

PMO Priorities for 2021: Navigating Protracted Disruption and Supporting Digital Acceleration

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Peer & Practitioner Research Published 25 January 2021 - ID G00743882 - 5 min read

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As you determine your priorities for 2021, learn more about the key strategic issues other PMO leaders are prioritizing: rethinking portfolio management to enable business agility, enabling value transparency, evolving PMO leader competency and effectiveness, and laying automation foundations.

As PMO leaders chart a path forward after a chaotic year, they must recalibrate their priorities for supporting their organizations in an environment of ongoing uncertainty and digital business acceleration. At almost every organization, the disruptive impact of the COVID-19 pandemic has accelerated the journey toward digital business, and COVID-19-driven uncertainty is likely to remain throughout the year. (See [Predicts 2021: Program and Portfolio Management Leaders Prepare for the Next Normal](#)). Although these challenges might seem daunting, many PMO leaders are finding a renewed sense of purpose by focusing their efforts on supporting the organization with accelerating digital digitization and by navigating intractable uncertainty (see [Enhance PMO Value by Helping With Digital Acceleration in the Postpandemic World](#)).

Despite the magnitude of these challenges, PMO leaders must continue to play a significant support and enablement role to help the organization navigate this intractably uncertain environment as well as accelerating digitization.

As we all move toward a more stable new normal, PMO leaders can help their organizations overcome these challenges by focusing on the following critical priorities:

- Rethinking portfolio management to enable business agility
- Enabling value transparency in a product-centric delivery mode
- Evolving PMO leader competency and effectiveness
- Laying the foundations for program and portfolio management (PPM) automation

Rethinking Portfolio Management to Enable Business Agility

Today's turbulent business environment, as well as digital acceleration, means that organizations are faced with more frequent shifts in strategic priorities. This, in turn, makes it hard for organizations to keep their portfolios up-to-date and to make portfolio decisions that continuously reflect changes in strategic priorities and are resilient to today's increasingly uncertain business environment. The traditional portfolio prioritization practices, such as annual planning cycles or top-down governance processes, fail to provide the flexibility needed for portfolios to be continually adaptive (see [6 Practices for Effective Portfolio Management](#)).

To increase business agility and responsiveness, PMOs must build more dynamic and lightweight reprioritization practices, enabling IT and business leaders to continuously reprioritize their portfolios. For example, progressive PMOs must develop trigger-based reprioritization processes, so that, rather than reacting to change, the PMO helps the business and IT leaders track leading indicators of internal or external disruptions to proactively inform portfolio decisions of a potential disruption(s).

Enabling Value Transparency in a Product-Centric Delivery Model

According to the 2020 Gartner Application & Product Leadership Changes Survey, more than 20% of surveyed organizations accelerated their plans to introduce a product-centric delivery model due to COVID-19, and product-centric model usage is only expected to continue increasing. Organizations using product-centric delivery models typically utilize a structure with product categories that consist of interrelated product lines (see [Video: Introduction to Product Management](#)). Teams within these product categories usually use their own, custom-made value-tracking metrics tailored to their varied needs. Accordingly, senior executives often struggle to get a reliable understanding of expected returns in this model, and hence, they can miss valuable opportunities to invest in digital products.

As such, a critical challenge for many organizations is to figure out how to make work across these product categories more comparable, so that senior executives have more transparency regarding the business performance of each product category. Consequently, progressive PMO leaders are exploring ways to enable such transparency in the enterprise without adding too much governance burden for product teams. For instance, PMOs can help create foundational processes that enable autonomous teams in each product line to create value tracking-metrics that can be understood by senior executives.

Evolving PMO Leader Competency and Effectiveness

In the past few years, increasing use of agile and product-centric delivery models has led to significant shifts in the role and mandate of the PMO; what is less clear is how this trend has impacted the future of the PMO leader role and its potential career paths (see [Evolving for Digital Business: 6 Key Roles for Today's PMO](#)). PMO leader effectiveness is no longer just a matter of functional or team leadership, but also of enterprise strategy realization, scaled governance and enterprise responsiveness. This shift has led to growing uncertainty about the role the PMO leader should play and the skills and competencies required to be an effective PMO leader.

As such, a starting point for progressive PMO leaders would be to adopt an enterprise leadership approach (see [Enterprise Leadership: What Continuous Change and Digital Require of PPM Leaders](#)). Instead of focusing exclusively on the PMO function, enterprise leaders widen the aperture and consistently look after the entire enterprise's interests.

Laying the Foundations for PPM Automation

As organizations determine their priorities for the new year, there's a growing appetite for automation as a central pillar of digitization, because the efficiency gains it offers can often offset the resource constraint challenges caused by the COVID-19 pandemic. Boards of directors also believe aggressively adopting automation technologies is critical for accelerating digital business (see [The 2021 CIO Agenda: Seize This Opportunity for Digital Business Acceleration](#)). In 2021 and beyond, more sophisticated automation technology (e.g., robotic process automation [RPA], artificial intelligence [AI]), if integrated correctly, has the potential to supercharge PPM tool platforms.

Progressive PMO leaders are starting now to lay the groundwork by integrating existing tools with analytics technologies that may exist elsewhere in the organization, as well as building access to the right set of skills to build and release RPA/AI for PMO processes. Progressive PMO leaders are also identifying PMO processes to automate (see [Systematic Delivery Enablement \[ASU\]](#)) and selecting the correct PPM tools to fit organization needs (see [What to Consider When Selecting PPM Tools](#)). More importantly, PMO leaders must focus on finding the most impactful RPA/AI opportunities. For instance, organizations often identify initial automation opportunities by looking at three types of processes/activities:

- Broken processes that need to be fixed.
- Processes with large teams doing similar work.
- A multitude of simple and repetitive manual tasks.

Conclusion

As a next step, PMO leaders must communicate with business and IT partners as well as their teams to gain feedback and buy-in on the aforementioned, or their own version of, 2021 priorities. Based on the input they receive, PMO leaders can develop a roadmap to execute on these priorities, addressing the unique barriers that exist at every organization. They should also emphasize that focusing on these priorities will help the enterprise navigate today's uncertain digital era.

Recommended by the Authors

[Enhance PMO Value by Helping With Digital Acceleration in the Postpandemic World](#)

[Shift PMO Priorities to Support a Digital Enterprise](#)

[How Your PMO Peers Are Evolving to Support Product Management](#)

[Address Burnout by Keeping Employees S.A.N.E.](#)

[Use PMO's Portfolio View to Enable More Effective Decisions in Uncertainty](#)

Endnotes

2020 Gartner Application & Product Leadership Changes Survey was conducted online from 10 August to 18 August 2020 with 100 Gartner Research Circle Members — a Gartner-managed panel. Participating organizations were required to have fully adopted or plan to adopt (either fully or partially) a product-centric model for software delivery.

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