Santa Clara County's Project Management Office: Lessons for Alameda County

Ralph White

EXECUTIVE SUMMARY

Funding for social services agencies providing services to populations through functional units, such as Adult and Aging Services, Children and Family Services, Community Services, and Workforce Services, is often outcomes-based. Many of these agencies have seen a significant increase in the cost of administration of these systems. In this regard, social services agencies are employing more technical solutions to combat the rising cost of providing these services with the hopes of being able to marshal' additional resources from their already overburdened budgets.

Regardless of the savings these methods provide, agencies that are able to cull from the technical solutions they employ are becoming more aware that this approach also creates complexity and challenges. In order to keep costs to a minimum, and ensure that a holistic organizational approach to technical solutions is achieved, many agencies are attempting to bring the concept of project management to their organization to meet these challenges.

One county that has brought this methodology to a clear and concise reality is Santa Clara County. Santa Clara County has implemented the Project Management Institute (PMI) method of project management by establishing a Project Management Office (PMO), in order to manage the complexities of implementing new information technology initiatives in their agency. The 8-step project management cycle includes:

1 Project Initiation—Obtain executive level approval and define a project sponsor/champion;
2 Pre-Launch—Define the parties involved and outline the scope project outcomes;
3 Launch—Develop charter, and the detail requirements gathering phase, final sign-off;
4 Execute—Technical implementation phase of the project which requires feedback to stakeholders;
5 Test—Review of the project or system, determine if specifications of the project are met;
6 Training (if required)—End user acceptance testing to ensure system performs as requested;
7 Implementation—Roll out of new system to end user population; and
8 Post Implementation—Documentation of outcomes, and new project initiatives as needed.

Santa Clara County uses the Project Management Body of Knowledge (PMBOK) as a template to guide its steps in the project management arena. Utilization of the outlined steps affords Santa Clara County the ability to save on and take advantage of time, effort, and overall quality of project outcomes, in order to manage and produce information technology infrastructure projects that yield or surpass the desired goals of its agency.

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Recommendations

In my review of the Santa Clara PMO, I came to the very real understanding that the establishment of their PMO methodology took many years. This being the case, I am proposing that we analyze and adopt the Santa Clara County PMO methodology, with the intention of growing the PMO with cost savings realized from the new office. In addition, Contra Costa County could create guidelines based on the Santa Clara PMO model in order to achieve some margin of process when working on agency-wide technical office automation tasks. Ideally, the PMO would start with one project manager to assist with current projects in queue. This initial project manager can document the process and set the functional guidelines in order to build on the model. Additionally, methodology parameters need to be identified so that all executive team members agree to them and are committed to the core values of the PMO model and methodology.

In researching the Santa Clara PMO, I came away with the understanding that the project management process requires an organizational shift. This shift includes all aspects of human services and internal business processes within the agency. What was clear to me was that Santa Clara County through the use of the PMO is able to manage complexity by employing a global approach to project management. Additionally, each engagement of their PMO methodology allows the agency to build a strong toolkit in order to take on new challenges, using all agency resources efficiently with the goal in mind of creating positive outcomes for the agency and the human services population that it serves. If the Contra Costa Employment and Human Services Department undertakes the goal of a PMO creation, then the organization and the human services population that it serves will benefit from the efficiencies of this new system of management.

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Introduction

Funding for social services agencies providing services to populations through functional units, such as Adult and Aging Services, Children and Family Services, Community Services, and Workforce Services, is often outcomes-based. Many of these agencies have seen a significant increase in the cost of administration of these systems. In this regard social services agencies are employing more technical solutions to combat the rising cost of providing these services with the hopes of being able to marshal additional resources from their already overburdened budgets.

Regardless of the savings these methods provide, agencies that are able to cull from the technical solutions they employ, are becoming more aware that this approach also creates complexity and challenges. In order to keep costs to a minimum, and ensure that a holistic organizational approach to technical solutions is achieved, many agencies are attempting to bring the concept of project management to their organization to meet these challenges.

One county that has brought this methodology to a clear and concise reality is Santa Clara County. Santa Clara County's Project Management Office (PMO) is a strong model of what an agency can do right in order to the manage the complexities of information technology without damaging the overall focus, purpose, and vision of the Santa Clara Social Service Agency.

Challenges

A vexing question is; "How do we integrate what we know works with new innovative ideas?" Regardless of the political ramifications, all parties involved must come to the realization that the real threat of stagnation and adherence to the status quo is a threat to the goals of any agency. The ability to be nimble and efficient when confronted by new challenges is the litmus test on how effective social services agencies can be when providing cost-effective human services. The challenges faced when improving IT office automation efforts continues to affect private sector firms as well as local governments and social services agencies. These challenges include:

- Limited executive buy-in, which means that even though the PMO bureaucracy was created in order to provide executive level staffers the ability to maintain control of their projects, this is both a boon and a bust, because the delay can be prompted by management which drives up costs of project resources and may prompt these resources to be reallocated to other projects in queue.
- Implementing a project management model when a strong project management model is not in place, resulting in great difficulty in limiting the amount of rogue projects (without sponsor) because executive team sign-off was not obtained.

By its very nature, the PMO requires the agency to account for all projects current and planned and to assign them a priority rating. This sounds simple on the surface, but can be very traumatic to the process of project management due to the reassignment and reassessment of projects in queue. Each executive team member will be required to view their projects in queue and rank their projects in terms of criticality. Once this work has been done, each of the executives is required to collaborate and determine which projects are most critical to the agency. This is considered "horse-trading", and requires managers to

view their projects in the framework of what is critical to their agency and not just their specific business unit. Often when projects have no real sponsor or champion, they fall out of priority. This can result in an important project being ranked as minor, and the resources that should go to this project are misallocated to non-essential or low impact projects.

Additionally, project timing is a member of the triple constraint, including cost and quality, which affects all project outcomes. A lack of definition of who is responsible for projects in queue, as well as whether or not the proposed benefits from the project proposition are attainable or measurable can be a roadblock to success. Many social services agencies are finding that new programs or legislation may limit the manner in which projects outcomes are obtained and can have a chilling effect on how an agency can perform, let alone complete, complex IT projects.

Background

A project is a temporary endeavor undertaken to achieve a particular aim. Management technology can be applied, regardless of the project's size, budget, or timeline. According to the Project Management Institute, as defined in the 2000 edition of A Guide to the Project Management Body of Knowledge *(PMBOK® Guide),* project management is the application of knowledge, skills, tools, and techniques to a broad range of activities in order to meet the requirements of a particular project.

Project management is comprised nine knowledge areas as well as five processes: 1) Initiating, 2) Planning, 3) Executing, 4) Controlling, and 5) Closing. These nine areas center on management expertise in:

- Project Integration
- Project Scope
- Project Time
- Project Cost
- Project Quality
- Project Human Resources
- Project Communications
- Project Risk Management
- Project Procurement

(PMI Institute: www.pmi.org*).*

The goal of the project manager is to reduce the requirements of projects into smaller increments so that the project is more manageable. The project manager also tracks the methods used to complete the projects. The contemporary use of project management as a business process is a method by which many entities have turned their implementation processes over to, in the hopes of benefiting from the use of, a time-proven method of managing complexity.

The PMO Model

The PMO follows the PMI doctrine for project management and is instrumental in aiding a department when using tools such as data repositories to populate demographic data to all agency departments. This data repository can be used by the PMO with the assistance of agency subject matter experts, to aid the agency in performing the following:

- Developing systems that utilize information, such as birth date, age, number of dependents, and marital status, the project manager can work with subject matter experts to suggest systems that can be used uniformly across the agency enterprise.
- Extending the life of existing systems by using the data in the data repository more efficiently when fielding requests for system enhancements.
- Aiding in the identification of trends within systems that have benefited from the comprehensive nature of the data contained in the data repository.
- Identifying systems that may have similar use and obtaining buy-in to modify existing systems.
- Managing a business process that allows all of the parties or "stakeholders" involved with requests for service in order to ensure that all functional units can benefit from improved business processes.
- Performing a quick assessment of the concept in order to determine whether or not it conforms with policy and standards and best practices of the agency. This assessment leads to fast evaluation of the concept to aid in the process of quick human services delivery.

- Classifying potential risk factors to the agency if current practices are left in place or if the concept is adopted as a full project. This provides evaluation of the new concept versus the status quo.
- Determining whether or not the concept is too complex. This determination provides more information on the risk versus cost.
- Detailing information on how many agency staff are affected by the implementation of the concept through the PMO model. This determines the scale of the project which again helps to determine risk.
- Gathering demographic information on the originator of the concept request as well as a named sponsor of the concept prior to project approval.
- Evaluating risks, obstacles, and issues; specifically, the obstacles of time, resources, and subject matter expertise brought to bear on the project.
- Determining penalties for failure; assesses the impact to the agency if the project fails to produce the desired result, or the attempt is inadequate.
- Defining the goal of the project—what the project is being executed for and whether or not there is sufficient justification to add the concept to the agency human services toolkit.
- Progressing of the project based on facts and less on conjecture and speculation.
- Identifying project feature sets and deliverables deals with what the outcomes will be from the concept once the project management process is complete.
- Setting project timelines, scope, budget, and quality.
- Evaluating fiscal impact and determining if there is enough return on investment on the project to justify the expense and effort to implement the concept.
- Understanding project termination considerations, affects to who can terminate a project and at which point.

Santa Clara's PMO Model

Santa Clara is a county on the move with regards to project management. They have created a PMO in direct accordance with the PMI model. The purpose of this office is to deal with the county's technical complexity issues, with the hopes of creating significant costs savings through efficiencies when improving on the department's office automation efforts. In reviewing the function of Santa Clara's PMO, I was able to obtain information concerning the methodology, approach, and tracking mechanisms that contribute to the process of implementing information technology projects. In reference to the Process Narrative for Project Management provided by the Santa Clara Administrative Office of Information Systems v2.1, the process contains the following key steps:

1. Project Initiation—Obtain executive level approval and define project sponsor/champion;
2. Pre-Launch—Define the parties involved and outline the scope of project outcomes;
3. Launch—Develop charter. The detail requirements gathering phase and final sign-off;
4. Execute—Technical implementation phase of the project which requires feedback to stakeholders;
5. Test—Review of the project or system, determine if specifications of the project are met;
6. Training (if required)—End user acceptance testing to ensure system performs as requested;
7. Implementation—Roll out of new system to end user population; and
8. Post Implementation—Documentation of outcomes and new project initiatives, as needed.

Since its inception the PMO is tasked with assisting with and maintaining a methodology that is fed from a top-down approach in order to ensure that information technology projects are completed with expediency. Furthermore, the PMO ensures that these projects cross-pollinate all functional departmental units, as well as meet the requirement that projects must take advantage of economies of scale. Additionally, the PMO's focus is to identify which projects are critical to the agency, not only from the functional department level, but also taking into consideration the capabilities of the IT support infrastructure. The Santa Clara PMO model requires these steps to be performed on all projects that have an information technology component within the

agency. The PMO model uses the aforementioned 8-step process that includes detailed documentation that any technology project can utilize. Each department has input on the placement of project priorities, which allows each director to have an equal share of the responsibility for of all IT technology efforts within the agency during the decision-making process. In this regard, the PMO is able to break down the components of these technical projects, as well as bring the project into focus by drawing upon other resources to formulate the best answer to the departmental request. As stated earlier in the Information Technology project management steps, this process requires performing project validation, setting policy and practice standards, performing evaluation on the performance of the process designed, and then replicating the successful results of the implementation methods. Steps 1 through 3 are focused directly on maintaining involvement with the project sponsor, stakeholders, and IT to ensure consistent communication throughout the life of the project. In the Santa Clara PMO model, the sponsor and/or champion are equally as responsible for the project outcome.

The Santa Clara PMO is an internal service organization that executes its project management processes based only on the decisions reached by the executive management. Additionally, the Santa Clara PMO is not responsible for the ranking of the criticality of projects but instead is a vehicle wherein leadership can weigh the "costs" of needed projects, and prioritize them accordingly. By implementing the PMO, Santa Clara County is able to provide a strong example of how an agency is not only using a project management office to track projects, but also to identify efficiencies and use them repeatedly as a benefit to the population that they serve. When agency departments are active participants in the PMO project management activities, they can begin to understand the complexities of the efforts that make up the implementation of technical projects. This understanding allows the organization as a whole to obtain a better grasp of IT project complexity. This process serves to educate the business units on many aspects of the IT processes, and aids the decision-making processes in future technical projects. In performing these tasks with the help of the PMO, the internal IT support infrastructure is able to partner directly with the business units to streamline efforts on IT projects, which leads to more successful project outcomes. The PMO allows Santa Clara County to determine the relevance of its undertakings with the goal in mind of reducing repetitive information technology systems, as well as making processes standard across the organization.

One benefit of this model is Santa Clara's use of knowledge repositories that are created from successful projects which are regularly called upon for future use to determine if obsolete or effective practices and methods are currently in use across the organizational enterprise. Using these tools, project managers are able to determine whether or not a previous project management or business process has been used. S/he can also evaluate the success of that process, and then incorporate the successful process into the toolkit of the organization to be used in the future across the enterprise.

Implications

The implementation of a PMO within Contra Costa, with a concentration towards IT will in my estimation radically change the way the agency approaches its office automation efforts. There are two distinct areas where a PMO can assist the Employment and Human Services Department (EHSD) in its office automation efforts. One area is assuring that information technology projects can be leveraged between multiple departments within EHSD. Secondly, a PMO office, using a methodology similar to Santa Clara County's, will provide EHSD executive staff a detailed view of technical projects as they enter the project queue. As the PMO executes the initiation phase of the project, each executive staff member can benefit from and provide the final decision in the initiation of all projects.

Currently at Contra Costa EHSD, projects are often initiated based on very narrowly focused business process issues within the district offices. Requests

that are placed into the information technology queue are not always initiated by senior staff but by line staff. This in and of itself is not an issue, but in adopting the Santa Clara County PMO methodology, the initiation process allows for a quick initial assessment by technical staff, and is further scrutinized through the project management process. This initial step allows the IT division to perform a quick check of the request so that there can be an identification of who the request sponsor is, which customer is affected, and which stakeholders are affected. In determining this information in the initiation phase, a name can be attached and the project can be evaluated based on its merit, and then passed on to the executive team after a project charter is developed. Often this process eliminates projects that have no end goal and allows for the focus of the project to be broadened to incorporate possible needs of other functional units. This process in the PMO effort is a key component in the prioritization process that will allow for project scope, schedule, budget and quality.

These components are required for the success of any office automation effort and are often the main reasons why projects fail or do not reach completion. It is my observation that without executive management buy-in with regards to these four components, office automation efforts often end up without a sponsor or are completed well beyond the termination date of the project. Resource leveling within the PMO is a key component to the success.

The difficulty that EHSD encounters is that, on occasion, there is an adverse reaction between the customer and the technical units in regard to projects. Without the proper components, as previously described, information technology units often feel that they are overburdened due to the constant changes and customization of projects in development.

Additionally, technology units may feel they are required to perform redesign of processes within the departmental functional unit's project even though the project outcome meets the initial project scope, when they feel that this effort would be better serviced by instituting a new project engagement. With weak project management model in place, executive staff often feel that projects are not being presented with the proper amount of attention. In this instance, the prevailing thought is often that information technology does not give the appropriate attention to their individual projects due to the projects being dealt with in a "silo." As was presented earlier, Santa Clara's PMO seeks to mitigate this problem by using processes such as pre-launch worksheets and charter reviews with the leadership team to scrutinize projects, as well as prioritize projects with the help of the Information Systems Manager and subject matter experts. The PMO process promotes the ownership of departmental projects which allows all executive team members to get a better understanding of how, when, and where IT resources are being dispensed. In essence, the Santa Clara PMO model allows executive management to have a clear view of each project in queue and does not allow project "silos" to be propagated. Ideally, the executive team should be willing to share the limited resources. When this cooperation does not exist, leadership teams, lacking a strong PMO presence, are often forced to compete with each other for resources.

Recommendations

In my review of the Santa Clara PMO, I came to the very real understanding that the establishment of their PMO methodology took many years. This being the case, I am proposing that Contra Costa County analyze and adopt the Santa Clara County PMO methodology, with the intention of growing the PMO with the cost savings realized from the new office. In addition, Contra Costa County could create guidelines based on the Santa Clara PMO model in order to achieve some margin of process when working on agency-wide technical office automation tasks. Ideally, the PMO would start with one project manager to assist with current projects in queue. This initial project manager can document the process and set the functional guidelines in order to build on the model. Additionally, methodology parameters need to be identified so that all executive team members agree to them and are committed to the core values of the PMO model and methodology.

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Acknowledgements

Santa Clara County

I would like to thank my BASSC Project hosts in Santa Clara County for their hospitality and for sharing of their wide breadth of knowledge in project management. Their efforts to make me feel comfortable put me at ease and was an illustration of both grace and patience. I am extremely grateful that they would share any and all processes, as well as their experiences in the development of the Project Management Office. I know that I have a lot to learn, but I feel that I have resources I can call upon who have strong and solid foundations in project management. Thank you:

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Contra Costa County

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Resources

http://www.pmi.org/info/default.asp

http://www.pmi.org/prod/groups/public/documents/info/pp_pmbokguidethirdexcerpts.pdf