IT PROJECT MANAGEMENT OFFICE (PMO) CHARTER

Information Technology Services

University of Maine System

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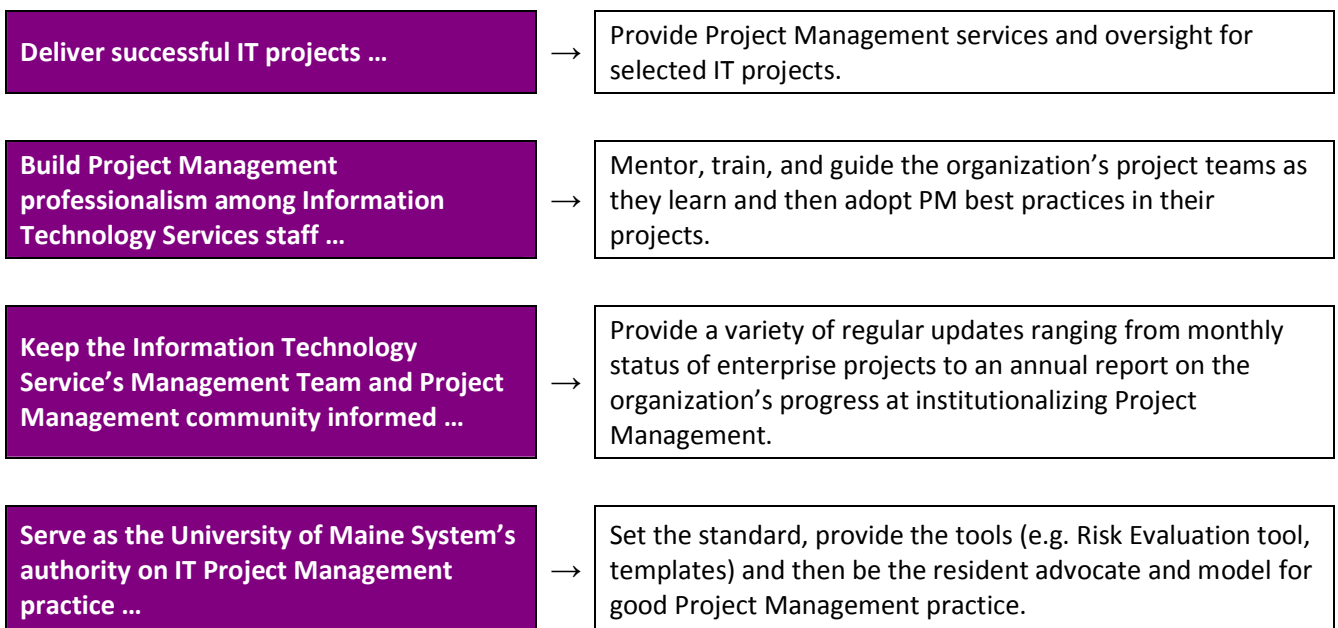[1]

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EXECUTIVE SUMMARY

The Information and Technology Services (ITS) Project Management Office (PMO) is a service organization created for the specific purpose of supporting the University of Maine System's (UMS's) Information Technology (IT) departments.

The mission of the PMO is two-fold:

Guide key (IT) projects to a successful conclusion.

Create a foundation for consistent project success throughout the organization. Do this through development of a strong and pervasive project management discipline within the organization's project teams.

In support of that mission, the PMO has four primary objectives:

Deliver successful IT projects …	→	Provide Project Management services and oversight for selected IT projects.
Build Project Management professionalism among Information Technology Services staff …	→	Mentor, train, and guide the organization's project teams as they learn and then adopt PM best practices in their projects.
Keep the Information Technology Service's Management Team and Project Management community informed …	→	Provide a variety of regular updates ranging from monthly status of enterprise projects to an annual report on the organization's progress at institutionalizing Project Management.
Serve as the University of Maine System's authority on IT Project Management practice …	→	Set the standard, provide the tools (e.g. Risk Evaluation tool, templates) and then be the resident advocate and model for good Project Management practice.

Through sponsorship by the CIO and supervision by the Associate CIO, the PMO gains:

- *Authority* it needs to promote system-wide organizational change effectively.
  - o   Based on established governance process.
- *Independence* that can sustain objectivity.
- *Oversight* that can keep its work aligned with the organization's business strategy
- *Legitimacy* as it fosters an effective, enterprise approach.

INTRODUCTION

The University of Maine System through its <Executive Body>, has authorized the creation of an ITS Project Management Office. The purpose of this charter is to establish agreement on key aspects of the PMO.

This charter is, in effect, the organizational mandate for the PMO to exist. This document defines the purpose, vision, mission and functions of the PMO. It states who the PMO's sponsors and primary stakeholders are, the services that it offers and the staffing and support structures required to deliver those services.

PMO JUSTIFICATION

The purpose in establishing the PMO is to standardize the way projects are planned, queued, and executed. The need can be fulfilled with the practice of Project Management discipline and the creation of a Project Management Office to ensure that:

- Project completion dates are met.
- Projects are completed within budget.
- Project deliverables have passed quality control measures.
- Satisfied customers.

PMO VISION

Create a foundation within UMS IT organizations for the enhanced awareness and collaboration, increased efficiency, and more consistent delivery of the right projects at the right time with the right resources. Project teams and Project Managers are encouraged to be creative, adopt new approaches, expand their skill set and take appropriate levels of risk in their pursuit of this Vision. (See section below on "PMO as a Learning Organization".)

PMO MISSION

Provide a solid foundation for the UMS's Information Technology departments by creating an environment of measurable, disciplined Project Management professionalism where:

- Customers reap the benefit of a carefully planned investment.
- Project success is the norm.
- Project teams are proud of their work.

PMO OBJECTIVES

Primary PMO Objectives are:

1. **Establish and Facilitate Project Selection:**

The PMO will work with the UMS Executive Management Team to establish quantified criteria for the selection of projects. These criteria will be ROI-based and conform with UMS's overall business objectives regarding Return on Investment.

2. **Establish Performance Focused Project Environment:**

All projects for which the PMO is accountable for successful delivery, will be regularly monitored and measured for performance using Earned Value (EV) or some other performance calculation. All projects will regularly self-monitor performance and share these performance measurements with Project Sponsors and Stakeholders.

3. **Build Project Management Discipline and Professionalism:**
- Mentor PMO project teams (and other project teams by request).
- Assist project teams in all phases of their projects from project definition to rollout.
- Train UMS IT Project Managers in a full range of Project Management topics
- Provide training to all levels of UMS management so that supervisors, middle managers and executives each understand their role in making projects a success

4. **Keep UMS management team and project management informed:**

- Report to CIO on:

    o Enterprise projects – *monthly*

    o Other projects – *quarterly*

    o Special projects – *upon request*

    o Metrics that measure PMO effectiveness – *annually*

    o Issues and opportunities – *as they arise*

- Under the direction of CIO, provide regular reporting to the Executive Management Team.
- Maintain the PMO Web site.

5. **Serve as UMS's Authority on Project Management Methods and Practices:**

- Set the UMS's IT Project Management methodology and standards
- Be the resident advocate for good Project Management practices in the organization.
- Select Project Management tools for organization-wide use.
- Serve as the official source of project templates and other project aids.

6. **Collaborate with ITS Directors to manage the IT Projects portfolio**:

- As part of a management team that includes the IT Leadership Council, assist in development and articulation of the UMS's technology strategy.
- Work with the ITLC to make the IT project-selection process successful.
- Maintain and publish a master IT projects schedule, including critical milestones.
- Assist ITLC with project resource management.
- Warn ITLC of IT projects at risk and provide recommendations.
- Perform capacity planning with ITS Directors so that the UMS makes optimal use of its resources.
- Regularly, as agreed, monitor and measure project performance.
- Work with the Project Manager and Project Sponsor to make adjustments to under-performing projects

7. **Manage all UMS IT projects either directly or indirectly (per definitions that follow).**

- *The PMO directly manages projects on request:*

    o Sponsors make their requests to the PMO. PMO, IT, and *<list other groups>* collaborate to decide where PMO resources should be allocated.

    o PMO provides Project Management services for the project.

    o PMO is accountable for successful project delivery.

    o PMO deals directly with the Sponsor.

    o PMO enforces its Project Management methodology and standards on these projects.

- *The PMO indirectly manages projects on request:*

    o Sponsors make their requests to the PMO. PMO, IT, and *<list other groups>* collaborate to decide where PMO resources should be allocated.

    o Department provides the Project Manager for the project.

- o Project Manager reports on dotted line to PMO for duration of project.
- o PMO provides guidance to the Project Manager but under normal circumstances would not provide direct Project Management services.
- o PMO deals directly with the Sponsor and Project Manager.
- o PMO enforces its Project Management methodology and standards on these projects.

- *In addition, the PMO:*
  - o Performs quality audits on request
  - o Performs risk audits on request
  - o Provides Business Analysis services (e.g., Requirements Analysis, Joint Application -Development sessions) on request.

Note: *The PMO encourages the use of its published Project Management methodology and standards and best practices in all IT projects. However, the PMO only enforces its published Project Management methodology and standards on those projects for which it is accountable for successful project delivery.*

PMO METRICS

For each objective, the PMO will develop one or more SMART[1] targets against which to evaluate performance. PMO performance will be reviewed quarterly. SMART targets will be evaluated and renewed annually. PMO governance and leadership will agree upon the validity and usefulness of all targets.

[1] SMART = Specific, Measurable, Attainable, Results-oriented, Time-delimited

Metrics should measure those aspects of PMO performance that are directly related to its Mission. On that basis, the following areas of focus can be used to judge PMO value:

- Improvement in project success over time can be measured through decreases in schedule and budget variances.

- Project Management approach can be measured by quality and timeliness of project planning documents, accuracy of time and cost estimates, and effectiveness at managing risk.

- Staff attitudes can be measured through use of a short survey.

The PMO staff will develop or acquire appropriate instrument(s) with which to obtain objective measurements. The PMO Sponsor will approve the instrument(s) before they are used.

CRITICAL SUCCESS FACTORS

The following may be considered necessary steps the UMS can take that help ensure PMO success:

- UMS's Senior Management Team provides the PMO with unanimous, visible, and vocal support.

- Introduce PMO functions in a phased manner. Do not try to do it all at once.

- UMS's Senior Management Team supports the process of Organizational Change. Managers recognize that some groups and individuals will embrace the change in Project Management practice better than others.

BARRIERS to SUCCESS

In addition to the items listed above, the following barriers have been identified as opportunities to address when considering the implementation of a PMO as they often lead to difficulty and resistance in acceptance.
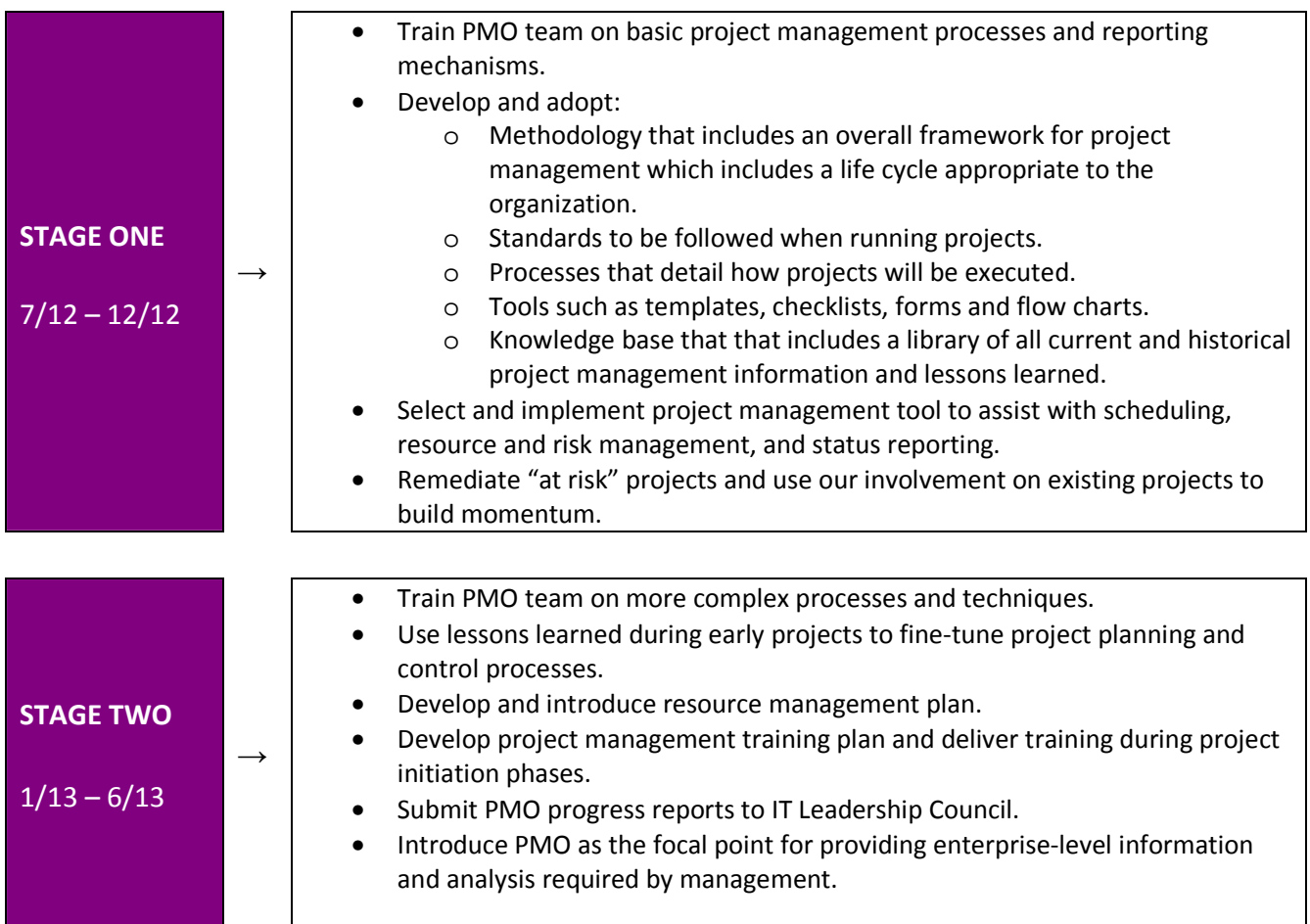
- Unclear purpose - not well defined or communicated
- No executive buy-in
- PMO is seen as an overhead or marketing function
- Unrealistic expectations that the PMO is a quick fix to core business-level problems
- PMO is seen as too authoritative, or perceived as a threat

The PMO will attempt to arbitrate issues prior to escalating to the next level in the chain. If a remedy is not possible, the issue will be escalated and documented by the PMO. The escalation path is as follows below:

- **Level 1** – Project Manager escalates issue to PMO. The PMO will attempt to resolve the issue with help from the Project Manager and Clients. Escalation will be formally documented and disseminated.
- **Level 2** – Issue cannot be resolved and will be escalated by the PMO to the Project Sponsor for remedy. Escalation and remedy will be formally documented and disseminated.
- **Level 3** – Issue cannot be resolved at the Project Sponsor level. PMO will escalate the issue to the Executive Sponsor for remedy. Escalation and remedy will be formally documented and disseminated.

PMO IMPLEMENTATION STAGES

Just as Projects are managed via a series of phases or stages, the implementation of the PMO will progress through four stages.

STAGE ONE 7/12 – 12/12	→	- Train PMO team on basic project management processes and reporting mechanisms. - Develop and adopt: - Methodology that includes an overall framework for project management which includes a life cycle appropriate to the organization. - Standards to be followed when running projects. - Processes that detail how projects will be executed. - Tools such as templates, checklists, forms and flow charts. - Knowledge base that that includes a library of all current and historical project management information and lessons learned. - Select and implement project management tool to assist with scheduling, resource and risk management, and status reporting. - Remediate "at risk" projects and use our involvement on existing projects to build momentum.

STAGE TWO 1/13 – 6/13	→	- Train PMO team on more complex processes and techniques. - Use lessons learned during early projects to fine-tune project planning and control processes. - Develop and introduce resource management plan. - Develop project management training plan and deliver training during project initiation phases. - Submit PMO progress reports to IT Leadership Council. - Introduce PMO as the focal point for providing enterprise-level information and analysis required by management.

|		
STAGE THREE 7/13 – 12/13	→	• Continue to train PMO team on more complex processes and techniques. • Select and implement project portfolio management system. • Begin evaluating impact of PMO to determine if centralization of project management is being accepted, and if the chosen standards and methodologies are proving effective. • Introduce enterprise-level project performance metrics and a dashboard to gain summarized views of project statuses and project scheduling. • Introduce the ability to perform project audits.
STAGE FOUR 1/14 – 6/14	→	• When the PMO reaches this stage, it will be the focal point for providing enterprise-level information and analysis required by management. • All projects will have well-developed project plans and formal project planning and control processes will be recognized as a required core competency and an essential function with the University of Maine System. • Continue to improve services by measuring effectiveness, implementing changes to existing services where necessary and adding new services. Updates to the charter may be necessary. • Develop and implement a long-term plan to improve that capability.

PMO STAFFING

The PMO has the following permanent staff:

• Senior Project Manager

• 2 Project Managers

The PMO may also have temporary staff in the form of contracted consultants or departmental Project Managers who report via matrix on a dotted line to the PMO Director or to a PMO Project Manager. This can occur when a department:

• Supplies the Project Manager but requests that the PMO indirectly manage the project

• Requests this arrangement as a means of mentoring their Project Manager.

PMO ORGANIZATIONAL STRUCTURE
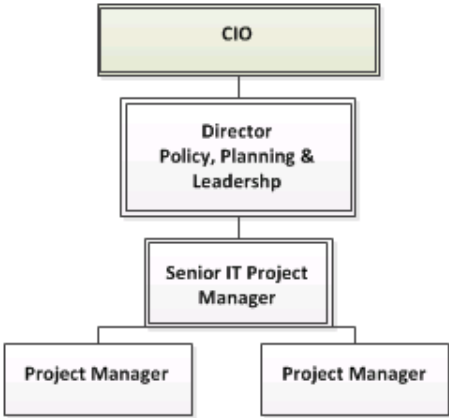
PMO EXECUTIVE SPONSOR

The UMS CIO is the Executive Sponsor and is the person who is ultimately responsible for overseeing and certifying the accuracy, viability, and defensibility of the PMO at the Organizational Level. The Executive Sponsor has the following roles and responsibilities:

- Champion the PMO.
- Provide high-level oversight, direction, and support.
- Provide escalation remedy.
- Ensure the PMO meets its goals.
- Approve major scope changes to PMO.
- Provide resources, if applicable.
- Approve the PMO Charter.

PMO STAKEHOLDERS

The PMO regards the following as primary stakeholders:

Stakeholder	Relationship with PMO	Expectations of PMO
UMS Executive Team Members	Executive Team Oversight	<Executive Team Member> is a member of the PMO Governance Board and provides Senior Management Team oversight.
CIO	Sponsor	The CIO supervises the PMO director and provides guidance on PMO business objectives and supports the PMO's efforts to achieve them. The CIO looks to the PMO as a source of expertise and support in all matters related to management and successful delivery of IT projects.
ITS staff	Customer	The PMO supports the ITS Department in its mission to deliver successful IT projects.
Campus IT Directors	Customer	Campus IT Directors expect the PMO to provide guidance, drive projects to success and deliver updates.
Other Management staff **All staff engaged in projects**	Customer	Expect the PMO to set the PM standard; provide training and mentoring; work with ITS Directors to create an environment conducive to project success.

PMO BUDGET

All project funds will come from sponsoring departments through governance process or allocated funds.

PMO AS A LEARNING ORGANIZATION

The PMO models itself as a Learning Organization in its relationship to the UMS's Executive Management, Project Managers, Project Teams and Customers. A learning organization may be defined as "an organization that facilitates the learning of all its members and continuously transforms itself to achieve superior competitive performance."

The PMO will express its Learning Organization orientation through many means, including:

- Positive use of Lessons Learned exercises to encourage continual improvement in projects.

- Maintenance of a Lessons Learned database to promote organizational learning.

- Encouragement of cross-training.

- Promotion of continual learning and professional growth in Project Management.

- Working with staff to develop the ability to consistently select and execute projects with significant positive ROI.

PMO CHARTER APPROVAL

_____   _____

<Name>   **Date**
<Title>
Executive Sponsor

_____   _____

<Name>   **Date**
<Title>