



The PMO - new or old news?

Over the last few months we have noticed an increasing amount of literature, research and general discussion around the topic of the PMO - meaning Project Management Office to some and Programme Management Office to others. October 2008 saw the official launch of OGC's new guidance document P30 (Project, Programme and Portfolio Office). We are also close to two sets of people looking at this subject from an academic perspective. For some time we have been wondering why there is a sudden upsurge of interest in something that has been around in varying guises for nearly 40 years. Some of you will be saying - yes - I can see that. Others may be of the view that the PMO, or whatever you want to call it, is a relatively recent phenomenon that has only started to become popular within the last 10-15 years.

Our assertion is that the PMO is at least 31 years old and probably nearer 40. This is based on one of our own personal experiences and early careers. 31 years ago one of us (we'll let you guess who that was!) started work for a multi-national engineering and construction company in their already existing PMO, or as it was called then the Project Services Department. This was a group of mainly 'twenty-something' people who supported the projects being undertaken by the company. Support included provision of services such as scheduling and resource planning, cost estimating, budget/expenditure tracking and progress reporting. These services were mostly provided

"I told you 30 years ago that you should have got a PMO..."



on an as required or part-time basis or occasionally on a full time basis at which time members of the department would be seconded into the project team to return at a later date. It is interesting to note that the corporate standards for scheduling, resource planning, estimating and reporting were all owned by this department i.e. that department effectively owned the lion's share of the project management methodology even though it wasn't called that. Within a few years (still in the early 80s) this same person joined one of the major international oil companies, again working in the project services department, where the services offered were extended to include risk management, portfolio planning and advice on how to use scheduling software.

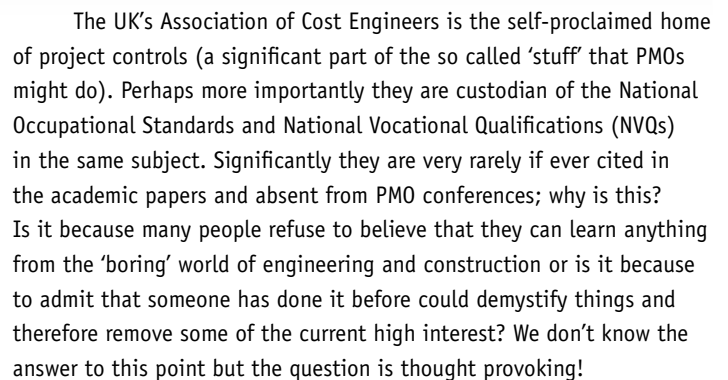
So what is going on? Is there something about this current wave of interest in the PMO that isn't 'old news'?

At a recent one-day conference held at Cranfield School of Management Brian Hobbs, who along with his colleague Monique Aubry, has carried out much research in this area stated that the PMO concept has only really developed over the last 10-15 years. Interestingly he loosely defines the PMO as 'something that does stuff for projects' which we quite like. He also recognises that that stuff that is done and the way it is done can and does vary enormously. When challenged on the '10-15 years' he conceded that in fact PMOs have been around for a lot longer but the step change in their formation and usage took place

10-15 years ago. He also suggests that modern PMOs tend to come and go or change what they do to meet changing organisational requirements whereas the older PMOs were more static and consistent. The Hobbs and Aubry viewpoint is also corroborated by a cross-sector study into the form and work of PMOs led by our close associate Sergio Pellegrinelli (shortly to be published in the International Journal of Project Management).

What seems to have happened is that in the early to mid 1990s there was a huge increase in the practice of project management due to such factors as deregulation of many market sectors and the so called IT boom. APM and PMI® membership rocketed with memberships increasing 20% year-on-year. Coincidentally this was coupled with a downturn in many of the traditional project management sectors such as oil and gas and construction. The result was that many of those involved in projects in the 'traditional' sectors for project management moved on, taking their customs and practices such as centralised project services (PMOs), with them.

We are supporters of the power of the PMO, indeed in an earlier Lucid Thought (number 42 on our website) we talked about passive, reactive and proactive PMOs (we called them PSOs at the time). We advocated that the latter, the proactive PMO, would allow Project Managers to be just that i.e. managers and not administrators e.g. fillers in of risk and issue logs, change control experts, and timesheet chasers. Many Project Managers today are performing administrative tasks that they would have had support to do many years ago. In another previous Lucid Thought (number 16 on our website) we asked the question 'do all the best ideas come from construction?' The suggestion here was that much could be learned from the traditional home of project management. It would appear that like in many other areas of project management the new world is, for some reason, reluctant to learn from the old world.



The UK's Association of Cost Engineers is the self-proclaimed home of project controls (a significant part of the so called 'stuff' that PMOs might do). Perhaps more importantly they are custodian of the National Occupational Standards and National Vocational Qualifications (NVQs) in the same subject. Significantly they are very rarely if ever cited in the academic papers and absent from PMO conferences; why is this? Is it because many people refuse to believe that they can learn anything from the 'boring' world of engineering and construction or is it because to admit that someone has done it before could demystify things and therefore remove some of the current high interest? We don't know the answer to this point but the question is thought provoking!

What we do know, however, is that for project and programme managers to be able to perform the part of their role that matters most, i.e. the engagement, motivation and leadership of their team and wider stakeholders to deliver the work and to make good decisions in the light of the inherent uncertainties; they need support. Support with the 'technical' aspects of scheduling, risk analysis, change and configuration control, monitoring and reporting on progress and ensuring lessons are learned and best practice is promulgated.

The PMO is an integral part of project management, and of the wider programmes and portfolios undertaken by most organisations in the 21st century. We support the launch of P30 and of the academic interest that will widen our appreciation of what a PMO can do. But we believe it would be a crying shame for this new interest to continue to ignore the experience that has been around for much longer than 10-15 years! Find a friend in the Association for Cost Engineers and see what you might be able to learn together!

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