Executive Summary

The Idaho Transportation Department's Project Management Office (PMO) has created and implemented new processes for leveraging and managing funding, data, programs, and new projects across the department. The PMO provides transparent, standardized management practices, risk assessments, and funding forecasts for all IT projects. Exposing project sponsors and end users to the immediate and long-term benefits of project management has elevated department-wide expectations and increased the value and quality of all PMO products and services.

In early 2007, the Idaho Transportation Department formed a Project Management Office (PMO) to manage all department IT projects. Prior to formation of the PMO, an inventory of the department's active IT projects determined only 22% were on schedule and within budget. The department had little or no information on the number of IT projects, their schedules, resource needs, scopes, or budgets.

Priorities were unclear, projects were completed on a "first in, first out" basis rather than using well-defined project-prioritization procedures. Lack of enterprise planning between program areas caused conflicts that wasted time and resources. Opportunities for creating enterprise solutions were routinely missed, and enterprise architectural standards were not always adhered to.

Forming the PMO and staffing it with experienced, highly qualified project managers and enterprise architects allowed the department to realize dramatic reductions to the problems mentioned above. The PMO currently completes 94% of all projects within budget, and completes 81% of them on time (based on a 13-month rolling schedule). This is significantly above the national average of 12 percent of projects completed within budget and on time *(as reported by the Standish Group)*.

Now that the PMO is in place, the department has an online portfolio listing every IT project. The portfolio identifies team members, budgets, schedules, project descriptions, and risk ratings. In addition, the PMO:

- Standardizes ITD's project-management lifecycle by following PMI Best Practices
- Provides detailed project-management information to sponsors and stakeholders
- Projects operational costs for each project for a full five years
- Provides consistent, enterprise-wide solutions
- Increases completion and success rates for projects
- Transparently provides project status, needs, and activities online
- Provides consistent, easy-to-understand information to sponsors and stakeholders
- Delivers higher-quality products and services to end users

The PMO conducts a cost-benefit analysis for each project to ensure the right solutions are being implemented and to improve the department's effectiveness and efficiency. The department's current IT Project Portfolio contains $51 million dollars in projects (funded by the sponsoring divisions or districts). Projects are managed by the PMO as resources allow, however, the PMO provides risk-management services for all projects in the portfolio.

Projects are now much more likely to be completed on time and within budget, and customer service has improved dramatically. Customer surveys show that 92% of PMO customers are satisfied with its services and products.

The Project Management Office has proven to be a huge success for the department, saving hundreds of thousands of dollars annually through increased efficiencies created by department-wide enterprise planning.