Portfolio, Programme and Project Management Maturity Model

P3M3 Public Consultation Draft v 2.0

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Foreword

Since 2006, OGC's Portfolio, Programme and Project Management Maturity Model (P3M3) has established itself as a flagship management tool in helping to achieve OGC's mission of driving up standards and capability in public sector portfolio, project and programme management, and in improving performance and quality in the wider business world.

I am delighted to be able to introduce this new, fully updated version of P3M3, which embodies the latest knowledge and best practice in portfolio, programme and project management.

We live in a world of change and uncertainty, and businesses must be prepared continually to adapt in order to meet new economic conditions and retain a competitive edge. The P3M3 model is an indispensable part of the armoury. By enabling businesses to change and improve in a controlled and manageable way, P3M3 is increasing quality and efficiency in the delivery of products and services across the public and private sectors.

High quality, efficient delivery means better value for money, both for businesses and the taxpayer, and leads to a heightened ability to grasp opportunities for strategic advantage. This is not only good news for individual businesses and government, but also for the position of UK industry in the global marketplace.

I wholeheartedly commend this model and hope that it will become an essential and well-thumbed part of your improvement planning.

Jonathan Simcock

Executive Director –Major Projects

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Design Workshop

Damian Argiumbau	IPTeams
Colin Bartle-Tubbs	Serco
Andy Bello	BBC
Adrian Dooley	The Projects Group
Fraser Ewen	Loyalty
Alan Ferguson	AFA
Tim Hutley	Head of Practice at ATOS PPM
Stephen Jenner	Criminal Justice IT, Ministry of Justice
Alan Little	MoD
Cezary Paprocki	Centrum Rozwiazan Menedzerskich SA
Felicity Pickering	Cabinet Office
Phil Summerfield	ERP Strategy
Andy Taylor	APM Group Ltd
Sue Vowler	Project Angels
Mike Ward	Sellafield

Alpha Reviewers

Alan Harpham Project Executive	APMG
Graham Bosman	APMG
Felicity Pickering	Cabinet Office
Chris Thirkell	Cabinet Office
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Jacky Battle	OGC	

Executive Summary

This new version of OGC's Portfolio, Programme and Project Management Maturity Model (P3M3) is fully updated to take into account the latest knowledge and best practice in portfolio, programme and project management, including other OGC tools such as Gateways, as well as extensive feedback on the original model.

It is fully compatible with the first version of P3M3, so if your organization has already had assessments based on that version, you can move seamlessly to applying this version and will be able to see the impact of any current improvement plans reflected in future assessments under the revised model. Equally, it applies to organizations new to maturity models that wish to adopt this approach to performance and capability measurement.

This version has also been overhauled in three main ways:
- it is written in plainer English, with a user-friendly layout, making it easier to read and understand
- maturity in different areas or major processes can be assessed individually or together
- maturity in portfolio, programme and project management can be assessed independently of each other, making it suitable for businesses at all stages of development

In a competitive world, your organization will be constantly on the lookout for strategic advantages and striving for efficiency and quality in performance and delivery. With P3M3 you can easily assess your organization's current capabilities, identify where you want to be in the future and implement the necessary improvements in a clear and structured way, with measurable results.

Whatever the size or nature of your organization, as its maturity increases and its processes and capabilities improve, you will be able to reap the benefits in many ways, including:
- a higher rate of return on investment
- greater production efficiency
- lower production costs
- better quality outcomes
- improved customer satisfaction
- enhanced employee morale

P3M3 is not simply about isolated, here-and-now assessments – it also acts as a roadmap for ongoing improvement and progression towards realistic and achievable goals that are suitable for your business needs and aspirations. With this roadmap as your guide, in the longer term your organization can reach its optimal level of performance and maximize value for money from investment. Because P3M3 recognizes achievements from investment as well as highlighting weaknesses, and justifies further investment in portfolio/programme/project management infrastructure, it contributes to a virtuous circle of learning and improvement.

So, whether you want a quick health check of your organization's strengths and weaknesses against a benchmark standard, or a more detailed and wide-ranging assessment with a full development plan, P3M3 is an indispensable tool. It is flexible, so it

can be used in many ways, with a broader or narrower focus, according to your business needs. Assessments can be made informally by your organization or by a formal independent review for a more thorough insight into where you are, where you could be in the future and how to get there. The new self-assessment tool sets out these possibilities in more detail.

1 Introduction

As organizations strive to identify competitive and performance advantages, and leverage them through improved efficiency and delivery, management models designed to assess performance and identify opportunities for improvement are increasingly important.

Maturity models in particular have become an essential tool in assessing organizations' current capabilities and helping them to implement change and improvements in a structured way. These models consist of a hierarchical collection of elements describing the characteristics of effective processes, and their use can enable organizations to reap the benefits brought by improved capability at all levels.

The Portfolio, Programme and Project Management Maturity Model (P3M3™) has become a key standard amongst maturity models, providing a framework with which organizations can assess their current performance and put in place improvement plans with measurable outcomes based on industry best practice.

Background

The Office of Government Commerce (OGC), owner of P3M3, is an office of Her Majesty's Treasury within the UK government and is responsible for improving value for money by driving up standards and capability in public sector procurement. It achieves this through policy and process guidance, helping organizations to improve their efficiency and deliver successfully.

This is the second version of P3M3 – the first was published in February 2006. The new version takes into account the maturing knowledge of programme management, and the evolving recognition and definition of portfolio management, across a number of industry sectors. It is fully compatible with the earlier version, so organizations that have already undertaken P3M3 assessments based on the first version will see the impact of their existing improvement plans reflected in future assessments made under the revised model.

P3M3 originated as an enhancement to OGC's Project Management Maturity Model, which in turn was based on the process maturity framework that evolved into the (now superseded) Capability Maturity Model (CMM)®, developed by the Software Engineering Institute (SEI) in the United States. This was a descriptive reference model to provide organizations with more effective guidance in establishing process improvement programmes. It could also be used as the foundation for systematically building a set of tools, including maturity questionnaires.

P3M3 therefore followed the CMM structure, using a five-level maturity framework, as explained in the overview below. The new version takes account of extensive feedback on the original model and represents a major overhaul in three principal ways:

- it is written in simpler, more straightforward English and is therefore easier to read and understand
- the maturity of different perspectives can be gauged separately or together
- the maturity of portfolio, programme and project management can be gauged independently of each other

Overview of P3M3

P3M3 is an overarching model (Figure 1) containing three individual models:

- Portfolio Management Maturity Model (PfM3)
- Programme Management Maturity Model (PgM3)
- Project Management Maturity Model (PjM3)

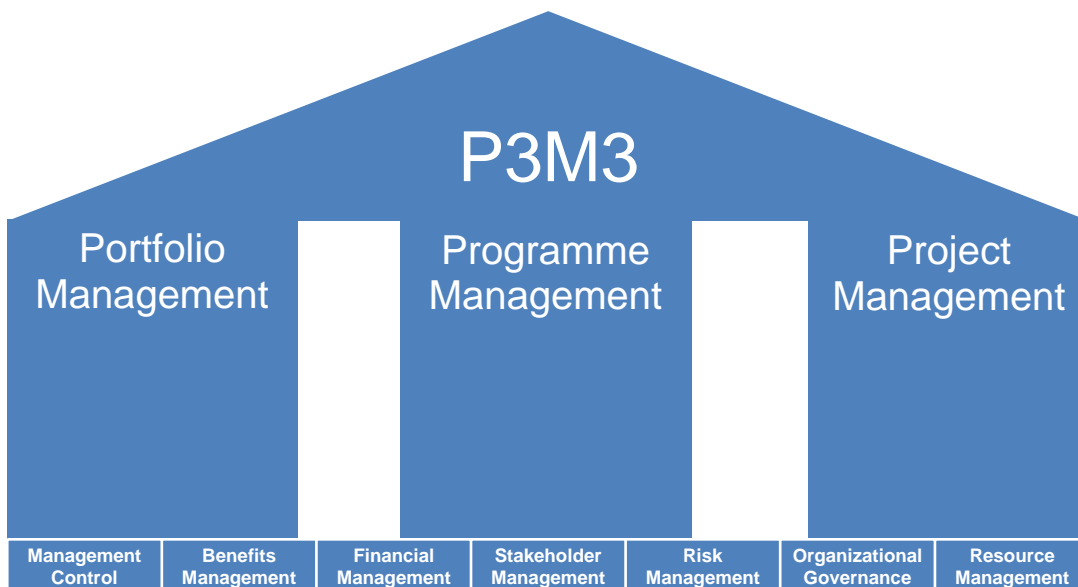**Figure 1 – P3M3 structure**

Although connected, there are no interdependencies between these models, which allows for independent assessment in any of the specific disciplines. For example, an organization's programme management capabilities may be more evolved than its project management capabilities, so the project management model can be used as a stand-alone tool when looking to improve that area.

Maturity Levels

P3M3 uses a five-level maturity framework and the five Maturity Levels are:

- Level 1 – awareness of process
- Level 2 – repeatable process
- Level 3 – defined process
- Level 4 – managed process
- Level 5 – optimized process

These levels comprise the structural components of P3M3 and are characterized as shown in the table below. They are consistent with the original P3M3 model and its predecessor, the Project Management Maturity Model.

Maturity Level	Portfolio Management	Programme Management	Project Management
Level 1 – awareness of process	Does the organization's Executive Board recognize programmes and projects and run an informal list of its investments in programmes and projects? (There may be no formal tracking and documenting process.)	Does the organization recognize programmes and run them differently from projects? (Programmes may be run informally with no standard process or tracking system.)	Does the organization recognize projects and run them differently from its ongoing business? (Projects may be run informally with no standard process or tracking system.)
Level 2 – repeatable process	Does the organization ensure that each programme and/or project in its portfolio is run with its own processes and procedures to a minimum specified standard? (There may be limited consistency or coordination.)	Does the organization ensure that each programme is run with its own processes and procedures to a minimum specified standard? (There may be limited consistency or coordination between programmes.)	Does the organization ensure that each project is run with its own processes and procedures to a minimum specified standard? (There may be limited consistency or coordination between projects.)

Maturity Level	Portfolio Management	Programme Management	Project Management
Level 3 – defined process	Does the organization have its own centrally controlled programme and project processes and can individual programmes and projects flex within these processes to suit particular programmes and/or projects. Does the organization have its own portfolio management process?	Does the organization have its own centrally controlled programme processes and can individual programmes flex within these processes to suit the particular programme?	Does the organization have its own centrally controlled project processes and can individual projects flex within these processes to suit the particular project?
Level 4 – managed process	Does the organization obtain and retain specific management metrics on its whole portfolio of programmes and projects as a means of predicting future performance? Does the organization assess its capacity to manage programmes and projects and prioritize them accordingly?	Does the organization obtain and retain specific measurements on its programme management performance and run a quality management organization to better predict future performance?	Does the organization obtain and retain specific measurements on its project management performance and run a quality management organization to better predict future performance?
Level 5 – optimized process	Does the organization run continuous process improvement with proactive problem and technology management for the portfolio in order to improve its ability to depict performance over time and optimize processes?	Does the organization run continuous process improvement with proactive problem and technology management for programmes in order to improve its ability to depict performance over time and optimize processes?	Does the organization run continuous process improvement with proactive problem and technology management for projects in order to improve its ability to depict performance over time and optimize processes?

Table 1 – Maturity Levels

Process Perspectives

P3M3 focuses on the following seven Process Perspectives, which exist in all three models and can be assessed at all five Maturity Levels.

- Management Control
- Benefits Management
- Financial Management
- Stakeholder Management
- Risk Management
- Organizational Governance
- Resource Management

The flexibility of P3M3 allows organizations to review all seven Process Perspectives across all three models – portfolio, programme and project management – but they can also review just one (or several) of the Process Perspectives, whether across all three models or across only one or two of them. This can be useful to gain a better understanding of an organization's overall effectiveness in, for example, risk management or resource management.

Attributes

Embedded within the Process Perspectives are a number of attributes. Specific Attributes relate only to a particular Process Perspective. Generic Attributes are common to all Process Perspectives at a given Maturity Level, and include planning, information management, and training and development.

Most organizations have strengths in some areas but not in others. P3M3 is designed to acknowledge these strengths as well as highlighting weaknesses. Figure 2 illustrates how an organization might be viewed from the Process Perspectives.
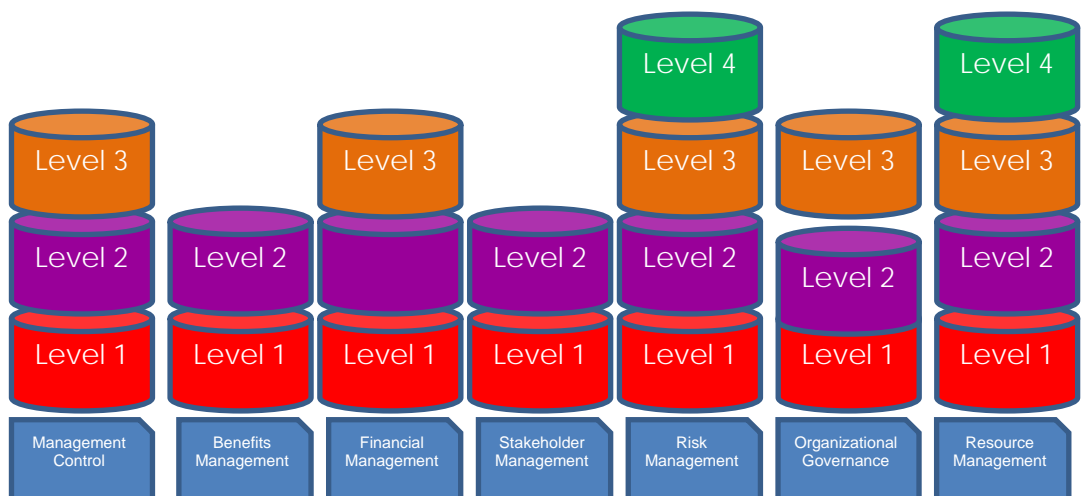

Figure 2 – Example assessment of Process Perspectives

Benefits of using P3M3

It is important for organizations to understand the optimal level of performance in their quest to maximize value for money from investment, and to have a realistic view of what they can achieve. Not all organizations will be able to reach the highest level and, for many, the middle levels may be adequate to meet their business needs and aspirations.

To gain the maximum benefit from using P3M3, performance improvement should be seen as a long-term process (Figure 3), although it is possible to achieve short-term performance gains by using P3M3 to identify and correct performance weaknesses.
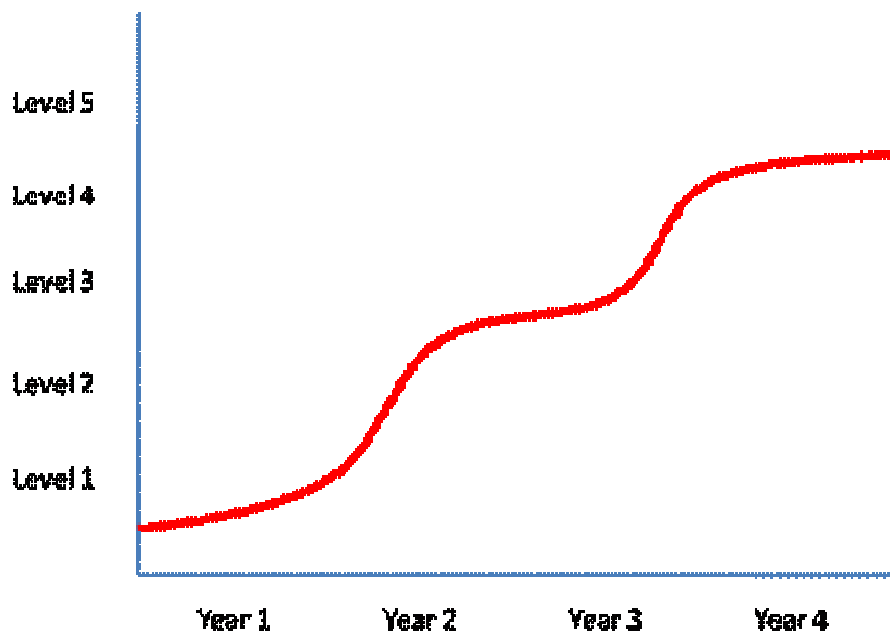
Figure 3 – Long-term performance improvement

There are a number of reasons why organizations might choose to use a maturity model to assess their current performance, such as:

- justifying investment in portfolio, programme or project management improvements
- gaining recognition of service quality in order to support proposals
- gaining a better understanding of their strengths and weaknesses in order to enable improvement to happen

Organizations that have focused only on training, specific methods or tools, or a governance framework, often wonder why they have not seen the promised improvements. P3M3 offers a more holistic view of an organization's performance, using a broad spread of attributes.

It helps organizations to address fundamental aspects of portfolio, programme and project management. It improves the likelihood of quality results and successful outcomes, reduces the likelihood of adverse impacts from risks, and thereby minimizes the chances of failure. The common causes of failure are discussed later in this chapter.

P3M3 provides a set of common standards and, whilst OGC is its owner, it is available for use by all organizations.

Some of the organizational benefits of using P3M3 as opposed to other maturity models are as follows.

- It acts as a health check of strengths and weaknesses judged against an objective standard, not just against other organizations (although OGC does intend to build a database, with the help of the programme and project management community, to enable organizations to compare their maturity with that of other organizations with similar portfolios, programmes and projects)

- It helps organizations to decide what level of performance capability they need to achieve in order to meet their business needs

- It focuses on the organization's maturity rather than specific initiatives (good results are possible even with low levels of maturity, so are not in themselves a reliable indicator)

- It recognizes achievements from investment

- It justifies investment in portfolio, programme and project management infrastructure

- It provides a roadmap for continual progression and improvement

Other, more tangible, benefits include:

- increased productivity, with shorter cycle times

- greater time and cost predictability

- fewer defects, leading to higher-quality outcomes and a lower cost of quality

- improved customer satisfaction

- enhanced employee morale

Research by the SEI has shown significant improvements in the return on investment rate in organizations adopting a maturity model approach to process improvement, with the average rate exceeding 4:1. More mature organizations have experienced an 85% reduction in defects and a 75% reduction in cost. Although the SEI's maturity models were originally specific to software engineering, they are now widely used for process improvement generally.

Uses of P3M3

P3M3 can be used in many ways, for example:

- to understand the key practices in effective portfolio, programme and project management processes

- to identify the key practices that need to be embedded within an organization for it to achieve the next Maturity Level

- to understand and improve an organization's capability to manage its portfolio, programmes and projects more effectively

- by client organizations, to assess the risks that might arise from process capability issues within service providers managing their programmes and projects

- by OGC, user groups and the APM Group's Accredited Consultancy Organizations as the basis for developing maturity questionnaires

P3M3 also has the flexibility to be refined and expanded as best practice evolves within portfolio, programme and project management. This can be accommodated by new or amended key process areas at specific levels within the model.

Causes of failure

OGC has carried out extensive research into the common causes of programme and project failure and how those causes actually impact on outcomes. The causes of failure can be grouped into the following categories.

- **Design and definition failures**, where the scope of the change and the required outcomes and/or outputs are not clearly defined

- **Decision-making failures**, where there are inadequate levels of sponsorship and commitment to the change – i.e. there is no person in authority able to resolve issues

- **Discipline failures**, such as weak (or no) arrangements for risk management and an inability to manage changes in project requirements

- **Supplier management failures**, such as a lack of understanding of suppliers' commercial imperatives, poor management and inappropriate contractual set-ups

- **People failures**, such as disconnection between the programme/project and stakeholders, lack of ownership, and cultural issues

P3M3 for successful delivery

As noted above, P3M3 improves the chances of delivery outcomes being successful and of high quality. It achieves this by guiding organizations from immaturity, where risk can be high and quality low, through to maturity, where risk is greatly reduced and quality increased.

Immature organizations

An organization that is immature in management terms may occasionally deliver individual initiatives that produce excellent results. However, managers are more likely to be working reactively, focusing on solving immediate issues, rather than proactively. Schedules and budgets are likely to be exceeded because of a lack of sound estimating techniques. If deadlines are imposed, the quality of deliverables is likely to be compromised in order to meet the schedule. For example, verification and validation activities, including reviews, may be skimped on, or even omitted, if an initiative falls behind schedule.

P3M3 applies not only to individual portfolio, programme and project activities, but also to those activities within organizations that provide focus and help sustain efforts to build a delivery infrastructure of effective approaches and management practices. In the absence of an organization-wide infrastructure, repeatable processes and results depend entirely on the availability of specific individuals with a proven track record, which may not provide a basis for long-term success and continuous improvement throughout the organization.

The P3M3 Maturity Levels indicate how key process areas can be structured hierarchically to provide transition states for organizations wishing to set realistic and sensible goals for improvement. The levels facilitate the transition from immaturity to a mature and capable organization, with an objective basis for judging quality and solving programme and project issues.

Mature organizations

A mature organization has an organization-wide ability for managing initiatives based on standardized, defined management processes. These processes can be tailored to meet specific organizational needs and will be updated whenever necessary, with improvements developed and implemented in accordance with a sound business case and development plan.

The standardized approaches are communicated to team members and stakeholders, and activities are carried out in accordance with the plans and defined processes. Roles and responsibilities are well defined and clearly understood throughout the organization. Managers will monitor the progress of initiatives against the appropriate plans, including the quality of deliverables and customer satisfaction. There will be an objective, measurable basis for judging the quality of deliverables and for analyzing any problems with deliverables, programme/project approach or other issues.

Mature organizations will have knowledge and quantified information against which to review performance and evaluate schedules and budgets, ensuring that these are realistic and achievable. Learning from previous initiatives, establishing and embedding

management processes, and ensuring that the organization acquires and retains the skills and competencies to undertake the necessary activities are of paramount importance.

Together, these processes and planning techniques will enable organizations to gain confidence in their ability to deliver the desired outcomes, on budget and on time, and achieve the required quality in deliverables.

P3M3 Assessments

Organizations can obtain a P3M3 assessment of their maturity either by self-assessment or a formal review. Self-assessment can be done by simply reviewing the model(s) of interest and assessing the organization using the attributes, or by using OGC's self-assessment tool to gain a better insight – this can be found at www.p3m3-officialsite.com. Further information and assistance on using P3M3, including details of formal reviews, can also be found on the official P3M3 website.

Further details of the content of P3M3 are given in Chapter 2.

As outlined in Chapter 1, P3M3 is based on three core concepts: Maturity Levels, Process Perspectives and Attributes. This chapter examines each concept in more detail.

Maturity Levels

The descriptions and characteristics of the five Maturity Levels apply equally to each of the three sub-models – Portfolio, Programme and Project Management. P3M3 recognizes that organizations may excel at project management without having embraced programme management, or indeed vice versa. Similarly, an organization may be accomplished in portfolio management but immature in programme management. P3M3 therefore allows an organization to asses its effectiveness against any one or more of the sub-models independently. Although an overall P3M3 maturity rating cannot be given, since each model is independent from the others, gauging the overall maturity of an organization is still possible by undertaking assessments under all three sub-models.

The Maturity Levels enable organizations to identify a process improvement pathway along which they may choose to travel. This journey should be seen as a long-term strategic commitment rather than a quick fix for immediate tactical problems. Although rapid short-term improvements can be targeted to achieve specific goals, the real benefits of P3M3 come through continual process improvement.

The five-level hierarchy of P3M3 does not imply that every organization should aim for, or needs to achieve, Level 5 in all three sub-models. Each organization should decide which Maturity Level would be optimal for its particular business needs at a given time. The highest-level certificate awarded by the APM Group to date is Level 3.

The following sections summarize the characteristics of each of the five Maturity Levels. Achievements at a given level must be maintained and improved upon in order to move up to the next level.

Level 1 – awareness of process

Processes are not usually documented. There are no, or only a few, process descriptions. They will generally be acknowledged, in that managers may have some recognition of the necessary activities, but actual practice is determined by events or individual preferences, and is highly subjective and variable. Processes are therefore undeveloped, although there may be a general commitment to process development in the future.

Undeveloped or incomplete processes mean that the necessary activities for better practice are either not performed at all or are only partially performed. There will be little, if any, guidance or supporting documentation, and even terminology may not be standardized across the organization – e.g. business case, risk, issues, etc. may not be interpreted in the same way by all managers and team members.

Level 1 organizations may have achieved a number of successful initiatives, but these are often based on key individuals' competencies rather than organization-wide knowledge and capability. In addition, such "successes" are often achieved with budget and/or schedule overruns and, due to the lack of formality, Level 1 organizations often over-

commit themselves, abandon processes during a crisis, and are unable to repeat past successes consistently. There is very little planning and executive buy-in, and process acceptance is limited.

Level 2 – repeatable process

The organization will be able to demonstrate, by reference to particular initiatives, that basic management practices have been established – e.g. tracking expenditure and scheduling resources – and that processes are developing. There are key individuals who can demonstrate a successful track record and that, through them, the organization is capable of repeating earlier successes in the future.

Process discipline is unlikely to be rigorous, but where it does exist, initiatives are performed and managed according to their documented plans, e.g. . project status and delivery will be visible to management at defined points, such as on reaching major milestones.
Top management will be taking the lead on a number of the initiatives but there may be inconsistency in the levels of engagement and performance.

Basic generic training is likely to have been delivered to key staff.

There is still a significant risk of exceeding cost and time estimates. Key factors that may have preconditioned the organization to experience difficulties or failure include: inadequate measures of success; unclear responsibilities for achievement; ambiguity and inconsistency in business objectives; lack of fully integrated risk management; limited experience in change management; and inadequacies in communications strategy.

Level 3 – defined process

The management and technical processes necessary to achieve the organizational purpose will be documented, standardized and integrated to some extent with other business processes. There is likely to be process ownership and an established process group with responsibility for maintaining consistency and process improvements across the organization. Such improvements will be planned and controlled, perhaps based on assessments, with planned development and suitable resources being committed to ensure that they are coordinated across the organization.

Top management are engaged consistently and provide active and informed support.

There is likely to be an established training programme to develop the skills and knowledge of individuals so they can more readily perform their designated roles. A key aspect of quality management will be the widespread use of peer reviews of identified products, to better understand how processes can be improved and thereby eliminate possible weaknesses.

A key distinction between Level 2 and Level 3 is the scope of standards, process descriptions and procedures – i.e. stated purposes, inputs, activities, roles, verification steps, outputs and acceptance criteria. This enables processes to be managed more proactively using an understanding of the interrelationships and measures of the process

and products. These standard processes can be tailored to suit specific circumstances, in accordance with guidelines.

Level 4 – managed process

Level 4 is characterized by mature behaviour and processes that are quantitatively managed – i.e. controlled using metrics and quantitative techniques. There will be evidence of quantitative objectives for quality and process performance, and these will be used as criteria in managing processes. The measurement data collected will contribute towards the organization's overall performance measurement framework and will be imperative in analyzing the portfolio and ascertaining the current capacity and capability constraints.

Top management will be committed, engaged and proactively seeking out innovative ways to achieve goals.

Using process metrics, management can effectively control processes and identify ways to adjust and adapt them to particular initiatives without loss of quality. Organizations will also benefit through improved predictability of process performance.

Level 5 – optimized process

The organization will focus on optimization of its quantitatively managed processes to take into account changing business needs and external factors. It will anticipate future capacity demands and capability requirements to meet delivery challenges – e.g. through portfolio analysis.

Top managers are seen as exemplars, reinforcing the need and potential for capability and performance improvement.

It will be a learning organization, propagating the lessons learned from past reviews. The organization's ability to rapidly respond to changes and opportunities will be enhanced by identifying ways to accelerate and share learning.

The knowledge gained by the organization from its process and product metrics will enable it to understand causes of variation and therefore optimize its performance. The organization will be able to show that continuous process improvement is being enabled by quantitative feedback from its embedded processes and from validating innovative ideas and technologies. There will be a robust framework addressing issues of governance, organizational controls and performance management. The organization will be able to demonstrate strong alignment of organizational objectives with business plans, and this will be cascaded down through scoping, sponsorship, commitment, planning, resource allocation, risk management and benefits realization.

Process Perspectives

There are seven Process Perspectives within P3M3, defining the key characteristics of a mature organization. They apply across all three models and at all Maturity Levels, and each perspective describes the processes and practices that should be deployed at a

given level of maturity. As organizations move up through the Maturity Levels, the quality and effectiveness of the processes and practices increase correspondingly. This incremental nature of process improvement is a key feature of P3M3.

P3M3 is flexible, enabling organizations to assess their maturity with respect to any one or more of the three sub-models. Organizations may also choose to assess their effectiveness against any particular Process Perspective(s) across all three sub-models – e.g. to measure risk management maturity in portfolio, programme and project management.

The following sections outline the seven Process Perspectives and give a summary of their characteristics.

Management Control

This covers the internal controls of the initiative and how its direction of travel is maintained throughout its life cycle, with appropriate break points to enable it to be stopped or redirected by a controlling body if necessary.

Management control is characterized by clear evidence of leadership and direction, scope, stages, tranches and review processes during the course of the initiative. There will be regular checkpoints and clearly defined decision-making processes. There will be full and clear objectives and descriptions of what the initiative will deliver. Initiatives should have clearly described outputs, a programme may have a blueprint with defined outcomes, and a portfolio may have an organizational target operating model.

Internal structures will be aligned to achieve these characteristics and the focus of control will be on achieving them within the tolerance and boundaries set by the controlling body and based on the broader organizational requirements. Issues will be identified and evaluated, and decisions on how to deal with them will be made using a structured process with appropriate impact assessments.

Benefits Management

Benefits management is the process that ensures that the desired business change outcomes have been clearly defined, are measurable and are ultimately delivered through a structured approach and with full organizational ownership.

Benefits should be assessed and approved by the organizational areas that will deliver them. Benefit dependencies and other requirements will be clearly defined and understanding gained on how the outputs of the initiative will meet those requirements. There should be evidence of suitable classification of benefits and a holistic view of the implications being considered. All benefits should be owned, have realization plans and be actively managed to ensure that they are achieved. There will be a focus on operational transition, coupled with follow-up activities to ensure that benefits are being owned and realized by the organization.

There will be evidence of continual improvement being embedded in the way the organization functions. This process will identify opportunities that can be delivered by

initiatives and also take ownership of the exploitation of capabilities delivered by programmes and projects. Change management, and the complexities this brings, will also be built into the organization's approach.

Financial Management

Finance is an essential resource that should be a key focus for initiating and controlling initiatives. Financial management ensures that the likely costs of the initiative are captured and evaluated within a formal business case and that costs are categorized and managed over the investment life cycle.

There should be evidence of the appropriate involvement of the organization's financial functions, with approvals being embedded in the broader organizational hierarchy. The business case, or equivalent, should define the value of the initiative to the business and contain a financial appraisal of the possible options. The business case will be at the core of decision making during the initiative's life cycle, and may be linked to formal review stages and evaluation of the cost and benefits associated with alternative actions. Financial management will schedule the availability of funds to support the investment decisions.

Stakeholder Management

Stakeholders are key to the success of any initiative. Stakeholders at different levels, both within and outside the organization, will need to be analyzed and engaged with effectively in order to achieve objectives in terms of support and engagement. Stakeholder management includes communications planning, the effective identification and use of different communications channels, and techniques to enable objectives to be achieved. Stakeholder management should be seen as an ongoing process across all initiatives and one that is inherently linked to the initiative's life cycle and governance controls.

Risk Management

This views the way in which the organization manages threats to, and opportunities presented by, the initiative. Risk management maintains a balance of focus on threats and opportunities, with appropriate management actions to reduce or eliminate the likelihood of any identified risk occurring, and to minimize its impact if it does occur. It will look at a variety of risk types that affect the initiative, both internal and external, and will focus on tracking the triggers that create risks.

Mitigation of risk will be innovative and proactive, using a number of options to reduce likelihood and impact. The review of risk will be embedded within the initiative's life cycle and have a supporting process and structures to ensure that the appropriate levels of rigour are being applied, with evidence of interventions and changes made to manage risks.

Organizational Governance

This looks at how the delivery of initiatives is aligned to the strategic direction of the organization. It considers how start-up and closure controls are applied to initiatives and how alignment is maintained during an initiative's life cycle. This differs from management control, which views how control of initiatives is maintained internally, as this perspective looks at how external factors that impact on initiatives are controlled (where possible, or mitigated if not) and used to maximize the final result. Effective sponsorship should enable this.

Organizational governance also looks at how a range of other organizational controls are deployed and standards achieved, including legislative and regulatory frameworks. It also considers the levels of analysis of stakeholder engagement and how their requirements are factored into the design and delivery of outputs and outcomes.

Resource Management

Resource management covers management of all types of resources required for delivery. These include human resources, buildings, equipment, supplies, information, tools and supporting teams. A key element of resource management is the process for acquiring resources and how supply chains are utilized to maximize effective use of resources. There will be evidence of capacity planning and prioritization to enable effective resource management. This will also include performance management and exploitation of opportunities for greater utilization. Resource capacity considerations will be extended to the capacity of the operational groups to resource the implications of change.

Attributes

Within each Process Perspective are a number of attributes. These are indicators of process and behavioural maturity. Specific Attributes relate only to a particular Process Perspective, while Generic Attributes apply equally to all Process Perspectives at each of the five Maturity Levels.

Inevitably, organizations will perform well against some Process Perspectives and not so well against others. Attributes describe the intended profile of each Process Perspective at each Maturity Level, and the topics, processes and practices covered will change and build as the Maturity Level changes.

Conclusion

This structure of P3M3 allows organizations to see a snapshot of where they are now with respect to any of the Process Perspectives in all or any of their portfolio, programme and project management capabilities. This, along with knowledge of where the organization needs or wants to be in the future, provides the basis for an improvement plan to be devised and for progress towards the target to be tracked.

The remaining three chapters look at each of the individual models in more detail.

This model was created from information gathered as part of the Cabinet Office and OGC research into the concept of portfolio management.

Definition of portfolio management

The OGC definition of a portfolio is the totality of an organization's investment (or a segment of it) in the changes required to achieve its strategic objectives.

Portfolio management describes the management of an organization's portfolio of business change initiatives. It is a coordinated collection of strategic processes and decisions that together produce the most effective balance of organizational change and business as usual. P3M3 views portfolio management as an important and active discipline, critical to the success of achieving effective change in an organization.

Effective portfolio management leads to processes and behaviours that enable successful delivery across an organization's entire change investment, and it ensures that:

- change initiatives address and achieve strategic objectives
- maximum business value is realized and at an early stage
- risks are managed
- the total change investment is coherent, prioritized and scrutinized
- the broad allocation of skilled change resources is optimized
- new initiatives can be evaluated against strategic objectives, business value and current commitments
- demands from change initiatives on the operational business can be managed and coordinated at an organizational level

Organizations may choose to subdivide their portfolio or manage only a portion of it. This is often done in relation to a financial portfolio, a buildings and accommodation portfolio or an IT-enabled business change portfolio, for example.

Characteristics of portfolio management

Good portfolio management will be expected to have the following characteristics.

- Focus will be on leadership and alignment with organizational strategy
- Visions and blueprints will cover the entire, defined organization
- Timescales for the portfolio may be vague, flexible and long term
- Risk will be viewed from a strategic perspective and in a business continuity context
- Integrity of the entire business transformation is managed through programmes and projects and business as usual
- Benefits orientation will be towards the organizational benefits that affect all areas and are linked to strategic organizational goals
- Stakeholder management will have a strategic and external focus

- Governance requires the setting of policies and standards
- Quality will be viewed from the perspective of portfolio alignment and effectiveness
- Planning will be viewed in the context of outcome dependency and conflict resolution
- A combination of programmes and projects and other business change activity is likely

The management of internal elements of programmes or projects is not considered part of portfolio management.

Attributes of portfolio management

The following sections set out the attributes for each of the seven Process Perspectives within the Portfolio Management Maturity Model, at each of the five Maturity Levels, along with a description of each attribute.

PfM3 - Management Control – Level 1

Description
The organization recognizes the portfolio but has little or nothing in terms of documented processes or standards for managing the portfolio.

Specific Attributes
1. Portfolio concept may be recognized at departmental or divisional level but probably not at organizational level, but likely to be little supporting definition/documentation

2. May be some management attention to portfolio, but no recognizable process for defining and translating the organization's strategic objectives and policies into defined initiatives

3. May be some portfolio management terminology but used inconsistently

Generic Attributes
1. Training provision is uncoordinated, with little or no knowledge sharing

2. Key individuals lack experience

3. No standard roles, and responsibilities are not defined or are generic

4. Some information available but is outdated, unstructured and dispersed

5. Limited, if any, formal checking or review

6. Plans, if any, are conceptual or merely sequences of events with rough timescales

7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Management Control – Level 2

Description

There are some pockets of portfolio discipline within individual departments, but this is based on key individuals rather than as part of a comprehensive and consistent organization-wide approach.

Specific Attributes

1. Willingness for the organization to implement new processes to support and enable portfolio management but not implemented consistently

2. Some recognition that departmental or divisional portfolios must fit within the priorities and processes of an organizational portfolio

3. Common vocabulary for portfolio management beginning to evolve

4. May be specific guidelines on portfolio management in parts of the organization

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Management Control – Level 3

Description

Portfolio management processes are centrally defined, documented and understood, as are roles and responsibilities for governance and delivery.

Specific Attributes

1. Portfolio management recognized as being Executive Board's responsibility and a structure is in place to ensure delivery of portfolio
2. Centrally defined, owned and managed process for translating policy and strategic priorities into portfolio initiatives, with redundant initiatives eliminated
3. Portfolio management processes have specified owners and there is evidence of an effective Portfolio Management Office.
4. Overarching plan linking organizational strategic plan to portfolio initiative plans
5. Portfolio has set policies, standards and methods on how initiatives will be delivered consistently and optimally
6. Portfolio Management Office reports to Executive Board
7. Documentation explaining context, purpose and expectations of portfolio
8. Portfolio has a defined perimeter, enabling demarcation and understanding of what it contains

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of individuals in specific roles
11. Forums exist for sharing organizational experience to improve individual and organizational performance
12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PfM3 - Management Control – Level 4

Description

Portfolio management processes exist and are proven. Portfolio management has established metrics against which success can be measured.

Specific Attributes

1. Robust organizational framework for categorizing initiatives, measuring and monitoring organizational performance, and measuring contribution from portfolio
2. Executive Board responsible for ensuring delivery of portfolio
3. High-level reports on key aspects of portfolio made available to Executive Board to support informed decision making
4. Process in place for evaluating and handling major changes within portfolio
5. Continual assessment of organization's capacity to manage initiatives, and of appropriate prioritization
6. High levels of operational engagement with decision making and direction of portfolio
7. Decision making based on maintaining alignment and balance within portfolio, and its optimal configuration, to achieve strategic objectives
8. Initiative management process capability determined and used to establish suitable performance goals, which are then monitored
9. Trend reporting on progress, actual and projected cost, level of risk, and initiative and stakeholder confidence, are routinely collected, reviewed by Executive Board and used for decision making
10. Quantitative and qualitative measures, and lessons learned, routinely used to improve effectiveness of portfolio management

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PfM3 - Management Control – Level 5

Description

Portfolio management has well-defined controls and behaviours that enable it to deliver the strategic objectives of the organization through a variety of processes and tools.

Specific Attributes

1. Portfolio management processes proven and optimized

2. Management control and reporting mechanisms are proactive and focus on Key Performance Indicators aligned to the organization's strategic objectives

3. Portfolio management can demonstrate that its role in scrutinizing initiatives has resulted in some being stopped or reshaped to gain better alignment with other initiatives and to optimize delivery

4. Evidence that lessons learned through portfolio management are disseminated widely

5. Management controls evaluated to ensure they remain aligned to business needs

6. Business opportunities identified and potential benefit of new technology to deliver successful outcomes, and its impact, is determined

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PfM3 - Benefits Management – Level 1

Description

There is a recognition that initiatives may exist within the organizational and divisional portfolio to enable the achievement of benefits for the organization. However, this will not translate into a defined benefits realization process.

Specific Attributes

1. Initiatives may identify some business benefit generally
2. Any benefits identified tend to be subjective rather than objective
3. May be some statements on the purpose of some initiatives but not providing a clear view of what success will look like

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Benefits Management – Level 2

Description

The development of the investment cycle will be increasing the awareness and importance of identifying benefits and subsequently tracking whether they have been achieved. However, the realization of benefits is still likely to be patchy, inconsistent and unmonitored.

Specified Attributes

1. Evidence of individuals or local functions using a process for defining business benefits, but little formal benefits tracking, management or ownership

2. Some initiatives will be expected to identify benefits and how to achieve them, but this is deployed inconsistently

3. Likely to be overlap and double counting of benefits between initiatives, with a poorly defined process to identify these

4. Some alignment of identified benefits to the organizational objectives, but likely to be unquantified and patchy

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Benefits Management – Level 3

Description

There is a centrally managed framework used for defining and tracking the delivery of portfolio-level benefits across the business operations.

Specific Attributes

1. Explicit statements on how benefits enabled by initiatives actually contribute to business value and strategic objectives
2. Clear organizational policies relating to benefits management deployed through initiatives (e.g. programme benefits management strategies)
3. Business or service areas actively engaged in defining and realizing benefits
4. May be an organizational design authority with responsibility for benefits across portfolio
5. Benefits are owned and the performance management process ensures their realization; ownership may be cascaded but with a clear trail of accountability for benefits realization
6. Strategic benefits fully documented with clear links between initiatives and business change activities
7. Changes to individual initiatives are assessed for impact on benefits realization
8. Defined process for identifying and realizing opportunities
9. Process in place for validating the realization of benefits and refining targets
10. Benefits realization objectives linked to operational business plans

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of

individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PfM3 - Benefits Management – Level 4

Description

The benefits realization and management process is well established, measurable and is integrated into how the organization manages itself.

Specific Attributes

1. Benefits realization and management process well established across all initiatives, with outputs and benefits actively measured, managed and owned, and an identified link between outcomes and the organizational performance framework

2. Clear accountability for benefits realization is defined within portfolio roles

3. There is a portfolio of strategic benefits that the portfolio manages through prioritization of initiatives

4. Dependencies between benefits identified and managed

5. Business areas performance-managed to deliver benefits

6. Performance metrics tracked across the business to measure improvements against baselines and targets

7. Lessons from benefits realization performance embedded into expectations from initiatives

8. Benefits realization integrated into organizational performance management framework

9. Benefits measurement tracks positive and negative effects on the business against a range of operational measures

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PfM3 - Benefits Management – Level 5

Description

Benefits realization is integral to the development of business strategy decision making.

Specific Attributes

1. Benefits management process exists and is embedded across the organization, with benefits realization explicitly aligned to organizational performance framework and outcomes
2. Measurement of benefits realized informs the organization's strategic objectives and priorities, enabling adjustments to strategy where necessary
3. Benefits management process is continually improved based on lessons learned and process metrics
4. Externally imposed organizational delivery targets integrated into benefits management process

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PfM3 - Financial Management – Level 1

Description

Portfolio oversight of the financial aspects of initiatives may be recognized but there is little or no organizational investment control.

Specific Attributes

1. Investment requests often included within general budget rounds and not appraised as investment opportunities against defined selection criteria
2. Funding approval for initiatives devolved to budget centres, with little or no accountability outside of budget holder
3. Some local financial control processes but often failing to understand projected financial outcomes and resolve troubled initiatives

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Financial Management – Level 2

Description

There are some pockets of good business case production and some, usually departmental, structures to oversee investment decisions. However, business cases are often appraised independently of each other and real organizational priorities have not been established.

Specific Attributes

1. Some business cases for some initiatives tested against emerging organizational priorities and for organizational capacity and appetite for risk
2. Business cases for some initiatives based on simple cost-benefit analysis
3. May be some evidence of options appraisal
4. Provision of funding is local, and not through a consistent and centrally managed process
5. Individual departments establishing structures to oversee and coordinate their initiatives, but little evidence of initiatives being stopped due to poor performance
6. Application of business case guidance varies and is limited, and business case writing skills are rudimentary
7. Focus on cost tracking rather than financial management
8. Business case production, procurement appraisal and investment control are restricted by the extent of individual competencies

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may

still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Financial Management – Level 3

Description

There will be established standards for the investment management process and the preparation of business cases.

Specific Attributes

1. Clear, documented and published investment life cycle addressing new ideas, feasibility studies, trials, development and review

2. Investment management process and practice in place across organizational portfolio, within which departmental or specialist portfolios fit

3. Common investment management process and practice within portfolio for initiative approval, monitoring and delegation

4. Business and portfolio planning cycles work concurrently

5. Costs, expenditure and forecasts monitored at portfolio level in accordance with organizational guidelines and procedures

6. Defined interfaces with other financial functions within the organization

7. Criteria within portfolio for organizational investment decision making are clear and communicated

8. Portfolio management process includes effective planning of funding availability

9. Financial data in management reports integrated with schedule data and including trends

10. Financial modelling of value for money, using agreed and explicit techniques

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PfM3 - Financial Management – Level 4

Description

The organization has effective and robust financial control of its investment decisions and the approval and monitoring of initiatives. There is proactive, evidence-based management of the portfolio.

Specific Attributes

1. Funding for next stage of delivery released only if initiative meets agreed performance criteria

2. Formal review process ensuring that each initiative's actual financial performance and benefits are in line with expectations, with corrective actions taken when required

3. Executive Board reassures itself that there is financial control across portfolio

4. Investment management process fully integrated with performance management framework

5. Investment decisions ensure that initiatives are not started unless their contribution to the organizational objectives and priorities is explicit and aligned

6. External financial risks monitored and evaluated as part of investment management processes

7. Analysis prior to investment decisions made through senior management-owned Investment Board or other delegated expert body

8. Accurate financial management information on initiative costs and benefits is available, to facilitate proactive management of the organization's total investment

9. Full integration between organizational and portfolio financial planning cycles

10. Financial oversight of portfolio is organization-centric rather than programme- or project-centric

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance
9. Succession plans exist for key roles

PfM3 - Financial Management – Level 5

Description

Financial control of the portfolio is an integral part of the organization's financial control regime.

Specific Attributes

1. Executive Board manages investments by funding only those initiatives with valid business cases and which continue to pass formal reviews
2. Investment decisions consider the organization's entire portfolio of initiatives and collective benefits and priorities
3. There is a portfolio of initiatives that balances financial risk
4. Portfolio financial decision making is based on actual and forecast data from its initiatives
5. The organization is able to flex its appetite for financial risk to better align portfolio to meet organizational objectives
6. Appropriate financial control embedded within initiatives and integrated with organizational financial control

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PfM3 - Stakeholder Management – Level 1

Description

Stakeholder management and communication is rarely used by portfolios as an element of the delivery toolkit.

Specific Attributes

1. Concept of stakeholder management may be acknowledged but is undefined
2. Portfolio communicates with stakeholders on ad hoc basis, relying on individuals within the team taking the initiative
3. No structured approach to stakeholder management and communications

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Stakeholder Management – Level 2

Description

Some portfolios will be communicating effectively, but this is linked more to personal initiative of portfolio managers than a structured approach deployed by the organization.

Specific Attributes

1. Evidence may exist of more sophisticated analysis and communications planning for some portfolios

2. Most stakeholder analysis is basic and inconsistent, limited to the issue of what stakeholders are interested in

3. Portfolios recognize stakeholder groupings but are limited to local knowledge

4. Some portfolios have their own communications plans but they focus on merely transmitting information

5. Outgoing communications channels from portfolios are limited, with focus on email or websites

6. Some stakeholders advised or consulted, and feedback processed

7. Structured approach beginning to evolve, but based on good practice of one or two key individuals

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Stakeholder Management – Level 3

Description

There is a centrally managed and consistent approach to stakeholder management and communications, used by all portfolios.

Specific Attributes

1. Centrally defined and consistent approach, and supporting process, for identifying and analyzing stakeholders
2. Portfolios consider stakeholder needs and stakeholders are actively involved in decision making
3. Corporate communications (or equivalent) are involved in development of stakeholder management processes and procedures
4. Stakeholders have authority and clearly defined roles within portfolio
5. Audit trails of communications maintained for all portfolios
6. Communications channels vary and are used to target and deliver messages effectively
7. Communications budget exists
8. Much of this approach is provided by the Portfolio Management Office

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of individuals in specific roles
11. Forums exist for sharing organizational experience to improve individual and organizational performance
12. Centrally managed role definitions and sets of competencies defined and used to

support appointments

PfM3 - Stakeholder Management – Level 4

Description

Sophisticated techniques are used to analyze and engage the stakeholder environment effectively, and quantitative information is used to underpin the assessment of effectiveness.

Specific Attributes

1. Sophisticated approach to analyzing, segmenting and maintaining stakeholder perspective information
2. Extensive range of communications channels and techniques used to deliver messages
3. Effectiveness of communications and stakeholder engagement is measured, and is high
4. Critical stakeholders embedded in decision-making process
5. Stakeholder reactions analyzed, and evidence of proactive communications management to influence stakeholder attitudes and levels of support
6. Programme leaders engaged with and supporting communications activities
7. Stakeholder identification and analysis covers internal and external groups, with information maintained centrally
8. Portfolios with high levels of market or community consultation are commonly at this level

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PfM3 - Stakeholder Management – Level 5

Description

Communications is being optimized from extensive knowledge of the stakeholder environment, to enable the portfolios to achieve their objectives.

Specific Attributes

1. Stakeholder engagement embedded in the organization's culture
2. Communications active, bi-directional and embedded in decision-making process
3. Stakeholders fully engaged in change process at all levels
4. Communications recognized by Executive Board as a key leadership tool
5. Communications measured, relevant and trusted

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PfM3 - Risk Management – Level 1

Description

There may be a growing recognition that risks need to be managed and that, at least for key business initiatives (e.g. cost saving or major site developments), they can threaten success.

Specific Attributes

1. Risk analysis may be conducted early in initiatives but is not maintained as a continual management process
2. May be an inventory of organizational risks, but they may not be assessed for impact on schedule, cost and quality
3. Decision making on risks tends to be initiative-focused, considering impact on an individual initiative's outputs rather than the wider impact
4. May be some identification of risk (probably in different systems, such as spreadsheets, text documents, databases, etc.) and some quantification, but little actual management

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Risk Management – Level 2

Description

There is generally a top-down approach to risk identification, focusing on major organizational initiatives, but some initiatives are increasingly carrying out bottom-up risk identification. However, these approaches are inconsistent, not particularly interrelated and often do not address the actual management of risks.

Specific Attributes

1. Some initiatives manage risks, but risk decision making may not consider wider outcome, focusing on threats to initiative rather than to portfolio as a whole and the realization of strategic objectives

2. Some initiatives analyze risk in terms of probability, impact (on schedule, cost and quality of deliverables) and timing

3. Some proactive management of risk, with mitigation plans in place, but such plans are rare and probably unfunded

4. Focus on risk tracking rather than risk management

5. No escalation procedures for risk mitigation to pass to more senior management

6. May be some effective ownership of risks and risk actions

7. Top-down (sometimes "knee-jerk") approach to risk identification unconnected with bottom-up approach within initiatives, often causing duplication of effort, competing teams, non-optimal resource allocation, and consequently ineffective management of organizational risk

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may

    still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Risk Management – Level 3

Description

Portfolio risks are identified and quantified, and mitigation plans are developed and funded. Risk management across the portfolio is based on a common, centrally managed process.

Specific Attributes

1. Portfolio management has defined a risk management process and a risk policy
2. All initiatives comply with portfolio risk management process and risk policy
3. Portfolio processes aggregate risks and external factors are identified and managed centrally (e.g. delivery chain and likely demands/impacts on operational business)
4. Portfolio risk management integrated with organizational risk management approach
5. Efforts to manage risks are appropriate to their significance and priority
6. There is a risk manager or individual with responsibility and time for the management of risks within portfolio
7. Risks are owned and actively managed by nominated individuals
8. Robust risk management includes: identification of strategic, delivery (programme/project) and operational risks/opportunities; consistent analysis of risk in terms of probability, impact (on schedule, cost and quality of deliverables) and timing; contingency plan production and funding; and continual review by knowledgeable experts, risk owners and senior managers

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of individuals in specific roles
11. Forums exist for sharing organizational experience to improve individual and

organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PfM3 - Risk Management – Level 4

Description

The organization's appetite for risk, and the balance of risk and benefit across the portfolio, are continually reviewed and managed. Senior managers own and oversee risk management across the portfolio.

Specific Attributes

1. Portfolio risk management embedded within organizational reporting, governance and management structures

2. Portfolio risks periodically re-assessed by Executive Board to ascertain threats to, and opportunities for, achieving organizational objectives

3. Focus of risk management is on aggregation and balance of risk across portfolio's initiatives

4. Executive Board oversees major threats and opportunities, and their exploitation, and takes accountability for mitigation

5. Portfolio management identifies common risks across whole portfolio (which may not be visible to individual initiatives) and balances the organization's overall exposure to risk

6. Decision making based on outputs of techniques for assessing and evaluating risks, including risk modelling and simulations

7. Risk analysis conducted from a number of perspectives, including strategic, operational, commercial and internal to the initiative

8. Appropriate reference to risk specialists and others where appropriate (e.g. business continuity, security, incident management, health and safety, environment, procurement)

9. Clear accountability and ownership of risks and evidence of appropriate actions being taken

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance

improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PfM3 - Risk Management – Level 5

Description

The process of portfolio risk management is continually improved, based on the analysis of evidence from within the organization and comparison with other organizations.

Specific Attributes

1. Effective organizational risk management framework with which portfolio interacts effectively

2. Formal portfolio gate reviews used to proactively assess and manage investment risk and make decisions based on their impact on portfolio

3. Organizational risk management process and outcomes continually reviewed to ensure effectiveness of the process and the organizational risk framework

4. Adequate resources and funding provided for risk management improvement activities

5. Risk management illustrates a proven and balanced approach to opportunities and threats across portfolio

6. Risk management underpins decision-making process throughout portfolio

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PfM3 - Organizational Governance – Level 1

Description

The organization has some inconsistent and informal attempts to align individual initiatives to organizational objectives, and there is an ad hoc, inconsistent and ineffective oversight of initiatives.

Specific Attributes

1. May be a recognition that initiatives fit within an organizational portfolio, but at best this link will be notional
2. Initiatives may have been defined but there is only notional alignment with organizational objectives and priorities

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Organizational Governance – Level 2

Description

There are some attempts to recognize the portfolio of initiatives, but there is still little overall leadership and direction for the process.

Initiatives may be initiated and run without full regard to the organizational goals, priorities and targets.

Specific Attributes

1. May be local governance developed for specialist or departmental portfolios but inconsistent across the organization
2. Some key organizational priorities established but wider strategic objectives and priorities for portfolio are unclear and not communicated
3. Initiatives focused on achieving tactical or localized objectives rather than strategic objectives
4. Some areas undertaking process improvement
5. Difficult to establish rationale on which initiatives are funded or approved

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally
10. Planning seen as activity tracking rather than proactive/forecasting
11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Organizational Governance – Level 3

Description

The principles of portfolio management are widely understood, practised to a consistent standard, and underpin the governance framework.

Specific Attributes

1. The organization has established documented policies, standards, processes and governance for change investments, and has developed an Executive Board-owned structure to oversee portfolio performance

2. Clear, defined vision for organizational change, with senior management demonstrating commitment to it

3. Portfolio is well defined and aligned with strategic objectives and priorities

4. Clear governance structure ensuring that all initiatives are evaluated, prioritized and approved based on strategic objectives, and business cases are continually reviewed for validity and viability

5. Portfolio Management Office monitors effectiveness of governance and stakeholder engagement for all initiatives

6. Legislative and regulatory requirements incorporated into portfolio management decision and controls processes

7. Governance controls integrated into portfolio controls

8. Business performance information acquired and reviewed by Portfolio Management Office

9. Process ownership is clear and related decision-making responsibilities are clearly defined

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PfM3 - Organizational Governance – Level 4

Description

All initiatives are integrated into an achievable and governed portfolio, which is aligned to strategic objectives and priorities. The portfolio contains relevant information on initiatives (e.g. performance measures, quality attributes and asset management data) to support Executive Board decisions.

Specific Attributes

1. Executive Board shows longevity of commitment to value of portfolio management and views portfolio as strategic vehicle for change

2. Portfolio formally reviewed periodically (at least annually) to test for continued relevance of portfolio as a whole and initiatives within it

3. Executive Board intervenes to ensure that portfolio remains aligned to organization's objectives

4. Within portfolio governance arrangements each initiative is tested and prioritized for achievability, impact on strategic objectives and relative benefits

5. All initiatives analyzed to identify common causes of failure, high risk, high cost, etc., so that lessons learned can be applied to refining processes, improving performance and saving cost and time

6. Portfolio governance decision-making process is auditable and clear

7. Active searching for improvement in how portfolio integrates with organizational governance

8. Clear auditable relationship between strategic objectives and portfolio activities

9. Organizational and portfolio leadership are aligned

10. Analysis and modelling of impact of change on sustainability of business performance during transition

11. Business processes modelled and actively managed using a structured approach

12. Executive Board accountable for decisions to "stop or go" with change transitions

13. Senior management ascertain the extent of improvement to assets

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PfM3 - Organizational Governance – Level 5

Description

The portfolio is managed to ensure that it remains aligned to support the organization's strategic objectives. The portfolio management process is optimized to ensure that it is sufficiently dynamic and agile to cater for changes in business direction and priorities.

Specific Attributes

1. Governance of investment management has moved from a programme/project-centric process to organization-centric

2. Portfolio realigned to meet changing circumstances, priorities, drivers and funding, with resources re-allocated accordingly

3. The organization has effective and robust governance for managing change

4. Prioritization within portfolio based on priority of strategic objectives

5. Executive Board has clear accountability for stability of the organization and actively manages portfolio to ensure sustainability and realization of strategic objectives

6. Organization proactively enables, supports and achieves business process improvement

7. Quantitatively measurable goals for process improvement, with performance against them tracked

8. Business performance management is effective and seamlessly incorporates process improvements and benefits enabled by initiatives

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development

programmes

PfM3 - Resource Management – Level 1

Description

Portfolio resource requirements are recognized but not systematically managed. Resource allocation is ad hoc, with little, if any, profiling of resources to meet the resource requirements of specific initiatives.

Specific Attributes

1. Individual initiatives identify and source their own resources, creating a high risk of the organization over-committing key resources
2. Little or no coordination of resources across different initiatives, and limited alignment to organizational objectives and priorities, leading to resource conflicts
3. Resource acquisition is ad hoc and uncoordinated
4.

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PfM3 - Resource Management – Level 2

Description

The organization has started to develop portfolio resource management processes and improve the identification and allocation of resources to specific initiatives. However, this is likely to be reliant on key individuals and does not assess the impact of resource allocation against the strategic objectives and priorities.

Specific Attributes

1. Resources deployed within specialist or departmental portfolios, with limited consideration of the wider organizational portfolio

2. Some specialist or departmental portfolios have defined methods of resource acquisition but these are likely to differ and be applied inconsistently

3. Limited assessment of impact on other initiatives or operational areas when allocating resources

4. Pockets of good resource management processes but likely to be limited to specific initiatives or departments

5. Problems of not managing resources across portfolio are beginning to be understood and solutions starting to be developed in isolated initiatives or departments

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PfM3 - Resource Management – Level 3

Description

The portfolio resource management process is centrally defined within the organization. Initiative resource needs are evaluated, enabling the organization to target and increase the development of resources to meet strategic objectives and priorities.

Specific Attributes

1. Policies, processes and tools in place describing how portfolio resources are acquired, managed, deployed and accounted for, and enabling their acquisition

2. The organization identifies and builds the required capability of its resources and the realistic capacity needed to support its initiatives

3. The organization has a portfolio resource pool used by initiatives to identify staff (including from the operational business) with the appropriate skill sets

4. Portfolio resource management process builds on that within initiatives by ensuring that resource allocation takes cognizance of strategic objectives and priorities

5. Portfolio Management Office tracks portfolio resource utilization

6. Mechanisms in place for acquisition of portfolio resources and exploitation of supply chain opportunities

7. Consistent approach to procurement of resources within portfolio

8. Supply chain recognized as part of resource pool

9. Career path for portfolio staff defined, clear and implemented

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and

organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PfM3 - Resource Management – Level 4

Description

The organization has established effective capacity and capability strategies and processes for obtaining, allocating and adjusting resource levels (including people, funding, estate and tools) in line with medium- and long-term investment plans.

Specific Attributes

1. Practices and processes of the organization support portfolio management and the acquisition, allocation and efficient management of resources across departmental and functional boundaries

2. Utilization of the organization's resource pool monitored in order to plan, manage and meet its resourcing needs across all initiatives

3. Priority of initiatives within portfolio informs decisions on resource allocation

4. Portfolio resource management integrates operational and portfolio resource needs

5. Return to business as usual arrangements for staff seconded to programmes and/or projects are implemented and effective

6. Potential resource conflicts across initiatives resolved on the basis of strategic priorities, levels of risk and extent of benefits to be realized

7. Performance assessment of resources based on initiative delivery rather than individual or team performance

8. Continual engagement with supply chain to optimize deployment of internal and external resources

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PfM3 - Resource Management – Level 5

Description

Portfolio management drives the planning, development and allocation of initiatives to optimize the effective use of resources in achieving the strategic objectives and priorities.

Specific Attributes

1. Impact of portfolio on strategic planning and its implementation on future resource capacity demands and capability requirements are understood and managed
2. Optimal usage of organizational resources can be demonstrated
3. Portfolio resource management processes continually improved based on lessons learned and key performance measures
4. Resource allocation to and from initiatives intimately aligned with achieving strategic objectives and priorities
5. Performance metrics evident to assess resource contribution to organizational performance framework (or scorecard)

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

4 Programme Management Maturity Model

This model was developed from research work undertaken during the preparation OGC's Managing Successful Programmes (MSP™) framework and the subsequent experiences of MSP and the original version of P3M3.

Definition of programme management

Programmes exist to manage the complexities involved in delivering beneficial change. Programme management is focused on the areas of tension between strategic direction, project delivery and operational effectiveness. Mature organizations recognize and manage this effectively.

For the purposes of P3M3 a programme is defined as a temporary, flexible organization created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to the organization's strategic objectives.

A programme is likely to have a lifespan of several years. During a programme's life cycle, projects are initiated, executed and closed. Programmes provide an umbrella under which projects can be coordinated, and the programme integrates the projects so that it can deliver an outcome greater than the sum of its parts.

Characteristics of programme management

Good programme management will be expected to have the following characteristics.

- Focus will be on direction and delivery of organizational strategy
- The delivery of a coherent capability will underpin programme activities
- Visions and blueprints will be within the programme perimeter
- Timescales may be loosely defined but there will be a definite end point
- Risk will be viewed in terms of aggregation and operational transition
- Issue orientation will be towards resolving inter-project escalations and benefits delivery
- Benefit realization will be dominant, with significant focus on the rigour of benefit descriptions and realization delivery
- Stakeholder management will be focused at all levels within the organization and on key external influencers
- Governance will be achieved through consistent programme strategies and the application of organizational or portfolio standards, where they exist
- Planning will be orientated towards delivering outcomes through step changes (tranches) and managing project interdependencies
- Business cases will focus on beneficial change balanced against the cost of delivery

Attributes of programme management

The following sections set out the attributes for each of the seven Process Perspectives within the Programme Management Maturity Model, at each of the five Maturity Levels, along with a description of each attribute.

PgM3 - Management Control – Level 1

Description

Programme management terminology may be used but not consistently. The general approach will be focused on project rather than programme level.

Specific Attributes

1. Programme management may be seen simply as coordination of multiple projects

2. No clear life cycle followed by individual programmes

3. Programme adoption initiatives come from project teams rather than strategic commitment

4. Any programme success is achieved through enthusiasm and determination rather than structure

5. Programme management is likely to be a vague idea, perhaps limited to one department undertaking a lot of projects and trying to coordinate them

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Management Control – Level 2

Description

Some general understanding exists of the concepts of programme management and its control mechanisms but adoption is localized.

Specific Attributes

1. Some strategic alignment of some programmes, but may be tentative and non-committal or may only exist at definition and is not maintained

2. Evidence of project-based controls and tools still being applied to some programmes

3. Programme management approach is evolving and inconsistent, but there may be evidence of good practice in some areas

4. Common vocabulary beginning to evolve

5. Good examples of deployment but with inconsistency and varying levels of commitment

6. May be some strategic acknowledgement of the value of programme management but controls tend to be focused on identification and definition

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Management Control – Level 3

Description

There is a centrally defined and documented approach to a programme management life cycle and controls, and it is applied in all programmes by capable staff who support programme teams.

Specific Attributes

1. Central group defining programme management life cycle and management controls
2. Regular and standard progress reporting to Programme Board and governance groups
3. Programme life cycle exists, with clearly defined critical points (gates) and is applied consistently
4. Cross-project issues managed at programme level, with clearly defined escalation paths to enable resolution
5. Consistent process for identification and resolution of issues
6. Programmes have clearly defined descriptions of future state of the organization (blueprints or target operating models)
7. Programme life cycle and controls based on consistent and centrally mandated framework
8. All programmes have a Programme Board (or equivalent) that functions effectively
9. Interface between business strategy and programmes maintained throughout life cycle
10. May be over-focus on templates, causing inflexibility, but with recognition of need for flexibility

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of

individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PgM3 - Management Control – Level 4

Description

Programme management is seen as a key tool for the delivery of strategic objectives. Within the programme environment the focus is on improvement of delivery through measurement and analysis of performance.

Specific Attributes

1. Flexible consideration of route and controls for programmes, applying controls as and when necessary, such as at critical points (go/no-go decision points)
2. Processes reviewed and evidence of best practice and latest techniques being adopted
3. Organization-wide acceptance of a common approach that is supported by management behaviour
4. Programme life cycle focused on delivering increasing organizational capability
5. Flexible deployment of programme life cycle
6. Programme progress reported regularly to Executive Board
7. Effective management of programmes using benchmarks and metrics to track progress
8. Target operating models (blueprints) and defined outcomes at the core of planning and progress measurement
9. Programmes reviewed at critical points (go/no-go decision points) and direction changes take place when required
10. Evidence of critical point reviews leading to programmes being stopped

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PgM3 - Management Control – Level 5

Description

Management controls ensure that the programme approach delivers the strategic aims and objectives of the organization.
Acceptance of programme management as the optimal approach to strategic delivery is organization-wide.

Specific Attributes

1. Strategic and business planning cycles integrated with programme planning cycles

2. Mature programme management processes that are proven and have been optimized to maximize the likelihood of delivery success

3. Long-term evidence of programme management commitment exemplified through numerous programmes having followed a defined life cycle

4. Subject matter experts collaborate with practitioners to optimize processes

5. Escalation routes from programmes to Executive Board are effective and provide resolutions

6. Organizational strategy directional changes include consideration of impact on programmes

7. Evidence of programmes diverted or stopped after review

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PgM3 - Benefits Management – Level 1

Description

There may be recognition of the concepts of benefits that can be differentiated from project outputs. Benefits will be developed at a project level with minimal programme control.

Specific Attributes

1. No consolidation of project benefits
2. Benefits defined in terms of outputs and results rather than measurable performance improvement
3. Benefits management has no common understanding or definitions, but may be elements of a common vocabulary
4. Descriptions of benefits are brief and may be simply bullet point lists
5. No evidence of specific ownership of actions associated with benefits realization

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Benefits Management – Level 2

Description

Benefits are sometimes recognized as a key element and differentiating factor for programmes. Focus is likely to be at the project level but there is initial evidence of benefit tracking at a programme level in some cases.
There may be more detailed definition of benefits in some programmes.

Specific Attributes

1. Benefits described and defined but not consistently across the organization's programmes or within individual programmes

2. Benefits, where they exist, largely regarded as project orientated and will vary in different areas

3. Evidence of recognition of need to track benefits beyond "go live" activities in some areas

4. Some localized ownership of benefits

5. Measurement criteria for benefits may exist locally, but not consistently applied

6. Different areas manage and account for benefits in different ways

7. Communities of practitioners may exist and occasionally collaborate

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Benefits Management – Level 3

Description

There is a centrally managed and consistent framework, with processes that are used for defining and tracking the delivery of benefits arising from programme outcomes.

Specific Attributes

1. Centrally defined benefits measurement and assessment mechanisms in place and used by all programmes
2. Centrally managed set of processes, tools and templates used for benefits management activities
3. Programme life cycle includes realization of benefits beyond the delivery of capability by individual projects
4. Allocation of ownership for business activities required to release the benefits (broader than ownership of benefits profiles)
5. Full description of each benefit and detailed explanations of how they will be achieved in structured documentation with sign-offs
6. Benefit reviews scheduled for all programmes
7. Benefits reviewed by all Programme Boards as a standard activity
8. Evidence of common approach to defining relationship between project deliverables, achievement of outcomes and realization of benefits
9. Reporting of key performance indicators relating directly to benefits
10. Benefits identified at outset of programmes and underpinning information development

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PgM3 - Benefits Management – Level 4

Description

Benefits management is embedded within the programme management approach and underpins the justification for, and management implementation of, each programme. Programme performance metrics are collected and analyzed.

Specific Attributes

1. Processes in place to identify and resolve double counting of benefits
2. Executive Board receives regular information on benefits realization progress
3. Use of industry techniques to assess and measure progress (e.g. Balanced Scorecard)
4. Business performance measured against historic trends, and impact of programmes and projects on business performance fully understood
5. Benefits defined at programme level, cascaded down to projects and tracked
6. Benefits categorized, with a mix of long- and short-term benefits being pursued by programmes; recognition of differences between strategic benefits applicable to all programmes and those specific to individual programmes or projects
7. Benefit reviews undertaken regularly and action taken to leverage opportunities
8. "Dis-benefits" identified and actively managed as part of benefits management processes
9. Various benefit measures designed and applied, depending on circumstances
10. Ownership of benefits management processes, with evidence of active improvement and alignment
11. Flexibility in deployment of benefits management processes
12. Benefits management well established, with proven track record in managing and realizing benefits across the organization
13. Knowledge has been gained and is stored and utilized to manage benefits across the organization

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PgM3 - Benefits Management – Level 5

Description

Benefits management is embedded within the organizational approach to change and is assessed as part of the development of organizational strategies.

Specific Attributes

1. Clear links between strategic decision-making processes and benefits realization, with management of these links embedded
2. Strategic objectives have defined beneficial impacts that are clear and aligned with programme priorities
3. Development and use of innovative techniques based on experience
4. Management of opportunities to enhance benefits realization potential embedded within the organization
5. Strategic priorities seen to affect benefit realization measures and priorities

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PgM3 - Financial Management – Level 1

Description

Minimal or no financial controls, and those that exist are principally related to projects or individual programmes.

Specific Attributes

1. Programme management budgets rare
2. Weak or no financial control of project (and other initiative) expenditure, may be restricted to cost tracking at best
3. No structured approach to budget development, with budgets likely to be ad hoc and not against standards
4. Budgets seen in terms of external spend only

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Financial Management – Level 2

Description

Financial approvals and cost projections for programmes may not be in evidence. There may be focus on project finance but the overall cost of the programme is not fully accounted for.

Specific Attributes

1. May be some programme business cases, but likely to be simple aggregation of project business cases
2. Programme management costs may be seen as an overhead and benefits may not be defined
3. Local financial processes in place, but no consistency across the organization
4. Budgets for change management teams not included in programme business cases
5. Procurement undertaken inconsistently

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally
10. Planning seen as activity tracking rather than proactive/forecasting
11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Financial Management – Level 3

Description

Centrally managed and standardized approach to financial management, with cost assessments tracked throughout the programme life cycle.

Specific Attributes

1. Standardized approach to programme business case development
2. Issues and risks assessed in financial terms
3. Guidelines exist on broad range of costs to be included in, and excluded from, budgets
4. Programme approval processes integrated with organizational approval processes and operated by corporate finance function
5. Programmes and their projects have scheduled and managed funds
6. Clearly defined levels of authority for expenditure and sign-off
7. Centrally managed templates for developing business cases and financial plans
8. Business performance tracked for evidence of benefits realization
9. Contracts placed using professional procurement support to ensure best value for money
10. Standard financial estimation and value for money techniques
11. Programme business cases contain a range of options that are appraised
12. Programme funding allocated as part of organizational funding schedules
13. Business case reviews scheduled and undertaken regularly

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of

individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PgM3 - Financial Management – Level 4

Description

Programme life cycles are being flexed effectively to manage availability of funds. There is effective decision making, with consideration of financial evidence.

Specific Attributes

1. Cumulative financial margins set for programme budget and at project level
2. Distinct programme and project budgets, managed and having clear accountability
3. Funds to support programme identified at organization level and factored into expenditure plans
4. Regular business case reviews at critical points (gates) and evidence of them being acted on
5. Financial rigour applied to programmes in a flexible manner appropriate to risks associated with programme
6. Cost of change accounted for in all programmes as well as programme and project management costs, and includes operating costs
7. Procurement and contract placement undertaken consistently

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance
9. Succession plans exist for key roles

PgM3 - Financial Management – Level 5

Description

Financial control is evident throughout the programme life cycle and a balanced view of financial risk taking underpins programme governance.

Specific Attributes

1. Programme delivery costs built into business financial management cycle
2. Executive Board-level support and commitment to programme-related expenditure, although sometimes managed by Investment Board
3. Programme funding integrated into business planning process
4. Organizational financial risks shared with programmes and effective mitigation and solutions sought
5. Integrated approach to investment management

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PgM3 - Stakeholder Management – Level 1

Description

Stakeholder management and communication is rarely used by programmes as an element of the delivery toolkit.

Specific Attributes

1. Concept of stakeholder management may be acknowledged but is undefined
2. Programmes communicate with stakeholders on ad hoc basis, relying on individuals within the team taking the initiative
3. No structured approach to stakeholder management and communications

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Stakeholder Management – Level 2

Description

Some programmes will be communicating effectively, but this is linked more to personal initiative of programme managers than a structured approach being deployed by the organization.

Specific Attributes

1. Evidence may exist of more sophisticated analysis and communications planning for some programmes
2. Most stakeholder analysis is basic and inconsistent, limited to the issue of what stakeholders are interested in
3. Programmes recognize stakeholder groupings but are limited to local knowledge
4. Some programmes have their own communications plans but they focus on merely transmitting information
5. Outgoing communications channels from programmes are limited, with focus on email or websites
6. Some stakeholders advised or consulted, and feedback processed
7. Key messages delivered inconsistently, with no audit trails
8. Structured approach beginning to evolve, but based on good practice of one or two key individuals

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Stakeholder Management – Level 3

Description

There is a centrally managed and consistent approach to stakeholder management and communications, used by all programmes.

Specific Attributes

1. Centrally defined and consistent approach, and supporting process, for identifying and analyzing stakeholders

2. Programmes consider stakeholder needs and stakeholders are actively involved in decision making

3. Corporate communications (or equivalent) are involved in development of stakeholder management processes and procedures

4. Stakeholders have authority and clearly defined roles within programme

5. Audit trails of communications maintained for all programmes

6. Structured, centrally managed communications plan balances communications from all programmes

7. Communications channels vary and are used to target and deliver messages effectively

8. Communications budget exists

9. Much of this approach is provided by the Portfolio Management Office

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of

individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PgM3 - Stakeholder Management – Level 4

Description

Sophisticated techniques are used to analyze and engage the stakeholder environment effectively, and quantitative information is used to underpin the assessment of effectiveness.

Specific Attributes

1. Sophisticated approach to analyzing, segmenting and maintaining stakeholder perspective information
2. Extensive range of communications channels and techniques used to deliver messages
3. Effectiveness of communications and stakeholder engagement is measured, and is high
4. Critical stakeholders embedded in decision-making process
5. Stakeholder reactions analyzed, and evidence of proactive communications management to influence stakeholder attitudes and levels of support
6. Programme leaders engaged with and supporting communications activities
7. Stakeholder identification and analysis covers internal and external groups, with information maintained centrally
8. Programmes with high levels of market or community consultation are commonly at this level

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance
9. Succession plans exist for key roles

PgM3 - Stakeholder Management – Level 5

Descriptions

Communications is being optimized from extensive knowledge of the stakeholder environment, to enable the programmes to achieve their objectives.

Specific Attributes

1. Stakeholder engagement embedded in the organization's culture
2. Communications active, bi-directional and embedded in decision-making process
3. Stakeholders fully engaged in change process at all levels
4. Communications recognized by Executive Board as a key leadership tool
5. Communications measured, relevant and trusted

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PgM3 - Risk Management – Level 1

Description

There is minimal evidence of risk management being used to any beneficial effect. There may be evidence of a risk being documented but little evidence of active management.

Specific Attributes

1. Risk register may exist, but unlikely to be maintained throughout programme life cycle
2. Focus of management attention is on dealing with issues as they arise, with a reactive rather than proactive approach
3. Risk identification, if any, is a one-off activity at start-up
4. Foreseeable threats regularly impact on programmes and their projects
5. Inconsistent use of risk management terminology

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Risk Management – Level 2

Description

Risk management is partially recognized and used on some programmes, but there are inconsistent approaches within and between programmes, which result in different levels of commitment and effectiveness.

Specific Attributes

1. Different areas and programmes manage risk in different ways

2. Some programmes recognize different categories of risk (e.g. distinguishing between project and operational risks)

3. Risk avoidance measures may be ineffective, leading to over-emphasis on issues

4. Inconsistency of approach to analysis and evaluation of risks, and although there may be examples of good practice in some programmes or some parts of the business, it lacks consistency

5. Local risk management processes in place and managed by Programme Board and teams

6. Risks may be reviewed by Programme Board but with varying levels of commitment

7. Processes exist for escalating project risks to programme level, and work effectively for some programmes

8. Risk status reported to Programme Board on ad hoc basis

9. Risk management may be seen by many stakeholders as a "ritual"

10. Little reference to and understanding of early warning indicators

11. Roles and responsibilities for risk management present but inconsistent

12. Risk management may have more focus during early stages of programmes, particularly business case approval stage, but focus not maintained throughout programme life cycle

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Risk Management – Level 3

Description

Risk management has a clearly defined and centrally managed process that is followed consistently by all programmes.

The framework is based on industry standards and is supported by a consistent system used by all programmes.

Specific Attributes

1. Centrally defined risk management framework defined, owned and deployed to all programmes

2. Risk management intervention points and reviews embedded within programme life cycle

3. Risks consistently categorized by type (e.g. commercial, operational or strategic)

4. Standard risk management templates and tools used extensively and consistently

5. Programme risks tend to have more focus than strategic or operational risks

6. Programme Board reviews risks as a standard agenda item

7. Risk evaluation techniques defined and deployed consistently

8. There is a route for the escalation and delegation of risk actions between programme and business operations and strategy

9. Risk escalation and delegation between programme and its projects works consistently and effectively

10. Regular risk reporting to organizational functions

11. Ownership of risk action beginning to be applied consistently

12. Programme Management Office will be looking for risks spanning more than one programme, and aggregating their impact

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PgM3 - Risk Management – Level 4

Description

Risk management works effectively, with active management and mitigation of risks evident through embedded behaviour.

There is evidence of opportunity management and management of risk aggregation.

Specific Attributes

1. Set of known standard risks defined and allocated to programmes for evaluation and management

2. Aggregated risk levels across programmes tracked and managed

3. Clear understanding of level of risk exposure from programmes being undertaken

4. Reference to risk management embedded in all programme life cycle activities

5. Risk management seen as organizational process, with clear ownership

6. Flexible deployment of proven standards and techniques to help programme processes that are under continual review, with evidence of continual improvement

7. Threshold limits for early warning indicators set, with associated escalations in place

8. Risk management actively owned within line management as well as programme management

9. Evidence of expertise applied to specialist risk areas (e.g. financial, health and safety, environmental, etc.)

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PgM3 - Risk Management – Level 5

Description

Risk management is embedded in the culture of the organization and underpins all decision making within the programme.

There is evidence of continual improvement and integration with strategic direction.

Specific Attributes

1. Accountability for risk control at Executive Board level

2. Executive Board has clear visibility of risk exposure to the organization from programmes

3. Risk evaluation underpins all decision making

4. Organizational risk management controls and supporting governance deployed into programme environment

5. Programmes react quickly and effectively to changes in risk profile and exposure

6. Options and risk sensitivity analysis undertaken, and scenario modelling used

7. Risk appetite for each programme defined and used to manage against

8. Sophisticated approach to risk management, balancing threats and opportunities in the decision-making process

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PgM3 - Organizational Governance – Level 1

Description

Some informal governance of programmes may exist but with undefined links to projects and/or broader organizational controls. Roles will not be formally defined.

Specific Attributes

1. Programmes and initiatives make decisions without reference to organizational hierarchy
2. Activities likely to be restricted to project coordination
3. Programmes may be linked to specific business units, with governance confined to the unit rather than integrated into the wider organization
4.

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Organizational Governance – Level 1

PgM3 - Organizational Governance – Level 2

Description

Programme management is beginning to take shape but with ad hoc controls, and there is no clear strategic control. Roles and responsibilities will be inconsistent, as will reporting lines.

Specific Attributes

1. Programme manager role may not have embedded organizational authority
2. Programme Boards may exist, but with ad hoc membership, acting more as consultation groups than delivery groups
3. Governance responsibilities dealt with in ad hoc way, and not in line with organizational governance requirements
4. Corporate functions not referenced in programme design and delivery
5. Business change managers or leaders may exist but roles not embedded in programme and they may lack consistency or authority

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally
10. Planning seen as activity tracking rather than proactive/forecasting
11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Organizational Governance – Level 3

Description

Centrally defined organizational controls are applied consistently to programmes, with decision-making structures in place and linked to organizational governance.

Specific Attributes

1. Legal and regulatory controls embedded in programme life cycle and processes
2. Decision making within programme has audit trails
3. Process exists for stopping or changing a programme's direction
4. Clear reporting lines within the programme, including to senior management
5. Personal objectives/performance and programme management responsibilities defined for key individuals
6. Standard programme organizational structure available for use by each programme and deployed flexibly
7. Reporting structure in place, used consistently to keep the business informed of programme progress and interweaving with current business performance reporting
8. Difference between responsibility and accountability clearly developed within programme management framework
9. Responsibility for programme processes clearly defined and linked to organizational responsibilities where appropriate
10. Central gathering of business performance information as well as programme performance information
11. Business change managers or leaders embedded within programme organization and fundamental to decision making, with adequate authority to orchestrate any changes required
12. Business life cycle activities (e.g. year end) factored into change plans

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PgM3 - Organizational Governance – Level 4

Description

There will be clearly aligned decision-making processes that adopt and integrate with broader organizational governance and are transparent to those involved.

Programme management responsibilities are embedded within broader role descriptions.

Specific Attributes

1. Executive Board approves all programmes
2. Executive Board actively engaged with programmes and related business change activities
3. Decision making includes equal emphasis on organizational survival and continuity with the need for change
4. Cross-reference to other Programme Boards in decision-making process
5. Clear and visible leadership or sponsoring group, to maintain strategic alignment of programmes
6. Decision making includes approvals from key governance groups at key critical points (gates) throughout programme life cycle
7. Individual executive objectives have programme management achievements built into them
8. Post-programme reviews take place and lessons are documented and deployed
9. Decision-making effectiveness reviewed and improvements sought
10. Integration of operational and programme management techniques to enhance optimization of performance
11. Ideas and new propositions reviewed and built into programme approach throughout programme life cycle
12. Change controls include impact assessments of business processes
13. Experience of previous changes built into change plans

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and

recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PgM3 - Organizational Governance – Level 5

Description

Programme management is embedded at Executive Board level, with clear ownership and control responsibilities embedded within individual directors' terms of reference.

Specific Attributes

1. Individual terms of reference for Executive Board members include programme responsibilities
2. Organizational governance controls embedded within programme governance
3. Legal and regulatory responsibilities have visible compliance
4. Decisions on priorities and major conflict resolution resolved by reference to strategic priorities and Executive Board
5. Executive Board-level ownership of strategic outcomes and contents of programme blueprints/target operating models
6. Pre-emptive and rational programme closure based on business decisions other than programme performance
7. Organization maintains balance of programmes designed to achieve business objectives, with risk levels possibly varying
8. Alignment between organizational and programme leadership
9. Formal ideas management process exists, with ideas deferred or built into strategy where appropriate
10. Strategic transformational processes incorporate programme processes
11. Executive Board-level reaction to, and management of, business performance relating to programme-initiated activities
12. Leadership development programme includes programme leadership education

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PgM3 - Resource Management – Level 1

Description

Focus is on project resources being deployed with minimal focus on programme management resource requirements and little attempt to develop a programme approach.

Specific Attributes

1. Recognition that programmes exist but limited or no allocation of resources for programme management
2. Programme use of resources may be unrealistic and/or have aggressive milestones that are unachievable
3. Some tracking of activity or inputs but no tracking of delivery

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PgM3 - Resource Management – Level 2

Description

Resources are being deployed across the organization but there is little evidence of a consistent approach to resource acquisition, planning or management in support of programmes.

Specific Attributes

1. Evidence of resource management techniques deployed locally
2. Ad hoc involvement of procurement in resourcing plans
3. May be too much dependence on one type of resource, whether internal or external
4. Little evidence of strategic attempts to share resources with other programmes or initiatives but may be some examples of this developing
5. Recognition of people's capabilities but not capacity limitations
6. May be avoidance of using organizational resources for fear of interference or loss of autonomy

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally
10. Planning seen as activity tracking rather than proactive/forecasting
11. Estimation is more "guesstimation" and does not use standard techniques

PgM3 - Resource Management – Level 3

Description

Centrally managed and consistent resource management processes are in place across all programmes.

Specific Attributes

1. Centrally defined and owned resource management framework or strategy in place for programmes
2. Frameworks in place with external market for provision of resources to meet shortages and expertise peaks
3. Resource utilization tracking and productivity monitoring occasionally undertaken, using industry standard techniques
4. Resource planning undertaken in broadest sense, not limited to human resources
5. Professional procurement support for programmes
6. Supplier selection structured and open, and compliant with organizational standards
7. Management of resource shortfalls may focus on de-conflicting problems arising between programmes, rather than on strategic resource management across the whole organization

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of individuals in specific roles
11. Forums exist for sharing organizational experience to improve individual and organizational performance
12. Centrally managed role definitions and sets of competencies defined and used to

support appointments

PgM3 - Resource Management – Level 4

Description

There will be measurement of resource utilization and proactive management to raise and broaden capability.

There will be evidence of innovative use of resource options to optimize delivery achievement.

Specific Attributes

1. Resource utilization and efficiency is tracked and measured
2. Evidence of interventions to de-conflict resource problems before they arise
3. Active leveraging of supply chain to optimize resource utilization between internal and external resource pools
4. Contract management skills embedded in programme team to maximize supply chain utilization
5. Evidence of benchmarking resource utilization with other organizations and programmes
6. Active management of impact of programmes on operational capacity
7. Business change teams in place, actively involved in modelling operational capacity and with capability to support programmes
8. Knowledge of business operations embedded within programme teams, helping with understanding of resource requirements
9. Central resource management tools in place, maintained and supporting programmes

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PgM3 - Resource Management – Level 5

Description

Resources are deployed optimally. There is clear evidence of balancing internal and external expertise, with knowledge being embedded into the business by virtue of learning from multiple previous deployments.

Specific Attributes

1. Active strategies for development of internal capacity and capability
2. Flexible resource availability and movement between programmes, projects and operations
3. Decisions are evidence based, with sophisticated analysis of resource availability and capacity across the organization
4. Resource modelling tools used to optimize utilization, based on a range of scenarios
5. Organizational resources are flexible and mobile, able to move seamlessly between project and programme teams
6. Procurement seen as strategic tool for developing supply chain optimization for provision of resources
7. Supply chain valued as an asset to be utilized rather than exploited

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

5 Project Management Maturity Model

This model is based on best practice guidance and OGC's PRINCE2™ publications, along with experience gained from the Project Management Maturity Model and the original version of P3M3.

Definition of project management

OGC defines a project as a unique set of coordinated activities, with definite starting and finishing points, undertaken by an individual or team to meet specific objectives within defined time, cost and performance parameters as specified in the business case.

Project management guides a project through a visible set of activities, from controlled start-up, through delivery, to controlled closure, and review. There will be visible milestones and well-managed resources, stakeholders and interdependencies, with all parties involved being clear about their goals and individual responsibilities.

Characteristics of project management

Good project management will be expected to have the following characteristics.

- A finite and defined lifespan
- Defined and measurable business deliverables that contribute towards the achievement of business objectives
- A defined amount of resources
- Delivery of capabilities from which business benefits and performance improvements can be leveraged
- An organizational structure, with defined roles and responsibilities
- Focus on management and coordination
- Delivery of outputs within time and cost constraints
- Quality management, focusing on fit-for-purpose outputs based on requirements
- Business cases containing an accurate budget for output delivery
- Risk management focused on costs, quality and timescales for delivery
- Issue management is proactive and focused on ensuring successful delivery
- Project plans that are both product and activity orientated
- Effective engagement with the stakeholder environment, focusing on achieving stakeholder requirements

Projects should contribute to business objectives. Typically, their funding is identified as part of overall business planning. They may be part of an wider programme of business change.

Attributes of project management

The following sections set out the attributes for each of the seven Process Perspectives within the Project Management Maturity Model, at each of the five Maturity Levels, along with a description of each attribute.

PjM3 - Management Control – Level 1

Description

Project management terminology is used by some within the organization but not consistently and may not be understood by all stakeholders.

Projects will be conducted and managed dependent on individual project managers' preferences.

Specific Attributes

1. Some projects recognized and some specific objectives

2. Ad hoc configuration management

3. Some projects may have a person designated as project manager

4. Some projects will be subject to some rudimentary management activities, such as outline planning, and recognition of key activities and resources undertaking those activities

5. Projects poorly documented with poorly defined end-point

6. Some projects may be considered to have been a success, but there is little on which to build and perhaps reduce the risk for new projects

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing

2. Key individuals lack experience

3. No standard roles, and responsibilities are not defined or are generic

4. Some information available but is outdated, unstructured and dispersed

5. Limited, if any, formal checking or review

6. Plans, if any, are conceptual or merely sequences of events with rough timescales

7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Management Control – Level 2

Description

The concepts of project management will have been grasped by some within the organization, and indeed there may be local experts, such as experienced project managers working on key projects.

Specific Attributes

1. Evidence of project framework used to facilitate planning and in change management, but not consistent across the organization

2. Issues resolved locally with little consultation with other areas

3. Some change control but only at local level

4. Project monitoring and control may be sufficiently robust to provide adequate visibility of actual project progress and enable effective action to be taken if project performance deviates significantly from project plan

5. Work may be ongoing to establish an organization-wide project management approach through recognition of a project life cycle, supported by document templates, tools and techniques, but is yet to be established

6. Key documents and other assets recognized throughout project life cycle

7. Each project has a recognized framework but standard project management processes and fully supported methods not yet adopted across entire organization

8. Little impact assessment on business operations prior to transition

9. Tool and method selection may be localized

10. Localized information structures with some information sharing between teams

11. Local configuration management arrangements defined, perhaps with file-naming conventions and local storage arrangements

12.

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Management Control – Level 3

Description

There is a consistent approach to project management controls across the organization, based on standard processes and methods.

The project life cycle will not only focus on project initiation and development activities, but will have equal emphasis on delivery, review, verification activities, implementation and handover.

There will be active consideration of transition management to ensure that project deliverables are capable of exploitation by the user.

Specific Attributes

1. Fully documented and supported project life cycle across the organization, with gates or stage reviews to maintain control followed by all projects

2. Issue management and change control integrated and consistent across the organization

3. Project managers accustomed to tailoring standard project framework to meet needs of specific projects

4. Projects ensure that it is feasible to deliver solutions that satisfy relevant requirements

5. Variations to project deliverables subject to change control procedures and approved as appropriate

6. Standard processes, procedures and templates to enable consistent management control of projects

7. Decisions to begin transition signed off by key business managers

8. Project deliverables accord with product descriptions and are reviewed against agreed quality criteria that match strategic objectives and are traceable throughout project life cycle

9. Product or service handover to operational staff planned at early stage

10. Project Boards with business representation exist and have clearly defined purposes, based on standard model

11. Formal reviews planned and undertaken at appropriate stages in project life cycle, perhaps involving members of other teams, the business and external reviewers

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Management Control – Level 4

Description

Project management is aligned with the business and is of sufficient strategic importance to ensure that it is integrated with other business and strategic planning functions.

As the project management processes have become embedded within the organization, there is now an emphasis on quantitative management and performance measurement.

Specific Attributes

1. Evidence of projects being stopped or diverted to gain better alignment with other initiatives and optimize project delivery environment

2. Knowledge management is a central function and is used to help improve performance

3. Succession plans for key roles

4. Development plans for all team members

5. Project management metrics used to monitor and control projects in quantitative terms

6. Project Boards show high degree of engagement and active decision making to improve delivery

7. The organization routinely collects performance data from projects and uses it to characterize process capability

8. Inter-project dependencies actively managed

9. Projects maintain business focus and alignment through a sponsor or project executive fully conversant with project management methods and techniques

10. Project reports used to inform management on risk and provide assurance that projects are on track towards desired outcome

11. Project Boards have appropriate business representation, including supply chain, where appropriate

12. Project Board membership perceived as providing opportunity to improve, and is consequently well supported by senior management

13. Project reviews centrally managed and conducted at appropriate value assurance points

14. Assets stored in secure repository, with access by those with appropriate clearance

15. Dynamic configuration management system with audit trails and ability to revert to earlier builds and baselines

16. Controls on entry into, and exit from, configuration management system

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PjM3 - Management Control – Level 5

Description

Project management controls are being optimized to ensure that they are effective and efficient from the organizational perspective.

They are regularly evaluated to ensure that they remain aligned to the business imperatives, strategies and plans.

Specific Attributes

1. Underlying causes of project issues and recognized problems are identified and changes implemented to minimize recurrence in future projects
2. Common causes of product defects and process non-compliance analyzed and action taken to prevent recurrence
3. Objective achievement by projects reviewed by the organization and lessons learned fed into other projects
4. Guidance available to project managers and teams routinely reviewed and updated to reflect indicators from previous experience
5. Established sizing measures and complexity indicators for projects used to adjust risk profile and signal requisite level of control to be applied
6. Overarching timetable of project plans, reviewed by Executive Board
7. Configuration management embedded in all activities, with extensive consultation and consideration
8. Referencing and storage systems integrated with organizational approaches

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PjM3 - Benefits Management – Level 1
Description

There may be recognition that the concept of benefits can be differentiated from project outputs.

Specific Attributes

1. Requirements defined in terms of features and results rather than measurable performance improvement
2. Benefits seen as justification rather than core element of project's delivery
3. Little or no recognition of how benefits are to be managed and realized

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Benefits Management – Level 2
Description

Benefits are recognized as an element within business cases. There may be some documentation on who is responsible for particular benefits and their realization, but this is unlikely to be followed through or consistent.

Specific Attributes

1. Evidence in some projects of understanding of differences between product features, outputs and outcomes
2. Responsibility for benefits may be assigned within some project business cases but outside project team
3. Role of sponsor or project executive in benefits management and realization may be articulated in some projects
4. May be some benefit measurement criteria
5. Different areas manage and account for benefits in different ways
6. Post-implementation reviews focused on project activities and deliverables rather than achievement of benefits

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally
10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Benefits Management – Level 3
Description

There is a centrally managed framework for defining and tracking the delivery of benefits from project outputs.

Specific Attributes

1. Measures of project success are becoming defined and explicit
2. Common approach and processes that ensure consistency across all projects in relation to benefits measurement and delivery
3. Benefits management process described within project business case
4. Changes to project considered against impact on benefits
5. Common set of tools and templates used for benefits management activities, including their detailed description
6. Benefits documents stored centrally and subject to change control
7. Detailed statements explaining how benefits will be achieved from project deliverables
8. Benefits calculated in financial terms against centrally managed assessment criteria
9. Clear responsibilities for benefits management cited in business cases
10. Post-implementation reviews used to formally report on outcomes

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of individuals in specific roles
11. Forums exist for sharing organizational experience to improve individual and

organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Benefits Management – Level 4
Description

Benefits management is embedded within the project management approach and there is a focus on delivery of business performance from project outputs.

Specific Attributes

1. Processes in place to identify and resolve double counting of benefits
2. Benefits defined at programme level and may be cascaded down to projects
3. Benefit reviews undertaken regularly and action taken to leverage opportunities
4. Complex variety of benefits measures designed and applied according to circumstances (e.g. Balanced Scorecard)
5. Common, performance-based benefits measurement and assessment mechanisms in place
6. Clear and active ownership of plans to improve performance from project outputs
7. Processes for management of benefits delivery owned, reviewed and being improved
8. The organization ensures that claimed benefits are realistic and endorsed by the sponsor or project executive

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance
9. Succession plans exist for key roles

PjM3 - Benefits Management – Level 5

Description

Benefits realization management is embedded within the organizational approach to change and is assessed as part of the development of organizational strategy.

Business performance metrics are linked to, and underpin, the recognition of benefits realization.

Specific Attributes

1. Clear links between strategic decision making and benefits realization
2. Evidence of development and innovation of techniques based on experience of delivering a variety of benefits in several different environments
3. Active management of opportunities to enhance benefits achievement
4. Decisions taken to balance benefits and "dis-benefits" based on statistical measures
5. Strategic priorities affect benefit measures (e.g. changes to strategic Key Performance Indicators are filtered down into projects)
6. Post-implementation reviews studied, trends established, and lessons learned fed back into benefits realization planning and other management activities

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PjM3 - Financial Management – Level 1
Description

There are little or no financial controls at project level. There is a lack of accountability and monitoring of project expenditure.

Specific Attributes

1. Projects poorly defined and difficulties experienced in setting realistic budgets or cost envelopes
2. No process for projects to bid for funds
3. Projects lack control mechanisms to track costs and project expenditure
4. Little formal project investment appraisal, with formal business cases rarely submitted and monitored
5. Operational input costs assumed and not accounted for

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Financial Management – Level 2
Description

Business cases are produced in various forms and the better and more formal cases will present the rationale on which to obtain organizational commitment to the project.

Specific Attributes

1. Project business case approval processes at local level only

2. Some projects have business cases and there is occasional reporting of progress and costs incurred

3. Some project business cases contain more than one option to justify the design intent or preferred solution

4. Budgeting cost management at project level is inconsistent across projects and unlikely to be well integrated with the organization's financial processes

5. Budgets for funding changes as well as project outputs not included in business cases

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Financial Management – Level 3

Description

The organization will have established standards for the preparation of business cases and processes for the management of business cases throughout the project life cycle.

Project managers will monitor costs and expenditure in accordance with organizational guidelines and procedures, with defined interfaces with other financial functions within the organization.

Specific Attributes

1. Standardized approach to project business case development
2. Business cases approved centrally, making budget limitations explicit
3. Issues and risks assessed in financial terms
4. Guidelines exist on costs to be included in, and excluded from, budgets
5. Projects have distinct budgets and expenditure against budget is tracked and reported on
6. Clearly defined authorities for expenditure levels, with cost and expenditure reported on using agreed templates or pro-forma reports
7. Contract placement using professional procurement support to ensure best value for money
8. Standard financial estimation and value for money techniques deployed consistently across projects
9. Business cases reviewed at explicit stages in project life cycle and actions taken to put projects back on track
10. Evidence of operational sign-off for any additional costs imposed by project
11. Capital and revenue costs accounted for differently
12. Centrally agreed project budgets, making it clear when and where funding will be available

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities

for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Financial Management – Level 4

Description

The organization is able to prioritize investment opportunities effectively in relation to the availability of funds and other resources.

Business cases are evaluated and investment decisions ratified by the business.

Project budgets are managed effectively and project performance against cost is monitored and compared. Cost models are used to demonstrate the efficacy of projects.

Specific Attributes

1. Funds for use by projects scheduled optimally
2. Business cases at core of decision making
3. Financial tolerances monitored effectively across all projects
4. Financial appraisals of project viability routinely conducted
5. Cost management at project level fully integrated with the organization's financial management functions
6. Auditing of project expenditure routinely undertaken
7. Risks evaluated in financial terms and economically viable mitigations and contingency plans formulated and agreed
8. Value earned concepts of project activity may be deployed, as appropriate
9. Lessons on cost estimation shared across projects
10. May be an Investment Board overseeing all project financial performance
11. Analysis of expenditure across projects used to release and constrain funds in a sophisticated way
12. Structured approach to handing over financial assets and costs to operational groups
13. Formal business reviews undertaken at various stages in project life cycle to ensure that business cases continue to present accurate picture of desirability, viability and feasibility of projects

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PjM3 - Financial Management – Level 5
Description

Project financial controls are fully integrated with those of the organization. Cost estimation techniques utilized at the project level are continually reviewed in terms of actual versus estimate comparisons to improve estimation throughout the organization.

Specific Attributes

1. Project budget estimates reviewed at all planning checkpoints and refreshed accordingly

2. Changes in overall project cost and stage cost profiles escalated to, and reviewed by, senior management

3. Costs incurred used to forecast future costs and budgetary impact

4. Project financial approvals process integrated into organizational financial approvals process

5. Project financial risks escalated as appropriate, with effective mitigation and solutions sought

6. High degree of accuracy in forecasting project costs within agreed tolerance allowances

7. Project costs integrated with organizational financial plans

8. Objective and regular assessment of the optimal use of finances, and review of opportunities to identify better value from supply chain and market place

9. Investment Board overseeing all project financial performance

10. Value for money tracking of all projects

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PjM3 - Stakeholder Management – Level 1

Description

Stakeholder management and communication is rarely used by projects as an element of the delivery toolkit.

Specific Attributes

1. Concept of stakeholder management may be acknowledged but is undefined
2. Projects communicate with stakeholders on ad hoc basis, relying on individuals within the team taking the initiative
3. No structured approach to stakeholder management and communications

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Stakeholder Management – Level 2

Description

Some projects will be communicating effectively, but this is linked more to personal initiative of programme and project managers than a structured approach being deployed by the organization.

Specific Attributes

1. Evidence may exist of more sophisticated analysis and communications planning for some projects

2. Most stakeholder analysis is basic and inconsistent, limited to the issue of what stakeholders are interested in

3. Projects recognize stakeholder groupings but are limited to local knowledge

4. Some projects have their own communications plans but they focus on merely transmitting information

5. Outgoing communications channels from projects are limited, with focus on email or websites

6. Some stakeholders advised or consulted, and feedback processed

7. Key messages delivered inconsistently, with no audit trails

8. Key individuals have practical experience and are the source of most communications activity

9. Communications interdependency tracking between initiatives is limited

10. Structured approach beginning to evolve, but based on good practice of one or two key individuals

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Stakeholder Management – Level 3

Description

There is a centrally managed and consistent approach to stakeholder management and communications, used by all projects.

Specific Attributes

1. Centrally defined and consistent approach, and supporting process, for identifying and analyzing stakeholders
2. Projects consider stakeholder needs and stakeholders are actively involved in decision making
3. Corporate communications (or equivalent) are involved in development of stakeholder management processes and procedures
4. Stakeholders have authority and clearly defined roles within project
5. Audit trails of communications maintained for all projects
6. Structured, centrally managed communications plan balances communications from all projects
7. Communications channels vary and are used to target and deliver messages effectively
8. Communications budget exists
9. Much of this approach is provided by the Portfolio Management Office

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Stakeholder Management – Level 4

Description

Sophisticated techniques are used to analyze and engage the stakeholder environment effectively, and quantitative information is used to underpin the assessment of effectiveness.

Specific Attributes

1. Sophisticated approach to analyzing, segmenting and maintaining stakeholder perspective information

2. Extensive range of communications channels and techniques used to deliver messages

3. Effectiveness of communications and stakeholder engagement is measured, and is high

4. Critical stakeholders embedded in decision-making process

5. Stakeholder reactions analyzed, and evidence of proactive communications management to influence stakeholder attitudes and levels of support

6. Project leaders engaged with and supporting communications activities

7. Stakeholder identification and analysis covers internal and external groups, with information maintained centrally

8. Projects with high levels of market or community consultation are common at this level

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PjM3 - Stakeholder Management – Level 5
Description

Communications is being optimized from extensive knowledge of the stakeholder environment, to enable the projects to achieve their objectives.

Specific Attributes

1. Stakeholder engagement embedded in the organization's culture
2. Communications active, bi-directional and embedded in decision-making process
3. Stakeholders fully engaged in change process at all levels
4. Communications recognized by project leaders as a key leadership tool
5. Communications measured, relevant and trusted

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications managed and deployed
5. Active management of interdependencies between initiative plans and other business plans
6. Estimations are accurate and used effectively to ensure delivery
7. High levels of competence embedded in all roles and seen as part of career paths
8. Knowledge transfer is an inherent behaviour within the organization
9. Skills embedded into organizational leadership and management development programmes

PjM3 - Risk Management – Level 1

Description

There may be some evidence of risk management being deployed occasionally, but with minimal beneficial effect.

Specific Attributes

1. Some risks may be identified and associated with particular projects, but are not described or logged consistently, and there will be little, if anything, in terms of an effective management process

2. Focus of management attention is on dealing with issues as they arise, with a reactive rather than proactive approach

3. Risks arbitrarily classified and rarely, if ever, quantified

4. Risk identification likely to be a one-off activity and risks unlikely to be tracked or re-assessed during project life cycle

5. Foreseeable threats likely to impact on projects

6. Little, if any, communication with other parts of the organization concerning project risk

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing

2. Key individuals lack experience

3. No standard roles, and responsibilities are not defined or are generic

4. Some information available but is outdated, unstructured and dispersed

5. Limited, if any, formal checking or review

6. Plans, if any, are conceptual or merely sequences of events with rough timescales

7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Risk Management – Level 2

Description

Risk management is recognized and used in some projects, but there are inconsistencies in approach, commitment and deployment.

Specific Attributes

1. Different areas and projects manage risk in different ways
2. Some projects recognize different categories of risk (e.g. distinguishing between project and operational risks)
3. Risk mitigation strategies and contingency plans are likely to have been ineffective in the past
4. Inconsistency of approach to analysis and evaluation of risks
5. Risk register based on an organizational template may be used, but escalation and communication on risks outside the project may be ineffective
6. Local risk management processes in place and managed by Project Board and teams in some cases
7. Risk management not aligned with other project life cycle activities (e.g. project planning)
8. Risk status reported to Project Board on ad hoc basis, if at all
9. Key project managers understand and articulate the purpose and importance of risk management, but inconsistent levels of commitment and understanding across all projects or the organization

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Risk Management – Level 3

Description

Project risk management is based on a centrally defined process that is cognizant of the organization's policy for the management of risks.

Specific Attributes

1. Standard risk management templates and tools used extensively and consistently
2. Risks identified, documented and assessed in accordance with recognized procedures, across all projects
3. Regular reviews, addressing broader opportunities for improvement as well as compliance
4. Reviews seen as a positive opportunity to improve, not a threat
5. Risk management interventions embedded within project life cycle
6. Risks consistently categorized by type (e.g. commercial, operational or strategic)
7. Audits of risk within projects
8. Processes exist for escalation of project risks
9. Risks not limited to internal impact on project goals
10. Risk evaluation techniques defined and deployed consistently
11. Inherent project risks minimized through project initiation and planning stages, and acquired risks identified throughout project life cycle and eliminated/mitigated through viable contingency measures

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques
9. Dependencies are identified, tracked and managed effectively
10. Training is focused on the organization's approaches and raising competence of

individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Risk Management – Level 4

Description

Risk management is working effectively, is embedded, and the value of risk management can be demonstrated from the organizational perspective. Decision making includes risk analysis.

Specific Attributes

1. Projects able to demonstrate resource and budgetary implications of risks throughout project life cycle
2. Cost effectiveness and feasibility of contingency measures demonstrable across all projects
3. Audits of risk management effectiveness
4. Aggregated risk levels across projects tracked and managed
5. Clear understanding of level of risk exposure from projects being undertaken
6. Evidence of lessons being learned from project reviews and assurance reviews
7. Risk management seen as organizational process, with clear ownership
8. May be a risk manager, providing guidance and controls
9. Evidence of decision making based on risk assessment
10. The business and project stakeholders generally feel comfortable with the management of project risks, and are involved as appropriate

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance
9. Succession plans exist for key roles

PjM3 - Risk Management – Level 5

Description

Risk management is embedded in the organizational culture and underpins all decision making with respect to projects.

Specific Attributes

1. Accountability for risk control at Executive Board level

2. Executive Board has clear visibility of risk exposure to the organization from projects

3. Risk evaluation underpins all decision making

4. Projects ensure adequate consideration of business continuity, especially on business handover

5. Evidence of opportunity risks being actively exploited

6. Risk management policy and supporting governance arrangements periodically reviewed for effectiveness

7. Business intelligence informs risk management process and has clear cascade and escalation route

8. Strong links and integration with financial management, planning, estimating, project control and governance processes, and risks to project benefits are highlighted and examined

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PjM3 - Organizational Governance – Level 1

Description

Informal governance of projects exists but has undefined links to broader organizational controls. Roles are likely to be notional.

Specific Attributes

1. Projects start up without business control, and no evidence of sign-off at project closure
2. Project manager may exist but no clear authority and may be part-time
3. Project management activities likely to be restricted, with confusion as to what is happening within projects on a day-to-day basis and who controls what
4. Projects struggle to gain commitment and resources when required
5. Minimal business ownership of project or representation on project team

Generic Attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Organizational Governance – Level 1

PjM3 - Organizational Governance – Level 2

Description

Project management from an organizational perspective is beginning to take shape but with ad hoc controls and no clear strategic control.

Specific Attributes

1. Projects initiated based on local needs

2. Decisions taken in projects not always referred upwards for verification

3. Community of project management practice may exist, but with limited effectiveness in prioritizing and coordinating process improvement across the organization

4. Not all projects will have project managers

5. Some projects may be undertaken outside the organization's governance framework and are not fully accountable

6. Projects and initiatives report progress locally

7. Changes to projects not always delivered through project manager route

8. Project Boards may exist, but with ad hoc membership, acting more as consultation groups than delivery groups

Generic Attributes

1. Localized information structures, with some information sharing between teams

2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle

3. Limited localized information controls, with no formal release management arrangements

4. Local reviews, with some corrective actions undertaken within the group

5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training

6. Local sharing of knowledge may exist but mostly ad hoc

7. Key individuals may have practical delivery experience and track record

8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization

9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally

10. Planning seen as activity tracking rather than proactive/forecasting

11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Organizational Governance – Level 3

Description

Strategic governance controls are applied consistently, with decision-making structures in place to enable and control the delivery of projects and alignment with business needs.

Specific Attributes

1. Common definition of Project Boards (or equivalent) and their key roles and responsibilities, which are in place on most projects unless there is a clear reason for them not to be
2. Central body that monitors and influences progress of all projects and the optimal balance of current projects
3. Consolidated progress reporting on all projects
4. All key roles and responsibilities documented within individual directors' terms of reference
5. Project ideas evaluated against consistent criteria prior to approval
6. Centralized decision making ensures that projects fit the organization's ongoing needs
7. Functional activities of sponsor or project executive can be demonstrated for all projects
8. Evidence of sponsor or project executives ensuring that projects maintain alignment with organizational strategy, with interventions as appropriate
9. Decisions are auditable
10. Clear reporting lines set and maintained
11. Legislative and regulatory requirements built into guidelines
12. Evidence of structured start-up and closure of projects under clear business control

Generic Attributes

1. Information has a refresh cycle or is regularly accessed
2. Organization-wide information standards on confidentiality, availability and integrity
3. Formal information release management procedures
4. Independent reviews take place
5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement
6. Plans developed to a central and consistent standard that is output- or goal-based
7. Plan development takes into account a range of relevant factors
8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Organizational Governance – Level 4

Description

Decision-making processes associated with project performance are adopted and integrated into broader organizational performance management, reporting and governance arrangements.

Specific Attributes

1. Decision making balances need for organizational performance and continuity with need for change
2. Decision making includes approvals from key governance groups at key critical points (gates) throughout project life cycle
3. Directors with project responsibilities exhibit appropriate knowledge and behaviours
4. Decision-making effectiveness reviewed and improvements sought
5. Strategic changes communicated to Project Board effectively
6. Senior management sponsor, and demonstrate their commitment to, improvement initiatives
7. Business performance measured against historic trends and impact of projects on business performance is fully understood
8. Evidence of ideas and requirements being scheduled and built into organizational strategic planning
9. Decisions to launch projects made against impact assessment on current initiatives

Generic Attributes

1. Information is current and extensively referenced for better decision making
2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities
3. Knowledge management is a central function and is used to help improve performance and planning
4. Reviews focus on opportunities to improve as well as compliance
5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies
6. Extensive training is provided, focusing on personal development and performance improvement.
7. Evidence of interventions to avoid conflicts and take advantage of opportunities
8. Mentoring and individual development is used to improve organizational performance
9. Succession plans exist for key roles

PjM3 - Organizational Governance – Level 5

Description

The governance arrangements for projects are a core aspect of organizational control, with demonstrable reporting lines to Executive Board level and with clear ownership and control responsibilities embedded within the organization.

Specific Attributes

1. Projects signed off at Executive Board level, as appropriate
2. Organizational governance and accountabilities reflected throughout the organization, down to specific project responsibilities and accountabilities
3. Legal and regulatory responsibilities have visible compliance
4. Decisions on priorities and major conflict resolution resolved by reference to strategic priorities and Executive Board
5. Pre-emptive and rational project closure based on business decisions other than project performance
6. Lessons learned contribute to development of guidance on conduct of specific roles
7. Projects aligned to organization's strategic plans
8. Formal ideas management process exists, with ideas deferred or built into strategy where appropriate
9. Executive Board-level reaction to, and management of, business performance relating to project-initiated activities
10. High levels of competence in project and change management evident at Executive Board level
11. Leadership development programme includes project management education
12. Structured management of knowledge, with lessons being learned and embedded
13. Business performance actively tracked and managed, with timely interventions
14. Project management embedded as core change management technique
15. Regular periodic reviews of effectiveness of governance arrangements, based on lessons learned

Generic Attributes

1. Information is valued, with continual maintenance and reference
2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels
3. Review and improvement is continual and proactive, with lessons being shared openly
4. Planning inherent in decision-making process, with adjustments and implications

managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

PjM3 - Resource Management – Level 1

Description

There is little recognition within the organization of the need to manage resources effectively to enable successful delivery of projects.

Specific Attributes

1. Project resources allocated on ad hoc basis, but may be some awareness of core skills necessary to deliver projects
2. Minimal reporting on resource utilization
3. Project documentation does not include resourcing profiles

Generic attributes

1. Training provision is uncoordinated, with little or no knowledge sharing
2. Key individuals lack experience
3. No standard roles, and responsibilities are not defined or are generic
4. Some information available but is outdated, unstructured and dispersed
5. Limited, if any, formal checking or review
6. Plans, if any, are conceptual or merely sequences of events with rough timescales
7. Planning, if any, likely to be an initial activity with little maintenance of ownership or tracking

PjM3 - Resource Management – Level 2

Description

Resources are being deployed across the organization but there is little evidence of a consistent approach to resource acquisition, planning or management in support of projects.

Specific Attributes

1. Resources assigned locally to specific project activities, possibly with some recognition of particular skills and competencies
2. Resource utilization locally tracked and reported on to some extent, but little evidence of resulting actions
3. Little evidence of resource forecasting in terms of skills and competency requirements tailored to project complexity or risk
4. Resource plans do not adequately consider project handover and downstream support requirements
5. Some resource overstretch in key or pivotal positions

Generic Attributes

1. Localized information structures, with some information sharing between teams
2. Focus on documentation during start-up and definition, but not maintained over initiative's life cycle
3. Limited localized information controls, with no formal release management arrangements
4. Local reviews, with some corrective actions undertaken within the group
5. Generic training may be provided in key concepts, and there may be individuals undertaking qualification training
6. Local sharing of knowledge may exist but mostly ad hoc
7. Key individuals may have practical delivery experience and track record
8. Roles, responsibilities and competencies defined in some areas but not consistently across the organization
9. Plans exist but are not underpinned by consistent development methodology, yet may still be effective locally
10. Planning seen as activity tracking rather than proactive/forecasting
11. Estimation is more "guesstimation" and does not use standard techniques

PjM3 - Resource Management – Level 3

Description

The organization has a centrally defined and adopted set of procedures and management processes for managing resources.

Specific Attributes

1. Centrally defined and adopted set of procedures in place for resource management

2. Work to be carried out by third parties or contractors defined and planned in accordance with documented procedures and reviewed at key milestones or project stages

3. Frameworks in place with external market for provision of resources to meet shortages and expertise peaks

4. Resource utilization tracking and productivity monitoring occasionally undertaken, using industry standard techniques

5. Resource planning undertaken in broadest sense, not limited to human resources

6. Some collaboration between project teams or recognition at organizational level of opportunities for sharing critical or limited resources

7. Potential issues arising from resource availability identified and escalated

8. Evidence of induction planning and activities when joining project teams

Generic Attributes

1. Information has a refresh cycle or is regularly accessed

2. Organization-wide information standards on confidentiality, availability and integrity

3. Formal information release management procedures

4. Independent reviews take place

5. Scrutiny largely for compliance reasons, identifying failures rather than opportunities for improvement

6. Plans developed to a central and consistent standard that is output- or goal-based

7. Plan development takes into account a range of relevant factors

8. Evidence of effective estimating techniques

9. Dependencies are identified, tracked and managed effectively

10. Training is focused on the organization's approaches and raising competence of individuals in specific roles

11. Forums exist for sharing organizational experience to improve individual and organizational performance

12. Centrally managed role definitions and sets of competencies defined and used to support appointments

PjM3 - Resource Management – Level 4

Description

Resource management for projects is considered at a strategic level within the organization.

There is evidence of resource capacity management, through capacity planning, in order to meet project delivery needs.

Specific Attributes

1. Resource utilization and efficiency is tracked and measured

2. Training and mentoring focused on performance improvement rather than qualifications

3. Minimal dependence on key individuals, with resource risks managed using defined contingency plans

4. Active leveraging of supply chain to optimize resource utilization between internal and external resource pools

5. Central resource management tools in place, maintained and supporting projects

6. Resource availability and utilization quantitatively measured

7. Senior management attempting to understand business demand for project resources and, through forecasts, attempting to influence demand and prioritize projects

8. Induction and extraction plans for individuals joining and leaving project teams

Generic Attributes

1. Information is current and extensively referenced for better decision making

2. Trend analysis and measurement undertaken on performance information to identify improvement opportunities

3. Knowledge management is a central function and is used to help improve performance and planning

4. Reviews focus on opportunities to improve as well as compliance

5. Plans kept up to date, with the application of sophisticated planning techniques and recognition of interdependencies

6. Extensive training is provided, focusing on personal development and performance improvement.

7. Evidence of interventions to avoid conflicts and take advantage of opportunities

8. Mentoring and individual development is used to improve organizational performance

9. Succession plans exist for key roles

PjM3 - Resource Management – Level 5

Description

Resources are deployed optimally. There is clear evidence of load balancing and the effective use of both internal and external resources in accordance with a resource strategy.

Specific Attributes

1. Active strategies for development of internal capacity and capability

2. The organization will have an explicit policy for improving its technical capability and will have improvement plans that recognize business demands and constraints

3. Flexible resource availability and movement of between projects, programmes and operations

4. Resource allocation based on resource availability and competency requirements across projects

5. Project managers have an understanding of business processes and objectives and are able to ensure that project resources are sufficiently focused on business needs

6. Senior management ownership of capability building and associated risks

7. Active supply chain collaboration to deploy and utilize optimal set of skills in projects

Generic Attributes

1. Information is valued, with continual maintenance and reference

2. Evidence of extensive intelligence-gathering processes, with information disseminated through a variety of channels

3. Review and improvement is continual and proactive, with lessons being shared openly

4. Planning inherent in decision-making process, with adjustments and implications managed and deployed

5. Active management of interdependencies between initiative plans and other business plans

6. Estimations are accurate and used effectively to ensure delivery

7. High levels of competence embedded in all roles and seen as part of career paths

8. Knowledge transfer is an inherent behaviour within the organization

9. Skills embedded into organizational leadership and management development programmes

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T: 0845 000 4999
E: ServiceDesk@ogc.gsi.gov.uk
W: www.ogc.gov.uk

Press enquiries

T: 020 7271 1318
F: 020 7271 1345

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