

# PMO Symposium®

SAN DIEGO, CA, USA | 6–9 NOVEMBER 2016



## Leveraging Capability-driven Agile within your PMO

*“Bridging the Gap between Strategy through Execution”*

# Introductions



Kathryn Elias  
PwC, Managing Director

## Background and relevant experience

Kathryn is a Managing Director with PwC and is the national leader of the Program and Portfolio Management practice. Kathryn has led a number of large-scale complex global business and technology enabled transformation efforts and has gained a reputation for delivering solutions in the areas IT governance, program/project management, business process transformation, and business risk management across many different industries.



Christopher Grange  
PwC, Director

## Background and relevant experience

Chris, a Director in PwC's Strategic Technologies practice, focuses on Retail, Consumer, and Industrial Product industries, including Transportation and Logistics. He has an engineering mind-set, a technical architecture background, a delivery focus, and deep industry experience. Chris has designed, planned, and delivered numerous large-scale technology-enabled programs, leveraging capability driven delivery and agile program management.

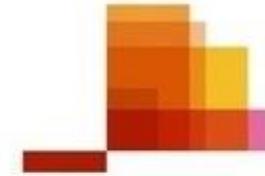


Jason Hoye  
PwC, Manager

## Background and relevant experience

Jason, is a Program & Portfolio Management Leader with a track record of global success in the development, implementation and improvement of Portfolio, Program and Project Management Offices in challenging organizations. His background includes 10+ years in establishing and directing technology programs, leading application development, and consulting teams.

# Bridging the Gap between Strategy through Execution



**pwc**

**strategy&**

*Formerly Booz & Company*

# Key Objectives

- Understanding how capability driven agile methodology became an important dimension in the evolution of the Project, Program, and Portfolio Management landscape and how that's reflected in a modern PMO
- Equipping learners with a strategy for doing things differently focused on the concept of ***strategy through execution***: leveraging capability driven strategy, capability planning, and agile capability delivery
- Deeper understanding of which key functions of a program office may need to evolve to accommodate a more agile mentality

# CASE FOR CHANGE

# It is time to take a different approach to delivering effective programs that help organizations cope with the rapidly changing world



## Portfolio and Program Management 2014 Global Survey

- Input from 3,025 people from 110 countries
- Providing a truly global view of Portfolio and Program Management



### Key Insights

- Keeping up with the rapid pace of change is one of a CEO's most demanding challenges
- That some familiar issues have not changed in over 10 years
- That there is often a disconnect between the executive team and program managers.

## According to PwC's Global PPM survey, five themes emerge that can make a real difference to the success of programs in terms of 'doing things differently'



Optimize your portfolio to maximize returns



Be flexible, change faster



Enable your people to deliver success



Connect Executive Teams to delivery teams to get the change you want



Measure and address the harsh facts to maintain direction

# According to PwC's Global PPM survey, there has been little progress in addressing four key reasons for project failure since 2004

**01**

Bad Estimates/  
Missed Deadlines

Scope Changes

**02**

**03** Poor Planning  
Phase Estimates

Insufficient  
Resources

**04**

**2004 - 2007** – Key project deadlines often are missed due to poor time estimates

**01**

**2004 - 2007** – Change is inadequately addressed, leading to unmanageable project scope

**02**

**2012 - 2014** – Budget, resource, and time estimates are often misjudged in the planning phase

**03**

**2007 & 2014** – Resources are consistently allocated poorly, leading to insufficient project staffing

**04**

There is clearly a case for 'Doing things differently' that underpin our findings

# What do we hear?

Challenges that we are hearing from our clients and seeing in the industry



Misalignment of business priorities and conflicting objectives across the enterprise/business units



No measurable objectives that are linked to delivery and benefits realization



Industries change so rapidly that by the time all requirements are defined, they are already obsolete and require change to account for the competitive landscape



Communication and alignment between stakeholders doesn't stay engaged throughout delivery resulting in inaccurate requirements or the system not being appropriately built for what is needed



The capability that will differentiate the most is the hardest to bring about

# What are your experiences?



Has anyone seen Agile impact your program office?



How has Agile worked well in your program office?

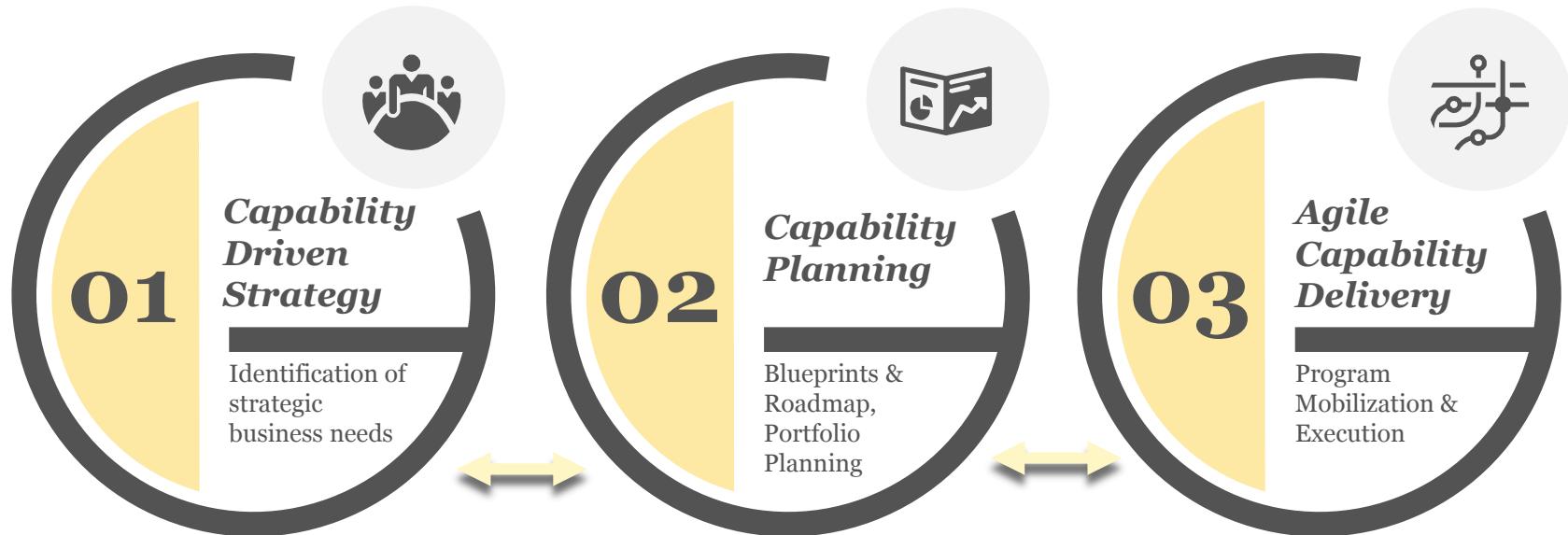


Have you faced challenges evolving towards an Agile way of thinking?

**A different mindset is needed to find new ways of working in a rapidly changing landscape**

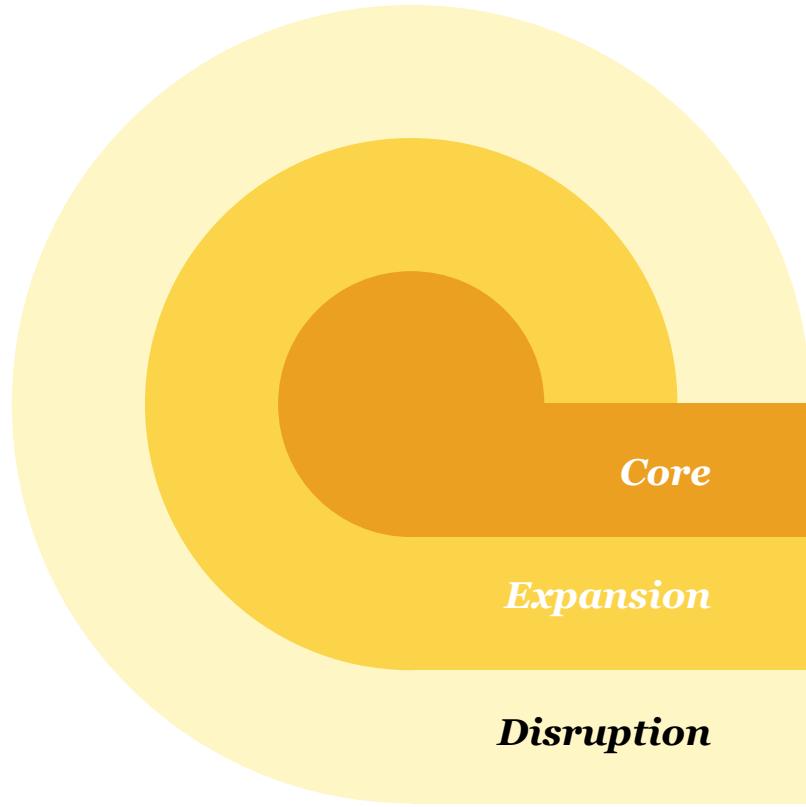
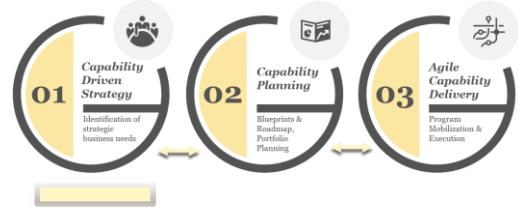
# **BRIDGING THE STRATEGY THROUGH EXECUTION GAP**

To mitigate the challenges we've seen, we have developed the Capability Driven Strategy through Execution framework



Execution using an Agile methodology approach, scaled to the enterprise, to enable the continuous and rapid delivery of capabilities

# Capability Driven Strategy



*A powerful capabilities system is essential for unlocking good growth.....*

**Core**

**1**

*Capture overlooked “head room” for growth in your current business.*

**Expansion**

**2**

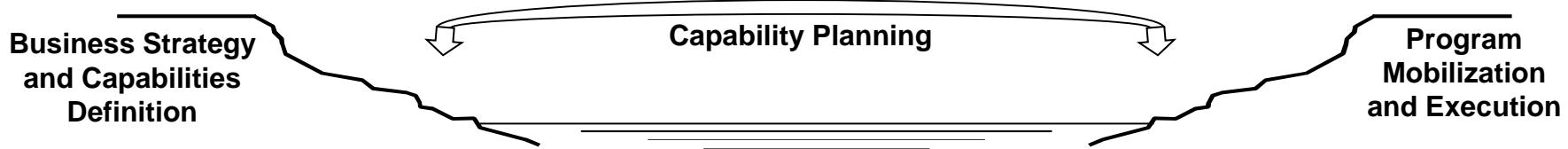
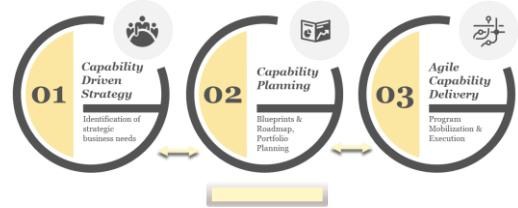
*Expand boundaries of your business.*

**Disruption**

**3**

*Disrupt and respond to change with new business models.*

**Effective enterprise capability planning is required to bridge the gap between strategy definition and program execution to ensure capability delivery**

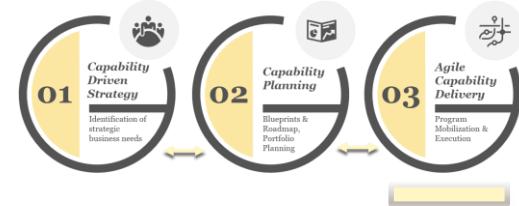


### Skipping Capability Planning and ‘Jumping’ into execution results in a fragmented capability delivery structure with no clear traceability

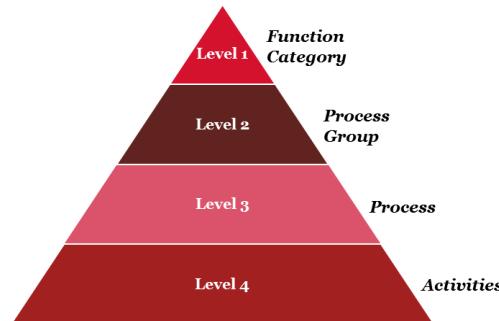
- Capabilities end up being delivered across multiple requirements, projects, and releases resulting in **value erosion** and **delivery failure**
- Interim capability enablement is often overlooked resulting in **disjointed business** and **siloed system processes**
- **Wasteful spend** results from misalignment of capability alignment to organizational, process, and technology impact

- **Planning** aligns high level capabilities to strategies and provides a vision for transformation
- **Blueprinting** specifies the target state people, business process, technology architectures
- **Roadmaps** define how the future state will be achieved in incremental steps

# To deliver capabilities, shifting to an agile delivery model helps organizations to incrementally realize and measure value

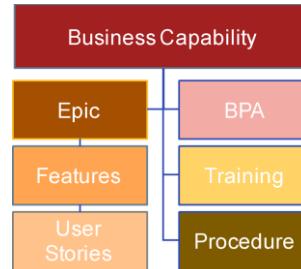


## Business Process Architecture (BPA)



Aligns application development to business processes.

## Capability Scoping Framework



The Scoping framework slicing Capabilities into manageable Epics, Features, and Stories for incremental software delivery.

## Agile Delivery Model



The scaling and standardization of Agile practices across the delivery model

## Benefits

- Delivery aligned to capability enablement (IT & Business)
- Visibility and traceability of each levels within BPA
- Collaborative decision-making

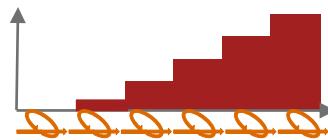
**Key benefits of using Agile over the iterative models include greater ROI with incremental return, faster time to market with greater adaptability, greater visibility, and higher quality**



### Traditional



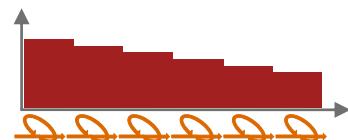
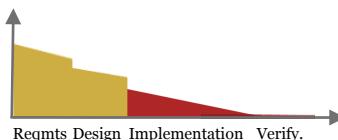
### Agile



### Agile Advantages

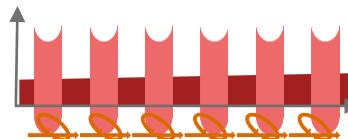
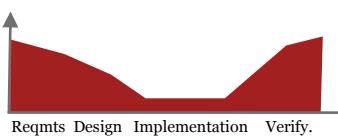
- Value realized incrementally
- Value higher as requirements continuously re-evaluated

**Greater ROI**



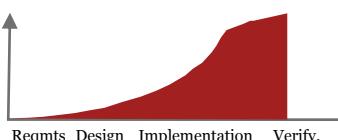
- Greater adaptability and quality via incremental SW delivery and early defect find and fix

**Greater Adaptability**



- Short release cycles, frequent demos, and continuous business involvement

**Greater Visibility**



- Early test and defect detection
- Just-in-time investment decision making

**Lower Cost**

# Agile approaches bring change to traditional PMO practices and evolve the function in support of capabilities delivery



## ***Illustrative areas of impact:***



Critical Path management



Deliverables Management



Budgeting & Planning



Status/Metrics Reporting

# Recap

**Case for Change**

*PwC's Global PPM Survey Findings: What works, what doesn't, what we see, and your experiences*

**Strategy Through Execution**

*Capability Driven Strategy*  
*Capability Planning*  
*Agile Capability Delivery*

**Evolution of the PMO**

*Deliverables Management*  
*Critical Path Management*  
*Portfolio Analysis Budgeting & Planning*  
*Status/Metrics Reporting*

# Thank you

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