Towards a Mature Project Management Office (PMO)

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"Who deceives us is not one of us."

Mohammed (PBUH)

Abstract

This paper addresses the subject of project management office maturity, by introducing the definition of the PMO unit, what maturity means and how it impacts performance, attempts to define a PMO maturity model, and assessment of the PMO maturity based on such models. Generally speaking, the discussion in this paper will be independent of the specific project management methodology followed by the PMO and the overall organization, since the functions of the PMO unit are independent of whether the project management methodology is traditional or agile, and the standard framework adopted in the organization.

Keywords: project management office, PMO, maturity models, maturity assessment, project management, organizational project management

What is a Project Management Office (PMO)?

Taking in consideration the lack of a common professional standard for the project management office, except probably for the P3O standard which addresses portfolio, program, and project offices, most definitions are based on efforts by professional communities interested in the subject, and experts and thought leaders who have created knowledge related to this subject. The following are some of the most common definitions of the PMO:

"It's a group or department within the organization whose job is to define and maintain the standards for project management within that business." – projectmanager.com

"A project management office (abbreviated to PMO) is a group or department within a business, government agency, or enterprise that defines and maintains standards for project management within the organization. The PMO strives to standardize and introduce economies of repetition in the execution of projects. The PMO is the source of documentation, guidance and metrics on the practice of project management and execution." – Wikipedia

"A management structure that standardizes the project-related governance processes and facilitates the sharing of resources, methodologies, tools, and techniques." – PMBOK Guide 6th ed.

"A project management office (PMO) is a group — internal or external to a company — that sets, maintains and ensures standards for project management across that organization. They're the keepers of best practices, project status and direction — all in one spot." – CIO Magazine website.

Portfolio, Programme and Project Offices (P3O): "The decision enabling and support business model for all business change within an organization. This will include single or multiple physical or virtual structures, i.e. offices (permanent and/or temporary), providing a mix of central and localized functions and services, integration with governance arrangements and the wider business such as other corporate support functions." – P3O Glossary.

In my opinion, the PMO can be viewed as an internal service provider to the bigger organization, since most of the PMO functions can be delivered in the form of services as requested by other departments. Please see more detailed discussion about this viewpoint with an example service catalogue in [2] in references.

What constitutes PMO Maturity?

Maturity in general is a field that receives wide interest, both from standards bodies and practitioners, particularly companies who want to exhibit their professionalism and compliance to standards.

Maturity models have been developed in various fields, to act as basis for assessment and appraisal of an entity. Some maturity models are based on percentage scoring of individual areas in addition to an overall score, while other models are based on gradual maturity levels, with each consecutive level implies performance of more practices or improvement of performance of lower level practices. Most popular models include:

- CMMI from ISACA (originally created by Carnegie Mellon University) which covers several disciplines related to software engineering and information technology
- P3M3 from Axelos, which addresses maturity of project, program, and portfolio management, based on the Axelos standards
- OPM3 from PMI, which addresses maturity of project, program, and portfolio management, based on the PMI standards (currently discontinued)
- Delta from IPMA, which addresses maturity of project, program, and portfolio management, based on the IPMA competency baselines
- ITIL maturity model, which is intended for assessment of compliance to ITIL best practices
- Gartner PPM maturity model for project, program, and portfolio management
- Etc.

With regard to project management office (PMO), a globally recognized maturity model is not available up to this moment, despite that some isolated attempts have been made by individuals, companies, and communities to fulfill this demand.

The common factors that constitute PMO maturity models generally cover the following aspects:

- Business Scope of the PMO: what types of projects are delegated to the PMO
- Functional Scope of the PMO: what functions are delegated to the PMO
- Organizational Scope of the PMO: extent of departments covered, and PMO supervision level in the organizational hierarchy
- Level of PMO control and centralization of these functions
- Staff compliance to PMO authorities
- Etc.

It's worth mentioning that most maturity models are measuring maturity on process basis, in light of the fact that majority of professional bodies standards have used to be process-based frameworks. Taking in consideration that recent developments of new releases of a number of standards have diverted from the process-based approach to more free-flow practices and tasks, maturity models will need to be developed according to this trend rather than the process by process maturity assessment.

Professional Landscape of PMO Maturity Models

There are some attempts to classify PMO types according to different sets of criteria, and consequently maturity models can be defined as covering certain types of PMOs, or more general-purpose maturity models for PMOs. Please see an overview on PMO types, functions, and benefits in [1] in references.

Survey of the PMO maturity models proposed by professional experts, communities, and consulting firms shows that it's impractical to attempt to enumerate how many of these proposed models are there. Mostly, such maturity models follow the structure of incremental levels of maturity, with each defining their own levels, characteristics, and basis for assessment.

In addition to the maturity models specific to PMOs, some organizations have based their assessment of PMO's maturity on generic project management maturity models, like Gartner's PPM Maturity Model, OPM3, P3M3, etc. While project management maturity models don't address specifically the maturity of the PMO as an organizational unit, they can provide an overall guidance on how organizational project management maturity is evaluated. Some of these maturity models consider establishment of a PMO as one of the signs of maturing project management practices in the organization, aside from the specific functions and structure of this unit. The research in [4] can help in building this correlation between PMO maturity and organizational project management maturity. This study in this research is undertaken for the South African Government Infrastructure Departments (SAGID).

"Most PMO maturity models are developed from industry by consulting professional firms with experience in the field ... Most of these maturity models have been adopted beyond project management and have been used in PMO maturity rating; but none are sufficiently complete or relevant to be accepted by the project management community at large ... Although there is not a generally accepted PMO maturity model, research has shown two general schools of thought: one is process-driven, and the other is business-driven. The process-driven PMO is associated with the CMM, which provides a framework for systematically improving an organisation's project management competencies; whereas the business-driven PMO relates to how the PMO changes the scope of work so that it progresses from tactical to strategic, and thus provides greater business value for the organisation." [4]

I have personally developed our own PMO maturity assessment model, which is based on 5 maturity levels, each consisting of certain characteristics being achieved across 5 functional areas assumed by the PMO, along with an associated tool to automate the assessment process, with benchmarking and comparison features. (check [3] in references).

PMO Maturity Assessment

Maturity assessments in general are performed based on a reference maturity model according to which measurements are made, and using tools developed for facilitating this assessment, which can be paper sheets or software systems.

In order to perform proper assessment that leads to reliable conclusions and correct improvement decisions, the following points should be taken in consideration:

- A well-defined scope for the assessment should be agreed with the owner of the initiative, ideally an executive of the organization, which covers both the scope of the practices that will be assessed, and the organizational scope of the departments or organizational units included in the assessment
- A professionally qualified assessor / assessment team to carry out the assessment activities, so that they can be insightful about the aspects being assessed and the intended meaning of the assessed factors
- Supportive tools that makes the assessment process manageable and under control, so that the assessors can pay attention to the assessment itself rather than processing calculations and results
- Cooperation of the internal staff and awareness of the purpose of the assessment, so that they are open to provide realistic statements about the actual practices, which helps in making the assessment objective and beneficial in achieving the intended improvements

Usually assessment tools are created in association with the maturity models they are intended to be used with. Both the maturity model and the associated tools are kept synchronized and updated in accordance to developments in the profession and the business environment.

The qualified assessors can be internal to the organization, or external consultants, or both working together. The objective of the assessment can be receipt of a testimonial or an official certificate of achievement of a certain maturity level or score, in which case an external, independent, and officially accredited or certified consulting provider will be needed. In most cases, external consultants will add the outsider benefit of being unbiased and providing objective view about the organization practices.

Building on assessment findings, it's supposed that an improvement plan is to be put in place to fill in the gaps of incompliance that have been exposed, potentially with progressive phases of improvement, depending on the extent of missed practices, and the targets of the organization from the whole assessment and improvement initiative.

With regards to PMO improvements, recommendations for improvement could include increasing the maturing level of the PMO by:

- Assigning higher organizational authority to the PMO unit, for example by directly reporting to an executive of the board of directors
- Extending the organizational scope of organizational units where projects and project managers are delegated to PMO supervision
- Increasing the PMO involvement in strategic decision making and delegating / involving the portfolio management function into the PMO
- Increasing control of the PMO over project management in the organization, by centralizing the development and maintenance of the organizational project management methodology, procedures, tools, and templates adopted in the organization through the PMO unit

Conclusion

PMOs are organizational units with a special nature, which means that general purpose organizational maturity models may not fit the purpose of assessment of the PMO maturity model. Similar to maturity models specific to other disciplines like IT, software engineering, project management, etc., PMOs would require standalone specialized maturity models for the purpose of assessing their performance and spotting improvement opportunities.

In maturity terms, the current status of PMO maturity model development is in the initial state. Dispersed efforts in the community will converge over time, and as demand for such models gets more visible, standards will emerge and develop by adoption and practice to eventually achieve the objective of the professional and business community in this regard.

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