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ADP Leverages PMO to Improve Client Experience

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Automatic Data Processing, Inc. (ADP), with nearly \$9 billion in revenues and about 570,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging 60 years of experience, ADP offers the widest range of HR, payroll, tax and benefits administration solutions. ADP's solutions for employers provide value to companies of all types and sizes.

The Challenge

Over the last decade, ADP's business has shifted from single service solutions, such as payroll processing or benefits administration, to multi-service solutions that include a range of human resource, benefit, talent management and payroll services being implemented simultaneously. When client implementations involved single solutions, or even multiple solutions implemented over longer timeframes, ADP's National Account Services (NAS) Implementation Project Management Office (PMO) was well served by project managers with significant hands-on implementation experience though they had little formal project management training.

As the trend toward multi-service implementations gained momentum over the past several years, ADP saw an opportunity to differentiate itself from the competition through superior project management that achieved higher levels of client satisfaction. To achieve this, ADP's traditionally independent approach to delivery of each service – benefits, payroll, tax services, etc. – meant that project managers would have to be brought in sync.

Given the complexities and risks inherent in multi-faceted projects, ADP determined that investing in its project management capabilities would lead to better outcomes, most notably, higher client satisfaction and more successful “go-lives.”

The Strategy

In 2005, ADP's NAS PMO launched an advanced learning program to its implementation team with a focus on project management fundamentals. This initial effort proved so successful that in 2006 ADP asked its learning partner to assess their broader, existing project management capabilities and chart the long-term course to meet their goals. The assessment was tailored to explore specific issues identified by ADP.

Highlights of the recommendations based on the assessment included:

- Develop project management career paths and link learning and credentials to progression along the paths
- Develop and drive compliance of a more formal project management methodology
- Provide a more robust infrastructure for project management
- Promote the adoption of a project management culture throughout NAS

The PMO leadership also wanted to promote the achievement of Project Management Professional (PMP®) certification from the Project Management Institute (PMI®). The PMP® was seen as a proof point to demonstrate ADP's superior project management capabilities.

The Solution

After helping to ensure ADP's PM methodology met the company's needs and aligned with the *Guide to the Project Management Body of Knowledge (PMBOK Guide®)* from the PMI®, courses were tailored to close skill gaps identified by the assessment. Courses were offered at ADP locations throughout the U.S. as well as online.

With the learning program moving forward, NAS began to implement other solutions to grow and support its PM capabilities, including:

- Defining the company's project management career and compensation paths
- Expanding the PM infrastructure by:
 - Providing ADP's PM methodology, tools and templates online
 - Enhancing project audit procedures and increasing the number of audits
 - Piloting quality gates as part of the project governance structure
 - Promoting additional on-demand learning tools such as webinars, workshops and reference tools
- Developing and implementing a communications plan to promote project management

As the PMO moved forward on education and resources to drive a project management centric culture, it also evolved its business approach. To support the business, the PMO expanded from a few team members to more than 25 program managers who are assigned to the largest and most complex engagements. The PMO also ensures all project management professionals have access to appropriate courses and have achieved, or are on a fast track to, PMP® certification.

Unlike many PMOs that focus on standards and auditing, the NAS PMO actively engages in the business and ongoing projects. Not only do project managers from each functional area monitor project implementations, the PMO does as well, providing weekly coaching, if not daily. It is this active role in day-to-day project implementation that drives business and customer success.

Results

Over the last three years we have seen a significant improvement in on-time, on-budget client project delivery. A few years ago, troubled projects would often find their way directly to the division president's desk. With a solid project management structure in place, fewer escalations are needed, and issues are resolved more quickly by the right individuals at the right level of the organization. The division president is no longer the first point of escalation.

Additionally, ADP has made significant progress in many areas:

- The number of PMP® certified project managers has increased by more than 300 percent in three years
- All project management related position descriptions have been updated and linked to compensation plans
- A learning curriculum path has been created and ongoing courses are being offered
- Links between credentials and career paths are being finalized
- All methodology tools and templates are available online
- On-demand learning through webinars, recorded workshops and other tools are available online
- Project auditing has been enhanced and the number of audits has increased
- Quality Gates are being pilot tested
- A communications program is in place to promote project management

Next Steps

While ADP has achieved enormous success in a few short years, they intend to continue to grow their PM capability. Currently they are focused on conducting a second assessment to gauge success to date as well as recalibrate the identified knowledge gaps.

Additionally, ADP plans to:

- Continue to increase project auditing
- Develop a more formal coaching and mentoring methodology as well as enhance the related skills of team leaders
- Apply lessons learned from the Quality Gates piloting to institutionalize the process
- Develop and support a Community of Practice
- Continue to offer relevant project management courses and other learning opportunities
- Expand the learning program beyond project management professionals to strengthen the project management culture

Collaboration, partnership and a willingness to be flexible continues to help ADP achieve many great successes.

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