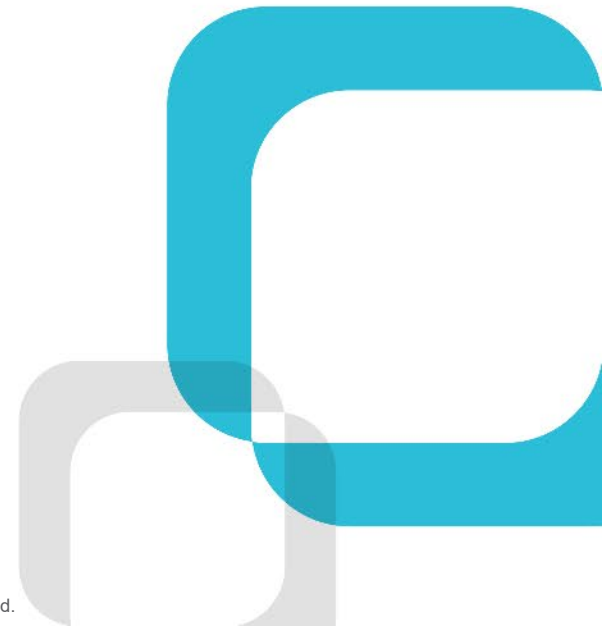**scottmadden**

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Six Symptoms Indicating You Need to Revamp Your Project Management Process and Controls

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Why Is This Important?

The realization of an enterprise or business strategy is directly linked to how the organization selects, plans, funds, executes, and monitors key projects and initiatives. This relationship is illustrated in the diagram below:

Develop and align on strategic plans and priorities	→	Identify and select strategy-enabling projects and initiatives	→	Secure funding through capital or business planning process	→	Plan and execute projects and monitor progress

- Failure to successfully manage and execute projects coherently across the organization will have a direct impact on the health and success of the overall strategy and, subsequently, on business results

- Recognizing whether your organization does this well might be what sets you apart from your competition

- Having a robust project management process, systems, and controls will mitigate the risks associated with how the organization plans and executes projects and initiatives

It is of critical importance to continuously assess your organization to identify and address any gaps that impede the organization's ability to execute projects successfully and in alignment with the overall strategy.

But, how do we know if we have any issues?

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The Symptoms

Effectively managing projects throughout their entire lifecycles is an internal capability desired by most organizations. Leading practice organizations proactively identify issues with their project management practices and successfully deploy corrective actions and controls.

Here are six symptoms that could indicate your project management practices could use a refresh and some questions to ask your organization:

Inconsistent Project Selection and Prioritization

- Does each department or business unit have its own method for selecting projects?
- Are projects selected without considering other projects across the organization?
- Is project selection explicitly tied to the corporate strategy?

Inability to Meet Budget Targets

- Is there a "rush" at the end of the fiscal year to spend capital or operations and maintenance dollars to meet budget?
- Are capital expenses often substantially above or below the budget for the fiscal year?

Limited Project Execution Metrics and Reporting

- Is reporting on scope, budget, and schedule consistent across the board?
- Are reports automatically generated or do they require a lot of "manual" intervention?
- Are performance metrics to track progress over time linked to other enterprise systems (e.g., financial systems)?

Reallocation of Funds

- Are you frequently moving capital funds from one project to another?
- Are projects often rolled from one fiscal year to the next due to lack of funding (or loss of it)?

Inconsistent Project Execution and Controls

- Are projects managed along the lifecycle using a standard set of "stage gates"?
- Are project controls in place? If so, what are they? How are risks and issues being tracked?
- Are projects evaluated post-completion to ensure they delivered the promised benefits? Are vendors evaluated and held accountable?

Lack of Project Documentation

- Is it hard to find project-related documentation and "as-built" drawings?
- Does each organization control how project data and documents are stored? Is it consistent?
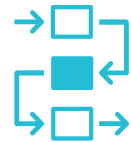
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The Solution

Best-in-class project management organizations 1) have clear governance over project selection and prioritization, 2) implement project management practices that adopt a standardized project management process for all project lifecycle stages, and 3) deploy project management software to manage the process, track progress, and enable automatic reporting.

Clear Governance of Project Selection and Oversight

- Establish organizational body and process that governs and oversees the collection of projects as a coherent, integrated portfolio

- Standardize project selection and prioritization methodology driven by strategic priorities and objectives

- Ensure that program benefits are attained and aligned with organizational goals and strategy

Standardized Project Management Process and Controls

- Deploy project management standards and stage gate controls

- Establish clear roles and accountabilities throughout the project lifecycle

- Accelerate training and change management efforts

- Verify consistent use of project controls and quality management practices

Project Management System and Automatic Reporting

- Establish single source of truth for project goals and performance

- Review all projects as an integrated portfolio

- Develop automated project workflows and approvals to improve controls and efficiency

- Deploy automatic reporting by integrating with data analytics and visualization tools (e.g., Power BI)

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The Benefits

The following are a few of the key benefits of leading practice project management organizations:

Portfolio-level View
Manage the portfolio of all projects at the **organization or department level** *rather than project by project to ensure the* **best outcomes** *for the organization.*

Efficient Project Selection and Prioritization
Enhance the selection and prioritization of the **right projects** *to pursue with outcomes that clearly* **trace back to strategic objectives and deliver***.*

Standardized Process
Standardize the execution of projects to **ensure on-time, on-budget delivery** *with the expected outcomes and ensure all projects are managed together as one portfolio.*

Enhanced Visibility
Enhance the visibility into projects across the organization to **improve decision-making and resource allocation***.*

Improved Financial Performance
Use fiscal discipline with a clear understanding of the capital and labor required to deliver on a given set of projects and **ensure budget and expense targets are being met***.*

Increased Accountability
Improve governance and accountability *for the selection, prioritization, and execution of all projects.*

Case Study

CHALLENGE

A vertically integrated public power entity was seeking to strengthen its project management capabilities and improve its strategic enterprise project portfolio management. The objective was to stand up a project management office (PMO) organization, develop the governance, policies and procedures around project portfolio management, and deploy a system through which to manage and oversee all projects. In close coordination with the client, ScottMadden led the creation of the PMO, developed the policies and procedures, and configured the project management system.

PROCESS

- Developed the governance, policies, and procedures for enterprise project management
- Configured and deployed Microsoft Project as the enterprise project management solution with workflows and approvals tied to the project lifecycle
- Developed and deployed automations with Microsoft Power Automate to capture regular project status updates from the project managers in the desired format
- Developed and deployed project reporting and analytics in Microsoft Power BI to provide actionable insight and support management oversight of the project portfolio

RESULTS

- A standardized approach to project selection, leading to better business outcomes aligned with the strategy
- Enhanced oversight leading to improved compliance and the resolution of multiple audit findings
- Centralized management of hundreds of projects across the enterprise with ease of visibility via web-based reporting and analytics
- Facilitated automated report generation for federal grant agencies on a multibillion-dollar program

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How We Can Help

ScottMadden has helped many companies improve their project and program management capabilities. Whether enterprise-wide or a select department, we can help you in all areas.

Clear Governance of Project Selection and Oversight

- ✓ Capital and Business Planning Leading Practice Assessment
- ✓ Governance Structure and Organizational Design
- ✓ Project Prioritization and Selection Methodology
- ✓ Development and Implementation of Policies, Processes, and Procedures
- ✓ Implementation Support for Selected Future State Organizational Design

Standardized Project Management Process and Controls

- ✓ Project Management Leading Practice Assessment
- ✓ Development and Implementation of Policies, Processes, and Procedures
- ✓ Development of Project Management Tools and Controls
- ✓ Development and Implementation of Project Management Stage Gates
- ✓ Implementation Support for Selected Assessment Recommendations
- ✓ Change Management and Training Support (e.g., training sessions, training guides, workshops, and more)

Project Management System and Automatic Reporting

- ✓ System Evaluation and Selection Support
- ✓ System Configuration and Process Workflow Automation
- ✓ Project Reporting and Data Analytics in Microsoft Power BI
- ✓ Change Management and System Training Support (e.g., training sessions, training guides, workshops, and more)

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Contact ScottMadden Today

Overcome your project management challenges. Connect with ScottMadden to fast-track your ability deploy/improve project and portfolio management leading practices with the right tactics to make a lasting change.

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