The Dbriefs Technology Executives series presents:

Results Management Office: A New Approach - Enabling Your IT Program to Achieve Results

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Agenda

Introduction - Are IT programs delivering intended value?

An outcome-driven approach to IT programs

Business and technical integration is the key

Don't forget the people

Summary - Moving from program management to results management
Are you missing the big picture?

Too often traditional PMOs can become caught up in the day-to-day responsibilities of administering the program, even as larger and more pressing issues loom on the horizon and eventually engulf them. Failure to perceive the big picture can leave traditional PMO’s vulnerable to macro level changes in the program’s business environment.
Poll #1

What best describes the primary way your organization measures the success of your PMO and your programs?

- Business value delivered
- On-time and on-budget
- Elegant technical solution
- What PMO?
A PMO only gets you 40% of the way there

N=130

Source: Gartner (September 2008)

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What else does it take to deliver successfully?

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Strategy and Mission Alignment</td>
<td>Clearly understood business benefits and outcomes</td>
</tr>
<tr>
<td>Domain Authority</td>
<td>Integration across all projects</td>
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<tr>
<td>Organizational Readiness</td>
<td>Stakeholder buy-in</td>
</tr>
<tr>
<td>Program Management</td>
<td>Effective program management processes</td>
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</tbody>
</table>
Align to your strategy, follow a map and know how to measure success

Effective practices include:

• Define expected business benefits and associated measures
• Develop a clear program strategy and roadmap
• Filter every decision through the program strategy
• Monitor business benefits post-implementation

Program Strategy and Mission Alignment:
Clearly understood business benefits and outcomes
Everyone talks about measuring business benefits, but how?

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defining measurable outcomes</td>
<td>Start simple - use standard business measures that can be baselined and tracked easily</td>
</tr>
<tr>
<td>Discrete impact of program results on complex business measures</td>
<td>Don’t over analyze - it is not an exact science, define specifically when you can, but otherwise look at trends</td>
</tr>
<tr>
<td>Establishing long term accountability and ownership for the program results</td>
<td>This is not an IT PMO function - establish accountability with your strategic planning function and do it consistently across the enterprise</td>
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Poll #2

How effectively is cross-project integration achieved by your PMO?

• Very effective – projects are aligned to a common business and technical architecture
• Moderately effective – projects focus on task dependencies and schedule alignment
• Not effective – continuous surprises and rework
• Unknown – not a concern
Program integration must be governed and managed throughout

Effective practices include:

• Establish a common business and technical architecture
• Assign specific ownership and authority for integration within the program
• Enlist the *right* domain experts to drive integration throughout the program’s lifecycle
• Make, communicate and enforce integration decisions consistently

**Domain Authority:**
*Integration across all projects*
# Domain Authority to the rescue – A Case Study

<table>
<thead>
<tr>
<th>Situation</th>
<th>Finance transformation program executing with clearly understood business objectives. Sponsorship actively engaged and supportive. PMO established and monitoring execution. Despite the above success factors in place, the project was running behind schedule during build phase and over budget. In-fighting was prevalent among teams.</th>
</tr>
</thead>
</table>
| Causes | • Siloed mentality among projects – “My project is green, glad I’m not on that project”  
• Point-solutions prevalent leading to “square pegs” and “round holes” being built simultaneously that did not fit together |
| Action Taken | • Creation of domain authority for program with lead business architect and lead technical architect assigned  
• Weekly integration meeting established facilitated by domain authority and attended by all project leads |
| Results | • Common vision defined and actively managed through the remainder of program  
• Quickly established a more collaborative environment with teams working more closely to achieve common vision  
• Future phase design efforts executed with domain authority oversight, leading to streamlined build phase |
Poll #3

What best describes your organization’s stakeholder buy-in towards adopting your programs’ solutions?

• Eagerly await and embrace
• Grumble but adjust
• Reject and do business as usual until forced otherwise
• Unknown / Not applicable
Without a focus on the people, even the most elegant solutions won’t be successful

Effective practices include:

• Obtain sponsorship and buy-in from key stakeholders early in the program
• Identify change agents to champion the solution throughout the life of the program
• Develop messages that align to what stakeholders care about
• Communicate early and often
• Remember that “why” is just as important as the “what” and the “how”
Stages for Building Personal Commitment to Change

<table>
<thead>
<tr>
<th>Time</th>
<th>Status Quo</th>
<th>Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awareness</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>General understanding</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Personal understanding</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Willing to accept</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Buy - In</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ownership</td>
<td></td>
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</table>

Vision
Poll #4

How well does your PMO stack up against all four of these success factors: Program Strategy and Mission Alignment, Domain Authority, Organizational Readiness, Program Management?

• Got it covered
• A few gaps, but close
• Hit or miss
• Not at all, we need a new approach
• Unknown
How can this be pulled together to help achieve results?

Program Strategy and Mission Alignment
- Program Vision and Strategy
- Dependency Management
- Benefits and Performance Management

Domain Authority
- Solution Planning
- Requirement Management
- Technical Integration
- Business Process Management
- Solution Architecture and Integration
- Technical Quality and Standards

Organizational Readiness
- Sponsorship
- Outreach and Communications
- Stakeholder Management
- Training
- Organizational Change Management

Program Management
- Governance
- Schedule Management
- Budget Management
- Change Control
- Risk and Issue Management
- Sourcing and Resource Management
- Benefits and Performance Management
- Program Reporting
- Integrated Release Management
- Quality and Standards
# Moving from PMO to RMO – getting the results you want from your programs

## The Results Management Difference

<table>
<thead>
<tr>
<th>Current-State PMO</th>
<th>Extended to “RMO”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output - Driven</td>
<td>Outcome - Driven</td>
</tr>
<tr>
<td>Administrative</td>
<td>Strategic and Agile</td>
</tr>
<tr>
<td>Reactive</td>
<td>Anticipatory and Proactive</td>
</tr>
<tr>
<td>Efficiency - Oriented</td>
<td>Effectiveness - Oriented</td>
</tr>
<tr>
<td>Cost and Schedule Focused</td>
<td>Leverages Human Capital</td>
</tr>
<tr>
<td>Process Focused</td>
<td>Collaborative &amp; Communicative</td>
</tr>
<tr>
<td>Performance Focused</td>
<td>Risk Intelligent</td>
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### Risk Intelligent

- Performance Focused

### Collaborative & Communicative

- Process Focused

### Leverages Human Capital

- Cost and Schedule Focused

### Effectiveness - Oriented

- Efficiency - Oriented

### Anticipatory and Proactive

- Reactive

### Strategic and Agile

- Administrative

### Outcome - Driven

- Output - Driven
An in-progress example of using the RMO to get results

<table>
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<tr>
<th>Business Challenges</th>
<th>The organization barked on initiatives to modernize its core management systems and the organization determined that a result focused and centralized program management function was needed oversee and integrate the remainder of its modernization activities.</th>
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</thead>
</table>
| Program Strategy and Mission Alignment | • Developed a framework to define the results and the techniques to measure their realization  
• Developed a decision making framework |
| Domain Authority | • Collected high-level program capabilities  
• Created an integrated schedule management framework |
| Organizational Readiness | • Defined how the program will communicate, measure and assess the health, progress and risk position of the program |
| Program Management | • Designed a model to provide a comprehensive and actionable model for program integration  
• Developed a standardized and structured method by which to plan, execute and monitor the success of information technology programs |
| Project Benefits | • Enabled the organization to be responsible for system integration – a role previously played by contractors  
• Enabled results-oriented program management – moved the focus from outputs to outcomes  
• Moved the focus to developing capabilities beyond traditional program management |
Key takeaways – the RMO can help you get 100% of the way there

• Define and maintain the business benefits throughout the program and *beyond*
• Cross-functional (business and technology) teams need to drive and own integration
• Long term program success is dependent on stakeholder buy-in from beginning to end

![Figure 1. Most-Important Project Success Criterion](image)

N=130
Source: Gartner (September 2008)
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The New Battlefield for Innovation – The Strategic Importance of Applications Management and Industrialized Solutions
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