Case Study

The design and implementation of a Portfolio Management Office (PMO)

The Estates and Security Directorate is complex organisation, overseeing approximately 2000 physical estate projects across all British government locations across the world. The £500m worth of projects range from routine maintenance, to asset replacement, to large global estates change programmes.

Working with the FCO, we took a five-stage approach to design, implement and sustain a PMO in the Estates and Security Directorate. This approach enabled the PMO to deliver the benefits of the change as quickly as possible with no negative effect on existing operations. Our staged approach was as follows:

1. Identify the change	2. Planning the change	3. Implementing the change	4. Managing the change	5. Sustaining the change
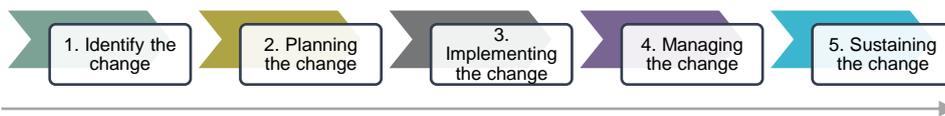
The PMO development was carried out efficiently and effectively. Our approach maximised the opportunities to ensure stakeholder buy-in and the ability to assure the successful and effective long term delivery of the defined Estates and Security Directorate PMO objectives. We identified and implemented quick wins throughout the project alongside the PMO structuring and deployment.

The PMO was developed in line with industry and government P3M standards; in particular aligning the future Estates and Security Directorate processes to the Government's Project & Programme Delivery Standard (GovS 002). We developed the following capabilities and services within the PMO:.

▶ **Portfolio Management Office Strategic oversight** – The PMO now provides oversight over issues across the portfolio, and supports project prioritisation

▶ **Portfolio planning and Definition** – We developed, agreed and coordinated a single project lifecycle model

▶ **Portfolio Reporting**– The PMO now gathers, analyses and reports portfolio data to support decision making and risk management

▶ **Portfolio Reporting Data Management** – We developed and managed a portfolio master dataset as a single version of the truth

▶ **PMO Centre of Excellence** – We developed a suite of best practice tools, guidance and methodologies.

▶ **Customer and Stakeholder Engagement** - The PMO now works with customers to agree service expectations, service levels, and key measures of performance

▶ **Change Management Approach –** Our five-stage change management approach to project delivery can be utilised for any change management activity undertaken by the PMO.

The Estates and Security Directorate PMO now in place ensures that there is a single source of truth for portfolio status. It provides the Estates and Security Directorate with a significantly improved picture of the £500m portfolio and enables informed prioritisation of where resources are deployed. Communication between the three estates, security, and facilities management departments has significantly improved to assist efficient project delivery.
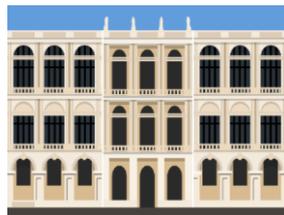
Client
Foreign Commonwealth & Development Office – Estates and Security Directorate

Business need
A PMO was required to offer support and challenge to projects and programmes across the worldwide portfolio.

Why Frazer-Nash
Our team of PMO experts integrated into the PMO team on site.

Date project completed
30th June 2020

Feedback from the client

"I have had a tremendous experience working with Frazer-Nash. Unlike other consultancies I have worked with, they behave as **"us" not "them"**. This shows in their drive to own and resolve "our" problem (with Frazer-Nash as part of "us") and their determination to provide a **permanent, lasting solution**, and not one which evaporates when the contract ends. They have brought a very **human solution** to our problems, acting as a **fully integrated part of the wider team**, and understanding that large government organisations like ours take time to change, and that comes through winning people over as much as process change".

Head of Strategy & Portfolio Management Office, Estates and Security Directorate | Foreign, Commonwealth & Development Office.

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To find out more about our work and how we can add value to your business visit our website.

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Our five staged change management approach

The implementation of the PMO was carefully managed through our staged approach:

▶ **1. Identifying the change** - We embedded our Frazer-Nash team on site to initiate the development of the new PMO with the FCO sponsors. We developed and delivered a business case update, project charter (including initial Governance arrangements and Portfolio processes) and an initial stakeholder management plan.

▶ **2. Planning the Change** - We used the output of the first phase to create a high-level schedule based upon deliverables. These deliverables (new processes, organisational structure, project management methodology adjustments, etc.) were scheduled accordingly to weight (impact to organisation's business and processes), and stakeholder priority (sponsor and wider stakeholder requirements).

▶ **3. Implementing the Change** - We executed the plan created in the second phase with an emphasis on stakeholder engagement and communications. This phase was the point at which the PMO reached a level of operational maturity.

▶ **4. Managing the Change** - We monitored and adjusted the plan as the PMO transition occurred. Throughout this phase our team and sponsors proactively anticipated both positive and negative stakeholder reactions to the change, addressing and highlighting issues with stakeholders as defined in the communications plan. Any delivery adjustments were identified, planned and implemented to maintain the change momentum of the project, ensuing FCO key stakeholders were kept informed. We developed a strong culture of continuous improvement with ESD and the PMO.

▶ **5. Sustaining the Change** - We completed a handover of the PMO to ESD using detailed transition plans. This ensured that ESD are able to deliver PMO activities whilst continuing to evolve and meet changing demands and requirements.

Our roles

We adopted a hands-on approach from the outset, working with our client and not simply acting as an advisor. We undertook many roles during the assignment including:

▶ **Business Analysis** - Working with our FCO colleagues, we undertook a business process review to fully understand the current 'as is' environment, allowing us to then perform a gap analysis against the desired 'to be' state. On completion of the gap analysis, the structure of the 'to be' PMO was agreed and baselined with FCO stakeholders.

▶ **Change Management** - Once the 'to be' PMO baseline was established, we worked with our FCO colleagues to devise a series of change management plans which would facilitate a structured and organized move from the 'as is' environment to the 'to be' state, with no impact to existing operations.

▶ **Implementation Management** - Once the change management plans were agreed, we worked closely with our FCO colleagues to implement the agreed changes. Any issues found during the implementation phase were resolved through constant dialogue with FCO stakeholders.

▶ **User Acceptance Testing** - The implementation phase included user acceptance testing where we proved through test scenarios or live testing that the changes implemented worked in practice.

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