

We Went **How To ~~Go~~ From** **Zero Project Management** **to PMO Implementation:** ***A Real-Life Story***

PRESENTED BY:

Mary V. Brennan, PMO Director, American Eagle Federal Credit Union
and
Gary R. Heerkens, Management Solutions Group, Inc.

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The Background...

A Snapshot of AEFCU

Members (Customers).....	150,000
Asset Size.....	\$800,000,000
Number of Employees.....	250
Number of Projects in Progress.....	53
Number of Project Managers.....	0



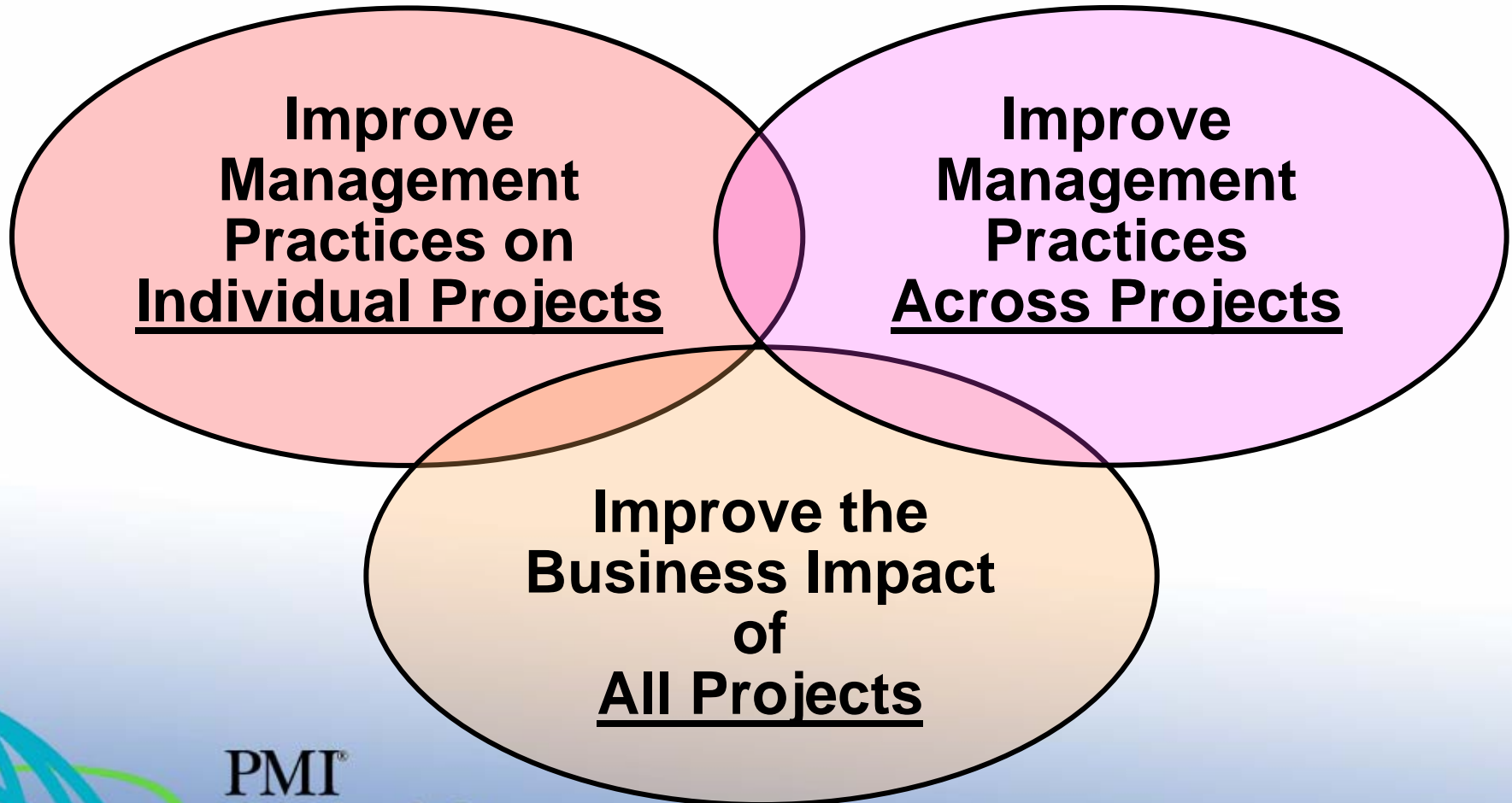
The Backstory... Before the Beginning

An organizational assessment of AEFCU's project management practices revealed:

- *Project selection was random and chaotic*
- *Projects were taking 2-3 times longer than estimated to complete*
- *Completed projects didn't satisfy original needs*
- *Project cost overruns were 50% - 300%*
- *Resources were frustrated*

The Game Plan for Improvement

(View From 40,000 ft.)



Some Specific Actions Were Taken

- ✓ Increased project management knowledge and expertise through training
- ✓ Implemented a project process ***progressively***
- ✓ Addressed the issue of resource conflicts
- ✓ Addressed the issue of resource overload
- ✓ Set up a management reporting format
- ✓ Established a portfolio categorization scheme
and...
- ✓ **Pitched the need for a PMO**

Our Justification for a PMO

- Loss of revenue due to slow project delivery
- Excessive/wasted resource (labor) costs
- Cost of “doing the wrong projects”
- Cost of “doing projects wrong”
- The potential “cost” to AEFCU management

The Expectations of the PMO

- Improve projects' "on time" delivery rate
- Improve business results
- Improve efficiencies
- Optimize use of resources
- Provide structure, discipline, accountability*

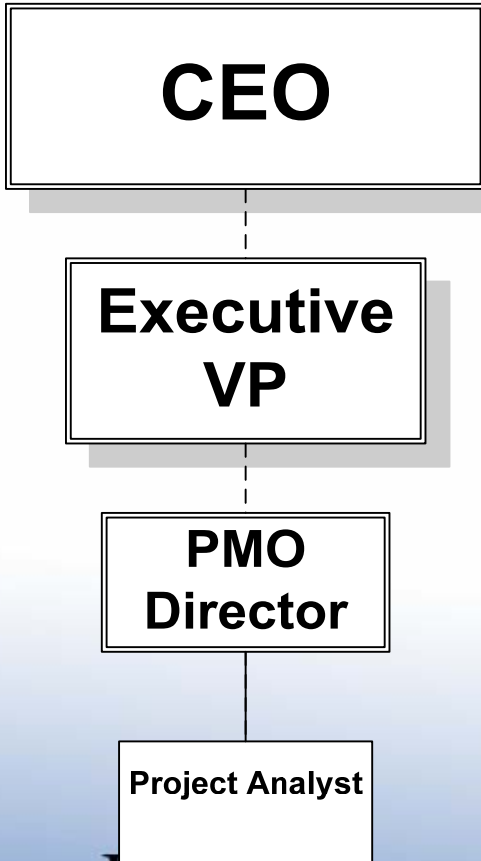
We Saw Visible Results Right Away

- The right solutions and the right projects were being selected (***better “bang for the buck”***)
- Resource leveling managed the internal labor (***better project experience for all***)
- Quality and timeliness of project deliverables improved (***better for AEFUCU execs!***)

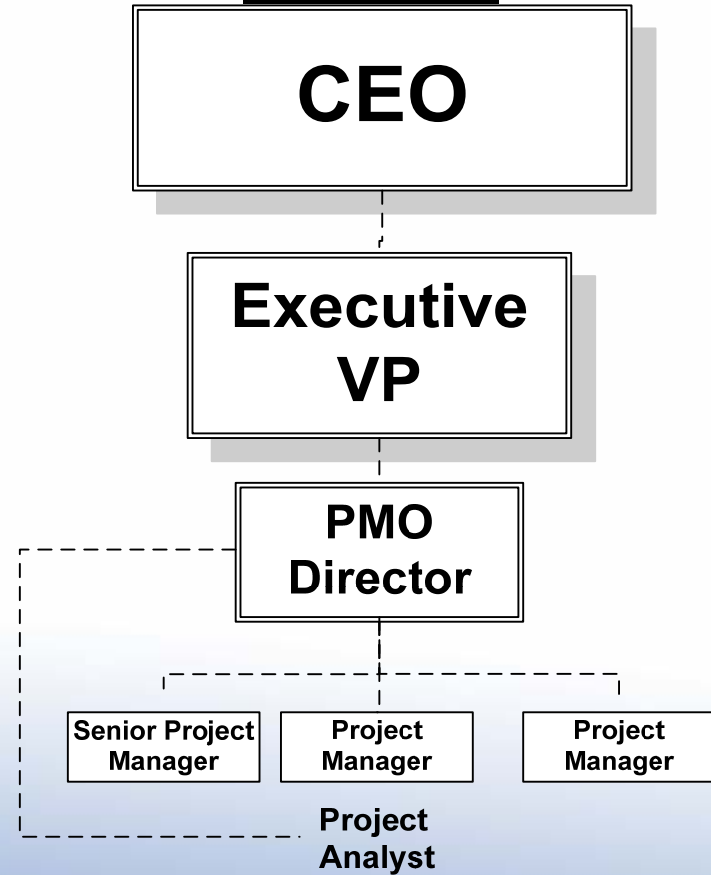
Results = Growth

The AEFCU PMO...Then and Now

THEN



NOW



Modest Staff vs. Full Staff

Once we put the right staffing and levels in place, the PMO took off...

- *The organization saw dramatic results in all projects throughout the organization – resulting in better business results – **leading to further justification***
- *Able to implement project management throughout the organization vs. only on select projects.*

The AEFCU PMO...Then and Now

(Part II)

THEN

NOW

<ul style="list-style-type: none">• Not involved in strategic planning	<ul style="list-style-type: none">• PMO Director is a SPT member
<ul style="list-style-type: none">• PMO only involved in strategic projects	<ul style="list-style-type: none">• PMO manages or has oversight on all projects
<ul style="list-style-type: none">• Not completely accepted by all	<ul style="list-style-type: none">• Accepted and respected by all
<ul style="list-style-type: none">• Project management considered “busy” work	<ul style="list-style-type: none">• Highly valued throughout the organization
<ul style="list-style-type: none">• A struggle to introduce only PM methodologies	<ul style="list-style-type: none">• PMO asked to develop all business solution methods

What we have molded ourselves into...

We started as an ***operational*** project office, but molded into a ***strategic*** project office...

- *We understand the link between projects and business results*
- *We understand the business needs*
- *We share the “big picture” with our teams*

...and how has it worked?

- 2007 Malcolm Baldrige Assessment – organization scored much higher than expected. **Results were a direct reflection of the PMO processes.**
- Board of Directors and Senior Management Team have commended the PMO for delivering quality projects on time and on budget.
- A standard for project management excellence has been set for other areas of AEFCU.

But...there was one BIG bump in the road...

Do you remember our earlier discussion on “The Expectations of the PMO”, specifically:

- Provide structure, discipline, accountability?

Lessons Learned

- Start off with a large enough and skilled staff to get the job done
- PMOs mission and actions must be supported by the highest levels – ***and enforced***
- Use a “one umbrella” project portfolio approach
- The higher the maturity level, the better the results (and potential efficiency savings)

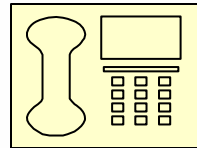
If You Wish To Contact Us...

Mary Brennan

*PMO Director,
American Eagle FCU*

(860) 568-2020, x-5446

mary.b@aefcu.com



Gary Heerkens

*President,
Management Solutions Group*

(585) 820-3660

msginc@frontiernet.net

What Questions Do You Have?