

PMO Maturity Assessment

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"There is no advantage for an Arab over a non-Arab, nor for a white over a black, except with righteousness and good deeds."

Mohammad (PBUH)

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PMO Maturity Assessment

Abstract

This paper shows how our PMO Maturity Assessment tool works in measuring the maturity level of the PMO on a 5-level scale. It builds on maturity level assessment guidelines found in the CMMI (Capability Maturity Model Integration) model from Carnegie Mellon University, and the P3M3 (Portfolio, Program, and Project Management Maturity Model) from Axelos Limited. Although none of these models addresses PMO maturity specifically, they address general aspects related to project management, as a subset of the considered process areas in the former, and as a detailed analysis in the later. We base our assessment questions on comparable levels, specifically focusing on PMO characteristics.

An Excel workbook is associated with this paper, and it acts as the automated tool for PMO maturity assessment. Check our website for information on how to get the workbook. Sample assessment outputs are provided in Appendix 'A'.

Keywords: *PMO, Maturity, Maturity Level, Assessment, Improvement, Project Management, Project Management Office*

Introduction

Over time, PMOs may lose the ability of how to show value to the organization, and executives may start to view the PMO as an overhead cost center. This may be due to loss of vision by the PMO managers, or loss of momentum over time, when continual improvement is not recognized.

Realization of increasing maturity levels of the PMO will shed lights on where the PMO can go next, so that continual improvement is adopted, and PMO momentum is not lost over time. Increasing the PMO maturity level will also enable the PMO manager and staff to consistently show value and prove return on investment for the company leadership.

By attempting to categorize the PMO functions into categories, then describing the various degrees for achievement of each function, we can define a profile for each maturity level.

As a best practice used in most well known maturity models, a 5-level maturity scale can be generally defined as follows:

Level	Description
0 – Undefined	A PMO doesn't exist, or exists in a very minor, invisible capacity.
1 – Ad-Hoc	Some PMO functions are performed on a single-project basis, a project office. No unified practices across the organization.
2 – Managed	A PMO exists, carrying out partial support functions, with no governance or guidance roles.
3 – Defined	The PMO represents a central project management governance and control function.
4 – Measured	The PMO monitors and reports on the project management practices maturity all over the organization.
5 – Optimized	The PMO takes initiatives in enhancing and improving the organizational project management maturity over the three dimensions of project, program, and portfolio management.

Table 1: Maturity Levels Definition

In the following sections, we look at categories of PMO functions, and how each can be described at each of the 5 levels of maturity. We then look at how our tool works to assess PMO maturity based on these defined levels.

PMO Functions

The following are the main categories of functions performed by the PMO in a typical organization:

- Monitoring and Controlling Project Performance:
 - Project / Program Status Tracking
 - Reporting and Dashboards
 - Project / Program Audit
 - Project / Program Post-Implementation-Review (PIR)

- Development and Continual Improvement of Project Management Competencies and Methodologies
 - Establishing Project / Program Management Methodology
 - Maintaining a PMIS
 - Project / Program Management Training and Promotion
- Direct Project Management
 - Recruiting project managers
 - Project / Program Initiation
 - Project / Program Planning and Execution
 - Project / Program Procurements
 - Project / Program Closure
- Strategic Planning and Management
 - Portfolio Management Board
 - Portfolio Strategic Planning
 - Portfolio Review and Balancing
 - Portfolio Resources Allocation
 - Benefits Management
 - Project / Program Termination
- Organizational Learning and Organizational Assets Management
 - Maintaining a Knowledge Management System
 - Lessons Learned Collection
 - Document Archiving

Not all functions are necessarily performed by the PMO, depending on the specific scope and purpose of the PMO unit in the organization.

PMO Maturity Model

The following table depicts characteristics of PMO functions at each level of maturity:

	Level 0 Undefined	Level 1 Ad-Hoc	Level 2 Managed	Level 3 Defined	Level 4 Measured	Level 5 Optimized
Monitoring and Controlling Project Performance	No monitoring and controlling functions performed.	Project monitoring and tracking may be carried out at individual project / program level separately.	The PMO stipulates reporting requirements on individual projects / programs, without an institutionalized reporting process and the supporting tool.	The PMO provides processes and tools that enable individual projects / programs to track and report on their progress regularly to the PMO.	The PMO consolidates project / program status and audit reports to measure metrics and KPIs at the portfolio level. The PMO conducts PIR at the end of projects / programs.	The PMO capitalizes on status tracking reports to identify and implement improvement opportunities at the overall level of the organizational project management landscape.

	Level 0 Undefined	Level 1 Ad-Hoc	Level 2 Managed	Level 3 Defined	Level 4 Measured	Level 5 Optimized
Development and Continual Improvement of Project Management Competencies and Methodologies	Project / program management practices rely on individual practitioner knowledge and efforts.	Some projects / programs or some organizational units attempt formalization of project / program management practices.	The PMO promotes adoption of project management education to be included in the organization's training and development plans.	The PMO performs a central role in planning and holding project management training programs across the organization and a formal project management methodology is materialized.	The PMO pays attention to evaluating the effectiveness of project management knowledge and the applied methodology practices.	The PMO takes improvement actions based on findings of continual review and measurement of project management practices maturity and effectiveness.

	Level 0 Undefined	Level 1 Ad-Hoc	Level 2 Managed	Level 3 Defined	Level 4 Measured	Level 5 Optimized
Direct Project Management	Project / program managers report to their direct departments, where projects / programs are actually managed.	The PMO provides partial guidance to project / program managers on project / program management processes and templates.	Project / program managers report to the PMO directly from an organizational structure perspective, without direct governance and control from the PMO function on project / program performance.	The PMO is responsible for authorizing projects / programs and assignment of project / program managers from the internal pool of qualified staff with direct monitoring and governance role.	The PMO continually evaluates project / program managers' skills and competence. The PMO conducts regular status review and audit on project / program execution to closure.	The PMO plans and implements improvements for project / program managers' competence development, and improving the project / program success rate.

	Level 0 Undefined	Level 1 Ad-Hoc	Level 2 Managed	Level 3 Defined	Level 4 Measured	Level 5 Optimized
Strategic Planning and Management	Projects and programs are not aligned with the organizational strategic objectives. No or limited portfolio management function.	The portfolio management function is performed outside the PMO, or with minor representation of the PMO in strategic decision making.	The PMO is represented on the portfolio management board, for liaison of the board decisions to be acted upon by the PMO.	The PMO owns the portfolio management function, defines the portfolio strategic plan in alignment with the organizational strategic objectives, and evaluates and selects projects and programs on basis of that.	The PMO continually reviews portfolio status for rebalancing and resources allocation.	The PMO enhances portfolio composition and performance based on continual review. The PMO enhances portfolio benefits realization with respect to alignment with organizational strategic objectives.

	Level 0 Undefined	Level 1 Ad-Hoc	Level 2 Managed	Level 3 Defined	Level 4 Measured	Level 5 Optimized
Organizational Learning and Organizational Assets Management	There are no knowledge management practices in the organization. Knowledge and experience is built at individual practitioner level.	Some knowledge sharing efforts are performed at the level of individual projects / programs or single organizational units.	The PMO encourages project / program managers to share knowledge and documents, and to collect lessons learned. There is no specific process or a defined knowledge management system.	The PMO provides tools for knowledge management, including templates and systems, and mandates lessons learned collection and document archiving for formal project / program closure.	The PMO analyzes lessons learned and measures effectiveness of project / program management practices based on reported feedback.	The PMO capitalizes on the accumulated lessons and knowledge for planning further growth and improvements. The PMO enhances the organizational knowledge management capability.

Table 2: PMO Maturity Model

PMO Maturity Assessment Tool

Our tool for PMO maturity assessment is designed as a questionnaire that gauges the answers to the defined characteristics of PMO functions in each maturity level. Answers are assigned scores, which are then aggregated, and the result is presented to the user in graphical format, with charts showing the following scores:

- Overall maturity level
- Maturity level for each category of PMO functions

A level is considered to be achieved only if all questions pertaining to that level and all lower levels are positively answered.

The improvement path is indicated by the practices that were not answered by a positive answer, meaning that they are missed practices.

Appendix 'A' provides sample outputs from the assessment tool. Please refer to our website to order a functional version of the assessment tool.

References

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- [2] How to Establish a PMO, Rania Al-Maghraby, PM World Today eJournal, May 2011.
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- [4] P3M3, Third Edition, Axelos Limited, 2014

Appendix 'A'

Sample Assessment Outputs

The following charts provide the assessment results using our PMO Maturity Assessment tool, based on fictitious assessment answers.

