

Inter-Disciplinary Bi-Lingualism: A Communication Tool for Strategic Execution in the Project Management Office (PMO)

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Abstract

In the new global economic order, the ever increasing relevance, challenges and potentials of the project management office (PMO) has made well-streamlined communication process pivotal in enhancing the efficiency of the project management office most especially with regard to lean management and risk management. Lack of proper alignment between portfolio leaders (strategic executionists) in the PMO and strategy planners (executive functionalists) remains a weakness. This research paper crystallizes the importance of inter-disciplinary bi-lingualism (a mutual understanding between strategy planners and portfolio leaders) in facilitating common business language which engenders supportive relationship.

Organizations currently manage strategic initiatives as projects and the inevitable interdependent relationship between strategy planners and portfolio leaders is a catalyst for executing and sustaining multi-facet business projects to create continuous value to the customer. Strategy planners decide on “what” should be accomplished to achieve the business objectives based on the strategic plan, the vision and the mission. The portfolio leaders in the PMO complement the strategy planners by strategizing on “how” and “how well” to better execute the “what” based on the technical, behavioral and contextual competencies to achieve the business objectives.

In summary, bi-lingual leaders (strategy planners who are oriented in strategic outcomes and portfolio leaders who are oriented in project outputs) marry clearly communicated business strategy with tailored portfolio. Strategy planners and portfolio leaders prioritize and allocate organization scarce resources to execute transformative project portfolio in a scalable, interdependent and iterative fashion to achieve the strategic business goals the portfolio was designed to accomplish.

Introduction

Organizations implement strategic initiatives in an arithmetic format, while on the other hand, time-sensitive cost equation grows geometrically. There is a reconciliatory gap. In a dynamic global business environment characterized by speedy attention to complex details, it is apparent why strategy development and implementation remains controversial in achieving the strategic business objectives without a systemic methodology to execute. This vacuum represents a grey area where portfolio leaders in the PMO become relevant. Project portfolio leaders are professionally wired to provide methodical approach to manage portfolio baselines in collaboration with the strategy

planners from the outset of strategy development to implementation, so as to ensure best practices and seamless delivery into the mainstream of operations.

Project portfolio leaders in the PMO have the capabilities to develop the strategic execution framework required to fill the technical vacuum with “what should be known and done” rather than “what is currently known” by executive functionalists in methodical execution of strategic initiatives. Portfolio leaders are endowed with project management excellence which entails well beyond and above the application of project management knowledge, skills, tools and techniques to meet and/or exceed customer expectations and stakeholders’ diverse interests.

In collaboration with the executive functionalists (strategy planners), portfolio leaders employ a holistic “integrationist approach” that leverage composite skills-set in organization management, leadership and technical competence to achieve strategic business objectives. Harold Kerzner (2006), puts it in better perspective when he enthused that: “Project portfolio managers today are viewed as managing part of a business rather than merely a project, and are being trained in how to make effective business decisions on a project rather than merely project decisions”.

The centerpiece role the PMO and portfolio leaders in the PMO currently play in organizational growth and development to achieve the strategic business objectives is the reason why I concluded that the CEO (an integrationist) of the future may not necessarily be an MBA from HBS or Wharton or perhaps Smith or even Stern, but rather, a highly qualified and competent project portfolio executive leader, well grounded in project management excellence with a blend of legal dexterity.

The PMO capability in providing a platform for portfolio leaders to function effectively in collaboration with strategy planners depends largely on the organization project management maturity level. However, regardless of the PMO structure and methodology, PMO configuration should resonate with the strategic business drivers to enhance continuous improvement. This conclusion is re-echoed by PMI (2006), that “the efficiency of the maturity level in alignment with the business process includes the ability to deliver projects predictably, consistently, and successfully to implement business strategies”.

The conduit provided by the PMO boosts the organization technical and managerial capabilities to not only manage the project portfolio right but also, to manage the right project portfolio. This inter-disciplinary partnership recognizes the strategic plan and the project management plan as one document that reinforces each other by improving coherency and objectivity despite the bi-lingual contents. Rajegopal (2007), affirmed the indispensability of the inter-disciplinary relationship by asserting that social capital (language, culture, norms, etc.) can be seen as networks of strong relationships developed overtime, a valuable resource that provides the basis for trust, cooperation and collective action.

It is therefore imperative for portfolio leaders to understand both the formal and the informal structure of an organization so as to properly navigate the complex corporate power politics to ensure almost unfettered relationship with the strategy planners. On the other hand, strategy planners must embark on organization-wide evangelical leadership campaign to secure unwavering acceptance of the portfolio leaders most especially with the senior executive management team. This initial buy-in facilitates effective relationship and timely decisions which eases seamless hands-off of the project output(s) into the mainstream of operations to achieve the strategic business objectives.

The effectiveness of the relationship between strategy planners and portfolio leaders depends to a large extent on the predisposition of the senior executive management team. The senior executive management provides a positive environment and strategic guidance to avoid a conflict between the organization mission and vision on one hand and innovative innovations (i.e. PMO organization) on the other hand. Hence, senior executive management team identify, acquire and develop complementary competencies to reinforce the inter-locking grid between strategy planners and portfolio leaders which further boost the efficacy of the strategic execution framework.

Apparently, PMO potential for intra-consulting role cannot be overemphasized, which underscores organization ability to leverage the PMO platform to build a leaning organization with established culture and infrastructure for knowledge management and knowledge transfer. PMO-enabled learning organization becomes a strategic powerhouse where portfolio leaders, strategy planners and organization stakeholders can brainstorm for innovative ideas and draw unified strengths to improve organization performance and industry positioning.

However, one of the challenges of PMO is the prevailing organization structure and culture. The PMO alignment and realignment curves with the structure and culture complicate the potential of PMO to engage the strategy planners and the portfolio leaders to provide the required synergy to achieve business results. This hindrance undercuts the conclusions of Jamieson (2004), that the establishment of PMO should assist the portfolio leaders and the strategy planners with the application of professional project management practices and integration of business interests into the management and successful delivery of projects and programs to achieve business results.

Global corporate crisis i.e. agency problem is a challenge to the portfolio leaders and the strategy planners. Management and board of directors continue to rely and function on information asymmetry to make risky business decisions which clearly depart from the value maximization and efficient stakeholders' management characteristics of the PMO. PMO brings the methodology and communication management tools the portfolio leaders and the strategy planners can adopt and adapt to provide information symmetry, maximize stakeholders' value and develop a multi-objective optimization

framework that integrates with risk management and cost engineering systems for efficient simulation of business decisions to better manage and deliver strategic portfolio.

Portfolio leaders in the PMO have the subject-matter expertise to constitute the investment governance structure based on well streamlined communication process which is incorporated into the organization decision making architecture. Bilingual execution blueprints i.e. strategic plan and project management plan are synchronized to enable unhindered transparency in the selection, prioritization, execution and management of formal and informal project portfolio to achieve the strategic business goals.

Therefore, organization leaders who strive for increasing results and sustainable performance eagerly embrace the PMO capacity. The significance of the PMO-enabled collaboration between strategy planners and portfolio leaders is more perceptible in the management of informal projects, which according to West (2010), includes such projects as: (Nike—just do it projects), (Rogue—bully projects), (Zombie—killed projects that refused to die), (Vampire—resources sucking projects), and, (Phoenix—dead but reincarnated projects). Thomas (2002), implies that oftentimes, organization leaders knowingly (or unknowingly) apply heuristics and biases to rubber-stamp the selection and execution of these informal projects which usually results in sunk cost and high operating risks to the detriment of the strategic business objectives.

The PMO provides the platform to arrive at a well-defined investment criteria “agreed upon” by strategy planners, project portfolio leaders and other relevant organization stakeholders right from the outset of strategic plan development to ensure translucency in the portfolio governance systems. Potential formal projects in the portfolio have a clear statement of objectives, metrics and connection to ongoing operations whose performance the project portfolio improves. Again, this collaborative tendency creates a flawless hands-off from the PMO organization right off the bat.

21st century organizations are faced with the pressure of continuous reinvention to retain industry positioning by developing and executing transformative projects portfolio designed to achieve long-term development and sustainable growth. PMO provides the methodology to ensure consistency and repeatability in investments management for the long haul. The investment council which comprises of the strategy planners, the portfolio leaders and the senior executive management, certify the strategic alignment between business strategy and project portfolio. By integrating the management and operating systems with the portfolio governance systems, the PMO is positioned to focus on the business goals rather than a mere project delivery outlet as affirmed by Harold Kerzner (2006).

The age-long organization challenge is the spread of silo-oriented subject matter experts without a hub to integrate and harness the diverse but interrelated expertise.

This presents a high risk and resource wastage to the organization most especially the inability to apply economies of scale to optimize scarce resources. PMO unifies multi-dimensional stakeholders and experts in the business clusters to develop an “agreed upon” communication tools and techniques to drive the vision and the mission statement.

Thus, the competitive advantage emanating from the PMO-enabled confluence creates a learning organization with a new capability to re-channel the organization values for continuous wealth creation and sustainable industry positioning. Therefore, PMO with a streamlined communication tools and techniques is ambidextrous to the strategy planners and the portfolio leaders in facilitating innovation and enhancing the functional performance of business drivers.

Summary and Conclusions

Inter-disciplinary bi-lingualism is premised on conducting a comprehensive environmental scan to engender a detailed communication platform upon which a mutually beneficial relationship is anchored. The synergistic collaboration between strategy planners and portfolio leaders strengthens engagement and ensures that the most productive investment options are executed to achieve strategic objectives.

The changes that have transformed organizations the last few decades also resulted in higher level of PMO maturity. PMO has metamorphosed from a repository non-dynamic collector of executable projects without real organizational clout on decision making, to a strategic major player and decision support center of excellence channeled toward achieving (r)evolutionary breakthroughs. The increased relevance of the PMO provides portfolio leaders and strategy planners with a consistent structure and enhanced adeptness at prioritizing and implementing transformative portfolio investments and other traditional and non-traditional operating initiatives.

Establishing an effective inter-disciplinary bi-lingual business relationship between strategy planners and portfolio leaders has the potential to rescue costly strategic plans from dying gradually in the archive. PMO is a vehicle for generating and advancing collective knowledge artifacts which creates new potentials to engage strategy planners and portfolio leaders to actualize organization business goals. The long-run multiplier effect is that, this open source of communication built on cross-cultural and cross-functional interdependencies becomes a potential business strategy in its own right.

In a global marketplace populated by a liberalized generation with informational capital, innovative collaboration remains the bedrock of value creation. The ultimate relevance of information technology as an enabler of innovation and integration in the strategic alignment process cannot be overemphasized, most especially in transforming customer experience. Conversely, more often than not, organizations get stuck in strategy development without the capability to leverage information technology and

innovative strategies to reengineer the business process for continuous success. Allen (2001), concluded that most modern organizations struggle with innovative synergy regardless of the global acknowledgement of its significance in creating a network of behavioral competencies for organizational development.

This is the strategic inflection point where the rubber (strategy planners) must meet the road (portfolio leaders) or else all else is risky. A turning point in the lifecycle of any up-scaling organizations where PMO becomes not only relevant but also an indispensable springboard to the next level of organizational growth and development. This re-echoes my earlier submission in my previous research paper titled “A Rationale for Value Engineering Decisioneering in the PMO” that, the business strategy that got organizations where they are today may not necessarily get them where they need to be to sustain their competitive advantage.

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