary step
5. Vision beyond the vision- once project failures are down and you do projects that support strategies, what's next? (Hint: a PMO that supports innovation)

Tune in and comment. I'm particularly looking for experiences and challenges to my thinking. Don't hesitate to let me know what's on your mind as we go through this in the next set of posts.

**Choosing the Right PMO Vision: 1. Key Considerations- Why a PMO?**  
**Monday, November 05, 2007, 4:47:40 PM | Bob**

1. Key considerations- why a PMO in the first place, reporting structure, underlying theme.

Why are you considering a PMO? Usually something painful drives the creation, or reevaluation, of a PMO. Projects may be failing; failure can be described as being way over budget, not completing, and/or not achieving desired results. There may simply be too many projects taken on by the company- this is usually due to lack of attention to resources required and the multiple use of resources. Project management simply may have gotten out of control leading to a crisis. Many times the crisis is lack of money. This leads to a focus on cutting costs related to projects which usually leads to a project monitoring effort that everyone hates. If the PMO is not viewed as an asset by people running projects then it will probably be short lived. Knowing why we are where we are is crucial. PMOs should be valuable, viable, long term entities. They should control projects in a way that serves accomplishment of strategies and business objectives. So, we don't want a PMO to be doing things that guarantee it's demise. Think this through with me- why are you considering a PMO? or, if you aren't, why not? Are the PMO functions that you are considering going to help the business execute strategies? Put another way, if the PMO is going to monitor on-time completion of individual tasks on projects, does this help the company execute strategies?

### **Choosing the Right PMO Vision: 1. Key Considerations- Reporting Structure**

**Monday, November 05, 2007, 5:21:00 PM | Bob**

1. Key considerations- why a PMO in the first place, reporting structure, underlying theme.

Where should the PMO exist and report to? Since most companies have a lot of projects located in the information technology (IT) area, this becomes a natural place to locate the PMO. This might be OK but thought needs to go into what types of projects, apart from IT projects, are created. If IT and/or the CIO rules the PMO then IT projects will get done- but what about marketing projects? or product development projects? Some argue that you shouldn't mix these with IT projects. Maybe- but do these projects require, and are they competing for, resources and dollars? Worse yet, are projects that are created in separate parts of the company either duplicating, or overlapping, with others? Are projects assessed as to whether they are linked to company strategies?

What becomes apparent is that there is a high risk of not knowing about projects within the company if a centralized PMO does not consider ALL projects. The likelihood of pet projects being pushed through for the wrong reasons goes up. A serious imbalance of internal infrastructure projects vs. demand creation marketing projects could also occur. In fact most PMOs oversee portfolios

heavily swayed toward internal infrastructure projects while the company has serious demand creation problems. Are you that type of company?

**Choosing the Right PMO Vision: 1. Key Considerations- Underlying Theme  
Tuesday, November 06, 2007, 12:27:58 PM | Bob**

1. Key considerations- why a PMO in the first place, reporting structure, underlying theme.

The underlying theme of a PMO will determine whether it is a long term endeavor. We talked about “why a PMO” in a previous post where it was revealed that most PMOs are born out of crisis. Crisis usually means financial problems which leads to cost cutting as being the underlying theme. A focus on cost limits the value potential of a PMO; only so much cost can be cut.

Throughput is a suggested underlying theme; throughput focuses on cycle time, flow, and doing more of the right projects. The right projects are those that fit the organization’s goals and strategies. A throughput theme also focuses on elimination of wasteful processes and practices combined with a continuous improvement culture. Focus on throughput, as described, has unlimited value potential and actually results in more costs being driven out of the system. Such a focus also tends to be accepted by the organization because it is geared toward helping do projects quicker not simply monitoring tasks and projects.

The throughput focus vs. the cost focus is a key to success and longevity of the PMO. A cost focus can lead to disbandment of the PMO, and it’s potential value, as soon as the crisis that created it is over or as soon as the next budget cut takes place. What is your PMOs underlying theme? Why or why isn’t it important?

**Choosing the Right PMO Vision: 2. Senior Executive Pain- the Raw Numbers  
Tuesday, November 06, 2007, 4:36:03 PM | Bob**

My last few posts concentrated on some key considerations when choosing a PMO vision. They had to do with why a PMO is being considered in the first place, the reporting structure and the underlying theme. All of these are important because they are often the basis of pursuing the wrong direction and wrong vision. Once a good discussion of these three areas is performed the degree of the problem specific to the company should then be analyzed, understood, and agreed upon. This problem deals with the pain that the organization is feeling which translates to senior executive frustration.

Here are some fairly well researched statistics related to project management performance gleaned from a variety of sources. It doesn’t matter if they are on the nose- what does matter is where your company is in relation to them:

1. 74% of projects are unsuccessful. Let's just say that unsuccessful means overshooting project budgets, not completing major tasks, not producing to expectations. This doesn't even consider whether the projects are the right projects to be doing. Some estimate that this failure rate is higher on IT projects. Why not 100% success- what is holding us back?

2. 25-40% of project spend is waste because of rework. A lot of this is due to stopping and starting due to resources that are multi-tasked. Other reasons simply have to do with poor requirements definition and changing purposes of projects.

3. Less than 10% of formulated strategies are effectively executed. Projects are required for strategies to succeed. If project management is out of control and/or projects have a high failure rate, execution of strategies will suffer.

Senior executives may intuitively know that they are in the same boat. Worse yet many do not know how to correct the situation and many do not see execution of strategies as a project management issue. My next post will complete the senior executive pain area with some equally frustrating problems that are not as easy to quantify.

### **Choosing the Right PMO Vision: 2. Senior Executive Pain- Poor Results Wednesday, November 07, 2007, 4:19:15 PM | Bob**

Sorry executives! But poor project management processes are painful in many ways. Please don't think I'm trying to rub salt into the wounds. These are discussion points to raise awareness of, and gain agreement on, the problem we are trying to solve. Hopefully, by now you see that the entire business is affected by how well you do project management and that a solution that addresses the entire company is required. Here are some, unfortunately, very common problems that create a lot of pain:

1. Projects are initiated without collaboration or coordination between functional areas. Project duplication and overlap requiring rework and cutting off projects mid-stream is extremely wasteful consuming dollars that could be focused elsewhere.

2. Resources multi-task between projects to serve functional executives. This close cousin to item 1. is often spun as good use of resources; executives like to see people working at, and over, capacity. The problem is that learning curves and project start up/reacquaintance times are drastically increased- every bit of this is waste and should be eliminated.

3. Inability to execute the correct portfolio of projects quickly enough to meet opportunities and threats. The process becomes so slow that the company

cannot react properly. This results in a company stalling and not executing strategies- too little, too late becomes the mantra of the company.

Is this enough pain for you? Again, I apologize. The good news is that we are now positioned to creatively consider various PMO models and visions that can be applied to the situation. In the next few posts, we'll look at a few models, their characteristics, the risk of failure and potential value of each. This should help us constructively summarize the key considerations and senior executive pain and begin offering a solution to the problem.

### **Choosing the Right PMO Vision: 3. PMO Models- Introduction**

**Friday, November 09, 2007, 6:42:21 PM | Bob**

You won't begin to appreciate why PMOs are necessary until you have gone through the posts on 1. key considerations and 2. senior executive pain.

These posts are designed to develop a clear identification of, and gain agreement on, the problem. Only then can you realize, and then accurately select, a PMO model for your organization. The best model to start your PMO journey should become obvious- however, the best one to ultimately pursue may not be as intuitive. For the sake of simplicity, four models will be considered:

Project repository- like it says, a repository or information source for projects, methods and standards with weak or non-existent central governance.

Coaching/mentoring- this is an enhancement to the first model with training, consulting and mentoring for project set up and reviews.

Enterprise- seemingly one that should solve the problem, this model encompasses all projects and focuses on eliminating bottlenecks and constraints to project completion. Even though it may be centralized, a direct authoritative link to the top executives doesn't exist leaving it to languish with an uncertain strategic and innovation role.

Execute strategy- named for it's main goal, this PMO model actually supports a governance board that takes PMO suggestions and prioritization information seriously, realizing that successful completion of projects aligned with strategies is the lifeblood of the business.

I'll give more about each model's characteristics, risk of failure, focus, and expected value in subsequent posts. Important areas to consider as you go from model 1 to model 4 are:

1. The value can easily triple and sometimes be ten times as much, and

2. A transformation in emphasis from a cost basis to a throughput basis takes place. This has everything to do with how the PMO is perceived by the rest of the organization- simply put: costs basis is bad and throughput basis is good.

3. The risk of a PMO being disbanded goes way down as you migrate from model 1 to model 4.

### **Choosing the Right PMO Vision: 3. PMO Models- Project Repository Saturday, November 10, 2007, 10:18:14 AM | Bob**

This project repository PMO model is generally the first, and many times only, step taken. Possibly driven by a crisis related to project control, the first thought is to simply control projects by simply centralizing information about them. It generally leads to a PMO that now uses the information to monitor what is going on. Guess what? The information gathered about projects can easily get worse when monitored by another organization especially if there is no value perceived by those being monitored.

Wouldn't you have a tendency to inflate, pad and otherwise protect yourself- in fact, one of the worst things a PMO can do is to monitor individual tasks. Whether or not an individual task finishes on time is irrelevant to a project- I expect some push back here!!

The risk of failure of this PMO model is high because the value of the PMO is uncertain and probably negative. Once the crisis that created the need for a PMO abates, or the next budget cut occurs, these types of PMOs are disbanded.

Value of all the PMO models will be assessed by rough order of magnitude percentage improvement in three areas: project budget, throughput (doing the right projects quicker), and projects completed. The value points, and most of my writings on PMOs, are based on my experience and readings (especially Advanced Project Portfolio Management and the PMO: Multiplying ROI at Warp Speed, by Gerald Kendall and Steven Rollins, read my post on this). The value numbers are for comparative purposes only; but they should give you an idea of what you can expect. For the project repository don't expect much; maybe 1-2% improvement in each area.

Has anyone received more than 1-2% improvements in the value areas with this type of model? How did you do it? Was this model a stepping stone to other PMO models?

### **Where We Are, Where We've Come From, and Where We Are Going Saturday, November 10, 2007, 11:00:20 AM | Bob**

One project management technique that provides clarity, positioning and confidence is to simply say "here's where we are, here's where we've come from,

and here is where we are going". Discussing this among your project team gives everyone an opportunity to voice concerns about whether the team is ready to go to the next step, whether some activities and tasks need to be revisited or redesigned, and simply gives the team an opportunity to take a deep breadth of "understanding" before proceeding.

This basic "we are-have come from-are going" assessment is needed right now related to my "Choosing the Right PMO Vision" series:

**Where We Are:** We are exploring the different models of a PMO, their characteristics, their value, risk of failure and basic theme.

**Where We've Come From:** I first introduced the "bookends" of my PMO series with "What is a Project?" and "Innovation Requires Selling Value" posts, followed by discussion facilitation posts on "key considerations" and "senior executive pain" designed to elicit an identification and agreement on the problem we are trying to solve.

**Where We're Going:** Upon completion of the various PMO models we will explore how to assess your situation with a value assessment followed by how the highest value PMOs serve their companies by helping drive innovation.

OK...I feel better. Now we have a picture of how we got here and what is in store. Do you use this technique often during your projects? If not, how do you create a sense of balance and understanding of what is going on?

Choosing the Right PMO Vision: 3. PMO Models- Coaching/Mentoring  
Sunday, November 11, 2007, 4:00:45 AM | Bob

The coaching/mentoring PMO model, for many, may be the end of the road. That is because the vision was never for the PMO to be enterprise-wide and focused on executing strategies. Rather this model rises from the vision that the PMO merely assists and mentors project teams. Generally, set up and project review are focused on. The value of this PMO can be higher, maybe 2-4% improvements in each of the areas of project budget, throughput, and projects completed. This value is low enough that the risk of failure of this PMO model, which is still perceived as painful overhead, is great. Again look out for the next budget process and/or the end of the crisis to cause this one to disappear. For those of you who have a successful coaching and mentoring PMO model, but haven't approached an enterprise-wide or strategy execution role yet, to what do you attribute your success? If your model is working, how long has it been working?

What are your plans to broaden the model to cover the enterprise and strategies? This is obviously a turning point on the continuum of models. In fact we could reduce the models considered to two because of the clear differences

between the first two (project repository/coaching/mentoring) and the last two (enterprise/execute strategy). They tend to differentiate on breadth and executive involvement. In fact, starting with a coaching/mentoring model is not all bad- as long as you intend to move up to the enterprise/execute strategy area.

### **Choosing the Right PMO Vision: 3. PMO Models- Enterprise Monday, November 12, 2007, 4:00:54 AM | Bob**

A major shift occurs in companies pursuing the enterprise model because it requires the PMO to consider ALL projects across ALL disciplines. The reason is that companies realize that resources and dollars are limited and projects compete for them. A realization that waste can be eliminated, as it relates to time, resources and money, begins to take hold. Bottlenecks and constraints are recognized as major causes of disruption and dictate how many projects can actually be accomplished by the organization. This is not a CIO's model- it goes beyond IT projects to include marketing, product development, non-IT infrastructure, and more. Interestingly this model begins to have higher value; but that value is severely limited by the lack of a clear authoritative link to the C-level of the organization. This model still has not embraced the role of supporting the execution of strategies- in fact it cannot because it tends to flail around without a clear governance structure. Responsibility without authority comes to mind. This model can attain value in the 5-10% range of improvement in the three areas of project budget, throughput and projects completed, IF it has become a centralized continuous improvement vehicle. This means that project managers share problems and solutions that they experience on the various types of projects they encounter. This sharing takes time to do however and most enterprise PMOs suffer from lack of time. The investment is far higher once the enterprise wide model is considered- this alone labels it a candidate for budget reduction. So, clearly higher value is still having trouble overcoming the risk of failure and disbandment. Who has experience making the leap to an enterprise-wide PMO? Did anyone experience an attempt to shrink the PMO back to a coaching/mentoring model? Did anyone gain higher value in any of the three value areas without strong central governance?

### **Choosing the Right PMO Vision: 3. PMO Models- Execute Strategy Tuesday, November 13, 2007, 4:00:32 AM | Bob**

The execute strategy PMO, to me, is the holy grail. Not all companies can get here. A commitment to enterprise coverage, strong governance, and only doing projects that clearly link to strategies leaves most PMOs short. An execute strategy PMO brings the focus on throughput to a new level- projects are assisted, not monitored, by helping find ways to accelerate them. A strong governance board of top executives oversees the PMO; this governance board expects high value because of the throughput focus and the link to strategies that they have created. Value in terms of improvement from the original state of "no-

PMO” can rocket to 25-50% on all value areas of project budget, throughput and projects completed.

Because of the value and the now strong link to delivering on the strategies of the company, the PMO is almost an indispensable organization as important to the company’s well being as manufacturing, marketing or finance. With this value and recognition the risk of failure of this PMO model is very low. It is a long term business venture. This PMO can have unlimited value due to it’s continuous improvement focus. This concept may be puzzling to some executives who are more authoritarian in their approach or who view improvement through a cost reduction lens vs. a revenue generation lens.

Why wouldn’t this work in your company? Is it because you don’t believe that strategies can be influenced by a PMO? I don’t think a PMO is worth pursuing unless the company ultimately embraces an execute strategy PMO.

### **Choosing the Right PMO Vision: 3. PMO Models- Value Summary Thursday, November 15, 2007, 4:00:57 AM | Bob**

Let’s sum up the value of the PMO models regarding the value points of project budget, throughput, and projects completed. I know this is oversimplified- value depends on many factors and situations. Each one of these areas will vary quite a bit; but for purposes of getting a feel for the relative magnitude you can expect here are percentage improvements over a 2-3 year period of time for each of the PMO models (IF they last that long):

Project Repository 1-2% and possibly negative  
Coaching/Mentoring 2-4%  
Enterprise 5-10%  
Execute Strategy 25-50%

Even if the value numbers don’t hold up, there are obvious differences in the PMO models. As I have said in previous posts, for ease of presentation and analysis you could easily group the first two, and the last two, together to come up with two models: 1) Repository Coaching/Mentoring, and 2) Enterprise Execute Strategy. The purpose and expectation of each is entirely different- I like to think of the Enterprise Execute Strategy model as the “serious” PMO model for companies serious about executing strategies and driving innovation.

By now it should be obvious that a PMO model that cannot generate more than 2-4% improvement in the value elements is seriously at risk for disbandment when either the crisis that created it goes away and/or the next budget cut takes place. I would like to hear from those who have experienced PMO disbandment. Tell me why the PMO could not sustain itself- was it value? Often value isn’t measured very well. What other factors contributed to the PMO’s demise?

**Choosing the Right PMO Vision: 4. Value Assessment- What Is It?**  
**Saturday, November 17, 2007, 4:00:06 AM | Bob**

Once you agree on the problem that is being solved with a PMO deployment, and you have a pretty firm understanding of the PMO model and vision at the executive level, you are ready for a full blown value assessment effort. This is NOT an excel spreadsheet exercise. It is not a gap analysis with a lengthy “as is” and “to be” determination yielding bookshelves of diagrams and charts.

It IS an exercise that yields the following activities and results:

1. Clearly identify, analyze and agree upon problem/challenges/issues, the solution and the value of the solution, i.e., the business case for the PMO. This is where the rest of the organization gets involved with understanding the problem and the vision.
2. Create a preliminary implementation plan and value road map for a PMO and project portfolio management business processes.

I lovingly call the first item “PSV” for Problem, Solution and Value statement. The process of selling the doing of the value assessment to executives is a small project in and of itself. The PSV is something that should be initially worked up with whatever information you have from the previously posted “key considerations” and “senior executive pain” discussions; this PSV framework will be enhanced with detail gained from the value assessment; the PSV will always be the framework for presentation of value assessment results.

**Choosing the Right PMO Vision: 4. Value Assessment- Why Value Selling it is Essential**  
**Sunday, November 18, 2007, 4:00:29 AM | Bob**

Up to now we have been dealing with convincing (value selling) executives on the value of a PMO. The value assessment gives you a chance to “sell” the PMO to the organization and verify the value that was discussed in the visioning/modeling discussions. The marketing to the organization is extremely important to the PMO’s success and must continue long after the value assessment is performed.

I should repeat the selling processes involved here:

1. Sell the doing of the value assessment to executives.
2. Sell the PMO to the organization using the value assessment.

We will cover value selling principles in another series of posts later in the month. For a preview take a look at my book Value Selling Business Solutions: For

Everyone from Project Managers to Sales. It goes over how to sell a large project to C-level executives- the first step is to realize that you are NOT selling a large project initially, you are selling a value assessment for a large project. For now simply understand that value selling is essential to a PMO's success.

Value selling of executives, their direct reports and the "do-ers" of the organization is a carefully orchestrated process that can yield strong advocates throughout the organization for the new PMO BEFORE the PMO implementation starts. The value assessment process will allow the organization to "own" value specific to the organization- up to now the value spoken of was mostly about other company's results. The value assessment will give the organization a chance to test whether it can achieve the same type of value. Value selling processes can become an invaluable part of the PMO as it becomes the best of the best. Being the best of the best requires innovation. Innovation requires projects. Projects need to be value sold to a governance board consisting of key C-level executives. Bottom line- value selling is a crucial skill of a best of the best PMO.

### **Choosing the Right PMO Vision: 5. Vision Beyond the Vision- What's Next? Monday, November 19, 2007, 4:00:39 AM | Bob**

I could easily write a book on the "vision beyond the vision". It would be about achieving the best of the best business practices. I was inspired to write about this ultimate vision after reading about what a PMO can become in the book that guided my thinking about the "Choosing the Right PMO Vision" posts: Advanced Project Portfolio Management and the PMO by Kendall and Rollins. This book is an attempt to open executive's eyes as to what their companies can achieve through a PMO.

Up to now we've talked about a PMO that can support the execution of strategies. This is the ultimate PMO mission. Once a PMO is accomplishing this mission, what's next? How does a PMO sustain it's long term value?

What business processes can a PMO adopt to truly contribute to the innovation in an organization?

Advanced PPM and the PMO suggests at least three ways that a PMO can contribute to the vision beyond the vision:

1. Initiate it's own continuous improvement projects.
2. Support marketing strategies with projects in two key permanent project areas.
3. Conduct "better than best" practice research.

I'll detail my view of these three areas in the next few posts.

## **Choosing the Right PMO Vision: 5. Vision Beyond the Vision- Continuous Improvement**

**Tuesday, November 20, 2007, 4:00:05 AM | Bob**

The first of the three areas of a PMO pursuing the “vision beyond the vision” is a PMO that initiates it’s own continuous improvement projects. These projects would require governance board approval and prioritization just like all projects. A PMO that can create it’s own projects that survive the glare of a governance board will have proven it’s ability to influence the project mix of the entire organization.

These projects will include how the PMO can better serve the organization and projects that are born out of research into innovations that the PMO itself will do (more on that later). The focus in this area is continuous improvement and developing a culture that allows continuous improvement to occur; this term is most often associated with lean - for an excellent web site on lean issues from an executive point of view go to The Lean Executive.

## **Choosing the Right PMO Vision: 5. Vision Beyond the Vision- Marketing Strategies**

**Thursday, November 22, 2007, 4:00:17 AM | Bob**

Best of the best PMOs can support marketing strategies by continuously performing two projects (or project areas):

1. One factor/single focus that makes the organization number one in their industry- This is truly a continuous effort that can change focus often. The PMO that plays a leading role in this area helps a company maintain it’s focus on being number one.
2. The compelling marketing offer- achieving a competitive edge through the elimination of policies that make it difficult for customers to do business with you. This originated with Goldratt’s Theory of Constraints which encouraged thinking about understanding what your customers hate about dealing with your industry. It is not a focus on your company, but rather, the industry you exist in. The idea is to recognize these “hate” factors and eliminate them to achieve a huge competitive advantage. These are practices that can change an industry. In the software business I experienced a company that actually proved that every step in dealing with them is valuable, overcoming the perception that vendors were only selling and not adding value. Such a revelation can create a situation where suddenly you have no competition.

These marketing “assignments” of a PMO can change not only how a PMO is perceived within a company, but how a company is perceived in the marketplace.

Who has experienced a PMO that worked “out of the box” like this? Has anyone done a compelling marketing offer exercise that changed your company?

**Choosing the Right PMO Vision: 5. Vision Beyond the Vision- Better than Best Practice Research**  
**Friday, November 23, 2007, 4:00:47 AM | Bob**

A PMO conducting research? Sounds like we have a mini-Gartner or AMR on our hands. And why not? This is the ultimate best of the best practice for a company and a PMO. The PMO is in the best position to do this because it is the vehicle that best supports execution of strategies.

The logic is inescapable here: projects support strategy execution, therefore a centralized organization that informs the top executives, grouped into a governance board, is REQUIRED. Without such a PMO most companies achieve the execution of 10-15% of their strategies- a miserable record.

Why shouldn't PMOs do research on what the next innovative strategies might be? Why shouldn't PMOs do this research on companies outside their industry? or even outside their country? There is no reason why not- innovation exists outside ourselves, our companies and our countries. This type of innovation research will yield projects that result in breakthroughs in business practices for the company and it's entire supply chain. It is the best of the best practice PMO process that will enable the best of the best company processes.

**Strategy Execution and Innovation Can Be Drastically Improved**  
**Saturday, November 24, 2007, 4:18:37 AM | Bob**

My series on “Choosing the Right PMO” concludes with this post about the most important twin goals of an organization and therefore a PMO:

1. Execute strategies- the record is very poor here. Most companies do a very bad job of executing strategies. Strategies lead to tactics which lead to projects. If your project management is out of control you will not execute strategies consistently.
2. Innovation- also a poor record in this area because companies don't have business processes designed to look for, research, and then create projects to support innovative ways of doing business. Many times it's the boundaries that are put around the task that limit effective innovation- i.e., look outside your industry and outside your country for innovative business practices in the best companies. Then assess which ones will enhance and provide value to your business. The PMO is a perfect vehicle for this because it can control both the research process, the strategy process, and the project portfolio management process.

Companies need to go through a reality check regarding whether or not they are managing business processes to support strategy execution and innovation. A formal approach which usually requires the formation of a new organization is required. It really doesn't matter what you call it. I call it a PMO, but it could be called a Center of Excellence or Center of Innovation.

Bottom line- the "Choosing the Right PMO Vision" series gives you the structure to embark on creating such an organization that will have a tremendous impact on your company: 25-50% improvements in project completion, throughput, and cost, plus potentially going from 10% to 90% of strategies successfully executed. These kinds of impacts go beyond numbers and comparisons because you will have completely changed how your company operates.

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**Note:** below is a listing of the posts categorized by major area to aid in summarizing and reviewing individual posts in the blog series:

Choosing the Right PMO Vision: Achieving the Ability to Execute Strategies

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