



CONTENTS

Chapter 1: We Have A Problem! It Is The Outdated PMO	03
Chapter 2: Governing In Agile Ways	06
Chapter 3: Organisational Misalignment	10
Chapter 4: Addressing Stakeholder Needs	14
Chapter 5: Delivery Disconnect	17
Chapter 6: Lack Of Efficiency	20
Chapter 7: Lack Of Training	23
Chapter 8: Value Proposition	26
Chapter 9: Where To Now?	29
About Us	31
References	33



CHAPTER 1: WE HAVE A PROBLEM! IT IS THE OUTDATED PMO.

Is the PMO adding value? How can a mostly rigid and reactive entity become more agile? Can the PMO evolve or will it continue to lag behind?

We have a problem - it's the outdated Project Management Office (PMO). We believe it may no longer be fit for purpose. Creating a separate PMO each time a project is initiated is not consistent to an agile approach where flexibility and multitasking is key to success. It is inappropriate for effective and efficient governance.

As Project Delivery methods continue to evolve, the PMO tends to lag. The PMO is generally considered reactive, lagging behind Project Management evolution in many ways from innovation to PMO delivery models and techniques. Any sign of PMO evolution has been embedded or referenced

within the Project Management practice. In our experience, it's not unusual for a PMO to lag behind Project Management practices by 5 years.

Smart organisations understand that proven project management practices lead to greater success and less waste. Likewise, better facilitation of governance can do the same.

We believe PMOs, globally, need to change and so do the organisations who continue to request but not support them. They need to stop reinventing the wheel every time they initiate a new project.

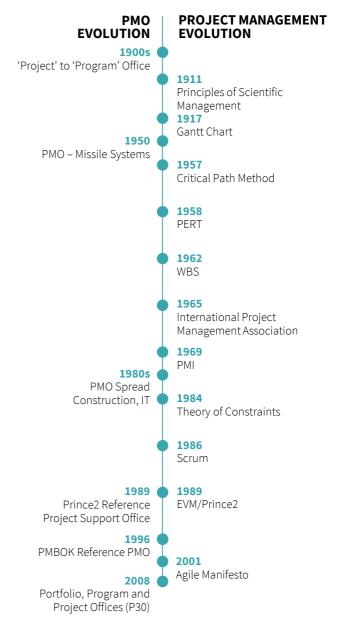


Diagram 1: Evolution of Project Management and PMO last 100 years

CHAPTER1:

WE HAVE A PROBLEM! IT IS THE OUTDATED PMO.

Onsite Research (2016-2018) Client Discussion & Feedback (2016-2018) Global Interviews - Seven Countries (2018)

Interviewed Academics Globally (2018) Reviewing Existing Academic Research / Papers (2018-2019)

Global PMO Survey (2018-2019)

Diagram 2: 6 Step Method for White Paper Development

That is, they need to stop establishing a new PMO function to do mostly what previous PMOs were already doing. They need to stop reengaging the same stakeholders by asking them to provide input to a new PMO team, Finally, stop the duplication of costs and work effort because of processes being established that likely already exist within the organisation. It is ineffective, wasteful and unproductive. We argue that something has to change.

We have conducted global research, spoken with academics and interviewed leaders, practitioners and professionals around the world to support our hypothesis that the outdated PMO may no longer be fit for purpose.

This White Paper series aims to address the lag between PMOs and Project Management practices across organisations, such that gaps can be swiftly closed; creating a model that iterates and evolves with Project Management.

In order to test our hypothesis that the PMO may no longer be fit for purpose, in addition to our own research and inputs gathered from practitioners and academics globally, we focus on seven key problem areas listed below, followed by our recommendations. Each problem area will be unpacked and demonstrate how we have applied the AMO Method™ to address them.

The chapters include:

Chapter 1: We have a problem. It is the outdated PMO. (This document)

Is the PMO adding value? How can a mostly rigid and reactive entity become more agile? Can the PMO evolve or will it continue to lag behind?

Chapter 3: Organisational Misalignment

The problem with PMO alignment to strategic objectives of an enterprise. What can we do to ensure that teams are acting in constant reference to organisational goals and objectives?

Chapter 5: Delivery Disconnect

How PMOs are contributing to the growing disconnect between delivery, executive strategy and operations? Why is there a disconnect, what is causing it and what can we do about it?

Chapter 7:

Lack of training & PMO Self-Healing
Does lack of training
contribute to negative
perceptions of PMO? Many of
the problems faced in PMOs
today can stem from a lack
of available education.

Chapter 9: Where to now? Now that we have discussed some of the key challenges plaguing organisations and PMOs alike and identified some solutions, how does it all come together and what can we do moving forward?

Chapter 2:

Governing in Agile Ways

Why PMOs today struggle to adapt to modern day working environments? How do we ensure that there is flexibility to support the uniqueness of the situation? How do we enable teams to be better prepared for evolution, rather than lag behind it?

Chapter 4: Addressing Stakeholder Needs

Why PMOs struggle to meet stakeholder requirements? How do we address the stakeholder challenges faced by PMOs today and how do we increase awareness of our presence and value?

Chapter 6: Lack of Efficiency & Agility

Whilst PMO is reacting to the environment around them, they often create a cycle of inefficient behaviours without realising it. So, what is this lack of efficiency and what can we do about it?

Chapter 8: Value Proposition – Does it Exist?

PMOs aren't a profit shop; they are a charity. So how do they demonstrate value and stop justifying their existence to the world and be a partner to delivery?



CHAPTER1:

WE HAVE A PROBLEM! IT IS THE OUTDATED PMO.

In trying to address these problems we identified an alternative approach; The AMO Method™, an evolution of PMO practices, developed in response to the dynamic and evolving requirements of today's project delivery environment. This "break-through" agile solution (in terms of agility) challenges outdated methods by unlocking flexibility and adaptability from within your existing teams; while enhancing the output of governance structures via application of an 'enterprise' lens and by obtaining live feedback from our clients over the last three years.

An agile approach to the PMO liberates and unifies project teams. The AMO Method™ allows governance to be embedded within project delivery teams, regardless of the project delivery methodology. It does this in an inviting, necessary and frictionless way.

In collating our observations, ideas and proposed solution/s, we have focused on the PMO as a function, rather than the people who run these PMOs. Many believe the above-mentioned problems do exist, some people in delivery don't think there is a problem and executives may be unaware it is happening.

"MOST PEOPLE
SPEND MORE TIME
AND ENERGY GOING
AROUND PROBLEMS
THAN IN TRYING
TO SOLVE THEM."

HENRY FORD

This White Paper is not about the people (PMO Practitioners), rather the PMO function itself. We hope that our study will spark much needed debate on PMO practice and invite PM practitioners, executives, PMO experts and academics to engage us based on evidence and research results that disputes or validates our findings.





CHAPTER 2: GOVERNING IN AGILE WAYS

Why PMOs today struggle to adapt to modern day working environments? How do we ensure that there is flexibility to support the uniqueness of the situation? How do we enable teams to be better prepared for evolution, rather than lag behind it?

PMOs are not Agile in nature; they are often reactively driven by the needs of senior management. Their ability to pivot to the changing environment around them is often difficult to say the least. This is now evident with the increased uptake of Agile in recent years. An outdated PMO lacks the ability to adapt to the evolution of delivery. This is obvious across many organisations where their PMOs are being downsized or dissolved completely. At the same time our observation and experience have led us to believe that PMOs are becoming increasingly confused; battling this trend in an attempt to stay relevant and maintain a perceived status of value. It is estimated that Agile projects are 28% more successful than traditional projects¹, and Agilebased delivery methods are gaining traction with increased expertise and success as a result.

"AGILE PROJECTS
ARE 28% MORE
SUCCESSFUL THAN
TRADITIONAL
PROJECTS."

When members of the CIO Executive Council² were asked how they were responding to the rise of Agile and their actions towards their PMOs, 50% of CIOs surveyed said they were resizing, 33% were dissolving and the remaining 17% of CIOs were ignoring the problem. Further discussion suggested a belief that Project Managers should 'take on' many of the traditional PMO responsibilities, but this often goes very wrong. For example, when the PMO was dissolved in a leading telco, as a result of an Agile transformation, Project Managers saw an average increase of 30% more time to deliver their Project, and an equal increase to cost. This is not a coincidence.

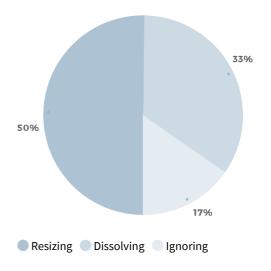


Diagram 1: Response to rise of Agile in PMO

CHAPTER 2: GOVERNING IN AGILE WAYS

Resolving complex problems requires both continuous collaboration across internal silos and interaction with customers.

As more and more organisations are preparing for Agile, the PMO is often left out (and left behind). Focus and budgets are continuously directed to funding delivery teams in their move to a more 'agile way of working', assuming this is all that is needed to be successful.

How the PMO evolves with new methods or frameworks such as Agile is often an afterthought. The PMO goes at it alone, trying to keep up with the evolving delivery environment, as best they can, often unsupported.

There is a grey area between what organisations want from their PMOs and what they need when it comes to Agile. Many Agile frameworks require collaboration and alignment, ensuring everyone is on the same page. Organisations (and people alike) need to have the ability to efficiently adapt depending on the situation at hand. In order to do so we need to be situationally aware; thinking about how we can be more collaborative and work together across the value chain, to address situational demands better.



Diagram 2: Organisational Governance Lens

"IT IS ABOUT BRIDGING THESE GAPS AND LOOKING AT THE PICTURE OF HOW YOUR GOVERNANCE AND DELIVERY FIT TOGETHER."

It is more about working smarter; not harder. It is not about doing more work in less time; it is about bridging those gaps and looking at the bigger picture of how your governance and delivery fit together. We would argue that every PMO needs to learn how to be situationally agile in the literal sense of the words, regardless of the delivery framework being used within an organisation so that they can pivot more effectively without neglecting stakeholder value or disrupting the delivery flow.

The PMO should be an enabler of the change but is never given the accountability for effecting the change. It is worth stating upfront that, in the same way that Agile delivery methods are largely behaviour driven, so too is an AMO (Agile Management Office). An AMO is a team of people operating on the principles of the AMO Method. An AMO holds people at its core and it is implemented in constant reference to its value proposition and core values (consistency, collaboration, coordination, integrity and accountability). We recommend PMOs evolve the way they work by focusing on and setting themselves up to be flexible to change.

"IT IS TIME FOR NEW WAYS OF GOVERNING, STARTING WITH THE AMO METHOD."

Whilst many Agile transitioning or transitioned organisations would argue otherwise, visibility, transparency, governance and oversight are all being left behind. Are organisations transitioning so fast that they are making the same mistakes they made with PMOs? Whilst this may not be too concerning to those in the depths of project delivery, it certainly is an issue that supports the growing organisational disconnect. It also introduces many risks, and the inherent loss of ability to judge value.

According to results from the PMI Pulse of the Profession 2018 survey³, 71% of organisations report greater agility over the last five years. Likewise, the 71% of organizations who reported greater agility over the last 5 years also reported using Agile approaches sometimes, often, or always. More and more organisations are recognising that agility—the capability to quickly sense and adapt to external and internal changes to deliver relevant results in a productive and cost-effective manner—is helping them stay competitive.

During the Agile Management Office 2018 Global PMO Survey, when asked what the biggest untapped opportunity is for the PMO, 'Agile Preparedness' was the most common answer. Only (46%) of respondents thought their PMOs were prepared for Agile – where many suggested proper training / coaching would be required for them to be successful.

The AMO Method is adaptable to any delivery methodology because it is there to provide facilitation and enablement activities across an enterprise. It provides the PMO an opportunity to lead with the organisational objectives front of mind.

Although due consideration is always given, there is no re-invention of the AMO function or replacement of key personnel needed. It also means that the AMO can assess the change collaboratively and look at what elements of its governance needs to be refreshed (if any) to support the change. By being agnostic of delivery methodologies/frameworks, the AMO provides governance solutions that work with, not against, delivery teams.

For example, through direct application of the AMO Method in a leading bank, our Program was awarded the highest-ranking for stakeholder satisfaction, based on an external Post-Implementation Review (PIR), which was undertaken by an external organisation. With this approach, there was also less than <1% staff turnover across the Program over a three-year period, typically in many large programs we have seen the rate of staff changes much higher than this.

The AMO team developed a fit for purpose solution that considered cross-country elements such as financial policies and regulatory reporting requirements from the outset. This resulted in significantly better outcomes, than had we applied the existing organisational governance frameworks and not addressed the situations' uniqueness and complexity.



Activities are clearly defined and success depends on individual effort

Level 2 Repeatable

Basic management processes and controls are established to track progress. The neccessary discipline is in place to repeat earlier success

Level 3 Defined

The process is documented, standardised and integrated within an organisation wide methodology

Level 4 Managed

Detailed measures of the process and output quality are collected. The process is intuitively understood and controlled

Level 5 Optimising

Continuous process improvement is enabled by quantitative feedback of the process and from piloting innovative ideas and technologies

Diagram 3: Five Levels of Maturity adapted from CMMI

Likewise, in a leading retailer, we planned and co-designed an AMO Minimum Value Proposition (MVP) and developed a roadmap that iteratively changed as the situation around the retailer did. As a result, and with reference to the 5 levels of maturity as derived from CMMI⁴, we increased their overall departmental maturity to a Level 2 in just eight months; something that would normally take 12-18 months. We generated more value from less work by increasing the visibility and alignment of the function beyond the far reaches of delivery.

So how do we ensure that there is flexibility to support the uniqueness of the situation? How do we enable teams to be better prepared for evolution, rather than lag behind it? What can we do to ensure that teams are acting in constant reference to organisational goals and objectives?



CHAPTER 3: ORGANISATIONAL MISALIGNMENT

The problem with PMO alignment to the strategic objectives of an enterprise. What can we do to ensure that teams are acting in constant reference to organisational goals and objectives?

Where do PMOs align within existing organisations? It is evident through our experience that there is no logical or constant alignment in an organisation where governance structures should be placed (or located); particularly for PMO. That is, where across the organisation and how high up should the PMO exist. Does it report into the CIO, CFO, straight into the CEO or maybe within a Project or Program? Forming a logical understanding for this is often a challenge and of course it depends on the structure of the organisation in question.

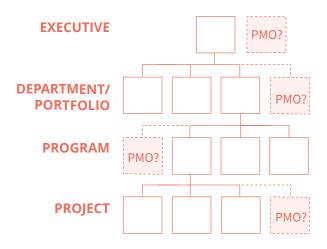


Diagram 1: Possible placement of PMO function in large organisation

Organisational alignment is critical to both the success of any business and its ability to remain competitive. Where there is misalignment (or, in extreme cases, no alignment at all) is where you introduce chaos. Of course, no organisation who wants to strive to be the best wants chaos; it is the enemy of any successful organisation. Many corporations are suffering from project failures, reaching up to billions of dollars in losses. A global research report done by BIA Canada in 2010 showed that the major reason for these failures is the misalignment of projects with organisational strategy.⁵ This still holds true today.

Shifting priorities, unclear direction, unstable processes and disengaged employees are all symptoms of a chaotic environment.

Organisations become accustomed to chaos; they believe it is normal. We are talking about the type of chaos that robs your business of the time and energy it needs to invest in innovation; responding to the marketplace's ever-increasing demands for faster, better and cheaper.

It is our observation and experience across industries and organisations alike, that project delivery governance will often kick in post-project inception; missing an opportunity for validation of initiatives against strategy.

CHAPTER 3:

ORGANISATIONAL MISALIGNMENT

Equally, and although most organisations will have processes to support business case development for endorsement, the continual referencing back to the original commitment to deliver in alignment with organisational strategy is all too often lost in the rush to deliver a successful project. Note: successful project is not the same as successful outcome!



Diagram 2: Typical PMO engagement/establishment in Waterfall Projects

Basic principles around transparency, portfolio prioritisation, dependency, risk management, overarching good governance and corporate responsibility are themes that organisations would not choose to move away from. So, how is all of this brought together and why is it important to do so? How is the best in project delivery aligned with the best in governance; in a value and people enhancing way?

There are several deficiencies in existing literature when referencing PMO. In particular, the authors highlight many practices, methods and PMO typologies exist, where their custodians will frequently tout them as "best practice". Their research focuses heavily on historical aspects of PMO and ours references what is happening today across many organisations. According to the Escient Project Management Offices (PMO) in Australia Survey 2017, results identified the highest priority challenges for PMOs as:

- Quality of project delivery throughout the organisation,
- Accurate and timely resource and financial information,
- · Reporting quality, and
- · Aligning projects to organisational strategy⁶.

Despite the fact it calls out "alignment between projects and organisational strategy" as a high priority challenge for PMOs, the survey did not explore the reasons for misalignment. Aligning work with strategic goals is a recurring theme; repeated in other surveys conducted by PMI in 2018³ and KPMG NZ in 20177. Given a lack of alignment is being called out as a top issue in several studies, there appears to be limited evidence of a practical approach that addresses this. Additionally, there is a disconnect in most companies between strategy formulation and strategy execution. On average, 95% of a company's employees are unaware of, or do not understand its strategy8. Of course, if employees lack this knowledge or understanding, they surely cannot help the organisation implement it effectively.

This was one of the highest priority challenges for PMOs, as stated by the Escient Survey in 2017. Likewise, Pulse of the Profession called out only 41% of PMOs (where an Enterprise PMO is established) felt they were adequately aligned to their organisation's strategy. This indicates a need for executives to better recognise the full potential of how an Enterprise PMO can bridge strategy and value delivery.

CHAPTER 3: ORGANISATIONAL MISALIGNMENT

Our research interviews identified that most PMOs felt they do not sit high enough in the organisational hierarchy to instigate strategic change or drive project alignment to strategic objectives. They will often report into layers and layers of governance (and bureaucracy) and their ability to lead the organisation to strategic success is impacted as a result. We agree. It is not common for PMOs to have a seat at the executive table and, as a result, driving longer term outcomes is difficult. Most PMOs are often driven (reactively) by what is happening in the environment around them, rather than creating the environment they need for long term success.

Further to Escient's survey, they suggested 72% of "champions" (organsations with 80% or more of projects being completed on time, on budget, meeting business intent, and having high benefits realisation maturity) indicate there is high alignment of the Enterprise PMO (EPMO) to organisational strategy. They also stated that the EPMO should operate at a strategic level with executives; therefore, confirming our view that they should be contributing to strategic alignment between business objectives and the project/program portfolio aimed at delivering it.

Our Agile Management Office 2018 Global PMO Survey unequivocally demonstrated the same, where 57% of respondents felt their PMO was incorrectly placed in the organisational structure. Bear in mind, almost half of our respondents (45%) represented those in PMO Management roles.

PMOs are not a uniquely special organism, they are simply departments that are being treated as temporary endeavours. Success of a PMO function providing governance of delivery practices against organisational strategy is not possible without a

clear path of enablement and a clear view on what the responsibilities of enablement are. Too many organisations create PMOs, provide no strategic executive backing for the function, and expect the PMO to succeed. We believe that accountability of the function goes back to the executives who need to empower people in the organisation to make the change possible. A PMO should really be considered like any other department with equal footing, budget, authority and autonomy.

A PMO SHOULD REALLY BE CONSIDERED LIKE ANY OTHER DEPARTMENT WITH EQUAL FOOTING, BUDGET, AUTHORITY AND AUTONOMY.

We recommend that executives nominate / delegate a sole person accountable for making the change happen. Typically, Sponsors, Project Directors / Project Managers and business as usual teams do not believe their role is to make the change happen. Likewise, assigning accountability for realising the benefits of an initiative/change at the business case stage is one solution.

It is this exact sentiment that brought together several curious minds within Agile Management Office to extensively debate these issues. This resulted in offering key guiding principles and a framework, which allows organisations to work within to create iterative, personalised and value driven AMO solutions.



CHAPTER 3:

ORGANISATIONAL MISALIGNMENT

An AMO is a function that is made up of one or more persons who are committed to driving effective and efficient governance and support strategies that are integrated across an organisation at an executive level whilst also supporting Project, Program and Portfolio delivery teams. Unlike outdated PMOs which often are embedded within a Department, Program or Project, an AMO is aligned across an enterprise. An AMO challenges the status quo; defying the prescriptive one-size-fits-all approaches. Indeed, it disruptively denies that governance is a single definition and a selection of criteria that must be delivered, regardless of operational challenge.

Instead, the AMO Method focuses on personalisation through true understanding of an organisation's business maturity and requirements needed for an AMO function to be successful. It works to provide that through coaching, collaboration, creativity, simplicity and meaningfulness with consistently positive outcomes.

UNLIKE OUTDATED
PMOS WHICH
OFTEN ARE
EMBEDDED WITHIN
A DEPARTMENT,
PROGRAM OR
PROJECT, AN AMO
IS ALIGNED ACROSS
AN ENTERPRISE.

Having support at the executive level is imperative but additionally all stakeholders across the value chain is critical to your success. So how do we address the stakeholder challenges faced by PMOs today and how do we increase awareness of our presence and value?





CHAPTER 4: ADDRESSING STAKEHOLDER NEEDS

Why do PMOs struggle to meet stakeholder requirements? How do we address the stakeholder challenges faced by PMOs today and how do we increase awareness of our presence and value?

We already know that there is generally no alignment across an organisation for PMOs and they are often serving varied purposes depending on the industry, maturity, size of the organisation and the person requesting the PMO. As a result, there is a lack of understanding inside and outside the PMO, where agreement on how the PMO is run and what it delivers or who it is serving (Project Managers or Executives) is also lacking. One reason for the establishment of PMOs is to enhance stakeholder satisfaction, yet senior management tend to have significant dissatisfaction with projects post the establishment of PMOs. This is somewhat counterintuitive to the promise of a PMO9. At the executive level, where effective sponsorship is most needed, it is most often lacking.

We are seeing many organisations who resort to developing alternative concepts to their PMO (to deliver similar outputs) under a different umbrella. This typically comes as a result of trauma from unsuccessful attempts to deliver and embed a PMO of value. An explanation for this perception of PMO, which is troublesome in nature, is that it has become wired into the organisational power structure in complex ways. What is more is that a PMO's functions, both perceived and actual, are multiple and varied. That is, there are many different types of PMOs across many different levels of a typical organisation. According to the Project Management Institute, there are at least 18 different variations!¹⁰ This does not help with stakeholder satisfaction or senior management confidence levels.

Organisational Unit **PMO/Business Unit** PMO/Divisional PMO/ Departmental PMO

Provides project- related services to support a business unit or division within an organisation including, but not limited to, portfolio management, governance, operational project support and human resources utilisation.

Project-Specific PMO/Project Office/ **Program Office**

Provides project-related services as a temporary entity established to support a specific project or program.

May include supporting data management, coordination of and administrative activities to support the project or program team.

Project Support/Services/ Controls Office or PMO

Provides enabling processes to continuously support management of project, program or portfolio work throughout the organisation.

Uses the governance, processes, practices, and tools established by the governance and reporting, organisation and provides administrative support for delivery of the project, program or portfolio work within its domain.

Enterprise/Organisationwide/Strategic/Corporate/ Portfolio/Global PMO

The highest-level PMO

in organisations having one, this PMO is often responsible for alignment of project and program work to corporate strategy, establishing and ensuring appropriate enterprise governance, and performance portfolio management functions to ensure strategy alignment and benefits realisation.

Center of Excellence/ Center of Competency

Supports project work by equipping the organisation with methodologies, standards and tools to enable project managers to better deliver projects.

Increases the capability of the organisation through good practices and a central point of contact for project managers.

Source: Project Management Institute (PMI)¹⁰

EXECUTIVES WANT PMOS TO HELP DRIVE BETTER OUTCOMES; OFTEN WITH VERY LITTLE SUPPORT. EXECUTIVES OFTEN DO NOT EMPOWER THE PMO TO MAKE CHANGE POSSIBLE.

We see the scholarly community has studied PMOs, but detail is typically limited to various types or forms. It is perhaps odd that there is not a large programme of research directed towards the PMO, as some of them are having a significant influence on the organisation at a structural and strategic level⁹.

Other key challenges identified during our research included not having the right level of authority to drive adherence to process and lack of direction and understanding by executive level management. The success of a PMO is directly influenced by what (if any) strategic executive backing they have. The situation is exacerbated when the organisation is not only trying to understand what their PMO does, or who their PMO is, but also which PMO is being discussed? According to the 2017 KPMG Project Management Survey, organisations generally had between one and three PMOs.

Working in this field across 16 countries and over 15 industries, we would argue that this number is significantly underestimated. The larger the organisation, the more PMOs.

For many organisations, the establishment of a PMO is done in stealth to support new Projects or Programs. We noticed this happened recently at one of our client sites. We were engaged to set up an AMO structure to provide governance and support for projects at a department level. Not long after, an otherwise empty cubicle was occupied by four new staff members. They had printed "Project Emerald PMO" on a piece of paper and taped it to the cubicle.

They were setting up new processes, for scheduling; managing resources, onboarding processes, reporting and so on. These were things that were already being developed just metres away. This is one example of hundreds where duplication, waste and rework are rife amongst organisations. Additionally, we believe the disconnect between the PMO and stakeholders is significantly contributing to lack of sponsorship. We believe executives are not buying what their PMOs are selling because the outputs are not producing outcomes that contribute to the executive's organisational objectives.

DESPITE THE
PERCEIVED NEED
FOR PMOS, THEIR
AMBIGUOUS
ROLE AND OFTEN
INCOMPLETE
IMPLEMENTATION
LIMIT THEIR
EFFECTIVENESS.
(KPMG⁷)

CHAPTER 4: ADDRESSING STAKEHOLDER NEEDS

To counteract this, we recommend interviewing key stakeholders at all levels to understand their priority issues. We have been doing this over the last 3 years and a combination of metrics has allowed us to rank the priority of issues identified in the interview cycle, which can then be used to demonstrate cost impact vs value creation to the customer. Once an operating rhythm was established, using the AMO Method, our approach then seeks to define the organisation-specific Minimum Value Proposition (MVP). The MVP is a combination of:

- The minimum in which the AMO function will deliver value to the organisation, and;
- The minimum for what is required, function by function, to deliver that value.

The MVP can then be expanded to add, subtract and evolve from. To do this, stakeholder awareness and acceptance needs to be achieved; through our targeted collaborative stakeholder engagement approach, and by properly understanding the current environment before anything is developed or deployed. This core step of the AMO Method ensures that the stakeholder feedback is being addressed from the outset.

One of the key objectives of an AMO function is to remove elements of confusion around predetermined views of PMOs, as it obtains consensus from the outset on the value and contributions as well as outcomes and outputs, perceived or otherwise. Through various proactive ceremonial activities, the AMO works with stakeholders collaboratively throughout the lifecycle in an agile way. Feedback via working groups, (executive) management, and other affected stakeholders help to re-shape, re-balance and re-configure the AMO's capabilities to suit the situation at hand.

This was evident with a large retailer we recently worked with. By co-designing the solution with our stakeholders, we were able to develop an organisation wide framework that integrated across all delivery and non-delivery functions. Stakeholders had the opportunity to see and contribute incremental value that the AMO function provides before endorsing future phases. These stakeholders remained active and supportive throughout development as they were part of the journey.

- -

Well informed stakeholders understand the journey, they can see how what you are doing aligns to the organisation's objectives. However, one of the biggest stakeholder groups for a PMO is the delivery teams, and it is evident that the disconnect between delivery and PMO is getting wider. Why is there a disconnect, what is causing it and what can we do about it?





CHAPTER 5: DELIVERY DISCONNECT

How are PMOs contributing to the growing disconnect between delivery, executive strategy and operations? Why is there a disconnect, what is causing it and what can we do about it?

There is a clear disconnect between what the PMO does and what an organisation needs it to do. When a PMO is implemented, there is frequently complaints about the burden of additional paperwork, or the way having to adhere to rigid standards is stifling creativity. This is one of many areas where Project Managers and PMOs will clash. A PMO will often want to optimise the process and the Project Manager wants the freedom to deliver their way. We believe this disconnect is increasing, with many Project Managers arguing that they are being 'policed' and not 'supported' by the PMO.

In many organisations, varying methods, practices, tools and systems are often not integrated across PMOs.

PMOS ARE OFTEN
FOCUSED ON
APPEASING UP THE
LINE STAKEHOLDERS,
RATHER THAN
DOING WHAT
DELIVERY TEAMS
NEED OF THEM.



Specific governance practices are managed in isolation of one another, causing additional disconnect and confusion for Project Managers and impacting the ability for delivery teams to be effective. To further this disconnect, PMOs are often focused on appeasing up the line stakeholders, rather than doing what delivery teams need of them; to support them through to completion.

An outdated PMO is often labelled as the 'process police', enforcing rigid policies that contribute little value to project outcomes, and instead of supporting projects to success, rigid requirements stifle the creativity of project teams. For far too long PMO and Projects have been looked at separately, and therefore they are evolving separately. Of course, this only drives a greater disconnect between the two.

"GOVERNANCE DOES NOT MEAN ONLY THE CREATION OF A PROJECT REPORTING STRUCTURE. WHEN A PROJECT STARTS TO STUMBLE, INCREASING THE VOLUME AND SCOPE OF UPWARD REPORTING WILL ONLY PLACE MORE BURDEN ON THE PROJECT AND WILL BE UNLIKELY TO IMPROVE THE LIKELIHOOD OF SUCCESS". 12

Each year, organisations around the world face astronomical project failure rates, often wasting millions of dollars with every failed project. Despite all the investment in Project Management including new methodologies and improved ways of working within organisations, projects are still failing at an alarming rate.

We have already seen a history of project delivery evolution. New and improved methods have come in the form of books, articles, podcasts, training courses - you name it. Yet, and despite the billions of dollars invested in Projects annually, more than 70% continue to fail.¹¹ Could the PMO be a contributing factor for project failures?

The most common response in the history of failed projects is to increase project oversight, with an emphasis on reporting. However, 'more' is often mistaken for 'better' when it comes to governance.¹² With that in mind, PMOs are demanding more information, more reports and introduce a myriad of hoops that Projects need to jump through in order to be deemed as 'adequately monitored'.

There is often an assumption that, when projects are going wrong, they require more governance, more reporting and more layers of bureaucracy. Sometimes it needs less 'you must do this' to more 'how can we help you be successful'. After all, are we not all contributing to the same organisational outcomes?

In our own experiences, we have observed instances where at least 40 different reports were being produced on a monthly basis; all within a single program of work. Many of these reports were requests from multiple PMO's which had touchpoints on the Program. The key to driving more successful project outcomes is to focus on effective governance, not increased reporting.

Successful projects are characterised by less bureaucracy in governance, more problem solving and a greater focus on outcomes. Where there are more people or committees demanding an ever-increasing volume of reports than there are managers delivering the project, there are bound to be problems. We see this a lot in government departments. Rather, we should simplify everything in and around the project and ensure that the project manager has the responsibility, accountability, authority and the support needed to be successful.

To support this, we developed the AMO Method; an advanced suite of fully customisable tools, documentation and governance structures to properly embed effective and efficient support frameworks for delivery of projects and programs of all scales, regardless of delivery methodology and industry. Having, at its core, a belief that the AMO Method is not prescriptive rolled out verbatim from organisation to organisation, there is a set of core foundational principles that support the overall framework:

CHAPTER 5: DELIVERY DISCONNECT

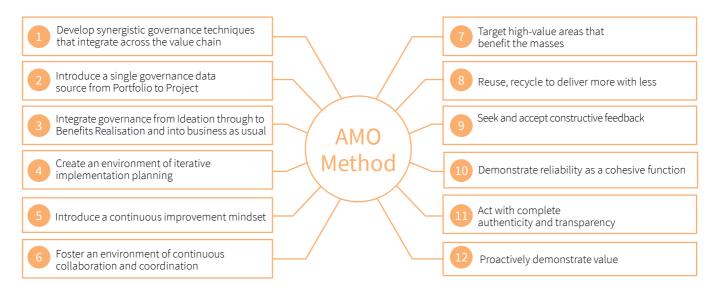


Diagram 1: AMO Method Guiding Principles by Agile Management Office

As an AMO is a central shared enterprise-level function that provides support and decision enablement, it is not bias to either the executive or the delivery teams. With a strong emphasis on co-designing governance solutions that meet the demands of delivery teams and the executive.

By shifting the stance from a 'one size fits all' approach to Project Governance, we took a uniquely adaptive approach to enable customisation that aligned to the nature of our client's current maturity. This was achieved by moving away from the command-and-control model used by outdated PMOs, allowing for tools, documentation and governance structures to be selected based on their relevancy rather than mandated requirement by a PMO Manager.

By ensuring integration across delivery, executive and into the far reaches of an organisation, it reduced re-work and drove an enterprise-wide model for governance in six months. Compliance to organisational governance requirements rapidly increased from 30% to 95% in six months across their department of 50 Project Managers.

This drove efficiency for the Project Delivery teams but efficiency is about working smarter not harder, something that many PMOs struggle to do. Whilst they are reacting to the environment around them, they often create a cycle of inefficient behaviours without realising it. So, what is this lack of efficiency and what can we do about it?



CHAPTER 6: LACK OF EFFICIENCY

Whilst PMO is reacting to the environment around them, they often create a cycle of inefficient behaviours without realising it. So, what is this lack of efficiency and what can we do about it?

The traditional approach for the forming of a PMO to effect governance on delivery is no longer appropriate in a rapidly changing environment. PMOs that have been trying to do the same thing over the last 50 years are no longer effective.

The outdated PMO is typically established to align to an organisation's delivery methodology; often waterfall in nature, which assumes that every activity is sequential. The rigidity of the traditional governance waterfall approach inhibits adaptability and flexibility. Often there are multiple PMO frameworks across an organisation, because every PMO is re-developing material, processes and tools for various Programs and Projects. This is exacerbated every time there is a PMO leadership change.

In a typical large organisation, you will often find hundreds of PMO resources working across dozens of PMOs. These resources often working in isolation of each other to deliver the same outputs, often duplicating efforts as a result. For example, introduction of new tools, management of project resources, defining reporting templates and managing prioritisation activities; varying from PMO to PMO across an organisation.

Despite establishing Enterprise PMOs (EPMOs), which are supposed to be the parent of all PMOs within an organisation, they are often there to serve executives; focusing on high-level policy setting and organisational reporting/metrics. Furthermore, focus is usually limited to the highest priority projects, where the rest fly undetected.

With limited external support, guidance or investment to evolve governance, PMOs focus on internal self-healing. This poses a big risk, as sometimes this involves recycling the same outdated thinking. Considering the high failure rates of Projects, this could be a contributing factor. Instead, focus and investment is given to the evolution of delivery and the PMO is often an afterthought.

Organisations work in cycles; people change over time, as does maturity. It is not a straight-line journey. They may not be prepared, but they need to focus on doing what they have to do, not what they want to do. A PMO that does not continuously review to improve itself, exposes itself to chaos. That chaos appears in the PMO as hairline cracks, which begin to grow under pressure. Left unchecked, it weakens the foundations of your organisation.

CHAPTER 6: LACK OF EFFICIENCY

Over the last year we have spoken to many people across all levels and industries from executives, PMO practitioners, Delivery Managers and operational staff. Most of them agreed - for every time they initiate a new Portfolio, Program or Project, they find themselves reinventing the wheel with PMO. For example, every time there is a resource change within the PMO, there is a complete reset of processes, with little consideration given to the flow on effect for delivery teams. It means many of the same processes are being repeatedly redeveloped. They are not mature, optimised, and therefore carry a lot of waste. Not only is time wasted on re-development, development is not contributing to increased efficiencies.

We have, before, helped Executive General Managers in large Banks understand that they themselves were absorbing effort to fill a void in their ineffective PMO. We have also observed a PMO in a Mining organisation enable the cycling of four PMO managers in less than two years; each bringing in a new process, toolset and governance approach. These are merely examples of inefficient and ineffective governance. Additionally, with the rise of Agile methodologies and frameworks, this is being seen as a considerable challenge for many PMOs globally who are struggling to keep up with the constant changes in delivery methods around them.

Throughout our global research, we have been able to find many examples where organisations felt their PMO was ineffective in meeting its governance needs, rather moving around it or eliminating altogether. In some organisations, the PMO could be seen as inauthentic, in that they are not actually providing pragmatic ways of working; ways that would benefit the organisation overall but rather enforcing their perceived version of 'best practice'.



Diagram 1: The cycle of PMOs today

Traditional methodologies are inflexible and inefficient at adapting to changing governance needs, they often tell you the 'what' but not show you the 'how'. It is perhaps not a focus area, as it does not appear to immediately impact on a company's profitability. However, far worse inefficiencies currently plague today's PMO world, chiefly amongst these are re-establishing relationships with stakeholders every time there is a change at the PMO helm.

Whereas, taking more of an AMO approach focused on solving a problem using innovation, collaboration and creativity, rather than trying to solve a problem using established methodologies and techniques is proven to be more effective.

Instead of trying to copy what others are doing, the AMO works collaboratively; not only within their team but also leverages expertise from the organisation around them. By actively engaging others, these teams often will do the same and as a result reduce duplication and demonstrates more transparency.

CHAPTER 6: LACK OF EFFICIENCY

From a techniques and data-source perspective, the AMO framework defines inputs, outputs and processes that are synergistic at Project, Program, and Portfolio levels. Unlike traditional PMOs, the work goes beyond the constraints of delivery into the far reaches of an organisation.

There should only ever be one single point of truth. The AMO helps to find and maintain it. By having a flexible framework that evolves with the Project environment and utilising lean principles to eliminate waste and inefficiencies. By not changing all aspects of the AMO function whenever there is a resource change, you will immediately see a reduction in unnecessary duplication, re-work and processes.

The AMO Method™ has delivered far reaching results and in many cases has exceeded expectations for those who have adopted it so far. In fact, two of our government clients were able to confirm the approach taken resulted in a rare on time, on budget delivery.

Capability gaps are prevalent in most organisations, those gaps can be filled through several channels including mentoring, coaching, upskilling and training. Although when it comes to training and the PMO, why is this a problem area for the PMO, what did our survey respondents say and what can be done about it?





CHAPTER 7: LACK OF TRAINING

Does a lack of training contribute to negative perceptions of PMO? Many of the problems faced in PMOs today can stem from a lack of available education.

Why do we call out lack of training as a significant gap for PMOs? Not only is it because there is limited evidence of today's PMO resources undertaking PMO related accreditation or training, it is also the fact that a lack of accreditation and training geared towards PMO actually exists. For example, larger training organisations such as the Project Management Institute (PMI) and Axelos gear more of their training towards Project Management and less about PMO. We found an abundance of courses and certifications related to Project Management across different methodologies, whereas finding specific PMO accreditation and certifications is difficult as options are limited. We know now that PMO lags behind delivery in many ways, and albeit a slow improvement, training and accreditation remain one of the significant gaps.

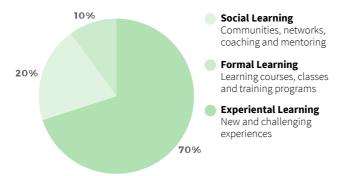


Diagram 1: 70/20/10 model for learning and development

According to the PMI Pulse of the Profession 2018 Survey⁹, 72% of PMO leaders felt certification is very relevant for mid-career project managers. Yet, there was no mention of how PMO leaders themselves can uplift their own maturity and skill sets through similar certifications.

Their survey further outlined the need for the PMO to accept it has many potential roles to play as a contributor in supporting project management practices, aligning work to strategic goals and realising value through effective benefits realisation management. Even though the survey results support our findings that project and organisational alignment is a key problem, the survey did not consider the impact of the lack of PMO accreditation as one of the causes for this misalignment. In our study, this is of central importance.

Most PMOs learn through on-the-job related experiences, rather than through accreditations or training. Many PMOs start with a Project Management background. When we think about learning and development, we believe in the 70-20-10 Model¹³, whereby 10% of a person's learning and development is a result of formal training and reading, 20% through interactions with others and 70% of their knowledge from job-related experiences.

CHAPTER 7: LACK OF TRAINING

We agree formal learning and interactions with others is always important, although we believe it is through practical hands on learning opportunities that influences innovation and evolution within an organisation.

Whilst a small number of training options for PMOs do exist, they are not focused on the evolving nature of PMO. Rather, they teach 'what you should know' as opposed to 'how to apply it'. Additionally, not evolving the PMO can have significant flow on effects to an organisation, evident with the increased uptake of Agile and the PMOs who are trying to keep up. In addition to this, their lack of influence as well as comfort in current ways of working becomes another roadblock to evolution.

The education for the PMO market needs to mature; more focus on the practicalities and levels of complexity facing PMOs and less about the definition. We need to integrate new ideas, attain practical experiences, learn how to govern in agile ways and know how to embed a continuous knowledge transfer mindset; doing so through the sharing of lessons. We need to focus on how to keep up with the evolution taking place in delivery and learn how to integrate better.

It is evident that capturing of learnings past and present by PMOs is limited, as training for identifing and remediating mistakes is seldom taught. Whilst there is always a plethora of knowledge available within any organisation, it is simply that it is not readily available in a format for personnel to learn and develop from. We need to ensure that knowledge is captured, understood, made available, shared and maintained to support a natural evolution in knowledge management. The key here is to capture learnings and then make these learnings available to the whole organisation so that these leanings can be used to identify training and development needs going forward.

THE EDUCATION FOR THE PMO MARKET NEEDS TO MATURE; MORE FOCUS ON THE PRACTICALITIES AND LEVELS OF COMPLEXITY FACING PMOS AND LESS ABOUT THE DEFINITION.

Another challenge is often PMOs have little to no budget for training. Instead, organisations proceed to hire external resources who already have the appropriate skills. These resources will likely deliver and move on, rather than provide active knowledge sharing, coaching or mentoring for team members. This leaves existing PMOs in a worse position, as a lack of involvement typically reduces the likelihood that it will be properly adopted.

AMO's model has been developed to enable organisations to trace back what they are doing and why. It helps teams learn how to help their organisations solve problems, close gaps and address the needs of delivery to support the flow of information required across the value chain. Our model brings together expectations of the executives and delivery teams in a practical, pragmatic and effective way.

We do so by promoting both formal training (where possible), internally developed training and active knowledge sharing across disciplines.



CHAPTER 7: LACK OF TRAINING

That is, converting information into a format that teams can learn from and provide continuous coaching and mentoring to team members during the process. Learning through your peers and practical application of these learnings is one of the fastest ways to learn as it is especially relevant to the teams specific working environment.

Having done this with some of our clients, and leveraging internal learning platforms where possible, we have been able to reduce several single-person failures. As a result, extended team absences had less impact to business, as knowledge and skills were being cycled amongst teams. All team members were learning new skills proactively; not out of necessity.

Training methods need to evolve and consider alignment across the organisation. For example, we have been prioritising executive education that aligns to the practitioner experience; driving consistency in approach and understanding across the business.

In order to demonstrate this in practice, we have launched a selective work-study programme, Project Empire, in conjunction with the Department of Global Studies at Aarhus University, Denmark. Three years in the making, the programme is open to 25 Masters of International Studies students. Programme participants will get hands-on learning opportunities in working with an AMO client.

They will also get real-world experience in AMO's unique governance and project management model, the AMO Method, a flexible framework that helps you to coordinate governance and change and implement it. Exceptional participants will be offered an internship with AMO.



Link to 2019 Press Release: https://agilemanagementoffice.com/files/ aarhus-press-release.pdf

We have learnt through extensive feedback and experience that we are leading the way in more agile and lean thinking for the traditional PMO. As a disruptor in this space, we hope to influence the rise of AMOs and application of the AMO Method, as we believe it is time for a better, more value adding approach. We want the industry to change; to think outside the box, respecting the past but understanding that the future requires adoption of new ways of governing in order to get things done.

Evolving the way, we do things means redefining the PMO value proposition, so we can stop justifying our existence to the world and be a partner to delivery, but how is this possible?



CHAPTER 8: VALUE PROPOSITION

PMOs are not a profit shop; they are a charity. So how do they demonstrate value and stop justifying their existence to the world and become a partner to delivery?

We believe the best type of PMO is one that is tailored to support organisational needs at a level the organisation can embrace, and from which it can realise benefit. Unfortunately, for many PMOs, their value is called into question. This is partly since there is a wide gap between what the PMO is doing and what the business expects it do.

Whether or not the PMO is providing value to an organisation is largely dependent on who you speak to. What is the purpose of the PMO? What functions are they responsible for, and what role do they play in a project's success? Without this, you cannot demonstrate value. Often, and as a theme across our white paper series, the question of PMO value is frequently raised by stakeholders.

A FUNCTION THAT
IS MISUNDERSTOOD
WILL NEVER DRIVE
VALUE. VALUE
REQUIRES CLARITY
AND CONFIDENCE.

There are several justifications for perceived value versus actual value; the most common being that a typical PMO often lacks the authority and autonomy required to effectively govern projects. Efforts to ensure projects meet organisational and strategic objectives are frequently overruled, leading to a perception that PMO is impeding on delivery. Where budgets and risk under PMO oversight increases, PMOs find themselves in more reactive situations. Remedies normally come as additional mandated information requests from Projects and Programs. Extra layers of governance are often introduced, and even more requests for information as stakeholders become more senior. This is a weak position to deliver value from.

A PMO is often seen as an unnecessary cost by today's executives. As such, PMOs are put into a position where they must perpetually justify their existence.

As a result, it is a demotivator for the PMO who feels as though their work is not valued. Despite best intentions, a PMO is the first to go when cost cutting becomes a priority. This sentiment was agreed by 85% of AMO's Global PMO Survey (2018) interviewees. A function that is misunderstood will never drive value. Value requires clarity and confidence.

CHAPTER 8: VALUE PROPOSITION

Adding to the state of confusion is the fact that no defining value-driven statement showcasing a PMOs organisational role exists. PMO, by nature, is not a one-size-fits-all solution. However, their roles, responsibilities and purpose are overly flexible; differing for each organisation we have worked with and every interviewee's organisation. This, in itself, has eroded the perception of value. PMOs are often filling gaps in tools and process as opposed to taking responsibility for their own transformation.

Although some research has been conducted by academics on PMOs, there are still many gaps in PMO literature. Organisations, both private and public, are investing enormous resources in the pursuit of enhancing project management outcomes; often turning to the PMO, however PMOs rarely have the strategic backing needed to significantly improve project management outcomes. According to the research paper The Project Management Office: it's just not what it used to be¹⁴ there is limited evidence to suggest PMOs create a favourable return.

Like our research, the KPMG NZ Project Management Survey 2017⁷ identified that a struggle exists to define the PMO role, to position the PMO for long-term success and to leverage the PMO to support the organisation achieving its objectives. They also agree that there is little consensus in the PMO; that there are various types of PMO structures that exist, which often act differently, perform differently and govern differently. Despite the perceived need for PMOs, their ambiguous role and often incomplete implementation limit their effectiveness. Similarly, we believe traditional PMOs are outdated and often ineffective to drive good governance across an organisation.

PMOs are not equipped or empowered to drive value and benefits. To add to the complexity, PMOs are even more taken aback as a result of new methods such as Agile where re-defining their purpose and value is again being called into question.

PMOS ARE NOT EQUIPPED OR EMPOWERED TO DRIVE VALUE AND BENEFITS.

For today's executives faced with cutting resource costs, PMOs need to be able to clearly demonstrate value-add and deliver that message with confidence. With so many flavours of PMO evident and the constant cycle of PMO Managers across organisations. It is no wonder the value proposition has become blurred. The lack of consensus around PMO continues to contribute negative perceptions to today's executives and other stakeholders.

Proving the value and benefits is becoming more difficult for the PMO, an approach for the PMO that defines, measures and controls benefits for the PMO itself is often undefined. It is often seen as nothing more than an 'overhead' entity. How often does a PMO engage key stakeholders to identify the needs and challenges of the organisation, before establishing a PMO that will best meet those needs and resolve those challenges?

For many PMOs they often lack the time, knowledge or foresight to objectively track and measure how they are performing and how this affects (positively or negatively) Projects around them. Without the ability to demonstrate how the PMO itself can drive significantly meaningful change, the perception around PMO will continue to be limited.

These perceptions often significantly affect a PMOs ability to position itself for long term success. Additionally, the initial and ongoing costs associated with the establishment and management of a PMO is often being challenged, despite the understanding



CHAPTER 8: VALUE PROPOSITION

that Projects are temporary, and Project Management is not. Without a clear understanding of value from the outset and a clear path to provide a return on investment, a PMO will not survive.

Our concept was formed to meet the urgent and immediate needs of organisations who have been facing issues with a traditional approach to governance. More specifically, organisations that lacked clarity of the PMO's role, consistency of experience, agility and collaboration throughout all stages of their projects or programs; ideation through to delivery.

PMO, all too often, gets a bad rap. Seen as the "process police", productivity drainers and paper shufflers. An AMO strives to shake off this misguided image and present the function as undeniably value-add through actions not words.

Through understanding the challenges faced by organisations and their outdated PMOs, harnessing client feedback and through many iterations, we developed a solution that bridges the gap between executive strategy, delivery and operations. Over a decade of trial and error to get to this point today.



By creating a single source of truth, applying consistency in approach and exceeding stakeholder expectations, it makes the team invaluable to both the executives (sponsor) and delivery teams (stakeholders). Development of the AMO is a team sport. By integrating the value proposition across the organisation and obtaining endorsement, you reduce the need to justify the value at every point.





CHAPTER 9: WHERE TO NOW?

We have discussed some of the key challenges plaguing organisations and PMOs alike and identified some solutions, how does it all come together and what can we do moving forward?

Imagine a world where management, governance and delivery teams are aligned; each supporting the core objectives of the other. At its core, AMO has this as its aspiration. Through proven techniques, collaborative working methods and a creative and enthused mindset, AMO enables and drives change and governance within organisations. The focus being a simplistic but intelligent application of process and control, underpinned by customer requirements.

We call this the AMO Method™. It is an evolution of PMO practices, developed in response to the dynamic and evolving requirements of today's delivery environment. It challenges outdated methods by unlocking flexibility and adaptability from within your existing resources, all whilst enhancing the output of governance structures via application of an 'enterprise' lens.

AMO IS A CONDUIT
TO ENABLE AND
MONITOR SUCCESSFUL
INNOVATION AND
THE CUSTODIAN OF
GOOD GOVERNANCE.

The value-add propositions have been obvious for our clients that have adopted the AMO method and, as a result, have transformed their delivery governance operating model. From a bottom-line perspective (hard benefits), there is reduced delivery costs, improved speed to market, reduced risk exposure and lower operational overheads. In our experience, as energy and momentum build up through improvement in working methods, there is often an elevation in organisational skillsets and individual opportunities for advancement (soft benefits). All in all, it is a win-win for the organisation and its people.

We ask that all PMOs around the world look for ways to bridge the gap between organisational silos. To do so, the PMO must be given the authority and accountability by the executive, otherwise all attempts will simply be regarded as noise. That is, that the PMO is seen to be disrupting the flow of delivery rather than enabling it.

Whether we like it or not, the PMO industry must be disrupted. Organisations are faced with new challenges every day. The role that governance plays is no doubt going to remain at the core of every business as an integral risk mitigator. The way that it is approached and managed can lead to greater success and less waste if looked at holistically.

CHAPTER 9: WHERE TO NOW?

The current model is considered legacy and no longer provides the right type of support and structure for the complex environment that we are in. In effect, an AMO is an alternative approach for organisations looking to evolve their governance for the better. For progressive organisations, it is an approach worth considering.

An agile approach to the PMO (in terms of agility) liberates and unifies project teams. The AMO Method allows governance to be embedded within delivery teams, regardless of the delivery methodology. It does this in a welcome, necessary and frictionless way.

The goal of an AMO is to eliminate duplication and rework, do away with lengthy and complicated process that impedes delivery, and ensure a collaborative working environment across the enterprise. The AMO Method is dynamically responsive, lean and agile in nature. The target is high-value areas; shifting priorities and attention to where it is needed most. The AMO improves overall project success and has demonstrated cost savings for organisations.

Unlike traditional PMOs which often are embedded within a Department, Program or Project, an AMO is aligned across the enterprise, driving greater consistency across the organisation. It reduces unnecessary duplication and integrates learnings centrally. PMOs are not a uniquely special organism, they are simply 'departments' that are being treated as temporary endeavours. A PMO should really be considered like any other department with equal footing, budget, authority and autonomy.

We see the AMO as the organisational harmoniser, the first touch point for new starters, or those transferred into delivery, the navigators of good governance.

DIAGRAM 1: TOP 7 PROBLEMS THE AMO METHOD ADDRESSES



The AMO simplifies the delivery landscape. In a practical sense it supports the turning wheels of innovation, it enables an audience and funding structure for new ideas, supports the resourcing of those successful ideas, reports on achievements and provides a compass for enterprise requirements from delivery teams. An AMO is a conduit to enable and monitor successful innovation and the custodian of good governance.

We look forward to sharing more insights and further information on the concept in coming months.

To be made aware of all new developments, helpful content and progress of the AMO journey, you can subscribe via our website

www.agilemanagementoffice.com/subscribe

If you want to know more about anything discussed during our white paper series, talk to us to explore our idea further, or come learn with us.



ABOUT US

Agile Management Office Pty Ltd (AMO) is a Melbourne based professional services company that provides services in strategy, consulting, governance and operations relating to projects, programs and portfolio management for medium to large scale businesses. AMO was founded by Fatimah Abbouchi in 2016 as an evolution of the traditional Project Governance practices. AMO was developed to respond to current governance frameworks which were observed to be rigid in nature, causing companies to constantly re-invent and re-implement similar strategies, and increasing disconnect between governance and delivery practices across an enterprise preventing organisations from being able to proactively respond to the volatile, uncertain, complex and ambiguous environment around them.

AMO have adopted lean, agile and proven practice principles to develop a proprietary methodology; currently known as the AMO Method™.

The AMO Method was developed to bridge the gap between organisations applying agile techniques, whilst continuing to utilise traditional governance frameworks originally developed in the 1950's. The AMO Method shifts the stance from a 'one size fits all' approach to Project Governance to an adaptive approach; enabling customisation that aligns to the nature of the initiative and organisation as a whole. This is achieved by moving away from the commandand-control model used by Project Management Offices (PMO), allowing for tools, documentation and governance structures to be selected based on their relevancy rather than mandated requirement by the PMO Manager; similar to the Agile Methodology. At time of writing the AMO Method has been applied at a dozen companies across Australia.



Lead Author Fatimah Abbouchi is the Founder and CEO of Agile Management Office; a thought-leader providing governance solutions for organisations to manage and govern projects in the agile era. A successful businesswoman, Fatimah has been supporting businesses from start-ups to enterprise internationally for the past 15 years. Fatimah's professional passion has seen her successfully transform how businesses govern change across portfolios up to \$1B and over 16 industries globally.

People

All people involved in putting together this White Paper made a significant effort to ensure its validity and usefulness to our audience. However, all errors and omissions are responsibility of the lead author.

Thank you

As a thank you, Agile Management Office has donated \$10 AUD for every participant to Beyond Blue; a leading non-profit organisation working to address issues relating to mental health.

History



2014 - The idea of AMO was born

Whilst working at an Australian Big 4 Bank, CEO & Founder Fatimah identified a need for a more modern approach to project governance because current governance frameworks were observed to be rigid in nature, identifying a need for a more modern approach to project governance because current governance frameworks were observed to be rigid in nature, causing companies to constantly re-invent and re-implement similar strategies.



2015 - The AMO Model was first applied

The AMO Model was first applied, leading to the establishment of a Global governance function to support an International Transformation Programme. This resulted in the Programme and governance function being awarded most successful by external post implementation review audit and from stakeholders alike.



2016 - Agile Management Office was born

Agile Management Office was born and saw a team of experts onboarded full-time and successfully won 2 major client projects within 6 months of launching. Then moved to work with academics within Australia and Europe to further develop the AMO method.



2018 - AMO continues to gather momentum with Agile Ideas

AMO recognised an opportunity to share information, knowledge, and ways in which we are thinking differently. **Agile Ideas** was born and rapidly became a shared platform, utilising a combination of podcasts, blog, newsletter and YouTube bringing peoples expertise together. Additionally, this year AMO secures additional ASX100 clients, where the AMO Method was applied to their Payment Services Department.



2019 – AMO launches selective work-study programme with Denmark University

AMO launches a selective work-study programme, Project Empire, in conjunction with the Department of Global Studies at Aarhus University, Denmark. Three years in the making, the programme was open to a selective number of Masters of International Studies students. Working with academics to further develop and mature the AMO Method as an alternative governance solution.



Presently, the AMO Method continues to be applied at a range of companies across industries as diverse as Media, Retail, Financial Services and Government.

CONNECT WITH US



Web: www.agilemanagementoffice.com



Email: contact@agilemanagementoffice.com



Twitter: @agilemgmtoffice



Facebook: @agilemgmtoffice



Podcast: @agile_ideas



Youtube: Agile Ideas



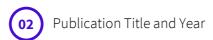
REFERENCES

- 1. Agile Project Delivery Confidence 2017 | PricewaterhouseCoopers LLP (PwC)
- 2. <u>CIO Executive Council Web Event</u> | Enterprise Agility Facilitation, Integration and Enablement
- 3. Pulse of the Profession 2018 | Project Management Institute (PMI)
- 4. <u>Levels of Capability and Performance</u> | CMMI Institute
- 5. <u>From Crisis to Control: A New Era in Strategic Project Management</u> | Business Improvement Architects (BIA)
- 6. PMO in Australia Survey 2017 | Escient
- 7. <u>Driving Business Performance, Project Management Survey 2017</u> | KPMG New Zealand
- 8. The Office of Strategy Management 2005 | Harvard Business Review (HBR)
- 9. PMO Evolution: From the origin to the future | Project Management Institute (PMI)
- 10. PMO Frameworks 2013 | Project Management Institute (PMI)
- 11. Why Projects Fail | 4PM
- 12. IT Projects Need Less Complexity Not More Governance | Gartner
- 13. 70-20-10 Model (Learning and Development) | Wikipedia
- 14. The Project Management Office: It's just not what it used to be 2017 | John Whitty & Eric Darling

CITING THIS WHITE PAPER:

Individuals and organisations alike are welcome to quote some of the materials from our White Paper for their own personal or commercial publications, however must ensure that proper referencing practices are used. It is OK to rearrange as necessary, but must include:







Example:

Fatimah Abbouchi | "Governance: Is the PMO still fit for purpose?", White Paper Series | Agile Management Office (AMO) | https://agilemanagementoffice.com/whitepaper/download



Agile Management Office

© Copyright 2019 by Agile Management Office Pty Ltd, ACN: 37 3458 37984556. All Rights Reserved.

ISBN: 978-0-646-99861-9