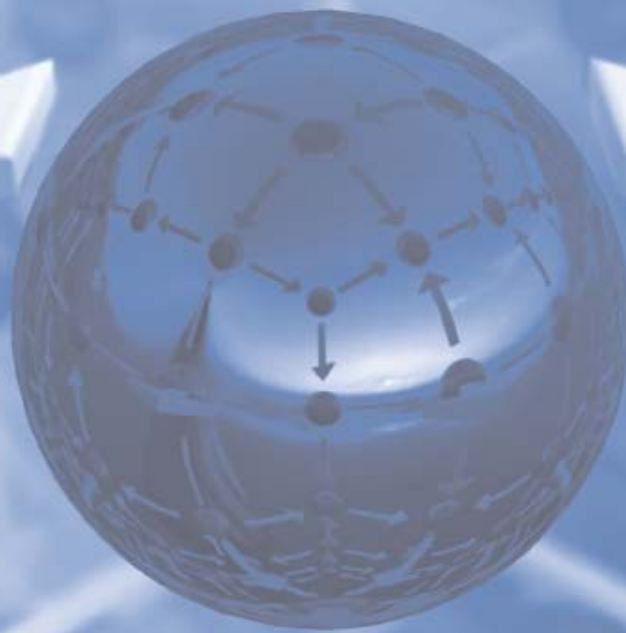


# Project Office Levels and Responsibilities



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# Project Office Levels and Responsibilities

By Kathleen Donohue, PMP

*Corporations establish project offices using different names for different purposes. While there are common terms, to date neither the Project Management Institute (PMI) nor any other recognized project management authorities have established “definitive” terms and requirements for project offices. This document will attempt to give some commonly used terms and describe the responsibilities and expectations set by organizations around the world to define “project offices.”*

## Levels of Project Offices

Depending on the level at which a project office is established within the organization, it will generally perform different functions. These functions are primarily defined by the power vested in the project office by the organization to set and enforce policies and procedures for the related organization or portion of the organization.

### Program Office

A program office is usually established to support a large program (group of projects managed together to provide more efficiency to the organization).

It is most often called a Program Management Office (PMO). The PMO includes the program manager and support staff who establish common processes to control the complex data of the projects in the program. On some occasions, an extremely large project is treated as a program and a PMO is established for its support as well.

Typical responsibilities include:

- ◆ Establishing common processes and tools for the subsidiary projects to ensure consistent data collection, coordination and reporting.

- ◆ Collecting and disseminating project data at the program level (status reports, statistics, trends, etc.). This usually involves setting up a project management information system (PMIS) and ensuring it is used correctly and consistently.
- ◆ Coordinating interdependencies among the projects in the program, and integrating the project schedules into a program schedule.
- ◆ Overseeing program-level communications, setting, communicating and monitoring priorities among the projects within the program.
- ◆ Coordinating shared resource usage among the projects in the program.
- ◆ Providing other support to the program manager and to the subsidiary project managers such as facilitating planning sessions and meetings, keeping aggregate issue and risk databases, and overseeing the change control process.

The project managers may or may not be part of the program management office, depending on the organizational structure. If they are part of the program management office, they are responsible for all aspects of managing the subordinate projects.



## Project Support Office

A Project Support Office (PSO) is very similar to a program management office, except its purview is a department or division within a large corporation. Project support offices may provide all of the services of the program management office described above. Depending on the power and authority with which a project support office is vested with, it may provide additional services as well.

These may include:

- ◆ Establishing and enforcing project management practices and policies for the assigned organization. If chartered with enforcing these policies and practices, the project support office may perform project reviews or audits to ensure compliance with the project management policies.
- ◆ Providing project management facilitation, coaching or training services, or any combination of the above. In this capacity, the project support office is staffed with seasoned project management professionals who can guide or even assist project managers and their teams in using project management best practices.
- ◆ Overseeing the related product development or other quality processes used in the organization. The project support office may have responsibility to develop, document, implement, and enforce the use of these practices. In other cases, the project support office may have a partnership with a procedures or quality department and participate in a process to ensure the required quality steps are included in the project plans and executed appropriately.

In some instances, the project support office “owns” the project managers and they are assigned from this office as projects are chartered. At other times, the project managers may report to the PSO manager on a matrix, or not at all, but are subject to the audit and control authorities vested in that office. PSOs may also participate in, or perform, individual project manager capability assessments and recommend development programs to increase individual project manager skills and experience.

Project Support Offices may also be vested with the authority to enforce project prioritization through oversight of resource allocation. At times, PSOs perform portfolio assessments and make recommendations about project selection. Most often, they at least oversee the selection process, ensuring candidate projects comply with the portfolio submission process and keep the archives of submission details.

PSOs are usually the keepers of the project archives for the related organization, and provide historic information to support planning and estimating on projects, risk management, etc. They may also establish and track quality metrics, not only for current reporting, but for trend analysis. In very mature organizations, PSOs may also participate in product evaluation and analysis to understand the relationship between product acceptability and development in the project stage.

The presiding person for a PSO is often an officer of the firm (such as a director) with a reporting relationship directly to the head of the related organization. If such a relationship does not exist, it may better fit the description of a Project Management Center of Excellence.



## Project Management Center of Excellence

A Project Management Center of Excellence (PMCOE) is a group of project management experts that do not assume responsibility for project results. This group is instead charged with raising the organization's project management competence and increasing its maturity level. Dinsmore describes the PMCOE's task as "missionary" in nature – spreading the word, gathering best practices, and providing a channel of communications between and among the projects and those outside the project management community.

Services may include:

- ◆ Performing organizational project management capability assessments for groups within the organization.
- ◆ Recommending best practices, training processes, and other techniques to improve overall organizational project management capacity.
- ◆ Liaising with other organizations through forums, professional organizations, benchmarking exercises, etc., to increase organizational project management knowledge.
- ◆ Developing project manager competency models on behalf of the organization.

## Strategic Project Management Office

Also called Enterprise Project (Program) Management Office, or Office of the CPO (Chief Project Officer), these offices oversee project management strategy. This type of project office may be headed by a CPO or other officer of the organization with a direct reporting relationship and access to the CEO. It performs the strategic management functions related to projects in a structured process.

The Strategic Project Management Office may oversee divisional project management offices in large organizations where a multi-tiered structure is necessary. This office sets project management policy for the organization and ensures compliance with that policy.

Specific services may include:

- ◆ Developing and overseeing the portfolio selection process and criteria.
- ◆ Involvement in business decisions that result in new projects
- ◆ Identifying and implementing an enterprise-wide project management system
- ◆ Ensuring top-level stakeholder management
- ◆ Oversight of strategic projects
- ◆ Overseeing the career path and development strategy for project and program managers
- ◆ Developing and reporting portfolio performance metrics based on project management data gathered through standardized processes.

## Evolution of Project Office Development

In most organizations, the concept of using a project office results from increased project management maturity, resulting in the need to impose consistent application of process and data to monitor and improve project performance. Therefore, the ability and need to structure project offices is very closely tied to the organization's overall capability in project management. Today, several maturity models exist to help organizations understand where they are capability-wise compared to other organizations, and where they could potentially go.

Many organizations pursue project office development to implement and exploit enterprise-wide project management software, desiring consistency and control of the individual project teams by mandating the use of common tools, techniques, templates, and procedures. They purchase and install expensive software, set up procedures for individual teams, and send project managers to software training.

In very immature organizations, the focus is on team compliance and the message is that this compliance is for the benefit of the management team. Teams and project managers often resist this imposition because the need to use particular software and procedures adds a bureaucratic burden without benefit to the project manager and team. The message is “control.” In only slightly more mature organizations, the approach is similar, but benefit for the individual project managers and team might also be emphasized and, as a result, the message received is “improve.”

In the majority of cases, these project offices fail. If they are not simply disbanded, they are viewed as a layer of bureaucracy that adds little or no value. The reason for this is that the decision-making processes of management continue as before, and so the arduously collected project data is ignored, resulting in frustration, de-motivation, and sometimes even conflict.

It is very important to understand that establishing a project office at any level will change the management paradigm for those within the area of jurisdiction. For individual programs, this is often acceptable and viewed as beneficial. The program manager understands the value of the project office, uses the resulting

data, and shares the benefits with the project managers and teams. Failure of this type of project office is less frequent, and if it does occur, occurs in functional or weak-matrix organizations where success of the program conflicts with other functional priorities.

The failure rate of other types of project offices can be rather high. The reason is that it is often difficult for middle and upper management to accept the power and control shifts to the project office. Project team acceptance will be substantially higher than management team acceptance, particularly if the teams enjoy better success with their projects. However, if management does not permit the time for both project management activities (such as planning), accept resulting data for decisions (such as estimates, risks, etc.) and anticipate the learning curve time (benefits such as project acceleration are not usually realized on the first project attempted by each team using formal project management tools and methods), the project office will be proclaimed a failure and officially closed down or subverted by more subtle means.

It is critical to understand and accept that implementation of a project office means changing the organization's management model. Like any organizational change, this involves a dedicated process of understanding the changes, developing and championing a new vision, communicating that vision, dealing with resistance and problems, implementing the changes in manageable steps to ensure and recognize progress, and anchoring the change in the organizational culture. Project office implementations must be treated as strategic and organizational transformation projects to be successful.

## Critical Success Factors for Implementing a Project Office

In summary, the following factors are critical to successfully implementing a project office:

- ◆ A knowledgeable and visionary champion with good leadership skills, a broad ability to influence the organization, and the ability to persevere.
- ◆ Access to the leaders and decision-makers for the area of jurisdiction to develop a clear vision, understand the organization's values and priorities, and ensure consistent understanding and buy-in to the proposed process.
- ◆ Support from people with advanced project management skills.
- ◆ For strategic project management offices, support from people with advanced portfolio management and organizational dynamics skills.
- ◆ Appropriate financial support for tools, training and expertise.
- ◆ Organizational support including recognition of the project management career path, tie-ins with the organizational reward and recognition systems, performance evaluation and development systems, and management structure.
- ◆ Time to progress through an evolutionary process.