

# HP's Account PMO Framework Builds Worldwide Consistency and Success

HP Enterprise Services offers clients a variety of strategic IT services, including consulting, systems integration and application development, as well as outsourcing support for everything from business processes to infrastructure. As one of the largest divisions of HP, Enterprise Services works with more than 1,000 organizations in 90 countries, including 426 of the Fortune 500 companies.

"It's the applied power of HP," says Tomas Appelgren, Global PMO Account Lead for HP. "Our brand, our technical and industry expertise, and our ability to handle the most complex environments."

As part of its offerings, Enterprise Services has always provided project management office (PMO) support to its clients. But starting in the early 2000s, the rules of the game changed — and a new global model was introduced.

## A NEW TYPE OF PMO

In 2003, HP signed a deal with a large international company that was one of their largest outsourcing commitments. As part of that deal, HP created a PMO for the large Transition and Transformation Program, which consists of all the project activity that goes into HP assuming operational responsibility for the services and commitments the customer desires. This PMO was referred to as an operational / supply PMO, providing project management best practices, tools and procedures.

It quickly became apparent, however, that simply assuring a smooth transition wasn't enough — another PMO would be needed to manage the ongoing projects and programs within the account. This steady state / strategic / demand PMO would make sure the account portfolio was delivering results within time, scope and budget restraints, and meeting the client's organizational and strategic goals.

HP recognized the value of both types of PMOs on all new deals, especially since it would allow them to standardize project management best practices, tools, templates and processes across the entire Enterprise Services division.

So, they created a new global model to provide consistent, defined methods for:

- **The pursuit phase**, during which HP provides accurate design and cost estimates for potential new clients when working on new outsourcing deals.
- **The transition phase**, during which HP implements the PMO at the start of a new deal with a customer.
- **The steady-state phase**, during which HP runs the PMO ongoing between the start and the end of a deal.

HP launched this new Account PMO Framework in the EMEA region (Europe, Middle East and Africa) in 2004 and later expanded it worldwide in 2010.

## THE ACCOUNT PMO FRAMEWORK

"Within Enterprise Services, our main business objective is to take on outsourcing for companies. We set up a new account that interacts with the customer, and for every new account we set up a PMO," says Appelgren. "It's a challenge to make sure all are set up in the same way globally, and meet the particular objectives for their respective companies."

To do this, the Account PMO is started at the beginning of the account life cycle and set up to offer four main services to clients:

- **Portfolio Management** manages the portfolio of the account's projects and programs, making sure they come in on time, on budget and within scope.
- **Account Governance** provides a way for both the client and the account team to mutually manage expectations, relationships and services.
- **Account Risk Management** deals with risks across the entire account, enabling HP and the client to prevent and/or react to events that threaten the project portfolio.
- **Program PMO services** provides client programs with project management best practices, tools and processes during the Transition and Transformation stages.

The Account PMO does not function as a separate entity but is organized within the account team for the client it supports. The exact size and structure varies depending on the complexity and demands of the client account itself. But no matter how big or small the Account PMO may be, it still maintains regular contact with the customer. In particular, the Account PMO manager and individual project managers routinely interact with their client counterparts to discuss statuses and progress, risks and open issues, and sign-offs and approvals.

This comprehensive portfolio of services offers a variety of benefits to clients, including:

- Improved predictability and quality of project execution.
- A sharper focus on risk management for both individual projects and the account as a whole.
- Increased visibility for all projects for internal stakeholders.
- Project deliverables tracking and control.
- Hands-on management for project issues, decisions and actions.
- Resource management to ensure that planned projects have what they need.

But perhaps the biggest benefit is the business value it provides:

- The improved quality and predictability of project and program delivery improves customer satisfaction with the finished product.
- The client's portfolio is managed and executed on time, on budget and within scope — making it easier for these organizations to achieve their strategic goals.

## A SUCCESSFUL CORE COMPETENCY

Today, project management is a core competency for HP, with thousands of active projects throughout the world, and project, program and portfolio management (PPPM) capabilities spanning global, regional and country levels.

And it's thanks in large part to the success and impact of the Enterprise Account PMO model:

**It creates a consistent global model.** Projects (and project reports and measurements) are run the same way in every part of the world, whether in Stockholm or Los Angeles.

**It creates a standardized environment.** Project managers don't have to learn different tools and processes for different regions. The same set of tools, processes and methodologies is used globally.

**It saves money.** Maintaining just one framework — as opposed to five or six spread throughout the world — saves HP at least an estimated \$1.5 million a year, or the approximate cost of 10 full-time employees yearly.

**It makes HP competitive.** The financial and efficiency gains help make HP more competitive in terms of both price and quality offerings to customers.

And, perhaps most importantly, **it provides one face for HP's customers**, who are increasingly satisfied with the program.

## A MORE STRATEGIC FUTURE

Given the success of the Account PMO Framework, HP plans to improve and refine the model.

"Moving forward, we will put even more emphasis on the demand phase," Appelgren says. Under this approach, the Portfolio Management service will broaden its role, moving beyond simply executing the portfolio to helping new account customers from the start.

"Up until now we have, more or less, just accepted all projects as requested by the customers," Appelgren says. In the future, they expect to help customers prioritize and define their projects, making the best use of available resources and HP's product offerings.

They'll also focus more on regional execution, making sure the model is implemented consistently around the world. They're also starting an internal initiative to identify other areas for improvement.

What won't change is HP's dedication to the Account PMO model, and the service it provides to their customers.

"You can see each account as its own little business," Appelgren says. Put them together, and they add up to the sum of HP's business.