

## **Four Key Elements to Institutionalizing Project Management Enterprise-wide**

DLB Associates, LLC - Dennis Bolles, PMP

I believe the key to successfully executing project management best practices across an organization depends on implanting the four functions that are key elements for institutionalizing project management as a business function.

**Authorization:** Authorization is the formal process for developing a forecast plan that identifies corporate goals and objectives. This in turn is translated into a list of prioritized projects documented as the organization's portfolio of projects. Includes a formal review and approval process to ensure that company resources (money and people) are distributed only to authorized projects that directly support corporate goals and objectives. A process to adjust the approved portfolio of projects for new opportunities during the calendar year of the plan is also included.

**Purpose:** Establish a project authorization process to ensure the uses of resources are in alignment with corporate strategic goals and objectives. It addresses the following:

- ❑ Project identification
- ❑ Project categorization
- ❑ Project prioritization
- ❑ Project portfolio management
- ❑ Project request review
- ❑ Master planning and capital budget development

### **Expectations:**

- ❑ Provide a means to identify and manage all projects.
- ❑ Improve ability to effectively manage and allocate resources.
- ❑ Provide the means to ensure all projects are aligned with and support corporate goals and objectives.
- ❑ Provide the means to track actual versus budgeted project costs.

### **Business Benefits:**

- ❑ Improves master planning and capital budget planning processes.
- ❑ Provides enterprise-wide forecast of future projects.
- ❑ Facilitates the growth of the organization's project management maturity.

**Standards:** Standards is a formal acceptance of guidelines that define common processes, tools, templates, and technology. These guidelines are to be used consistently across the organization to manage all authorized projects.

**Purpose:** Establish project management standards and methods to be applied to all projects. The standards would include the following:

- ❑ Policies

- ❑ Procedures
- ❑ Processes
- ❑ Tools, Techniques, and Templates.

**Expectations:**

- ❑ Provide a standard methodology for managing projects enterprise-wide.
- ❑ Provide standard processes, tools, and templates for managing projects.

**Business Benefits:**

- ❑ Improves efficiency and shortens the learning curve for new project managers.
- ❑ Reduces project timing and costs.
- ❑ Improves project organization, planning, and management skills.
- ❑ Enables tracking of actual versus planned project timing and cost.
- ❑ Facilitates regular management review of project status.
- ❑ Aids the growth of the organization's project management maturity.

**Educations:** Education includes the development and delivery of programs to provide the knowledge, skills, and capabilities required at all levels of the organization to effectively apply the standards in the management of all authorized projects.

**Purpose:** Establish a comprehensive education and training program to enable to the organization to embrace and effectively apply the project management standards consistently and to achieve improvements on a continue basis. The programs contents will include:

- ❑ Education and training goals
- ❑ Education and training requirements
- ❑ Education and training curriculum

**Expectations:**

- ❑ Provide a comprehensive education and training program that effectively distributes project management knowledge and skills enterprise-wide.
- ❑ Provide an internal qualification and certification program for the development of project managers.
- ❑ Provide education and training opportunities in project management at all levels of the organization.

**Business Benefits:**

- ❑ Improves new product and/or services time-to-market, quality-to-market, and cost-to-market.
- ❑ Reduces project timing and cost.
- ❑ Improves project organization, planning and management skills.
- ❑ Aids the growth of the organization's project management maturity.

**Readiness:** Readiness refers to the formal processes that ensure and validate that the required standards, knowledge and skills are present prior to project start-up; work in-process is meeting project deliverables; and post project reviews, including documentation of lessons learned, are carried out to help ensure the success of all authorized projects. Readiness also means that continuous improvement of authorization, standards, education and readiness elements occur in a timely fashion.

**Purpose:** Establish a project readiness check process for mission critical strategic projects to evaluate the project's "preparedness" to proceed prior to project start-up and/or a the start of a new project phase.

**Expectations:** Provide a means to enable projects to be successful on a consistent basis.

**Business Benefits:**

- ❑ Ensures project standards are being properly applied to all critical projects.
- ❑ Facilitates creation of an environment for a "learning organization."
- ❑ Aids the growth of the organization's project management maturity.

*Dennis Bolles, president of DLB Associates, LLC, is a certified Project Management Professional (PMP®) with nearly 25 years experience in increasing professional performance levels within many organizations. He excels in developing multi-functional teams to improve business workflow processes utilizing Six Sigma and other methods to achieve "world-class" capabilities in meeting the needs of internal and external customers. He is a published author of many project management articles, and a book entitled Building Project Management Centers of Excellence, (ISBN 0-8144-0717-X), released by Amacom in June 2002. For additional information visit the DLB Associates, LLC web site at [www.dlballc.com](http://www.dlballc.com) or contact the author by email at [dbolles@dlballc.com](mailto:dbolles@dlballc.com).*