

# Chicago PMO Roundtable

## July 2015



Hosted by:



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The Chicago PMO Roundtable



# Welcome!

- ❖ **Thank you for attending!**
- ❖ **The Chicago PMO Roundtable brings YOU, local PMO Leaders and Professionals together, with the goal of providing a forum to share your experiences, learn from your peers, and to expand your professional network.**
- ❖ **Each roundtable session focuses on a topic unique to the PMO arena and is presented by one of our members.**
- ❖ **If you haven't already, drop your business card into the fishbowl for a chance to win a \$100 Lettuce Entertain you Gift Certificate!**

# Agenda

- ❖ **4:30 PM**      **Meet and Greet – Food and beverages served**
- ❖ **5:00 PM**      **Welcome from MVC / CNA**
- ❖ **5:10 PM**      **Introduce Speaker – Angela O’Banion**
- ❖ **5:15 PM**      **Roundtable Interactive Session / Q&A**  
**“Didn’t See that coming!” Reacting/Recovering from the unexpected**
- ❖ **6:15 PM**      **- 5 min break -**
- ❖ **6:20 PM**      **Last Call for Business Cards – Roundtable Raffle**  
**\$100 Lettuce Entertain You Gift Certificate**
- ❖ **6:25 PM**      **Roundtable Wrap Up**
- ❖ **6:30 PM**      **Network with fellow Roundtable members**
- ❖ **7:00 PM**      **End**

# Get the most out of this session!

- Ask questions
- Engage the presenters
- Share your experiences

# Tonight's Roundtable Topic

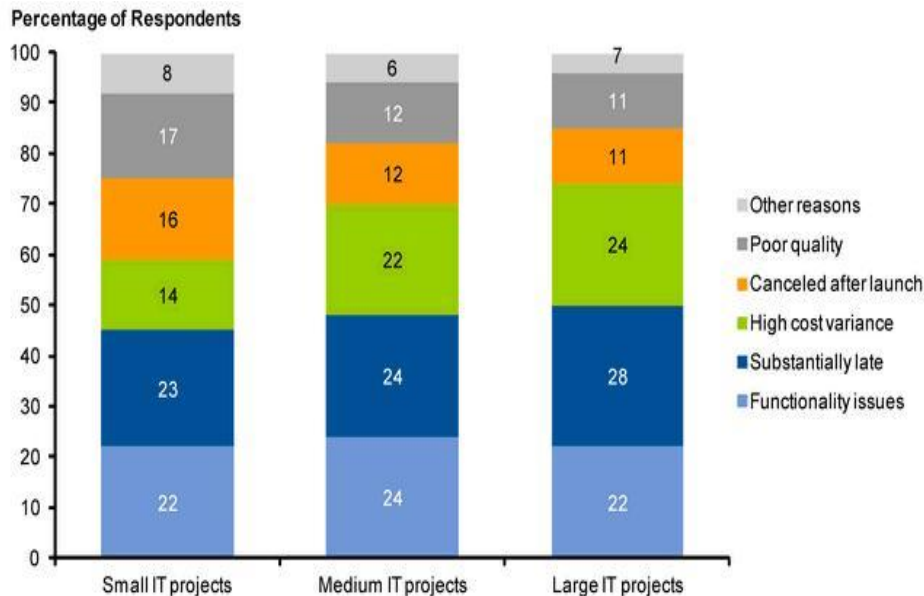
❖ "Didn't See that coming!" Reacting/  
Recovering from the unexpected

❖ Speaker: Angela O'Banion

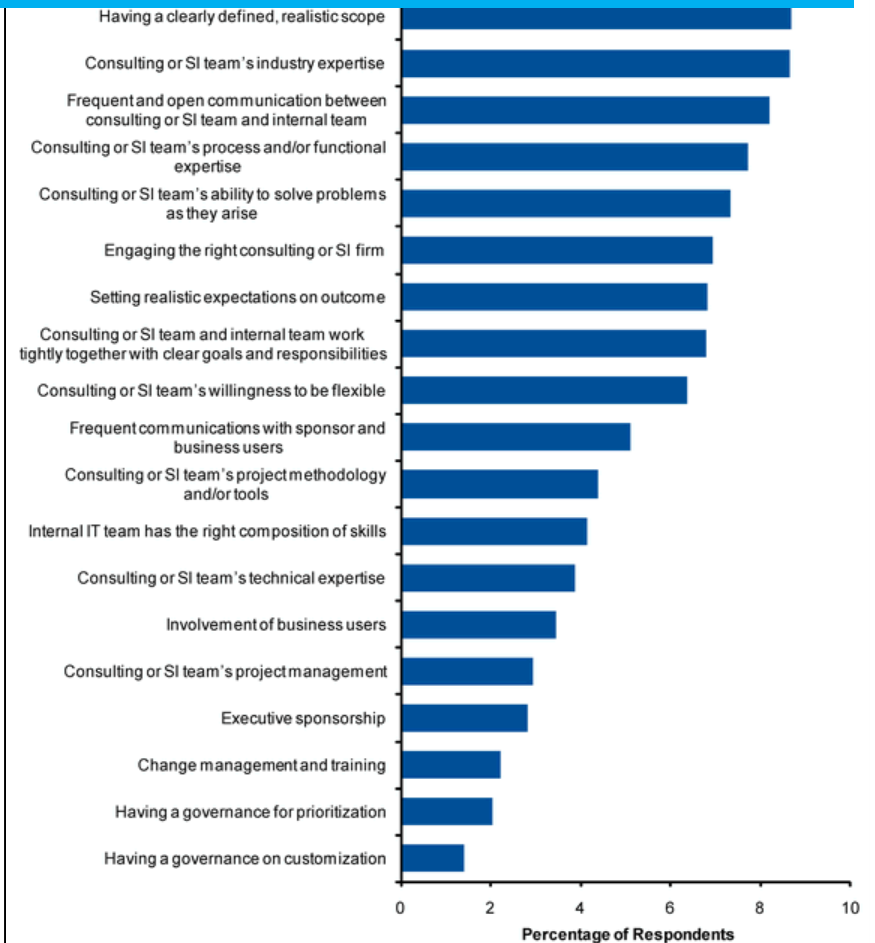
..Maybe we didn't see that coming, should we have?



Overall, projects success rates and factors for success have remained fairly unchanged over the past 20 years, Thoughts on Why?



The failure rate of IT projects with budgets exceeding \$1 million was found to be almost 50% higher than for projects with budgets below \$350,000



Sources: Gartner 2011, 2012

.. On a more positive note, we are learning more about increasing project success. Project success is multi-dimensional.

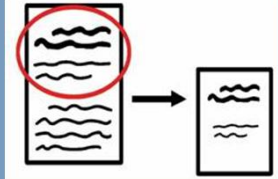


### Factors Contributing to Project Success and Relative Contribution %

<b>Planning</b>	
Having a clearly defined, realistic scope	9
Engaging the right consulting or SI firm	7
Internal IT team has the right composition of skills	4
Having a governance on customization	1
Having a governance for prioritization	2
<b>Total</b>	<b>23</b>
<b>Project Management</b>	
Frequent and open communication between consulting or SI team and internal team	8
Consulting or SI team and internal team work tightly together with clear goals and responsibilities	7
Consulting or SI team's project management	3
Consulting or SI team's project methodology and/or tools	4
<b>Total</b>	<b>22</b>

<b>Consultant/SI Expertise</b>	
Consulting or SI team's industry expertise	9
Consulting or SI team's process and/or functional expertise	8
Consulting or SI team's technical expertise	4
<b>Total</b>	<b>20</b>
<b>User Management</b>	
Setting realistic expectations on outcome	7
Frequent communications with sponsor and business users	5
Executive sponsorship	3
Change management and training	2
<b>Total</b>	<b>17</b>
<b>Soft Skills</b>	
Consulting or SI team's ability to solve problems as they arise	7
Consulting or SI team's willingness to be flexible	6
Involvement of business users	3
<b>Total</b>	<b>17</b>

# Risk Topics: Improving the success rate of projects by anticipating and managing risks



**The right level of sponsorship**

**Adequate budget and resources**

**Visibility into enterprise projects**

**Managing through large-Scale  
organizational changes**

**A deep dive into a few common  
and not so common project risk  
areas**



# Ensuring the right level of sponsorship



## Potential Causes of Risk

- **Sponsor has too many projects**
- **Sponsor/project lead issues**
- **Project has too many sponsors, no clear, single sponsor**
- **Lack of role clarity**

## Risk Management Strategies

- Vet potential sponsors at the executive level
- Form an operating committee below the executive level
- Select a project lead with a history of successful sponsor relationships (strong soft skills)
- Invest in on-board training for sponsors==>

# Obtaining an adequate budget and the right resources



## Potential Causes of Risk

- **Projects are too large**
- **Unproven/new to company technologies**
- **Projects span multiple years without consistent resources**
- **Not leveraging outsourcing partner/systems integrator as a strategic partner**
- **Budget cuts**

## Risk Management Strategies

- Create smaller projects/releases
- Invest in estimation tools
- Conduct relentless and weekly analysis of cost over-runs
- Thoroughly check references for new technology
- Retain a core team throughout the lifecycle (Business lead, technical solutions architect, requirements analyst)
- Use historical data for predictive analysis for budget increases==>

# Having visibility into projects impacting the enterprise



## Potential Causes of Risk

- **System upgrades considered 'routine'...but aren't**
- **'Silo/Pillar' business priorities**
- **Outdated systems/architecture documentation**

## Risk Management Strategies

- Create an executive-level gating process for the 'top n' strategic projects
- Institute monthly enterprise-wide reviews for red, yellow (current or trending) projects
- Invest in architecture tools==>

# Managing through large-scale organizational changes



## Potential Causes of Risk

- **Acquisitions**
- **Change in business conditions**
- **Executive turnover**

## Risk Management Strategies

- Quickly form a transition team to halt, re-prioritize, etc projects/resources
- Mitigate disruption by having implemented prior mitigates:
  - Have an operating committee below the executive level
  - Create an executive-level gating process for the 'top n' strategic projects
  - Retain a core team throughout the lifecycle (Business lead, technical solutions architect, requirements analyst)
  - Create smaller projects/releases



## The New Realities of Risk Management

- **Transparency and defensibility of risky decisions are more critical than ever.** Risk must be measured and addressed as part of the business process. All managers and leaders need basic skills in risk management.
- **Risk management is an investment decision tool. Eliminating all risk is not possible or desirable.** Risk treatment options include mitigation, contingency planning, transfer and acceptance.
- Risk and the accountability for risk are, and should be, owned by the business units creating and managing those risks.
- Risk management is an ongoing effort. **Risk assessments are valid for a point in time, because risk factors evolve over time.** Risk management must be baked into the thinking of decision makers and into the governance of the enterprise.
- **Risk decisions are more complex and impactful than in the past. With instant communication and processes, organizations must act quickly and knowledgeably to threats and opportunities.** Continuous monitoring and reporting of risk are becoming critical business processes.

# Five Minute Break



"Well he certainly does a very thorough risk analysis."

# PMO Roundtable Survey

- ❖ **Please take a moment to fill out the Roundtable Survey**
- ❖ **How can we improve, make this more useful for you?**

# Raffle

## ❖ \$100 Lettuce Entertain You Gift Certificate!



## ❖ Last chance, is your card in the fishbowl?



# Wrap Up

- ❖ **Consider being a Roundtable Host**
- ❖ **Next Roundtable**
  - TBD
- ❖ **PDU instructions will be emailed**
- ❖ **Please Visit the LinkedIn Group; “Chicago PMO Roundtable” and feel free to contribute**
- ❖ **Thank YOU for your participation: You make it better!**
- ❖ **Please linger to Meet your Peers/ Network.**

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