

Implementing Organizational Project Management (OPM) Using OPM3[®]

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Why Do Organizations Fail to Deliver Results or Deliver Results in Chaos?

- Work authorized lacks priority relative to other existing work within an organization
 - No Alignment to Strategic Plan & Resource Gridlock
- Execution is challenging
 - Planning is easier for most organizations
- Plans are too detailed or not detailed enough
 - Unclear Scope & Scope Creep
- Organizations do not account for roadblocks
 - No tool to manage and assess risks that hinder success

Organizational Project Management (OPM) Framework provides organizations a consistent approach to planning and executing projects and deliver results to support the organization's bottom line.

What is Organizational Project Management (OPM)?

- The systematic management of projects, programs and portfolios in alignment with the achievement of strategic goals
 - The consistent use and development of best practices to assure the successful completion of projects
- A project management approach with an emphasis on continuous improvement to deliver business results
 - Approach is focused on supporting the organization's bottom line

Developing an OPM Framework - Challenges

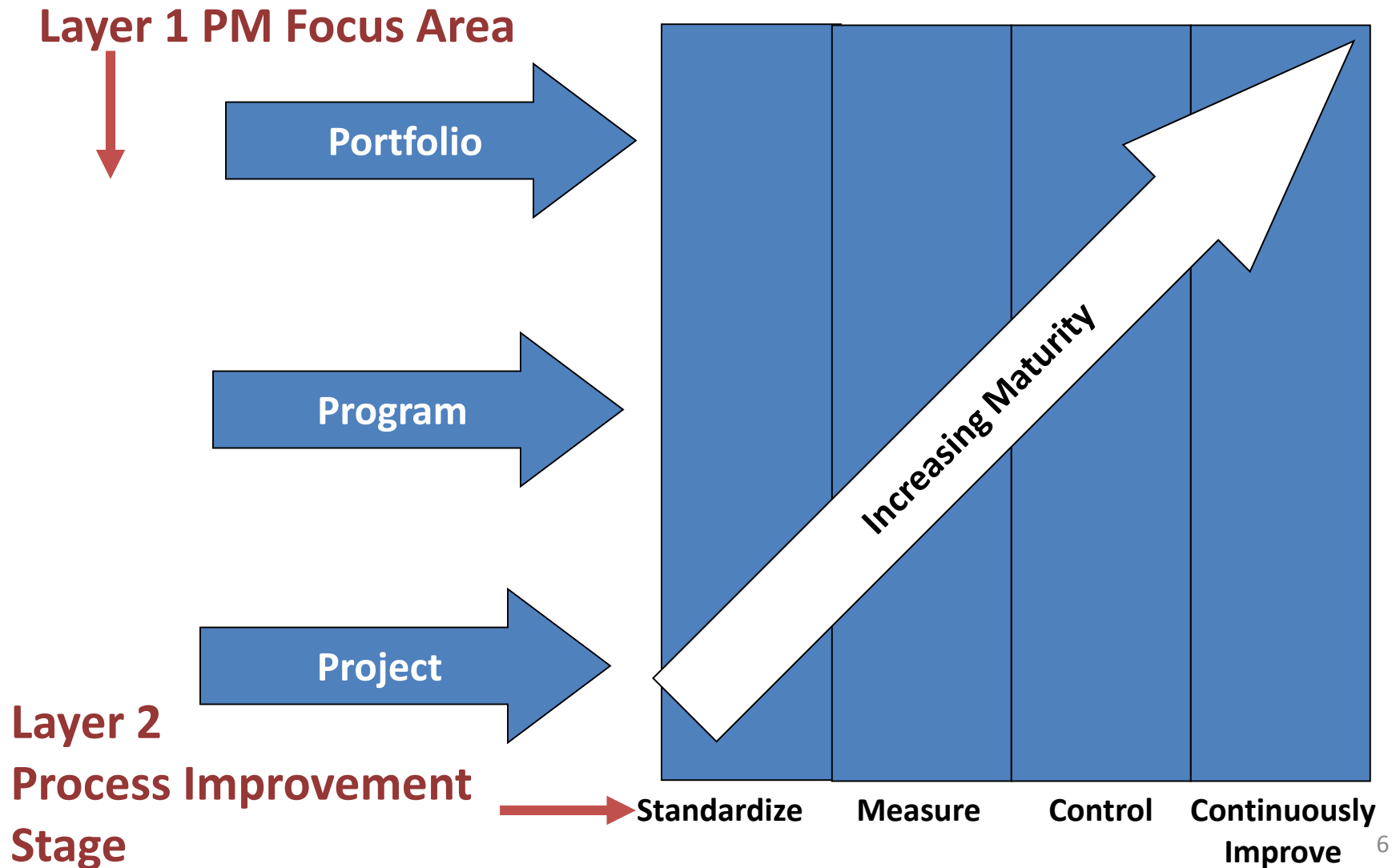
- Measuring an OPM Framework's effectiveness
- Balancing robustness of framework with the value delivered
- Defining a common terminology to build systems and governance approaches
- Integrating OPM Framework with other current performance improvement approaches and regulatory systems in use
 - Examples: ISO 9001, ISO 17025, QNM/ Baldrige, ERP Initiatives

PMI's Standard to Develop an OPM Using a Maturity Framework is **OPM3***

- OPM3 measures an organization's maturity which is the **robustness** of its Organizational Project Management (OPM) Infrastructure and how well it **ties** the management of projects, programs and portfolios to its stated strategic goals
- Provides an **objective** criteria to measure effectiveness of a Project Management Office (PMO)
- Highlights needed areas of **improvement** for organizations to help them achieve better business results

*Organizational Project Management Maturity Model
OPM3 is a registered trademark

OPM3 Measures OPM Using 2 Layers



Layer 1 - Projects, Programs & Portfolios

- Portfolio Management
 - A collection of projects and/or programs and other work grouped together to facilitate effective management of that work to meet strategic objectives
 - **Are the strategic goals of the Organization Met?**
- Program Management
 - A group of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually
 - **Are the potential synergies of the project being exploited?**
- Project Management
 - Involves processes for individual projects and competencies for project management practitioners
 - **Is the project on goal- on budget – on schedule? Customer is satisfied?**

Organizational Project Management – Area of Focus



Layer 2 – How to Measure Degree of Maturity or Stage of Process Improvement

- **Initial**
 - Process unpredictable, poorly controlled, reactive
- **Standardize**
 - Process defined, used with some consistency, not measured
- **Measure**
 - Process defined, used more consistently, process measured
- **Control**
 - Process measured, consistent use, areas of non-use documented
- **Continuously Improve**
 - Process measured, consistent use, measures are used to proactively identify improvements

OPM3 – High Level View of Maturity

Portfolio	<ul style="list-style-type: none"> • Portfolio Management Component Authorization Process • Portfolio Level Standards 	<ul style="list-style-type: none"> • Balance Portfolio Process Measures Established, Measured & Analyzed • Portfolio & SP Processes Linked 	<ul style="list-style-type: none"> • Prioritize Portfolio Based on Metrics & Predict Future Performance • Portfolio Level Change & Risk Management Process 	<ul style="list-style-type: none"> • Portfolio Measurement Based Improvement & Optimize Processes • Program Control Processes Linked to Program Level
Program	<ul style="list-style-type: none"> • Program Management Authorization Process • Program Level Standards • Program Level WBS Framework 	<ul style="list-style-type: none"> • Program Level Resource/ Cost/ Schedule/ & Risk Management Processes Measured 	<ul style="list-style-type: none"> • Program Performance Management & Predict Future Performance • Program Change & Risk Management Process 	<ul style="list-style-type: none"> • Program Measurement Based Improvement & Optimize Processes • Program Control Processes Linked to Portfolio
Project	<ul style="list-style-type: none"> • Active Process Governing Body Established • Documented & Standardized Processes 	<ul style="list-style-type: none"> • Customer Requirements Driven Processes Implemented • Processes Measured 	<ul style="list-style-type: none"> • Project Change Control Established & Integrated • Process Stability Achieved 	<ul style="list-style-type: none"> • Measurements Guide Process Improvement • Sustainable Improvement Cycle Established Ensures Individual Project Success
	Standardized	Measure	Control	Improve

OPM3 Is Designed to Make a Business Decision About Needed Level of Maturity

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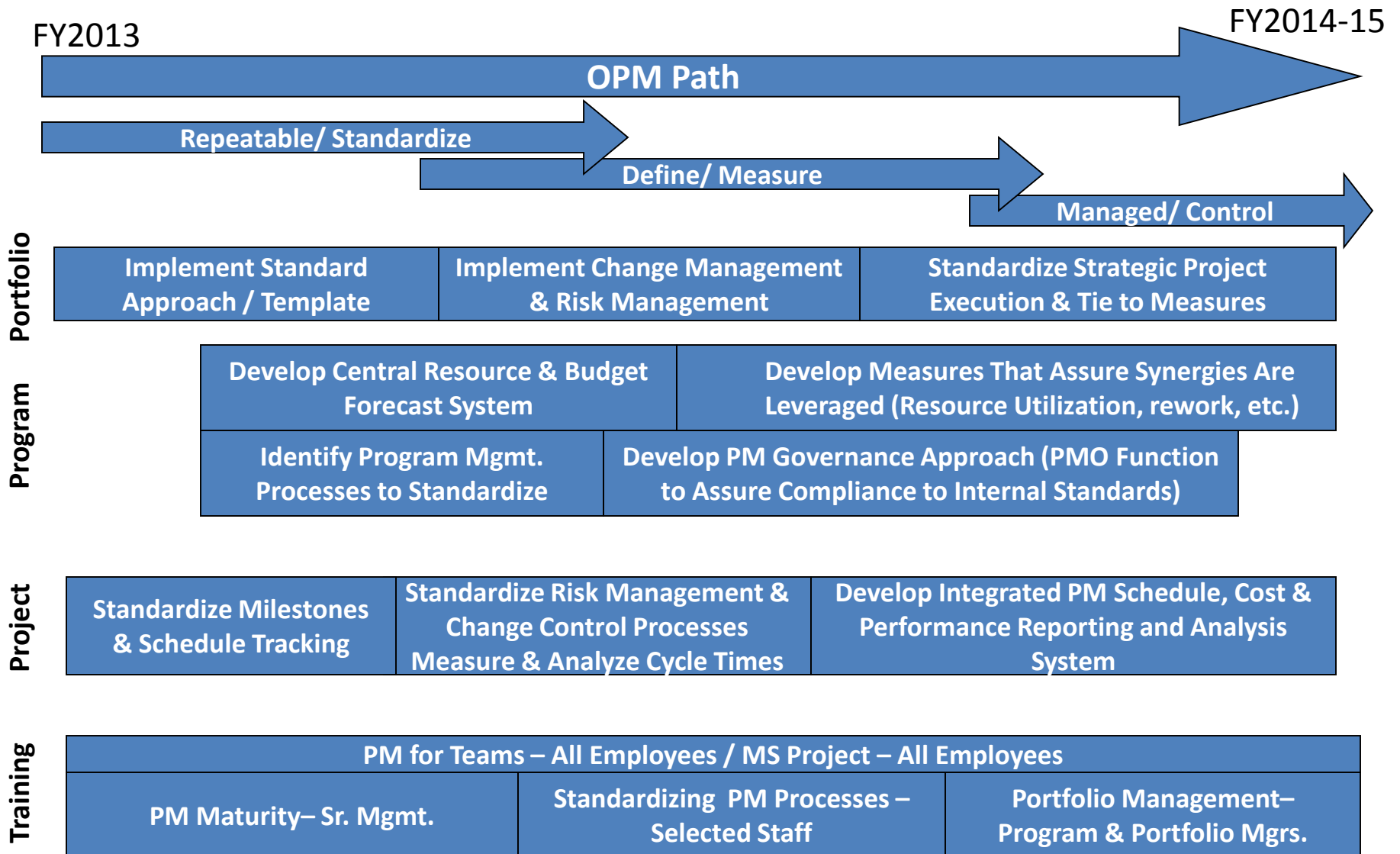
OPM3 Benefits

- **Leverages** the correlation between an organizations **PM capabilities** and **effectiveness** in implementing strategy
- Provides a **comprehensive** body of knowledge regarding what constitutes Best Practices in Organizational Project Management environment
- An **objective** maturity assessment determines existing capabilities and needed capabilities
- Provides a **baseline** for deciding improvements to pursue and defer
- For improvements an organization pursues, OPM3 provides **documented evidence** improvements were achieved

How to Get Started – Lessons from the Field

- Assess your organization's readiness and define activities that align with readiness
- Evaluate other initiatives in the organization and look for ways to enhance using OPM/ OPM3 versus compete
- Tie your OPM/ OPM3 efforts to business objectives and achieving business results. Avoid the project management perfection trap
- Start small with OPM3 Assessments- Pick 1 domain and standardize level
 - Start assessments only when your organization is ready.

Example of Comprehensive OPM Improvement Plan

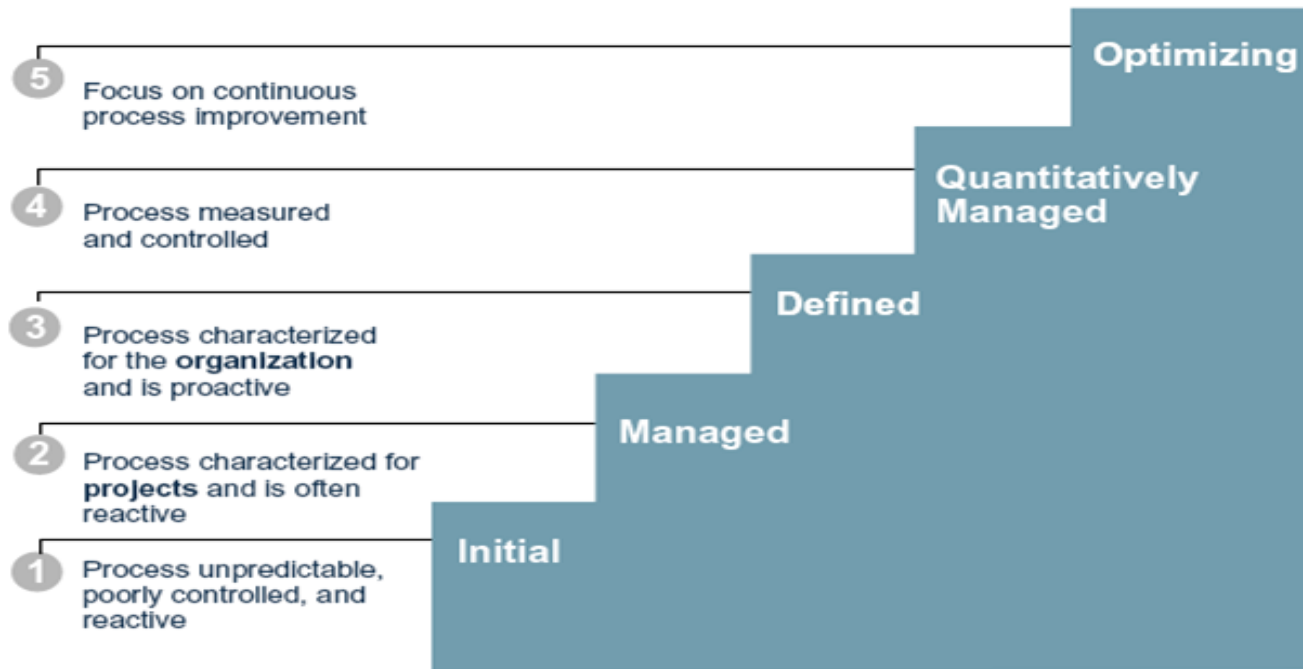


APPENDIX – REFERENCE MATERIAL

“Original” Maturity Model – Capability Maturity Model Integrated



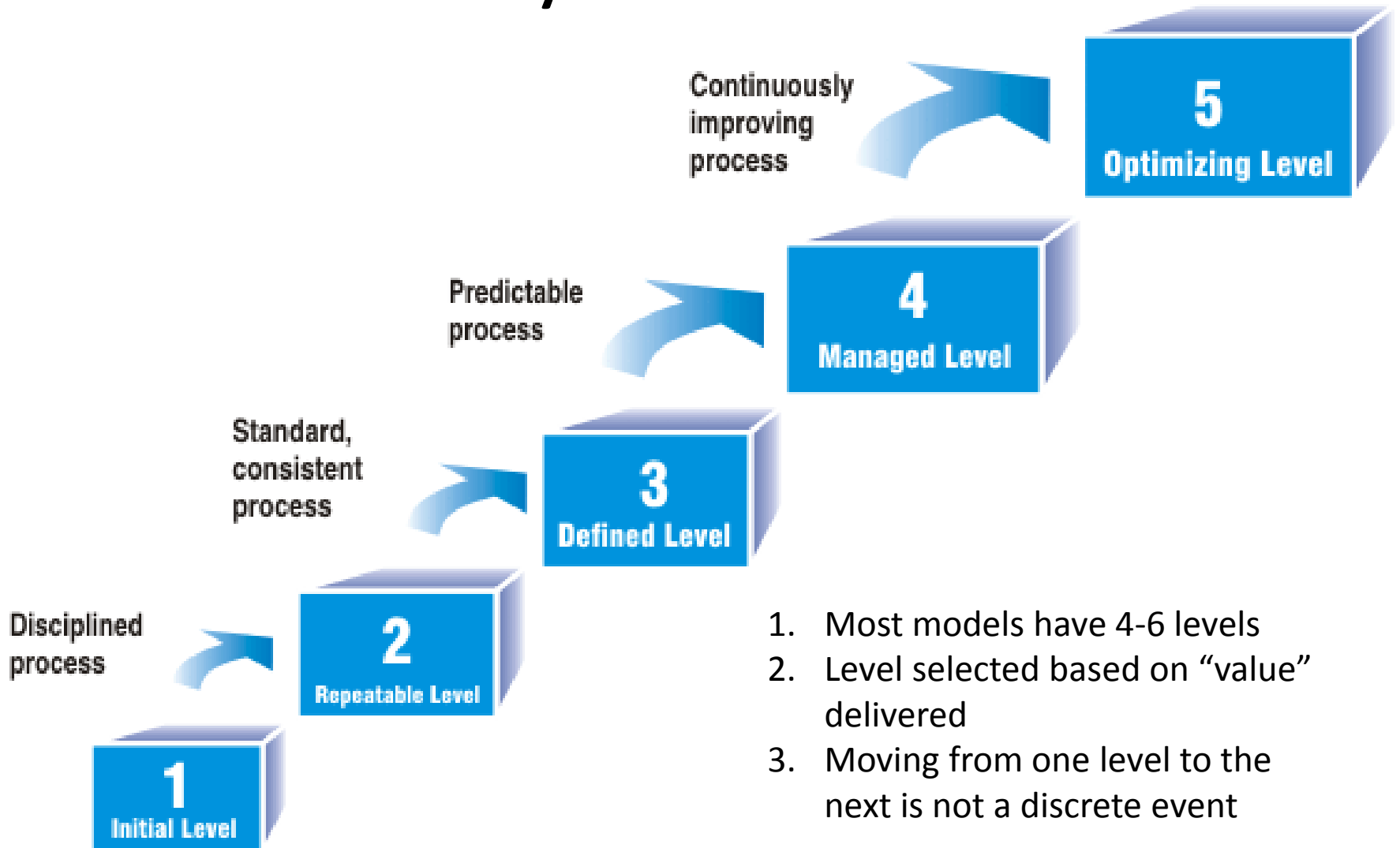
The Maturity Levels



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Maturity Model - Basics



Best Practices Appendix

Best Practices – What Are They & How Are They Achieved

- A **Best Practice** is an optimal way currently recognized by an organization or industry to achieve a stated goal or objective
- For organizational project management **Best Practices** are focused on the ability to deliver projects predictably, consistently, and successfully to implement organizational strategies
- In **OPM3 Best Practices** are assessed by an organization demonstrating supporting capabilities as observed through measurable outcomes

Best Practices Directory - Example

- 1400 Staff Projects With Competent Resources
 - The organization provides projects with an adequate workforce with the right level of competence for each project-related role.
 - Domains: Projects, Standardize
- 1410 Manage Project Resource Pool
 - The organization has the mechanisms, systems, and processes that provide projects with professional project managers and competent, committed project team members
 - Domains: Project, Standardize

Best Practices - Core Components

- **Capability**
 - Specific competency that must exist in an organization to execute project management processes.
 - Capabilities are incremental steps that aggregate to one or more Best Practices
- **Outcome**
 - Existence of a Capability is demonstrated by the existence of one or more corresponding Outcomes
- **Key Performance Indicator (KPI)**
 - The criterion by which an organization can determine, quantitatively or qualitatively
- **Dependencies**
 - Series of capabilities leading to a single Best Practice
 - Existence of a Best Practice depends on the existence of another Best Practice

Capabilities - Example

- BP Name: 1410 Manage Project Resource Pool
 - Capability ID 1410.030 Develop Skills Database
 - Outcome: The organization has a skills database to determine training requirements
 - KPI: Skills Gap Analysis Results
 - Metric Type: Exists/ Does not exist

Improvement Planning - Example

- BP Name: 1410 Manage Project Resource Pool

<i>Capability</i>	<i>Name</i>	<i>Status</i>
1410.010	Know the Importance of a Competent Resource Pool	Achieved
1410.020	Identify Process Requirements for Resource Pool	Partial
5220.030	Implement Staff Acquisition Policies & Procedures	Gap
1410.030	Develop a Skills Database	Partial
1400.040	Review Human Resource Plan	Partial

Key Concept: Improvement plan suggests order and identifies dependencies from other best practice areas