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Education and Training: *The Tactical Advantage*

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Case Study:

Establishing a PMO for transformational change in the NHS

Warrington and Halton Hospitals **NHS**
NHS Foundation Trust

We all know that the NHS is undergoing significant and widespread change in the way it manages the delivery of services. This is true throughout the organisation, all the way from the hospital wards and GP surgeries to the Government's Cabinet rooms.

But how does an NHS Trust handle this situation? How does it continue to provide excellent patient care every day, when the way in which that care is provided is being challenged and changed on an almost daily basis?

In this case study we look at one such Trust, Warrington and Halton Hospitals NHS Foundation Trust, and learn about how and why they established a central Programme Management Office (PMO) to help manage and oversee the changes that the trust is going through.



Background

Warrington and Halton Hospitals NHS Foundation Trust (WHH) provides excellent health care services across the towns of Warrington, Runcorn and Widnes and surrounding areas. Their vision is:

“To be the most clinically and financially successful integrated health care provider in the mid-Mersey region by providing high quality, safe healthcare.”

The Trust is responsible for an annual budget of around £215 million, manages over 4,100 staff and provides access to care for over 500,000 patients from three main sites:

- Warrington Hospital : Acute and Emergency care
- Halton Hospital : Planned Surgery Care
- Cheshire and Merseyside Treatment Centre: Orthopaedic Surgery, including Radiology

WHH had a CIP savings target of £11.9m in 2014/15, and was also running a major transformational change programme looking at key challenges and priorities.

We chose PM3 because of its ease of use and track-record in the NHS, and had it configured and up and running in a couple of days.

The Challenges Faced by the Trust in 2014

All NHS trusts have to make efficiency plans and savings each year – these are known as cost improvement programmes or CIP. They also need to provide the auditors with evidence of robust assurance around all governance arrangements and Quality Impact Assessments (QIA).

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At this time, the trust had a two person Programme Management Office supporting four programme boards comprising sixteen projects, overseen by six project managers. This was proving to be difficult and very frustrating for a number of reasons:

- Busy operational programme and project managers couldn't find the time to devote to vital updates to milestone plans and governance reporting.
- The PMO was spending significant time chasing each project for this information.
- Each project was using its own standards and formats.
- The quality of the data provided by the programmes and projects was extremely variable.
- The PMO then had to manually collate risk registers, issue logs, KPI and progress updates.
- Programme boards found it difficult to understand the true, accurate status of projects.
- There was a lack of visual, robust project plans supported by action plans.

In short, there was insufficient evidence to satisfy either senior management or the auditors.

The Catalyst for an Improved PMO

In early 2014, the Mersey Internal Audit Agency reviewed the Programme Management Office and made a recommendation to the Trust:

- Purchase a Project Management tool which could be used by all project managers within the trust, enabling standardised, up-to-date, accurate reporting for individual projects.
WHH recognised this opportunity and went on to identify some further requirements:
- To get 'up and running' at pace that would allow project managers to concentrate on their projects without being bogged down by endless administration.
- To seek support from the tool supplier to guide the trust using the supplier's experience of setting up project offices.

Spring 2014

Under the direction of Simon Wright, Chief Operating Officer, WHH established a central Project Management Office in IT during the first quarter of the 2014/15 financial year, with strong, pragmatic processes to oversee the wide range of projects underway.

In June 2014 they selected PM3 from Bestoutcome as the organisation's approved project management tool.

Margaret Armstrong, PMO Manager at WHH said "we chose PM3 because of its ease of use and Bestoutcome's track-record in the NHS, and had it configured and up and running in a couple of days".

PM3 is a light-touch, cloud-based portfolio project management (PPM) tool that has been designed as the central hub of information, providing "one version of the truth" on all portfolios, projects and programmes. Bestoutcome specialises in portfolio, programme and project management services and products, always focusing on the overall outcome to ensure successful business change.

Margaret led presentations of the processes and tools to senior management, including the Innovation Cost Improvement Committee (ICIC), in order to get their buy-in to the new ways of working. This included explaining how the PMO would be providing assurance and governance support to help ensure that the trust visibly achieves its CIP targets.





The Highlights So Far...

Looking back on the first nine months of the new PMO, WHH commented that:

- With guidance from Bestoutcome on governance arrangements and reporting, a complete PMO performance and monitoring mechanism has been established.
- All project managers have been trained and now update their projects weekly using PM3.
- It's easy for the PMO Manager to review, monitor and provide meaningful board reports.

Margaret explained "The most immediate benefit has been gaining full visibility and consistency of reporting across all the initiatives in the transformation programme. This has led to significant improvements in the overall governance and in Board reporting".

PM3's powerful portfolio functionality allows ICIC members to receive reports on specific groups of projects (e.g. operational productivity and strategic service redesign) as well as the overall summarisation of the entire ICIC programme.

Here is an example of a Milestone Plan for an individual project. Milestone plans and status reports are used in governance meetings to review progress.

Looking to the Future

As well as consolidating the governance process and ways of working, the trust intends to exploit PM3's functionality in two specific ways in the near future:

Consider formalising finance reporting within PM3 (costs and savings).

Explore reporting functionality to consider options available to enable effective and meaningful reports to satisfy board members and executives.

Summary

Warrington and Halton Hospitals NHS Foundation Trust has proven the value of having a high-performing central Programme Management Office. The PMO is providing senior management and the auditors with the assurance and governance information that they require, and is helping ensure that the Trust can achieve its CIP targets for this and future financial years.



Find out More

This case study is based on a presentation given by Margaret Armstrong, PMO Manager at Warrington and Halton Hospitals NHS Foundation Trust, at the Project Challenge Show in March 2015 at National Motorcycle Museum, Birmingham, UK.

The presentation slides are available at <http://bestoutcome.com/resource/presentation-establishing-a-pmo-for-transformational-change-in-the-nhs>.

The Trust's web page is www.warringtonandhaltonhospitals.nhs.uk.

Bestoutcome PM3 : Milestone Plan							Produced: 10/06/2015 10:23		Plan: 180 Outpatient Reform Project		PlanType: Project	
Approved							Published		Code: OR		Version: 1.0	
							Manager: Gill Gail		Planned Start: 09/06/2014		Planned End: 31/03/2015	
							Revised End:					
WorkStream	Code	Name	Milestone Owner	Planned Date	Revised Date	Completed Date	Gateways	Governance	Demand and Capacity	Reduction in DNA's	New to Follow up ratios	OPD Re-design
Governance	0101	Steering Group established and workstreams for delivery agreed	Gill Gail	16/05/2014		16/05/2014		0101				
Reduction...	0301	DNA rates by speciality for new/ftu and confirm target reduction	Gill Gail	14/07/2014		14/07/2014				0301		
Demand a...	0207	Current State Analysis	Gill Gail	18/08/2014		15/08/2014			0207			
Demand a...	0208	Project Initiation and roll out speciality plan	Gill Gail	18/09/2014		06/10/2014			0208			
OPD Re-d...	0501	Baseline current delivery model	Gill Gail	22/08/2014		15/08/2014						0501
New to Fo...	0401	Baseline of new to follow up ratios by Speciality	Gill Gail	07/08/2014		07/08/2014					0401	
Demand a...	0203	Build the future state	Gill Gail	26/09/2014		26/08/2014			0203			
Demand a...	0204	Divisional and Clinical sign off for future state	Gill Gail	27/10/2014		29/11/2014			0204			
OPD Re-d...	0503	Agree Future state or to be model	Gill Gail	27/10/2014		11/12/2014						0503
Demand a...	0205	Go Live with new or amended clinic templates	Gill Gail	31/03/2015		01/04/2015			0205			
Reduction...	0302	DNA reduction delivered	Gill Gail	31/03/2015		31/03/2015				0302		
Gateways	GW01	PROPOSAL APPROVAL					GW01					
Gateways	GW02	SCOPING APPROVAL					GW02					
Gateways	GW03	QIA APPROVAL					GW03					
Gateways	GW05	PLANNING APPROVAL					GW05					
Gateways	GW06	CONTINUATION APPROVAL					GW06					
Demand a...	0206	Post go live performance monitoring and evaluation	Marie Higgin	28/05/2015					0206			

More information on Bestoutcome and PM3 can be found at <http://bestoutcome.com>