

How PMO Services Are Supporting Successful Program Modernization Projects



A recent study from the Project Management Institute (PMI) found organizations with an enterprise-wide project management office (PMO) are far more likely to meet their modernization goals and avoid project failures.¹ Professional project management and related services are essential to reduce business and operational risks when implementing new technologies and complex business systems. In this interview, **Michael Collisi**, a Vice President in the Healthcare and Human Services Practice at CSG Government Solutions, shares why a PMO is valuable, how a PMO supports and complements state staff, and how to select and engage an effective PMO vendor.

Why is a PMO important for a system modernization effort?

Public sector modernization programs are becoming increasingly complex. Interoperable systems, cloud solutions, cross-organizational schedules and dependencies, security architectures, wide-ranging stakeholders and vendors, and other aspects of implementing modern technologies and processes create a multi-faceted environment that governments cannot navigate successfully without a highly coordinated governance structure and project management discipline.

What management services does a PMO perform?

The scope of PMO services can vary depending on the size and complexity of

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a modernization program, as well as the organizational resources the agency can dedicate to the projects. At a minimum, a PMO facilitates the establishment of management processes and controls that govern operational aspects of the effort such as schedule and budget management, communication, risk assessment, change management and status reporting. A PMO can also house other functions, including procurement support, requirements management, quality assurance, organizational change management, testing support and more.

Is it necessary to engage a PMO vendor as opposed to building an internal PMO?

Good PMO vendors bring experienced leaders and dedicated staff with methods and tools they are familiar with and have been proven on other projects. They know what works and what risks are common on similar projects. Agencies rarely have employees who have dedicated their careers to project management or have experience on a variety of projects. At the same time, we have found that effective PMOs often contain some mix of both vendor and agency personnel.

¹<https://www.thomsonreuters.com/en-us/posts/legal/practice-innovations-october-enterprise-project-management/#:~:text=According%20to%20a%202017%20Project,and%2033%25%20fewer%20projects%20failed.>

What impact does a PMO vendor have on other agency staff?

State agency staff work full time running their programs. When they launch a modernization project, those responsibilities don't go away. A good PMO works with agency staff to harness their business expertise and knowledge, while protecting their time so they can continue focusing on delivering services and administering programs.

When I was a director at the Indiana Office of Medicaid, it took several months to recruit and hire agency staff, so I often partnered with qualified vendors who had the specific program and technical knowledge, as well as project management skills I needed for my projects. They helped augment and grow our project implementation team, which allowed me to keep our day-to-day operations running without overburdening agency staff.

What should states consider in selecting a PMO vendor?

States should hire a PMO vendor offering a team with enterprise portfolio management expertise, a variety of skills applicable to the characteristics of the modernization, a track record of achieving federal systems compliance and first-hand experience in the business operations of the program. It is beneficial for the vendor team, and the PMO manager in particular, to have significant tenure with the vendor.

Additionally, the best PMO vendors have proven methods and tools that are adaptable to your specific needs and



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promote consistent communication and thorough consideration of typical project risks and issues.

When should an agency engage a PMO vendor?

The simple answer is as early as possible. Establishing the PMO in the modernization planning stage not only helps the agency

clearly define goals, objectives and desired outcomes, but also provides continuity that assures consistent project oversight and governance throughout all phases of the modernization, including procurement, design, development, implementation and operations. Federal funding agencies such as the Centers for Medicare & Medicaid Services (CMS) promote early engagement of a PMO vendor for a state's modernization program.



CSG is a leading public sector consulting firm focused on helping government agencies modernize critical program enterprises. Founded in 1997, CSG has established itself as a trusted advisor to more than 200 government agencies, providing PMO services for more than 40 projects. Named one of America's Best Management Consulting Firms four years in a row by Forbes Magazine, we work with our clients to deliver high quality services that help to achieve their goals. Call or email Michael to discuss how CSG can help with your next system implementation at (317) 332-3888 or mcollisi@csgdelivers.com. For more information, visit www.csgdelivers.com.