

PMO SIG/LIG Summary/Review

The Multi-Project PMO: A Global analysis of Current State of Practice
 A White Paper Prepare for PMI by Dr. Brian Hobbs

Report Objective

- The objective is to get a realistic description of the current state of practice, given the lack of consensus on many critical aspects of a PMO.
- This factual approach is meant to stimulate dialogue and develop guidance for establishing/maintaining successful PMOs.

Methodology

- Phase 1 – Studied 30 PMOs in different organizations/industries. Validate hypothesis that “the structures, roles and legitimacy of PMOs vary significantly from one organization to the next”.
- Phase 2 – Survey was developed from Phase 1 findings. Obtained 500 usable responses (see pages 40 – 43 for demographic and other breakdowns).

Major Observations

The most significant overall finding is the great variety and lack of consensus on the following:

- The value of PMOs
- The structure of PMOs
- The functions included in their mandates

Key Findings (Summary)

Finding #	Category	Details
1	Value of PMOs	<ul style="list-style-type: none"> • 50% valued, 50% challenged • Depends on structure and functions (2 – 13) and other characteristics (14-16)
2	Structure/Characteristics	<ul style="list-style-type: none"> • PMO = Project Management Office <i>Names do not clearly differentiate PMOs</i>
3	Structure/Characteristics	<ul style="list-style-type: none"> • Most PMOs (78%) are standalone
4	Structure/Characteristics	<ul style="list-style-type: none"> • PMO closure/restructuring occurs frequently <i>Short time to demonstrate ability to create value</i>
5	Structure/Characteristics	<ul style="list-style-type: none"> • Implementation time = 6 to 24 months
6	Structure/Characteristics	<ul style="list-style-type: none"> • Mandate covers either select group or vast majority of projects
7	Structure/Characteristics	<ul style="list-style-type: none"> • Either all or none of the PMs are in the PMO



8	Structure/Characteristics	<ul style="list-style-type: none"> • Most PMOs have a very small staff <i>PMO staff regarded as overhead – organizational reluctance to authorize or maintain</i>
9	Structure/Characteristics	<ul style="list-style-type: none"> • PMO decision-making authority varies significantly
10	Structure/Characteristics	<ul style="list-style-type: none"> • Highly variable roles and wide range of functions <i>27 functions identified in survey (see p. 22)</i>
11	Structure/Characteristics	<ul style="list-style-type: none"> • A fundamental structure exists <i>Grouping and statistical association of functions. 5 groups account for 24 of the 27 functions</i> <ul style="list-style-type: none"> ○ <u>Monitoring & Controlling Project Performance</u> ○ Dev. of PM Competencies & Methodologies ○ Multi-Project Management ○ Strategic Management ○ Organizational Learning
12	Structure/Characteristics	<ul style="list-style-type: none"> • High-performing PMOs not defined by single function <i>Important functions are determined by your organization</i>
13	Structure/Characteristics	<ul style="list-style-type: none"> • Central PMOs have different mandate
14	High-Performing PMOs	<ul style="list-style-type: none"> • Structure, organizational context, performance strongly (statistically) linked
15	High-Performing PMOs	<ul style="list-style-type: none"> • Expertise is critical to PMO performance <i>Competency is key – there are a lot of functions to maintain</i> <i>Recruiting and retaining also a challenge, due to “negativity”</i>
16	High-Performing PMOs	<ul style="list-style-type: none"> • PMOs perceived as costly and useless
17	Variation with Context	<ul style="list-style-type: none"> • No systemic variation by economic sector, region, organization size or between public and private organizations <i>Variability is in structure, roles and performance levels</i>

Conclusion

- Significant organizational change will have an impact on the PMO and vice-versa.
- The survey could not identify the determinants of a PMO structure, roles or their perceived value to an organization. It’s likely these are internal to the organization’s context (strategies, processes, politics, culture, etc). Therefore, surveys will not be able to uncover the determinants of PMO structures, roles and performance as they capture images at a point in time.