

# Better understanding of project management office (PMO) as a governance beneficiary and executer in complex organizations.

Literature review and framework

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# Abstract

- Project management literature provides detailed classifications of PMO types under different organizational structures
- PMI introduced a detailed governance framework and presented PMO as an integral component in the project, program, and portfolio environment.
- The main drawback was to determine the integrations between PMO levels and the desired results from each PMO in a decentralized model.

# This paper intends to

This paper intends to provide a literature review of project management offices' role in projects, programs, and portfolios under complex organizational structures and link the PMI governance model to overall organization structure to deliver a simplified scalable framework, that provides clarity and flexibility through integrating PMO in corporate structure and align project deliverables to strategy.

# Full paper

- You can get access for full paper under

<https://projectcontrolexpo.com/dubai/technical-papers>

## Project Controls Technical Papers

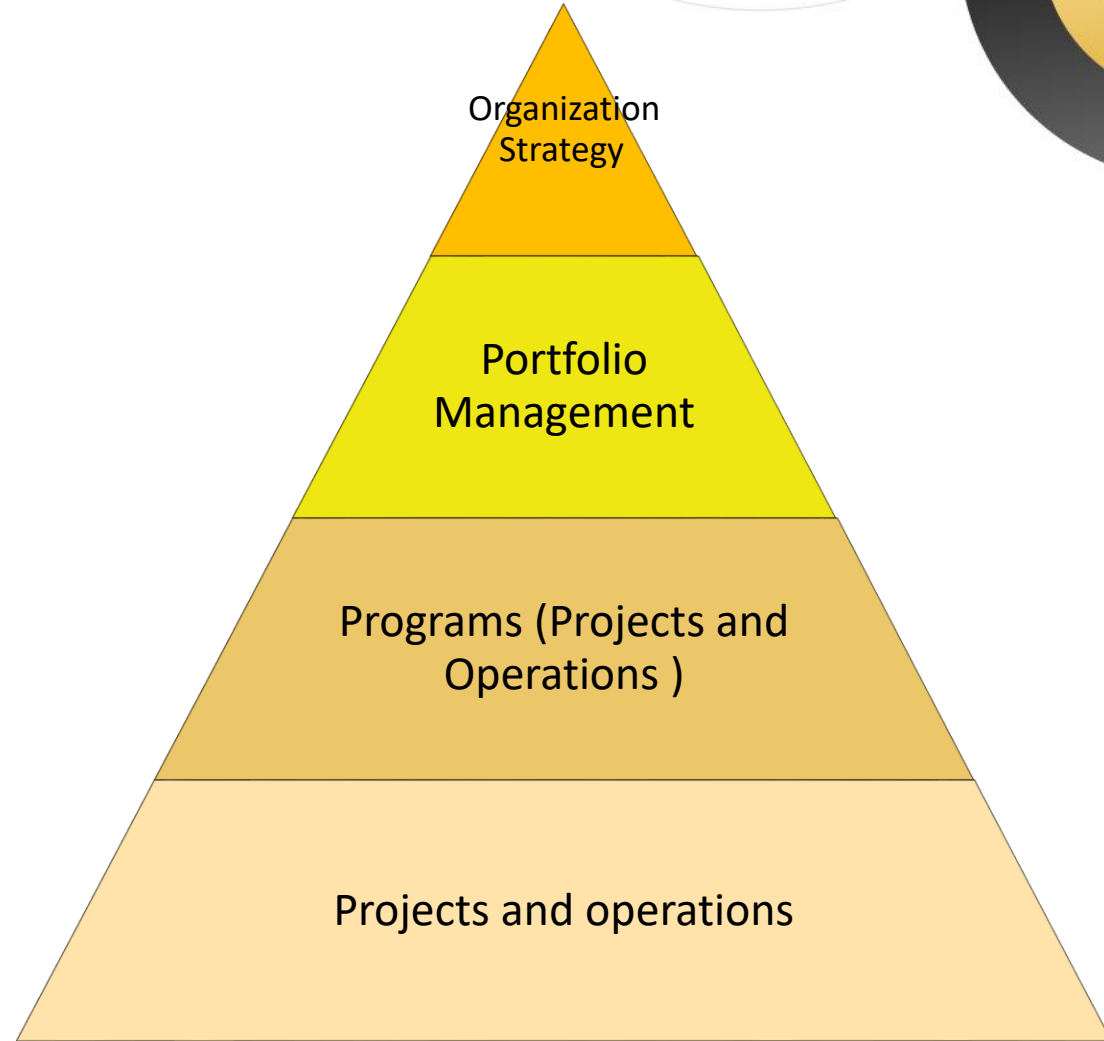
This page lists some of the approved technical papers that were submitted earlier for Project Controls Expo. We are in process of seeking approval for remaining papers and this page will be updated as we receive them.

Title	Author	File Size	Download
Framework for Project Management Office (PMO) as a governance beneficiary and executer in complex organizations	Abdulrahman Mchaweh B.Sc., M.Sc. 1, Khaled A. Eldressi, Ph.D. 2	631 KB	

# Strategy and Strategic goals

- Strategy is “a plan that is intended to achieve a particular purpose”  
(Oxford university press, 2022).
- Strategy is a sort of long-term plan  
(Serra & Kunc, 20150)
- Strategy is developed to meet specific objectives  
(Tjahjana et al., 2009, p. 124),
- Good strategy provides value to stakeholder  
(Serra & Kunc, 2015).

Strategy is cascaded down to projects and operations level



# Strategic goals and Benefits

- Strategic plan is articulated by top management and executed by senior management, using work breakdown structure method (BWS) strategy plan could be divided into strategic goals.

(Sanderson & PgMP, 2016)

- Benefit is “ The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders”

(“PRINCE 2,” 2009)

- Benefit as “An outcome of actions, behaviors, products or services that provide utility to the sponsoring organizations as well as the program intended beneficiaries “

(PMI Bok, 2013)

# Stakeholder engagement

**Stakeholder** is “an individual, group, or organization that may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project, program, or portfolio”.

**Stakeholder engagement** includes “implementing strategies and actions to promote productive involvement of stakeholders. Stakeholder engagement activities start before or when the project starts and continue throughout the project”

(PMIBOK 7th edition, 2021)



# Projects , Program and Portfolio

- **project is** “ a temporary endeavor undertaken to create a unique , product, service or result “ .
- **Program is** “ a group of related projects, subprograms and program activities that are managed in a coordinated way to obtain benefits not available from managing them individually “ .
- **Portfolio is** “projects , program , sub portfolios and operations managed as a group to achieve strategic objectives “ .

(PMI Bok, 2013)

# PMO Types

(Taylor) defines the three PMO types through their functions:

**supportive PMO** main function is to share project information, **controlling** will ensure stronger discipline across project activities and **directive PMO** assigns project managers and manage progress in addition to that Taylor offers another concept for PMO “Blended”.

(Taylor, 2011)

**Decentralizing PMO** across the organization is common practice, several questions raise in similar cases related to distribution of control and power, internal coordination, stakeholder’s management and processes for reporting, risks and issues escalation and level of integration.

(Aubry et al., 2011)

# PMO and Organization maturity

- Several Authors agree on the importance of initial assessment of organization maturity and benefits expected from establishment of PMO

(Tjahjana et al., 2009) (Crawford, 2011).

- Software engineering institute capability maturity model and Project management institute maturity model (OPM3) are popular in measuring project management maturity

- PMI maturity model aims to integrate, assess and improve project management practice.

(Anantatmula & Rad, 2013)

- Studying the organization maturity is out of paper's scope, however, it is advisable to measure the organization readiness to implement the proposed framework.

# PMO and Organizational governance

Is PMO a governance implementer or a recipient ?

# PMO governance functions on different levels

**Governor means** “Direct and Control”

**project governance** “The system by which the organization is directed, controlled and held account”

(McGrath & Whitty, 2015).

**Governance is part of board functions** and to be separated from management, governance to be delegated to different levels in the organization to enable successful delivery of projects.

(Too & Weaver, 2014) .

# Organization Project management Governance

## PMO governance has four domains :

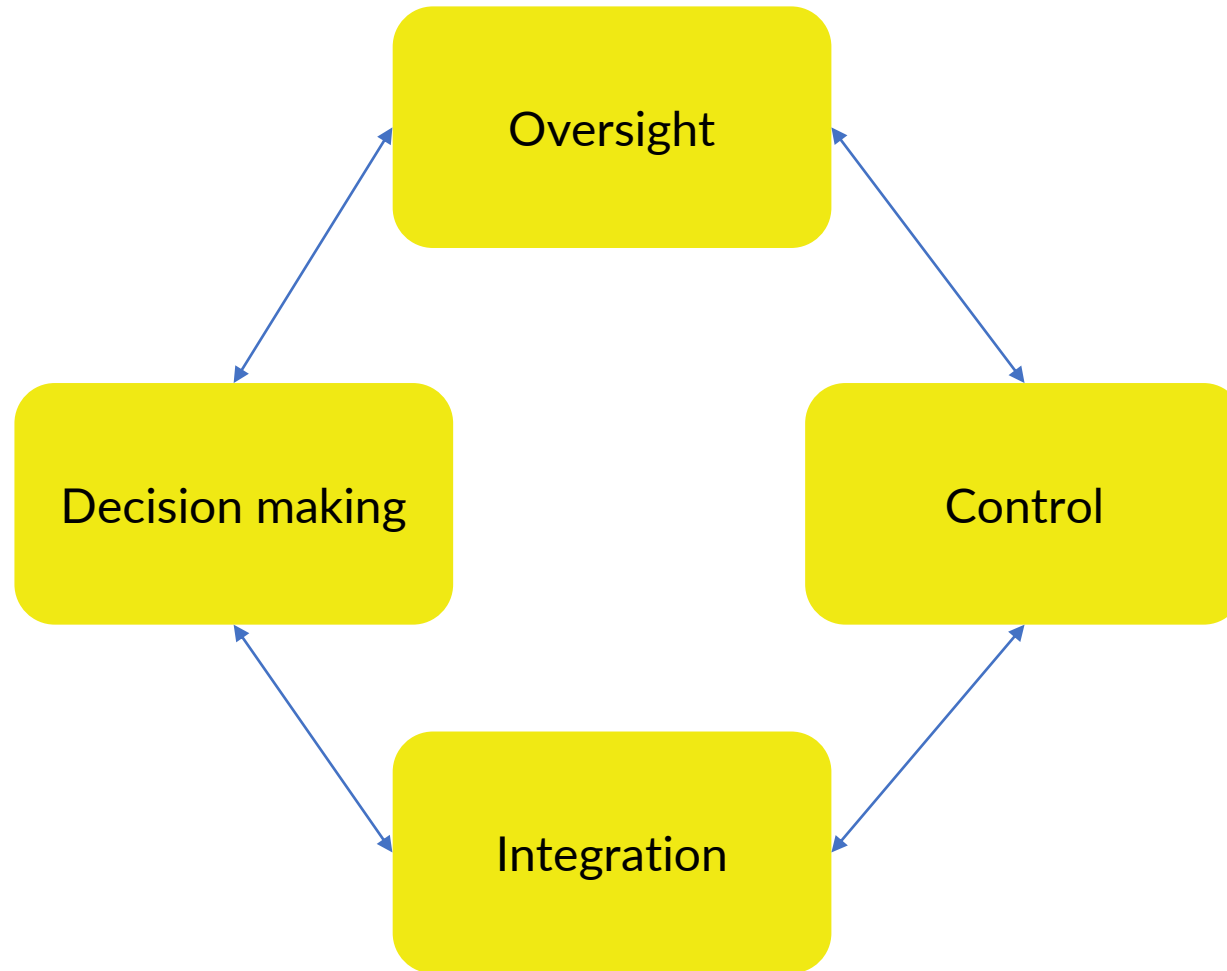
“Alignment”, “Risk”, ” Performance”, “communication”

## And four functions :

1. **Oversight** : Provide guidance ,direction and leadership for projects, programs and portfolios.
2. **Control** : Establish appropriate Controls, Audit and Reviews including reporting and risk management activities.
3. **Integration** : provide strategic alignment for projects, programs and portfolios.
4. **Decision making**: provide structure and delegations of authority (Establishing a decision-making process).

(PMI Governance, 2016)

# Organization Project management Governance



# PMI Governance Model

Fig. 3-2

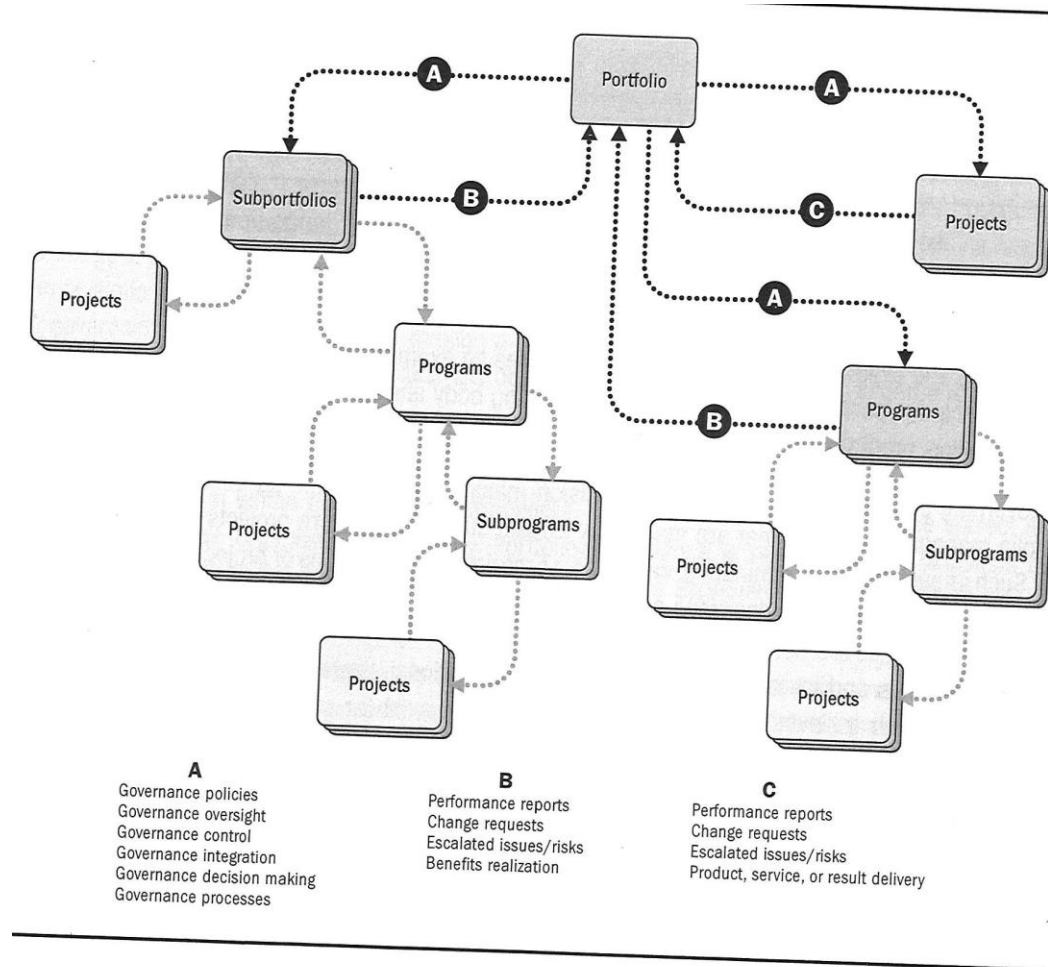
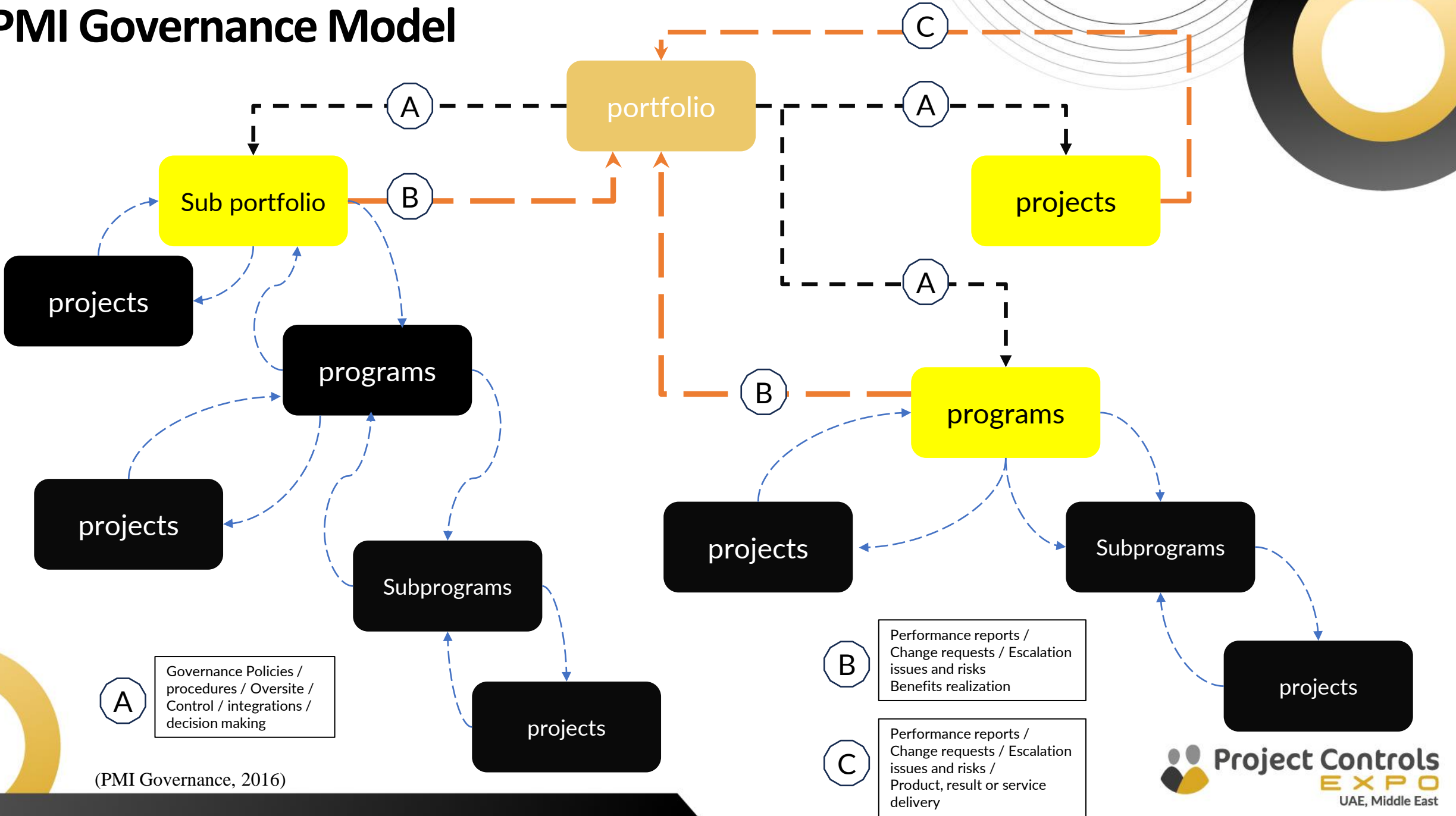


Figure 3-2. Portfolio Governance Relationships



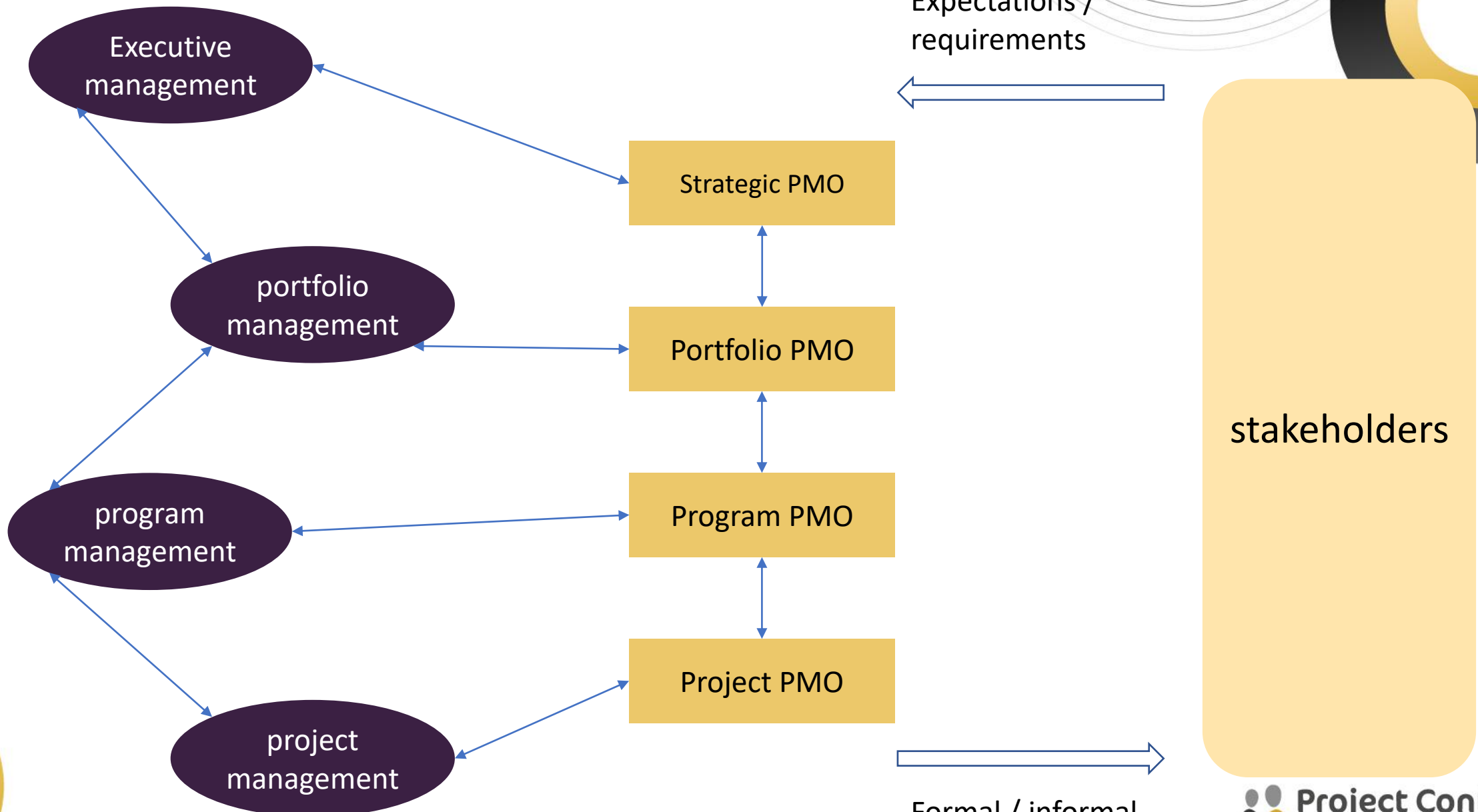
# PMI Governance Model



# Governance Framework



# Communications across PMOs and through the organization



Expectations / requirements

stakeholders

Formal / informal communication

# Conclusion

- PMI describes the organization project management (OPM) governance interactions on different levels, but without linking them to PMO's functions.

(PMI governance, 2016, figs. 2–2)

- Other publications clarify the role of governance on different levels and define the PMO position in the framework without clarifying the integration between different PMOs

(Too & Weaver, 2014).

- PMI defines the PMO function as a supporter to Projects, programs and portfolios or an “entity to maintain process standards “, or a “governance recipient or implementer”

(PMI Governance, 2016, para. 2.4.5) .

- The proposed framework in this paper assume the PMO as a governance recipient and implementer , clarify the main functions and draw integration between different PMO levels in the organization.



**THANK YOU**