PMO Symposium®
Where Leaders Meet
HOUSTON, TEXAS, USA | 5–8 NOVEMBER 2017
#PMOSym
2017 PMI Thought Leadership Series
Evaluating Agility

Quick response to strategic opportunities
Shorter decision/production/review cycles
Elimination of organization silos
Integrating new business capabilities
Focus on change management

Integrating voice of the customer
Use of iterative project management practices
Project task simplification
Interdisciplinary project teams
Focus on risk management

PMI Pulse of the Profession Organizational Agility In-Depth Study, 2015
HOW I REMADE GE AND WHAT I LEARNED ALONG THE WAY BY JEFFREY R. IMMELT

Software is eating the world. —Marc Andreessen

NETFLIX DESTROYED THE WAY WE WATCH TV

TIME
STRANGERS CRASHED MY CAR, ATE MY FOOD AND WORE MY PANTS. TALES FROM THE SHARING ECONOMY
BY JIEL STEIN
The CEO of every established company, everywhere in the world, wakes up in the morning worrying about who’s going to disrupt his or her whole business.
92% of executives say organizational agility is critical.

Source: Achieving Greater Agility – Forbes Insights/PMI, 2017
27% of executives say their organizations are already highly agile.

Source: Achieving Greater Agility – Forbes Insights/PMI, 2017
Key Findings

1. All project management approaches lead to successful outcomes
2. People and processes are key to higher levels of agility
3. Revenue growth is greater among high agility organizations
4. The PMO can be a beacon for driving greater agility
Finding #1

Organizations with high agility report more projects meet goals, regardless of approach.

**Organizations with Low Agility**

- Agile: 41%
- Predictive: 45%
- Hybrid: 51%

**Organizations with High Agility**

- Agile: 68%
- Predictive: 71%
- Hybrid: 72%

Finding #1: Organizations with high agility report more projects meet goals, regardless of approach.
Finding #1: Multiple approaches support greater agility

ORGANIZATIONS WITH High Agility

- Agile: 36%
- Hybrid: 37%
- Predictive (traditional/waterfall): 27%

ORGANIZATIONS WITH Low Agility

- Agile: 8%
- Hybrid: 44%
- Predictive (traditional/waterfall): 47%
### Finding #2

Organizations with high agility are dramatically more likely to execute on critical PEOPLE drivers

<table>
<thead>
<tr>
<th>Statement</th>
<th>Organizations with HIGH AGILITY</th>
<th>Organizations with LOW AGILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our project professionals have the skills to utilize a variety of project management approaches</td>
<td>88%</td>
<td>13%</td>
</tr>
<tr>
<td>My organization incorporates agile skills development in performance plans</td>
<td>80%</td>
<td>3%</td>
</tr>
<tr>
<td>My organization incorporates program management development in performance plans</td>
<td>78%</td>
<td>6%</td>
</tr>
<tr>
<td>My organization provides access to program management mentors</td>
<td>77%</td>
<td>8%</td>
</tr>
<tr>
<td>We have established agile project leaders as a formal role</td>
<td>77%</td>
<td>13%</td>
</tr>
<tr>
<td>My organization provides internal peer-to-peer training programs</td>
<td>82%</td>
<td>5%</td>
</tr>
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*“How much do you agree with the following statements about your organization?”*  
(Showing frequency of respondents who selected 6 or 7 on a scale from 1 [Completely disagree] to 7 [Completely agree])
### Finding #2

Organizations with high agility are dramatically more likely to execute on critical PROCESS drivers

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<th>Statement</th>
<th>High Agility</th>
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<tr>
<td>We have metrics and systems to accommodate fast portfolio changes and continuous reprioritization</td>
<td>79%</td>
<td>3%</td>
</tr>
<tr>
<td>We consistently use customer/market feedback data to revise or modify our product roadmaps</td>
<td>80%</td>
<td>8%</td>
</tr>
<tr>
<td>We have implemented multiple agile approaches</td>
<td>72%</td>
<td>7%</td>
</tr>
<tr>
<td>We review and adjust our product roadmaps and plans on a quarterly or even monthly basis</td>
<td>80%</td>
<td>9%</td>
</tr>
<tr>
<td>We have organized resources into standing product teams to support product releases</td>
<td>81%</td>
<td>10%</td>
</tr>
<tr>
<td>We routinely incorporate multiple approaches within a project</td>
<td>81%</td>
<td>10%</td>
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"How much do you agree with the following statements about your organization?"  
(Showing frequency of respondents who selected 6 or 7 on a scale from 1 [Completely disagree] to 7 [Completely agree])
Finding #3
Organizations with high agility report higher revenue growth

Estimated year-over-year revenue growth rate for 2016

- 5% or more: 29% (Organizations with HIGH AGILITY, 75%)
- 0 to less than 5%: 16% (Organizations with HIGH AGILITY, 34%)
- Negative: 2% (Organizations with LOW AGILITY, 11%)
- Don’t know: 6% (Organizations with LOW AGILITY, 26%)
Finding #4

The Evolving Role of the PMO

94%

The PMO can be a beacon for driving greater agility.
Summary

• Agility is a balance—not a battle of choices
• Adaptability is key
• Drivers of agility include people and processes
• Agility levels can determine the success of an organization
Agility is a balance, not a battle of choices
Adaptability is key

The Value Delivery Landscape
Drivers of agility include people and process
Agility levels can determine the success of an organization.
“An organization’s ability to learn and translate that learning into action rapidly is the ultimate competitive advantage.”

Jack Welch
Former CEO, GE
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2017 PMI® Thought Leadership Series: Achieving Greater Agility

Presented by: Forbes Insights and KPMG

Bruce Rogers
Chief Insights Officer
Forbes Insights

Howard Bagg
Director, Program Delivery Services
KPMG LLP
PMI 2017 Thought Leadership Series: The C-Suite Perspective

Bruce Rogers
Chief Insights Officer and Head of the CMO Practice
Forbes Media
@Brogers825
Welcome to an Era of Digital Disruption

Millennials are relying on bots – not brokers – to invest their money.

Factory workers are assembling widgets alongside collaborative robots.

AI-powered programs are replacing HR managers, sales associates, & customer service agents.

The takeaway? No industry is safe.
How to Survive? Be Agile.

1. Adjust strategies on a continuous basis
2. Empower employees to make key decisions on challenging projects
3. Respond to ambiguity and uncertainty with flexibility and speed
4. View unanticipated change as an opportunity for transformation
Putting the C-Suite to the Test

**Objective:**
Understand how the C-suite enables the adoption of agility

**Hypothesis:**
In an era of digital disruption, the C-suite needs to fully leverage their PMO and foster a culture that supports agility. Doing so will allow them to rapidly transform their business and operate at digital speed.
Who We Surveyed

Top Industries:

- Technology
- Manufacturing
- Banking
- Consumer & Retail
- Energy

Who We Surveyed

- CEO: 41%
- COO: 20%
- Chief Strategy Officer/Chief Strategist: 9%
- Other C-suite: 3%
- EVP/SVP: 15%
- VP: 12%

Top Industries:

- Technology
- Manufacturing
- Banking
- Consumer & Retail
- Energy
Most C-level executives agree organizational agility is critical to successful digital transformation. Yet many organizations are ill-prepared to quickly adopt and implement new strategies.

The advantages of agility are far-reaching—from driving revenue and accelerating speed-to-market to attracting talent and meeting customer expectations.

In addition to key capabilities, culture is one of the biggest enablers of organizational agility.
Key Findings

People management, procedural overhaul, and a new mindset are the three pillars of cultural change.

A CEO must act as a key catalyst for cultural change and an evangelist for greater agility. CEOs come in many flavors and bring about transformational change in more ways than one.

Savvy organizations fully utilize the PMO to shape and influence a responsive culture.
<table>
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<th>The Good News – and the Bad</th>
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<td>84% agree organizational agility is necessary to succeed in digital transformation</td>
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<td>Yet only 27% of executives consider themselves highly agile</td>
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Join Our Breakout Session to Learn:

- **How**
  - to build and nurture a culture that supports agility

- **How**
  - to encourage leaders to let go of the reins and learn how to self-organize and adapt to different types of agile approaches

- **How**
  - to drive CEO commitment to organizational agility

- **How**
  - to convince employees to accept role change, as well as the challenges and opportunities of a new digital world

- **How**
  - to leverage the PMO and maximize its positive impact on agility
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PMI 2017 Thought Leadership Series: Achieving Greater Agility
Practical Insights into Agile Transformation

Howard Bagg
Director, Agile Transformation and Program Management
KPMG LLP
# The Good News – and the Bad

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Yet only 27% of executives consider themselves highly agile.
Typical Agile Transformation as Envisioned

- Lets go Agile
- Speed to Market
- More Transparent
- More Efficient
- Better Quality
- Lower Costs
- Happy Business Folks
- Happy Employees

Agile Transformation
Typical Transformation in Reality

**Business Groups**
- "Why do I need Agile anyway?"
- "I have a funded project and don't care how it is delivered"

**CIO / CEO**
- "You Might not have target dates but I do!!"
- "I don't have headcount for Product Owners"
- "I don't see how Agile is better"
- "Where are the promised cost savings?"
- "We need approved requirements"

**Risk & Compliance**
- "Of course there has to be a UAT"
- "No deployment without Business physical signoff"

**Middle Management**
- "What do you mean, empower staff, they work for me"
- "I need projects to deliver on time to earn my bonus"

**Agile Transformation**
- "I need projects to deliver on time to earn my bonus"

**PMO**
- "Send us your project plan"
- "We need change controls to increase funding"
- "Send us your % complete and status report"
So what went wrong??
Agile Transformation Missteps

- Lack of Executive Sponsorship
- Not taking an enterprise view
- Not leveraging your PMOs to drive change
- Not considering organizational change
- Not considering transition time
Why is the PMO so critical?

The Forbes Insight/PMI survey indicated that the majority of highly agile organizations are using PMOs, while only 38 percent of emerging agile organizations have a PMO in place.

The transformed hybrid PMO will:

- Have an overall, end-to-end view of a business value chain
- Promote collaboration between business and technology teams
- Leverage some traditional skills and learn some new ones
- Provide a consolidated view to senior management regardless of the approach used
- Modernize traditional approaches using agile principles to improve predictability and lower risk
- Support agile approaches and scaling frameworks
- Enable agile portfolio management

“The PMO is uniquely positioned to foster agility by rallying employees, driving greater adoption of fast-fail strategies, building small and nimble teams, and assigning accountability.” Stuart Cullum, Managing Director, Program Delivery Services, KPMG
Leaders: It is time for action!!
Your people first

- Culture comes first!! – need senior leadership to allow staff empowerment and freedom to fail fast and learn
- Speed of change – “just different enough, just enough the same”
- Performance goals – update for agile and include outcome-based, team goals
Upgrade your agile transformation program

Establish a formal transformation program that includes:

- Delivery PMOs become “hybrid” to enable agile and traditional approaches to co-exist and are extended across business and technology
- Portfolio management changes to provide a steady, transparent flow of work to delivery teams
- Delivery teams adopts agile principles as a group within a PMO supported scaling framework
- Technology Infrastructure looks for ways to speed up validation and deployment
Transform in waves

Divide up the effort:

– Few can implement organizational agility in one day
– Look for Business Value Chains; a business capability, its supporting technology, related infrastructure groups and PMOs

For each Business Value Chain:

– PMOs becomes “hybrid” to enable agile and traditional approaches to co-exist and extend across business and technology
– Portfolio management changes to provide a steady, transparent flow of work to technology delivery
– Technology Delivery adopts agile principles as a group within a PMO supported scaling framework
– Technology Infrastructure looks for ways to speed up validation and deployment
## Join My Breakout Session to Learn:

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<td>your PMOs are so critical to enable transformation and to drive agile maturity</td>
<td>to accelerate organizational agile maturity</td>
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<td>are agile transformation waves</td>
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*PMI*