



WHAT THE BEST COMPANIES DO

INFORMATION TECHNOLOGY PRACTICE
PMO EXECUTIVE COUNCIL

› **Key Findings from the Anatomy of a World-Class PMO**



WHAT THE BEST COMPANIES DO

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ROADMAP



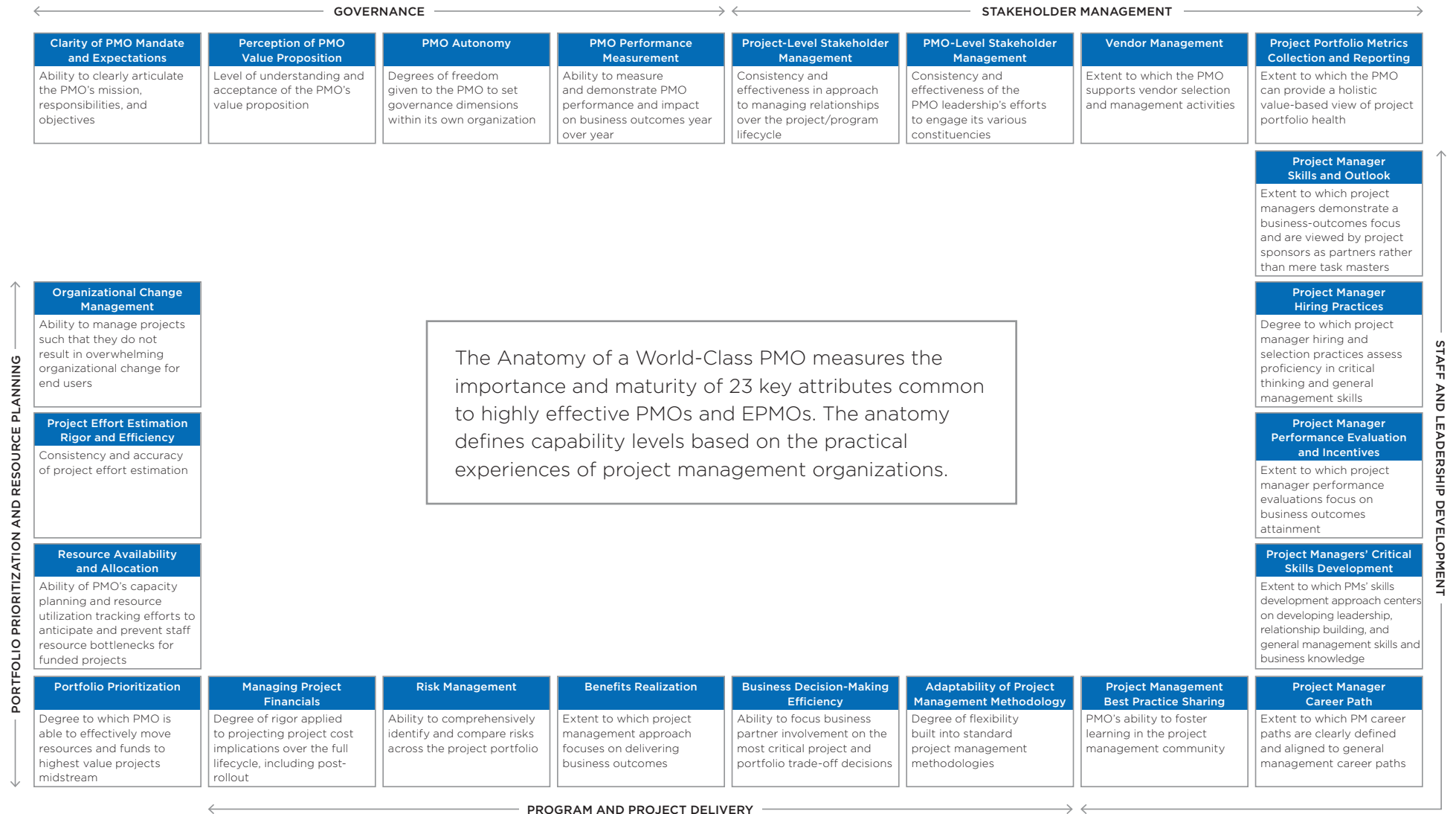
EXECUTIVE SUMMARY

The Anatomy of a World-Class PMO measures the importance and effectiveness of 23 competencies common to highly effective project management organizations. The anatomy defines capability levels based on the practical experiences of these organizations.

Our analysis of the anatomy data yielded the following key findings:

- **Project stakeholder management is the greatest development opportunity across organizations.** However, compared to PMOs, EPMOs have stronger stakeholder management capabilities at the executive level, and this capability seems to be filtering down to the rank-and-file project managers, as well. PMOs recognize this weakness and are focusing their efforts in this area.
- **Overall maturity in most PMOs stagnates for many years.** Although PMOs make quick gains in overall maturity during the first two years, most seem to “squeeze the balloon” for many years; they prioritize some activities at the expense of others, never raising the overall maturity of their function. However, they seem to stabilize after 10 years and are able to increase maturity across activities simultaneously.
- **PMO budget is positively correlated with maturity, but the number of employees is not.** The diverging correlations suggest that PMOs may be getting a boost from hiring fewer, but more talented and highly paid staff.
- **Members disagree on the importance of vendor management.** Vendor management is a low priority on average but is emerging in importance for a few leading organizations.
- **PMOs are struggling to communicate their value proposition.** While members recognize the need to demonstrate the value of the PMO, they face a significant maturity gap in this area.
- **Program and project delivery is a top priority.** Rising stakeholder expectations have led to a renewed focus on program and project delivery even though it is a core strength for most PMOs.
- **Investment in staff development does not reflect the importance of desired skill levels.** PMOs consider project manager skills a high-value capability, yet they are not dedicating enough mind share to developing staff.

CORE PMO¹ CAPABILITIES AND CHARACTERISTICS













¹ "PMOs" refers to both EPMOs and PMOs, except where the two types of organizations are compared in the document.

PMO executives and key direct reports rated the importance and maturity of 23 activities within five broad attribute categories.

- An analysis of more than 450 responses from more than 50 companies reveals patterns regarding the PMO's priorities and state of maturity.

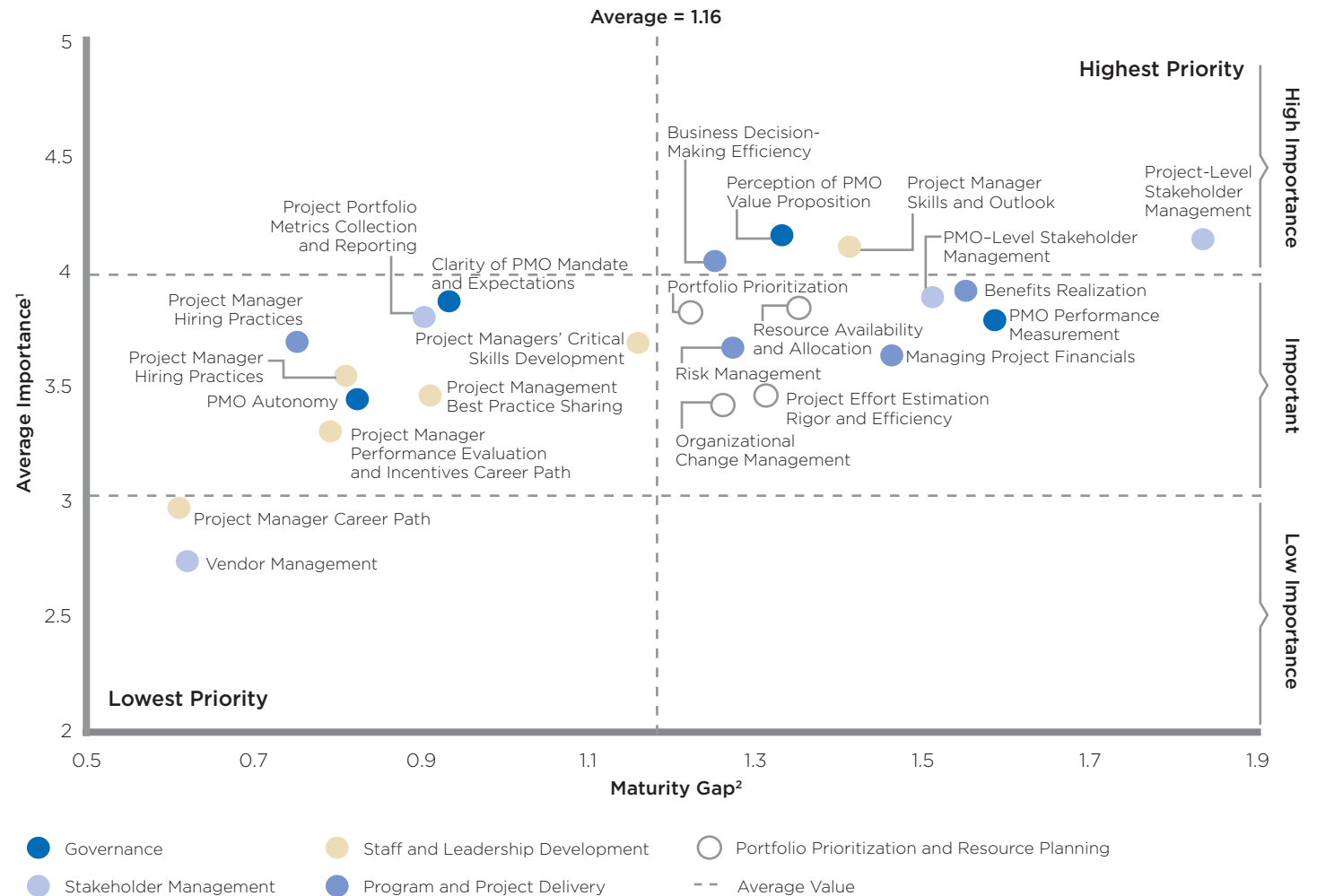
RELATIVE IMPORTANCE AND MATURITY OF DIAGNOSTIC ATTRIBUTE CATEGORIES

	Importance	Maturity Gap	
Program and Project Delivery			<ul style="list-style-type: none">■ While the mechanics of delivering projects is of utmost importance, most PMO leaders feel this is their greatest weakness.
Governance			<ul style="list-style-type: none">■ PMO leaders have invested in developing strong functional governance, and they widely recognize its importance.
Portfolio Prioritization and Resource Planning			<ul style="list-style-type: none">■ PMO leaders believe that they need to get better at portfolio prioritization and resource planning and utilization.
Stakeholder Management			<ul style="list-style-type: none">■ PMO leaders are dissatisfied with their organization's ability to manage stakeholders.
Staff and Leadership Development			<ul style="list-style-type: none">■ Staff and leadership development activities are not prioritized, even though PMOs and EPMOs both recognize the critical skills gap in their talent pool.

PMOs place the highest priority on governance and program and project delivery activities.

- Across PMOs, the following activities have high importance and a large maturity gap:
 - Project-level stakeholder management
 - PMO-level stakeholder management
 - Project manager skills and outlook
 - Perception of PMO value proposition
 - Business decision-making efficiency
 - Portfolio prioritization
 - Resource availability and allocation
 - PMO performance measurement
 - Benefits realization

TOP PMO PRIORITIES



n = 39.

¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

² Maturity Gap equals importance minus maturity.

Source: Anatomy of a World-Class PMO, 2011 data.

ROADMAP

Executive
Summary



Key
Findings



Detailed
Findings



Recommended
Resources



Appendix

DEVELOPING THE ANATOMY OF A WORLD-CLASS PMO

Research Methodology



Select Participating PMOEC Member Companies

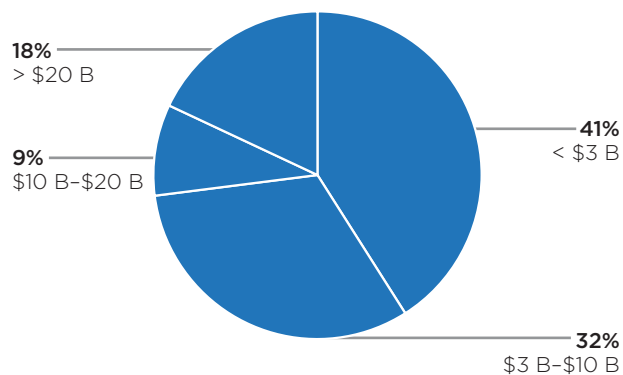


Participants in the Anatomy of a World-Class PMO reflect a broad range of revenue bands and organizational structures.

BENCHMARK DEMOGRAPHICS

Revenue Band

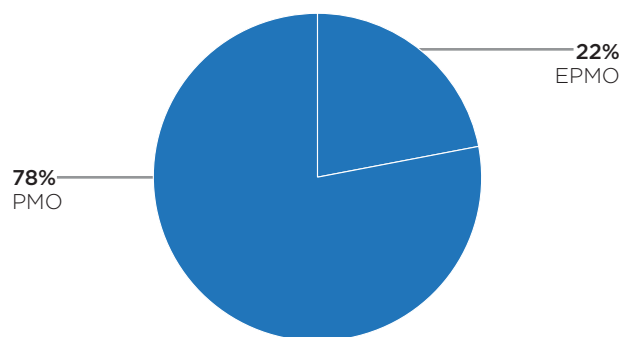
Participant Distribution



n = 46.

Organizational Structure

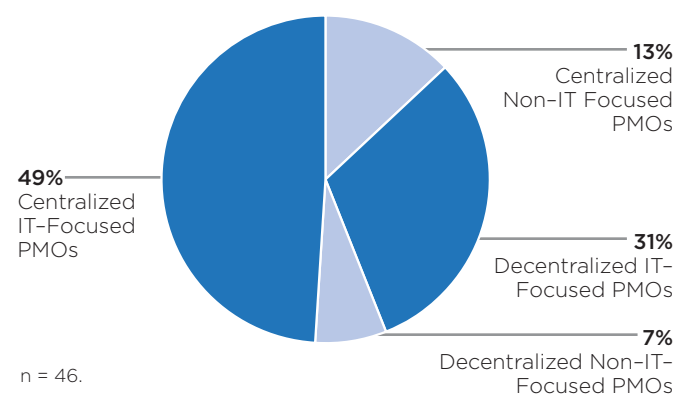
Participant Distribution



n = 46.

Note: Numbers may not add up to 100% due to rounding.

Source: Anatomy of a World-Class PMO, 2011 data.

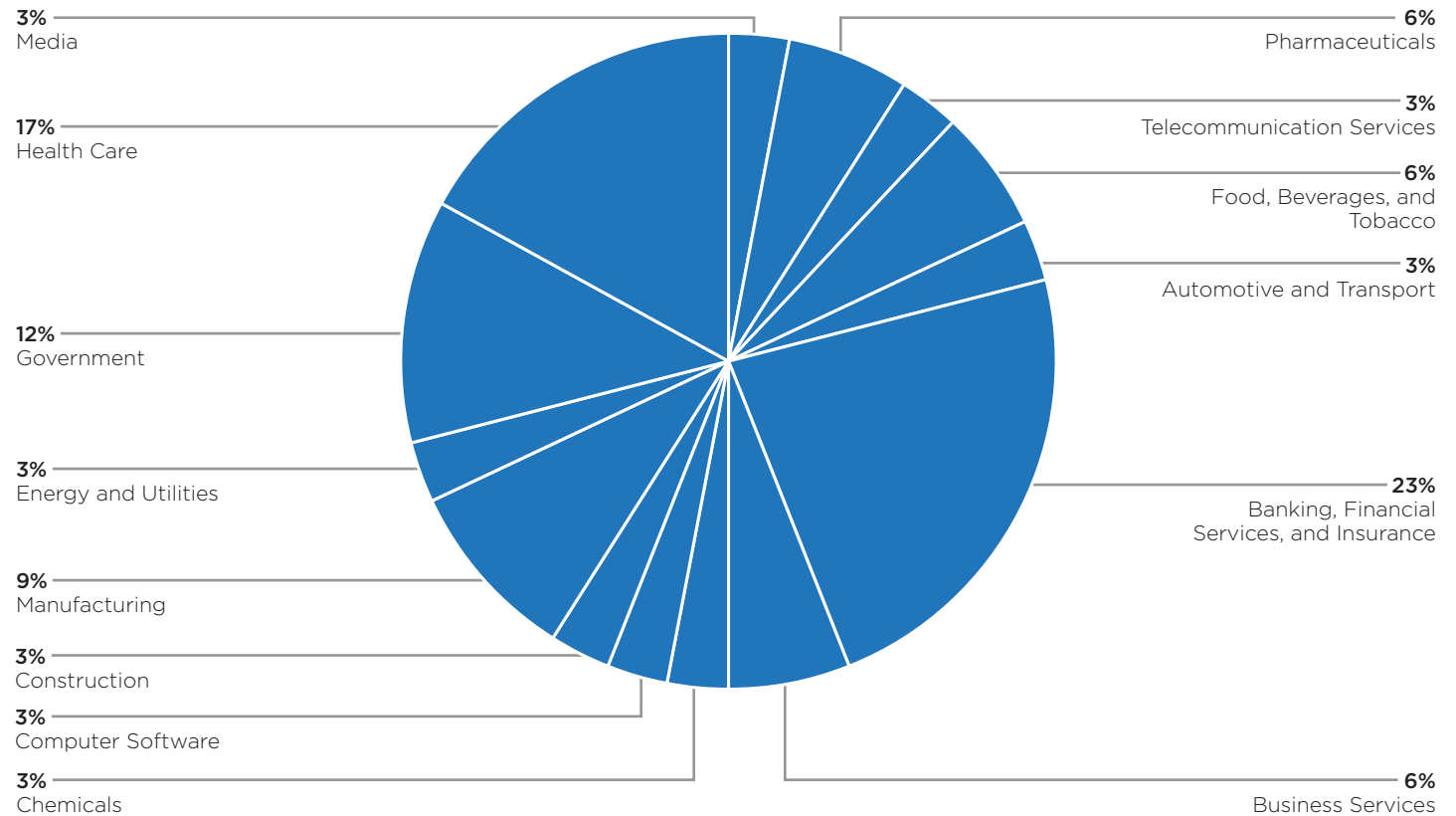


n = 46.

Participants in the anatomy represent a diverse set of organizations.

BENCHMARK DEMOGRAPHICS (CONTINUED)

Industry
Participant Distribution



n = 46.

Source: Anatomy of a World-Class PMO, 2011 data.

ROADMAP

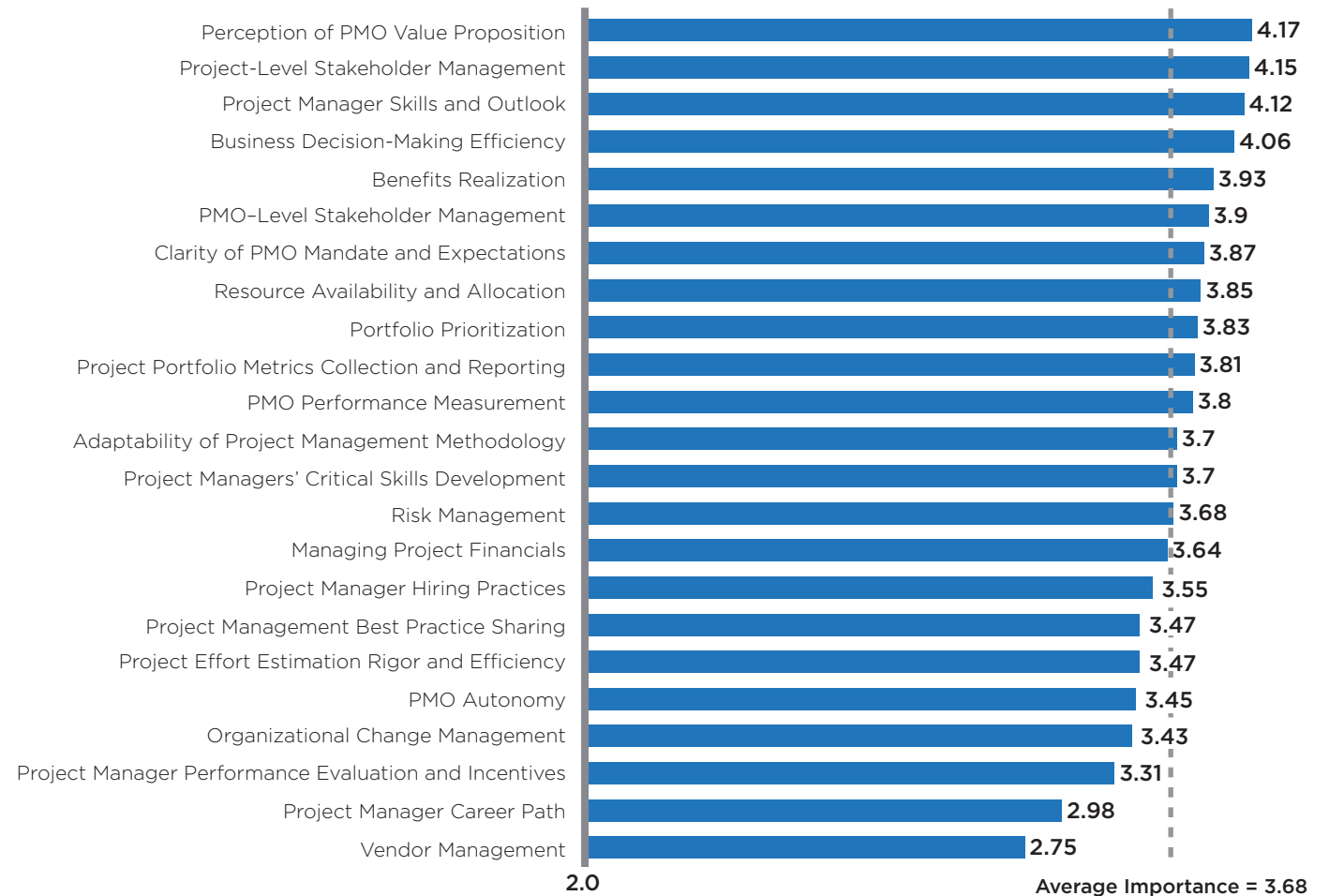


PMOs place the highest value on governance and stakeholder management activities.

- PMOs place less importance on staff and leadership development activities.

IMPORTANCE OF PMO ACTIVITIES

Average Importance¹



n = 34.

¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

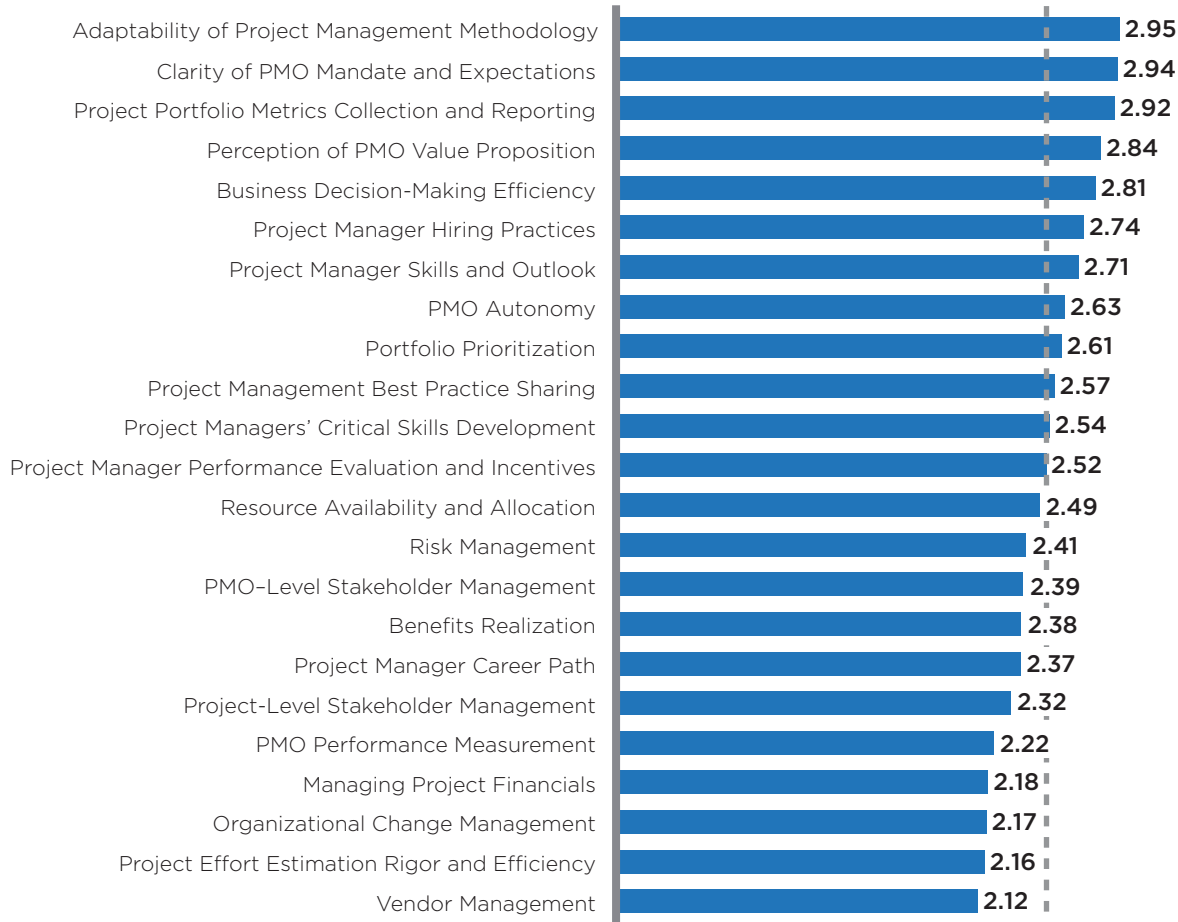


PMO maturity across all categories remains low relative to the Council's five-point scale.

- The most mature PMO activities are the following:
 - Adaptability of project management methodology
 - Clarity of PMO mandate and expectations
 - Project portfolio metrics collection and reporting

MATURITY OF PMO ACTIVITIES

Average Maturity¹



Average Maturity = 2.52

n = 34.

¹ Maturity is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

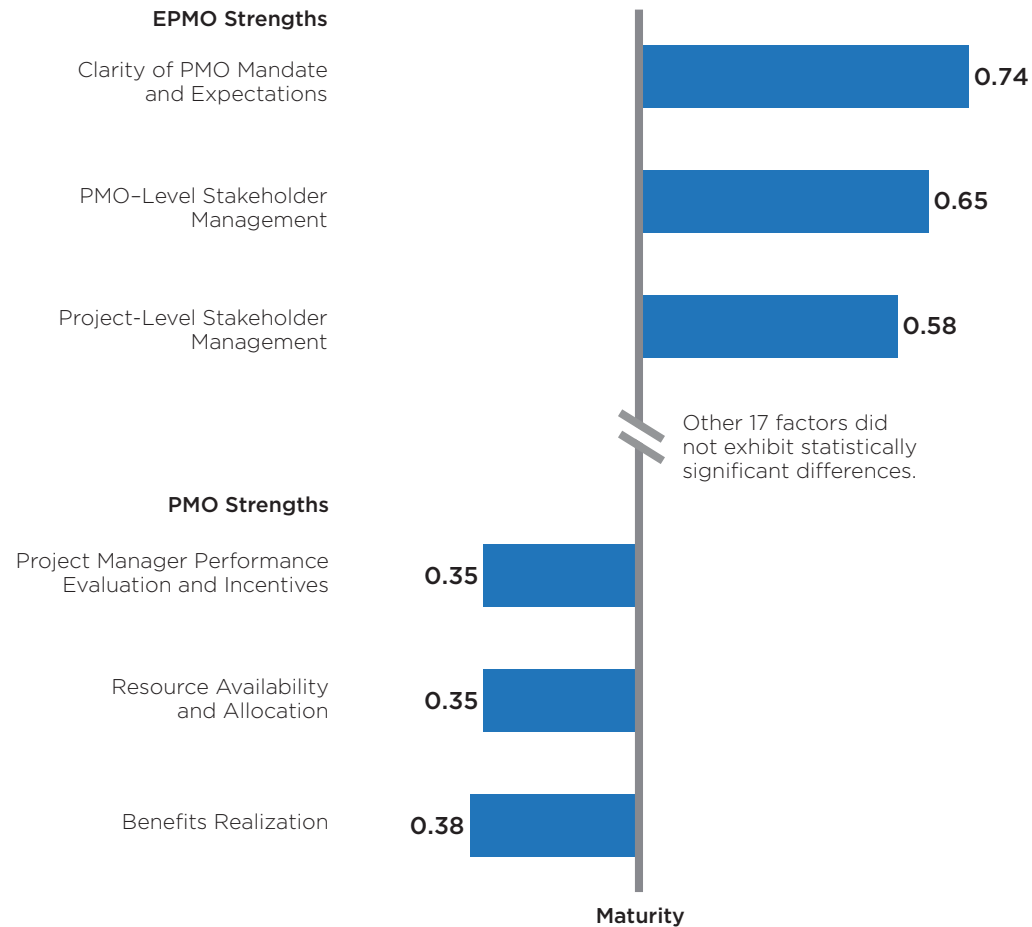
Source: Anatomy of a World-Class PMO, 2011 data.

Relative to each other, EPMOs have developed more mature governance and stakeholder management activities, while PMOs have developed more mature tactical activities.

- EPMOs manage stakeholders significantly better than PMOs both at the project and PMO level, although PMOs seem to be superior at ensuring benefits realization.
- EPMO leaders recognize that they are less successful at evaluating PM performance, creating incentives, and managing visibility of resource availability.

EPMO AND PMO RELATIVE STRENGTHS

Difference Between EPMO and PMO Maturity of Relevant Attributes



n = 36 PMOs and 15 EPMOs.

Source: Anatomy of a World-Class PMO, 2011 data.

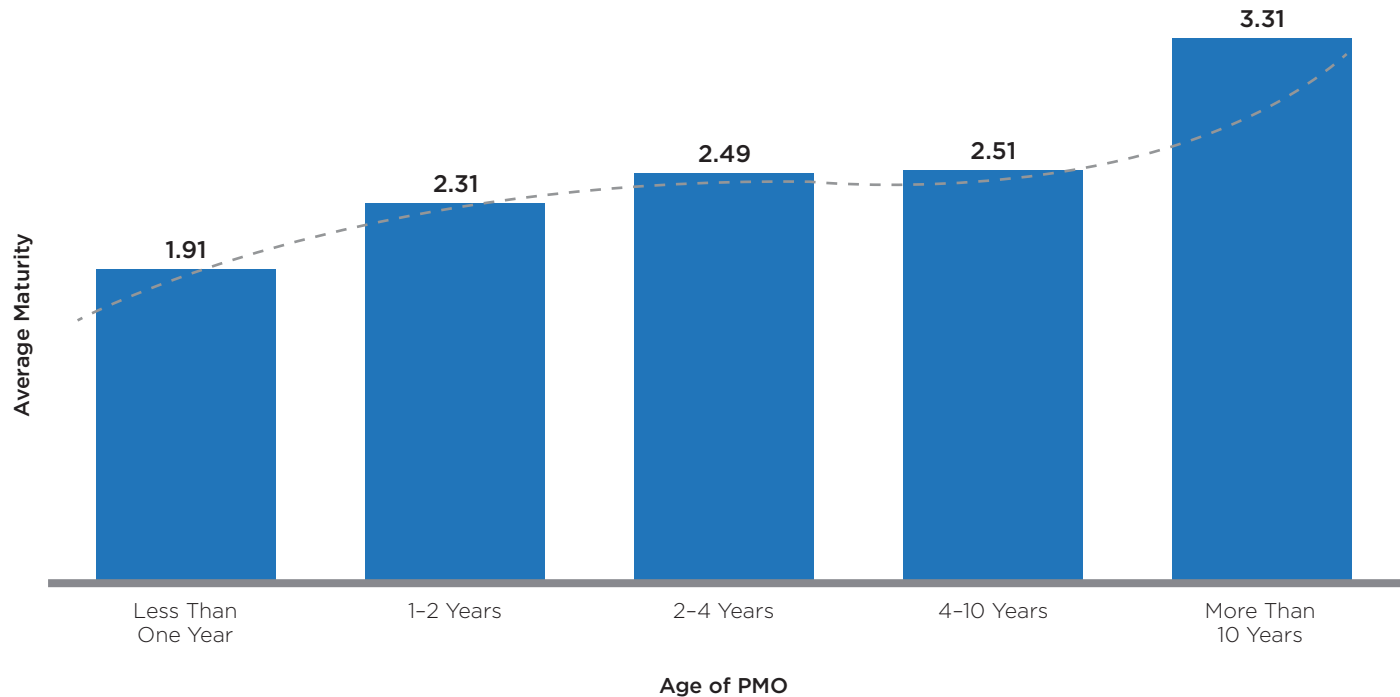


Higher maturity is correlated with PMOs that have been stable for longer periods.

- However, much of the maturity is gained relatively early on; PMO maturity tends to plateau after about two years until more than 10 years.
- Although not quite significant at our threshold, the PMO budget is also positively correlated with higher maturity, but the number of employees assigned to the PMO is not.
- This divergence could suggest that some organizations might be getting a return from hiring more expensive and more talented PMO leadership.

IMPACT OF TENURE

Maturity by Age of PMO



n = 34.

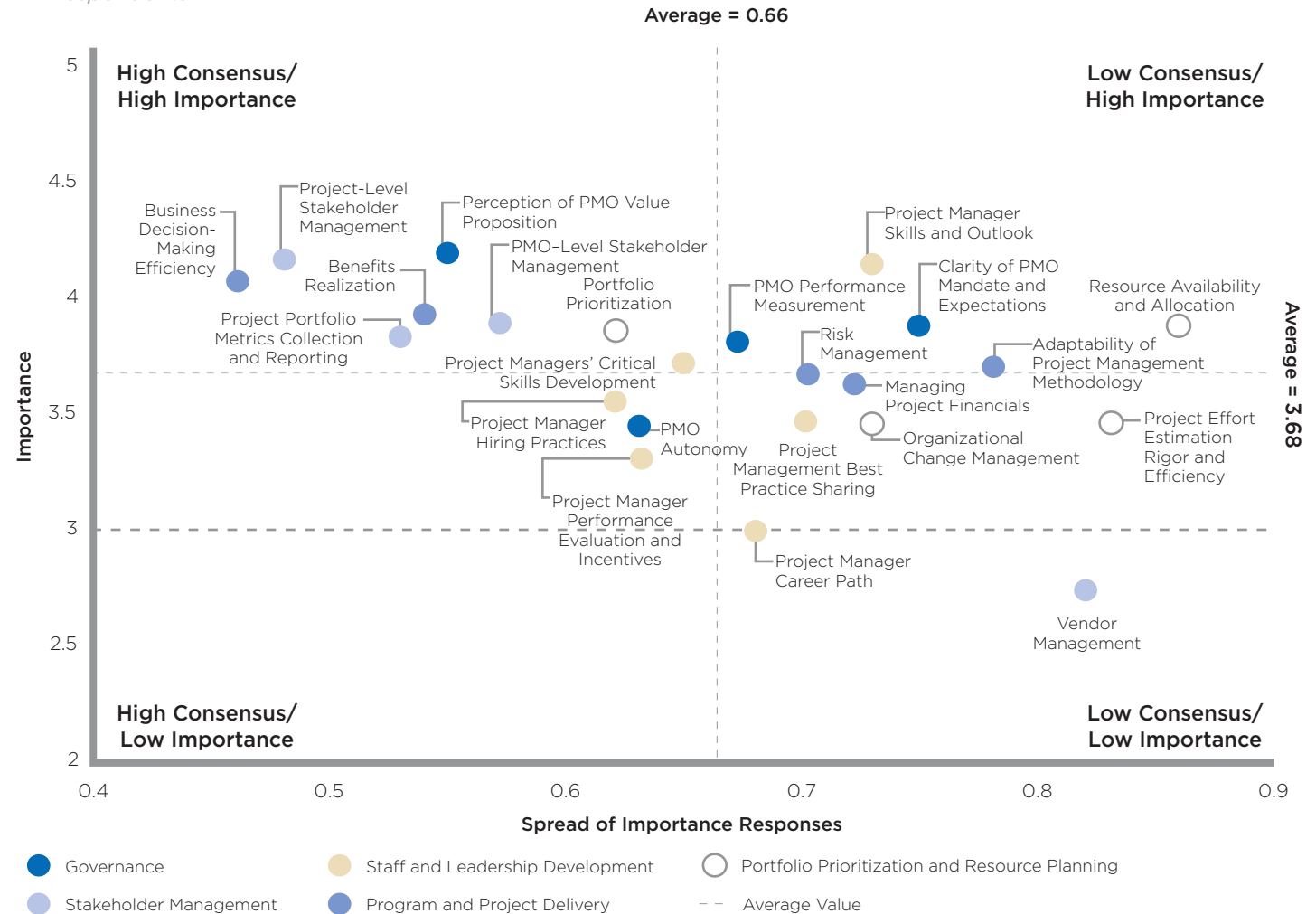
Source: Anatomy of a World-Class PMO, 2011 data.

PMO executives agree on the level of importance of four of the five top-priority areas.

- There is clear consensus on four activities that rank the highest on the basis of average importance scores:
 - Perception of PMO value proposition
 - Project-level stakeholder management
 - Business decision-making efficiency
 - Benefits realization
- The value of enhancing project manager skills and outlook is widely disputed across the membership, although it ranks as the third highest in average importance.
- Some organizations are ranking vendor management as a high priority, which could signal a trend toward increased externalization of IT service delivery.

AGREEMENT ON WHAT IS IMPORTANT

Standard Deviation of Responses
All Respondents



n = 293 respondents from 30 organizations.

¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

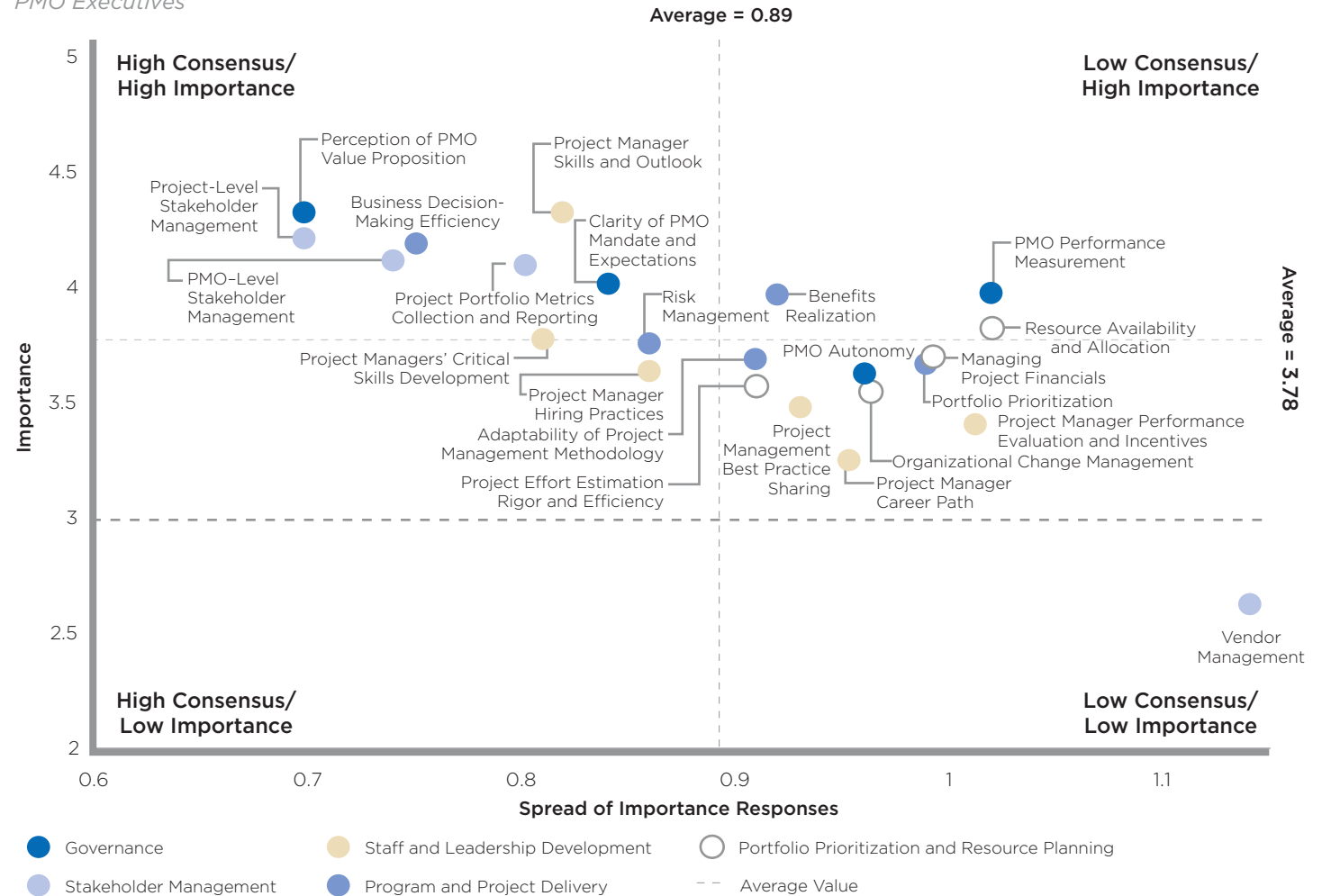
Seniormost PMO executives mostly agree on the level of importance of the top stakeholder management and governance activities.

- However, there is wide disagreement on the importance of portfolio prioritization and resource planning activities.

PMO LEADERS SHOW MODERATE CONSENSUS ON WHAT IS MOST IMPORTANT

Standard Deviation of Responses

PMO Executives



n = 60 respondents from 30 organizations.

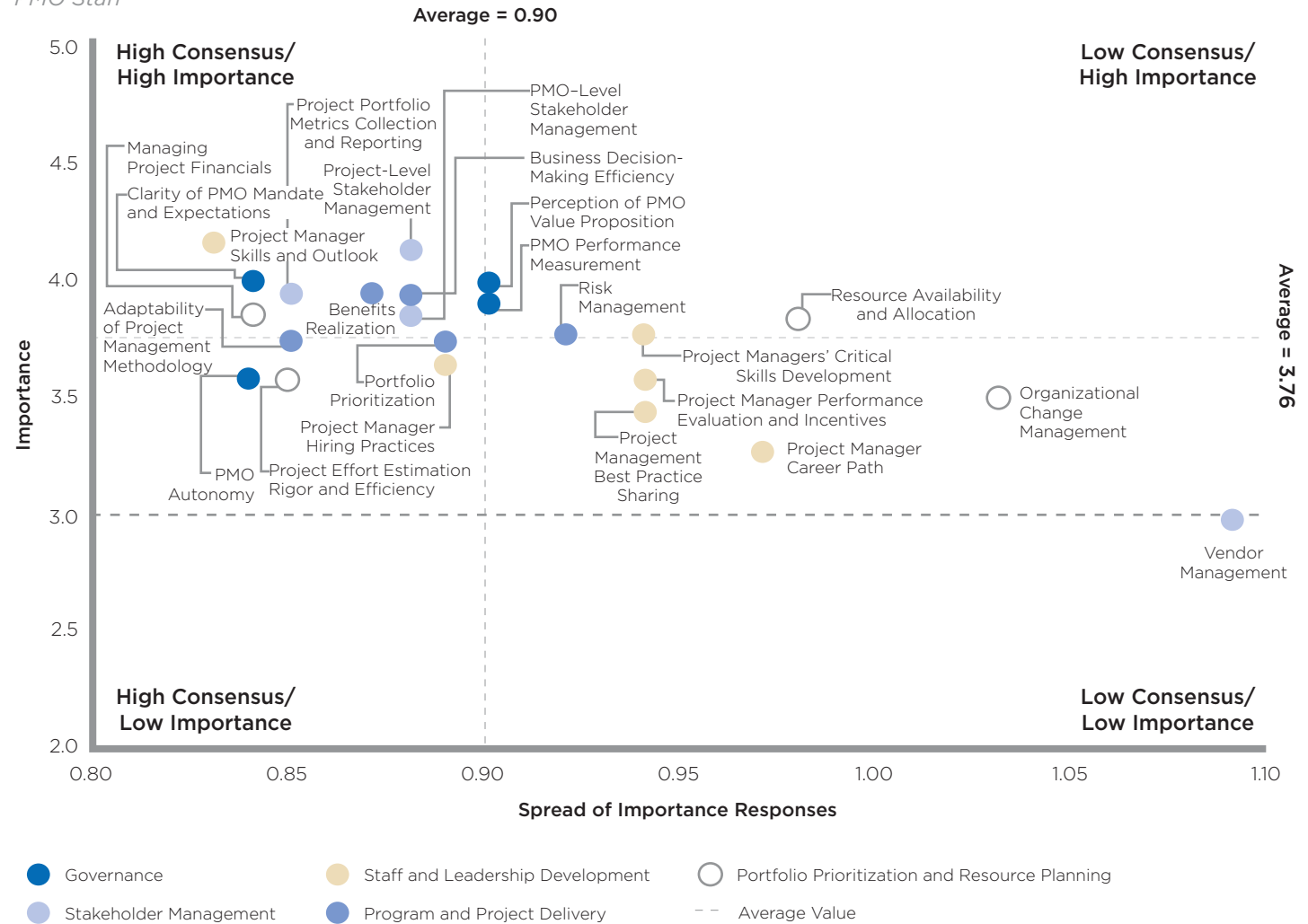
¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

PMO staff considers program and project delivery activities important but disagree on the level of importance of staff and leadership development activities.

PMO STAFF AGREES ON THE IMPORTANT ACTIVITIES

Standard Deviation of Responses
PMO Staff



n = 233 respondents from 30 organizations.

¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

KEY TAKEAWAYS

1. Organizations face the greatest maturity gap in project stakeholder management, and PMOs have a greater gap than EPMOs.
2. Higher maturity is correlated with PMOs that have been stable for longer periods. However, maturity improvement is uneven over the years—plateauing after the first two years and then rising again after 10 years.
3. PMO budget is positively correlated with higher maturity, but the number of employees assigned to the PMO is not. This could suggest that some organizations might be getting a return from hiring more expensive and talented PMO leadership.
4. Vendor management appears to be an emerging priority. While most members rank it low in importance, some are focusing on this area, which may suggest a move toward brokering capabilities as IT services are externalized.
5. Although heads of PMOs realize the importance of PM skills and outlook, they still somewhat disregard the value of staff and leadership development activities.

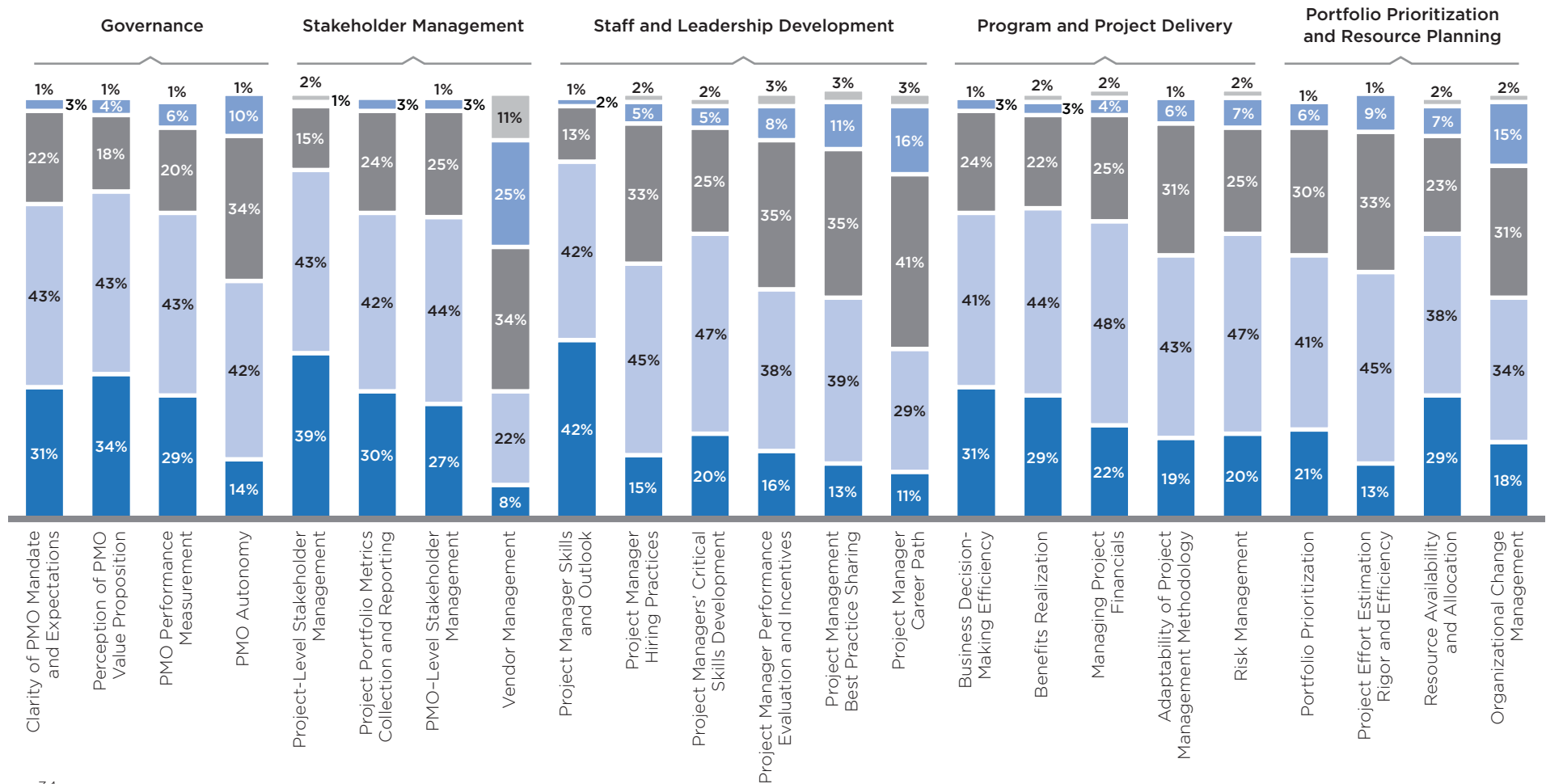
ROADMAP



DISTRIBUTION OF RESPONSES

Aggregate Importance¹

■ Critical
 ■ High Importance
 ■ Important
 ■ Low Importance
 ■ Very Low Importance



n = 34.

Note: Numbers may not add up to 100% due to rounding.

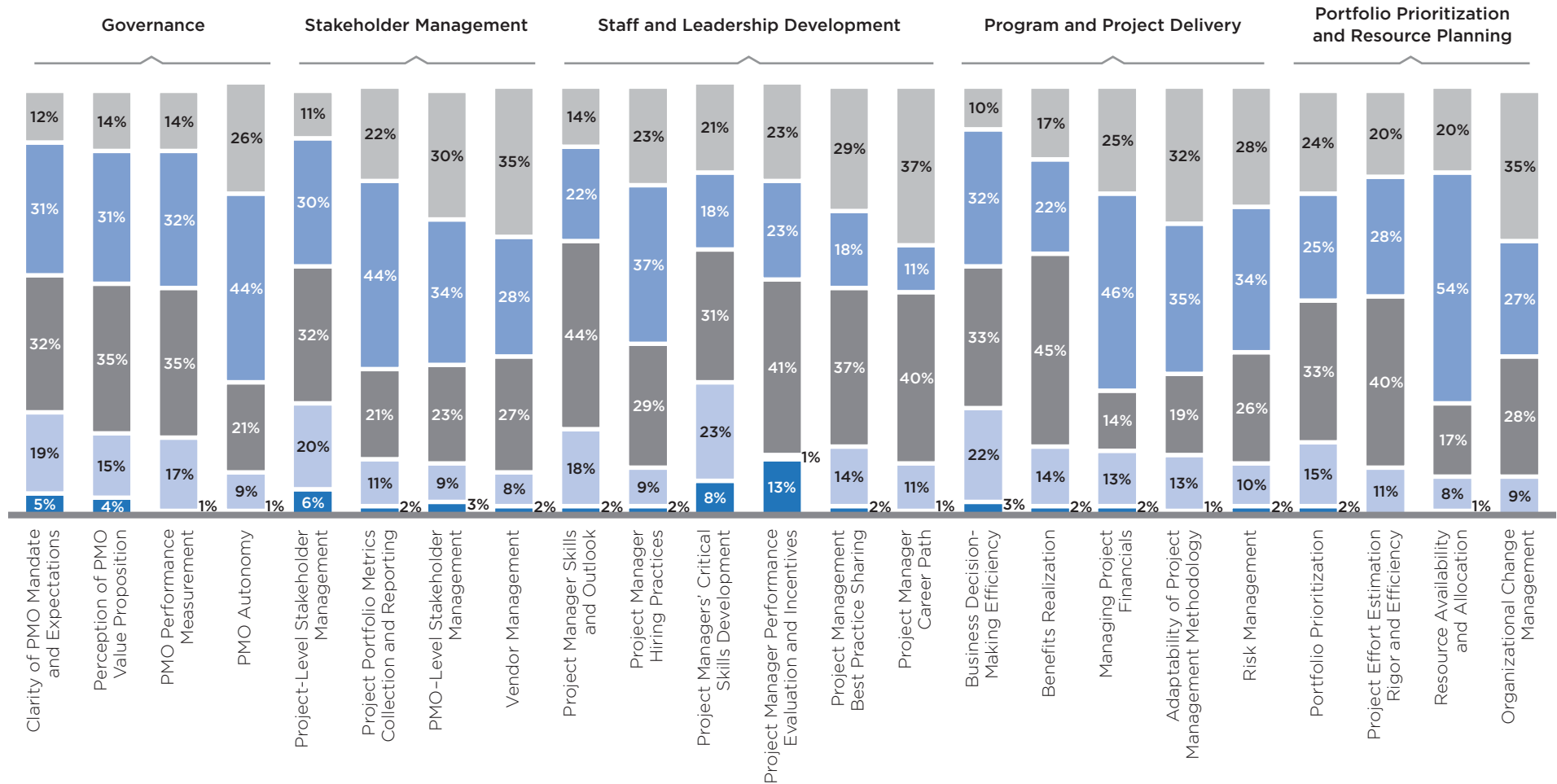
¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

DISTRIBUTION OF RESPONSES (CONTINUED)

Aggregate Maturity¹

Level 1 Level 2 Level 3 Level 4 Level 5



n = 34.

Note: Numbers may not add up to 100% due to rounding.

¹ Maturity is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

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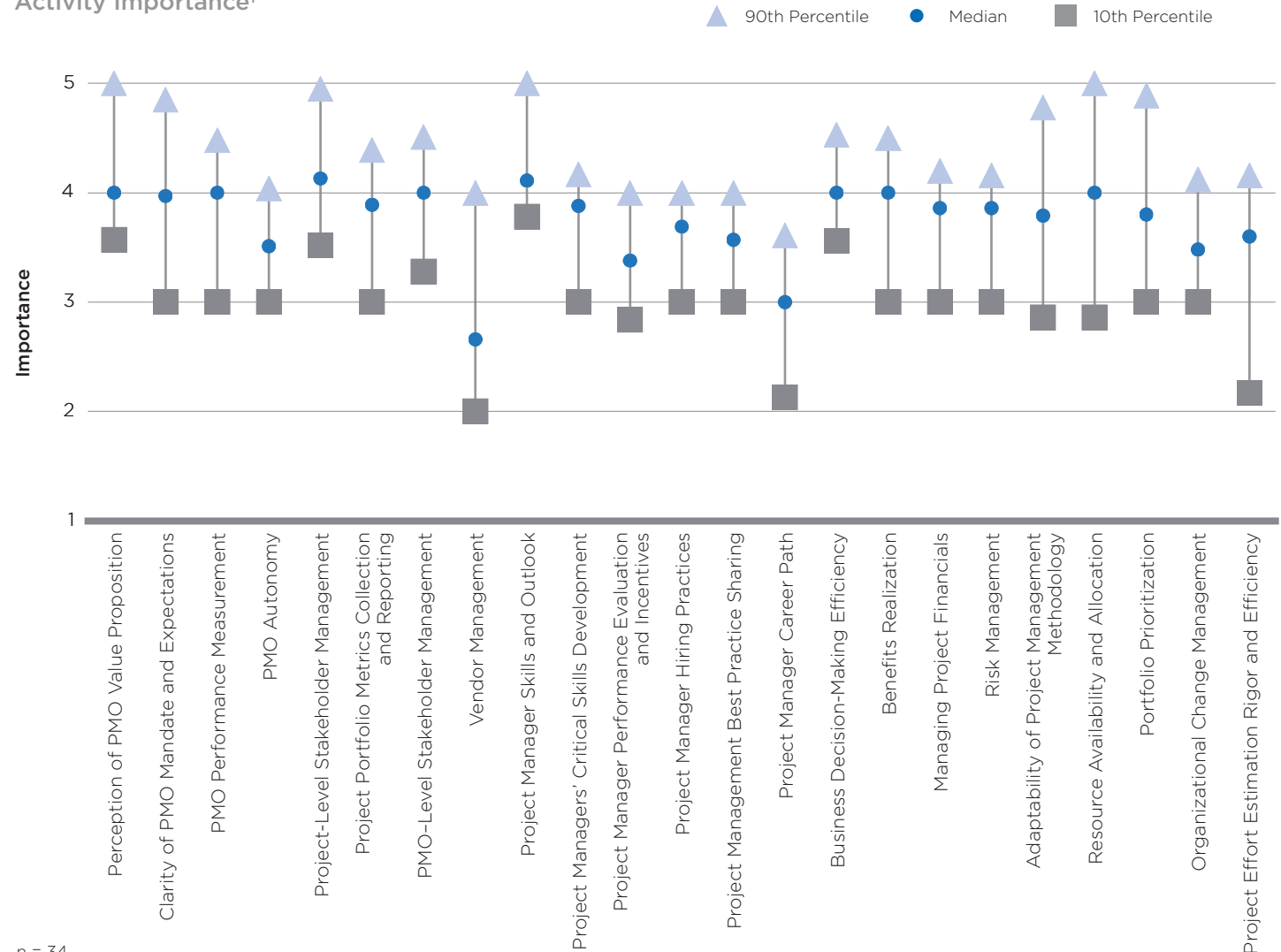
APPENDIX

Governance and stakeholder management rank as the activities with the most consensus on importance across PMOs.

- The importance of the following activities has the most differentiation across PMOs:
 - Resource availability and allocation
 - Organizational change management
 - Vendor management
- The importance of the following activities has the least differentiation across PMOs:
 - Business decision-making efficiency
 - Project manager hiring practices
 - Project management best practice sharing

DIFFERENCES IN PRIORITIES ACROSS PMOs

Activity Importance¹



n = 34.

¹ Importance is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

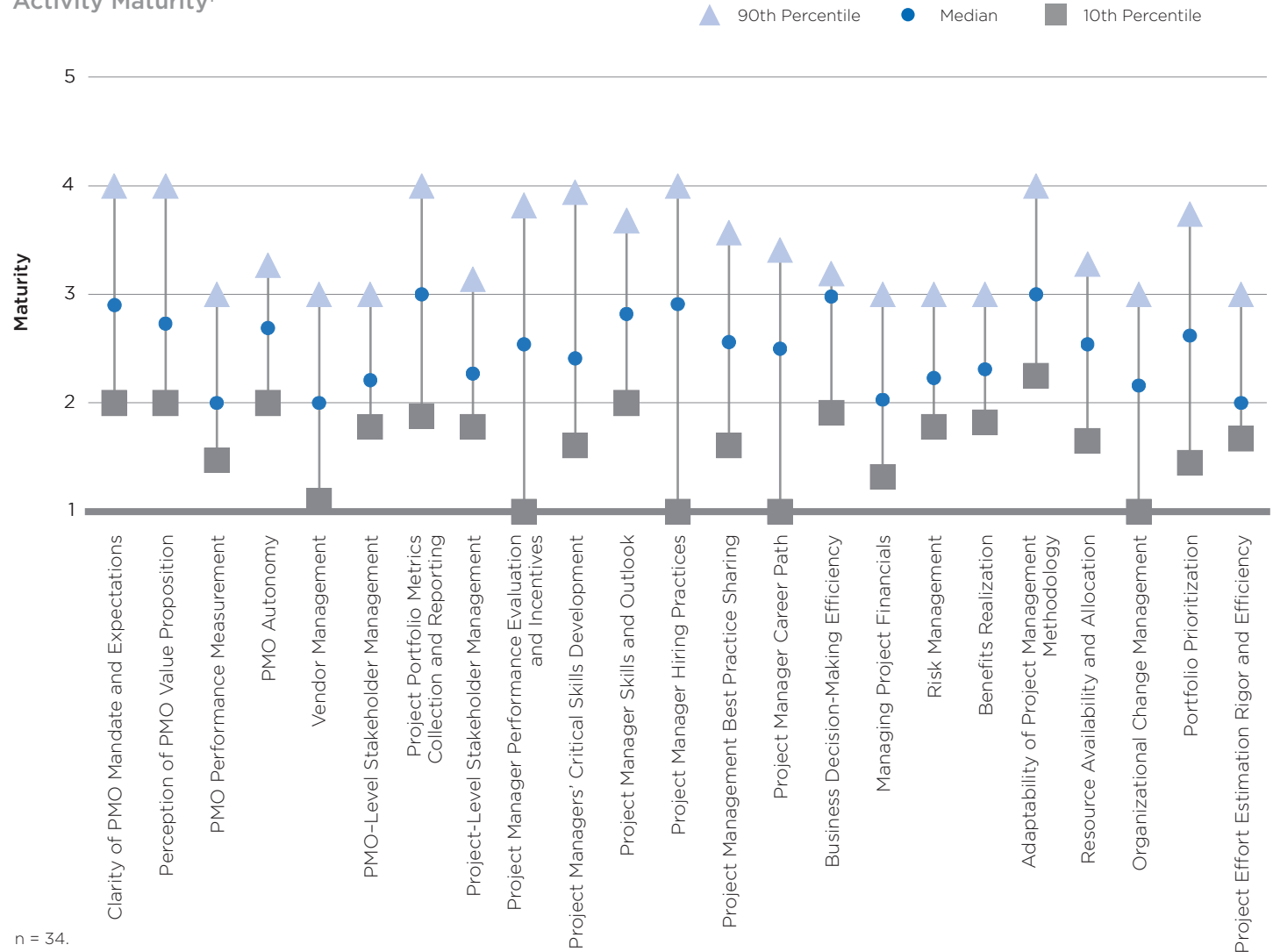


Staff and leadership development activities show the greatest differences in maturity.

- The activities that have the greatest difference in maturity across PMOs are the following:
 - Project manager performance evaluation and incentives
 - Project manager hiring practices
 - Project manager career path
- The activities with the least difference in maturity across PMOs are the following:
 - PMO autonomy
 - Project-level stakeholder management
 - Risk management
 - Benefits realization

DIFFERENCES IN MATURITY ACROSS PMOs

Activity Maturity¹



n = 34.

¹ Maturity is measured on a 1-5 scale where 1 is the lowest and 5 is the highest.

Source: Anatomy of a World-Class PMO, 2011 data.

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Appendix



To help close the maturity gap in program and project delivery, the Council recommends the following resources.

- Access the Council's topic centers on Program Management and Project Management Methodology.

RECOMMENDED RESOURCES

Program and Project Delivery

PMO Executive Council research shows on-time and on-budget delivery does not guarantee project benefits realization. In fact, on average, projects that are delivered 90% on-time and on-budget achieve a little more than one-half of their expected business outcomes.

These results suggest that PMOs that primarily focus on delivery outcomes place the project and the function's contribution to business value at risk. Leading PMOs develop objective criteria for evaluating project business cases and make business partners aware of interdependencies and risks to benefits realization. In addition, they adapt project management methodology to project characteristics, such as size and complexity.

Relevant Council Resources

- Add a value lens to project milestones | See BMO Financial's "Leading Indicators of Project Benefit Realization"
- Target project management activities that have the greatest impact on project success | Review our quantitative analysis of the Twenty-Seven Drivers of Business Outcome Attainment
- Use complexity filters to assess project risk | See BMO Financial's "Close-Ended Complexity Assessment" toolkit
- Develop templates for each step of the project execution lifecycle | Access our topic center for Project Management Methodology Tools and Templates
- Manage interdependencies across projects | Access the replay of our webinar on "EPMO Essentials: CareFirst's Program Interdependency Visualization"



To help close the maturity gap in governance, the Council recommends the following resources.

- Access the Council's topic center on Enterprise PMO Maturity.

RECOMMENDED RESOURCES

Governance

The traditional PMO focus on process adherence often comes at the expense of business benefits realization, but this approach is coming under question. To strengthen its value proposition, a PMO must take greater responsibility for business outcomes and alignment with business goals. Leading organizations clearly define the role of all PMOs in the organization and identify activities that are best performed by a central function.

In addition, they communicate their value contribution to stakeholders. In the early stages of maturity, organizations concentrate metrics on process consistency. At the next stage, they focus reporting on the successful delivery of projects. At the highest level of PMO maturity, PMOs select portfolio value metrics.

Relevant Council Resources

- Develop the PMO mandate based on business partner priorities | See U.S. Cellular's "Tiered Mandate Calibration approach"
- Define the scope of EPMO services | Review Health Care Service Corporation's approach of "Transitioning to an EPMO"
- Measure PMO innovation and employee engagement | See Xcel Energy's "PMO Dashboard"

To help close the maturity gap in portfolio prioritization and resource planning, the Council recommends the following resources.

- Access the Council's topic centers on Portfolio Management and Resource Management.

RECOMMENDED RESOURCES

Portfolio Prioritization and Resource Planning

Comparing project value accurately and efficiently across the portfolio is challenging as approaches vary across business units. Without standard criteria, prioritization decisions can be subjective and political in nature. To compare projects more easily, leading organizations clearly define assessment criteria and measurement guidelines. To ensure that the overall project portfolio composition reflects strategic objectives, these organizations also create a target portfolio structure and allocate funding accordingly.

In addition, leading organizations map resource needs at the portfolio level up front to enable high-level capacity planning. They track interdependencies to make mid-flight course corrections and reallocate resources to “driver” projects, which other projects depend on for success. In doing so, they expand the view of interdependencies beyond project milestones to consider where projects share end users and where successful execution of one project might depend on the adoption of another.

Relevant Council Resources

- Screen project proposals | See ExxonMobil's “Up-Front Urgency/Value Triage” template
- Decide on the optimal level of portfolio risk and value | See Ameriprise's “Risk-Based Portfolio Balancing” technique
- Plan capacity across projects | See CareFirst's approach to “Providing Directional Guidance On Resource Planning”
- Prevent bottlenecks by assessing project interdependencies | See CareFirst's “Program Interdependency Visualization” technique
- Sequence projects to maximize end-user adoption | See California State Automobile Association's “End User-Focused Portfolio Rebalancing” approach



To help close the maturity gap in stakeholder management, the Council recommends the following resources.

- Access the Council's topic center on Stakeholder Management.

RECOMMENDED RESOURCES

Stakeholder Management

Projects with engaged stakeholders are more likely to realize business outcomes. In fact, highly engaged stakeholders can boost project business outcome attainment by 30%. Yet, less than 20% of PMOs create formal stakeholder management plans to improve engagement.

Progressive organizations target engagement efforts based on stakeholder influence, paying special attention to end users, who determine benefits realization. In addition, they proactively educate stakeholders to improve the quality of their participation and assign project resources based on stakeholder characteristics.

Relevant Council Resources

- Segment stakeholders by their role in implementing change | See Nokia's "Stakeholder Segmentation Map"
- Map project manager skills to stakeholder needs. | See Air Products' "Entrepreneurial Skills-Based Resource Allocation" approach
- Develop onboarding guidelines for sponsors | See Cadbury and Mutual of Omaha's "Streamlined Business Sponsor Onboarding" approach

To help close the maturity gap in staff and leadership development, the Council recommends the following resources.

- Access the Council's topic center on Staff and Leadership Development.

RECOMMENDED RESOURCES

Staff and Leadership Development

PMO Executive Council research shows that project manager effectiveness is the most important factor in achieving business outcomes on a project. Moreover, as project portfolios become more diverse with the rise of SaaS and social computing, project manager ability to fluidly adapt project management techniques to new types of project needs will be critical for capturing value. Ongoing success depends on the PMO's ability to identify the right talent and focus development on the most important skills to build highly effective project managers.

Council analysis of high-performing project managers shows that certification and methodology training do not significantly improve project manager effectiveness. Leading PMOs design their hiring process to test for entrepreneurial skills such as leadership and stakeholder management and focus development on these skills. Meanwhile, they ensure performance evaluation criteria promote ownership and maximization of business outcomes, rather than measuring solely project execution.

Relevant Council Resources

- Identify characteristics of effective project managers | Access our quantitative analysis for *Understanding Project Manager Effectiveness*
- Allocate resources based on the demand and supply of entrepreneurial skills | See Air Products' "Entrepreneurial Skills-Based Resource Allocation" approach
- Develop hiring criteria for entrepreneurial project managers | Review our guidelines for "Hiring Effective Project Managers"
- Provide training on skills aligned to the top drivers of project manager effectiveness | Access our E-Learning Center to Develop Key Project Management Skills

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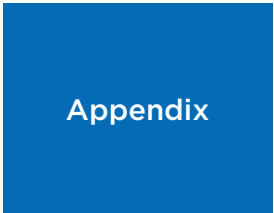
Key
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PMO MATURITY FRAMEWORK

Attribute	Description
Governance	
Clarity of PMO Mandate and Expectations	The PMO's ability to articulate its mission, responsibilities, and objectives clearly
Perception of PMO Value Proposition	Level of understanding and acceptance of the PMO's value proposition
PMO Autonomy	Degrees of freedom given to the PMO to set governance dimensions within its own organization
PMO Performance Measurement	Ability to measure and demonstrate PMO performance and impact on business outcomes year over year
Stakeholder Management	
Project-Level Stakeholder Management	Consistency and effectiveness in approach to managing relationships over the project/program lifecycle
PMO-Level Stakeholder Management	Consistency and effectiveness of the PMO leadership's efforts to engage its various constituencies
Vendor Management	Extent to which the PMO supports vendor selection and management activities
Project Portfolio Metrics Collection and Reporting	Extent to which the PMO can provide a holistic value-based view of project portfolio health
Staff and Leadership Development	
Project Manager Skills and Outlook	Extent to which project managers demonstrate a business-outcomes focus and are viewed by project sponsors as partners
Project Manager Hiring Practices	Degree to which project manager hiring and selection practices assess proficiency in critical thinking and general management skills
Project Manager Performance Evaluation and Incentives	Extent to which project manager performance evaluations focus on business outcomes attainment
Project Managers' Critical Skills Development	Extent to which project managers' skills development approach centers on developing leadership, relationship building, general management skills and business knowledge

Attribute	Description
Project Manager Career Path	Extent to which PM career paths are clearly defined and aligned to general management career paths
Project Management Best Practice Sharing	PMO's ability to foster learning in the project management community
Program and Project Delivery	
Adaptability of Project Management Methodology	Degree of flexibility built into standard project management methodologies
Business Decision-Making Efficiency	Ability to focus business partner involvement on the most critical project and portfolio trade-off decisions and to optimize the delegation of decision making authority
Benefits Realization	Extent to which project management approach focuses on delivering business outcomes
Risk Management	Ability to identify and to compare risks comprehensively across the project portfolio
Managing Project Financials	Degree of rigor applied to projecting project cost implications over the full lifecycle, including post-rollout
Portfolio Prioritization and Resource Planning	
Portfolio Prioritization	Degree to which PMO is able to move resources and funds effectively to highest value projects midstream
Resource Availability and Allocation	Ability of our capacity planning and resource utilization tracking efforts to anticipate and to prevent staff resource bottlenecks for funded projects
Project Effort Estimation Rigor and Efficiency	Consistency and accuracy of project effort estimation
Organizational Change Management	Ability to manage projects such that they do not result in overwhelming organizational change for end users

GOVERNANCE MATURITY LEVELS

Governance				
	Clarity of PMO Mandate and Expectations	Perception of PMO Value Proposition	PMO Autonomy	PMO Performance Measurement
Level 1	<ul style="list-style-type: none"> Our PMO's mandate is ambiguous. Our PMO's mandate is not formalized. Senior executives have not established clear expectations and actionable goals for our PMO. 	<ul style="list-style-type: none"> Outside constituencies do not understand how our PMO adds value to project execution. Our PMO's efforts are often resisted, and we are usually perceived as "bureaucrats." 	<ul style="list-style-type: none"> Our PMO's scope of discretion is not well understood. Management does not engage with our PMO, making it difficult to understand how much autonomy our PMO really has. 	<ul style="list-style-type: none"> Our PMO does not formally measure and report its own performance. Our PMO performance reporting focuses on process adherence, such as how broadly we have trained PMs, standardized processes, and the extent to which projects are following the standard methodology.
Level 2	<ul style="list-style-type: none"> Our PMO has an informal mandate that is generally accepted by key PMO stakeholders: the project management community, senior leadership, and business partners. The mandate is not formalized or tied to actionable goals for our organization. Our PMO suffers from "mandate creep" our mandate encompasses far too many attributes for us to be successful. 	<ul style="list-style-type: none"> Our PMO's value proposition is understood by some but not by a majority of stakeholders. Most stakeholders are skeptical that our PMO actually add value. Our PMO is usually perceived as "overhead." 	<ul style="list-style-type: none"> Our PMO somewhat understands its degrees of freedom. Our PMO must obtain external approval for changing its organizational structure. Our PMO has no budgetary authority and is bound by corporate formulas for goals and compensation. 	<ul style="list-style-type: none"> Our PMO has a formal dashboard/scorecard to report PMO performance to our key stakeholders on a regular basis. Our PMO performance reporting focuses on execution success—such as schedule and budget compliance, change orders, and sponsor satisfaction—for projects and programs as well as in aggregate and at the portfolio or BU level.
Level 3	<ul style="list-style-type: none"> Our PMO's mandate is clear and focused. Our PMO's mandate is written down. Our PMO's mandate is understood by the internal project management community. Our PMO's mandate is not understood by all key stakeholders, i.e., senior leadership and business partners. 	<ul style="list-style-type: none"> Our PMO's value proposition is understood by most stakeholders. Stakeholders are still skeptical that our PMO actually adds value. 	<ul style="list-style-type: none"> Our PMO understands its degrees of freedom. Our PMO has some freedom to adjust our organizational structure and resource allocation. Our PMO has little internal budgetary authority. 	<ul style="list-style-type: none"> In addition, PMO dashboard/scorecard reports on some forward-looking metrics at the project level to enable operational success of project management, e.g., percentage of tasks with resources assigned over the next 30, 60, 90 days or resource utilization by role by month for the entire year.

GOVERNANCE MATURITY LEVELS (CONTINUED)

Governance				
	Clarity of PMO Mandate and Expectations	Perception of PMO Value Proposition	PMO Autonomy	PMO Performance Measurement
Level 4	<ul style="list-style-type: none"> Our PMO has a clear, formalized, and focused mandate accepted by all key PMO stakeholders including business partners and the project management community. Our PMO does not regularly calibrate our mandate to reflect changes in business priorities. 	<ul style="list-style-type: none"> Most stakeholders understand our PMO's value proposition. We are usually perceived as "value enablers." 	<ul style="list-style-type: none"> Our PMO has wide latitude to set incentive structures and training priorities, to make hire/fire decisions, and to delegate authority and responsibility throughout the organization. 	<ul style="list-style-type: none"> Our PMO's performance is reported based on program- and portfolio-level business outcomes such as portfolio-level returns, value realization, end-user adoption, and success at supporting enterprise business objectives, such as cost reduction, customer growth, acquisition integration, etc. Our PMO also reports on key constraints to portfolio value realization, such as critical resource gaps, interdependencies and key risks. Our PMO's dashboards are short and simple, tracking 12 to 18 metrics.
Level 5	<ul style="list-style-type: none"> Our PMO has a clear, formalized, and focused mandate accepted by business partners and the project management community. Our PMO regularly partners with senior leadership and other business and project community leaders to calibrate our mandate and identify new ways we can add value. 	<ul style="list-style-type: none"> Our PMO is actively sought out to assist with early phases of project definition. Our PMs are seen as "value generators." 	<ul style="list-style-type: none"> Our PMO has wide latitude to set incentive structures and training priorities, to make hire/fire decisions, and to delegate authority and responsibility throughout the organization. In addition, our PMO has the ability to influence compensation decisions for full-time and/or part-time PMs outside its direct control. 	<ul style="list-style-type: none"> Our PMO uses forward-looking leading indicators to forecast future PMO performance and to understand and recommend changes that should be made today to meet year-over-year performance objectives.

STAKEHOLDER MANAGEMENT MATURITY LEVELS

Stakeholder Management				
	Project-Level Stakeholder Management	PMO-Level Stakeholder Management	Vendor Management	Project Portfolio Metrics Collection and Reporting
Level 1	<ul style="list-style-type: none"> Our PMO offers no standard guidance on stakeholder management. Stakeholder management attributes are at the discretion of individual project managers (PMs). Stakeholder management effectiveness varies greatly from PM to PM and is highly dependent on overall experience, PM's personal connections, and PM's number of years at the company. 	<ul style="list-style-type: none"> PMOs at our organization have a siloed view of their mandate. There is considerable amount of redundancy in our mandates (PMs). We only discuss our PMO's performance on an ad hoc basis with our management and rarely have that conversation with business partners. 	<ul style="list-style-type: none"> Our PMO is not involved in the evaluation of the performance or selection of third-party vendors in projects. 	<ul style="list-style-type: none"> Our PMO does not yet have the right tools and processes to aggregate portfolio-level data centrally.
Level 2	<ul style="list-style-type: none"> The standard project management methodology includes optional tools and templates for basic stakeholder management. Our PMO disaggregates the business-facing relationship component from the project management component by pairing the PM with a business liaison. The business person is expected to bring the relationship management skill to the project. 	<ul style="list-style-type: none"> Our PMO only has an ad hoc relationship with other PMOs at our organization. As PMO leaders, we meet regularly with management to discuss our PMO's performance, but interactions with partner constituencies are ad hoc and inconsistent. 	<ul style="list-style-type: none"> Our PMO uses nonstandard metrics, usually developed by individual project teams as part of the performance assessment and reporting attributes. The PMO is not involved in third-party provider selection decisions. 	<ul style="list-style-type: none"> Our PMO tracks budget and schedule performance for projects, but our PMO's ability to aggregate portfolio-level data beyond that is compromised by the diversity of metrics tracked and the absence of standard definitions and data collection protocols.
Level 3	<ul style="list-style-type: none"> Our PMO focuses on PM training to ensure better stakeholder management. Our PMO offers formal guidance on business sponsor engagement, relying on standard descriptions of sponsor roles and responsibilities as well as standard templates to capture stakeholder communication. PMs oversee the creation of communications calendars and assign specific communication tasks to sponsors at each project phase to drive stakeholder engagement. 	<ul style="list-style-type: none"> Our PMO regularly meets with other PMOs at the organization to discuss our mandate, performance, and to examine ways we can reduce redundancies. Our PMO effectively involves other PMOs in governance of multi-BU projects. As PMO leaders we discuss our PMO's mandate and performance during regular meetings with our management and other senior executives from business units. Our PMO is limited in our ability to control by influence. 	<ul style="list-style-type: none"> Our PMO uses a standard set of vendor performance metrics as part of our project performance assessment and reporting attributes, but data is not consistently rolled up to the portfolio level. The PMO provides input but is not formally involved in third-party provider selection decisions. 	<ul style="list-style-type: none"> Our PMO consistently tracks budget and schedule performance for projects as well as other lagging indicators of project risk but has not developed ways to anticipate risk.

STAKEHOLDER MANAGEMENT MATURITY LEVELS (CONTINUED)

Stakeholder Management				
	Project-Level Stakeholder Management	PMO-Level Stakeholder Management	Vendor Management	Project Portfolio Metrics Collection and Reporting
Level 4	<ul style="list-style-type: none"> Our PMO manages stakeholder relationships by focusing on both the PM and the sponsor. Our PMO coaches and facilitates business sponsors on impact and timing of most effective business engagement with the project team. 	<ul style="list-style-type: none"> We discuss our PMO's mandate and performance during regular meetings with all stakeholders, including representatives from middle management and the project management community. Our PMO also has formal reporting and communication vehicles to report back to those constituencies. 	<ul style="list-style-type: none"> Our PMO monitors a few standard vendor performance metrics that are aggregated at the portfolio level to support broader efforts for efficient third-party selection and management. 	<ul style="list-style-type: none"> Our PMO tracks some forward-looking indicators of project risk such as resource availability by role. Our PMO monitors and reports on program interdependencies. Our PMO hasn't standardized project value metrics enough to gain portfolio-level views of value generated.
Level 5	<ul style="list-style-type: none"> Stakeholder management is a primary focus of our PMO, especially for high-risk projects. Our PMO broadens the definition of stakeholders to include end users as well as business sponsors. Our PMO provides guidance to PMs on how to assess organizational receptivity or resistance to change. Our PMO provides explicit guidelines on key data inputs required to build a consistent stakeholder profile that includes various categories of end users. 	<ul style="list-style-type: none"> In addition, our PMO aggressively seeks stakeholder feedback and we publicly hold ourselves accountable to communicate the progress we are making on their suggestions and key initiatives. 	<ul style="list-style-type: none"> Our PMO has identified key forward-looking drivers of standard vendor performance metrics and aggregates them at the portfolio level to develop a view on future performance. 	<ul style="list-style-type: none"> Our PMO has defined a standard set of business metrics to assess project value realization and standardized data collection protocols in order to aggregate and to report overall portfolio returns. Our PMO makes recommendations to senior management for rebalancing the portfolio based on overall risk and value of investments.

STAFF AND LEADERSHIP DEVELOPMENT MATURITY LEVELS

Staff and Leadership Development						
	Project Manager Skills and Outlook	Project Manager Hiring Practices	Project Manager Performance Evaluation and Incentives	Project Managers' Critical Skills Development	Project Manager Career Path	Project Management Best Practice Sharing
Level 1	<ul style="list-style-type: none"> Our PMO does not yet systematically understand the core competencies of the PM staff. Different executives have very different perspectives of our PMO's core skills and competencies. 	<ul style="list-style-type: none"> Our PMO has little or no control over the PMs that it hires or uses. 	<ul style="list-style-type: none"> Our PMO has little control over PM performance reviews. Performance review criteria are set centrally and do not address PM-specific skills. 	<ul style="list-style-type: none"> Our PMO has little or no budget for training or skill development. Skill transfer is done informally through ad hoc mentoring and on-the-job training. 	<ul style="list-style-type: none"> PMs are promoted by criteria established within other organizations and our PMO has little ability to influence promotion criteria. 	<ul style="list-style-type: none"> Our PMO has no formal best practice sharing mechanism. Learnings are shared informally and inconsistently, and our PMO does not know if PMs actually use this information to influence their project planning and management.
Level 2	<ul style="list-style-type: none"> Our PMO's PMs have a primarily administrative focus. They do a good job of filling in key documentation, reporting on data and milestones. Our PMO's PMs don't view themselves as leaders of the organization PMs take a command and control approach to management rather than empowering their teams. 	<ul style="list-style-type: none"> Our PMO screens candidates for demonstrated project management experience or a project management certification, such as PMP, Scrum Master, or Prince2. 	<ul style="list-style-type: none"> Our PMO evaluates PMs primarily on compliance with methodology, budgets, and schedules. 	<ul style="list-style-type: none"> Our PMO's project management skills development approach focuses on methodology training and reliance on external certification programs. 	<ul style="list-style-type: none"> Our PMO creates a promotion path for PMs based largely on tenure. Project management is primarily viewed as a destination job, and hence our PMO doesn't have a lot of rotation in and out of PM jobs. 	<ul style="list-style-type: none"> Our PMO formally tracks best practices shared among project teams. But our PMO does not have formalized reviews in each project's lifecycle designed to capture best practices or lessons learned.

STAFF AND LEADERSHIP DEVELOPMENT MATURITY LEVELS (CONTINUED)

Staff and Leadership Development						
	Project Manager Skills and Outlook	Project Manager Hiring Practices	Project Manager Performance Evaluation and Incentives	Project Managers' Critical Skills Development	Project Manager Career Path	Project Management Best Practice Sharing
Level 3	<ul style="list-style-type: none"> Our PMO's PMs are effective process administrators. They do a good job of building project plans and managing the project's resources against plan, but they are less involved in business case development. They usually deliver projects to budget and schedule. Most of our PMO's PMs recognize that they must build relationships to drive results, but don't consider benefits realization to be part of their job. 	<ul style="list-style-type: none"> Our PMO looks beyond experience and certification and focuses on finding candidates who have a competence in learning agility, problem solving, and business judgment. But our PMO does not provide standard guidelines to recruiters to identify these skills in PM candidates. Quality of the new-hire PM varies by interviewer(s). 	<ul style="list-style-type: none"> Our PMO evaluates PMs on sponsor satisfaction as well as compliance with methodology, budgets, and schedules. Our PMO also considers PMs' proficiency on "soft skills" such as leadership, communications, stakeholder management, and problem solving skills in evaluating their performance. 	<ul style="list-style-type: none"> Our PMO offers training on our project management approach. Additionally, our PMO complements that with training on leadership, problem solving, and stakeholder management as well as with informal mentoring. Our PMO seeks to expose the PM community to senior business leaders. 	<ul style="list-style-type: none"> Our PMO creates a promotion path for PMs based on their demonstrated ability to deliver successfully projects of a given size and/or complexity. However, most of our PMO's PMs are destined to remain in PM jobs. 	<ul style="list-style-type: none"> Our PMO tries to document project "lessons learned" and best practices at the conclusion of major projects. But compliance is spotty, and our PMO's ability to store and retrieve this information is compromised by the limitations of our knowledge sharing tools. For important projects at risk, our PMO is sometimes able to harness the wisdom of our most experienced PMs, but our PMO struggles to do this consistently.

STAFF AND LEADERSHIP DEVELOPMENT MATURITY LEVELS (CONTINUED)

Staff and Leadership Development						
	Project Manager Skills and Outlook	Project Manager Hiring Practices	Project Manager Performance Evaluation and Incentives	Project Managers' Critical Skills Development	Project Manager Career Path	Project Management Best Practice Sharing
Level 4	<ul style="list-style-type: none"> Our PMO's PMs view themselves as leaders who drive attainment of business outcomes. They build excellent project plans, manage project resources against plan, and are highly involved in business case development and realization. They understand the project's broader business context and are deft at managing mid-stream course corrections without compromising project outcomes. 	<ul style="list-style-type: none"> Our PMO screens candidates for project management proficiency as well as learning agility, problem solving, business judgment, and key "soft skills" such as ownership and accountability, influencing skills, poise with executive audience, ability to inspire trust, and verbal communication. Our PMO provides standard guidelines for PM hiring. 	<ul style="list-style-type: none"> Our PMO has shifted the focus of performance evaluations to how well PMs have achieved business outcomes. Our PMO still relies on subjective measures such as sponsor satisfaction, but tries to make it more objective by disaggregating sponsor satisfaction into specific metrics on the way the project was managed and the degree to which it delivered its intended benefits post-rollout. 	<ul style="list-style-type: none"> Our PMO offers training on the project management approach. However, our PMO's skills development efforts focus on developing leadership, relationship building, general management skills, and business knowledge. 	<ul style="list-style-type: none"> Our PMO has standardized PM job descriptions and has rationalized the PM career ladder with a logical progression of skills. Our PMO has a defined program/portfolio manager track to retain some of the more experienced PMs to help coach and mentor the less tenured PMs and handle complex programs. 	<ul style="list-style-type: none"> Our PMO consistently documents best practices and "lessons learned" at the end of every project, and has an effective, widely used platform to communicate these lessons to the broader PM group.

STAFF AND LEADERSHIP DEVELOPMENT MATURITY LEVELS (CONTINUED)

Staff and Leadership Development						
	Project Manager Skills and Outlook	Project Manager Hiring Practices	Project Manager Performance Evaluation and Incentives	Project Managers' Critical Skills Development	Project Manager Career Path	Project Management Best Practice Sharing
Level 5	<ul style="list-style-type: none"> Our PMO's PMs view themselves as stewards of business value who have the flexibility to drive business value through their own decisions. Their core skills and competencies center on business acumen, critical thinking, conflict resolution, and stakeholder management. They actively partner with sponsors and hold themselves jointly accountable for benefits realization. Our PMO has a process for effectively onboarding and utilizing part-time PMs. 	<ul style="list-style-type: none"> Our PMO screens candidates for general management ability as well as other key "soft skills" referred to earlier. To test for these skills, our PMO uses case-based interviews that draw upon real-life, "tough call" project situations that a PM might face. Our PMO is open to hiring from the business and teaching them the basics of how we manage projects. 	<ul style="list-style-type: none"> Our PMO primarily rates PM effectiveness by the level at which they support the attainment of business outcomes. Business outcome attainment is objectively measured through pre-defined metrics established in the project charter. Our PMO also ties a portion of the PM's compensation to the actual attainment of business outcomes. 	<ul style="list-style-type: none"> Our PMO offers training on our project management approach. However, our PMO's skills development efforts focus on developing leadership, relationship building, general management skills, and business knowledge. Our PMO relies on experiential forms of learning, assigning senior mentors to junior PMs, providing consistent coaching and role playing exercises, and matching people to projects in a way that allows them to work safely on their individual development objectives. 	<ul style="list-style-type: none"> Our PMO has created a dual-track PM progression to support both career PMs and rotational PMs. Promotions are based on demonstrated ability to deliver business outcomes on projects of increasing scale and risk. 	<ul style="list-style-type: none"> Rather than trying to build a lessons learned database, our PMO has instituted thorough peer-review processes that ensure that we consistently and reliably harness the wisdom of our PMO's most experienced PMs to help manage the risks of important projects by participating in major stage-gate reviews. They are also assigned to facilitate retrospective "lessons learned" sessions at the conclusion of major projects and to disseminate best practices.

PROGRAM AND PROJECT DELIVERY MATURITY LEVELS

Program and Project Delivery					
	Adaptability of Project Management Methodology	Business Decision-Making Efficiency	Benefits Realization	Risk Management	Managing Project Financials
Level 1	<ul style="list-style-type: none"> With no standardized methodology, or guidelines; our PMO relies on certified or experienced PMs to deliver projects effectively, and they execute on an ad hoc basis. 	<ul style="list-style-type: none"> Business partner roles are not well defined or understood Project/program risk mitigation decision-making authority is not established. 	<ul style="list-style-type: none"> Our PMO tracks project performance primarily on their on-time and on-budget delivery. Our PMO has no role in defining project-specific benefits metrics. 	<ul style="list-style-type: none"> Our PMO has no consistent methodology to identify or to measure risk across projects. 	<ul style="list-style-type: none"> PMs use their own best estimates to determine build and implementation costs.
Level 2	<ul style="list-style-type: none"> Our PMO uses a standard, one-size-fits-all project management methodology for all projects. Project teams may not follow methodology steps and guidelines consistently. 	<ul style="list-style-type: none"> Stakeholder roles are known and widely understood But decision-making authority for risk mitigation and issue resolution is not established. 	<ul style="list-style-type: none"> Our PMO's involvement in benefits management is limited to partnering with the business to create business cases for project proposals. Our PMO usually defines a set of business outcomes for every project, but these benefits often turn out to be difficult or impossible to measure and are different for every project. 	<ul style="list-style-type: none"> Our PMO monitors a standard set of risks applied to all projects. Usually, these risks are directly related to on-time and on-budget project delivery (e.g., missing schedule dates or budget overruns). 	<ul style="list-style-type: none"> Project investments are evaluated based on their cost to build and implement using standard, established guidelines.
Level 3	<ul style="list-style-type: none"> Our PMO offers several methodology tracks delivering different levels of process rigor. Projects are assigned a methodology track based on an early-stage assessment of project complexity and risk. 	<ul style="list-style-type: none"> Our PMO establishes clear escalation paths for issues that might lead to re-baselining of project cost, schedule, or benefits. Decision-making authority for most escalation paths defaults directly to the executive sponsor and/or steering committee 	<ul style="list-style-type: none"> Our PMO triages business case definition and benefits tracking rigor level based on project size, relative impact, and strategic importance, ensuring that the most important projects have sound justification and oversight. Our PMO has a standard approach for auditing the benefits realization track record of the largest projects (5-20% of the projects, usually representing 80% of project spending). 	<ul style="list-style-type: none"> Our PMO has business unit-specific standardized guidelines consistently applied at project or program level. Our PMO tracks a set of standard risks for all projects belonging to the BU; depending on business needs and priorities, these risks may differ considerably among BUs. However, quality of risk identification largely depends on the PM. 	<ul style="list-style-type: none"> Our PMO uses historical data to estimate build, implementation, and post-rollout maintenance spend and to segment the portfolio-using drivers for maintenance effort to estimate support resources reliably.

PROGRAM AND PROJECT DELIVERY MATURITY LEVELS (CONTINUED)

Program and Project Delivery					
	Adaptability of Project Management Methodology	Business Decision-Making Efficiency	Benefits Realization	Risk Management	Managing Project Financials
Level 4	<ul style="list-style-type: none"> Our PMO has a flexible management methodology that requires all projects to comply with a minimal set of deliverables deemed critical for business outcome attainment. Beyond that, our PMO offers advice on how to identify the key project risks and assigns and tracks accountability for mitigating them. The emphasis is on attributes and communication rather than on written deliverables. 	<ul style="list-style-type: none"> From project inception, our PMO encourages PMs to collaborate with business partners to ensure a common understanding of project or program success. Based on this understanding, our PMO develops clear decision-making authority for all foreseen residual risks. 	<ul style="list-style-type: none"> Our PMO has an integrated suite of standard metrics that apply to a majority of our projects. In addition, our PMO has consistent, objective ways to evaluate these metrics, although these metrics are almost exclusively lagging indicators of project performance. 	<ul style="list-style-type: none"> Our PMO customizes a standard set of risks and metrics for every project, using the BU's established priorities as a guidepost. This creates a baseline understanding of risk for even the junior, inexperienced PMs. Our PMO aggregates these risks into a small number of discrete categories for reporting. 	<ul style="list-style-type: none"> Our PMO collaborates with Finance to evaluate total cost of ownership (TCO) for the full project lifecycle. To inform TCO assumptions, our PMO maintains a repository of cost estimates and actual TCO costs for major projects.
Level 5	<ul style="list-style-type: none"> Our PMO empowers the best PMs to work within a standard set of guidelines, rather than to execute a methodology. Our PMO does not specify deliverables or events, but focuses on value-adding attributes and establishing escalation paths and clear triggers for getting outside governance involvement. 	<ul style="list-style-type: none"> Our PMO actively seeks to push decision-making authority down to the lowest competent level in the project team. 	<ul style="list-style-type: none"> Our PMO identifies and includes leading and lagging indicators of benefits realization as a key component of the business case that sponsors must sign off before development begins. Our PMO provides executives with timely information on both to balance project execution success and business outcomes realization. 	<ul style="list-style-type: none"> Our PMO monitors a comprehensive list of risks with closed-ended criteria (project size, complexity, sponsorship, interdependencies, etc.) to enable consistent risk management and reporting across the project portfolio and across the organization. Our PMO includes risk management effectiveness in PM performance evaluation criteria. 	<ul style="list-style-type: none"> Our PMO incorporates stochastic modeling to understand the likelihood of achieving the TCO.

PORTFOLIO PRIORITIZATION AND RESOURCE PLANNING MATURITY LEVELS

Portfolio Prioritization and Resource Planning				
	Portfolio Prioritization	Resource Availability and Allocation	Project Effort Estimation Rigor and Efficiency	Organizational Change Management
Level 1	<ul style="list-style-type: none"> Our PMO cannot influence project selection or prioritization decisions. Our PMO does not allocate resources; resources are allocated by BUs. 	<ul style="list-style-type: none"> Our PMO is often surprised by unexpected project resource bottlenecks due to lack of visibility to the commitments of key subject-matter experts (SMEs) or technicians upon whom projects depend. 	<ul style="list-style-type: none"> Project effort estimation is an ad hoc attribute that is highly dependent on the quality and experience of the PM and project team members. Project teams do not get access to the right SMEs, and hence the teams come up with their own "guesstimates," which tend to vary in accuracy. 	<ul style="list-style-type: none"> The portfolio prioritization process, whether owned in our PMO or externally, does not take into account change management. Our PMO is unable to anticipate end-user readiness, which impedes the ability to help the organization realize the full value of the project portfolio.
Level 2	<ul style="list-style-type: none"> Our PMO cannot influence project selection or prioritization decisions. Our PMO allocates resources to projects on a first-come-first-served basis, and once approved projects continue to completion unimpeded. 	<ul style="list-style-type: none"> Our PMO does not systematically track resource capacity. Our PMO tracks and secures business and technical SMEs through informal networks. Our PMO uses individual savvy to resolve project-level bottlenecks, but this often leads to unintended consequences for portfolio performance, such as over-reliance on external resources. 	<ul style="list-style-type: none"> Our PMO relies on SMEs to inform and to validate project effort estimation for high-priority projects. However, our PMO's approach is still ad hoc and the resulting accuracy is inconsistent, as SMEs are overburdened by estimation requests. 	<ul style="list-style-type: none"> The portfolio prioritization process considers end-user commonalities when sequencing projects at the portfolio-level. Our PMO helps our PMs prioritize change management efforts in the final stage of the project.
Level 3	<ul style="list-style-type: none"> Our PMO applies standard project approval criteria, such as business value, degree of fit with enterprise objectives, urgency, and risks to execution, to select projects or programs across the organization. However, our PMO is not able to withdraw funds or resources from a project. 	<ul style="list-style-type: none"> Our PMO tries to prevent bottlenecks by requesting business and technical SMEs' availability for our most critical projects. However, our PMO has no systematic way of anticipating bottlenecks across the portfolio, because it lacks visibility into SME commitments. Our PMO has tried to match supply and demand more consistently by using software tools to aggregate resource utilization and forecast data, but has been unable to harmonize the data to achieve consistent portfolio-level views. 	<ul style="list-style-type: none"> Our PMO has formalized project effort estimation by building a repository of effort estimates, drawn by SMEs, based on past experience and audited regularly for accuracy. Our PMO has codified the drivers of project complexity such that we can tie them to levels of effort, and can come up with consistently accurate estimates. However, our PMO's estimates are based on most-likely scenario rather than a range of scenarios. 	<ul style="list-style-type: none"> Our PMO informally anticipates organizational friction points and sequences and paces projects to maximize user absorption, but the methods are not scientific and the results are mixed.

PORTFOLIO PRIORITIZATION AND RESOURCE PLANNING MATURITY LEVELS (CONTINUED)

Portfolio Prioritization and Resource Planning				
	Portfolio Prioritization	Resource Availability and Allocation	Project Effort Estimation Rigor and Efficiency	Organizational Change Management
Level 4	<ul style="list-style-type: none"> Our PMO monitors projects through their execution phase and reevaluates their business case as business conditions change. Our PMO has the power to stop in-flight projects where the business case has significantly changed, or when higher-ROI projects enter the portfolio. 	<ul style="list-style-type: none"> Our PMO achieves aggregate, "directionally correct" views of resource supply and demand by regularly and systematically matching resource utilization data with portfolio resource needs to identify major surpluses or shortages of skilled resources. Our PMO aggregates this data at the level of the roles, rather than the individuals involved. This gives our PMO enough lead time either to change the sequence of project work, to bring external contractors, or to reprioritize SME work assignments for the bottlenecked roles. 	<ul style="list-style-type: none"> For projects that involve features or situations in which our PMO lacks experience, and hence have high levels of uncertainty, we harness the wisdom of our best experts to build best, worst, and most likely scenarios for resource requirements. Our PMO applies high-level contingency funding and schedules estimates based on the risk profile of the project and our confidence in estimates. 	<ul style="list-style-type: none"> Our PMO uses consistent objective and subjective criteria to understand the current level of readiness for change in each part of the organization to understand how to phase upcoming projects to maximize user absorption. End-user commonalities are formally included and tracked as part of interdependency management.
Level 5	<ul style="list-style-type: none"> Our PMO helps executives allocate resources toward a mix of projects designed to maximize long-term enterprise value. These may include projects ranging across the risk spectrum including "principled bets," i.e., high-risk but also high-value projects. 	<ul style="list-style-type: none"> Our PMO adds a dimension of skill and competency matching on top of simple experience/risk-level requirements to elevate project execution efficiency. 	<ul style="list-style-type: none"> Our PMO uses stochastic modeling to determine the profile of likely schedule and budget outcomes and uses this to determine contingency funding and high-confidence schedules when developing the project baseline. 	<ul style="list-style-type: none"> Our PMO uses consistent criteria to map the aggregate degree of change across time for the portfolio and to adjust implementation timelines to maximize absorption.

BENCHMARKING BY REVENUE BAND

	< \$3 B n = 14.		\$3 B-\$10 B n = 11.		\$10 B-\$20 B n = 3.		> \$20 B n = 6.	
Attribute	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.
Governance								
Clarity of PMO Mandate and Expectations	4.08	3.08	3.67	2.74	4.00	2.67	3.68	3.16
Perception of PMO Value Proposition	4.20	2.91	4.04	2.89	4.53	2.27	4.15	2.89
PMO Autonomy	3.54	2.51	3.31	2.66	3.53	2.27	3.45	3.01
PMO Performance Measurement	3.96	2.10	3.47	2.12	4.20	2.13	3.80	2.72
Stakeholder Management								
Project-Level Stakeholder Management	4.10	2.29	4.16	2.25	4.33	2.27	4.16	2.55
PMO-Level Stakeholder Management	3.82	2.38	3.98	2.19	4.07	1.87	3.88	3.05
Vendor Management	2.90	2.35	2.72	1.96	2.87	1.80	2.38	2.07
Project Portfolio Metrics Collection and Reporting	3.85	3.01	3.85	2.72	3.73	2.47	3.70	3.30
Staff and Leadership Development								
Project Manager Skills and Outlook	3.98	2.52	4.26	2.78	4.27	2.33	4.14	3.23
Project Manager Hiring Practices	3.53	2.64	3.55	2.56	3.73	2.87	3.49	3.25
Project Manager Performance Evaluation and Incentives	3.28	2.45	3.41	2.53	3.47	1.80	3.13	3.01
Project Managers' Critical Skills Development	3.64	2.58	3.63	2.37	4.27	2.53	3.69	2.78
Project Manager Career Path	2.76	2.21	3.01	2.35	3.53	1.87	3.17	3.03
Project Management Best Practice Sharing	3.23	2.66	3.48	2.36	3.93	2.47	3.80	2.79

BENCHMARKING BY REVENUE BAND (CONTINUED)

	< \$3 B n = 14.		\$3 B-\$10 B n = 11.		\$10 B-\$20 B n = 3.		> \$20 B n = 6.	
Attribute	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.
Program and Project Delivery								
Adaptability of Project Management Methodology	3.64	2.61	3.57	3.03	4.67	3.53	3.61	3.32
Business Decision-Making Efficiency	4.02	2.66	4.02	2.77	4.67	2.60	3.91	3.35
Benefits Realization	4.01	2.42	4.03	2.43	3.53	1.80	3.75	2.51
Risk Management	3.62	2.5	3.64	2.31	4.00	1.87	3.72	2.67
Managing Project Financials	3.61	2.13	3.57	2.2	3.93	1.73	3.69	2.46
Portfolio Prioritization and Resource Planning								
Portfolio Prioritization	3.72	2.55	3.96	2.69	3.93	2.47	3.82	2.68
Resource Availability and Allocation	3.79	2.36	3.96	2.42	4.53	2.53	3.42	2.91
Project Effort Estimation Rigor and Efficiency	3.51	2.15	3.40	2.30	3.47	1.73	3.49	2.13
Organizational Change Management	3.60	2.16	3.46	2.29	3.53	1.33	2.91	2.39

BENCHMARKING BY INDUSTRY

	Banking, Financial Services, and Insurance n = 8.		Health Care and Pharmaceuticals n = 8.		Government n = 4.		Others n = 14.	
Attribute	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.
Governance								
Clarity of PMO Mandate and Expectations	4.10	3.28	3.64	2.74	4.00	3.22	3.73	2.87
Perception of PMO Value Proposition	4.40	2.97	4.40	2.88	3.94	3.14	4.22	2.68
PMO Autonomy	3.61	2.72	3.50	2.69	2.92	2.06	3.38	2.55
PMO Performance Measurement	3.98	2.45	3.73	2.41	3.33	1.67	3.69	2.14
Stakeholder Management								
Project-Level Stakeholder Management	4.32	2.67	4.03	2.25	4.22	2.17	4.05	2.25
PMO-Level Stakeholder Management	4.08	2.61	3.97	2.81	3.67	2.22	3.87	2.43
Vendor Management	2.93	2.26	2.95	2.39	2.39	1.53	2.57	2.09
Project Portfolio Metrics Collection and Reporting	4.03	3.22	3.97	2.77	3.44	3.08	3.75	2.84
Staff and Leadership Development								
Project Manager Skills and Outlook	4.17	2.87	4.08	2.71	4.06	2.36	3.93	2.60
Project Manager Hiring Practices	3.76	3.11	3.69	2.98	3.44	1.50	3.43	2.54
Project Manager Performance Evaluation and Incentives	3.51	2.87	3.18	2.44	3.39	1.44	3.18	2.30
Project Managers' Critical Skills Development	4.00	3.04	3.82	2.29	3.56	2.36	3.56	2.43
Project Manager Career Path	3.35	2.44	2.94	2.71	2.72	1.31	2.85	2.35
Project Management Best Practice Sharing	3.65	2.93	3.55	2.45	3.53	3.08	3.46	2.50

BENCHMARKING BY INDUSTRY (CONTINUED)

	Banking, Financial Services, and Insurance n = 8.		Health Care and Pharmaceuticals n = 8.		Government n = 4.		Others n = 14.	
Attribute	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.	Imp.	Mat.
Program and Project Delivery								
Adaptability of Project Management Methodology	3.89	3.27	3.95	2.73	3.56	2.97	3.66	2.95
Business Decision-Making Efficiency	4.20	3.04	3.86	2.73	4.08	2.67	3.97	2.77
Benefits Realization	3.79	2.62	4.00	2.33	3.94	2.17	3.79	2.27
Risk Management	3.92	2.65	3.31	2.1	3.67	2.64	3.51	2.3
Managing Project Financials	3.98	2.45	3.73	2.15	3.39	1.94	3.48	2.04
Portfolio Prioritization and Resource Planning								
Portfolio Prioritization	3.96	2.95	4.00	2.6	3.61	2.03	3.76	2.46
Resource Availability and Allocation	4.17	2.64	3.93	2.83	3.69	1.81	3.72	2.42
Project Effort Estimation Rigor and Efficiency	3.46	2.38	3.3	2.23	3.56	1.67	3.36	2.13
Organizational Change Management	3.68	2.31	2.82	2.00	3.56	1.94	3.20	2.06



This example illustrates the process of measuring the Attribute Priority Index (API).

- The API for each of the 23 attributes is calculated by measuring the gap between average importance and maturity of an attribute, weighted by its average importance.
- A higher API score indicates a greater priority to the organization.

THE ATTRIBUTE PRIORITY INDEX (API)

Attribute	Beta Company Average Importance ¹	Beta Company Average Maturity ¹	Attribute Priority Index
Clarity of PMO Mandate and Expectations	3	1	6
Perception of PMO Value Proposition	3	5	6
PMO Autonomy	2	2	0
PMO Performance Measurement	5	1	20
Project-Level Stakeholder Management	1	4	3
PMO-Level Stakeholder Management	4	1	3
Vendor Management	2	2	0
Project Portfolio Metrics Collection and Reporting	3	1	6
Project Manager Skills and Outlook	2	5	6
Project Manager Hiring Practices	5	1	20
Project Manager Performance Evaluation and Incentives	2	3	2
Project Managers' Critical Skills Development	3	5	6
Project Manager Career Path	2	4	4
Project Management Best Practice Sharing	1	3	2
Adaptability of Project Management Methodology	2	3	2
Business Decision-Making Efficiency	4	4	0
Benefits Realization	3	2	3
Risk Management	5	1	20
Managing Project Financials	2	3	2
Portfolio Prioritization	1	1	0
Resource Availability and Allocation	4	5	4
Project Effort Estimation Rigor and Efficiency	2	2	0
Organizational Change Management	5	1	20

API For Clarity of PMO Mandate and Expectations

= [(average importance for Clarity of PMO Mandate and Expectations) - (average maturity for Clarity of PMO Mandate and Expectations)] X [(average importance for Clarity of PMO Mandate and Expectations)]
 = [(3) - (1)] X [3] = 2 X 3 = **6**

¹ All data in this example is fictitious.

