OPM3 – Delivering Organisational Value

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Delivering Organisational Value

KPMG 2003, 2005: successful organisations have the following in common:

- Improved corporate governance through strategic alignment of projects to corporate strategy
- Delivery of value through benefits realisation
- Mature PMOs

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Delivering Value

Successful organisations must:

- Align projects with business strategy
- Maximise value of scarce resources
- Balance their portfolios of projects
- Learn from others - benchmarking

THAT IS

- Do the right projects

As well as:

- Do them right (time after time)

Organisational PM Maturity

Organisational PM maturity; how to achieve it?

- Recognise need for maturity
  - Financial, regulatory drivers
- Define what maturity means to organisation
  - (do right projects, and do them right time after time)
  - Specific processes and procedures
- Assess current state
- Describe desired future state
- Develop a realistic means to achieve improvements

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Organisational PM Maturity

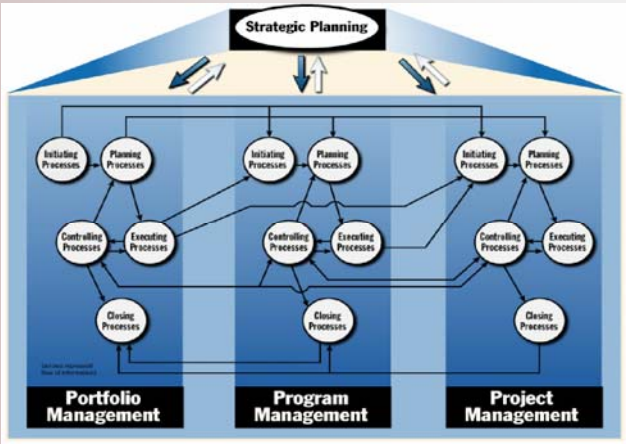
The context of delivering strategy through projects:

- Whole organisation or parts
- Portfolio, program and project levels (domains)
- Process Improvement stages (S M C I)
  - Standardise, Measure, Control, Improve
- For PM Processes across all levels
  - Initiating, Planning, Executing, Controlling and Closing

Organisational Maturity

Domains by Process Groups

Every Process at every level of an organisation may need action for improvement



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OPM3

- Researched 27 contemporary models
- Broad participation of PM community
- More than 800 professionals
- More than 35 countries
- Aligned with *PMBOK® and Program and Portfolio Standards*
- Assessment model developed according to recommendations of industry Best Practice

OPM3

PMI's Organisational PM Maturity Model - OPM3

- Improvement process to increase PM maturity
- Structure to support:
  - improved consistency of project methods
  - predictability of project outcomes
- Measures of improvement progress
- Driving up ROI

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OPM3

A standard based on

- PMBOK (Project Management)
- PMI's Program Management Standard
- PMI's Portfolio Management Standard

AND A methodology

- **Knowledge** – PM Maturity; Best Practices
- Tool to support **assessment** of current state
- Suggested paths for **improvement**

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Elements of OPM3 Standard

Three, interlocking elements to the Standard

- **Knowledge**
- **Assessment**
- **Improvement**

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Knowledge

- Organisational PM defined
- Organisational PM maturity defined
- What are Best Practices
  - Supported by capabilities
  - Measured by outcomes
- How to use OPM3

OPM3 Best Practices - Examples

- Organisational Strategy
  - Governance structures
  - Developing commitment to project management
  - Prioritising projects and their alignment to strategy
- Processes
  - Standardisation and integration
  - Use of performance metrics of
  - Control and continuously improvement
- Human Resource Management
  - Developing PM competencies of people
  - Allocation of resources to projects
  - Improving teamwork

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Components and relationships

- ***OPM3*** **provides details relating to all of the capabilities required for each Best Practice, including ones from other Best Practices**

OPM3 DB contains:

- 600 Best Practices
- 3000 Capabilities
- 4000 relationships within capabilities

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Assessment

Self-assessment tool SAM)

New IT tool – ProductSuite (Launched April/May 2006)

- Expands capability to assess
  - User-friendly interface
- Effective management of complex data
  - Domain; Processes; Stages of process improvement
- Development of reports:
  - Maturity (% on Continuum)
  - Best Practices and Capabilities achieved (and not achieved)
- Data to make decisions on planning improvements

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Improvement

- Supported by data from assessment
- Selection of improvement paths to meet organisation's own strategic needs
- Guided by data from the ProductSuite database (benchmarking data)
- Opportunities to contribute to:
  - Benchmarking data
  - Ongoing benefits

The OPM3 Cycle

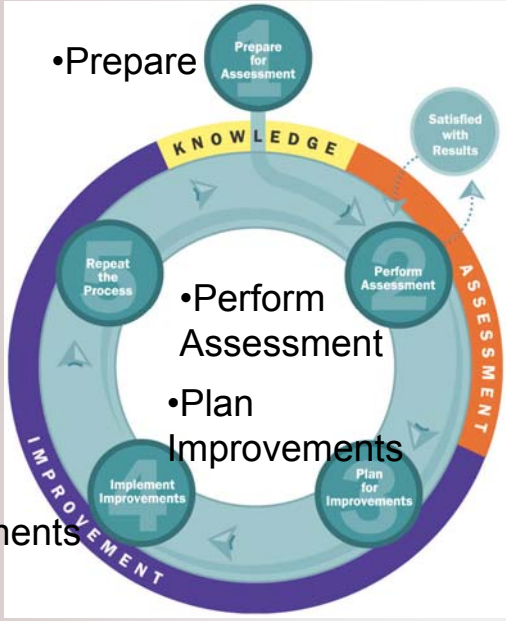
•Prepare

Repeat the Process

•Perform Assessment

•Plan Improvements

Implement Improvements



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Preparing

- Assessment will be lead by certified ProductSuite assessors
  - To ensure consistency
- Their first task is to work with executives to decide boundaries of assessment
  - Everything
  - Projects only
  - Specific parts of the organisation
- The assessment questions will be tailored to this brief

Assessing

- Standardisation:
  - Clear ownership of the process?
  - Is the process documented? etc
- Measurement:
  - Who uses the process?
  - How is it measured? etc
- Controlled
  - Are the processes stable? etc
- Improvement
  - Wide spread participation? etc

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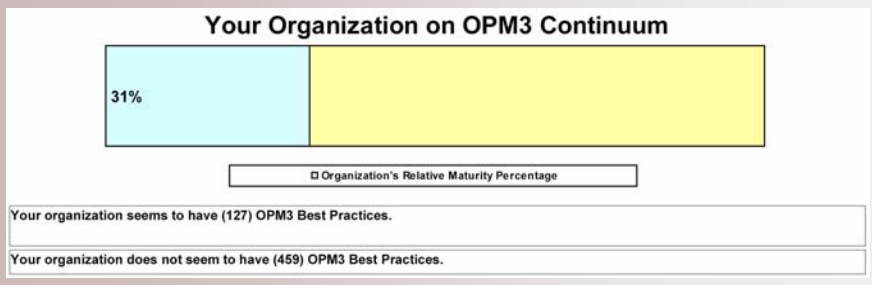
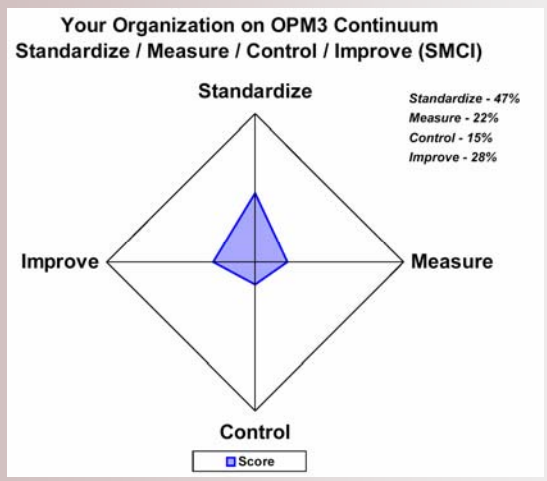
Assessment Results



Overall assessment on a continuum from 0% to 100%

Assessment Results



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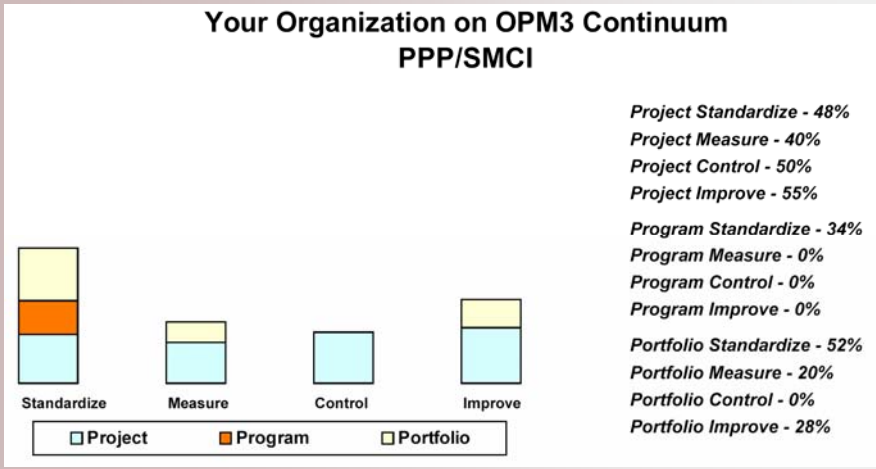
Assessment Results



Prioritised 'path'

- The OPM3/ProductSuite Model will provide:
  - A graphical view of current assessment
  - A list of Best Practices that will deliver the selected Improvements
  - The Capabilities that will deliver these Best Practices - the 'path'
  - Outcomes and KPIs for achievement of the Capabilities and thence Best Practices

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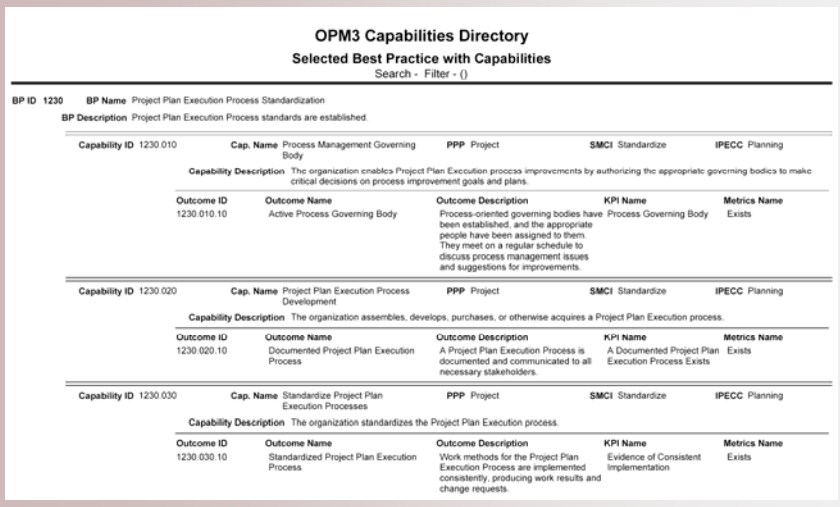
Best Practice 1230



OPM3 Capabilities Directory

Selected Best Practice with Capabilities

Search - Filter - ()

BP ID 1230 **BP Name** Project Plan Execution Process Standardization

BP Description Project Plan Execution Process standards are established.

Capability ID	Cap. Name	PPP	SMCI	IPECC
1230.010	Process Management Governing Body	Project	Standardize	Planning

Capability Description The organization enables Project Plan Execution process improvements by authorizing the appropriate governing bodies to make critical decisions on process improvement goals and plans.

Outcome ID	Outcome Name	Outcome Description	KPI Name	Metrics Name
1230.010.10	Active Process Governing Body	Process-oriented governing bodies have been established, and the appropriate people have been assigned to them. They meet on a regular schedule to discuss process management issues and suggestions for improvements.	Process Governing Body	Exists

Capability ID	Cap. Name	PPP	SMCI	IPECC
1230.020	Project Plan Execution Process Development	Project	Standardize	Planning

Capability Description The organization assembles, develops, purchases, or otherwise acquires a Project Plan Execution process.

Outcome ID	Outcome Name	Outcome Description	KPI Name	Metrics Name
1230.020.10	Documented Project Plan Execution Process	A Project Plan Execution Process is documented and communicated to all necessary stakeholders.	A Documented Project Plan Execution Process Exists	Exists

Capability ID	Cap. Name	PPP	SMCI	IPECC
1230.030	Standardize Project Plan Execution Processes	Project	Standardize	Planning

Capability Description The organization standardizes the Project Plan Execution process.

Outcome ID	Outcome Name	Outcome Description	KPI Name	Metrics Name
1230.030.10	Standardized Project Plan Execution Process	Work methods for the Project Plan Execution Process are implemented consistently, producing work results and change requests.	Evidence of Consistent Implementation	Exists

Planning Improvements

From the OPM3 (ProductSuite) Report

- And the original brief
- An appropriate 'path' can be selected
- And managed as a project
- On completion of the first phase of improvements:
  - Continue with phases identified in report
  - Re-assess to measure new organisaitonal maturity

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Conclusion

OPM3 is a Journey

- Focus on an approach of continuous improvement
- The Journey will take time
- The core of the Standard must be supported by a knowledge of the PMBOK AND Tools:
  - ProductSuite to ensure
  - Delivery as planned
  - Flexible and appropriate reporting

Questions?

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