Assessing your Organisation’s Project Management Capability from Theory to Practice

Harold Ainsworth
PROJECT MANAGERS NETWORK
1. The Capability Maturity Model (CMM) - software
2. Attempts at a PM Maturity Model based on CMM
3. Benefits of Project Management
4. Other Material on Best Practices in PM
5. Current PMI Research - OPM3
6. Building an interim Model
7. Future Scenarios
Why the level of interest in Project Management by organisations? –

Projects are about accountability
“Project Management in the future will be a multi-faceted discipline which recognises Project Managers for the value they bring to the corporate bottom line instead of a cost centre ...”

Linda Kretz, 20/20 Solutions quoted in “In Search of Excellence in Project Management”, by Harold Kerzner
# The Capability Maturity Model for Software

<table>
<thead>
<tr>
<th>Level</th>
<th>Key Process for Each Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial (ad hoc, heroics)</td>
<td>None specified</td>
</tr>
<tr>
<td>Repeatable (disciplined process)</td>
<td>Requirements, planning, tracking, sub-contract management, quality assurance, configuration management</td>
</tr>
<tr>
<td>Defined (standard and consistent process)</td>
<td>Process management, training, management coordination, peer reviews</td>
</tr>
<tr>
<td>Managed (predictable process)</td>
<td>Quantitative processes</td>
</tr>
<tr>
<td>Optimising (continuous improvement)</td>
<td>Defect prevention, changing processes</td>
</tr>
</tbody>
</table>

From the CMM Technical Report, Software Engineering Institute, Carnegie Mellon University, USA
Operational Definition of the Capability Maturity Model (CMM)

Maturity Levels

contain

Key Process Areas

Organised by

Common Features

contain

Key Practices

From CMM Technical Report Software Engineering Institute, CMU  www.sei.cmu.edu
# Project Management Maturity Model – PM3 (1)

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ad hoc</td>
<td>Each project viewed as unique and autonomous.</td>
</tr>
<tr>
<td>2. Abbreviated</td>
<td>First but haphazard efforts to introduce project disciplines. Schedule not derived from disciplined planning methodology.</td>
</tr>
<tr>
<td>3. Organised</td>
<td>Planning is based on models. Improved integration and management of constraints.</td>
</tr>
</tbody>
</table>

From: R Remy, “Adding focus to improvement efforts with PM3”, PM Network, July, 1997
To assess maturity there are 8 areas and 51 sub categories

<table>
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<tr>
<th>Area</th>
<th>Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership &amp; management</td>
<td>Human factors and project cultural environment.</td>
</tr>
<tr>
<td>Project performance management</td>
<td>Management and control of projects in a multi project environment.</td>
</tr>
</tbody>
</table>

Examples of other areas are Problem-risk opportunity management, multi project management, management information . . .

From: R Remy, “Adding focus to improvement efforts with PM3”, PM Network, July, 1997
Paradoxically, many companies that “live or die” on the success of projects only score a maturity level of 1 or 2. Many of these organisations have been successful because of extraordinary individual efforts .... Finding their supply of heroes diminished and past successes hard to repeat, many are now striving to systemise project management
Value of Project Management

Research Results:
show that organisations who were more mature at project management, had better cost performance index

ie Actual costs v’s planned cost

BUT
Actual schedule v’s planned schedule

Not proven yet

Cost index

Line of Best fit

Overall PM Maturity rating
Best Practices of Project Management

- Project management and the organisation
- Personnel related issues
- Costing and performance tracking
- Methods and procedures

Six Components of Excellence

- Integrated Processes
- Culture
- Management Support
- Training and Education
- Informal Project Management
- Behavioural Excellence

From: Harold Kerzner - "In Search of Excellence in Project Management"
Project Management Competence

- Competent project professionals
- Project team competence
- Organisational project competence
  - processes, culture
  - training, resources etc

From J D Frame, “Building Project Management Competence – 1999
Organisational Project Management Maturity Model Research (OPM3)

by PMI

1\textsuperscript{st} Wave  -  define PM maturity model

2\textsuperscript{nd} Wave  -  assessment method

‘sister project’  -  PM competency model

(www.pmi.org/opm3/)
OPM3 Research

- **Will consider**
  - Assessment of existing models
  - Literature search/review
  - Field survey of organisations
  - Requirements for model design phase

- **And attempt**
  To build a model which describes the collection of capabilities and other qualities that combine to yield organisation project success.
PMI Conference ’98 – Open session identified these capabilities to be considered:

- PM Methodologies and Processes
- Human Resource Factors
- Organisation Support Structure for Projects
- Alignment of Projects to Business Strategy
- Organisation Learning
Project Management Competencies

PM ‘nuts & bolts’
- PMBOK
- Tools

People Management
- Emotional Intelligence
- Team Building

‘make it happen’
- Results driven
- Tolerates change and paradox

Leadership & Client Mgt
- Persuasion
- Listening
Future scenarios

PAST

• ISO certification for organisations
• CMM assessments for software companies
• PMP certification for individuals

FUTURE

• P M maturity assessments for organisations
A Question to consider

will Project Management maturity assessment be worthwhile?

Depends on:

• rigour of assessment

• but allows for it to be implemented in various ways

• why organisations undertake assessment