# PROJECT MANAGEMENT FILES

Blog and Resource for Portfolio, Program, and Project Management

THREE ROLES OF THE PROJECT MANAGEMENT OFFICE

Posted on March 10, 2011 by Alvin

When someone says PMO most people think of a team of Project Managers, or some say Project Manglers, and a long list of procedures they need to follow. I would say this would have been true in the past, but these days the expectations of the PMO has shifted and can vary greatly from company to company. First off is the name, you have some that think it should be called a Program Management Office while others like to call it a Portfolio Management Office or even Enterprise Portfolio Management Office. I prefer Project Management Office as you are dealing with projects regardless of the number. Another name that I think works well would be a Project Portfolio Management Office. Whatever the name, they all basically try to do the same thing. Below is a diagram I drew of three roles of the PMO I plan to cover.
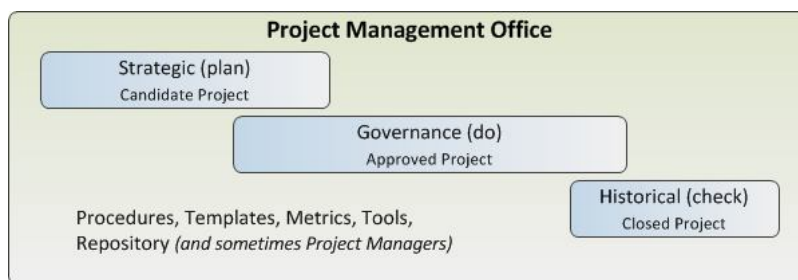
The three roles of PMO I want to cover are Strategic, Governance, and Historical. I also reference Plan – Do – Check as it is the basis of the concept. Besides the three areas of focus, you also have the procedures, templates, metrics, and tools used to support the roles. This also shows the general flow of a project through a PMO starting as a candidate project then an approved project and last a close project. A PMO can also include Project Managers, but it does not need to have them. At least not directly managing them, it could be a dotted line of authority where the project managers are part of the functional divisions of the company. This is something I plan to write about in another blog.

The most value of the PMO is also the one done the least, or poorly, and that is the Strategic role. This is where the PMO works with senior leadership to select the candidate projects that best align with the strategic goals of the company, have a sound business case, and provides the benefit to cost ratio. This is usually done through a combination of cost/benefit analysis and a scoring system that looks at all facets of the project. A well-oiled PMO will be able to provide the executive team with enough focused information on the project requests to make smart choices. Sounds easy right? It would be except I forgot to mention one more factor and that is politics. Sometimes the logical choice does not always prevail. There are two things that can improve the chances of objectivity. One is the obvious support from the top. The second (and just as important) is a lean, efficient, and transparent process that provides leadership focused information needed to make informed decisions. Without this you will lose support from the top very quickly.

The meat and potatoes of a PMO is the Governance role. This is the part you see in every PMO and the area some personality types dread the most. If you are an auditor or regulator this tends to be your favorite role for the PMO and the main reason for their existence. It is where you monitor the project to ensure it is properly following project process and procedures. To do this you will usually have guides, templates, a project portfolio dashboard, and project portfolio tools to help Project Managers follow the PMO procedures. This is also where you ensure the project scope, cost, and schedule is in tip-top shape. If not, the project should be flagged and escalated up the chain of command.

The last area is the repository of historical artifact created from the project. This is used not only for reference when doing future similar projects, but also to validate that you delivered what was chartered and for statistical analysis. The first part of this is tougher than people realize. Once the project completes, or cancels, you will archive all the project documents created during the project into a document repository. Unfortunately, archiving all the project data into one area can be spotty. You might have all the meeting minutes, but not all the infrastructure design docs, all the requirements, but none of the test results. The reason for this is you are dealing with various functional groups in a project who each might handle their documents differently, you are working with external resources, or it is in a database. This is where the PMO and Project Manager need to be diligent in ensuring you have a single place to find all projects information or links to the information. This becomes all the more important if you are in a regulated industry. The second part is a review the performance of the project. Did it meet the objectives it was set out to do? Were there lessons that could be learned from the project? And (most importantly) did the project deliver the benefits that were defined in the business case? This last part is missed the most as it needs to be done at least 6 months after the project closes to let the product deliverables settle in. The last part is the statistical analysis you get from historical data. If you are using a Project Portfolio Management tool you'll be able to pull all types of data about the performance of the closed projects.

That is the three roles I see for the PMO. The depth of each role varies greatly for each organization and if the company is really big you will see a PMO at different levels with an enterprise PMO and divisional PMOs. And there are also other roles given to the PMO as the Charter of the PMO is ultimately decided by leadership as they are the ones that use this as their tool to manage their portfolio of projects.

Share this:

| Facebook 2 | Twitter 1 | LinkedIn | Google +1 | More |

This entry was posted in Concepts and tagged enterprise portfolio management, governance, historical, metrics, pmo, portfolio, project, sound business, strategic, strategic governance. Bookmark the permalink.

PROJECT MANAGEMENT FILES
Proudly powered by WordPress.