

HOW TO INCREASE PRODUCTIVITY IN YOUR PMO

Eliminate project waste w/ this framework



ELIMINATING PROJECT WASTE CAUSED BY NON-VALUE-ADDED TASKS

Introduction

You acknowledge that like many PMOs or project delivery organizations, you may be underestimating the amount of total work that can be attributed to non-value-added activities. In fact, according to research published in Lean Office Innovation, **90% of all office work of any kind is non-value added and only 10% of work can be categorized as value add.**

As a result, you have decided to explore an initiative to eliminate project waste in your organization.

Now what?

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A DAY IN YOUR CURRENT LIFE

To understand where you need to go, it's best to understand first where you are and how you got here.

Project waste, which refers to all the non-value-added work that is performed during the lifecycle of a project, is pervasive in most enterprises. The primary root causes of waste reduction challenges for most companies derive from a history of:



Not having a formal/centralized repository for project-related information to facilitate and streamline searches for information like project templates, metrics, and financial data. Project team members frequently report spending over a day a week searching for information. As a result, **35% of companies in a recent survey indicated that not having a “central source of project information” was a top business challenge leading to the purchase of project management software.**



Offline reporting processes including the manual collection, reconciliation and formatting of data for various reports and project reviews. **Project team members report spending on average a day a week preparing reports for status and project review meetings.**



A lack of automation of simple, high-volume tasks such as timesheet administration, task assignment communications, and project activity completion tracking. **62% of surveyed companies cited “capturing time/cost of projects” as the top challenge leading to the purchase of project management software.**

A DAY IN YOUR CURRENT LIFE

Do those resulting scenarios sound familiar?



Lost Productivity because your project managers and team members spend 40% of their time just looking for information and preparing reports through manual data collection, aggregation, formatting, and distribution.



Unreliable reporting as roll-ups of information from distributed Excel and other desktop data files result in an increased probability of data being inaccurate, redundant, missing, unavailable, unknown, and/or out-of-date. These basic project data visibility and integrity issues is still cited as a major challenge by most organizations. In fact, 45% of surveyed companies, cited “re-entering lost data” as a top-three driver leading to the purchase of project management software.



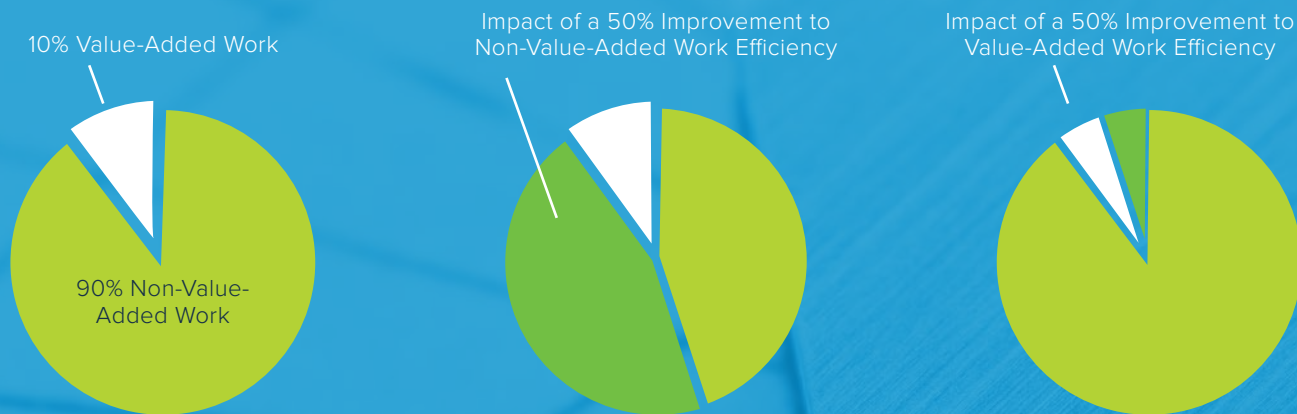
Project Team Frustration due to a lack of tools for executing basic project activities and tasks that deliver no or little value. This is becoming especially important as Millennials – who expect/demand state-of-the-art tools – become an increasingly large portion of the talent pool.

WHY IS A NEW APPROACH REQUIRED?

Non-value-added work represents a much larger percentage of project resource consumption than value added work. Improving productivity for non-value-added tasks versus value-added tasks yields a much greater impact on overall project productivity.

This diagram illustrates the relative impact of a 50% improvement on non-value-added work versus 50% improvement on value-added. This is a scenario where 90% of project work is made up of non-value-added work. If you focus only on the 10%, the simple math tells you that you are constrained to single-digit productivity improvements only.

Improving Non-Value-Added work (“Project Waste”) Can accelerate Overall Project Delivery Efficiency



Note: For the purposes of this analysis, project waste does not include resources expended on projects that have been deemed failures. To address this critical source of waste, improvements need to be made in the project selection process. Project selection effort is accounted for in the “value-added work” category.

For more information on Optimizing Project Selection, view our ebook.

Waste Elimination Solution Framework

Reports & Dashboard

- Standard global and local reports
- ad hoc reports

Workflow Automation

Demand

Resources

Time

Portfolios

etc...

Centralized Repository

- Structured Project Information
- Unstructured Project Documentation, Templates, Best Practices

SOLUTION REQUIREMENTS

To minimize project waste, you will need some new processes and/or tools. Let's refer to this as a Project Waste Elimination Framework. There are three key components



CENTRALIZED DATA AND KNOWLEDGE BASE

This is a centralized repository and proverbial “single version of truth” and system of record for project data and documents (including best practices, templates, and reports). It replaces distributed Excel spreadsheets and other desktop applications to ensure consistent data visibility and integrity. And, because all information is stored in a single place, project waste associated with searching for information is virtually eliminated.



CENTRALIZED REPORTS & DASHBOARDS

Once you have your data centralized, it's relatively straightforward to define and generate standard reports and dashboards and share securely to appropriate stakeholders. Reports can be trusted since access to the system is controlled, information is entered directly, and data roll-ups/aggregations are calculated by the system. Reports conform to a standardized format, so they can be more readily digested and leveraged for decision making.



SIMPLE TASK/WORKFLOW AUTOMATION

Basic project tracking functionality of most tools automates common non-value-added task like timesheet administration, task assignment communication, completion tracking and approvals, and associated alerts and notification.

IMPLEMENTING YOUR PROJECT WASTE ELIMINATION FRAMEWOK

Here are the key steps to implementing your Project Waste Elimination Framework to leverage and integrate these three key components.

Note: You can build and integrate these components internally or adopt a tool which integrates out-of-the-box centralized data and knowledge repository, standard out-of-the-box reports, and task automation (value-add and non-value-added task)



A green circular graphic containing the word 'STEP' in a small font above a large white number '1'.

BUILD AND OPERATIONALIZE YOUR CENTRALIZED REPOSITORY

- Establish a centrally administered project data and knowledge repository in the cloud as your system of record and eliminate rogue offline data silos.
- Define all information types (structured, unstructured) and categories (resources, financials, projects, programs, portfolios) needed to run your projects.
- Generate reports and clarify ownership for collecting and entering information into the system including which data will be entered manually and which data will be entered via automation/integration.

STEP
2

DEFINE STANDARD REPORTS AND DASHBOARDS

- Evaluate out-of-the-box reports delivered as part of project tracking tools to determine if they will meet your needs for formal project reviews, status reports, etc.
- Configure or build custom reports as appropriate.

STEP
3

DEFINE WORKFLOWS FOR AUTOMATION

- Identify and document existing workflows and define improvements.
- If possible, adapt and leverage best-practice workflow/approval processes and templates.

A DAY IN YOUR NEW LIFE

So, if implemented, how might a Project Waste Elimination Framework positively impact profitable growth every day? Here are a few examples.

- PMs and team members have up to 40% more time to complete value-added work.
- Business stakeholders and PMO leaders make project-related decisions with significantly increased confidence due to data reliability improvements.
- Project team morale is at an all-time high as they feel supported with the processes and tools to maximize their impact and minimize grunt work.

Ready for the next step?

Begin with a Project Efficiency Self-Assessment:



Explore our other available Solution Framework eBooks:



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