

Application of an Enterprise Project Management Office to Healthcare

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Abstract

The purpose of this study is to develop a framework for the successful integration of an Enterprise project management office (EPMO) into a healthcare organization in order to overcome the challenges facing the healthcare industry. Project management process and an EPMO can be utilized to help the healthcare industry thrive. Project management offices can act as a consultant to the project work, providing best practices and tools to make projects more successful. Unlike, project management offices, EPMOs exist laterally and vertically, extending across the organization and upward to executive levels (Rad & Levin, 2006). In order to assist Healthcare and overcome implementation barriers, an EPMO can be implemented by the using change management principles.

Keywords: Project Management, Enterprise Project Management Office

Dedication

I dedicate this capstone to my dear family. To my husband who supported this endeavor and helped keep my balanced in the process. To my three kids, who remained my precious cheerleaders while I locked myself in my room to write.

I also dedicate this to several dear friends that acted as sounding boards when the stress of school, work, and family was nearly overwhelming. Without their support, this project could not have been completed.

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Chapter 1: Introduction

Healthcare in the United States is a diverse, multifaceted, and challenging industry. Healthcare not only involves human lives, it involves a quest to balance cost, provide care, and satisfy the needs of the customer-patients by improving their lives (Tran, 2016). These competing priorities lead to complex goals and strategies. Healthcare is faced with increased regulatory oversight, changes, and worries of changes to the Affordable Care Act (Vogenberg & Santilli, 2018). Healthcare is facing all of the challenges that come with an aging population, the opioid crisis, and an increased emphasis on the social determinants of health (Siwicki, 2017). These challenges mark only the beginning of ongoing trends and changes to healthcare in the United States.

Introduction to the Problem

Project management and Enterprise Project Management is one resource that could assist healthcare in meeting and overcoming these challenges. The *Project Management Institute Book of Knowledge (PMBOK)* (Project Management Institute, 2013a) defines a project as a “temporary endeavor undertaken to create a unique product, service, or result” (p. 3). These can be short bursts of activity or multiyear endeavors (Larson & Gray, 2011). Projects can range from the creation of a new computer software or component to redesigning a process to better meet the needs of patients in an ambulatory care center. Regardless of the overall goal of a project, project management theories are useful to drive change and fulfill strategies in organizations.

Project management, as a field, provides the standardization and methods necessary for projects to reach their full maturity and have the desired effect (Project Management Institute, 2013a). Project management reduces project failure and costs by providing a clear process and

prescriptive tools to mitigate risk, manage timelines, control costs, and maximize quality (Tefen Management Consulting, n.d.-a; Tran, 2016). Project management provides additional tools and structures to assist managers facing day-to-day operations and projects with competing priorities and time constraints.

Many companies conduct project work in their departments as a functional part of the organization (Larson & Gray, 2011). This structure is feasible for smaller isolated project work. When projects are larger and reach across multiple departments of the company, other organizational structures become beneficial. Some organizations turn to outside teams to help manage larger projects or set up a department to oversee project work. According to Rad and Levin (2006), this department can be a project office (PO), a project management office (PMO), or an enterprise project management office (EPMO). A PO is concerned with one project at a time while a PMO might be situated in a division or portion of the company and conducting project work for that part of the organization. Similarly, an EPMO deals with all projects and priorities of the company.

POs, PMOs, and EPMOs function in different ways in different organizations, but their primary purpose typically is to uphold the practices and standards for projects across the organization (Bakkah, n.d.; Miller, 2017). In general, these offices are categorized into three main types:

- Supportive-providing project support and training to project teams
- Controlling-assisting in project standardization of methodologies
- Directive-administering projects through an assigned project manager

The fact that they can exist within a single department of an organization, be called in to assist with special, high-level projects, or be part of the enterprise giving flexibility to organizations facing different challenges.

An EPMO facilitates all projects throughout the organizations (Rad & Levin, 2006). It optimizes the use of project management theories and methodologies, as well as, promoting strategic alignment between projects and the organization's overall goals. According to Rad and Levin, an EPMO exists laterally and vertically within the structure of the organization, allowing for project support and strategic alignment.

According to *The Pulse of the Profession*, 41% of organizations have an EPMO that is highly aligned with corporate strategy (Project Management Institute, 2018). In healthcare organizations, these statistics are much lower due to organizational complexities and a wide skills gap (McDonough, 2017; Tran, 2016). However, with all of the emergent challenges facing healthcare, the industry must look to project management standards and processes in order to accomplish their ever growing list of goals and strategies (Larson & Gray, 2011).

Statement of the Problem

The Institute for Healthcare Improvement (n.d.), summarizes the main issues facing healthcare as a whole as what is referred to as the Triple Aim: improving the patient experience, improving the health of populations, and reducing the per capita cost of care provided. Project Management standards and practices, including the implementation of an EPMO, can assist in accomplishing these goals and strategies (Larson & Gray, 2011). However, to date, healthcare has experienced limited success in the implementation of PMOs or EPMOs to assist with facing these challenges (Sebastian, 2017).

The framework shown in Figure 1 demonstrates the benefits of an EPMO in overcoming the challenges currently facing healthcare organizations (Thomson, 2014). These challenges are only the beginning for the future of healthcare and include rising costs of providing care, failure to repeal or modify the Affordable Care Act, and changes to the general population (Vogenberg

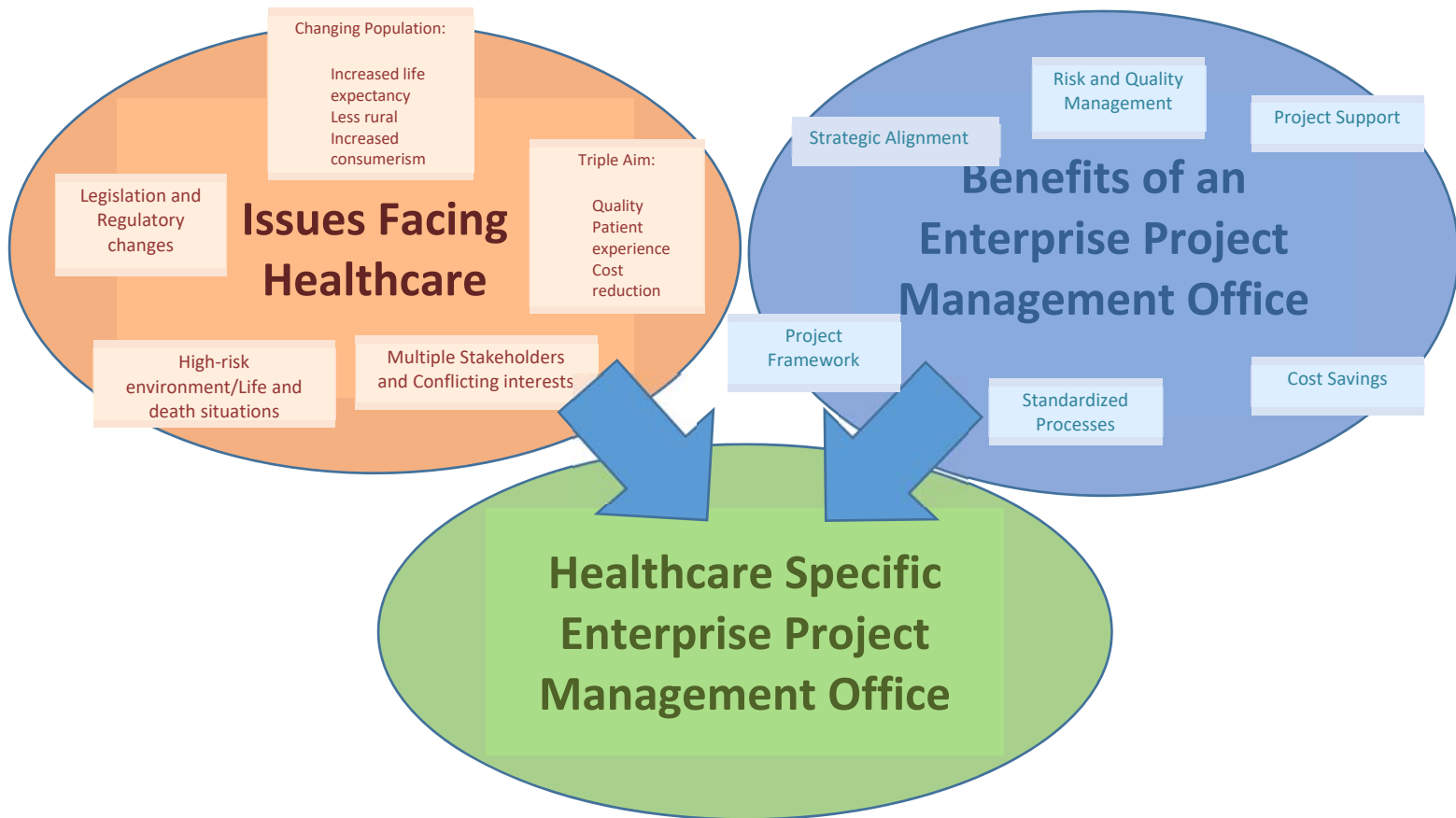


Figure 1. Enterprise project management integration to healthcare

& Santilli, 2018). By partnering with project management and implementing an EPMO, healthcare organizations will have the tools necessary to face these challenges and provide safe patient care while balancing rising costs.

An EPMO offers a standardization and methodology to assist in overcoming these challenges. According to Larson and Gray (2011), goals and strategies are accomplished through projects. By implementing a healthcare-specific EPMO into a healthcare organization's

projects, goals and strategies can be accomplished in a more efficient and timely manner, saving money and increasing quality (HCigroup, n.d.).

However, for an EPMO to be successful it must consider the nature and needs of the healthcare industry. To function properly in a healthcare organization, as Rad and Levin (2006) suggested, it must exist laterally and vertically. This means that healthcare centered projects exist laterally along the continuum of care of the patients and vertically in the corporate structure. For larger hospital systems this includes inpatient units, internal departments, ambulatory surgery centers, clinics, and partnerships for other community organizations involved in the care of the patient. This consideration and concentration on the continuity of care are important to the challenges that healthcare is facing (Siwicki, 2017).

Purpose of the Study

The purpose of this study is to develop a framework for the successful integration of an Enterprise project management office (EPMO) into a healthcare organization in order to overcome the challenges facing the healthcare industry.

Research Questions

This study will consider the five questions below, as well as provide a framework for the application of an Enterprise Project Management Office to Healthcare.

1. What functions does an Enterprise Project Management Office carry out in an organization?
2. How does a functional organization differ from a balance matrix project structure in the implementation of projects and strategies?
3. How would an Enterprise Project Management Office be organized and function in a healthcare organization?

4. What steps does a healthcare organization need to take to implement an Enterprise Project Management Office?
5. What special issues do healthcare organizations face in implementing an enterprise project management office different than other industries?

Significance of the Study

Currently, there is very little written material about the application of project management to healthcare, and even less about the implementation of an EPMO in a healthcare system. The implementation of an EPMO has shown to increase project success (Project Management Institute, 2018). This study seeks to create a framework for the implementation of an EPMO while considering the special needs and challenges of healthcare.

Organization of the Study

This study will begin with a review of the business problem and research questions. Literature involving the benefits and implementation strategies of PMOs and EPMOs will be examined. The literature review will then explore the current state of healthcare and create a basis for the need for project management methodologies. The limited literature on healthcare focused PMOs and EPMOs will then be scrutinized. After the literature review, this study will propose and discuss a possible solution. An implementation framework for an EPMO will be outlined. The limitation and assumptions will be included.

Chapter 2: Literature Review

Issues Facing Healthcare

There is general agreement that there are a number of critical issues facing the future of healthcare in the United States. These include rising costs of providing care, failure to repeal or modify the Affordable Care Act, and changes to the general population (Vogenberg & Santilli, 2018). Vogenberg and Santilli (2018) note several themes in their report on 2018 healthcare trends; in addition to legislative and reimbursement changes, they include the depopulation of rural areas, increased consumerism, workforce changes, emphasis on technology, and the integration of Population Health. Similar to Vogenberg and Santilli (2018), Siwicki (2017), in a summary of a PCW Health Research Institute report, notes 12 major issues facing the current healthcare system. In addition to the items discussed by Vogenberg and Santilli (2018), he includes the opioid crisis, the emphasis on patient experience, and the importance of social determinants of health.

Baitman and Karpay (2017) take a different approach in their article, highlighting healthcare trends that have nothing to do with the ACA and legislation changes. Their list includes the changing and aging population as well as technological advancements and their applications. Their study also notes the increased consumerism and tailoring of healthcare to an aging population.

Vogenberg and Santilli (2018), Siwicki (2017), and Baitman and Karpay (2017) agree that there is a changing population with growing needs and a desire for an improved patient experience. The Institute for Healthcare Improvement (n.d.), summarizes these needs facing healthcare as a whole as the Triple Aim. The Triple Aim includes improving the patient experience, improving the health of populations, and reducing the per capita cost of care

provided. This move to a more Population Health based focus in the healthcare industry will drive many more changes and improvements in the future.

The Triple Aim and Population Health represent key initiatives for the future of the healthcare industry. For these initiatives to come to fruition, they must be broken down and implemented through multiple programs and projects. Project Management could provide a framework and structure for this implementation. Project Management is primarily concerned with the application of tools and techniques for short-term endeavors or projects (Project Management Institute, 2013a).

Project Management and the Project Management Office

Organizational project work. According to Larson and Gray (2011), organizations establish project work in three main forms: within the functional organization, within a dedicated project team, or within a matrix arrangement. The Project Management Institute (2013a) asserts that organizational structure over project work influences the availability of resources and how projects are conducted. However, differences exist in organizations when it comes to how that work is carried out. In this section, the difference in how project work is carried out in organizations will be discussed.

Functional organization project work occurs within each department and is overseen by the existing management structure (Larson & Gray, 2011). Conversely, in organizations that use dedicated project teams, project work occurs completely outside the structure of the organization (Smith, 2012). These teams consist of dedicated people, possibly from outside the hiring scope of the organization, who work specifically on the project. Dedicated teams can accelerate project work, but may cause relational and political issues within the organization. For example, staff has to be given time away from regular duties causing others to take on more work.

Matrix Project Arrangements create the middle ground between the two in terms of complexity (Larson & Gray, 2011). They provide the structure and resources of a dedicated project team while taking into consideration, and relying upon, portions of the organization's existing infrastructure and management. Matrix Project Arrangements take on different forms within an organization. The Matrix Arrangement can be either weak, balanced, or strong depending on the organizational needs and configuration. According to Larson and Gray (2011), matrix arrangements promote the use of project tools, create efficiency, and provide resources. Smith (2012) concurs with this notion and describes matrix organization as being more "projectized". These matrix arrangements create the existence of a separate department within the hierarchy of the organization to help with and oversee projects, commonly called the project management office (Larson & Gray, 2011).

The project management office. A project management office is a dedicated group or department within an organization that assists with project work throughout the company (Larson & Gray, 2011). This section will first cover the three common structures of PMOs and then discuss functions of PMOs within Matrix organizations.

Structure. Bakkah Consulting (n.d) echoes the Project Management Institute's (2013a) assertion that a PMO can be structured in three different key ways: supportive, controlling, or directive. These types differ in the level of control that the PMO has over the project. In a supportive structure, the PMO acts as a consultant to the project, providing best practices and tools to make projects successful, and also serves as a project archivist (Project Management Institute 2013). Supportive PMO's have the lowest levels of control over the project (Bakkah Consulting, n.d.). Controlling PMO's have moderate control over a project and provide support services, required compliance, and approved project methods (Bakkah Consulting, n.d.; Project

Management Institute, 2013a). Conversely, Directive PMO's are highly involved in the projects and have a high level of control.

Function. The Project Management Institute (2013a) describes the PMO as the "management structure that standardizes project-related governance processes and facilitates the sharing of resources, methodologies, tools, and techniques" (p. 11). A PMO helps to overcome the challenges that organizations face when doing project work including resource allocation and prioritization (Bakkah Consulting, n.d.). According to the Project Management Institute (2014), a PMO not only helps with project selection but also with delivering projects correctly.

According to the *Project Management Book of Knowledge* (Project Management Institute, 2013a), the key functions of a PMO lie in:

- Resource management
- Developing methodologies, best practices, and approaches
- Coaching, mentoring, training, and oversight
- Monitoring compliance
- Developing project policies and procedures

However, the Project Management Institute (2014) adds that PMO's also must ensure that projects and strategies align in order to be truly effective.

Project Management Institute (2013b) and Bakkah Consulting (n.d) both describe five functional frameworks that seem to encompass most organization's PMOs. The Project Management Institute (2013b) lists them as:

- Organizational unit PMO/Business Unit PMO/Divisional PMO/Departmental PMO
- Project-Specific PMO/Project Office/Program Office
- Project Support/Services/Controls Office or PMO

- Enterprise/organization-wide/Strategic/Corporate/Portfolio/Global PMO
- Center for Excellence/Center of competency

Bakkah Consulting (n.d.) simplifies this list to the following high-level categorizations: departmental, project-specific, strategic, project support, and center for excellence. While both lists seem to account for the main functions of a PMO, the second neglects to mention the PMO at the organizational wide level or Enterprise Project Management Office.

The Enterprise Project Management Office

As mentioned above, one possible framework for a PMO is at the enterprise or corporate level, otherwise known as an EPMO (Project Management Institute, 2013c). This framework helps to eliminate the inherent issues of having a PMO dispersed throughout an organization. Rathone (2010) states that a PMO can become isolated when placed in departments dispersed throughout an organization. This can cause a lack of standardization of project management practices as well as decreased strategic alignment. However, an EPMO serves to link the work and vision of the enterprise.

A PMO tends to create a bottom-up approach to project work without executive support. Instead of projects working from the bottom up in an EPMO, they exist laterally and vertically, extending across the functional organization and upward to executive levels (Rad & Levin, 2006). This section will address the unique structure and functions of an EPMO.

Structure. An EPMO is a true business unit within the organization (Rad & Levin, 2016; Rathone, 2010). Since it acts as a department within the organization instead of a unit within a department, it is able to garner executive support, promote strategic alignment, and help to standardize project practices across the organization. According to Baumgartner (2017), this

approach organization project work creates a more objective and multidisciplinary approach to projects through the organization.

According to Rad and Levin (2006), an EPMO promotes best practices. This idea of best practices is combined with the idea of strategic alignment in the graphic form (Rathone, 2010). Figure 2 shows the prerogative of a PMO as “doing things right” enhanced by “doing the right things,” or strategic alignment. Brennen and Herrkens (2009) concur with this theme and insert that an EPMO is all about doing the right things the right way.

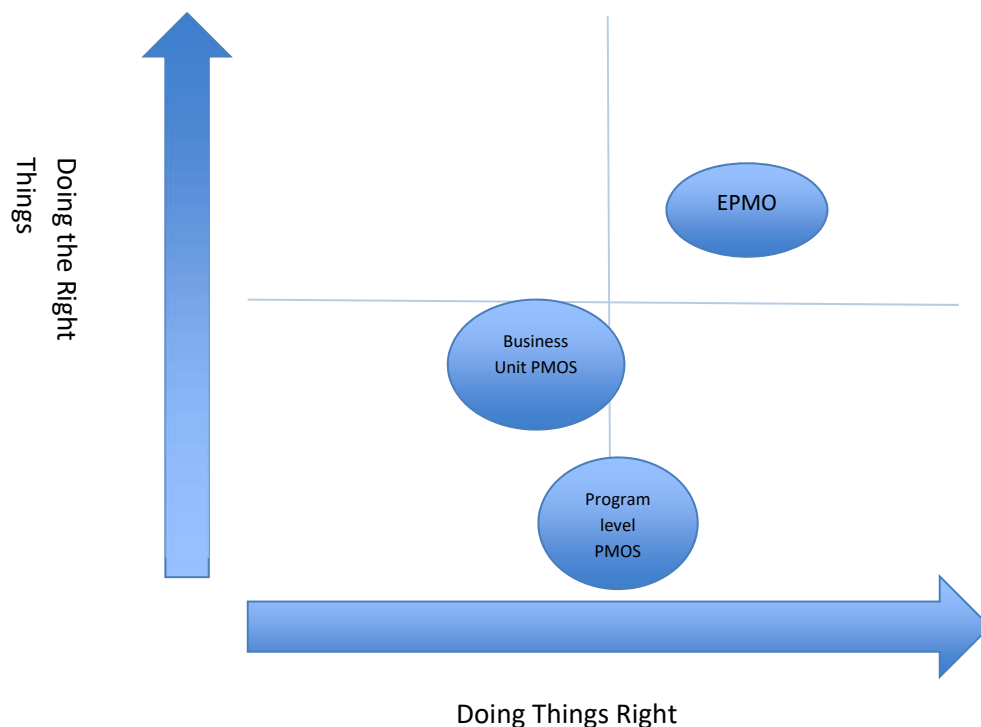


Figure 2. EPMO and PMO relationship to best practice and strategy (Rathone, 2010).

Function. While Pinto (2012) echoes Rad and Levin's (2006) claims that at maturity a PMO/EPMO should assist in linking projects to the corporate strategy, there are other functions of an EMPO. Their functions are classified as promoting, archiving, practicing, and training (Rad & Levin, 2006). These help to link the team-oriented functions of projects and the

enterprise-oriented functions. Through the promote function, the EPMO not only keeps managers abreast of current project practices but also showcases project successes. According to Baumgartner (2017), project managers and PMOs often act as historians. This archiving function captures not only project data and metrics, but also lessons learned and areas of improvement (Rad & Levin, 2006). In the practice function, an EPMO promotes and educates on best practices for projects based on the historic success of its projects. Lastly, the EPMO acts as the source of project management training for the organization.

Implementation of an Enterprise Project Management Office

Organizational considerations. More and more companies are turning to PMOs and EPMOs to drive their business (Project Management Institute, 2018). According to the Project Management Institute (2014), while not every company needs a PMO, some signs that one might be helpful include the success of present projects. Other issues might also be seen in a lack of project method standardization, with the flow of information around projects, and the tracking of projects.

However, Bakkah Consulting (n.d.) makes it clear that one size does not fit all organizations when it comes to structuring a PMO or EPMO. Bolles and Hubbard (2007) reinforce this statement by adding that many factors must be considered in the implementation of a PMO/EPMO. These factors include the size of the organization: the type of industry, the physical locations of the business units; types of projects, programs, and portfolios and their complexity; and political position of the PMO/EPMO within the organization.

Implementation as a project. Many authors and organizations view the implementation of a PMO or EPMO in light of project management practices. Andrews (2014) lays out a step-by-step implementation plan. These steps include:

1. Plan and launch
2. Implementation
3. Monitoring, maintaining, and reporting
4. Validate and maintain the value

Each of these steps mirrors the project life cycle in that there is an initiation, planning, executing, and delivery phase, as well last a level of monitoring and control (Larson & Gray, 2011).

Similar to Andrews (2014), Merla (2005) also lays out a project plan. This version outlines an aggressive 30-day implementation. In order to meet this aggressive timeline, there must be a clearly defined vision, expectations, roles, and responsibilities. The author also adds change management to the list of necessary elements, acknowledging that a change process must occur for the project to be institutionalized.

Rittenhouse (2014) makes it clear that when building a PMO, change management is a necessary component. According to the Project Management Institute (2013b), change management includes the steps of formulating, planning, implementing, managing, and sustaining a change. Coupling these ideas with a well thought out project plan, as suggested above, creates the potential for a successful implementation.

Project Management in Healthcare

Challenges facing project management in healthcare. The benefits of applying Project Management theories and practices to healthcare are readily apparent. However, there are many challenges that must be faced in order for this to be a reality for more organizations. In her book, *Project Management for the Advanced Practice Nurse*, Sipes (2016) stresses that there is a lack of literature and education materials about Project Management available to healthcare workers. Her book is an attempt at applying basic Project Management theory to Advanced

Practice Nursing. This gap in resources can also be seen in the limited number of articles available in the Project Management Institute Library on the topic of healthcare. This gap in the literature translates into a gap in skills.

According to Tran (2016), the skills associated with Project Management are not necessarily inherent to the healthcare system. This is supported by a Skills Index Analysis by Strayer@work that reports that there is a 39% skills gap in the area of Project Management in healthcare organizations (McDonough, 2017). Without these skills, the full benefits of a Project Management and a PMO cannot be realized.

There are other challenges that must be considered when proposing the use of Project Management in a healthcare organization. Healthcare is patient-centric; instead of creating an item on an assembly line, healthcare projects may involve truly life and death situations (Tran, 2016). Healthcare as an industry is full of incongruities; for example, patients both expect quality care and a reduction in costs. These conflicting goals can be seen among all project stakeholders (patients, nurses, doctors, and administrators) and must be handled delicately (Sapinza, 1997).

Benefits of project management to healthcare. While healthcare is focusing in on the Triple Aim of providing improved patient care and experience while reducing costs, organizations may not have the tools in place to meet these goals and strategies. Implementation of Project Management practices and a Project Management Office (PMO) can assist in meeting these goals using project work (Larson & Gray, 2011). At a high level, Project Management practices can improve a healthcare organization's processes, planning, budgeting, communication, and stakeholder relations (Tran, 2016). According to Sebastian (2017), Project Manager and Scrum Master, these practices can also assist with the management of tasks, time,

and resources throughout a healthcare organization. These practices combine to assist with overall organizational change management.

Specific Project Management and Process Improvement Process like LEAN, Six Sigma, and Agile are gaining recognition in healthcare (Stagnaro, 2016; Tran 2016). The LEAN methodology has been shown to reduce waste and nonvalue-added time, increasing throughout metrics in hospital processes (Tran, 2016). By adopting an Agile Project Management framework, healthcare organizations are able to work in an iterative process to sustain continual process improvement (Stagnaro, 2016). Agile allows for an adaptive approach to promoting quick process change.

The value of a PMO. Structuring Project Management practices into a PMO within an organization adds another layer of value. Some industries have seen a 50% increase in project success rates with the addition of a PMO (Merla, 2005). According to the Project Management Body of Knowledge (PMBOK), the goal of a PMO is to provide the structure to an organization for Project Management resources, tools, and standardization (Project Management Institute, 2013a). The Tefen Management Consulting (n.d.-b) website states that a PMO “acts as the operative management body for all projects, programs, and portfolios within its scope” (para. 6).

While there is agreement on what a PMO does, there are some differences in the assessment of value added to the organization. Letavec (2007) summarizes the core values provided by a PMO as Project Management knowledge, standards, and consulting. More specifically, these benefits are seen in strategic alignment of projects to a company's objectives, an increase in overall productivity, and a decrease in project failure rate (HCigroup, n.d.). However, a PMO does not just add value by improving project management practices and process, the effect can be seen in an organization's bottom line.

Value of an EPMO. Bolles and Hubbard (2007) insist that that value of an EPMO is three-fold. First, an EPMO institutionalized project management principles and practices; secondly, it provides a global view of enterprise initiatives and projects while, lastly, optimizing project resources. This is supported by Rad and Levin (2006) assertion that an EPMO enables and supports all projects throughout the organizations. It optimizes the use of project management theories and methodologies, as well as promoting strategic alignment between projects and the organization's overall goals. This is complemented and enhanced by project managers working functionally across the organization on multiple projects in multiple departments. Baumgartner (2017) attests to that the fact that the project managers gain knowledge not just about specific departments but also how the departments are interconnected. This breaks down silos and helps the organization to function more efficiently and adds true business value (Project Management Institute, 2013a)

Healthcare project management successes. Even though there are numerous challenges to the use of Project Management and the implementation of an EPMO in a healthcare organization, several hospitals have done this successfully. In 2017, the Project Management Institute named the Canadian Centre for Addiction and Mental Health (CAMH) EPMO of the year for their work in using an EPMO to assist in strategic project alignment (Jones, 2017; Project Management Institute, 2017). The EPMO at CAMH started out as many do, as an Information Technology endeavor that branched out to providing Project Management expertise to projects throughout the organization. The EPMO brought about a marked increase in project progress and success.

A group of researchers led by Lavoie-Tremblay (2012) began studying the effects of PMOs and EPMOS on healthcare organizations in Canada. Though there were a limited number

of organizations with functional PMOs, they found that implementing a PMO increased patient-centered processes and improved overall quality (Lavoie-Tremblay, Richer, Marchionni, Cyr, & Biron., 2012). It was also found that Project Management practices were very compatible and easily integrated with current clinical and medical practices (Lavoie-Tremblay et al., 2017).

Chapter 3: Solution Model

The application of an EPMO to a healthcare organization could be conducted following the normal project life cycle (Andrews, 2014). Considering the needs and challenges of healthcare outlined in the literature review, a change management approach could provide better adoption and outcomes. Change management methods have been proven to provide a more people-centric approach (Prosci, n.d.). These methods take into consideration the psychological and emotional components required by a group of people to make a change.

According to the Project Management Institute (2013b), *Managing Change In Organizations: A Practice Guide*, “change management is a comprehensive, cyclic, and structured approach for transitioning individuals, groups, and organizations from a current state to a future state with an intended business benefit” (p. 7). In this case, the intended business benefit would be the transition of a healthcare organization from a functional project structure to an EPMO. Change management methods, in general, have five key stages:

- Formulating change
- Planning change
- Implementing change
- Managing transition
- Sustaining change.

The following sections will define each change management phase and draw an application to the implementation of an EPMO to healthcare.

Application of the Change Management Phases

Formulating. The first step in the change management process, and in this case the implementation of an EPMO, is to formulate the idea of the change. This step involves

identifying and clarifying the need for change, assessing change readiness, and defining the scope of the change (Project Management Institute, 2013b).

Clarifying the need for change would involve assessing the organization to see if it will benefit from an EPMO. Early in the process, this should include a thorough examination of the corporate strategy. Then, according to Blumhorst (2013), organizations need to carefully evaluate their current project systems, including the tracking of projects, strategic alignment of projects, and project selection process. Projects within healthcare vary largely in scope, complexity, and resources needed (Tran, 2016). At any one time, a healthcare system could be engaged in a computer system upgrade, initiatives to increase patient satisfaction, and examining the costs of supplies.

Secondly, the company must consider the resources that are currently allocated to project work. This includes the current projects slated to be completed and are resources being allocated to handle the project load. By establishing a need and presenting a clear business case, an organization is able to move to the next steps of the change process and later on to the implementation and desired results. The variety of projects listed above also must be accounted for in the resources. It might be necessary to have project managers with specific expertise to handle different areas of the healthcare organization. Frontline staff may also need to act on project teams or serve as subject matter experts in the case of patient care and satisfaction projects.

Next, the organization should evaluate their readiness for the addition of an enterprise project management office. Depending on the type of project management office, this can be a change for leaders within the organization. In organizations that currently do not have a project office, projects are often handled by the functional manager (Larson & Gray, 2011). When an

EPMO is added, a functional manager works with the project manager in order to produce change. Leaders and employees through the organization must be ready for this cultural shift.

An organization's readiness for a change can be evaluated in several ways. This can include a staff survey, focus groups, and informational forums. Points that should be included in a cultural evaluation include cultural questions, prior experience, processes, and resources (College of St. Scholastica, n.d.). Drzensky, Egold, and Van Dick (2012) suggest survey questions that correlated not only to the organization's identity but also to overall culture. In healthcare, professionals are very passionate about providing the best possible care for their patients. These feelings and passions must be considered in an evaluation of cultural readiness for change. Examples of possible survey questions include:

- I consider the achievements of the organization as personal achievements.
- When someone praises the organization, it feels like a personal compliment.
- In our organization, tradition is more important than change.

These questions show how vested employees are in an organization as well as how they feel about change.

The last step of formulating a change management endeavor involves defining the scope of change. As mentioned above, an EPMO can take different forms depending upon the need. In maturity, it can provide a direct link between strategies and project work to drive business change. It can provide project support and standardization to functional managers throughout the organization. The leadership of the organization must decide the role and how the EPMO fits within the organization's structure and culture.

Planning. According to the Project Management Institute (2013b), the planning phase of change management must include defining the change approach, planned stakeholder

engagement, and planning for transition and integration of the change. However, the best-laid plan does not always become a reality; only an estimated 30% of change initiatives and projects make it to maturity (Halm, 2014). How prepared an organization is for a change can bridge this implementation gap. This preparation involves defining the change approach (Project Management Institute, 2013b). Many authors advocate for implementing an EPMO just like any other project. For example, Andrews (2014) lays out a step-by-step implementation plan. These steps include:

1. Plan and launch
2. Implementation
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4. Validate and maintain the value

Each of these steps mirrors the project life cycle in that there are an initiation, planning, executing, and delivery phases, as well as, ongoing monitoring and control (Larson & Gray, 2011).

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Within a large-scale project and change initiative, the addition of a change management methodology can be helpful. According to Hiatt (2006), ADKAR model for change can provide a basis for change management during the implementation of an EPMO (Mulholland, 2017).

The ADKAR model involves the following steps:

- Awareness (of the need to change)
- Desire (to participate and support the change)
- Knowledge (on how to change)
- Ability (to implement required skills and behaviors)
- Reinforcement (to sustain the change)

This model puts the emphasis on involving and preparing people for a change. The vision is cast by creating an awareness of the need or problem. Then logical or emotional desire is created. During this phase, advocates of change can be brought in to help others with adapting the change. This helps to propagate the idea and prepare more and more people for the coming change.

During this stage in the change management plan, stakeholder engagement must also be accounted for. This should include a stakeholder analysis and formation of a communication plan. Stakeholder Analysis tools such as an audience map and power-interest grid can assist with determining who stakeholders are and how they will be affected by the change (Democratise, n.d.; Project Management Institute, 2013a). This engagement plan should also include clear communication. The communication plan defines who, what, where, when, and how project and change information will be communicated throughout the organization.

Healthcare organizations have a wide range of stakeholders that would be involved and affected by the implementation of an EPMO. These include the board of directors, the executive team, patient care staff, ancillary staff, and physicians that may or may not be directly employed by the organization (Halamka, 2011). These stakeholders represent a variety of viewpoints and varying goals. It is important to carefully study the viewpoints of each stakeholder and then

develop an engagement plan considering that the goals of the stakeholders may be in direct conflict with each other.

Implementing. Once the change has been formulated and the planning phases are complete implementation can begin. For the implementation of an EPMO, this means that the organization knows how the EPMO will fit into the organizational structure and have a complete project and change plan outlined. As the implementation phase begins, all of the pieces start to work together. According to the Project Management Institute (2013b), the implementation phase includes preparing the organization, mobilizing stakeholders, and delivering the final project. Each of these steps involves activating the plans that were made in the previous steps. Key stakeholders would begin to set up the project office, set up procedures, and standardize project tools. Once the internal process is established then real project work can begin.

Preparing the healthcare organization activates portions of the project communication plan and follows the awareness, desire, and knowledge phases of the ADKAR model (Mulholland, 2017). This can occur through forums, memos, written procedures, and education. Information about the EPMO, its purpose, and procedures would be pushed out to those who would be directly involved in its use. End users can then begin to submit project and support requests for consideration.

The delivery of this project and change initiative is seen in the utilization of the EPMO to assist with projects and strategic alignment of projects to promote business objectives. It takes time for project offices to reach maturity. Projects will need to go through their life cycle and lessons learned recovered to assist the PMO in reaching its full potential (Pinto, 2012).

Managing. Managing a change management process and implementation of a PMO involves the transition of the EPMO into the normal operating structure of the company (Maurer,

2005). In order for this to happen, the organization must measure adoption rate and benefits and adjusting plan to address issues. According to Prosci (n.d.), important trackable metrics of change include:

- Performance improvements
- Adherence to the project plan
- Business and change readiness
- Project KPI measurements
- Benefit realization and ROI
- Adherence to timeline
- Speed of execution

This list provides a comprehensive list that can be adapted to specific projects. In the case of a healthcare organization, the metrics should include patient, quality, and financial measures.

Patient metrics could include patient satisfaction scores, overall hospital length of stay, and avoidable day tracking. Quality measurements include fall reduction, the tracking of hospital-acquired infections, and surgical outcomes. Financial metrics include overall profit, cash on hand, and revenue margin.

The last important step to the managing change phase is the ability to adjust the plan to address issues. This could be as simple as changing a project request form to be more user-friendly. Areas for improvement can be gleaned from on-going project lessons learned and retrospectives (Larson & Gray, 2011). By gathering lessons learned and implementing them, the EPMO will continue to improve in practice and method.

Sustaining. Sustainability is when the change becomes part of the day-to-day operation of the organization. In the case of the implementation of an EPMO, sustainability would include

when EPMO is fully operational and being utilized to complete projects and align business strategies. According to the Project Management Institute (2013b), sustaining change involves ongoing communication with stakeholders, sense-making activities, and measuring benefits. These activities center on creating accountability to maintain a change. Communication with stakeholders allows for questions to be answered and change standards to be reinforced. Conversations must go both ways and provide support for the incorporation of the change into the normal operating structure. For a change initiative to be truly sustainable, it must become part of the organization's business plan and strategies (Maurer, 2005).

Measurement and metrics are crucial to the sustainability of an endeavor, such as the creation of an EPMO. Metrics provide a baseline in which improvements can be measured and tracked. Metrics can also provide support of conversations on how the change is being adopted and strategically integrated into the organization. According to Prosci (n.d.), important trackable metrics of change include performance improvements, adherence to the project plan, business and change readiness, project KPI measurements, benefit realization and return on investment, adherence to timeline, and speed of execution. These metrics support the change realization process, as well as the business plan. Statistical trends can be a strong communicator and conversation piece in and of themselves to assist when there is difficulty communicating about change or when a conflict exists.

Chapter 4: Discussion

This chapter will propose an implementation plan for a healthcare organization to operationalize an EPMO. This plan will be based on the literature review findings and the solutions proposed in chapter three. This chapter will conclude with a review of the benefits, assumptions, and limitations of the proposed solution.

Implementation Approach and Philosophy

The Implementation of the EPMO is based on a change management model presented by Rittenhouse (2014). Other key approaches advocate implementing an EPMO using the normal project life cycle (Andrews, 2015). However, healthcare is not completely familiar with project management and project management practices (Sipes, 2016).

Healthcare is familiar with implementing change and has historically used a variety of change and process improvement methods (Tran, 2016). Among these change management approaches the ADKAR method. These types of approaches put an emphasis on the human and psychological aspects of change that fits with the dynamics present in healthcare (Prosci, n.d). Utilizing a change management approach will help overcome the limited project management knowledge that may be present in the organization.

Description of Implementation Plan

Planning is key to the successful implementation of an EPMO to any organization and this is especially true for healthcare. The implementation must include initial discussions with key stakeholders and decision makers. These discussions help to education stakeholders and help in acquiring the proper sponsorship. After sponsorship is obtained, a formal project/change proposal should be made to the organization's executive team. Once these steps are completed the solution can be acted upon.

Project sponsorship. Project sponsorship is critical to the success of any endeavor (Kloppenborg, Manolis, & Tesch, 2009). Without proper organizational support, it would be difficult to make an impactful organizational change. For proper implementation of an EPMO, it must be established within the organizational structure. Executive sponsorship is absolutely necessary to an EPMO being integrated into the fabric of the organization.

Proposal. A formal proposal or pro forma will lay out the resources and business benefits estimated for the implementation to be successful. This proposal must account for both the business benefits and costs of the implementation. The number of projects anticipated and the size of the organization must be considered when planning the number of employees needed to staff the department. It may initially be hard to estimate the number of projects that would benefit from the application of good methodology, but once project success is noted more resources can be added. Other start up expenses include computer set up and project management software costs.

Benefits are both quantitative and qualitative. Organizations that apply project management reap a financial benefit in terms of labor and efficiency. Other benefits to healthcare care are seen in increased patient satisfaction and quality measures that might not be directly linked to cost savings.

Implementation. The implementation plan, outlined in the solution, should be included in the proposal to show the steps that would be required for an organization to embrace this type of structural and functional change. As previously noted this type of change management endeavor includes five key stages: Formulating Change, Planning Change, Implementing Change, Managing Transition and Sustaining Change.

Assumptions of the Solution

The main assumption of this solution is that the application of project management has been useful to other industries and that it will be easily and readily applicable to healthcare. It is assumed that healthcare will embrace this solution as an organizational and strategic benefit (Project Management Institute, 2018).

Limitations of the Solution

There are limitations to the proposed solutions for the implementation of an EPMO to a healthcare organization. These include a lack of testing of this approach specifically in healthcare. There are significant gaps in the literature about EPMOs in healthcare. Though some organizations have achieved results using project management techniques little is known about the actual steps that were taken to achieve these successes.

Another limitation of this study is its broad focus on healthcare organizations. The term could be applied to hospitals, clinics, ancillary care centers and a variety of other settings. Each of these has a unique set of governance and regulations that would need to be accounted for in the implementation.

Further Enhancements

This solution could be adapted to take into consideration the needs of different types of healthcare organizations or the focus on one type of care organization. Further testing could include a pilot to attempt the application of the solution to a real-life organization. Through this test, enhancements could then be gleaned from surveys, feedback, and lessons learned (Larson & Gray, 2011).

Conclusion

In conclusion, this study examined the application of an EPMO to a healthcare organization. Healthcare, as an entity, faces many internal and external challenges. An EPMO, and the project management theories and practices which support it, could help the healthcare organization to overcome these challenges and thrive.

PMOs and EPMOs are structured differently depending on the needs of an organization (Larson & Gray, 2011). These offices can assist departments with projects, help protect project practices, archive projects, and perhaps most importantly help organizations to align projects to corporate strategy. EPMOs have been effective in helping other organizations to meet their business goals and accomplish tasks with new efficiency. However, healthcare is unique in that it deals with projects in the midst of life and death situations. For this reason, care must be taken in the implementation planning of an EPMO.

Since healthcare as a whole has a very little history with the use of project management, implementation of an EPMO as a project is not advised (Sipes, 2016). Healthcare does understand change and is familiar with change management theory and practice (Tran, 2016). This study asserts that the PMI change management process is best used during the implementation.

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