

Virginia Housing Development Authority  
Mortgage Finance Agency Improves Planning Through Centralized Project Management

The Virginia Housing Development Authority (VHDA), a state mortgage finance agency, wanted to improve its resource planning by centralizing the IT division's project management functions. VHDA established a Project Management Office (PMO) and implemented the Microsoft® Office Enterprise Project Management (EPM) Solution, based on Microsoft Office Project Server 2007. Project managers who use the EPM Solution manage resources more efficiently because they have better real-time information on staff commitments. The solution has also decreased the number of meetings needed to track project status. The organization's executive leadership uses the EPM Solution to view project dashboards and Gantt charts. The PMO's efforts have been nominated for a national award and have established a base from which to extend efficient project management throughout the organization.

Situation

The Virginia Housing Development Authority (VHDA), a state mortgage finance agency, helps low-income and moderate-income Virginians attain good-quality, affordable housing. The agency is self-supporting and does not use tax dollars to fund its lending programs. Located in Richmond, Virginia, it has 286 full-time employees and about 40 contractors and consultants.

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Project Manager  
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Offering an array of homeownership loan programs, educational services, and loans to developers of low-income multifamily housing, VHDA has several income streams. In many ways it is run more like private financial institution than a state agency. IT is an important component of its overall mission. "You can't do anything without technology any more. I mean zero," says Marc McGlade, Project Manager at VHDA.

Projects at VHDA were not well integrated. Several current IT governance initiatives at VHDA are organized as large programs including multiple projects. These programs include records management, Web modernization, and information security. Other, smaller, projects—including implementation of a new electronic purchasing system, an upgrade of the data center with new hardware, and regular infrastructure improvements such as upgrading to Microsoft® SQL Server® 2005 data management software (from the 2000 edition)—were not related at a program level.

To manage these programs and projects, project managers throughout the VHDA Information Technology Services (ITS) division were using Microsoft Project Server 2002 for project plans and document templates. "It wasn't hack project management," says McGlade. "It was good work, though maybe a bit lacking in consistency. It wasn't nearly as tight and structured and disciplined as it is now."

For example, as a project manager, McGlade conducted weekly meetings where he would present a task list and ask each team member to provide status updates. He recalls, "I'd ask, 'How far along are we on Task A?' 'Forty percent.' 'OK, our due date is next Friday. Are we on track?' 'Yes, we are' or 'No, we're not.' We weren't having meetings for the sake of having them. We had to have meetings because when I tried to accomplish the same goals by sending out e-mail messages all day long, I was driving people nuts."

To centralize and improve project management functions, ITS decided in August 2007 to establish a Project Management Office (PMO). It hired an experienced director, Shelia Phillips, and began instituting best practices. For example, many project managers had also been serving as business analysts; Phillips split those dual roles. She also standardized templates. "Now for each process we have," says McGlade, "whether it is initiation, planning, execution, closure, we have template-driven artifacts. So even if you are not trained in project management, you can connect the dots."

The largest focus for the new PMO was improving resource management. McGlade recalls, “We’d ask what a specific resource was working on, and the information was often outdated or anecdotal.”

To support these efforts, VHDA sought a software package that could help the PMO centralize projects, improve resource management, and provide program-level dashboard reporting to upper management.

#### Solution

“We’re mainly a Microsoft shop,” says McGlade. “Not all of our applications are Microsoft, but our databases are predominately in SQL Server 2005, and we now have Microsoft Office SharePoint Server 2007. For project management, we were interested in a Microsoft product for integration and a similar look-and-feel, and we found one that fit our needs.”

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VHDA chose the Microsoft Office Enterprise Project Management (EPM) Solution, which includes Microsoft Office Project Server 2007, Microsoft Office Project Professional 2007, and Microsoft Office Project Web Access. The solution integrates tightly with Office SharePoint® Server 2007 and Microsoft SQL Server 2005 Reporting Services. VHDA also uses the Microsoft Office Outlook® 2003 messaging and collaboration client and the Windows® XP operating system.

To implement the project, the PMO did a great deal of planning. “We took our time with it because we wanted it to be very well planned and executed,” says McGlade. He investigated several integration vendors before settling on Projility, a Microsoft Premier EPM Partner based in Vienna, Virginia. “We decided on Projility because of their glowing references, thoroughness in helping us configure the system we required, and answering our concerns,” says McGlade.

VHDA began a dialogue with Projility in September 2007, but did not sign a contract until April 2008. McGlade says, “Because the project was unbudgeted internally, I really had to have my ducks in a row. And Projility was outstanding to work with; its staff knows Office Project Server 2007 implementation very, very well.”

At Projility, Corporate Vice President Rob Hirschmann appreciated the homework McGlade and Phillips had done. “They’re incredibly well organized,” Hirschmann says. “They had a charter and a mission for this project, a vision behind it all. It was very well put together. Our approach was to team with VHDA to leverage the agency’s existing investment in Microsoft software to develop an integrated EPM system—that is, to help them realize solid return on investment.”

VHDA and Projility installed the EPM Solution on HP ProLiant DL585 G2 Rack server computers with Dual-Core AMD Opteron processors in a virtual environment, tested the proof of concept, and then immediately began implementation.

Now project managers set up templates in Office Project Professional 2007, and team members use the My Tasks feature in Office Project Web Access to enter time and status information. Executives—including members of the IT governance board—will be using the solution to view status progress updates. In the future, VHDA plans to customize the reports it generates using SQL Server Reporting Services. “These pieces of the solution—Office Project Web Access, SQL Server Reporting Services, and Office SharePoint Server 2007—are all productively bundled together,” McGlade says.

#### Benefits

VHDA has used the EPM Solution to centralize project management tasks, which reduces the number of meetings, gives top executives access to real-time data, and improves resource planning. The PMO's efforts have garnered VHDA an award nomination and provided a base from which to extend project management capabilities.

#### Fewer Meetings

The PMO uses the EPM Solution to centralize project management functions. "The EPM Solution puts project management all in one place, and having centralized one-stop shopping for projects is huge," says McGlade.

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For example, as a project manager, McGlade saves time by not calling so many meetings. He still manages his projects by working through the status of each task, but now the work need not happen in a meeting. Team members enter time and status through Office Project Web Access every day, and every Friday they submit all the information. "Then, every Monday, we do a project update," he says. "I can track progress without having a meeting."

#### Dashboards for Executives

VHDA plans to use the EPM Solution to provide executive-level reports and dashboards to the IT governance board. This board, called Info2010, includes managing directors of all the organization's lines of business—in other words, the executive leadership of the entire organization.

"Because everything is centralized in the EPM Solution," McGlade says, "executives can go to Office Project Web Access and see Gantt charts of our portfolio. We couldn't do that before. That's a big benefit to our leadership team—to be able to see when projects are scheduled to close."

#### Improved Resource Planning

VHDA uses the EPM Solution to vastly improve its resource management. Now that real-time data is available on each individual's commitments, managers can be more swift and sure in making decisions about who might be available for a project.

"Recently I was looking for a resource in a particular functional role," McGlade says. "In the past, we might have discussed various individuals in a meeting and heard, 'Hey, their plates are full.' But now we can go into the EPM Solution and see what exactly they are earmarked for, whether they have bandwidth. In this particular recent example, I was indeed able to grab the resource I needed."

Hirschmann of Projility agrees, saying, "The solution is driving increased accountability and better resource planning, which will result in improved satisfaction for customers of the ITS division across the business. Moving forward, VHDA is as well-prepared as most top-tier enterprises to better plan and forecast project work, providing more meaningful insight across the project portfolio."

#### Nomination for Innovation Award

The VHDA efforts to establish a top-notch PMO are receiving national recognition. VHDA was nominated for a 2008 Housing Finance Agency Management Innovation award. The award, in the Technology category, is given by the National Council of State Housing Agencies (NCHSA).

The award "recognizes outstanding innovation in the use of technology to strengthen agency operations and achieve strategic objectives," according to the NCSHA Web site. McGlade says, "Our nomination was for establishing the PMO and all the benefits that brings, many of which we brought about by using the EPM Solution."

#### Infrastructure for Future Expansion

"As the PMO reaches maturity," McGlade says, "it may move out from the ITS division to stand alone at the enterprise level. At that point, everything would funnel through the PMO, whether it's an IT-driven project or something like process improvement that has nothing to do with IT."

The PMO staff knows that the Microsoft Office EPM Solution will scale to cover such work. "What we need to do is put into place some of the best practices and templates so that our processes can match the EPM Solution in being prepared to advance in maturity level," McGlade says.

Expansion of the EPM solution will be a well-planned, even methodical process. VHDA hopes to begin by expanding the EPM Solution to integrate with the Remedy Magic Service Desk help-desk system that currently tracks work order assignments. VHDA also hopes to integrate the EPM Solution with a Web-based human resources software application called iEmployee, which VHDA uses to track time off. And, eventually, it hopes to integrate the EPM solution with its financial software system.

The prospect excites McGlade. "If we can bring some of these things to the table that will let us step up our use of the EPM Solution," he says, "we're going to go from an organization without a PMO, where people basically do things on their own, to a model PMO. I want to be a part of that."