

# A MATURITY MODEL THAT'S RIGHT AND READY

## OPM3 - PAST, PRESENT AND FUTURE

Presented at



Hotel Grand Chancellor, Christchurch,  
New Zealand

4<sup>th</sup> – 6<sup>th</sup> October 2006

**Dr. Lynda Bourne** DPM, PMP, CCP,  
Director of Training

For more OPM3 papers see:  
[www.mosaicprojects.com.au/Resources\\_Papers.html#OPM3](http://www.mosaicprojects.com.au/Resources_Papers.html#OPM3)

Mosaic's OPM3 Reference page see:  
[www.mosaicprojects.com.au/Techniques.html#OPM](http://www.mosaicprojects.com.au/Techniques.html#OPM)

**Mosaic Project Services Pty Ltd**

13 Martin Street  
South Melbourne VIC 3205  
Tel: (03) 9696 8684 Fax: (03) 9686 1404  
Email: [lyndab@mosaicprojects.com.au](mailto:lyndab@mosaicprojects.com.au)  
Web: [www.mosaicprojects.com.au](http://www.mosaicprojects.com.au)

## **A Maturity Model that's Right and Ready: *OPM3 - Past, Present and Future***

The Organizational Project Management Maturity Model (OPM3) has been developed by PMI to assist organizations in assessing and understanding their current level of organizational project management maturity, and if they choose, help them plan an improvement path to become more mature.

OPM3 has been designed to meet the needs of organizations of all types and sizes. Its primary functions are:

- To be the international standard for Organizational Project Management.
- Provide a framework for assessing organizational project management maturity.
- Deliver a methodology to enhance an organization's overall ability to select and manage projects in a way that supports its strategic goals.

In this paper, I will explore the past, present and future features and benefits of OPM3:

- Past:
  - Organizational maturity and organizational project management jointly as keys to an organization's success – measured through the bottom line
  - OPM3 as a means for organizations to attain increasing levels of maturity through improving project, program and portfolio management practices
- Present:
  - The major elements of the OPM3: philosophy: knowledge, assessment and improvement.
  - The main aspects of the OPM3 business model: assessment, consulting, training and benchmarking.
- Future
  - The place of the OPM3 ProductSuite toolset in assisting an organization identify current level of maturity and define a unique path for improvement through improving its organizational project management capabilities.

### **The Past: foundation definitions**

#### ***Maturity Models***

Ways to measure performance are essential to understanding how the organization is positioned (against a set of criteria usually established by that organization). The concept of organizational maturity has been developed as a way for organizations to measure their performance and assess practices against standards or benchmarks. "The term (maturity) provides a useful way of communicating something significant about the extent to which an organization is capable of consistently defining, initiating and managing a complex portfolio of projects" (Cooke-Davies 2005:1 )

The KPMG 2005 survey (KPMG, 2005) found that successful companies were more focussed on strategic alignment, monitoring of the achievement of business, developing PMs, and the development and maintenance of PMOs. It follows then that a standard that applies project management principles at the organizational level will assist other organizations emulate the 'successful organizations' described in the KPMG survey.

"Models help set process improvement objectives and priorities, improve processes and provide guidance for ensuring stable, capable and mature processes; as a guide for improvement of organizational processes", they :

- Define a starting point
- Enable the benefits of a community's prior experiences to be shared
- Create a common language and a shared vision
- Simplify approximations of reality to provide insight (Software Engineering Institute, 2006).

Traditional definitions of *project* do not fully acknowledge the importance of the performing organisation in the creation of projects, and the organisation's importance in contributing to the success of the project (Bourne, 2004a). PM Maturity Models are important assessment tools, that help organisations assess in a systematic and codified way their strengths and weaknesses, establish a baseline and support improvement efforts. Project management maturity describes the journey of an organization that 'does projects' to maturity along a path of continuous improvement.

## Organizational Project Management Maturity

The maturity model applied within organizations is based on the concept that they will focus on delivering corporate strategy through projects. The key to this strategy is therefore improvement in PM capability throughout the organization – in projects, programs and portfolios (Turner 1999). To better facilitate this alignment of project management capability with corporate strategy, organizations must employ two different but convergent approaches:

- Doing the 'right projects' – balancing portfolios to meet corporate goals and also within the confines of the capacity of the organization to absorb additional change
- Doing the 'projects right' - Ensuring they have the capability to apply the right skills and other resources to the successful delivery of the project objectives. Doing projects 'right' will be enhanced through implementation of standard processes to support project delivery consistently – 'doing projects right, time after time', (Bourne, 2004a; (Crawford, Hobbs and Turner, 2006).

Continuous improvement in the form of a journey along the Project Management maturity path contributes to the achievement of organisational strategy through:

- Increased project alignment with strategic business goals
- Support for better business decisions
- Increased project performance leading to improved business performance (and therefore the 'bottom-line' (Project Management Institute, 2006).

## OPM3 – Organizational Project Management Maturity Model

The Organizational Project Management Maturity Model (OPM3) was developed by PMI to assist organisations in bridging this gap by creating a standard - a methodology for assessing and understanding an organisation's current level of organisational project management maturity, and if it chooses, help plan an improvement path to become more mature (Project Management Institute, 2003).

A project team of over 500 volunteers from around the world (all experienced Project Managers, including the author of this paper) was engaged in the development of OPM3 which was released in the first edition in 2003. Currently a newly-formed group of volunteers is working to review and improve a second edition due for release in 2008.

OPM3 defines maturity for organisational project management and can be defined as "the degree to which an organisation practices organisational project management" (Project Management Institute

2003, p5). In OPM3, this is reflected by the combination of Best Practices achieved within each of the Project, Program and Portfolio domains. OPM3 is a maturity model; describing the incremental Capabilities that aggregate to Best Practices and which are prerequisite to effective organisational project management (Project Management Institute, 2003).

The first edition of the OPM3 standard was released in 2003, and consisted of a standard describing the elements and process context of OPM3 along with a CD to support organizations seeking to use OPM3 to assess their current status – the Self Assessment Module (SAM).

The elements and process context of OPM3 will be described in the Present section of this paper. The remainder of the Past section will describe the SAM.

### The SAM

The SAM supports an organization in assessments of its maturity through provision of a set of questions based on the PM processes described in the Project Management Body of Knowledge, the PMBOK (Project Management Institute, 2000), and other processes defined for use within the program and portfolio domains. There are 151 high level questions with a 'yes' or 'no' answer. The resultant graphics produced help the organization understand its maturity based on benchmarking data collected from leading organizations during the OPM3 development phase.

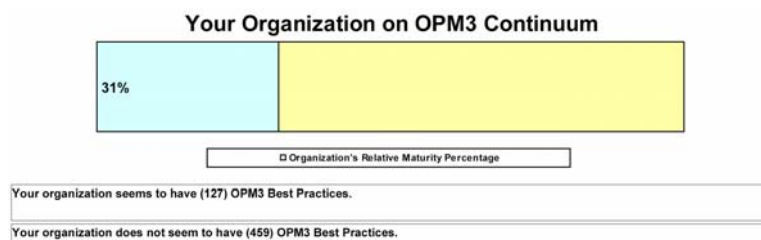


Figure 1 - Results of SAM

The SAM produced other useful detailed data as a starting point for improvement.

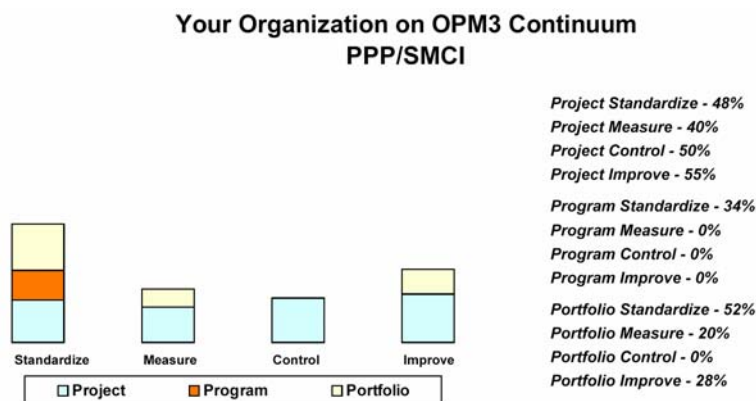


Figure 2 - Detailed results of SAM

The SAM in this form provided a useful starting point for organizations seeking to improve their organizational maturity levels, but required a great deal of preparation based on the need to decompose each question into its underlying processes. A second disadvantage was that the organizational data was retained on the CD and could not be gathered easily to update the benchmarking data originally collected.

The next section of this paper will describe the essential aspects of OPM3 as well as described the current state of OPM3 assessments.

## The Present

### Elements of OPM3

OPM3 is designed to be easy to understand and use, as well as scalable, flexible and customisable. The templates, guides etc will lead any organization along the path to a maturity that fits with its own unique strategies and culture.



**Figure 2-1:** Elements of the OPM3 Standard: Knowledge, Assessment, Improvement  
*Organizational Project Management Maturity Model (OPM3™)*. ©2003 Project Management Institute, Inc. All rights reserved.

### Figure 3 - Elements of OPM3<sup>1</sup>

There are three major elements of OPM3:

- Knowledge – defining organizational project management maturity and the application of the methods to either project, program or portfolio management within the organization.
- Assessment – evaluating Best Practices and capabilities. OPM3 self-assessment allows an organization to identify areas of strength and weakness and provides a tool to compare the current state of organizational project management maturity with the Best Practice characteristics described in the model.
- Improvement – an organization can use the OPM3 tool to identify the prerequisite steps and thus develop a program to implement these steps to achieve an improved state of maturity.

<sup>1</sup> The graphics used in Figures 3, 4, 5, 6, 7 have been have been purchased from PMI

## OPM3: Past, Present and Future

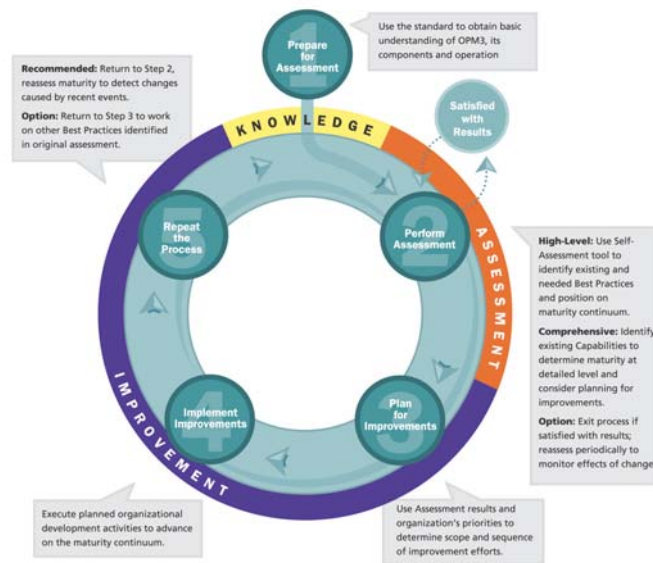


Figure 6-1: OPM3 Cycle

Organizational Project Management Maturity Model (OPM3™). ©2003 Project Management Institute, Inc. All rights reserved.

### Figure 4 - Elements of OPM3

The OPM3 structure also incorporates:

- Three domains – project, program and portfolio
- Four stages of improvement – standardise, measure, control and continuously improve (SMCI)
- Five project management process as defined by the PMBOK – Initiating, Planning, Executing, Controlling and Closing (Project Management Institute, 2000).

The multiple dimensions of assessment require a different approach, but allow for flexibility in applying the model to the “unique needs” of an organisation.

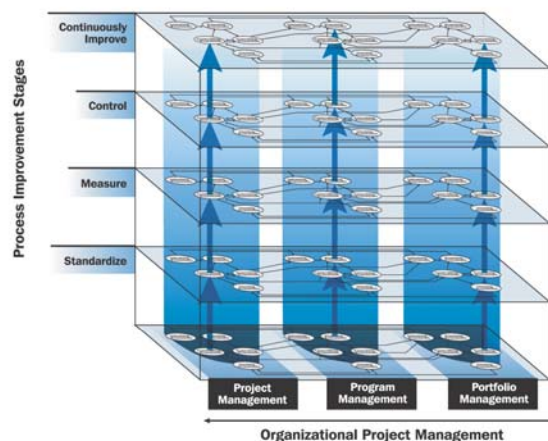


Figure 4-4: OPM3 Process Construct

Organizational Project Management Maturity Model (OPM3™). ©2003 Project Management Institute, Inc. All rights reserved.

### Figure 5 - the complexity of the OPM3 model

#### ***The Building Blocks***

The essential building blocks of the OPM3 model are Best Practices, Capabilities, Outcomes and Key Performance Indicators (KPI), within specific Domains and different Project Management Processes.



**A Best Practice** is “an optimal way currently recognised by industry to achieve a stated goal or objective. For organisational project management, this includes the ability to deliver projects predictably, consistently and successfully to implement organisational strategies” (Project Management Institute, 2003:13) “Best Practices:

- Provide a foundation for a plan to achieve strategic goals
- Provide the means to measure an organisation’s project performance against broad-based set of specific project management Best Practices and create targeted performance goals



**Figure 3-2:** Key Performance Indicators (KPIs) confirm the attainment of Outcomes  
Organizational Project Management Maturity Model (OPM3™). ©2003 Project Management Institute, Inc. All rights reserved.

### Figure 6 - Building blocks of OPM3

- Provide a basis for disparate groups across an organisation to establish common and consistent language, tools and processes.
- Serve as a basis for training and developing personnel
- Function as an organisational competency assessment vehicle
- Enable organisations to apply lessons learned throughout the project life cycle.” (Project Management Institute 2003:15)

Within the OPM3 Standard there are Best Practices to define:

- Governance structures
- Standardised and integrated processes
- Performance metrics and how to use them
- Continuous improvement of processes and their control
- Foster commitment to project management
- Project prioritisation and alignment with organisational strategy
- Criteria for continuation or termination of projects
- Project management competencies of personnel and how to develop people
- Project resource allocation
- Support for teamwork (Project Management Institute, 2003:14).

A **Capability** “is a specific competency that must exist in an organisation in order for it to execute project management processes and deliver project management services and products. Capabilities are incremental steps, leading up to one or more Best Practices. Each Best Practice is made up of two or more Capabilities... The existence of a Capability is demonstrated by the existence of one or more corresponding Outcomes” (Project Management Institute 2003:15).

**Outcomes** are the tangible or intangible result of applying a Capability.

**Key Performance Indicators (KPI)** is a “criterion by which an organisation can determine, quantitatively or qualitatively, whether the Outcome associated with a Capability exists or the degree to which it exists. A KPI can be a direct measure or an expert assessment” (Project Management Institute 2003:15).

### OPM3: Past, Present and Future

Figure 7 below illustrates the interdependency of capabilities and Best Practices. It is possible that capabilities from other Best Practices are necessary to achieve the focal Best Practice.



Figure 7 - Interdependency of BPs



OPM3 assists by providing a sequential list of the Capabilities that must be achieved to achieve the target Best Practice: see Figure 8.

**OPM3 Improvement Planning Directory**  
Selected Best Practice with Paths

---

<b>Best Practice</b> 1230	<b>Name</b> Project Plan Execution Process Standardization							
<b>Description</b> Project Plan Execution Process standards are established.								
		Project	Program	Portfolio	Standardize	Measure	Control	Improve
		X		X				

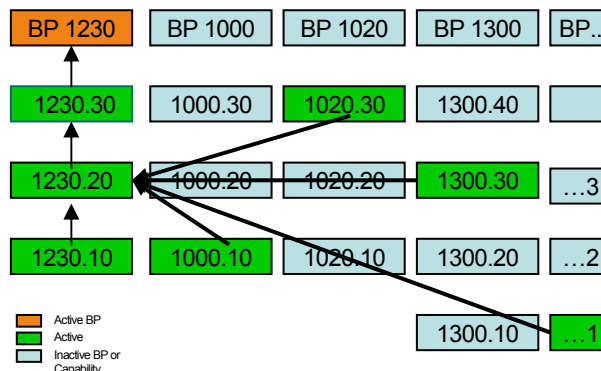
  

Capability	Name	Outcome Checklist
1230.010	Process Management Governing Body	<input type="checkbox"/>
1000.010	Established Standardization Policies	<input type="checkbox"/>
1230.020	Project Plan Execution Process Development	<input type="checkbox"/>
1020.030	Standardize Project Plan Development Processes	<input type="checkbox"/>
1300.030	Standardize Project Performance Reporting Processes	<input type="checkbox"/>
1320.030	Standardize Project Scope Verification Processes	<input type="checkbox"/>
1330.030	Standardize Project Scope Change Control Processes	<input type="checkbox"/>
1340.030	Standardize Project Schedule Control Processes	<input type="checkbox"/>
1370.030	Standardize Project Risk Monitoring and Control Processes	<input type="checkbox"/>
1230.030	Standardize Project Plan Execution Processes	<input type="checkbox"/>

Best Practice 1230 has 3 capabilities, 7 prerequisites, and 10 outcomes.

**Figure 8 - output of OPM3**

This can be interpreted as shown in Figure 9 (Bourne, 2004b)



**Figure 9 - Capability list interpreted**

A plan for improvement based on this data can then be developed and its implementation managed as a project.

### **OPM3 Assessments – the Present**

Additional features have been added to OPM3:

- Migration of the assessment tool (SAM) from the CD to the Web; this move facilitates maintenance of benchmarking data
- Inclusion of Organisational Enablers to the building blocks of the model

Other enhancements (these will be described in detail in the Future section of this paper:

- Development and implementation of OPM3 ProductSuite assessment and improvement support tool in partnership with DNV
- Development of a program for certification of assessors and consultants within the ProductSuite tool

## Organizational Enablers

Organizational Enablers are organizational activities that must be in place to enhance the benefits of Best Practices achieved by that organization. They are considered to be a special set of Best Practice. Some examples are:

- Organizational Project Management Policy and Vision
- Strategic Alignment
- Executive Sponsorship
- Competence Management
- Teamwork Approaches
- Project Management Metrics
- Knowledge Management

## Putting It all Together

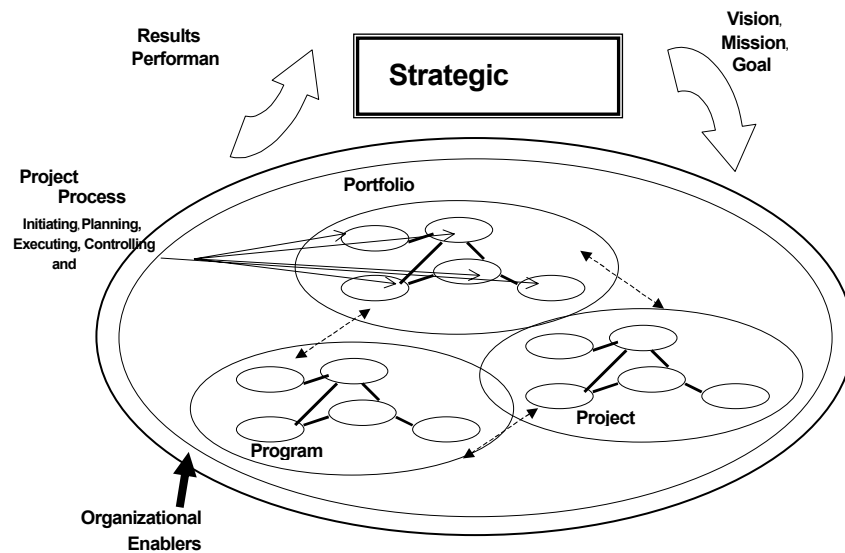


Figure 10 - OPM3 the complete picture

## The Future

### OPM3 ProductSuite

The complexity shown in Figure 5 above, has lead PMI to form a partnership with DNV as a provider of certification management including training, as well as the development of an application to manage assessments and improvements in organizations allowing flexibility and ease of use for the assessment process through the multiple layers described in the construct above.

There are four main aspects of the OPM3 business model supported by ProductSuite:

- Assessment
- Consulting
- Training
- Benchmarking



## OPM3: Past, Present and Future

OPM3 ProductSuite supports OPM3 through providing robust assessment and improvement support tools that help organizations navigate through the complexities of the OPM3 construct to focus on assessments (and therefore improvements) essential and particular to that organization's needs. DNV has also developed a certification process to train and register individuals to use ProductSuite in a consistent and expert manner, and allowing rigorous inspection of the organizations' total project management maturity to a degree that has never been available to date.

A small group of assessors and consultants have been certified and additional training is being offered to organizations and individuals to support growing interest in OPM3 and in OPM3 ProductSuite.

The benchmarking feature is still in development, but when released is intended to provide the data on which organizations can compare their assessments to the combined data of all participant organizations.

### **Updating the OPM3 Model**

Work has begun to update the 1<sup>st</sup> edition to incorporate the PMBOK 2004 edition as well as the new Program and Portfolio Standards developed by PMI. This work is done by a group of volunteers with focus on, improving the model, updating the model and developing case studies to show the effectiveness of the model. The link for volunteering is listed below.

## **Conclusion**

"Improving an organization's level of project management maturity results in significant performance benefits" (Centre for Business Practices, 2006). The Centre for Business Practices (CBP), polled 81 project management practitioners about their organizations' management practices and business results. The result was a direct correlation between organizational performance improvement and project management maturity and that "improving the level of project management maturity in an organization results in significant performance increases, particularly in the area of customer satisfaction" (Centre for Business Practices, 2006).

"Successfully applying OPM3 depends on the size, complexity and initial maturity of the organization. The thoroughness of the assessment, the nature of the organization's strategic objectives, and the amount of resources available also impact any estimate of the time and commitment necessary." (Project Management Institute 2004) OPM3 is scalable and flexible and can apply to any size organization, in any industry. But it is not a 'silver bullet' (Jugdev and Thomas, 2002). Like any other method and model for continuous improvement and maturity it is a long journey that requires commitment from all levels of the organization long-term.

### **Some Useful Links**

**About OPM3 including prices:** <http://opm3online.pmi.org/>  
**Become a Volunteer in updating OPM3:** [http://www.pmi.org/prod/groups/public/documents/info/pp\\_opm3.asp](http://www.pmi.org/prod/groups/public/documents/info/pp_opm3.asp)

**About ProductSuite:** <http://www.opm3productsuite.com/>  
**Certification Training dates and costs:**  
Entry Criteria: [http://www.opm3productsuite.com/templates/Page\\_512.aspx](http://www.opm3productsuite.com/templates/Page_512.aspx)  
Prices: [http://www.opm3productsuite.com/templates/Page\\_540.aspx](http://www.opm3productsuite.com/templates/Page_540.aspx)  
Course Dates and Bookings: [http://www.opm3productsuite.com/templates/calendar\\_260.aspx](http://www.opm3productsuite.com/templates/calendar_260.aspx)

**More on OPM3 from Mosaic:** <http://www.mosaicprojects.com.au/Techniques.html#OPM>  
**OPM3 Foundation Course:** <http://www.mosaicprojects.com.au/Training-OPM3.html>

## References

- Bourne, L. (2004a). The Paradox of Project Control in a Matrix Organisation. UK International Performance Management Symposium, London.
- Bourne, L. (2004b). Organizational Project Management Maturity Model - OPM3. Primavera Australia 2004 Conference, Sanctuary Cove, Queensland.
- Centre for Business Practices, C. (2006). Advancing Project Management Maturity Results in Improved Organizational Performance. HAVERTOWN, PA.
- Cooke-Davies, T. (2005). The Executive Sponsor - the Hinge upon which Organizational Project Management Maturity Turns? 2005 PMI Global Congress, Edinburgh, Scotland.
- Crawford, L., B. Hobbs, and Turner, J, R (2006). "Aligning Capability with Strategy: Categorizing Projects to do the Right Projects and to do them Right." Project Management Journal **37**(2): 38 - 50.
- Jugdew, K. and J. Thomas (2002). "Project Management Maturity Models: the Silver Bullet of Competitive Advantage?" Project Management Journal **33**(3): 4 - 14.
- KPMG (2005). Global IT Project Management Survey: How committed are you? KPMG International.
- Project Management Institute, P. (2000). Project Management Framework and the Project Management Body of Knowledge (PMBOK), Project Management Institute.
- Project Management Institute, P. (2003). Organizational Project Management Maturity Model (OPM3). Pennsylvania, Project Management Institute Inc.
- Project Management Institute, P. (2004). An Executive's Guide to OPM3. Newtown Square, Pennsylvania.
- Project Management Institute, P. (2006). Raising OPM3 to whole new level. PMOz 2006 - 3rd Annual PMI Australia Conference, Melbourne, Australia.
- Software Engineering Institute, S. (2006). CMMI overview.
- Turner, J. R. (1999). The Handbook of Project-based Management: Improving the processes for achieving strategic objectives. London, McGraw-Hill.

## Dr Lynda Bourne DPM, PMP, CCP

Dr Lynda Bourne DPM, PMP, CCP is an award winning project manager, consultant and trainer with 20 years professional industry experience.

Dr Bourne was 2003 winner of PMI Australia's 'Project Manager of the Year' award and was awarded PMI's Robert J Yoursak tuition scholarship for the 2004/2005 academic year, for completion of her doctoral dissertation for the award of Doctor of Project Management.

She is a recognised international authority on stakeholder management and the 'Stakeholder Circle' visualisation tool, presenting at conferences and seminars in Europe, Russia, Asia, New Zealand and Australia to audiences of project managers in the IT, construction, defence and mining industries, and published papers in many academic and professional journals.

A Certified Computer Professional (CCP) in the Australian Computer Society (ACS), she is a member the Academic Board of ACS Education and a tutor for one of the modules in the Certification Program – Business, Legal and Ethics.

She is a certified assessor and tutor for PMI's Global standard for Organisational Project Management Maturity (OPM3) ProductSuite and Chairman of the Examination Board.

Dr Bourne has extensive experience as a Senior IT Project Management Consultant specialising in delivery of IT and other business-related projects within the telecommunications and utilities sector, in the Asia Pacific Region. Other industry-related roles include strategic planning, Account Management within the IT industry, Business Process Re-engineering (BPR) and business development.

Dr Bourne's career has combined practical project experience with business management roles and academic research to deliver successful projects that meet stakeholders' expectations. She can be contacted by email at [lyndab@mosaicprojects.com.au](mailto:lyndab@mosaicprojects.com.au). Mosaic's website is [www.mosaicprojects.com.au](http://www.mosaicprojects.com.au).