

ENDURANCE TEST

The idea that programme and project management offices are valued by, and are enduring features of project organisations has divided opinion in Project – and the wider blogosphere. Two of the main protagonists: David Shannon and Lain Burgos-Lovece go head-to-head to sort out their differences.



VIEWPOINT: Lain (left) and David discuss the finer points of the PMO.

THE VALUE OF project and programme management offices (PMOs) has proved a lively and interesting topic for discussion.

In his original Critical Path piece David Shannon listed the reasons why, if due care and attention are not applied, the PMO can quickly become a drain on resources.

His point: that a PMO can “create unnecessary stresses and distractions on projects” through a “self-created view of timeliness” echoed many of the key findings from a research paper published by Sergio Pellegrinelli and Luciano Garagna in issue 7, Volume 27 of the International Journal of Project Management.

“The paper, *Towards a conceptualisation of PMOs as agents and subjects of change and renewal*, reported on the views of seven senior managers who questioned the perceived wisdom that PMOs are valued by, and enduring features of major organisations”.

Instead, the shared view among those present was that PMOs needed to evolve in order to continue to add value – or risk being disbanded.

As one of those questioned said: “We put a PMO in for one reason – nobody understood what project management was. So we established a PMO and put in project management processes. Once they were established and everybody had gone through that change, the question arose: What does a PMO do?”

His view was that projects aren’t unique entities – they are part of the operations of the whole business. So once project management had been understood and accepted by the organisation, the PMO was no longer needed – in essence, it had fulfilled its remit and outgrown its usefulness.

“We perform all the functions that are typically associated with a PMO, but we do it as part of our standard project management. Our project managers do that as part of their jobs. It’s part of the process. It’s part of the procedures.”

PMOs typically perform a number of functions: project definition and planning; cost/benefit analysis of projects; risk management; monitoring and control; supply of experience and knowledge; support in undertaking project management processes and procedures; knowledge capture and dissemination; provision of specialist skills/tools.

But this is by no means set in stone, and there is no generic template that is applicable to each and every organisation that chooses to create a PMO. In fact the size, age and organisation of the PMO varies enormously.

What is clear is that unless the PMO adds considerable value it may find itself under pressure from those it is supposed to serve – the project community. Simply put: evolve or risk being disbanded, permanently!



The case for

The March edition of Critical Path highlighted David Shannon’s views that he looks forward to the day “when there is no longer a need for a project office”. David holds this opinion mainly because “PMOs are either staffed by indecisive bureaucrats or divert key resources from running projects”. Strong words. The danger that “they increase costs” is irrelevant since what matters for any successful business area is ROI (return on investment). Other dangers highlighted relate to the perception of the PMO as a giant paperchase, a perception worth debating. However, other points betray a surprising degree of ignorance of the role of the PMO in corporate governance.

David now backtracks a little and thinks that the PMO should not disappear, but should be recognised as project-based, not business as usual. This is slow progress or nostalgia. These PSOs (Support Offices) he proposes are one >>

THE DEBATE ONLINE - APM BLOG

JIM HAMILTON ON 30 APRIL, 2010 - 15:15.

If we are to be confident and mature as a profession we must engage in debate in a mature and confident way. I confess I did not recognise the PMO described in Project - and maybe that's just my good luck!

JLC57 ON 18 APRIL, 2010 - 21:03.

I believe that a good PMO lead can act as a deputy to a business-experienced programme manager (often appointed for political reasons), providing the project structure/methods and keeping control of the detail. The PMO lead role can also be used as a development role for a project manager who wants to move into programme management.

“ The PMO is the visible, measurable and above all improvable manifestation of a company’s project environment. ”

Lain Burgos-Lovece



» form, or a part, of a PMO. Support Offices were quite common and valued from the late 1980s onwards. Y2K changed that insular view of the governance of change management and business-facing PMOs became widespread. More recently portfolio management, which is a direct evolution from the lessons of corporate PMOs, brings context and coherence to all forms of PMO. That is what P3O is about.

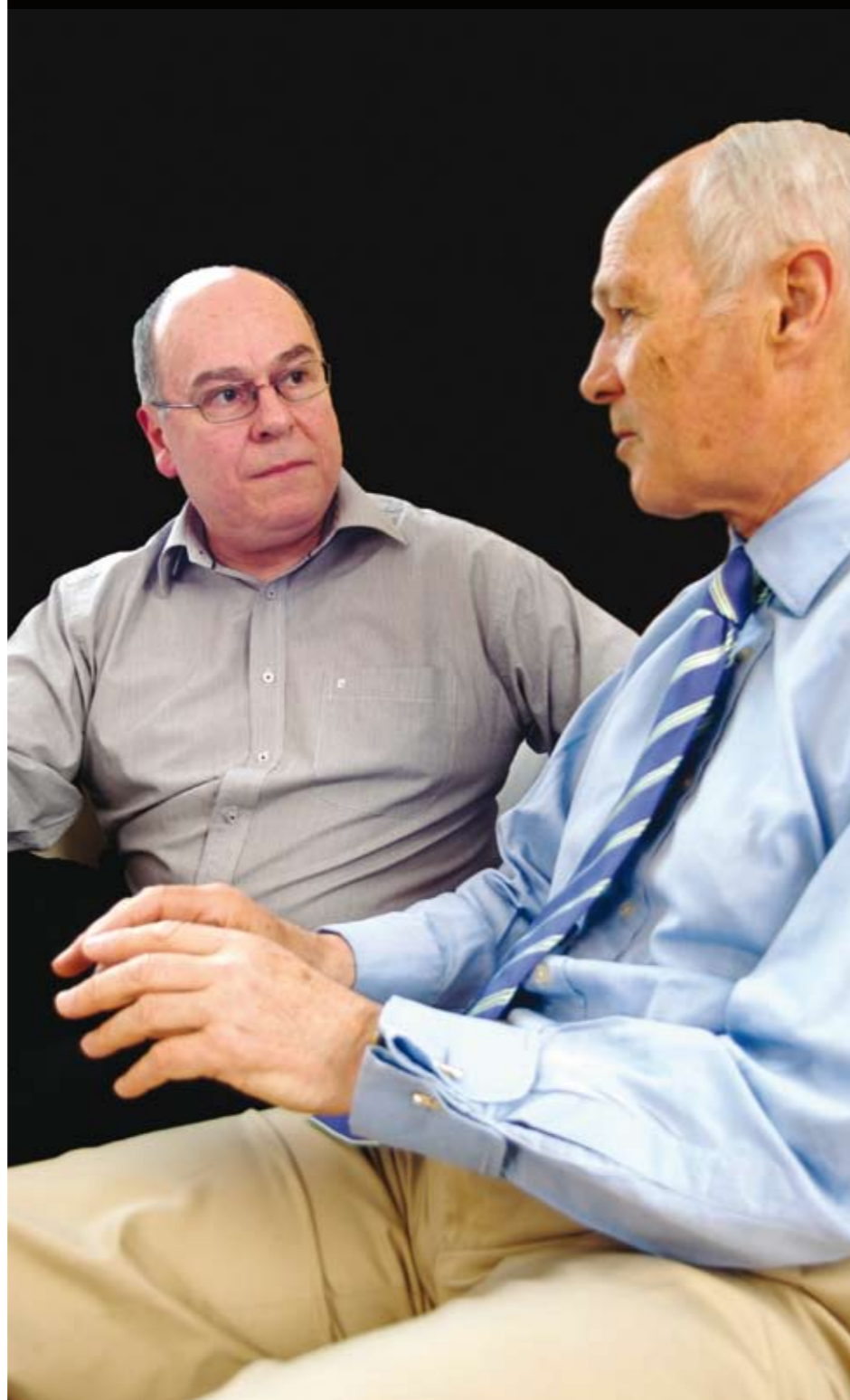
The fact is that most PMOs confront serious challenges, many are disappointing to their customers from time to time, and a few are perhaps better disbanded. Those of us familiar with a variety of PMOs have come across charges of bureaucracy many times. Often these charges are correct, for a variety of reasons – including reasons outside the control of those PMOs. We should not deny these potential problems. It is vital that we debate the challenges and shortcomings we face, as long as we debate with enough rigour to make a difference.

It is a reality that in many companies, PMOs appear and disappear with regularity - covering at times a large organisational span, sometimes buried in one or several delivery teams. However, setting up and then disbanding can be true of any organisational unit: large companies can re-organise completely every 18 months, sometimes more quickly during times of merger or acquisition.

What doesn't go away is the project environment. In companies that manage change through projects, the project environment consists of all the organisational elements that enable those companies to optimise and control their concurrent changes. The PMO is the visible, measurable and above all improvable manifestation of a company's project environment. Sometimes that environment is so chaotic that few projects succeed, but between them they generate considerable costs.

Such environments have no visible manifestations of control, process or maturity and all PMs have to be heroes. Sometimes the environment is more mature, and it includes a PMO. Sometimes it is very slick indeed, providing sustainability and competitive advantage to that company. An enduring PMO provides the means to improve the project environment in a way that is measurable during good and bad times. This returns value over and above the smoother delivery of change it facilitates: it also enables a company to establish a direct and measurable link between strategy setting and its execution.

n Lain Burgos-Lovece is a senior member of the committee for the Programme and Project Support Office Specialist Interest Group, PPSOSIG. He is also an experienced PMO consultant. For more information visit: www.serissa.co.uk



“ These functions should be temporary initiatives and many may be distributed around an organisation. ”

David Shannon



The case against

Well, it is always stimulating, as Rod Baker surmised (Project April inbox), to provoke vested interests. The resulting discussion with him, Chris Walters and others in the public forum of Project raises more issues than can be resolved in this format. But here are five points to end my current contribution on this topic.

There is a need for PPP oversight and support functions, but as recognised by others, many of these functions should be temporary initiatives and many may be distributed around an organisation, not concentrated in one 'office'. The initiatives are of course part of the organisation's portfolio!

Simon Harris in his article in the April issue of Project Manager Today raises an important point on the impracticality of combining the two roles of being an oversight arm of the top executive and at the same time a support service to project and programme managers.

As an organisation's control of its PPP competence matures, this will be increasingly integrated with the rest of the organisations systems, as recognised for example by the Level 5 descriptions in the OGC's P30TM documents.

APM changed its name some years ago to 'for Project Management', and its articles began to reflect the inclusion of anyone with a professional interest in project and programme

management. As a consequence, the APM's current Competence Framework and its forthcoming revision seek to take account of this wider interest, so the sooner the PPSOSIG, a group for support office professionals, is recognised and welcomed as an APM Specific Interest Group the better.

This discussion would benefit from research or even anecdotal evidence of cost-benefits. For example how does the cost-benefit of public sector programmes and projects as reported by the National Audit Office, the House of Commons Public Accounts Committee and elsewhere relate to the effort spent on PPP in central government? To what extent are programme and project managers prepared to contribute to such support from their own budgets?

Lastly, as a contextual observation, it is no good having excellent portfolio, programme and project oversight, management and support if those who direct initiatives and resources are effectively unaccountable and can misallocate surplus economic rent, and if project professionals including those in oversight and support offices are prepared to go along with any resulting charade. Hence good governance and professional behaviour are at the core of delivering value, whatever oversight and support systems are in place.

n David Shannon, MA, HonFAPM, FIBC, MICE is MD of Oxford Project Management Ltd. He also chairs APM's Governance Specific Interest Group.

FINAL VERDICT

In the end there were no fireworks, no fisticuffs... it was all, well, very friendly. David and Lain travelled from opposite ends of the country to 'square-up' at Project HQ but disappointingly (from a selfish, sensationalist press point of view) they agreed on nearly everything that was said. In fact it was less a heated debate, than old friends coming together over a common cause.

Both agreed on the value of continuous development and the need to support professionalism across the organisation. It was only a difference in emphasis about how and where this should be delivered that separated the two.

David's main concern was not to dilute the special ethos of project management. His point: that projects and programmes are trying to finish and then disappear.

Lain, on the other hand, stressed that the business, not the project manager, was the one that needed ongoing help to mature.

His view was that PMOs have evolved from a project support office that belonged to the projects, to a business-facing construct embedded deep within the organisation.

"If you decide that businesses are better off managing change through projects, then you need something that learns from previous experiences, keeps it going and demands more for the benefit of the organisation," he said.

"In that sense PMOs are an artefact of the business, not the project – even though it evolved from projects."

David agreed, and said it is vital that in-house capability is able to develop competence to support learning and assurance.

He added: "I fully accept the argument for that function. And, as P3O says, as long as it is not misconceived as having one office, in one place, at one structural location and is able to change over time as the maturity model develops, then I think we are 90 per cent agreed."

THE DEBATE ONLINE - APM BLOG

DPMORGAN ON 30 APRIL, 2010 - 10:06.

I love working in a PMO and enjoy the challenge of managing all the data effectively, providing support and mentoring to project managers, supporting the programme manager and ensuring he has the data he needs at his fingertips. The PMO can take an enormous weight off the programme manager's shoulders and allow him/her to focus more clearly on the strategic rather than the day to day.

PNAYBOUR ON 16 APRIL, 2010 - 21:40.

A poorly run PMO can do little or nothing to support the delivery of successful projects in an organisation. They can be over-obsessive about corporate reporting processes, following the process for the sake of the process, and confuse accountability with the reporting of project progress.

A well run PMO can provide support to project managers, who then discover that it makes a significant contribution to the successful

delivery of the project, through providing the proper tools and skills to deliver the projects. However the PMO needs to remember it is there to improve project performance.

n Responses taken from the APM blog posting: 'Why the APM doesn't hate PMOs', written by Scott Walkinshaw. See full blog post at <http://www.apm5dimensions.com/blog/why-apm-doesn't-hate-pmos>