

# Agility & the PMO - What to do when two cultures collide

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Is it possible to successfully govern a portfolio of projects and programs using a mix of waterfall and agile approaches?





# Do we need to change?



<https://www.aipm.com.au/images/news/report.aspx>

Percentage of organisations that successfully delivered 75%-100% of the projects to the following variables:



30%

On time



36%

On budget



45%

With stakeholders  
satisfaction



47%

Met original goal  
and business intent

Overall, 23% of organisations frequently deliver projects that could be considered fully successful, i.e., on-time, on-budget, high stakeholder satisfaction, and original goal/business intent met.



# Purpose & Agenda

## Purpose:

- Discuss approaches to managing a hybrid portfolio of projects
- Focus on the critical role of the Enterprise PMO in managing this.

## We will cover the following questions:

- What is the challenge in practice?
- How can we balance governance requirements with different delivery approaches in a portfolio?
- What is the role of the Enterprise PMO in this?

## What this is not:

- A review of SAFE or Agile Portfolio Management Methods
- A critique of Agile vs Waterfall approaches

# The Challenge in Practice

KPMG have been engaged by a leading Australian Financial Service organisation to assist in a significant, regulation driven reform program. We have been asked to assist as the transformative and large program has been underway for almost a year and the executive are concerned that it will not deliver key outcomes by a key, immovable due date.

The program involves significant business change with dependencies across technology, process and people. The delivery date for the change outcome cannot be moved. The organisations project delivery teams are experienced Agile practitioners and are committed to delivering excellent outcomes.

Why do they need external assistance?



# The Challenge in Practice

## Management want:

- Results, but with
  - Apparent Certainty
  - Dates immovable
  - Cost constrained

Management feel they need an overall plan that provides confidence the key outcomes will be delivered by the required date.

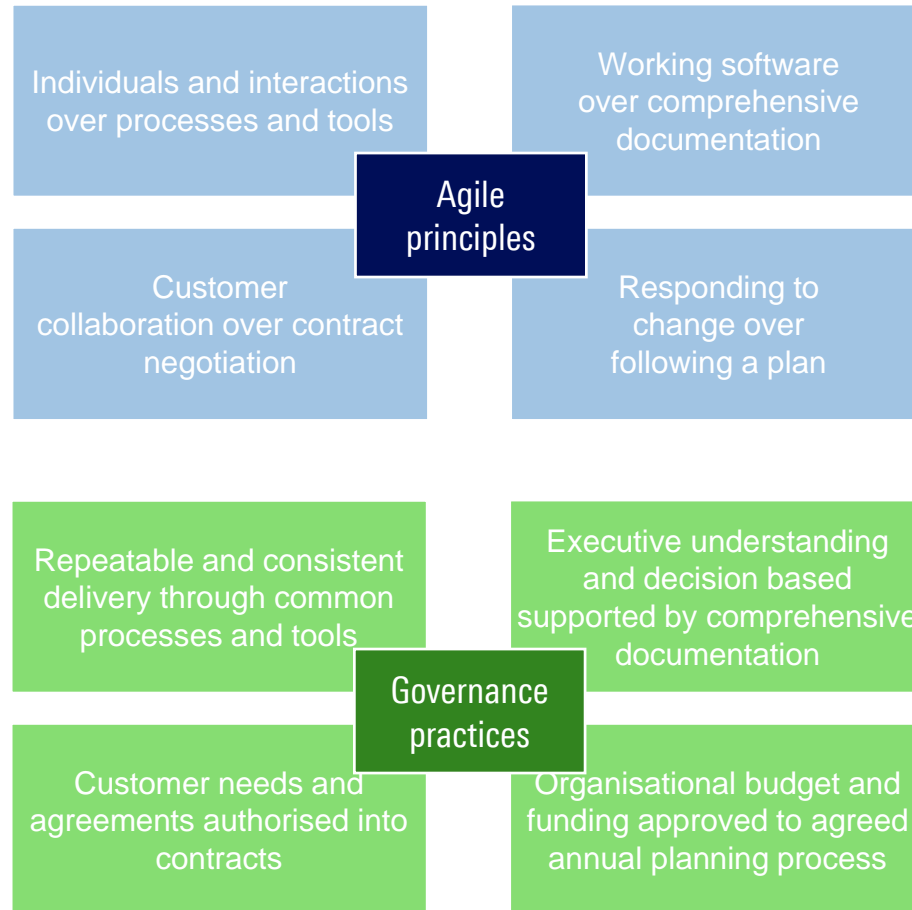
## Agile Project/Delivery Teams:

- To deliver results, but with
  - Flexibility/Agility
  - To do things right
  - To add value

The experienced Agile teams want the flexibility to allow the program priorities to emerge and develop through iteration.



# The Challenge: Increasing agility whilst retaining control



There are apparent conflicts between Agile delivery principles when comparing the common organisational level governance practices.

Any efforts involving scaling or building a portfolio which includes agile delivery needs to recognise this and enable both sets of needs to be met.

# What we are seeing at the Portfolio level



- Agile delivery outside of major technology programs has had mixed success
- Partial implementation is common place
- Few organisations have effectively adopted agile at scale
- Businesses need to be able to deliver change in shorter cycles



*“Blind faith in anything  
will get you killed”*

Bruce Springsteen



# Portfolio Control: Agile in Context



- Full Volume – everything Agile underpinned by scaled Agile practices. Beware Agile zealots!
- Mute – ignore Agile methods totally. Beware PRINCE2 zealots!
- Given many organisations are “in between” on approaches it demands we maintain wider portfolio approaches to scope and organize stages and support Agile or traditional methods in the Execute and Check stages

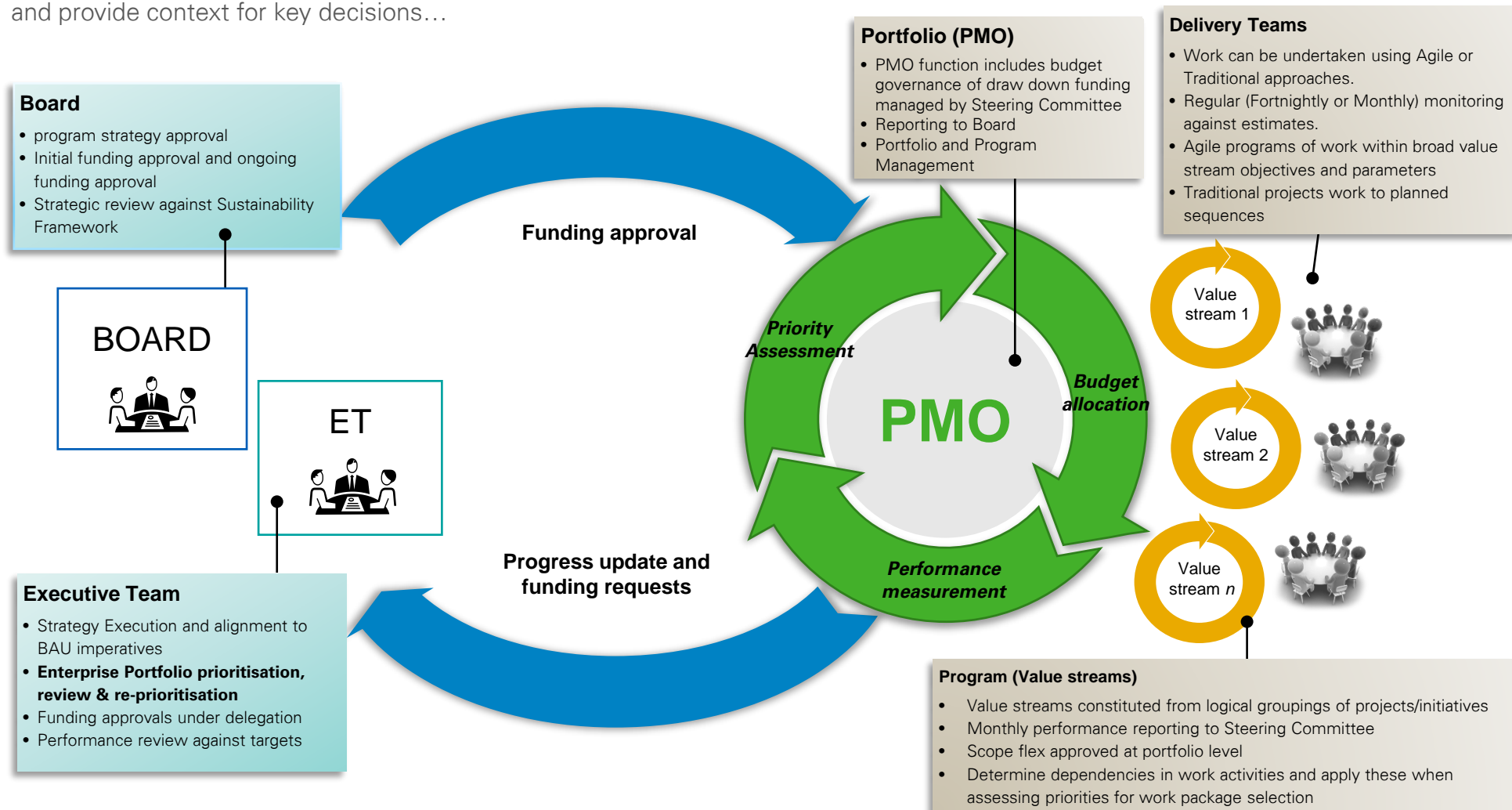
# Key Challenges in hybrid approach

- Dependency Management
- Resource Forecasting
- Consistent Reporting
- Collaborative Culture
- Establishing Agile delivery boundaries

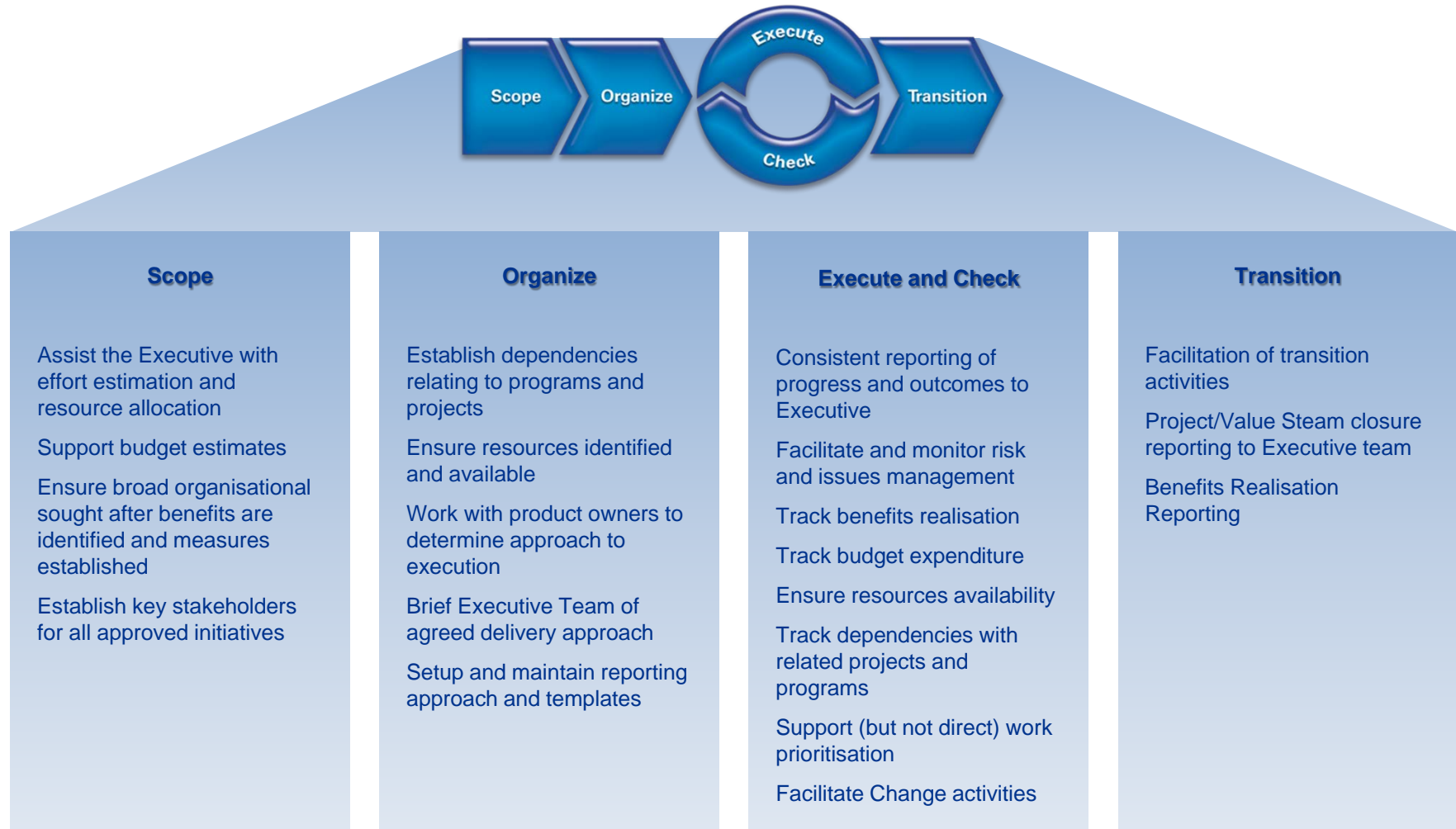


# Hybrid Portfolio in action

We recommend a continuous and transparent update process to keep the executive team and board informed of progress, and provide context for key decisions...



# Role of the PMO through lifecycle



# Role of the Hybrid Portfolio PMO

The PMO responsibilities provides a blend of traditional delivery assurance functions, with leadership to support program delivery...

- Ensure coherence across the program by coordinating activity across the Value Streams, Delivery Teams and other groups involved in the portfolio / program
- Report to Executive on value stream progress against high level plan
- Timely and effective progress and performance reporting, enabling proper risk escalation and robust decision making processes
- Ensure efficient financial management by track expenditure, carry out financial analysis and use forecasting to support financial decision-making
- Ensure widespread awareness of PMO standards and processes, and sufficient supporting documentation to enable effective execution
- Program Resource Management, including on-boarding of program resources





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