

Implementing a Project Management Office

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Ricardo Viana Vargas is a project, portfolio and risk management specialist. During the past 15 years, he has been responsible for over **80 major projects** in various countries in the areas of petroleum, energy, infrastructure, telecommunications, information technology and finances, comprising an investment portfolio of over 18 billion dollars.

He was the first Latin American volunteer to be elected Chairman of the Board for the **Project Management Institute (PMI)**, the largest project management organization in the world with close to 500,000 members and certified professionals in 175 countries.

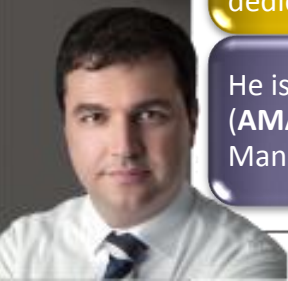
Ricardo Vargas has written **ten books** on project management, published in Portuguese and English, which have sold over 200,000 copies throughout the world. In 2005 he received the PMI Distinguished Award for his contribution to the development of project management and the PMI Professional Development Product of the Year award for the PMDome® workshop, considered the best project management training solution in the world.

He is a project management professor for various MBA courses, and actively participates on editorial boards for specialized journals in Brazil and the United States. Vargas is a recognized reviewer of the **PMBOK Guide**, the most important reference in the world for project management, and also chaired the official translation of PMBOK into Portuguese.

He is a chemical engineer and holds a master's degree in Industrial Engineering from UFMG (Federal University of Minas Gerais). Ricardo Vargas also holds a Master Certificate in Project Management from George Washington University and is certified both as a Project Management Professional (PMP) by PMI and as IPMA-B by the International Project Management Association. He attended the Program on Negotiation for Executives at **Harvard Law School**.

Over an eleven year timeframe, which began in 1995, Ricardo, in conjunction with two partners, established one of the most solid Brazilian businesses in the area of technology, project management and outsourcing, which had a staff of **4,000 collaborators** and an annual income of 50 million dollars in 2006, when Ricardo Vargas sold his share of the company to dedicate himself on a fulltime basis to the internationalization of his project management activities.

He is a member of the Association for Advancement of Cost Engineering (**AACE**), the American Management Association (**AMA**), the International Project Management Association (**IPMA**), the Institute for Global Ethics and the Professional Risk Management International Association (**PRMIA**).



Agenda

Introduction

Current Scenario

5 Don't's

5 Do's

The Challenges in the Implementation of PMO's

PMO Trends

Conclusion

The Project Office is the central place to:

- Conduct, plan, organize, control and finish the project activities;
- Obtain an overview of the project without getting into details;
- Be the main information and control center.

It can also be the project team's home, where all support is to be found.

Justifications

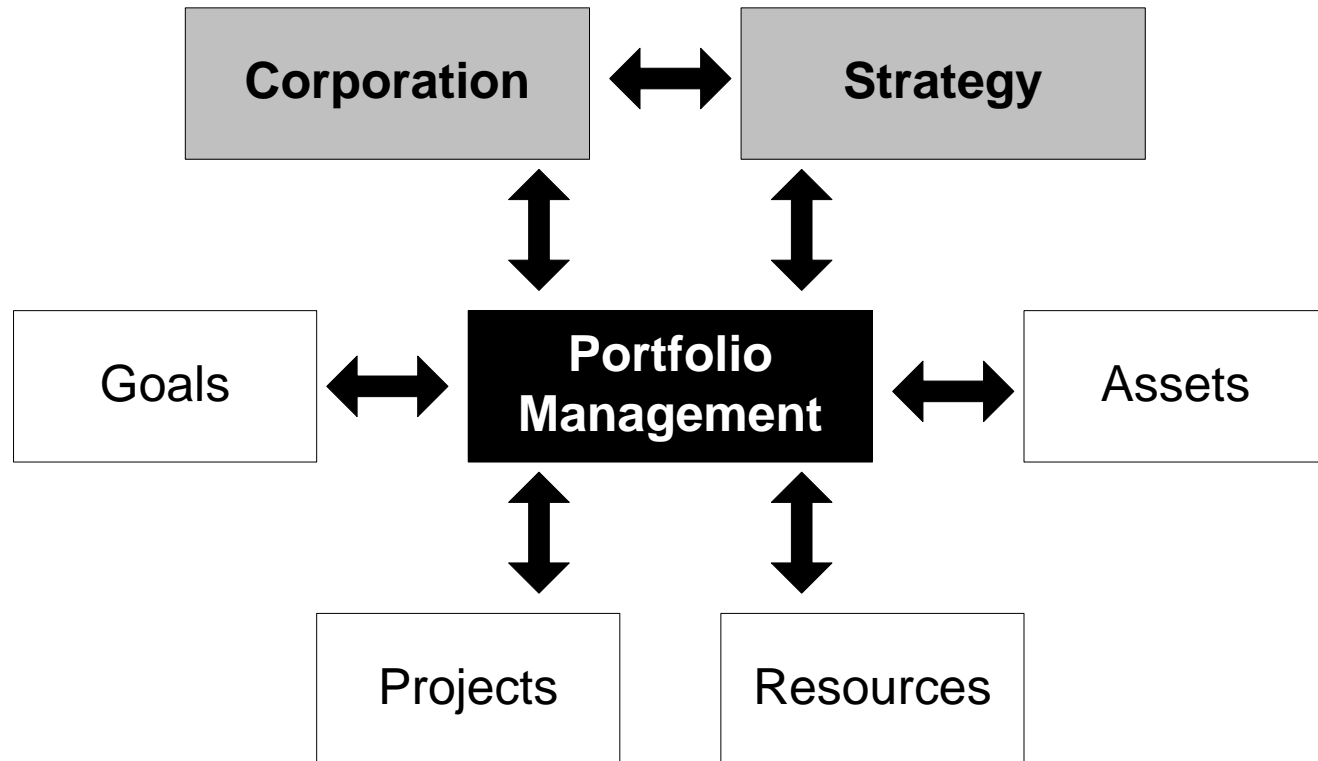
There is no standard way to report performance.

The project managers are overloaded and with no time to analyse information and make decisions.

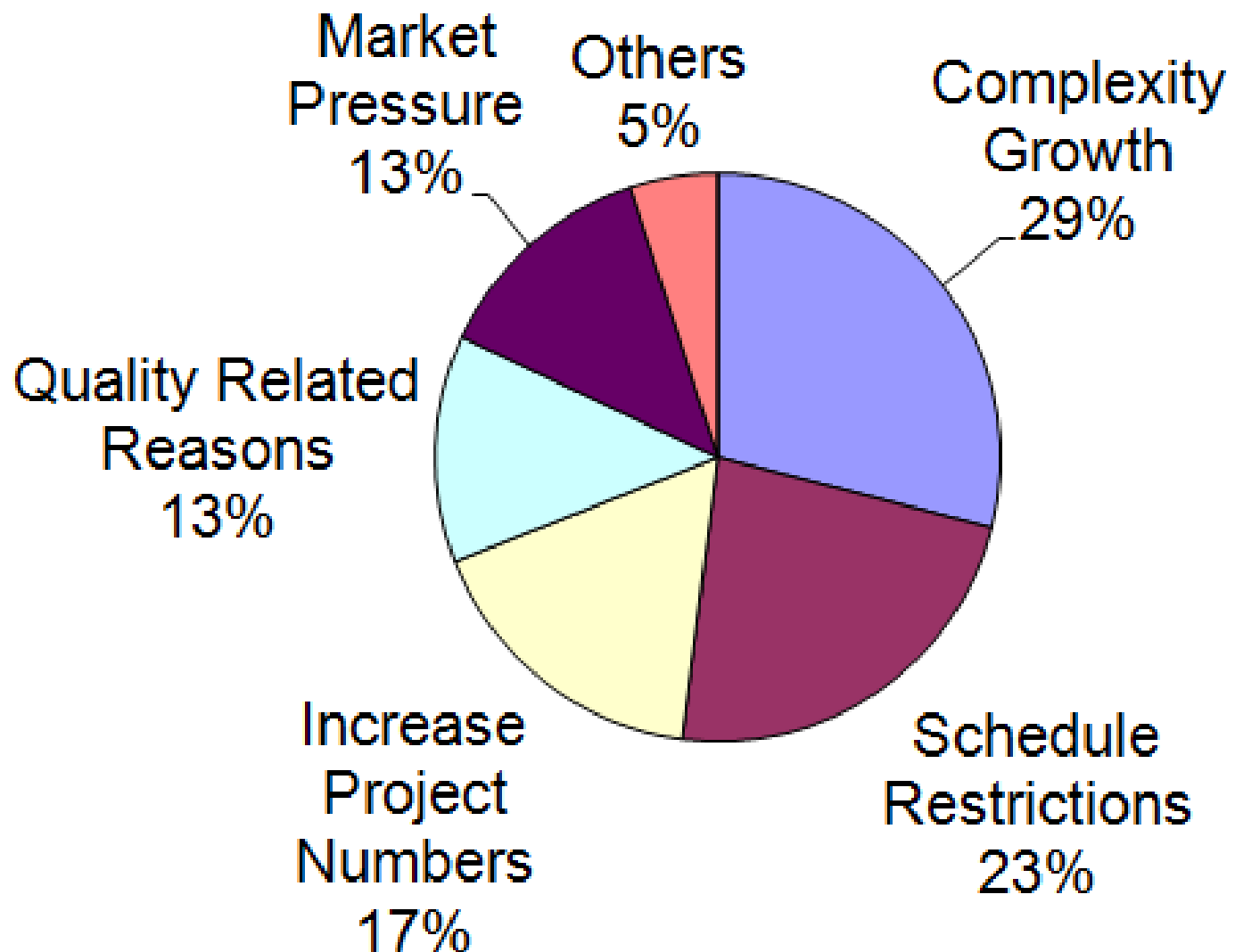
Lessons learned are not documented.

Project management is acknowledged as a critical competence for achieving success.

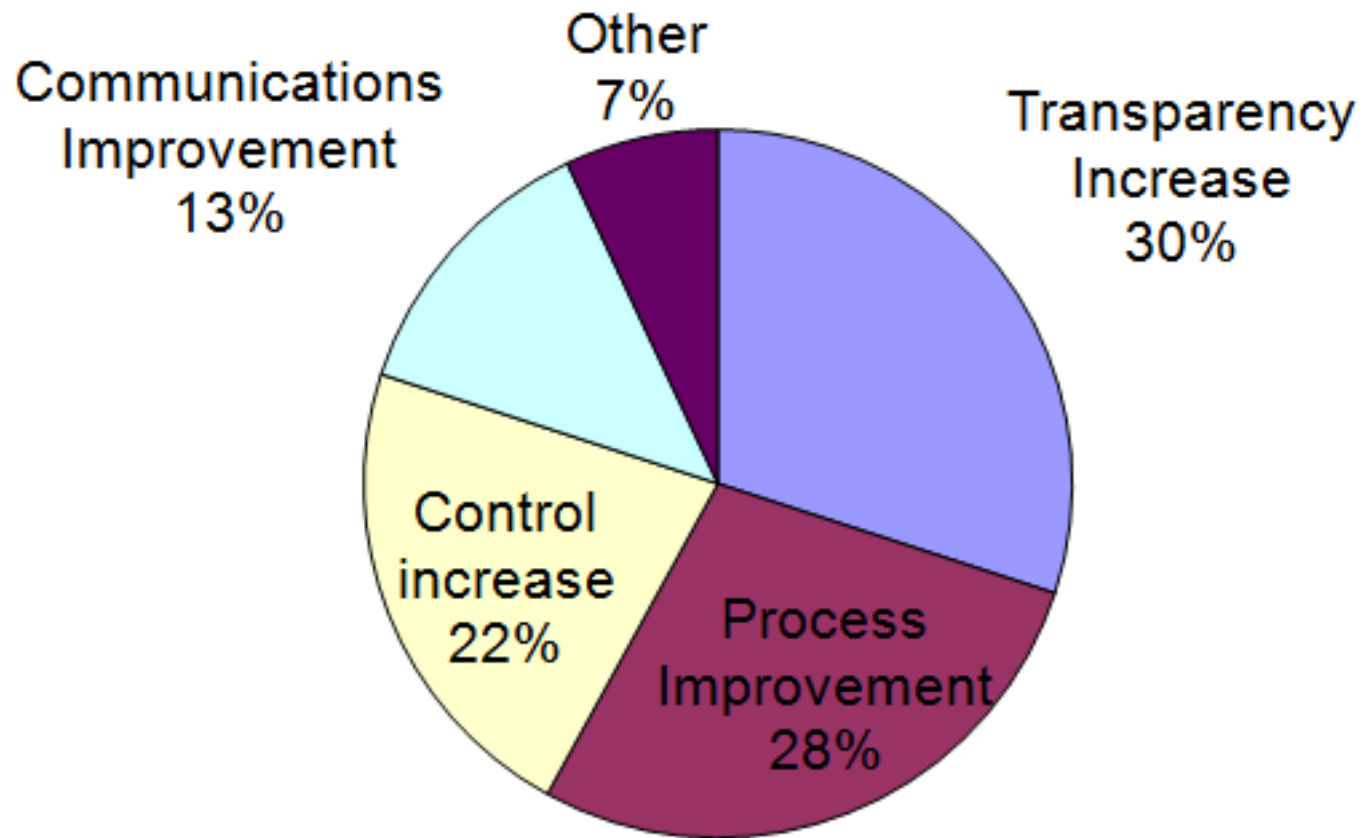
Portfolio Management



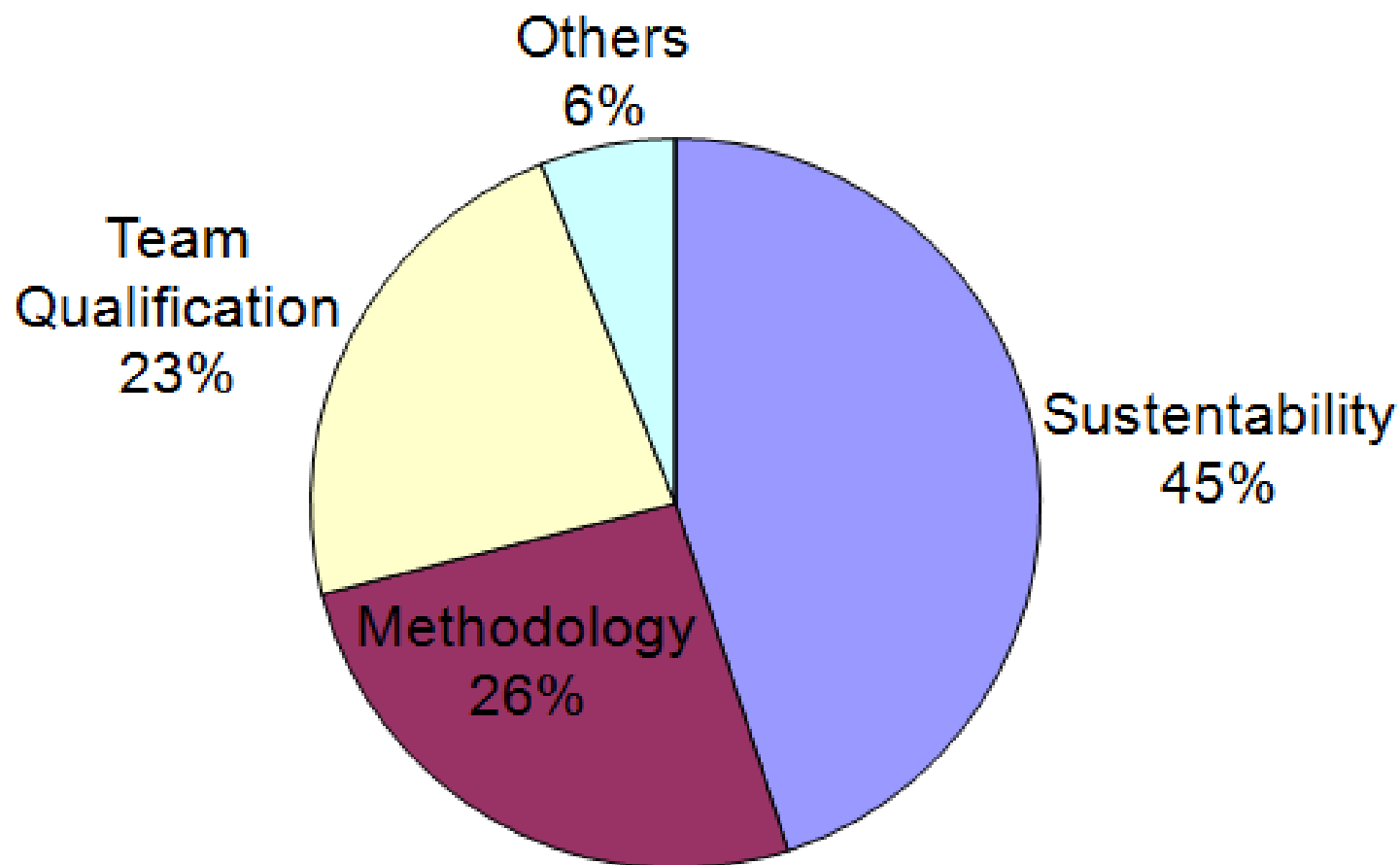
Justification for the Implementation of PMO's



PMO Benefits

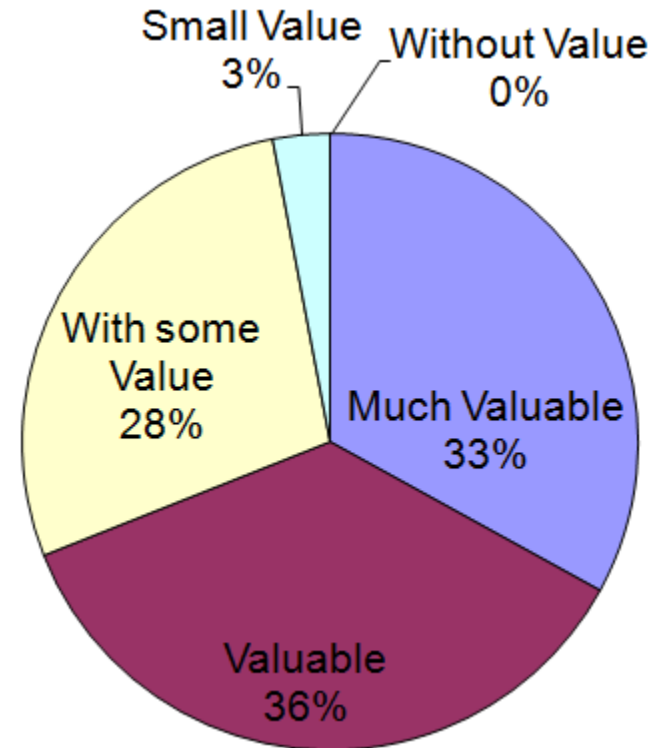


Critical Factors for the Implementation



The Value of Project Management

Quite a few corporations which do not use project management still manage to achieve success without wasting time and money



The Types of PMO's

Self-contained
Project

Project Support
Office

Excellence Center

Enterprise Project
Management Office



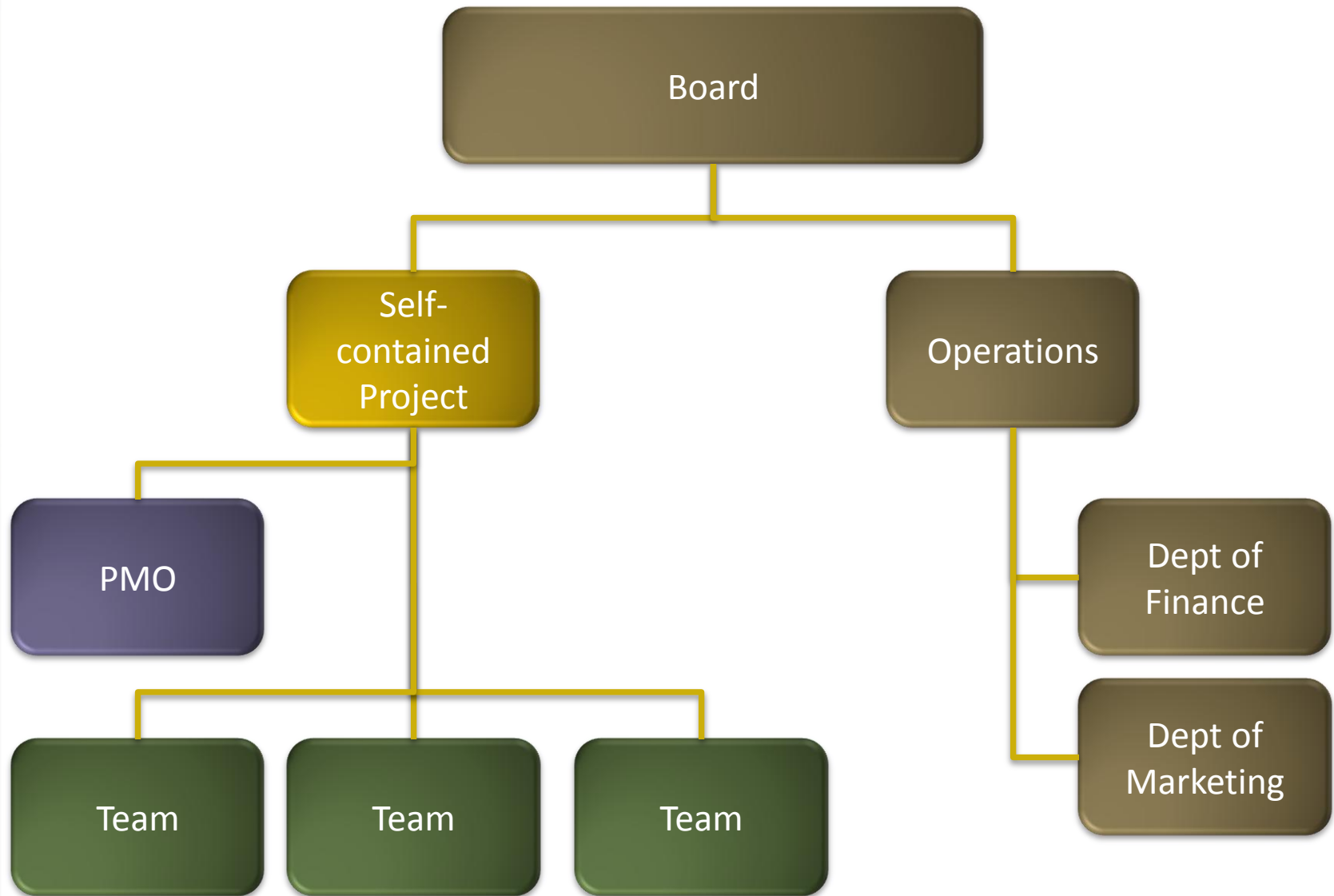
Self-contained Project

The Project Office is separated from the company's operations

It is aimed at managing an independent project or program



Self-contained Project Office



Project Support Office

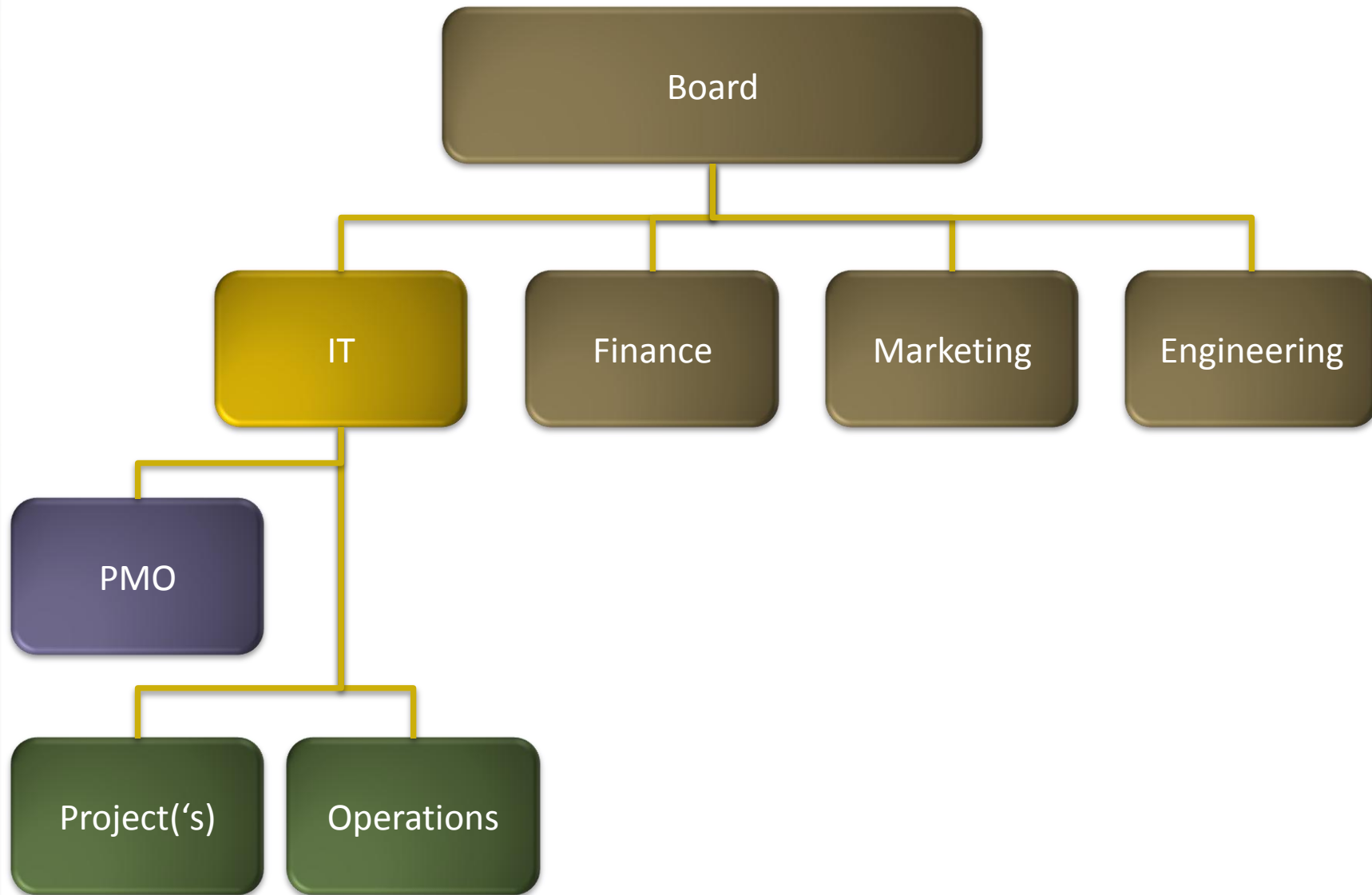
It is the project office aimed at departments/business units to support simultaneous projects.

It provides support, tools and planning services, schedule control, costs, quality, among other things.

It provides technical resources, project management methodology, knowledge management methodology and organizational interfaces.



Project Support Office



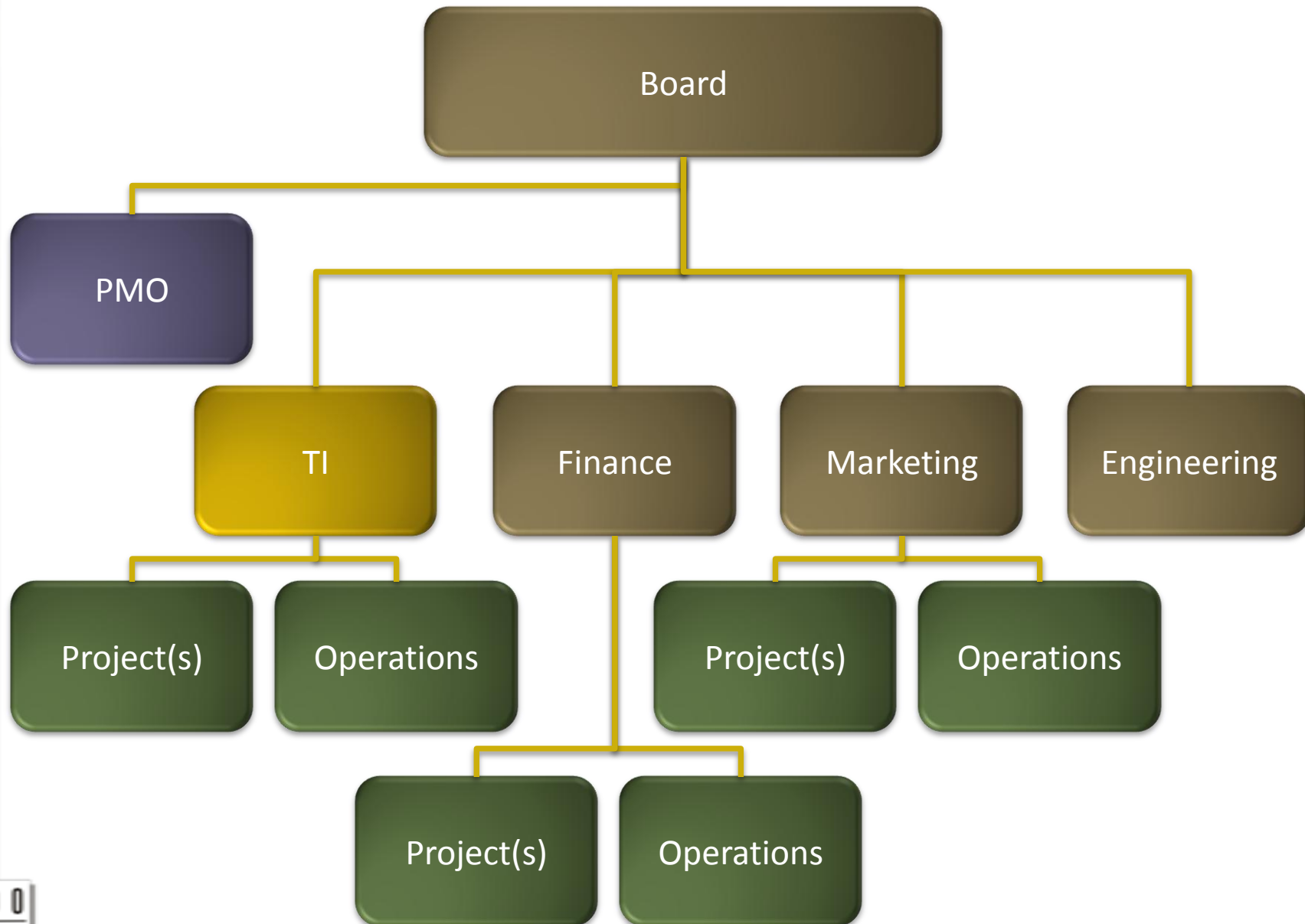
Enterprise Project Support Office

It is the project office at the corporate level, responsible for the strategic management of all projects in the corporation.

Its main roles are:

- Strategic planning of projects;
- Management of projects across departments/business units;
- Corporate knowledge management.

Enterprise Project Office



The Current Scenario

It's widely spoken of. Few people know. Almost nobody has a PMO...

The lack of competency while implementing project offices is the cause for deep frustrations in many corporations.

Wrong use of the PMO structure, such as the intent of “auditing” and “controlling” areas and business units.



The 5 Don't's of Project Management Offices

1

Believe that implementing a project office only takes installing a software

2

Not look for support from corporate executives, as if it was just a technical issue.

3

Implement with the intent of creating an auditing structure, and not a collaboration structure.

4

Follow the trend since everybody is doing the same...

5

Be too ambitious and implement in all areas of the corporation at once.

The 5 Do's of Project Management Offices

1

Invest... Invest... Invest in culture change.

2

Foster a collaboration environment that everybody can win, and not only the corporate executives.

3

Develop the standards to be used in a democratic manner.

4

Always seek to align the projects with the business objectives.

5

Break the paradigm of immediate results. Accept that the realization of its benefits often take time.

Implementation Challenges

Overcome information decentralization.

Obtain buy-in to the new work standards.

Beat the “myth” of auditing and punishment.

Have the necessary patience to accept that the results are not instant.

Never give up.

Conclusions

Keep focused on the details

There's no silver bullet

Take good care of your allies

Convert opponents into collaborators.
How:

- Involve them in the process (*Latham and Locke*).
- Reinforce the positive aspect of the change.
- Do not be the “owner” nor cultivate envy at those who do not participate in the process.
- Treat change naturally. It won't be the first neither the last one...



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