

EXPERT SERIES

The "Expert Series" is a collection of articles, papers and writings by PM Solutions' associates and other industry experts that provides insight into the practice and value of project management.

Keys to Success

Staffing an Enterprise-Level Project Office

by Kent Crawford, PMP

In establishing and maintaining an effective enterprise-level project office what I call the Strategic Project Office (SPO)—staffing remains a challenge for most organizations. Even when a Project Office is merely a localized, single-project or single departmental area entity, finding the right project managers and support staff can be difficult. Making an SPO the central driving force behind the management of projects raises the stakes. If projects are a significant source of revenue, innovation, or other value for your company, the strategic or enterprise level project office offers significant benefits. But, at this level as at the project level, people do projects. Assigning roles and responsibilities is a critical first step.

The Project Office Director

Consider establishing a director of project management who will sit at the director or vice-president level with other senior executives in the organization. This position, which we will call the SPO director, provides project oversight in virtually all areas of the organization, managing corporate-level projects and overseeing corporate-wide resource distribution and allocation on all projects. Any project that crosses divisional boundaries, as well as some large projects performed within a department, would be under the auspices of this SPO director.

As the expert on project management, the SPO director also serves as an ad hoc consultant and advisor to project leaders and teams. The existence of a SPO director guarantees a focus on the consistent use of the project management process throughout the organization. The SPO director must possess enough stature and respect throughout the organization to champion projects from start to finish—and to recommend canceling projects whose objectives either can't be met or are no longer valid. He or she must have the demonstrable backing of senior management, especially critical early in the transition to the SPO structure.

The SPO director is, among other things, a relationship manager, a communicator, a liaison to executive and functional management, an integrator of process, a manager of staff, a coordinator of project resources (including project managers), the coordinator of standards and methods, a mentor, training coordinator, and point of interface between projects, programs, and the executive staff. This is a tall order—and one that must be filled with the same care that companies take in placing a CIO or a CFO.

Role of HR Department

Any time you build a professional development plan or design an employee appraisal or reward system, Human Resources professionals are involved. They are invaluable when setting up PO staffing, providing input on titles, job descriptions, roles and responsibilities, and on how to measure performance against those roles and responsibilities. Especially in a matrix organization, the facilitation of communication among functional areas is an important role for the SPO's allies in HR.

One of the most important issues on which you can enlist the assistance of HR is how to measure the performance of project personnel. There is a significant disconnect between functional area measurements of performance and appropriate performance measurement for project tasks. Since the role is unique, middle managers and supervisors often don't know what to measure. HR expertise is crucial in overcoming this stumbling block.

Note: I don't believe that project office staff should act as internal trainers. Instead the SPO director should coordinate with HR for training needs, in most cases contracting for it from sources external to the organization. This saves time, assures training is accredited (for example, through a university or professional association), and integrates into your organization through your corporate university. In addition, the skill set of a professional trainer is quite different from what is required from PO staff.

Keys to Success

Here are a few keys to success in staffing your SPO

Communicate. Not everyone in the organization fully understands the roles and value of your SPO. At the outset of SPO organization, the person responsible for deploying the SPO must determine the role of the SPO, how it relates to your organization, and responsibilities of the project office deployment team. These roles and responsibilities must be communicated across the organization to inform and to set expectations. Executives and senior management need to understand the functions and expectations of SPO staff in order to build buy-in and management support. Middle management will find the facilitative nature of the SPO staff a supportive rather than a competitive role. Project managers and teams gain information on the tools, techniques, and methods available to support them in their delivery responsibilities. It will be important for the SPO staff to be effective communicators to effectively carry out this role.

Set Expectations and Goals. Staffing the SPO will most likely require a phased approach. Take time to understand the roles and responsibilities of the various functions of the SPO to establish in your own mind how a fully mature SPO will be organized. Then, build a strategic approach to staffing the SPO and plan to integrate the appropriate roles as they are needed.

Focus on Value. Too many Strategic Project Offices are established with a bent toward “adminstrivia.” A SPO staff must have requisite skills to be of immediate support and assistance where they are needed the most—on projects. Those staffing these roles should come to the organization with previous experience in the areas of support they will be providing.

Strategic Project Office Director Role Definition	
Responsibilities	Skill Requirements
Business interface	Leadership
Liaison to executive and functional management	Strategic planning
Development of standards, guidelines, policies, and procedures	Directing and managing programs
Project management skills development	Building organizations
Resource prioritization	Identifying and developing new business
Project oversight	Selecting and developing key personnel
Project review and analysis	Multi-tiered management
Budget	Familiarity with finance and accounting requirements

Examples of short-term value-adding initiatives:

- Deployment of a project management methodology
- Building an inventory of your projects (new product development, information technology, business enhancements, etc.)
- Preparing an executive report, showing the status of all active projects
- Establishment of summary project report structures and project success metrics
- Establishing support for new projects and projects in need
- Providing templates for recurring project activities

Understand Your Company's Business. Find individuals for your SPO who have the ability to understand the organization from various points of view. The SPO is far-reaching. Your SPO staff will interact and support a wide mix of project teams—many times influencing multiple divisions and working with representatives throughout the organizational hierarchy. Look for individuals who have a business mindset and organizational savvy.

Develop and Maintain Executive Sponsorship. Effective planning for staffing and deploying a SPO requires the involvement of an executive sponsor. The executive sponsor will chair a project review board to oversee the staffing and deployment of your project office. In the operational phase of the SPO, an effectively organized project review board will be a major source of support and conflict resolution for cross-organizational issues. Who should be on the project review board? The director of the SPO, the executive sponsor, the heads of key functional organizations (members of business units affected by the project or projects being dealt with at any one time), and a senior corporate official, such as the CEO or COO: three to seven individuals total.

Staffing the Strategic Project Office isn't merely a human resources issue for a single department, as it raises issues of professional development, connection between strategy and projects, and portfolio management that are important to the whole organization.

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