

# StrategicIT Solutions

Strategic Solutions for Enterprise & IT

## Case Study - Setting up a PMO to better manage Project Portfolio

### Problem

Efficient management of technology projects has been a challenge for many mid-size companies. Most of them struggle with getting their hands around the ever-growing number of efforts and initiatives. With more initiatives comes the responsibility of managing a bigger budget, additional resources and higher organizational impact. Needless to say, this also brings in additional management scrutiny and accountability.

Another common factor that makes this situation difficult is the cultural change. The company tries to evolve from a culture where usually rules and roles are not defined, projects are loosely managed to a budget or schedule, lack of management visibility into performance across the portfolio, and measurement of benefits, costs or resource utilization is unheard of.

These characteristics are prevalent in but not limited to technology portfolios. They extend to business project portfolios too.

CFC – a mid-market financial services company was no exception. With a new CIO at helm of the IT organization and a growing technology portfolio, the company realized that it needs to make some significant changes to build efficiencies and realize intended benefits from their technology investments.

### Approach

As technology begins to disrupt the finance industry and change the traditional sources of competitive advantage, CFC aspires to use its technology portfolio to make its business more competitive by better alignment with corporate strategy and ensuring the desired ROI through better monitoring and measurement processes.

CFC turned to StrategicIT Solutions to set up a Project Management Office that will enable them to achieve these goals.

### Solution

StrategicIT has supported CFC in pursuing its goals by establishing a Project Management Office ground up with tailor-made capabilities for:

1. **Collection and Compilation of Requests** for new initiatives, continuing projects and operational efforts – termed as Change the Business, Run the Business and Keep the Lights On.
2. **Business Case Presentation** to Board and Budget Committee to set expectations and obtain approval of fund.
3. **Project Governance** model to establish the ground rules necessary for disciplined execution of programs and projects.
4. **Financial Framework** added with custom tools to track budget vs. forecast vs. actuals, capital vs. expenses, invoice processing etc.
5. **Resource Allocation** tool to track resource utilization and gaps (resource needs).
6. **Project Dashboards** at different levels to demonstrate health of the initiatives to separate groups of stakeholders.
7. **Contractor Management** process and tool to streamline the onboarding, off-boarding and tracking of consultants and contractors.
8. **Vendor Management** tools to ensure compliance with CFC's legal, contract and accounting requirements.

### Result

The inception of the Project Management Office has helped CFC dramatically move up on the maturity model. Management knows exactly what they are investing on in terms of technology, how these investments are doing at any given point and when they can expect to reap the returns. The IT organization knows exactly how they are doing as an organization, team or initiative. Projects are running like well-oiled machines with defined expectations on quality, schedule and cost, and defined paths on how to handle exceptions such as risks and issues. Inter-departmental cooperation has increased multifold with the different collaboration tools in place to help these departments with what they need. Both quality and quantity of vendors have gone up by five-to-six times as CFC's reputation on vendor relationship reached the market. Business has become extremely happy with their partnership with IT organization.

CFC's technology portfolio value has increased at an annual average rate of 15% in the last three years since setup of the PMO.