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The Positive and Negative Aspects a Project management office can bring to the Company or an Organization.

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Module Topic & Number: ENGM91 – Project Management and Control (2016-17),
Instructor: Ian Ridley Date: 06/02/2017

Abstract:

Project progress and failure are mostly affected due to the management effect of project management office, and to understand the factors surround those issues; proper measures and effective solution have to be explore so that issues of it can be understand. This report addresses the positive and negative impact of project management office (PMO) in an organization. The psychological solution to keep the project in control from failure and positive measures to optimize the use of PMO on it are discussed later on this report. The discussion on findings and positive results after the PMOs measures are further explore.

I. INTRODUCTION

The increase in the form of project activities, its complexity and comprehensive executions has brought about the establishment of project management office (Singh, et al, 2009; Artto et al, 2011; Martins and Martins, 2012).

The project management office defined as an organizational structure that was formed to align the different stakeholders to meet regularly with other to discuss the project progress and an organization's needs (Ward and Daniel, 2013).

The project management office (PMO) serves as a reflective of organizational standard, cultural purpose and a strategic avenue to discuss project risk and measures in order to plan project delivery ahead of time. Müller et al., (2013) explained PMO as an effective administrative unit that has massive plans for project integrated and project co-ordination under its realm.

However, Tasic, (2014) opinion that project management

office (PMO) seen as a resolution for overpowering management tasks in contemporary organizations. However, the project manager's role is very important in the project management office, because they are the one that manages and knows what to do to avoid project failure (Vartiak, 2015).

For the project management office to work more effective, there must be a positive and negative aspect of it to the project success as shown below.

A. *The positive aspect of a Project Management Office:*

The project success depends on the abilities of the project managers, organizational project management (Hyväri, 2016) and other activities that involve in the project management office. Thus, the management within the PMO contributed to the success, goals and achievement of the any embarked project (Hyväri, 2016b) as discussed below:

Minimize failed projects:

Good implementation of project procedure and better management always leads to effective project delivery and lower the rate at which the project can fail. Therefore, the roles of project managers and organizational project management in the PMO are essentials because before, during and after the project could be implemented or executed, they must have set up some strategies, organized and considering some resources for both internal and external environment that can make the project a successful

one (Nag, Hambrick, & Chen, 2007). To reduce the project failure, certain standard must be in place such as comprehensive organizational standard, good resources, efficient planning capacity and activity tracking project among others.

Project delivery under strict and maintained budget:

Another positive aspect of the project management office is the act of delivering projects under the strict and maintained budget scheduled. The delivery under strictly budget is what the project manager was trained for as well as other executives that work in the project management office. The executives within the PMOs are to budget compliance, deadline compliance, Scope-delivery and conform to the business performance (Zwikael and Smyrk, 2102). Once these are achieved, the allocated project manager can now communicate more effectively with on-site co-workers on what they needed to do at any particular time.

Meanwhile, the PMO project performance monitoring and control (Rose, 2011) normally give their time and professional knowledge to make sure that all the provisional materials that relate to the success of the project delivery were met and as well be assured that the project finishes without any overstep budgeted estimates of resources and time.

Increase productivity:

The increase in productivities and performances are always occurring when all the organizational transformation of the PMOs are in places such as project oversight, process control, project knowledge management, process support, project resources, business maturity, strategic alignment, training for project team and project financial management (Aubry, 2015). Mostly, PMO dedicates to a major transformation project in which pre-determined date was set and this makes the management involved working out a strategy to step-up their productivities in other to meet up with the deadline or terminates date to avoid charges (Martinsuo and Killen, 2014).

In addition, the increase in project productivity has occurred when proper measures are taking to understand the on-going project's need and plan accurately for it through the project management maturity who account for the project procedure of the particular organisational situation (Mullaly and Thomas, 2010).

Increase Project cost of savings:

Saving cost is one of the major functions of the project management office because of its allied professionals that involved in the project planning, initiating, and developing

as well as managing project manager competencies. When a particular organization get involved in monitoring and executing a project and that organisation have a well-defined and tailored PMOs who relies on functional managers, senior management and trained project managers to make sure that cost saving of that project was maintained through sequential processes.

In this case, project cost management (Smith, 2016) would be explored to unstudied the cost implication of materials, labours and other resources needed for the project and then work towards the ways of making sure that project was completed at the right time with an effective cost saving. The rules that provide essential guidance to all those involves in the project planning, cost control and cost management to aid in understanding how effective they can work (Desouza and Evaristo, 2006) are parts of the positive aspect of the PMO.

Project delivery on time as scheduled:

The time scheduled for the project deliveries is sometimes delaying due to unforeseen circumstances, and statistics indicated that between certain percentage of the IT projects failed because of lapses in project time schedules (Desouza and Evaristo, 2006). PMOs has proved that project delivery on scheduled time are taking seriously because any work carry out on the site must be documented while management meetings and planning strategy must be in place to track the project progress and beef off more communication with the people working on the site.

The project manager in-charge of the project has to send the progress report on the task regularly to the office and further needs about the project can be monitor and work on it. Meanwhile, time is use to categories the works on temporary organizational forms (Bakker, 2010) which this in mind of the management, schedule time for the project can be monitor and deliver on time.

Support Information Knowledge and knowledge management:

Another positive aspect of the PMO is the level of support information knowledge acquired of all the executive members and staffs in project management office. Meanwhile, in the recent year, most organisation are facing a massive increase in the interest of project because of modern innovation in the construction industry. This innovation requires a high level of knowledge and information through which the project manager can fit into the system, and they are expected to know the market value of any product. Hobbs, Aubry, and Thuillier, (2008b) emphasized that organization have responded to the

challenges by introducing new flexible organization form with the effective strategic support and innovation through information knowledge acquired.

In addition, Unger, Gemünden, and Aubry, (2012) explained that some aspect of information quality that must be acquired to have a successful project executions are the ability to access all the relevant information necessary for project successful and ability to have access to the relevant information on the entire projects. Thus, Sokhanvar, Matthews, and Yarlalagadda, (2014) suggested that knowledge and information management are vital factors for successfully carry out projects. They also explained that for the PMOs to deliver more accurately, the level of knowledge management is to be standard and required at all level of maturity. Moreover, there are recognized factors for both organization performance, improve the relationship context and transition (Aubry et al, 2010a, 2010b), organizational changes (Pellegrinelli and Garagna, 2009) or as value-realizing functions (Hunt and Thomas, 2009) and project success.

Organizational culture and structural influence project management:

The fundamental goals of successful PMOs are to develop a better quality and more reliable managers, project executives and reliable management who are determined to put in more work for the successful project outcome. The organizational culture, directly and indirectly, has sustained interest in how the physical workplaces influence employee interaction in ways at which individual conduct at work (Morrow, McElroy, and Scheibe, 2012). The organizational culture has had a positive influence on the PMOs staffs and works they allowed to do, it has also influenced the decision approach to have good project outcome.

In addition, the structural influence on project management directly improves the organizational commitment among employee, employers, and this helps the organizational leaders (Morrow, 2011) to have a positive impact on the office design affairs on a project they can execute on site. It also improves the management decisions on the project process orientation, governance process, guidelines and influence the ways of handling a project.

Effective Project financial management:

The financial management has greater influence in PMOs organization in the sense that they are part of the administration that in-charge of a financial process of the organization. They usually deal with the financial aspect of the company and its suppliers; in such capacity as financial visibility, cash flow, financial control, cash discount and financial status of the project and credit references (de

Araújo, Alencar, and de Miranda Mota, 2017). If any issues happen that relates to the project financial activities in the area of payments or financial stability and financial measures. Then financial management had to deal with such situation.

The positive aspects of this project financial management are to assist the companies to organize, monitor their finances, and as well balance any foreseen problems that might arise in the area of finances within the organization and the project they are doing or supposed to do.

Effective Communication:

Effective communication is the best connection for project progression; it also serves as an aspect of the interaction between the PMOs staffs and field officer, or within the management of PMOs communities (Widforss and Rosqvist, 2015). (Tsaturyan and Müller, 2015) argued that communication is very vital and it brought about an open conversation to attain consensus or dialogue for discussion and conflicting ideas. The impact of communication can also be felt because it connects different teams together (Onyegiri and Nwachukwu, 2011) whenever they obtain information needed to be passed across. However, most project fails due to lack of effective communication or gaps in communication. Meanwhile, effective communication also help all the workers to come together to discuss about the project progress and as well as help to reduce the material wastage and save project cost (Engelbrecht, 2010). Thus, the success of communication mainly depends on the person that voice out his message in either writing, reasoning or direct sending (Zulch, 2014)

The negative aspect of a Project Management Office:

The negative aspects of project management office cannot be overlooked since projects have become widespread organizational structures, and this organization has formed numerous project-based organization (Tsaturyan and Müller, 2015) through which the project formulation, initialization and designs is conceived. Some of those negative aspects are:

Overstep budgeted estimated resources:

The initial project estimate occasionally known at the beginning of the project, and most of the executives in the PMOs must have discussed the initial strategy part of the project. However, the cost of materials, the resources, the benchmark for the typical hourly cost of labours and basic evidence about the project must have been giving proper attention and the documentation of those resources that will be part of the project must have being discussed and

considered before embarking on the project. It is the requirement of any administration to have industrial project leader and a precise budget proportion (Widfross and Rosqvist, 2015) so that project can be screen and implement accordingly.

The major problems here is that most estimated project cost are essentially not correct, some company are over budget or under estimate the project cost. Shenhar et al., (2001) explained that the project's accomplishments in terms of budget, time, and quality objective, as well as client satisfaction, are the basic goals of every organization.

Lack of effective decision-making:

Improper decision making can leads to project failures and it causes an organisation to lose their credibility and as well lose huge amount of money provided they are dealing with a huge project. The effective decision-making is very vital both within the organisation of the PMOs community and in the field of practicing construction in general. (Dalyander et al., 2016) explained that decision-making as the ability to highlights uncertainty about obstacle that causes physical limitation and ways of making robust decision that can demonstrates the potential for management decision agenda. For good outcome of the project, a good manager must authorize and make reasonable decision for the project to progress

Poor communication:

When fundamental roles of feedback in communication are lack or absent, there will always be a massive delay in planning, intervention, motivation and progression in project delivery and assessment (Talukhaba, Mutunga, and Miruka. 2011). The ineffective communication in the PMOs organization can lead to the project failure and misunderstanding in actual respects and relations to construction projects. Zulch, (2014b) believes that inadequately communication in construction can lead to uncertainty in respects to projects scope and failure in construction.

Poor communication can also lead to faulty in planning, improper understanding of the project stakeholders and project communication plans can also cause issues. Therefore, it is mandatory for the MPOs to map-out planning procedure to understand the receiver and sender of the messages. However, understanding the scope of communication and its format while accurate feedback and proper schedule are expected and much appreciated. The cost, worker's safety site and project quality will definitely affected (Maslei, 2016).

Improper Manage of Risk Management:

Improper manager of risk management is another negative aspect of PMOs can bring to an organisation, and this kind

of risk are classify into various aspect especially when dealing with an organisation or construction industries. They can be high-level risk or lower level risk. Management needs to set up a plan to understudy all the risks that are involved in the project planning activities and do a proper assessment of any detected risk. Muriana and Vizzini, (2017) explained that some of the steps to take a project to succeed are to identify the potential risk and the risk management involved and find ways of solving the problem. Govan and Damnjavovic (2016) considered only the impact of the resource-related risk on the project completion time but another risk involves could be time, cost and quality on the project outcome and these could have an effect on the project completion. And Acebes et al. (2013) explained that proper methodology could be use and the introduce risk assessment to address any potential risk.

Insufficient understanding of the technology:

In Another related issues that PMOs faces are the improper and not fully understand the basic technology requires for the certain project. Not everyone in the organization are fully competent to use the latest technology, and by introducing training and learning style so that people working in the PMOs office can be able to understand the technology and they can make use of it to solve any related problems (Graf et al., 2007). With the knowledge and understanding computer technology, there can be increase in the innovation and creativity level and this can improve their project outcome.

Lack of formal project progress tracking:

The tracking of on-going project is a vital issue, especially when a project falls behind schedule and having various discrepancy between them. Omar and Nehdi, (2016) emphasised that real-time progress tracking in construct is necessary because it allows the management to understand the critical issues and path for the project. This is what is what is sometimes lacking in some PMOs organisation and there is need to address it. Other negative aspect is the lack of tools for tracking (Xiong et al., 2013)

Poor knowledge management & Lack of consistency in management:

The poor management in PMOs organisation can cause serous tensions that can be economical tension, political tensions, business tension with its orientations, machine project, control tension and environmental impact assessment tension. Lin et al., (2013) emphasised that good knowledge management is necessary and should acquire the learning behaviour, understand the environment and the personal traits. If these are implement in the management decision, then there will not be any deficiency in the

management and the new management can easily understand the level where the previous management are and then continue.

Project routinely abandoned before completion:

Most of the complex construction or government approved project are abandoned due to lack of routinely check and completion. Mostly in the PMOs organization, abandoned projects are sometimes common due to lack the management that can take proper measure and look into that situation. Suding, (2004) explained that refurbishment effort do not usually aim at providing the new state of the system in a stable balance which means proper management decision has to be in place to get abandoned project back to normal.

Lack of Time and Planning management:

Time management is a crucial part in the PMOs organization and if this is lacking it may cost the organization many issues such as cost, time, planning and maintenance. This is another negative aspect of the PMOs to an organization. Gładysz et al., (2015) discussed the risk that was attached to the time and planning management is very significant and it influence the completion time of construction projects and timeliness tends to affect the project outcome. Therefore, it is very important to take proper precaution and put time management into consideration especially in the project management office (Assaf and Al-Hejji, 2006).

CONCLUSION

The above report was trying to explain the impact, the positive and negative aspect a project management office can bring to the company or organization. Several research papers were consulted in order to get the facts needed and it shield the light to the dark side of actions of PMOs in an organization. Some papers supported the positive aspect of it while other research analyses the negative aspect of the project management office to an organization and from the points one can see that time management, cost, planning, communication, project tracking, financial management, and risk assessment are very vital in order to prevent pre-planned and on-going project from failing. Therefore, the positive and negative aspects must be critically look into when planning or executing a project.

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