



March 2006

PMO Local Interest Group Meeting - Summary

Topic: Metrics

Summary

1. Choosing Metrics
 - a. Answer "Who Cares?" and "Why Bother?" and Goals of the Organization
 - b. Metrics Help Manage Expectations
 - c. Timely Communication - Simple, Clear and Obvious
 - d. Fewer is Better – Focus and Clarity
 - e. Avoid Surprises – Keep stakeholders from embarrassment of being asked about a problem before they know about it (especially from their boss!!)
 - i. Known Risks
 - ii. Unknown Risks
2. Benefits of Metrics
 - a. Provide Baseline Measure – "Where Are We?"
 - b. Identify Areas/Goals for Improvement
 - c. Quantify Results
 - d. Measure Improvements
3. Simple Basic Metrics
 - a. Counts and Categorization of Projects
 - b. Project Performance Against Goals, SOW, Scope, Vision or Business Value
 - c. Projects Finished, Projects in Progress, Projects Cancelled
 - d. Projects On Time/Budget v Projects Late or Over Budget
 - e. Defects, Pereto Charts and Pie Charts
4. Implementing Metrics Measurement
 - a. If you have executive support, implementation can be top down
 - b. If you lack executive support, use grassroots effort and lead by successful example
5. Delivery of Metrics - Focus on the Stakeholder's Point of View
 - a. Deliver Problems in Person with Alternatives and Recommendation
 - b. "What Does it Mean to Me?" and "Why Do I Care?"
 - c. Drill down for details available, but executives focus on decisions and actions
 - d. Leverage Earned Value in lay terms – on time, under budget, how much
 - e. Executives Focus on Outstanding Issues – "Red" projects get attention, "Green" do not
6. PMO and Project Metrics
 - a. PMO provides guidelines/standards for project metrics – Hard to go across projects
 - b. Estimation Accuracy
 - c. Utilization, ex: number of people who downloaded a template last month
 - d. EVM, ROI, Budget/Milestones Hit/Missed, etc.
 - e. Qualitative Metrics – ex Customer Satisfaction Surveys
 - f. Six Sigma, CMMI, etc.
7. PMO and Metrics
 - a. Measuring PMO Success
 - b. Consolidation of Project Metrics
 - c. Balanced Scorecard Measures
 - i. Project Performance
 - ii. Financial Performance
 - iii. Customer Satisfaction
 - iv. Organizational Growth/Employee Satisfaction.

March 9, 2006
7:40 - 8:50 PM

Chair: David Morgen
Phone: (914) 245-8372



8. Metrics Categories

- a. Hard Metrics – Measure directly (ex: costs)
- b. Soft Metrics – Indirect Measures (ex: Customer satisfaction)
- c. Cost Avoidance Metrics
- d. Primary: Targeted metrics/goals e.g. reduction in defects could be a primary metric
- e. Consequential: Additional metrics may be impacted while focusing on the primary metrics, e.g. while reducing defects (primary), customer satisfaction surveys may be a consequential metric
- f. Statistics and Consistency
 - i. Accuracy (Average)
 - ii. Precision (Spread)
 - iii. Linearity (Variation between Projects)
 - iv. Stability (Variation over Time)

Other Topics

1. For resources, tools and past meeting summaries, please see our new page on the [PMIW Site](#).
2. The topic for next month is “Choosing the Right Type of PMO”
3. Please check out the regular article about the PMO SIG starting in The Critical Path next month
4. Please send additional topics to DaveMorgen@aol.com

Resources

- TenStep Project Management Process - [Metrics](#)
- [Metrics for the Project Management Office](#) by Bob McGannon, PMP
- [TechRepublic – Leverage the PMO to Consolidate Project Status and Metrics](#)
- [IT Spending Benchmarks](#) and [Worldwide Benchmarks](#)
- Also look at [OPM3](#) and [Metrics SIG](#) from PMI
- PMO Articles and Articles about Project Management:
 - Gantthead IT Project Management: <http://www.gantthead.com/>
 - Projects@work <http://www.projectsatwork.com/>
 - Chief Project Officer Magazine: http://www.chiefprojectofficer.com/article_index.php
 - [Baseline Magazine](#) – Tools and Articles
 - [PMForum](#)

Tools:

*Thanks to Ray Topkis, PMP for identifying these tools for calculating and communicating metrics
If you use these, please let me know how you like them.*

- [Basecamp](#): Project collaboration tool to simplify communications and collaborate on projects
- [Baseline Magazine Library of Tools](#): Calculators and assessments to help with key financial and management concepts for technology projects
- [Dashboard tool from Mr Excel](#): Tool to develop dashboard presentations using Excel