Project Management Institute

GLOBAL**STANDARD**

ORGANIZATIONAL PROJECT MANAGEMENT MATURITY MODEL (OPM3®)

KNOWLEDGE FOUNDATION

Third Edition

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Project Management Institute

ORGANIZATIONAL PROJECT MANAGEMENT MATURITY MODEL

(OPM3®) – Third Edition

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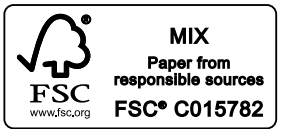

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1

OVERVIEW

1.1 Introduction

The Organizational Project Management Maturity Model (OPM3®) – Third Edition provides guidelines for improving organizational project management within organizations. It defines the *OPM3* model, which is comprised of the *OPM3* Construct and *OPM3* framework activities and processes. This edition of *OPM3* expands, reinforces, and clarifies many of the concepts presented in the previous editions. This standard leverages the Project Management Institute's (PMI®) foundational standards, including *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)* – Fifth Edition [1],[1] *The Standard for Program Management* – Third Edition [2], *The Standard for Portfolio Management* – Third Edition [3], and *PMI's Lexicon of Project Management Terms* [4] as well as the *Project Manager Competency Development Framework (PMCDF)* – Second Edition [5].

OPM3 is organized into six sections:

Section 1 Overview—This section provides an overview of the foundational concepts of organizational project management (OPM) and *OPM3*. This section outlines the relationship between portfolio, program, and project management, the role of stakeholders, and a summary of the remaining sections.

Section 2 Foundational Concepts—This section sets the stage for applying *OPM3*. It takes an in-depth look at the *OPM3* model, domains, the organizational project management (portfolio, program, and project) processes, organizational life cycle and maturity, and continuous improvement.

Section 3 The Organizational Project Management Maturity Model *(OPM3)*—This section, considered the foundation of *OPM3,* describes two core components of the standard: the *OPM3* Construct and the *OPM3* framework. These are further elaborated in Sections 3.2 and 3.3.

Section 4 Acquire Knowledge—This section guides the discovery and preparation process prior to performing an assessment within a business environment. This section outlines the essential inputs, outputs, and tools and techniques.

Section 5 Perform Assessment—This section guides the plan and execution process before, during, and after performing an assessment. This section outlines the essential inputs, outputs, and tools and techniques.

Section 6 Manage Improvement—This section guides the evaluation, prioritization, and implementation processes after performing an assessment. This section outlines the essential inputs, outputs, and tools and techniques.

[1] The numbers in brackets refer to the list of references at the end of this standard.

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Appendices—The appendices provide the history of the standard and present case studies on how *OPM3* has been successfully applied.

Glossary—This section includes the basic terminology used within this standard.

OPM3 is flexible and scalable, which benefits organizations of different types, sizes, complexity and geographic location. It supports most organizations most of the time, regardless of age, maturity, or other factors.

OPM3 incorporates the collective expertise of the organizational project management community from a wide spectrum of industries and geographic areas. This standard identifies and organizes generally accepted and proven organizational project management practices. The *OPM3* framework provides processes to assess an organization's practices against *OPM3* Best Practices. The assessment findings, without being prescriptive, guide an organization to undertake relevant improvements. The findings enable an organization to make informed decisions regarding potential initiatives for change. Appendix X1 provides a summary of revisions from the previous version of *OPM3*. PMI continues to receive feedback as organizations apply *OPM3* and uses the feedback to improve the standard.

For achieving a certain level of performance and effectiveness or continuously increasing an organization's competitiveness and profitability, *OPM3* helps to accomplish these goals.

Key benefits from applying *OPM3* include, but are not limited to:

- Greater market share,
- Improved competitive advantage,
- Improved customer satisfaction and retention,
- Improved time to market,
- Increased productivity,
- Operational effectiveness,
- Predictable delivery performance,
- Reduced cost and rework, and
- Stronger linkage between strategy and execution.

1.2 Purpose of *OPM3*

The increasing pace of change combined with the rising complexity of the economy and global competition requires executives to reexamine their strategy to fulfill stakeholder expectations and meet market needs. This refinement of strategy requires a new focus on product development, operational effectiveness improvements, and customer service enhancement. However, defining strategy by itself does not ensure success or meet market needs. Rather, executives need to focus on organizational agility and project management capability to ensure success. Organizations should seek ways to translate strategy into organizational success through a project-based approach. Successful organizations develop an environment for delivering individual projects and programs, while creating an organizational culture that treats temporary endeavors as projects. Such organizations manage projects and programs to support organizational goals. Their goal is to select the specific initiative needed to deliver organizational strategy, produce

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better performance, better results, and a sustainable competitive advantage. To accomplish this, an organization needs to know what specific organizational project management-related practices, knowledge, skills, tools, and techniques have proven consistently to be useful. In addition, a method to compare the organization's current state of organizational project management against industry practices, through the identification of capabilities requiring improvement and the establishment of a roadmap for achieving improvements specific to its needs.

The Organizational Project Management Maturity Model (*OPM3*®) – Third Edition establishes the foundation for and linkage between strategy and portfolio, program, and project management. *OPM3* describes the significant components of PMI's *Organizational Project Management Maturity Model* and provides an organizational view of portfolio, program, and project management to support achieving best practices. In addition, *OPM3* illustrates how the application of the best practices helps to realize organizational improvements. Best practices are the methods currently recognized in a given industry to achieve a stated goal or objective.

1.3 What is OPM?

Organizational project management (OPM) is a strategy execution framework that utilizes portfolio, program, and project management as well as organizational-enabling practices to consistently and predictably deliver organizational strategy to produce better performance, better results, and a sustainable competitive advantage.

OPM addresses integration of the following:

- Knowledge (of the portfolio, program, and project processes),
- Organizational strategy (mission, vision, objectives, and goals),
- People (having competent resources), and
- Processes (the application of the stages of process improvement).

The term "organization" does not necessarily refer to an entire company, agency, association, or society. It may refer to business units, functional groups, departments, or subagencies within the whole. While individual projects may be considered tactical, OPM is, by definition, strategic.

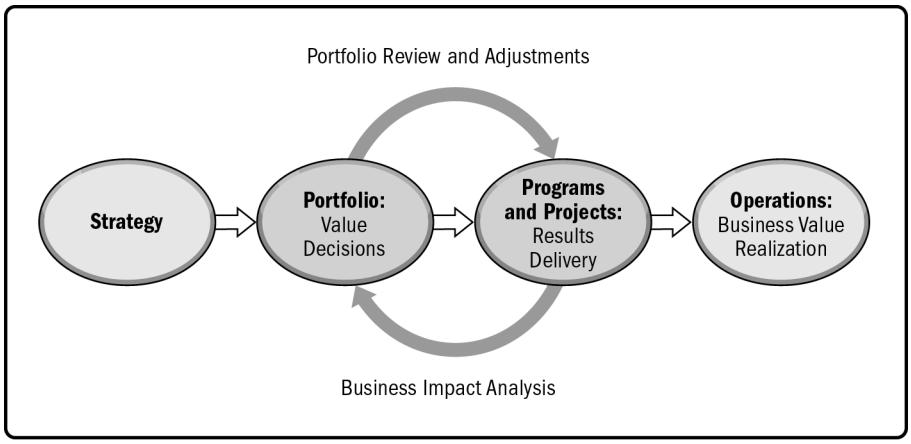

Figure 1-1. Organizational Project Management

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Driven from strategy, OPM ensures that the portfolio aligns the set of programs and/or projects that yield the appropriate value decisions and benefits for the organization. Portfolio reviews occur on a regular basis, adjusted as market conditions or strategy change. An analysis of the business impacts on the portfolio guides the portfolio review and is adjusted as needed to deliver results or when other work makes it necessary to revise. These results directly link to business value realization. Feedback from value performance analysis influences the strategy of the organization.

1.3.1 Relationship of OPM and Organizational Strategy

Organizational strategy is a result of the strategic planning cycle, where the vision and mission are translated into a strategic plan. The strategic plan is then subdivided into a set of initiatives influenced by market dynamics, customer and partner requests, shareholders, government regulations, resource capacity, and competitor plans and actions. These initiatives establish strategic and operational portfolios for execution in the planned period.

The concept of OPM as depicted in Figure 1-2 correlates an organization's capabilities in portfolio, program, and project management and the organization's effectiveness in implementing strategy, vision, and mission. OPM purposefully links an organization's portfolio, program, and projects to its business strategy and supporting business objectives.

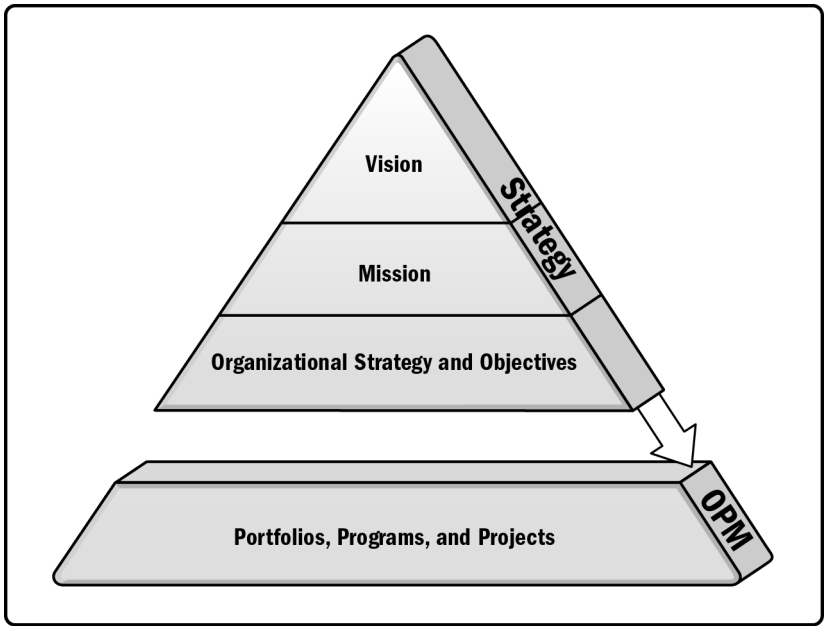

Figure 1-2. Relationship of OPM and Organizational Strategy

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1.3.2 The Relationships Among Portfolios, Programs, and Projects

The relationship among portfolios, programs, and projects is such that a portfolio refers to a collection of projects, programs, subportfolios, and operations grouped together in order to facilitate the effective management of that work to meet strategic business objectives. Programs are grouped within a portfolio and are comprised of subprograms, projects, or operations that are managed in a coordinated fashion in support of the portfolio. Individual projects that are either within or outside of a program are still considered part of a portfolio. Although the projects or programs within the portfolio may not necessarily be interdependent or directly related, they link to the organization's strategic plan by means of the organization's portfolio.

As Figure 1-3 illustrates, organizational strategies and priorities are linked and have relationships between portfolios and programs, and between programs and individual projects. Organizational planning impacts projects by means of project prioritization based on risk, funding, and the organization's strategic plan. Organizational planning can direct the funding and support for the component projects on the basis of risk categories, specific lines of business, or general types of projects, such as infrastructure and process improvement.

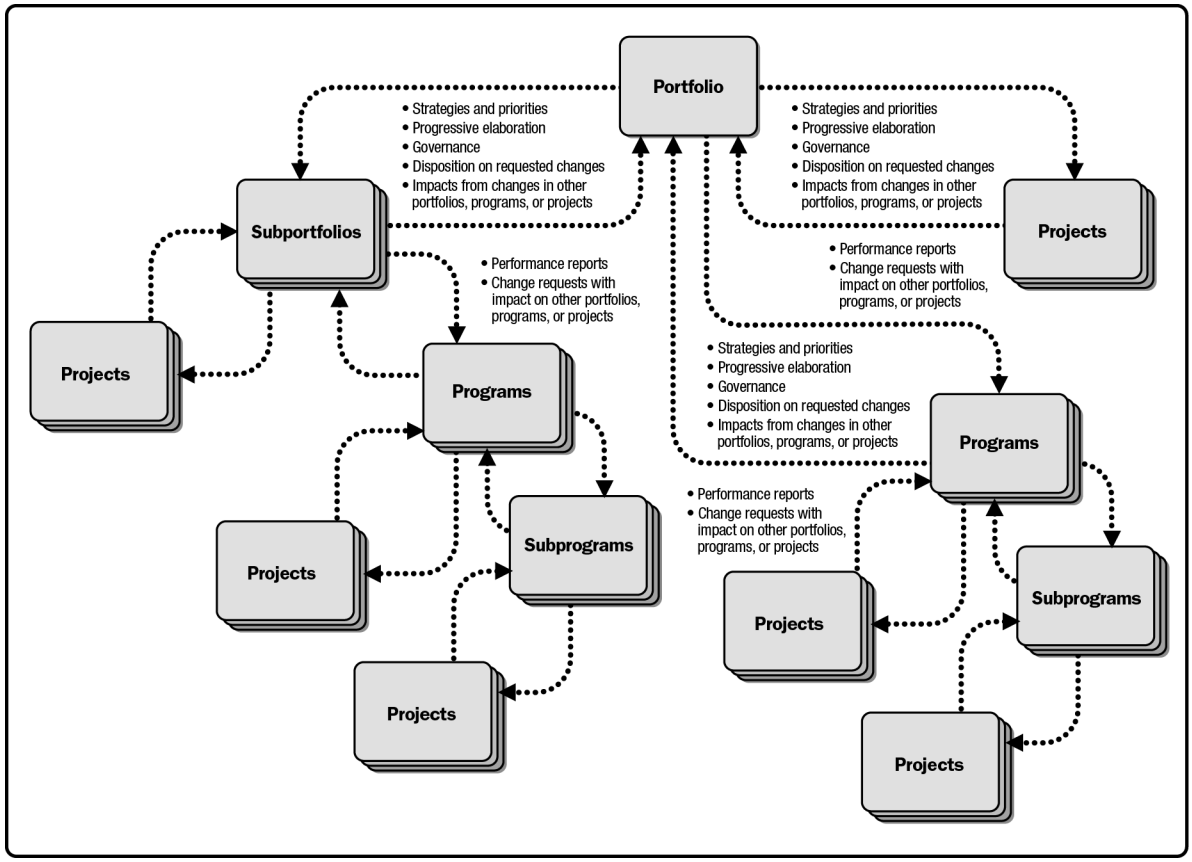

Figure 1-3. Portfolio, Program, and Project Management Interactions

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1.4 What Is *OPM3*?

OPM3 provides a way to deliver strategy through clearly linked portfolios, programs, and projects. *OPM3* enhances effective use of human capital by developing portfolio, program, and project competencies (stakeholder engagement, estimating, scheduling, management, etc.). *OPM3* transforms the portfolio, program, and project domain processes into high-quality delivery processes that are well understood, stable, repeatable, and predictable. *OPM3* highlights opportunities for more flexible, adaptable, and improved management systems.

OPM3 is flexible, scalable, and supports organizations of different types, sizes, complexity, and geographic location regardless of age or maturity. *OPM3* benefits organizations, management, governance bodies, portfolio, program or project management offices (PMOs), OPM consultants, process improvement experts, change agents, department managers, and those engaged in project management activities. These benefits may include, but are not limited to:

- Greater market share,
- Improved competitive advantage,
- Improved customer satisfaction and retention,
- Improved time to market,
- Increased employee productivity,
- Operational effectiveness,
- Predictable delivery performance,
- Reduced cost and rework, and
- Stronger linkage between strategy and execution.

1.5 Relationships Among Portfolio Management, Program Management, Project Management, and Organizational Project Management

In order to understand portfolio, program, and project management, it is important to recognize the similarities and differences among these disciplines. It is also helpful to understand how they relate to organizational project management (OPM). OPM is a strategy execution framework utilizing portfolio, program, and project management as well as organization-enabling practices to consistently and predictably deliver organization strategy producing better performance, better results, and a sustainable advantage.

Portfolio, program, and project management are aligned with or driven by organizational strategies. Conversely, portfolio, program, and project management differ in the way each contributes to the achievement of strategic goals. Portfolio management aligns with organizational strategies by selecting the right programs or projects, prioritizing the work, and providing the needed resources, whereas program management harmonizes its project and program components and controls interdependencies in order to realize specified benefits. Project management develops and implements plans to achieve a specific scope that is driven by the objectives of the

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program or portfolio it is subjected to and, ultimately, to organizational strategies. OPM advances organizational capability by linking portfolio, program, and project management principles and practices with organizational enablers (e.g., structural, cultural, technological, and human resource practices) to support strategic goals. An organization measures its capabilities, then plans and implements improvements towards the systematic achievement of best practices.

Table 1-1 shows the comparison of portfolio, program, and project views across several dimensions within the organization.

An organization that implements OPM can improve its processes by adopting recognized best practices to achieve consistent portfolio, program, and project success in support of strategic goals.

Table 1-1. Comparative Overview of Portfolio, Program, and Project Management

Organizational Project Management			
	Projects	**Programs**	**Portfolios**
Scope	Projects have defined objectives. Scope is progressively elaborated throughout the project life cycle.	Programs have a larger scope and provide more significant benefits.	Portfolios have an organizational scope that changes with the strategic objectives of the organization.
Change	Project managers expect change and implement processes to keep change managed and controlled.	Program managers expect change from both inside and outside the program and are prepared to manage it.	Portfolio managers continuously monitor changes in the broader internal and external environment.
Planning	Project managers progressively elaborate high-level information into detailed plans throughout the project life cycle.	Program managers develop the overall program plan and create high-level plans to guide detailed planning at the component level.	Portfolio managers create and maintain necessary processes and communication relative to the aggregate portfolio.
Management	Project managers manage the project team to meet the project objectives.	Program managers manage the program staff and the project managers; they provide vision and overall leadership.	Portfolio managers may manage or coordinate portfolio management staff, or program and project staff that may have reporting responsibilities into the aggregate portfolio.
Success	Success is measured by product and project quality, timeliness, budget compliance, and degree of customer satisfaction.	Success is measured by the degree to which the program satisfies the needs and benefits for which it was undertaken.	Success is measured in terms of the aggregate investment performance and benefit realization of the portfolio.
Monitoring	Project managers monitor and control the work of producing the products, services, or results that the project was undertaken to produce.	Program managers monitor the progress of program components to ensure the overall goals, schedules, budget, and benefits of the program will be met.	Portfolio managers monitor strategic changes and aggregate resource allocation, performance results, and risk of the portfolio.

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1.5.1 Portfolio Management

A portfolio refers to projects, programs, subportfolios, and operations managed as a group to achieve strategic objectives. The projects or programs of the portfolio may not necessarily be interdependent or directly related. For example, an infrastructure firm that has the strategic objective of "maximizing the return on its investments" may put together a portfolio that includes a mix of projects in oil and gas, power, water, roads, rail, and airports. From this mix, the firm may choose to manage related projects as one program. All of the power projects may be grouped together as a power program. Similarly, all of the water projects may be grouped together as a water program. Thus, the power program and the water program become integral components of the enterprise portfolio of the infrastructure firm.

Portfolio management refers to the centralized management of one or more portfolios to achieve strategic objectives. Portfolio management focuses on ensuring that projects and programs are reviewed to prioritize resource allocation, and that the management of the portfolio is consistent with and aligned to organizational strategies.

1.5.2 Program Management

A program is defined as a group of related projects, subprograms, and program activities managed in a coordinated way to obtain benefits not available from managing them individually. Programs may include elements of related work outside the scope of the discrete projects in the program. A project may or may not be part of a program but a program will always have projects.

Program management is the application of knowledge, skills, tools, and techniques to a program in order to meet the program requirements and to obtain benefits and control not available by managing projects individually.

Projects within a program are related through the common outcome or collective capability. If the relationship between projects is only that of a shared client, seller, technology, or resource, the effort should be managed as a portfolio of projects rather than as a program.

Program management focuses on the project interdependencies and helps to determine the optimal approach for managing them. Actions related to these interdependencies may include:

- Resolving resource constraints and/or conflicts that affect multiple projects within the program,
- Aligning organizational/strategic direction that affects project and program goals and objectives, and
- Resolving issues and change management within a shared governance structure.

An example of a program is a new communications satellite system with projects for design of the satellite and the ground stations, the construction of each, the integration of the system, and the launch of the satellite.

1.5.3 Projects and Strategic Planning

Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements. Project management is accomplished through the appropriate application and integration of

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the logically grouped project management processes comprising the following Process Groups: Initiating, Planning, Executing, Monitoring and Controlling, and Closing.

Successful project management starts with selecting and prioritizing projects to support the organizational mission and strategy. This process results in a portfolio of projects that balance threats and opportunities and provides a better utilization of resources.

In customer-driven organizations, the mission statement defines the organization's purpose and serves as the guiding light for the organization and executives. Once formulated, the next step is to create goals, objectives, and strategies. Goals translate the mission into specific, measurable, and tangible terms. The future state of the organization is identified by these goals by setting targets for all levels of the organization. Each level of the organizational objectives supports the higher-level objectives in more detail.

The development of strategies to meet these needs and goals should focus on specific implementation plans of how the organization will achieve their objectives and goals. This requires an extensive analysis of the internal and external environments through the identification of strengths and weaknesses, such as, management, facilities, core competencies, product quality, technology, and financial resources. The deliverable of this analysis is a set of strategies designed to best meet customers' needs. Implementation of these strategies requires actions and completing tasks, and should focus on how to realize these strategies.

1.5.4 Project Management Office

The portfolio, program, or project management office (PMO) is an organizational body assigned with various responsibilities related to the centralized and coordinated management of those projects under its domain. The PMO is the liaison between a company's portfolios, programs, and projects and the corporate measurement systems, such as, the balanced scorecard. A PMO may be delegated with the authority to act as an integral stakeholder and a key decision maker to make recommendations, to terminate projects, or to take other actions, as required, to keep projects and programs consistent with business objectives. Additionally, the PMO may be involved in the selection, management, and deployment of shared or dedicated project resources. A primary function of a PMO is to support project managers in a variety of ways, which may include, but are not limited to:

- Coaching, mentoring, training, and oversight;
- Coordinating communication across projects;
- Developing and managing project policies, procedures, templates, and other project documentation (organizational process assets);
- Identifying and developing project management methodology, best practices, and standards;
- Managing shared resources across all projects administered by the PMO;
- Monitoring compliance with project management standards, policies, procedures, and templates by means of project audits; and
- Providing centralized support for managing changes and tracking risks and issues.

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There are various types of PMOs, each varying in the degree of control and influence they have on projects within the organization.

1.5.5 Project-Based Organizations

Organizational structure can influence the organization's ability to deliver successful projects, because the structure of an organization determines the communication requirements, responsibilities, and management reporting structure. There are three organizational structure models: functional, matrix, and projectized.

Project-based organizations (PBO) are fast emerging as a recognized trend of a new form of organization to create a competitive edge. PBOs conduct the majority of their activities as projects rather than functional approaches. PBOs refer to either an entire organization or may be nested within subsidiaries or divisions of larger corporations. PBOs manage portfolios and resources differently than other types of organizations. PBOs provide many advantages, such as a high level of integration, improved communication, and increased project focus.

While executives and organizational managers seek better strategy delivery results, organizations need to understand the various project-based organizational models that can accommodate various situations and address the issues of compartmentalization.

The adoption of an integrated project approach, with horizontal structures that provide integration from business strategy through realization of operational benefits and vertical structures that provide integration between organizational strategy and prioritized portfolios of projects, including a governance-oriented PMO, will enable organizations to promote the implementation of organizational project management.

1.5.6 Organizational Issues and Project Management

In traditional organizations, responsibility for determining and achieving the organizations' goals is assigned to the operations function. Executives, with titles such as chief operations officer (COO), chief technology officer (CTO), chief information officer (CIO), chief financial officer (CFO), strategic planning consultant, etc., establish objectives and goals and develop strategies to achieve them. Executives expect to select from proposed and pending projects to create the mix of projects most likely to support achievement of the organization's goals within the preferred strategies, organizational risk tolerance, and organizational resource (people and funding) constraints.

Project management requires deliberate planning and action to create the conditions for success. This entails implementing strategy, leadership, goals, process, skills, systems, issue resolution, and structure to direct and exploit the dynamic nature of project work. However, when strategy moves from the boardroom to back offices and the marketplace, the ability to deliver utilizing project management is often overlooked. Implementing efficient project management will enable organizations to meet their strategic and operational objectives.

There are several conditions that are essential for project success. These conditions apply to all projects, whether related to top-level strategic business issues or operational ones.

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1.5.6.1 Clearly Communicated Strategy

Effective management organizations have a clear, well-communicated strategy and understand how each project supports it. Implementing effective project management includes putting in place a mechanism to evaluate every project for its fit with the strategy prior to implementation. An organization's strategy should provide the boundaries for projects—goals and results should flow from an organization's future direction. Before deciding to embark on a new project and when communicating the goals of that project to the project team, senior management should provide clear answers to the following questions: What are the organization's products and services? Who are its customers and markets? What is its competitive advantage? How will this particular project support the achievement of its strategy?

1.5.6.2 Goals

Effective organizations know which operational goals make a difference in the business strategy and then implement methods for keeping these visible to all. At the beginning of a project, senior management communicates to the project team and provides answers to these important questions: What are the organization's long- and short-term operational goals and budgets? How does the project fit into or support these? Once the project is under way, progress against these goals needs to be evaluated and communicated on an ongoing basis.

1.5.6.3 Leadership

In some organizations, selecting and overseeing the management of projects is directed by the senior management team, allowing them to keep a tight rein on the organization's project portfolio. In other organizations, some of this responsibility is delegated to a project management office, enabling senior management to focus on more strategic tasks and providing more authority to others. Each organization needs to decide how to strike the right balance between control and agility. Whichever method an organization chooses, it needs to be visible and consistent; otherwise it will undermine the system and the organization's goals.

1.5.6.4 Business Processes

Within an organization, the systems used to gather, analyze, and disseminate information are required to support project-based work. This is true regardless of whether the projects are external or internal.

1.5.6.5 Human Capabilities

Effective project management requires the right people with the right skills. A key skill needed by those who are implementing project management is the ability to identify, hire, and retain individuals who are best suited for project work. Some people simply are not suited to the challenges of project management; others enjoy the challenge of working toward a goal and being part of a project team. In addition, each project should enhance existing capabilities and provide new development opportunities in areas such as leadership, problem solving and decision making, human performance management, communication, and portfolio management.

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1.5.6.6 Culture and Performance System

An organization's culture consists of its norms, values, and beliefs. These may be explicitly expressed and often remain hidden to form part of the implicit context of organization life that can exercise a gravitational pull on decision making. Unless an organization demonstrates visible, unreserved commitment to sound project management practices, the chances are that project management will be viewed as just another activity. The successful implementation of project management depends on an organization's explicit belief that the manner in which projects are managed is just as important as what they achieve. Project management becomes "the way we do business around here."

1.5.6.7 Information and Business Systems

Project management software is a tool for organizing and representing project information; however, it is not a substitute for project management skills nor the judgment required to apply them. Like any project, new systems and procedures should be aligned and integrated into the business life of an organization to make them relevant to the way business is conducted and to prove value added, resources required, risk, and lessons learned.

1.5.6.8 Team Structure

Implementing project management requires matching the team structure to the project and to the other needs of the organization. Several options exist for organizing people for project work; for example, developing a matrix where reporting responsibility is divided between project and functional managers and the central pool where resources are on call to meet demand. This structure affords the organization the greatest efficiency, provides the greatest range of development opportunities, and fits well with the use of temporary and contract resources. However, it also requires a strong scheduling function with the authority to stand up to demands for specific resources.

1.5.6.9 External Factors

Implementing project management implies emphasis on the internal workings of the organization, but external factors are also at play. Vendors and suppliers need to be aligned to support project work. The right materials need to show up at the right moment. Contracts and procurement processes need to be aligned with project schedules, and rewards should follow both supplier and buyer performance. Also, certain customers and markets may demand that projects be conducted in a special way. External projects with a mission beyond organizational boundaries may require changes in the way the projects are sold, delivered, or reported. Senior management should keep in mind that superior project management skills and innovative practices, processes, and products can be an important competitive differentiator. The organization's skills should be continually benchmarked against those of the competition to make the necessary investment it needs to keep pace or lead the industry.

1.5.6.10 The Future

No organization possesses all of the capabilities needed to face the challenges ahead. However, steps can be taken to prepare for the unpredictable, such as succession planning, continuous training, and the development of future project managers to ensure that the requisite talent will always be available for new projects.

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1.6 Business Value

Business value is a concept that is unique to each organization. Business value is defined as the entire value of the business: the total sum of all tangible and intangible elements. Examples of tangible elements include monetary assets, fixtures, stockholder equity, and utility. Examples of intangible elements include good will, brand recognition, public benefit, and trademarks. Depending on the organization, business value scope can be short-, medium-, or long-term. Value may be created through the effective management of ongoing operations. However, through the effective use of portfolio, program, and project management, organizations will possess the ability to employ reliable, established processes to meet strategic objectives and obtain greater business value from their project investments. While not all organizations are business driven, all organizations conduct business-related activities. Whether an organization is a government agency or a nonprofit organization, all organizations focus on attaining business value for their activities.

Successful business value realization begins with comprehensive strategic planning and management. Organizational strategy can be expressed through the organization's mission and vision, including orientation to markets, competition, and other environmental factors. Effective organizational strategy provides defined directions for development and growth, in addition to performance metrics for success. In order to bridge the gap between organizational strategy and successful business value realization, the use of portfolio, program, and project management techniques is essential.

Portfolio management aligns components (projects, programs, or operations) to the organizational strategy, organized into portfolios or subportfolios to optimize project or program objectives, dependencies, costs, timelines, benefits, resources, and risks. This allows organizations to have an overall view of how the strategic goals are reflected in the portfolio, institute appropriate governance management, and authorize human, financial, or material resources to be allocated based on expected performance and benefits.

Using program management, organizations have the ability to align multiple projects for optimized or integrated costs, schedule, effort, and benefits. Program management focuses on project interdependencies and helps to determine the optimal approach for managing and realizing the desired benefits.

With project management, organizations have the ability to apply knowledge, processes, skills, and tools and techniques that enhance the likelihood of success over a wide range of projects. Project management focuses on the successful delivery of products, services, or results. Within programs and portfolios, projects are a means of achieving organizational strategy and objectives.

Organizations can further facilitate the alignment of these portfolio, program, and project management activities by strengthening organizational enablers such as structural, cultural, technological, and human resource practices. By continuously conducting portfolio strategic alignment and optimization, performing business impact analyses, and developing robust organizational enablers, organizations can achieve successful transitions within the portfolio, program, and project domains and attain effective investment management and business value realization.

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1.7 Stakeholders

Projects often fail because the key decision makers have not been identified or have not been actively involved in determining the project strategy and direction. Stakeholders are individuals, groups, or organizations who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a portfolio, program, or project. Many stakeholders provide valuable input and play a critical role in the success of any project or program. They also have the ability to positively or adversely impact the project objectives depending on the benefits or threats they perceive. Therefore, it is essential that key stakeholders be identified and their positions, influence, and source of power be understood. Stakeholders may be internal or external to the organization. Within an organization, internal stakeholders cover all levels of the organization's hierarchy. Updates to the stakeholder list and influence factors should occur on a regular basis.

Key stakeholders of an *OPM3* initiative include, but are not limited to, the following:

- ***OPM3* practitioner.** The *OPM3* practitioner is a subject matter expert in organizational project management maturity assessment and improvement who works with organizations to assess project management competency and develop an improvement plan focusing on the Best Practices that the organization should implement based on priorities, attainability, benefits, and cost.
- **Program director.** The individual with executive ownership of the program(s).
- **Program manager.** The individual responsible for managing the program.
- **Project manager.** The individual responsible for managing the individual projects.
- **Sponsor.** A person or group who provides resources and support for the project, program, or portfolio, and is accountable for overall success.
- **Customer.** The individual or organization who promotes the use of the new capabilities and supports the investment.
- **Beneficiary.** The individual or organization who benefits from the use of the new capabilities.
- **Performing organization.** The group that is performing the work.
- **PMO.** The organizational body assigned with various responsibilities related to the centralized and coordinated management of portfolios, programs, and projects as described in Section 1.5.4.
- **Governance board.** The group responsible for ensuring that goals are achieved and providing support for addressing risks and issues.
- **Supplier.** The individual or organization who provides goods and services to the organization.
- **Governmental regulatory agencies.** Agencies imposing policies, laws, rules, or guidance with enforcement authority.
- **Competitors and potential customers.** Competitors and customers who have an interest in the organization's products, services, and performance.
- **Groups.** The groups representing consumer, environmental, or other interests.

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1.7.1 *OPM3* Practitioner Knowledge and Skills

In order to be successful in the assessment or improvement of organizations, an *OPM3* practitioner should have expertise in all of the following areas:

- **Knowledge of the latest editions of PMI's portfolio, program and project standards.** An *OPM3* practitioner is required to have expertise in the use of portfolio, program, and project management methods and techniques that include both qualitative and quantitative measures.
- **Process management and continuous process improvement.** The *OPM3* practitioner should be competent in process definition, development, maintenance, control and improvement with respect to the size and complexity of the organization.
- **Strategic alignment.** The *OPM3* practitioner is required to understand the organization's strategic goals and priorities and how the portfolio, program, and project support them.
- **Ability to conduct assessments.** An effective *OPM3* practitioner requires training on how to conduct assessments.
- **Ability to draw conclusions and offer recommendations.** An effective *OPM3* practitioner is required to possess proper training on how to draw conclusions and offer recommendations on the assessments conducted.
- **Ability to engage stakeholders.** An effective *OPM3* practitioner interacts at different levels to understand and influence expectations.
- **Consulting experience.** An *OPM3* practitioner is required to possess business acumen. The *OPM3* practitioner should have knowledge of relevant markets, the customer base, competition, trends, standards, legal and regulatory environments, and appropriate code of conduct. The *OPM3* practitioner is required to be adept at working with executives, managers, project and program managers, and other internal and external stakeholders, as appropriate to the individual and role.
- **Business skills.** An effective *OPM3* practitioner is required to possess skills related to governance, risk and compliance (see Section 3.3.1.1 for greater detail), benefits management, scope management, resource management, and financial management as explained in the areas of expertise in Section 3.3.1. The *OPM3* practitioner is required to possess well-developed skills in communicating, team building, planning, conflict resolution, contract negotiating, meeting facilitating, decision making, and removing organizational barriers to success. This individual is required to be capable of adapting to divergent organizational decision-making models, ranging from autocratic to collegial.
- **Risk management.** An effective *OPM3* practitioner should be well versed in opportunity and threat management.
- **Organizational change management.** An *OPM3* practitioner should have an understanding of how an *OPM3* initiative impacts an organization.

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2

FOUNDATIONAL CONCEPTS

2.1 Organizational Project Management Described

Organizational project management (OPM) is a strategy execution framework utilizing portfolio, program, and project management as well as organizational-enabling practices to consistently and predictably deliver organizational strategy leading to better performance, better results, and a sustainable competitive advantage. OPM is the integration of people, knowledge, and processes, which are supported by tools across all domains based on the value strategy for the target market. Looking at the description more closely, the word "integration" is used because OPM is the appropriate balance of knowledge, processes, people, and supporting tools.

Figure 2-1 depicts a systematic approach across all domains of organizational project management that encompasses the following:

- **Strategy.** Creating an organizational environment that supports the execution of the organization's strategy.
- **Portfolio: Value decisions.** Decomposing the strategy into initiatives and aligning organizational resources to the initiatives to execute the organization's strategy through a disciplined business value decision process.
- **Programs and projects: Results delivery.** Developing initiatives into the intended business value through a predictable business results delivery system.
- **Operations: Business value realization.** Operationalizing the initiatives and measuring the business value through a business value realization process.
- **Business impact analysis.** Analyzing the impact and value from the business decision process and providing results data from the business.
- **Portfolio review and adjustments.** Reviewing and adjusting the portfolio components based on business value realization and results data.
- **Value performance analysis.** Providing business value realization data from value business fulfillment back to the strategy of the organization.

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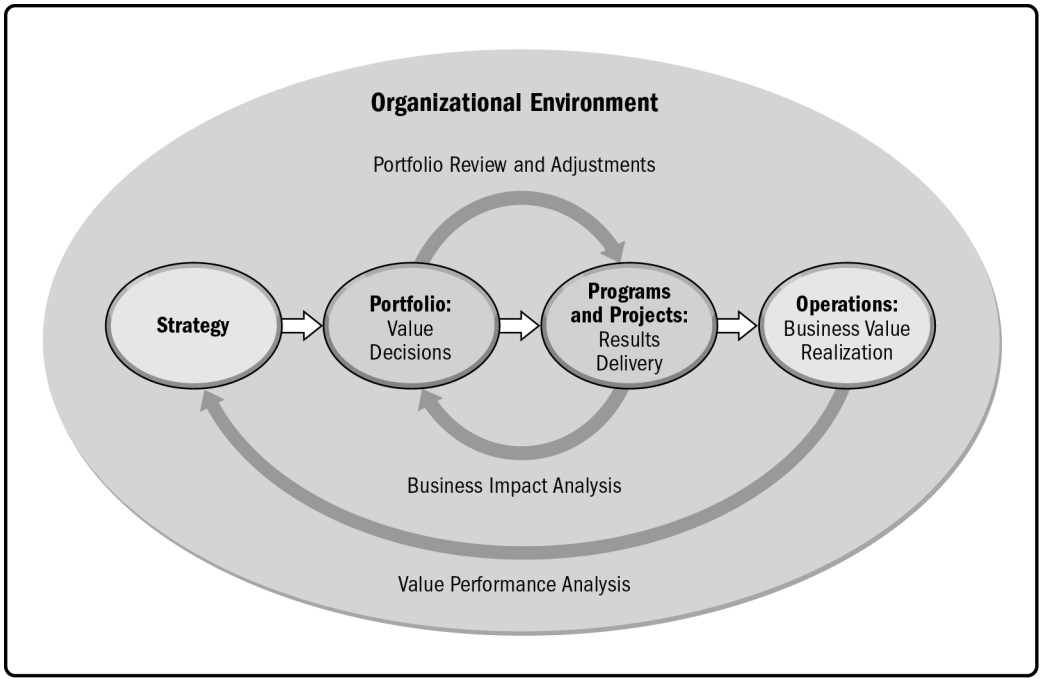

Figure 2-1. Organizational Project Management

The bulleted points mentioned previously describe the capabilities of organizational project management. Each organizational project management domain encompasses multiple processes that translate into specific capabilities that an organization should possess in order to improve its maturity and better succeed with its strategy execution. Additionally, the organization needs an environment with demonstrated capabilities to support this OPM approach in delivering its strategy.

This approach is based on the organization's value strategy for the target market referring to customization and fit. Every organization has a unique vision, mission, and a set of strategies, which communicate the beliefs of the organization—what the organization stands for and what the organization intends to accomplish for its customers and other stakeholders. These elements are the organization's guiding principles and all actions need to align with these principles in order for the organization to be successful.

Because organizational project management describes many capabilities, each organization needs to determine which OPM capabilities are necessary for the organization to fulfill its value strategy within the industry in which it competes. For instance, a bank in one country is not going to need the exact same capabilities as a bank in a different country or as a software development organization in another country.

OPM is an acknowledgment that performing portfolio, program, and project management is not enough to consistently achieve results or sustain competitive advantage. Having well prepared professionals like MBAs,

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certified accountants, and PMP® credential holders in an organization is not enough to ensure the achievement of better results. The implementation of enabling business practices that support a strategy development framework will not ensure the achievement of better results. Having process improvement in place by itself will not ensure the achievement of better results. Better results come from the execution of strategy with the right people, using the right process, and measuring and controlling the process in order to continuously improve.

To reiterate, organizational project management is a strategy execution framework utilizing portfolio, program, and project management as well as organizational enabling practices to consistently and predictably deliver organizational strategy producing better performance, better results, and a sustainable competitive advantage.

2.2 Investing in OPM

Many times in the past, organizations invested in aspects of project management based on a crisis in the organization. A crisis sparks conversations about project management and leads to small tactical investments to avert the next crisis or to show improvements from the last crisis. These tactical investments include items such as:

- Project management competency development,
- Project management training, and
- Tool implementation.

Although each of these tactical solutions provides some level of improvement, and generates some quick wins, most of the time these solutions do not address the real issues facing an organization. These tactical issues sometimes support individual project success versus project success in delivering the organization's strategy.

Investment in project management requires careful consideration of the organization's strategic objectives and business drivers:

- Organizations seeking an operational efficiency strategy may want to gain control of delivery budgets.
- Organizations that follow a customer intimacy strategy may want to improve the alignment between the marketing and delivery teams.
- Organizations that follow a product innovation strategy may be most concerned with time to market, innovation, and creativity.
- Organizations that seek economic growth tie significantly to value realizations that include growth, increased reputation, market share, and customer retention.

OPM seeks to change the investment approach from crisis investment to proactive investment targeted at value creation for the organization. Organizations need to be patient when making this challenging cultural fit. Organizations that shift to this investment approach reap the benefits of proactive alignment to strategy and better strategic execution than organizations that use traditional investment approaches.

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2.3 Organizational Life Cycles

Organizations implement OPM regardless of where they are in their organizational life cycle, as further described below and depicted in Figure 2-2:

- **Birth or startup.** Organizations that have just formed or are starting new lines of business or services are said to be in a birth or startup phase of an organizational life cycle. These organizations utilize organizational project management as a strategy execution framework. They use the *OPM3* Best Practices as a means for determining which domains, processes, and capabilities should be established for successful strategy execution in order to deliver the organizational strategies.
- **Growth.** A growth organization often needs to manage more projects, with more resources, in order to sustain its growth. These organizations use *OPM3* to enhance the maturity of their project delivery systems by developing consistent practices, often led by a PMO.
- **Mature operations.** Organizations that have achieved organizational goals, for example capturing the market share, utilize organizational project management and *OPM3* as a means to sustain their competitive advantage. These organizations are already using *OPM3* and established capabilities to deliver their strategy. They continuously evaluate their capabilities when seeking to sustain this ability because they are often best in class. They use *OPM3* to measure and validate their capabilities while seeking continuous improvement to sustain their competitive edge.

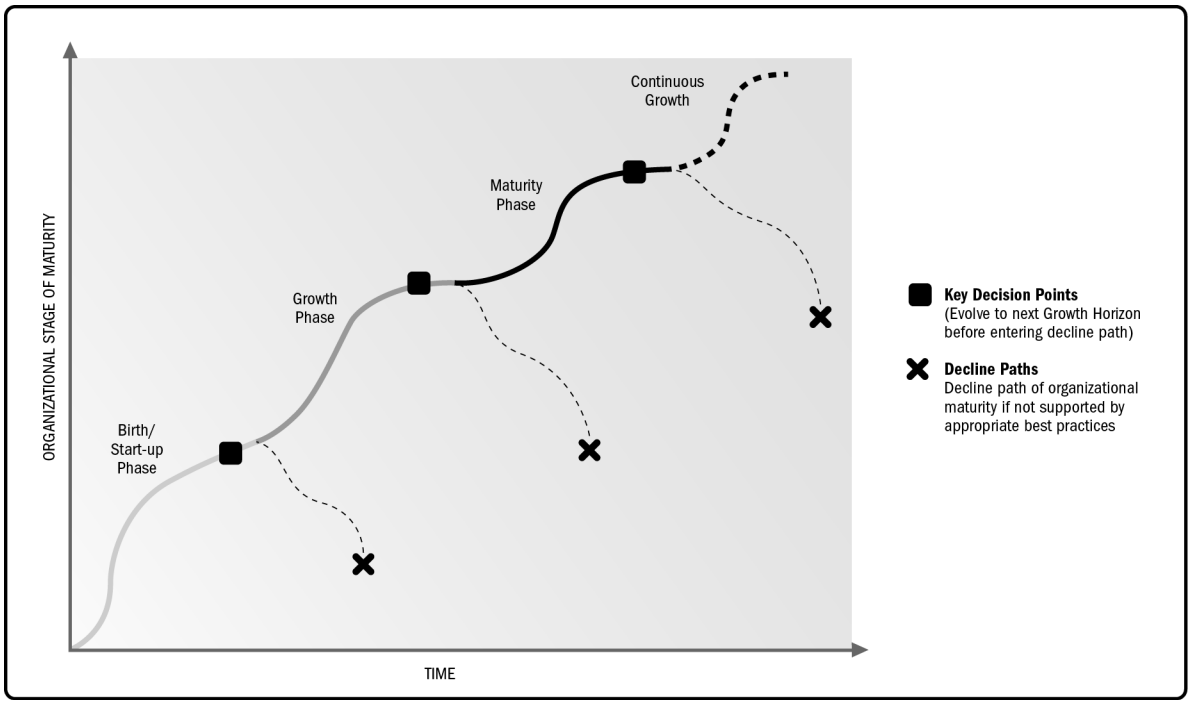

Figure 2-2. Organizational Life Cycle

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- **Decline or evolution.** Organizations with declining business performance utilize *OPM3* as a diagnostic tool to understand their implementation of organizational project management and how to reverse their downward performance trend. Using *OPM3* as a diagnostic tool is important and should be undertaken as soon as data trends suggest that a decline is approaching.

2.4 Organizational Project Management Maturity Model

2.4.1 What is the Organizational Project Management Maturity Model?

OPM3 consists of many elements which are explained herein and explained in detail in Section 3 of this standard.

2.4.1.1 Domains

Organizational project management consists of three domains: portfolio, program, and project. These domains are explained in detail in the following standards:

- *The Standard for Portfolio Management* – Third Edition. This standard describes the practices of portfolio management. In the context of *OPM3,* portfolio management describes the processes that establish a mechanism that decomposes an organization's strategy into endeavors that, through other business disciplines, deliver the sought-after business values.
- *The Standard for Program Management* – Third Edition. This standard provides guidelines for the management of programs within organizations. It defines program management, performance domains, and related concepts; describes the program management life cycle; and outlines related activities and processes.
- *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)* – Fifth Edition. The *PMBOK® Guide* describes the processes required for a single component to successfully deliver the business values for which it was commissioned.

These standards provide the good practices for each domain. *OPM3* applies quality concepts to these good practices to create Best Practices.

2.4.1.2 Organizational Enablers (OE)

The organizational environment should support the strategy execution framework of organizational project management. This support translates into a series of best practices that describe the capabilities that support OPM. Organizational-enabling best practices have been categorized into 18 groups. There are various types of OE best practices which include, but are not limited to:

- **Structural.** Organizations are structured in many different forms. Some are structured based on function, geography, product, or service line or a combination of these. These structures drive reporting relationships among employees, allocation of resources, and alignment to strategy. Structural enablers help organizations establish strategic alignment and resource allocation based on organizational structures that enable organizational project management.

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- **Cultural.** An organization's culture is understood to different degrees by the people within the organization. They understand how people work with each other to get things done. An organization's culture is engrained and takes substantial effort to make changes. In order for OPM to be successful within an organization, its culture needs to embrace portfolio, program, and project management. Executives can build this into the culture by establishing governance, policy, and vision; acting as sponsors rather than just administrators; and supporting communities where OPM best practices can be shared and leveraged.
- **Technological.** Technology helps organizations perform otherwise manual tasks better, faster, and cheaper. It also encourages the reuse of good practices and techniques, improves sharing of knowledge, and allows the organization to gather data for comparison to similar organizations. An organization underpins the success of its projects, programs, and overall portfolio by:
    - Investing in management systems that support effective portfolio, program, and project management;
    - Sharing practices and techniques across projects;
    - Developing a methodology which becomes the way that projects and programs perform work; and
    - Benchmarking portfolio, program, and project performance against comparable organizations.
- **Human resource.** Success in OPM depends on having the right people in place to execute these roles. Human resource enablers, such as competency management, individual performance appraisals, and training investments help ensure successful application of OPM, resulting in higher organizational performance.

Organizational-enabling best practices are further explained in detail in Section 3 of this standard.

2.4.1.3 Process Improvement

For years, businesses have applied process improvement techniques, for example, process reengineering, to operations to improve efficiency and effectiveness. These same techniques apply to OPM to improve efficiency and effectiveness of the entire OPM framework.

The steps of process improvement (see Figure 2-3) include:

- **Standardize.** There are four key steps in standardizing a process:
    - *Governing body overview.* Ensure a process governing body is in place—one that has authority in the organization and can own the process.
    - *Documented process.* Develop and document the process—it may be purchased or written by someone within the organization.
    - *Communicate the process.* Communicate the process to those responsible for executing the process.
    - *Process adherence.* Apply the process consistently across the organization.

  Without all four steps, a standardized process is not in place nor is it sustainable.

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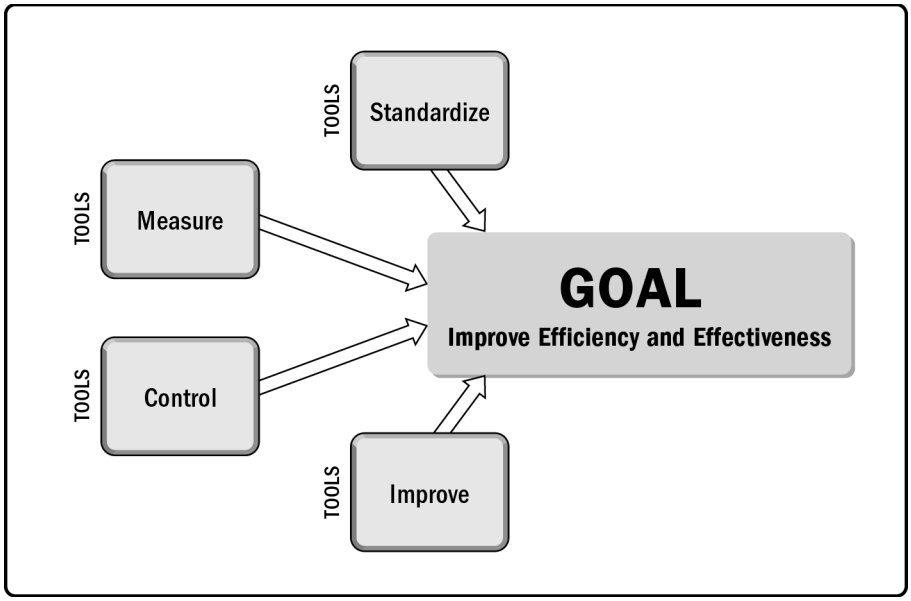

Figure 2-3. Process Improvement Steps

- **Measure.** Once the processes are standardized, select those processes that can be measured to see how effective they are for the organization. The "measure" stage quantifies the quality of the processes and process inputs. There are five key activities involved in the measurement step:
    - Identify critical process customer-focused measures.
    - Identify critical process characteristics.
    - Measure critical process characteristics.
    - Identify upstream measures.
    - Measure critical inputs.
- **Control.** Once a process is measured, the organization may gather trending data to determine if it is under control. In order to achieve control of "Best Practices," the organization needs to:
    - Create a process control plan with upper and lower control limits.
    - Implement the process control plan.
    - Observe the process operating within plan boundaries consistently over time.
- **Improve.** Once a process has been standardized, measured, and controlled, organizations can continuously improve them. Continuous improvement is more than making an update to the process. It is based on three key concepts:
    - Identify process root problems; determine the root cause as to why the process is not performing at the level it should be.

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- Have a focused effort on process improvement with potential solutions.
- Once a solution has been defined, integrate the process improvement into the way the organization does the work.

2.4.2 How to Use *OPM3*

The *OPM3* Cycle, as depicted in Figure 2-4, is a step-by-step process to utilize this strategy execution framework. The steps are:

- Acquire Knowledge.
- Perform Assessment.
- Manage Improvements.
- Repeat the process.

The *OPM3* Cycle and its steps can be used as a comparative model, a design model, or improvement model. These steps provide easy access to relevant business issues.

- **Comparative model.** For organizations that have adopted some elements of organizational project management, the best approach is comparative. In this approach, organizations use the steps of the model to assess themselves against the model to determine their extent of implementation entering the model at step 1. They use the remaining steps of the model to determine what improvements to make and implement those improvements. Finally, they decide whether they should repeat the process.
- **Design model.** Organizations that are newly formed or are forming their approach to organizational project management use the Best Practices of the model to design their approach and implementation of organizational project management. They enter the cycle at the Manage Improvements step.
- **Improvement model.** Organizations lacking an institutionalized strategy execution framework use the Best Practices of the model to determine which Best Practices should be put into place. They enter the cycle at the Manage Improvements step.

The *OPM3* Cycle depicted in Figure 2-4 is described in more detail in Section 3.

2.4.2.1 Step One—Acquire Knowledge: Prepare for Assessment

In this formative step, the organization prepares for an organizational project management assessment. This is accomplished by:

- Understanding the organization, its mission, vision, and core values;
- Understanding the organization needs, pain points, objectives, and available results; and
- Understanding the *OPM3* model and how assessments are performed.

Refer to Section 4 for more details.

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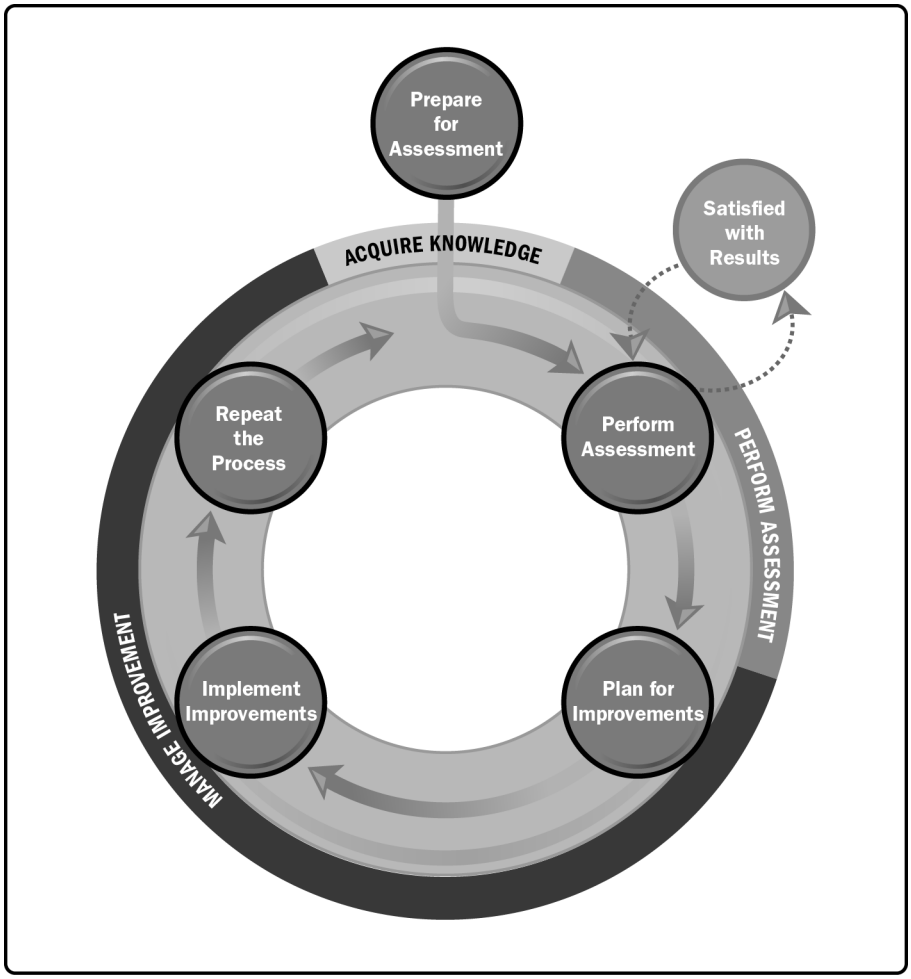

Figure 2-4. *OPM3* Cycle

2.4.2.2 Step Two—Perform Assessment

During this step, the capabilities of the organization are compared to the capabilities of the *OPM3* model. Refer to Section 5 for more details.

2.4.2.3 Step Three—Manage Improvement: Plan for Improvements

Once an organization has compared itself against the *OPM3* model, the organization targets which capability improvements are desired. The organization determines these needs and then determines which relevant Best Practices and Capabilities should be implemented to fill those needs. Refer to Section 6 for further details.

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2.4.2.4 Step Four—Manage Improvement: Implement Improvements

The organization implements the planned improvements utilizing project management and organizational change methods. Refer to Section 6 for additional details.

2.4.2.5 Step Five—Manage Improvement: Repeat the Process

Upon completion of the improvement cycle, the organization evaluates whether the improvement(s) selected resulted in an organizational capability now available that may impact business results. If more improvement is needed, the organization repeats the *OPM3* Cycle periodically to achieve the desired result.

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3

THE ORGANIZATIONAL PROJECT MANAGEMENT MATURITY MODEL (*OPM3*)

3.1 Introduction

This section explains the architecture of *OPM3* in detail, specifically the Best Practices and their constituent components: Capabilities and Outcomes. Dependencies exist between Best Practices and Capabilities and are further explored in this section. Categorization refines the list of Best Practices for practical application. Furthermore, this section describes organizational enabler Best Practices and how they support an organization's improvement plan.

This section introduces the *OPM3* framework, *OPM3* Cycle Elements and Areas of Expertise supported by the associated processes (see Section 3.3). The Cycle Elements include: Acquire Knowledge, Perform Assessment, and Manage Improvement while the Areas of Expertise include: Governance Risk and Compliance, Delivery and Benefits Management, and Change Management.

In order to assist the organization to increase its maturity and consequently achieve better business results, the *OPM3* practitioner needs to understand the entire *OPM3* Context (as illustrated in Figure 3-1) in which the *OPM3* Construct (explained in Section 3.2) represents all the elements that comprise *OPM3*. Knowing and understanding those elements is integral to the success of any *OPM3* initiative. The *OPM3* framework (explained in Section 3.3) represents a number of processes that form an approach that can be utilized to implement the *OPM3* initiative. Both parts of the *OPM3* context along with the skills, knowledge, competencies, and tools and techniques of the *OPM3* practitioner provide the needed business results and enhanced capability for the organization.

3.2 The *OPM3* Construct

The *OPM3* Construct (Figure 3-2) describes the *OPM3* components and their relationships. These components include Domains, Process Improvement Stages, Best Practices, Capabilities, and Outcomes. Once these concepts are presented, categorization and maturity measurement are explored for customized application. The *OPM3* Construct conveys progressively more detail as the reader moves from the higher components to the lower components.

Best Practices are mapped to Process Improvement Stages only for Process Best Practices (Best Practices for Portfolio, Program, and Project Domains). Section 3.2.5 presents a full description of the Process Improvement Stages.

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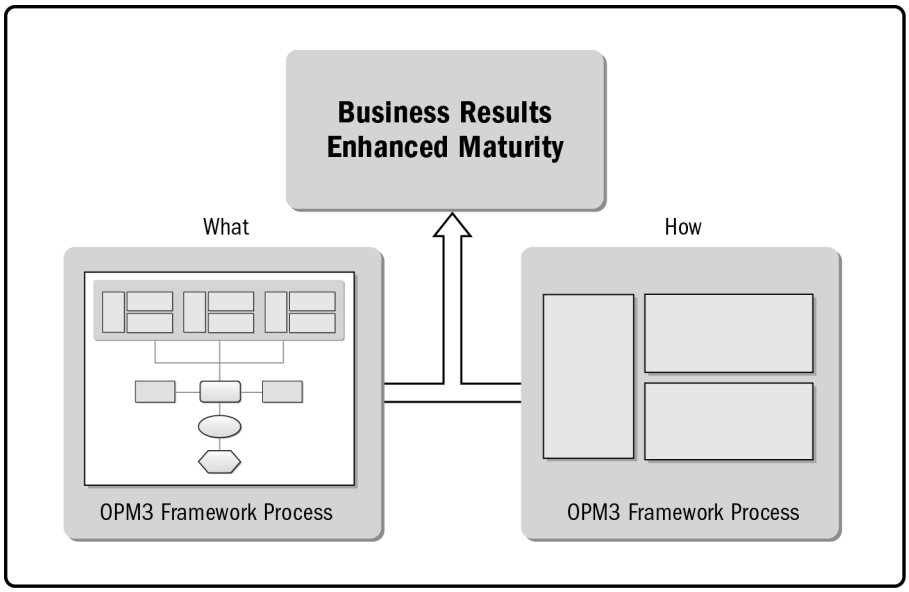

Figure 3-1. The *OPM3* Context

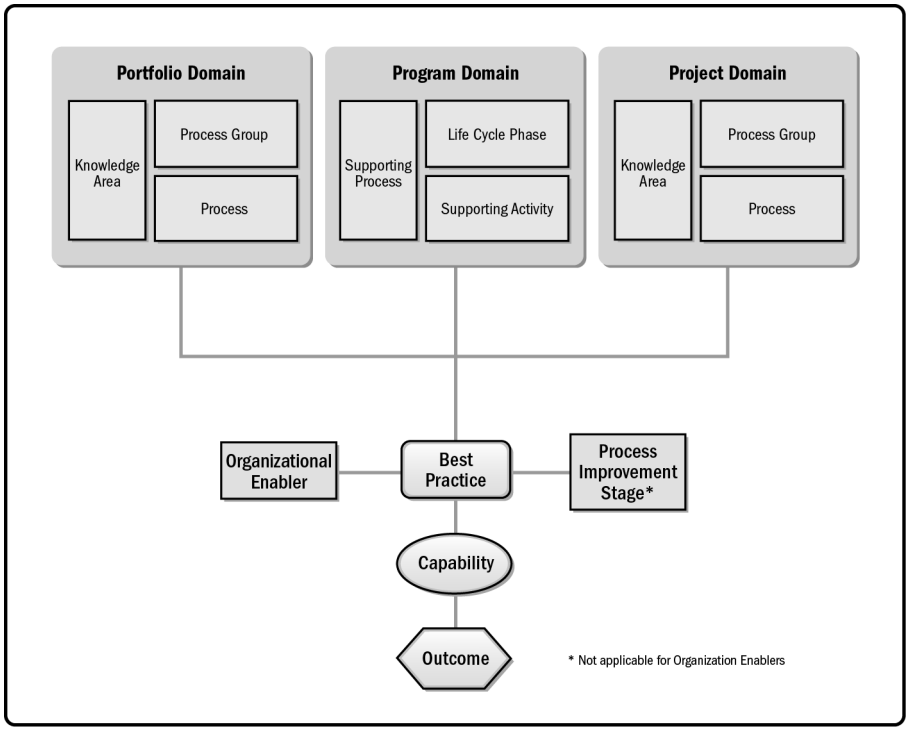

Figure 3-2. The *OPM3* Construct

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3.2.1 Best Practice

OPM3 measures organizational project management maturity by assessing the existence of best practices. Best practices refer to the methods, currently recognized within a given industry or discipline, to achieve a stated goal or objective. Industry practitioners from around the globe collaborate periodically on the current trends and practices that make their organizations successful. For example, The *PMBOK® Guide* update team collects project management information and refines it through these established processes. PMI publishes the approved *PMBOK® Guide* processes for industry practitioners to share and apply. *OPM3* brings these *PMBOK® Guide* processes into the *OPM3* framework and applies a quality model to generate Best Practices. This also applies to the portfolio and program standards.

An organization achieves a Best Practice when the organization demonstrates maturity evidenced by successful fulfillment of the Capabilities and Outcomes. For organizational project management, this includes the ability to deliver projects predictably, consistently, and successfully. *OPM3* encourages a culture of improvement, leveraging achieved Best Practices and pursuing desired Best Practices to attain organizational goals.

Figure 3-3 illustrates that each Best Practice contains a set of Capabilities and each Capability contains a set of Outcomes. An organization achieves a Best Practice when it consistently demonstrates all of the supporting Capabilities. An organization attains a Capability when the organization realizes one or more associated Outcomes, as supported by tangible and intangible evidence.

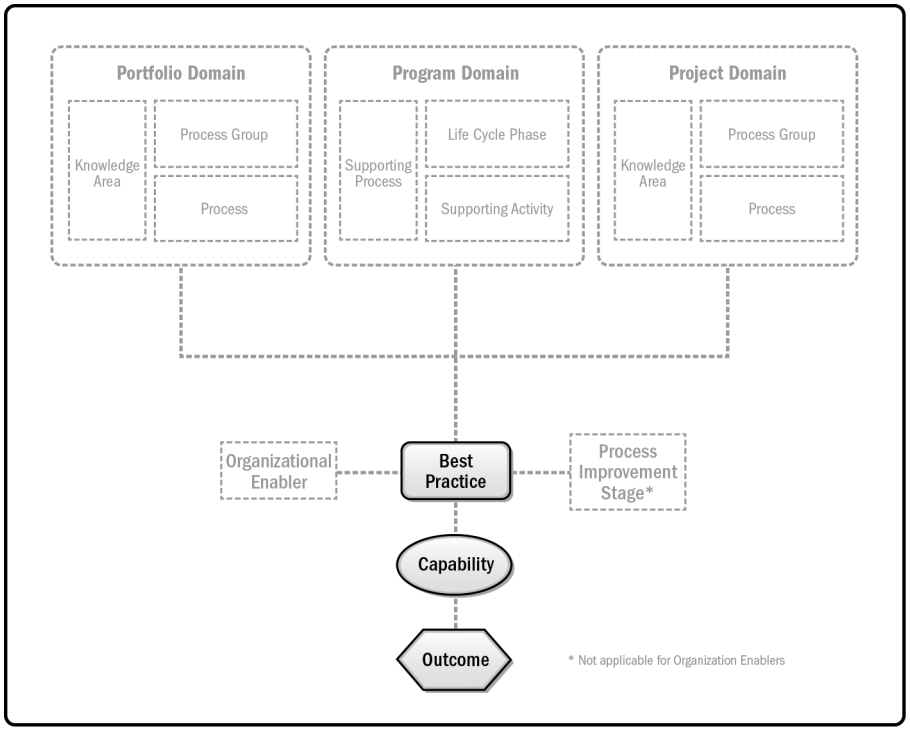

Figure 3-3. The *OPM3* Best Practice

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If the organization demonstrates achievement of all the aggregated Capabilities except one, it cannot claim achievement of the Best Practice. Even when an organization does not completely achieve a Best Practice, the organization may still realize benefits that meet the organization's needs. Annex A1 provides a list of all Best Practices within each of the domains.

3.2.2 Capability

A Capability represents the collection of people, process, and technology that enables an organization to deliver organizational project management (OPM). Capabilities are incremental steps leading to the attainment of one or more Best Practices. *OPM3* does not prescribe a sequence for achieving the Capabilities, but all Capabilities are required to be fulfilled to achieve a Best Practice. A Capability from one Best Practice may be a predecessor for achieving another Best Practice. Dependencies may exist whereas certain Best Practices and Capabilities are required to be in place before other Best Practices can be realized. Breaking down each Best Practice into its constituent Capabilities and showing the dependencies among them provides a basis for decisions related to improvement.

3.2.3 Outcome

An Outcome is a result (tangible or intangible) of an organization exhibiting a Capability. An example of a tangible Outcome is a policy for project management. An example of an intangible Outcome is a verbal acknowledgement of a project management policy. A Capability may have multiple outcomes, but a single outcome may be sufficient to satisfy a Capability.

Figure 3-4 illustrates the various components of the *OPM3* Construct.

3.2.4 Domains

Domains represent the three process-based standards (see Figure 3-5): *The Standard for Portfolio Management*– Third Edition, representing the Portfolio Domain; *The Standard for Program Management*– Third Edition, representing the Program Domain; and the *PMBOK Guide*® – Fifth Edition, which represents the Project Domain.

Process-based standards serve as the foundation for Best Practices. When the processes are integrated into *OPM3* to form the Best Practices, the associated details are brought in as well. This information includes: Process Groups and Knowledge Areas for the Project and Portfolio Domains, and Performance Domains for the Program Domain.

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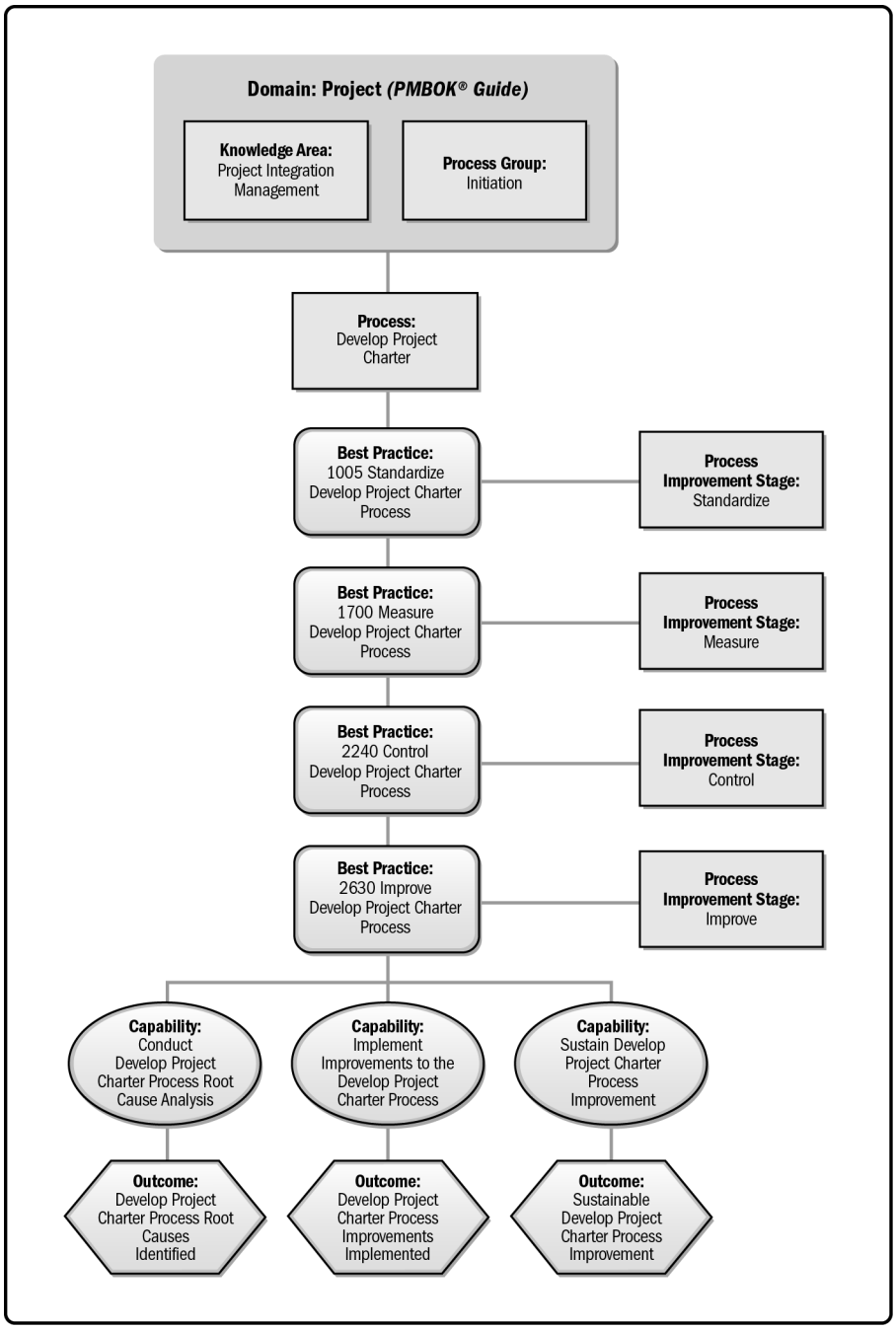

Figure 3-4. The *OPM3* Construct Example

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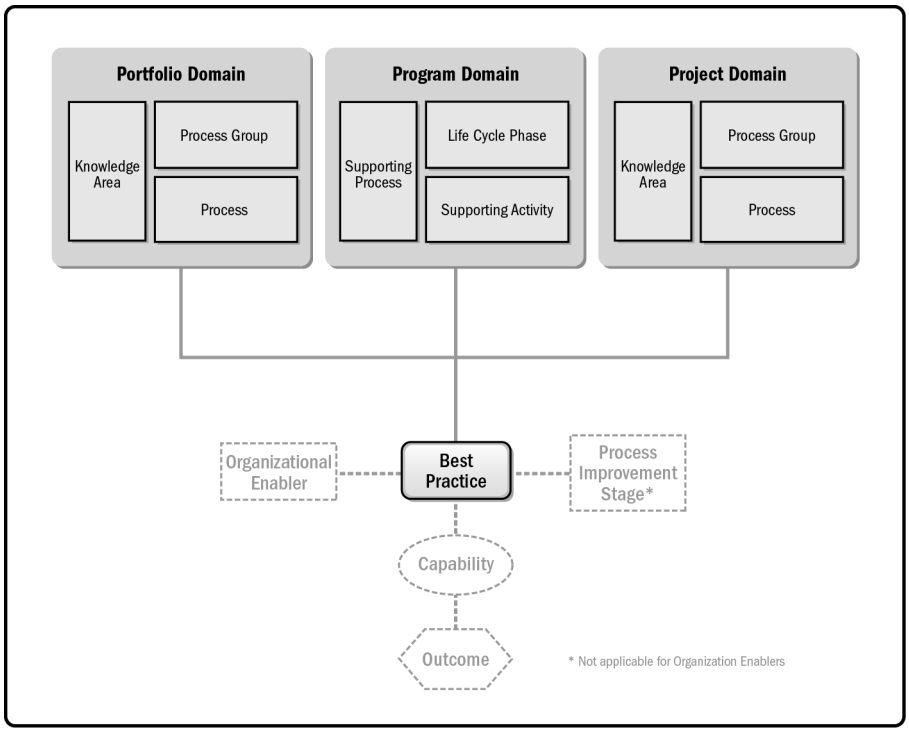

Figure 3-5. The *OPM3* Domains

3.2.4.1 Project

The *PMBOK Guide*®– Fifth Edition identifies five Project Management Process Groups and ten Knowledge Areas. These five Process Groups, which are in line with the project life cycle, are independent of application areas or industry focus. Process Groups and their constituent processes are often repeated prior to completing the project; this is referred to as progressive elaboration.

The five Process Groups are:

- **Initiating.** Defines and authorizes the project or project phase.
- **Planning.** Defines and refines objectives, and plans the course of action required to attain the objectives and scope.
- **Executing.** Integrates people and other resources to carry out the project management plan.
- **Monitoring and Controlling.** Measures and monitors progress to identify variances from the project management plan so that corrective action can be taken when necessary to meet project objectives.
- **Closing.** Formalizes acceptance of the product, service, or result and brings the project or a project phase to an orderly end.

OPM3 provides a flexible approach that encourages organizations to focus on the domains, processes, and Process Groups where the adoption of Best Practices will best support the successful achievement of strategic

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objectives. Understanding the Process Groups and the processes they support, as well as the organizational enabling Best Practices, helps the organization to determine where they should start the effort to improve their OPM practices.

3.2.4.2 Program

The Standard for Program Management – Third Edition coordinates the management of five interdependent Performance Domains:

- **Program Strategy Alignment.** Identifying opportunities and benefits that achieve the organization's strategic objectives through program implementation.
- **Program Benefits Management.** Defining, creating, maximizing, and sustaining the benefits provided by programs.
- **Program Stakeholder Engagement.** Capturing stakeholder needs and expectations, gaining and maintaining stakeholder support, and mitigating/channeling opposition.
- **Program Governance.** Establishing processes and procedures for maintaining proactive program management oversight and decision-making support for applicable policies and practices throughout the entire program life cycle.
- **Program Life Cycle Management.** Managing all of the program activities related to the program definition, program benefits delivery, and program closure.

The program management supporting processes enable a synergistic approach for the purpose of delivering program benefits. These program supporting processes are:

- Program Communications Management,
- Program Financial Management,
- Program Integration Management,
- Program Procurement Management,
- Program Quality Management,
- Program Resource Management,
- Program Risk Management,
- Program Schedule Management, and
- Program Scope Management.

3.2.4.3 Portfolio

The Standard for Portfolio Management – Third Edition identifies three Portfolio Management Process Groups with five Knowledge Areas. Processes within these Process Groups facilitate informed decision making, strategy translation, and portfolio balancing. These three Process Groups are independent of application area or industry focus.

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The three Portfolio Management Process Groups are:

- **Defining Process Group.** Determines how strategic objectives will be implemented in a portfolio; defines and authorizes a portfolio or subportfolio; and develops the portfolio management plan.
- **Aligning Process Group.** Determines how components will be categorized, evaluated, selected for inclusion, and managed in the portfolio.
- **Authorizing and Controlling Process Group.** Determines how to monitor strategic changes, tracks and reviews performance indicators for alignment, authorizes portfolio, and verifies values to the organization from the portfolio.

3.2.5 Process Improvement Stages

OPM3 applies a quality component (See Figure 3-6) referred to as process improvement. The stages are: standardize, measure, control, and improve (SMCI.)

3.2.5.1 Standardize

Standardize, when applied to a process, yields a repeatable and consistent Best Practice. Characteristics of a standardized process include a governing body to manage the process and associated changes, a clearly documented process communicated to those exercising the process, and adherence which is evidenced by the artifacts produced.

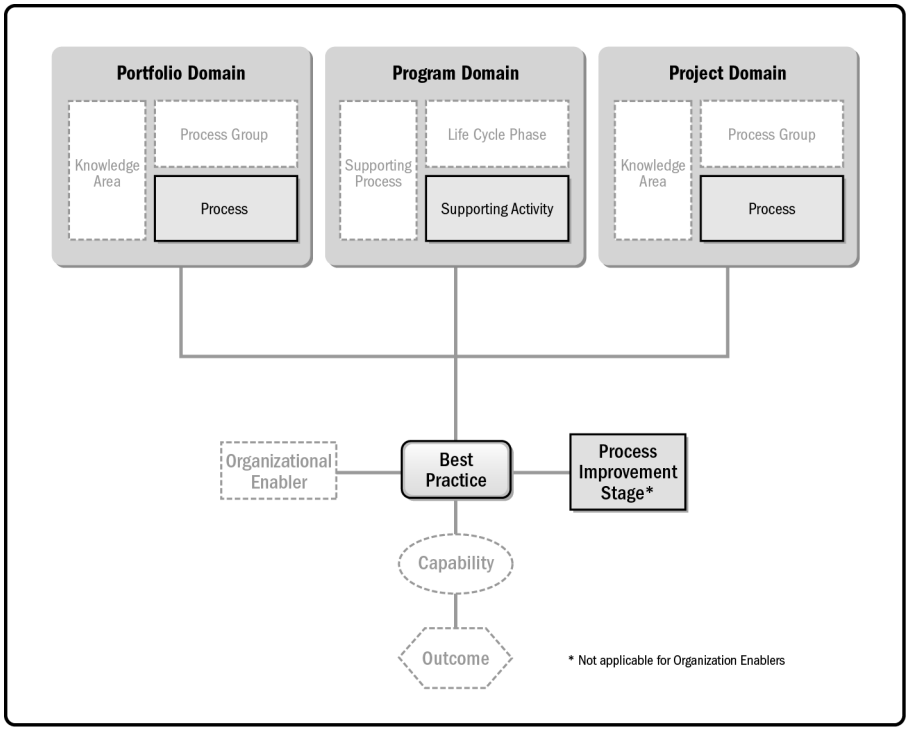

Figure 3-6. The *OPM3* Process Improvement Stages

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For example, standardize, when applied to the *PMBOK Guide*® process, Create Project Charter, yields the *OPM3* Best Practice, Standardize Create Project Charter Process.

3.2.5.2 Measure

Measure, when applied to a process, yields a quantified Best Practice. Characteristics of a measured process include customer requirements incorporated in the measurements, identified critical characteristics, measured critical characteristics, inputs related to results, and measured critical parameters. These characteristics clarify the customer requirements and key inputs and outputs.

For example, measure, when applied to the *PMBOK Guide*® process, Create Project Charter, yields the *OPM3* Best Practice, Measure Create Project Charter Process.

3.2.5.3 Control

Control, when applied to a process, yields a managed Best Practice. Characteristics of a controlled process include control plan developed, control plan implemented, and stability achieved.

The control process is the act of comparing actual performance with planned performance, analyzing variances, assessing trends to effect process improvements, evaluating possible alternatives, and recommending appropriate corrective action as needed.

In *OPM3*, the progression of Capabilities includes determining control limits, looking for root causes for processes that are outside the limits, and identifying improvements to bring the process within the control limits.

When used in evaluating Capability maturities, the collective application of control activities constitutes the third stage of the *OPM3* SMCI quality management model.

For example, control, when applied to the *PMBOK Guide*® process, Create Project Charter, yields the *OPM3* Best Practice, Control Create Project Charter Process.

3.2.5.4 Improve

Improve, when applied to a process, yields a continuously improving Best Practice. Characteristics of an improved process include problems identified, improvements implemented, and improvements sustained.

For example, improve, when applied to the *PMBOK Guide*® process, Create Project Charter, yields the *OPM3* Best Practice, Improve Create Project Charter Process, and when applied to Identify Stakeholders, yields the *OPM3* Best Practice, Improve Identify Stakeholders.

Table 3-1 summarizes the complete set of Best Practices for the Develop Project Charter process from the *PMBOK Guide*®. There are four uniquely identified Best Practices created for each process coming into the *OPM3* Portfolio, Program, and Project Domains.

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Table 3-1. *PMBOK® Guide* Develop Project Charter Process with SMCI Applied

Best Practice ID	Best Practice Name
1005	Standardize Develop Project Charter Process
1700	Measure Develop Project Charter Process
2240	Control Develop Project Charter Process
2630	Improve Develop Project Charter Process

3.2.6 Organizational Enablers

Organizational enablers (OE) are structural, cultural, technological, and human resource practices that can be leveraged to support and sustain the implementation of Best Practices in portfolios, programs, and projects. The OE Best Practices describe general management processes that should be developed in an organization to support organizational project management. Many systems and cultural factors influence an organization and its business environment. The *OPM3* translates these factors into Best Practices around training, implementing methodologies, and techniques.

The OE Best Practices address the foundational capabilities that an organization needs to support and sustain the process-based standards (see Figure 3-7). The absence of OEs decreases the maturity of process-based Best Practices within an organization.

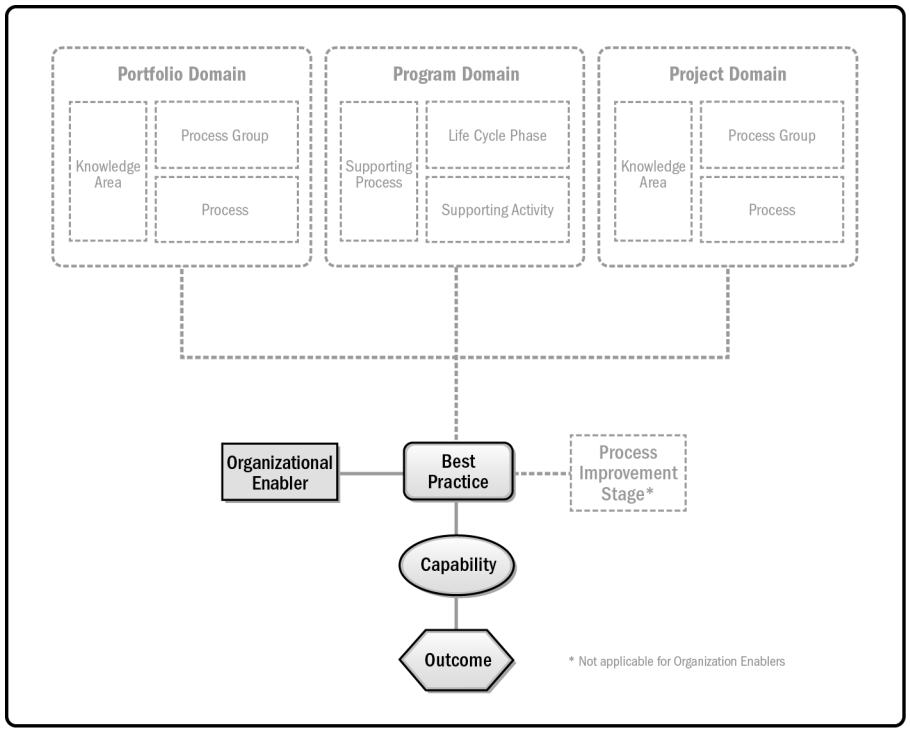

Figure 3-7. The *OPM3* Organizational Enablers (OEs)

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Organizational enablers when translated into *OPM3* yield an OE Best Practice. Characteristics of an OE vary according to their category. Organizational enablers are classified into 18 categories as shown in Table 3-2.

Table 3-2. Organizational Enabler Categories

Organizational Enablers
1. Benchmarking
2. Competency Management
3. Governance
4. Individual Performance Appraisals
5. Knowledge Management and PMIS
6. Management Systems
7. Organizational Project Management Communities
8. Organizational Project Management Methodology
9. Organizational Project Management Policy and Vision
10. Organizational Project Management Practices
11. Organizational Project Management Techniques
12. Organizational Structures
13. Project Management Metrics
14. Project Management Training
15. Project Success Criteria
16. Resource Allocation
17. Sponsorship
18. Strategic Alignment

For example, Best Practice 5240, Establish Internal Project Management Communities, relates to OE Category 7, Organizational Project Management Communities. This Best Practice includes the following Capabilities: Facilitate Project Management Activities, Develop Awareness of Project Management Activities, and Sponsor Project Management Activities.

Figure 3-8 shows the example of organizational enabler Best Practice 5240 “Establish Internal Project Management Communities,” its Capabilities, and its Outcomes.

3.2.7 Categorization

Categorization segments the *OPM3* Best Practices into manageable groupings (see Figure 3-9).

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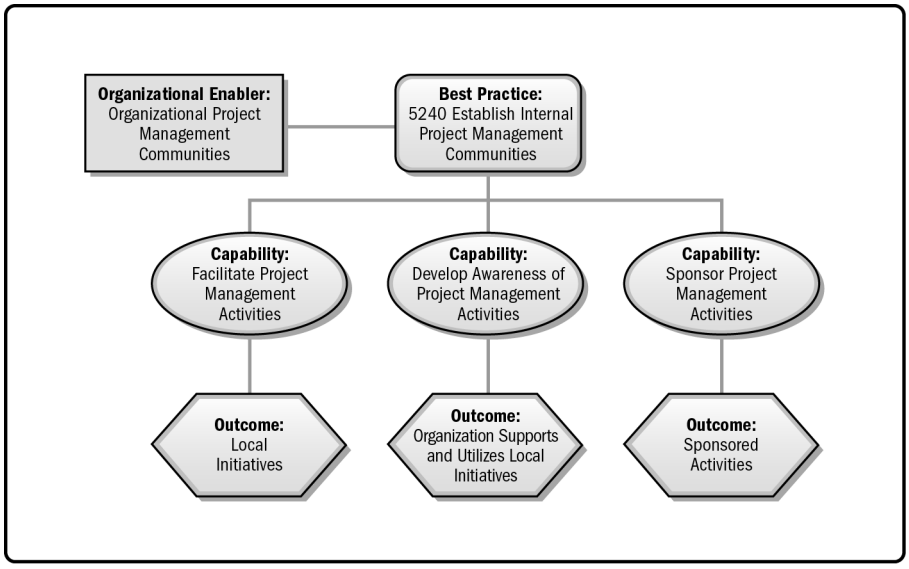

Figure 3-8. Capabilities and Outcomes of Best Practice 5240

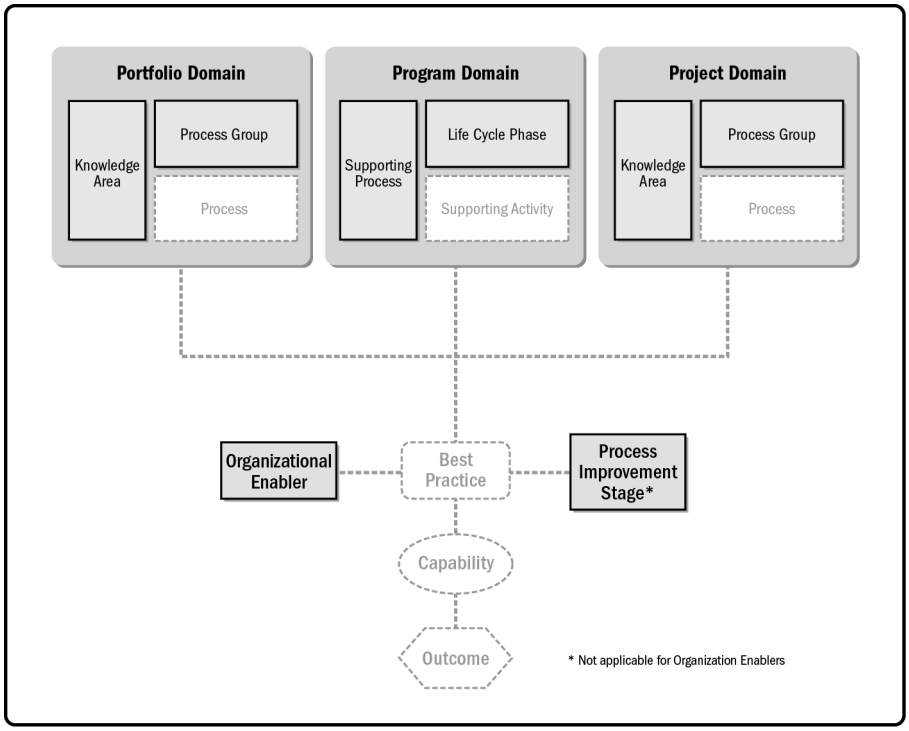

Figure 3-9. The *OPM3* Categorization

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There are nine Best Practices categorizations used by organizations:

- **Domain.** This represents the three domains: Portfolio, Program, and Project. Each process, based on SMCI Best Practice, maps to one or more of these domains. This provides an avenue for organizations to focus on single or multiple domains.
- **Process improvement stage (SMCI).** Each Best Practice maps to one of these process improvement stages. This provides organizations with a way to focus on a single process improvement stage.
- **Organizational enabler (OE).** Each organizational enabler maps to one of the 18 OE categories. This provides an organization with the option to clearly focus on a single group of OEs.
- **Process Group.** Each Best Practice from the Project and Portfolio Domain maps to a Process Group: Initiating, Planning, Executing, Controlling, and Closing for the Project Domain; and Defining, Aligning and Authorizing, and Controlling Process Groups for the Portfolio Domain.
- **Performance Domain.** Each Best Practice from the Program Domain maps to a Performance Domain: Strategy Alignment, Benefits Management, Stakeholders Engagement, Governance, and Program Life Cycle Management.
- **Knowledge Area.** Each Best Practice from the Project and Portfolio Domain maps to a Knowledge Area.
    - The Project Domain Knowledge Areas include:
        - Project Integration Management,
        - Project Scope Management,
        - Project Time Management,
        - Project Cost Management,
        - Project Quality Management,
        - Project Human Resource Management,
        - Project Communication Management,
        - Project Risk Management,
        - Project Procurement Management, and
        - Project Stakeholder Management.
    - The Portfolio Domain Knowledge Areas include:
        - Portfolio Strategic Management,
        - Portfolio Governance Management,
        - Portfolio Performance Management,
        - Portfolio Communications Management, and
        - Portfolio Risk Management.

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These Knowledge Areas support the processes found in Section 3 of each of these standards by providing inputs, tools and techniques, and outputs. For example, the *PMBOK Guide*® uses the Project Cost Management Knowledge Area to group processes and provide details for training. An organization that desires to decrease cost overruns elects to improve their processes leveraging Best Practices mapped to Project Cost Management.

- **Project predictability.** Each Best Practice that supports an organization's ability to forecast successful project delivery is mapped to project predictability. Organizations want to be aware of any approved work that may be at risk as early in the life cycle as possible.
- **Resource optimization.** Each Best Practice that provides the ability to identify, deploy, and release project resources that deliver customer value maps to resource optimization.
- **Balanced scorecard.** Each Best Practice that supports the development and execution of uniform reporting and tracking mechanisms. One aspect of the balanced scorecard could be that strategy execution is measured consistently and objectively.

Categorization of Best Practices provides an avenue for organizations to assess, design, or improve areas of focus to achieve organizational goals.

3.3. *OPM3* Framework

The *OPM3* framework serves as a guide for organizations that apply *OPM3*. The *OPM3* framework contains Cycle Elements, Areas of Expertise, and *OPM3* processes with inputs, tools and techniques, and outputs as depicted in Figure 3-10.

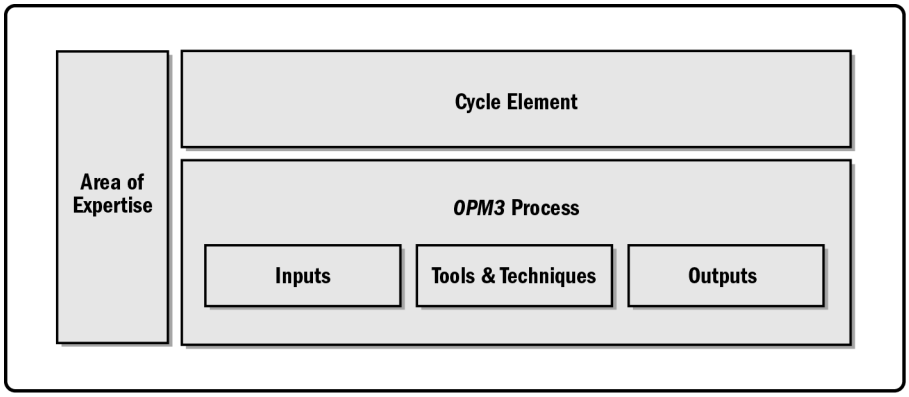

Figure 3-10. The *OPM3* Framework Overview

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Key actions required for successful application of the *OPM3* framework include but are not limited to:

- Determine the change impact of implementing selected processes based upon organization needs and *OPM3* practitioner expertise,
- Manage the *OPM3* initiative as a project or a program,
- Obtain stakeholder buy-in,
- Secure the expertise and knowledge outlined in Section 1,
- Understand and select appropriate processes from the *OPM3* framework, and
- Understand differences between Areas of Expertise and the Cycle Elements.

Table 3-3 provides a summary of the twelve *OPM3* processes for the *OPM3* Cycle Elements and Areas of Expertise.

3.3.1 *OPM3* Areas of Expertise

The *OPM3* Areas of Expertise represent the practical knowledge and applied skills required to undertake a successful *OPM3* initiative. The three Areas of Expertise in the *OPM3* framework are outlined below.

3.3.1.1 Governance, Risk, and Compliance (GRC) [6]

Organizations achieve GRC by embracing activities such as corporate governance, enterprise risk management (ERM), and corporate compliance in accordance with applicable laws and regulations. Organizations embrace these areas to ensure proper oversight, manage risk, and address regulatory and corporate compliance.

Table 3-3. The *OPM3* Processes

Area of Expertise \ Cycle Elements	Acquire Knowledge	Perform Assessment	Manage Improvement
Governance, Risk, and Compliance	Understand OPM	Establish Plan	Measure Results
Delivery and Benefits Management	Understand the Organization	Define Scope	Create Recommendations
		Conduct Assessment	Select Initiatives
			Implement Improvements
Organizational Change	Assess Change Readiness	Initiate Change	Manage Change

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Within the *OPM3* framework, organizations establish and enforce proper governance over the planning and fulfillment of portfolio, program, and project management. Establishing proper governance helps ensure successful results. This *OPM3* framework area of expertise establishes a plan for, and manages the results of, an *OPM3* assessment that focuses on the practices that affect governance, risk management, and compliance. GRC encompasses three processes: Understand OPM, Establish Plan, and Measure Results.

3.3.1.2 Delivery and Benefits Management

The Delivery and Benefits Management Area of Expertise addresses the execution of *OPM3* throughout the life cycle. It focuses on what is needed to execute a successful *OPM3* initiative. Delivery and Benefits Management encompasses six processes: Understand the Organization, Define the Scope, Conduct Assessment, Create Recommendations, Select Initiatives, and Implement Improvements.

3.3.1.3 Organizational Change

The Organizational Change Area of Expertise focuses on the magnitude of change that accompanies an *OPM3* initiative. To improve the probability of success in sustaining change, leadership should acknowledge and understand the organization's ability to adopt change. This adoption may include multiple variables, such as readiness, awareness, desire, capacity, and willingness. This Area of Expertise encompasses three processes: Assess Change Readiness, Initiate Change, and Manage Change.

Organizations assess change readiness, initiate change, and manage change for initiatives that modify their environment, processes, and tools. Organizations achieve successful change initiatives with a clear understanding of the current state and desired state, coupled with effective management and leadership of the process and human factors.

3.3.2 *OPM3* Cycle Elements

The *OPM3* Cycle Elements are groups of processes required to implement an *OPM3* initiative. The *OPM3* practitioner determines which processes fit the organization based upon the nature of the initiative. The *OPM3* Cycle Elements are: Acquire Knowledge, Perform Assessment, and Manage Improvement.

Sections 4, 5, and 6 provide additional Cycle Element details. The Cycle Elements depicted in Figure 3-11 create a cycle of continuous improvement.

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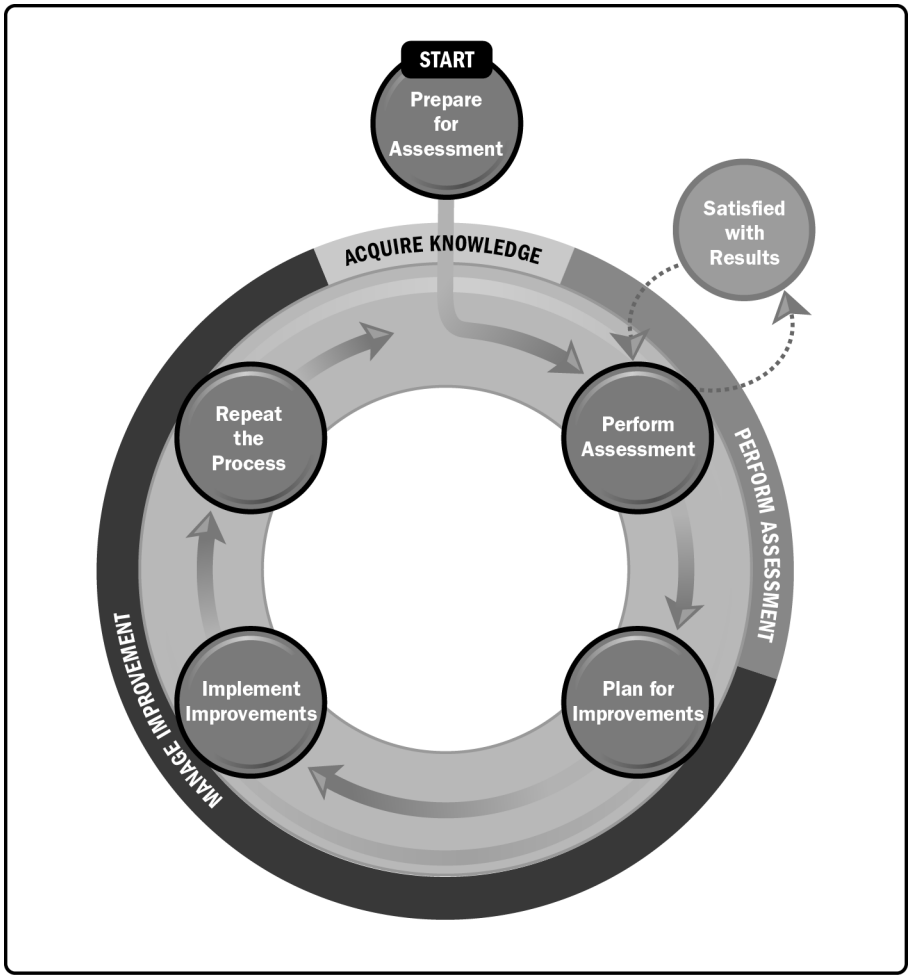

Figure 3-11. The *OPM3* Framework

3.3.2.1 Acquire Knowledge

Stakeholders gain knowledge of *OPM3,* the organization, the industry, and opportunities for *OPM3* initiatives. Acquire Knowledge has three processes, which are summarized below. See Section 4 for further details.

- **Understand OPM.** Prior to starting an *OPM3* initiative, the *OPM3* practitioner and the organization acquire knowledge necessary to apply *OPM3*. This is a due diligence process to gather the following:
  - *People:* This includes, but is not limited to: skilled *OPM3* practitioners, *OPM3* subject matter experts, stakeholders, leadership, general management, facilitators, and researchers.
  - *Process:* This includes, but is not limited to: lean manufacturing process control, process design, organizational enablers, project management processes, program management processes, and portfolio management processes.
  - *Technology:* This includes, but is not limited to: project management information systems and tools.

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The Understand *OPM* process builds awareness of the applicability and value of *OPM3*. It is important to understand why organizations undertake an *OPM3* initiative—to improve business results.

- **Understand the Organization.** This process outlines the knowledge an *OPM3* practitioner and the organization acquire to apply *OPM3*. This is a due diligence process to gather the following:
    - *Strategy:* Vision, mission, product, service, desired profits, current performance, regulations, competitive advantage.
    - *People:* Geographic location, skills, organizational structure, vendors, customers, organizational culture, understanding of process and tools, understanding of processes, process design, lean concepts, training, and motivation level.
    - *Process:* Degree of automation, metrics, stability of process, documentation, communication, complexity of processes, process interaction, project management processes, program management processes, portfolio management processes, asset library.
    - *Technology:* Automation tools, project management information system, templates.

The Understand the Organization process combines the right skills, industry knowledge, culture, tools, and strategy for assessment preparation. It is important to understand why organizations undertake an *OPM3* initiative—to improve business results.

- **Assess Change Readiness.** The Assess Change Readiness process captures the organization's willingness to change and readiness for change. The *OPM3* practitioner collects, assesses, and validates the organization's readiness for change based on a variety of factors (e.g., training, culture, equipment).

3.3.2.2 Perform Assessment

The assessment leader plans, executes, and manages the assessment; compiles and analyzes data and documents; and presents results. Perform Assessment has four processes, which are summarized below. Section 5 provides greater details.

- **Establish Plan.** The Establish Plan process produces a plan for conducting an *OPM3* assessment. The *OPM3* practitioner leverages the *PMBOK Guide*® to create this plan and complete this process. The Establish Plan may include subsidiary plans that address the following:
    - Methodology of implementation;
    - Roles and responsibilities;
    - Scope and work breakdown structure (WBS);
    - High-level schedule and milestone list;
    - Success metrics and success factors;
    - Assumptions and constraints;
    - Governance, risk, and compliance;

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- ○ Quality management; and
- ○ Budget.

The plan provides an overall view of scope, schedule, cost, and stakeholder buy-in.

- **Define Scope.** The Define Scope process creates an assessment statement of work which includes resources, business units, geographies, deliverables, and acceptance criteria. While conducting the *OPM3* assessment, the *OPM3* practitioner identifies the scope of the assessment in terms of categorization as outlined in Section 3.2.7.

The Define Scope process sets expectations for the assessment work undertaken.

- **Conduct Assessment.** The Conduct Assessment process is the execution of the *OPM3* assessment plan based upon the statement of work. The *OPM3* assessment team gathers, processes, and analyzes organizational information and documents findings in an assessment report.
- **Initiate Change.** The Initiate Change process launches the organizational change management activities that support adoption of the improvement initiatives. Organizations set up mechanisms to identify and evaluate behaviors, attitudes, and environment that may diminish results.

3.3.2.3 Manage Improvement

The improvement leader identifies, selects, and implements improvement initiatives based upon assessment findings and desired organizational business results. Manage Improvements has five processes, which are summarized below. Section 6 provides greater details.

- **Measure Results.** The Measure Results process correlates realized business results with the improvement plans. This process acts as a feedback mechanism that relates the planned improvements to the business results. This reinforces a culture of measurements and effective reporting performance, and serves as the basis for improved estimating.
- **Create Recommendations.** The Create Recommendations process seeks to identify the gaps between the current state and future state of the organization's portfolio, program, and project Best Practices. Analysis of these gaps results in a set of recommendations based upon level of effort, complexity, investment, and organizational impact. The *OPM3* assessment team presents the findings to the stakeholders for consideration.
- **Select Initiatives**. The Select Initiatives process provides the stakeholders with recommendations best suited for implementation, depending on their priority, cost/benefit, and strategic relevance. The recommendations include a sufficient level of detail for decision making. Stakeholders select the improvements from the recommendation list.
- **Implement Improvement Initiatives.** The Implement Improvement initiatives process transforms the selected initiatives into projects, programs, or portfolios. Utilizing the *PMBOK® Guide* – Fifth Edition, *The Standard for Program Management* – Third Edition, or *The Standard for Portfolio Management* – Third Edition, organizations execute the improvement initiatives to realize business benefits.

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- **Manage Change.** The Manage Change process leverages the mechanisms put in place during the Initiate Change process to monitor and adjust as appropriate. The *OPM3* assessment team takes into consideration enterprise structure, technology, culture, and process change impacts when organizations undertake an *OPM3* initiative to improve business results.

3.4 *OPM3* Application

The *OPM3* practitioner and the assessment team utilize the *OPM3* Construct and the *OPM3* framework (see Figure 3-12) to ascertain the maturity of an organization and chart a course for improving the desired business results. This continuous improvement cycle provides an organization with the ability to advance the portfolio, program, and project management capabilities through which organizations deliver strategy.

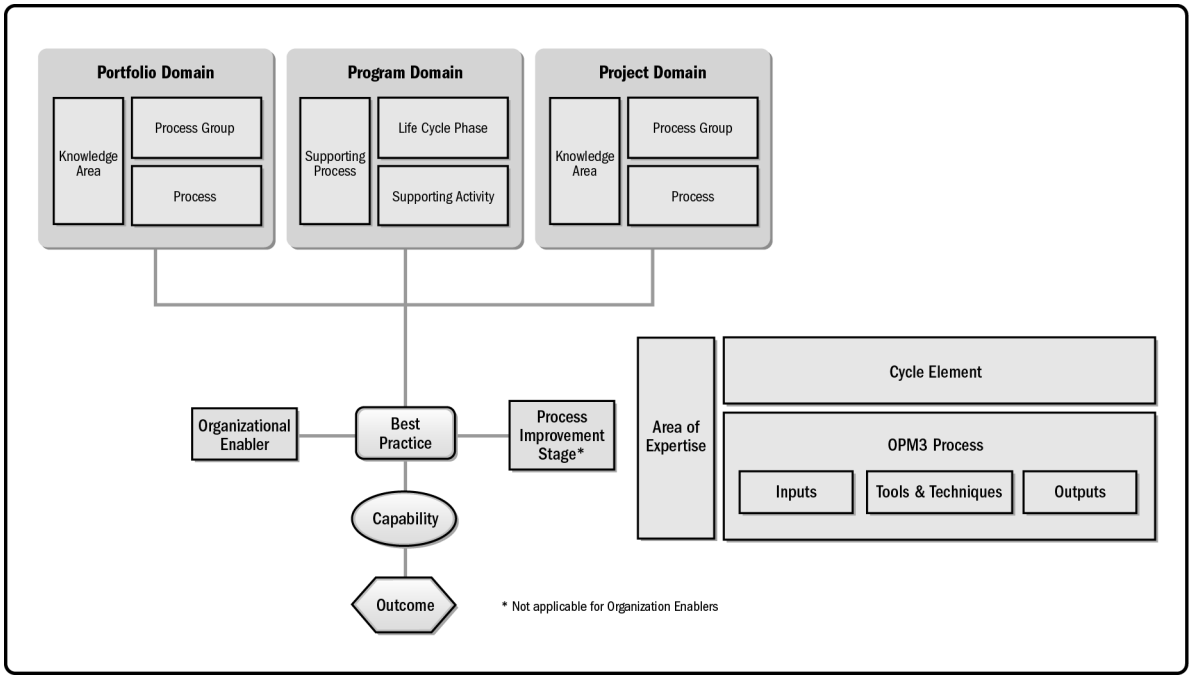

Figure 3-12. The Organizational Project Management Maturity Model (*OPM3*)

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3.5 *OPM3* Scoring Methods

The *OPM3* practitioner applies a rigorous scoring method that ascertains whether (binary scoring) or how much/how often (variable measures) each Outcome for a Capability of a Best Practice exists. Additional detail follows on both scoring methods:

- **Binary scoring.** The *OPM3* practitioner awards a (1) for an Outcome that fully exists or a (0) for an Outcome that does not fully exist. The binary scoring method is somewhat simplistic and does not award partial credit.
- **Variable measures.** The *OPM3* practitioner awards a score based on how much and how often the Outcome exists. The variable measures method is more complex and awards for partial credit. Figure 3-13 provides a variable measures scoring method:

3 – Fully implemented, consistently, for Outcomes of a Best Practice
2 – Fully implemented, not consistently, for Outcomes of a Best Practice
1 – Partially implemented for Outcomes of a Best Practice
0 – Not implemented for Outcomes of a Best Practice

Figure 3-13. OPM3 Variable Measures Scoring Method

3.6 *OPM3* Best Practices List

Best Practices are optimal methods, currently recognized within a given industry or discipline, to achieve a goal or objective. The types of Best Practices are:

- **Domain.** Portfolio, Program, and Project with Process Improvement Stage: Standardize, Measure, Control, and Improve (SMCI).
- **Organizational Enabler.** Non-Domain-based processes, pertaining to environmental and cultural aspects of the organization.

See Annex A1 for a complete list of Best Practices.

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4

ACQUIRE KNOWLEDGE

Acquire Knowledge is a Cycle Element that includes the processes Understand OPM, Understand the Organization, and Assess Change Readiness. Although this Cycle Element discretely defines these three processes, all parties continuously acquire knowledge throughout an *OPM3* initiative. *OPM3* provides information for organizations to understand organizational project management (OPM).

Understanding *OPM3* and how it relates to an organization is vital. Acquiring knowledge assists organizations in achieving business value through portfolio, program, and project management. This section will be of interest to anyone who wants to learn more about OPM and has a desire to improve the business results and/or OPM maturity of their organization. The Acquire Knowledge processes as depicted in Figure 4-1 include:

4.1 Understand OPM—In this process, prior to starting an *OPM3* initiative, the *OPM3* practitioner and the organization acquire knowledge necessary to apply *OPM3.*

4.2 Understand Organization—This process outlines the knowledge an *OPM3* practitioner and the organization acquire to apply *OPM3*.

4.3 Assess Change Readiness—This process captures the organization's willingness to change and readiness for change.

These processes interact with each other and with the processes within the other Cycle Elements. Each process involves effort from individuals or groups depending on their initiative needs. Although the processes presented here are discrete activities with well-defined inputs and outputs, they may overlap and interact while following a different sequence than listed.

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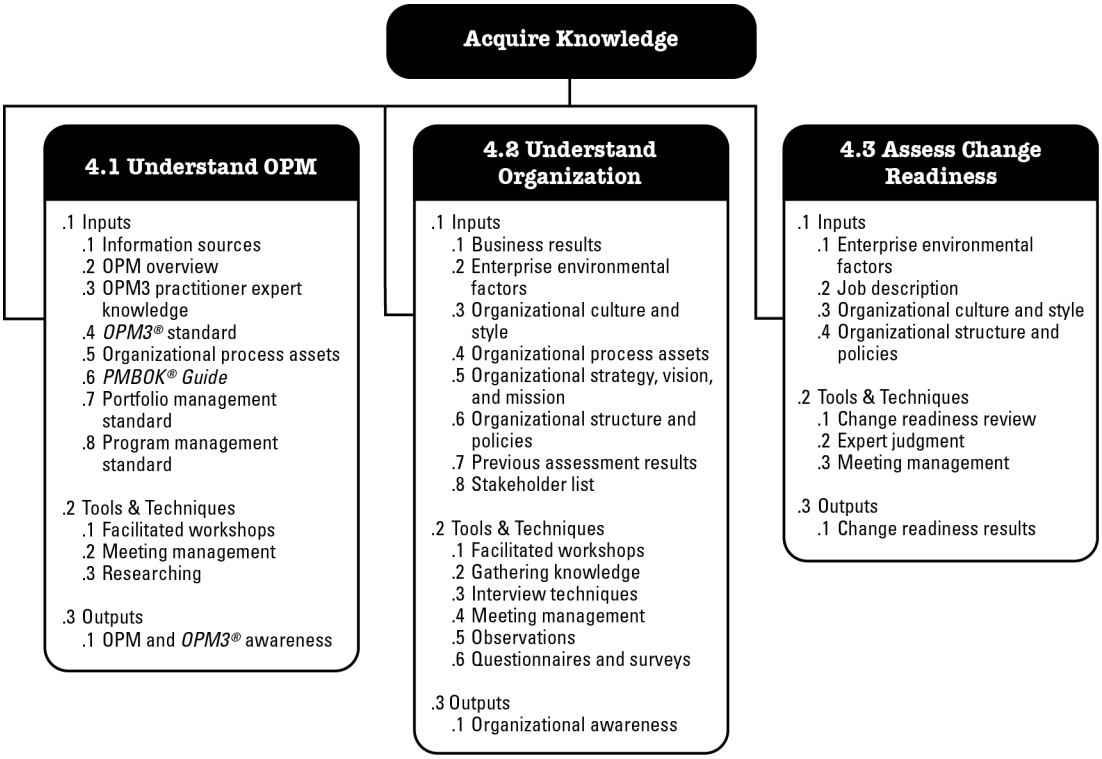

Figure 4-1. Acquire Knowledge Overview: Inputs, Tools and Techniques, and Outputs

4.1 Understand OPM

Prior to starting an *OPM3* initiative, the *OPM3* practitioner and the organization acquire knowledge necessary to apply *OPM3*. This is a due diligence process to gather the following:

- **People.** Skilled *OPM3* practitioner, *OPM3* subject matter experts, *OPM3*-aware stakeholders, leadership, general management, facilitation, and research.
- **Process.** Lean, statistical process control, process design, organizational enablers, project management processes, program management activities, and portfolio management processes.
- **Technology.** Templates and project management information systems.

The Understand OPM process builds awareness of the applicability and value of *OPM3*. It is important to understand why organizations undertake an *OPM3* initiative—to improve business results.

The *OPM3* practitioner understands the *OPM3* Construct, the *OPM3* Cycle Elements, skills, and tools and techniques to apply *OPM3*. Other desirable skillsets for an *OPM3* practitioner include: accounting, finance, change management, organizational development, information technology, project management, human resources, quality management, assessment methods, and process improvement.

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The *OPM3* practitioner needs to understand the identified stakeholders or stakeholder groups. Success of an *OPM3* initiative requires that an *OPM3* practitioner engages the appropriate stakeholders during the *OPM3* initiative. Frequent communication promotes stakeholder awareness through the following types of activities:

- Orientation for an *OPM3* initiative,
- Workshops,
- Training sessions,
- Literature, and
- Personal coaching.

The *OPM3* practitioner needs to understand enterprise environmental factors during communication with stakeholders.

Understand OPM is the process of conveying strategic, financial, and operational information about the organization desiring to improve business results to the organization and *OPM3* initiative team. See Figure 4-2 for a list of inputs, tools and techniques, and outputs.

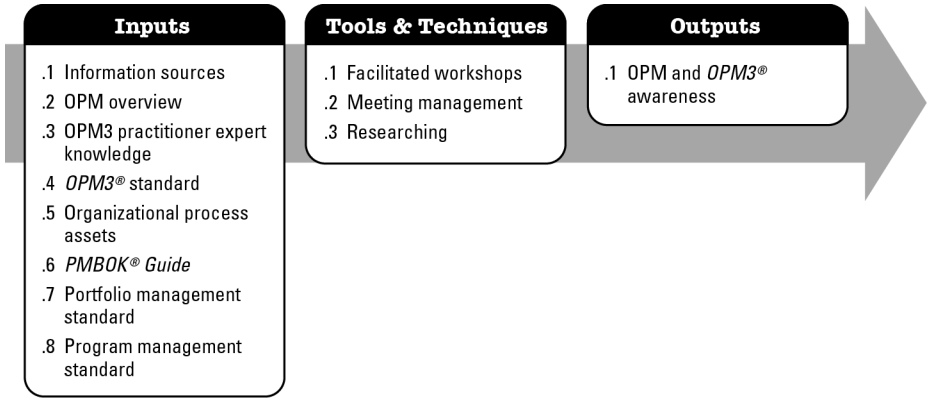

Figure 4-2. Understand OPM: Inputs, Tools and Techniques, and Outputs

4.1.1 Understand OPM: Inputs

4.1.1.1 Information Sources

Information sources, such as case studies, seminars, training, white papers, and articles, are collected from various sources to aid with the understanding of the organization and OPM.

4.1.1.2 OPM Overview

The OPM overview is conducted so that stakeholders have an opportunity to gain a high-level understanding of OPM and how it improves business results. This may include presentation material.

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4.1.1.3 *OPM3* Practitioner Expert Knowledge

As outlined in Section 1.7.1, in order to be successful in the assessment or improvement of organizations, an *OPM3* practitioner should have expertise in all of the following areas:

- **Knowledge of the latest editions of PMI's portfolio, program, and project standards.** An *OPM3* practitioner is required to have expertise in the use of portfolio, program, and project management methods and techniques that include both qualitative and quantitative measures.
- **Process management and continuous process improvement.** The *OPM3* practitioner should be competent in process definition, development, maintenance, control, and improvement with respect to the size and complexity of the organization.
- **Strategic alignment.** The *OPM3* practitioner is required to understand the organization's strategic goals and priorities and how the portfolio, program, and project support them.
- **Ability to conduct assessments.** An effective *OPM3* practitioner requires training on how to conduct assessments.
- **Ability to draw conclusions and offer recommendations.** An effective *OPM3* practitioner is required to possess proper training on how to draw conclusions and offer recommendations on the assessments conducted.
- **Ability to engage stakeholders.** An effective *OPM3* practitioner interacts at different levels to understand and influence expectations.
- **Consulting experience.** An *OPM3* practitioner is required to possess business acumen. The *OPM3* practitioner should have knowledge of relevant markets, the customer base, competition, trends, standards, legal and regulatory environments, and appropriate code of conduct. The *OPM3* practitioner needs to be adept at working with executives, managers, project and program managers, and other internal and external stakeholders, as appropriate to the individual and role.
- **Business skills.** An effective *OPM3* practitioner should possess skills related to governance, risk and compliance (see Section 3.3.1.1 for greater detail), benefits management, scope management, resource management and financial management as explained in Section 3.3.1 (Areas of Expertise). The *OPM3* practitioner is required to possess well-developed skills in communicating, team building, planning, conflict resolution, contract negotiating, meeting facilitation, decision making, and removing organizational barriers to success. This individual is required to be capable of adapting to divergent organizational decision-making models, ranging from autocratic to collegial.
- **Risk management.** An effective *OPM3* practitioner should be well versed in opportunity and threat management.
- **Organizational change management.** An *OPM3* practitioner should have an understanding of how an *OPM3* initiative impacts an organization.

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4.1.1.4 *OPM3* Standard

The *OPM3* standard represents a best practice model applied to PMI process-based and activity-based standards plus organizational enablers that help establish and mature portfolio, program, and project management in an organization.

4.1.1.5 Organizational Process Assets

The organizational process assets encompass policies, procedures, guidelines, templates, checklists, and methodologies. These assets include the organization's knowledge base such as lessons learned and historical process information as the organization improves.

4.1.1.6 *PMBOK® Guide*

As covered in Section 3, *OPM3* contains the processes from the *PMBOK Guide®*.

4.1.1.7 Portfolio Management Standard

The Standard for Portfolio Management describes the processes of the centralized management of one or more portfolios to achieve specific strategic business objectives. As covered in Section 3, *OPM3* contains the processes from *The Standard for Portfolio Management*.

4.1.1.8 Program Management Standard

The Standard for Program Management describes the activities of centralized and coordinated management of a group of related projects to achieve the organization's strategic objectives and benefits. As covered in Section 3, *OPM3* contains the performance domains from *The Standard for Program Management.*

4.1.2 Understand OPM: Tools and Techniques

4.1.2.1 Facilitated Workshops

Facilitated workshops bring together key cross-functional stakeholders, experts, and both internal and external consultants to understand OPM. Workshops are a technique for eliciting information in order to understand OPM. Facilitated sessions build trust, foster relationships, and improve communication among the participants or increase stakeholder understanding.

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4.1.2.2 Meeting Management

Meeting management includes planning, scheduling, conducting, documenting, and following up on meetings pertaining to OPM.

4.1.2.3 Researching

Researching is the systematic investigation into new or existing knowledge. White papers, industry courses, articles, books, research papers and other materials are available to ascertain a broader knowledge of OPM.

4.1.3 Understand OPM: Outputs

4.1.3.1 OPM *and OPM3* Awareness

OPM awareness grows through a variety of activities throughout the Understand OPM process. OPM is ever evolving which makes it challenging to synthesize the vast amount of available information. Gaining *OPM3* knowledge is essential when an organization seeks to mature portfolio, program, and project management. Although the results of OPM and *OPM3* awareness are not used as a discrete input to any of the following processes, the knowledge gained constitutes the basis for all the processes outlined in Sections 4 and 5.

4.2 Understand Organization

This process outlines the knowledge that an *OPM3* practitioner and the organization acquire to apply *OPM3*. This is a due diligence process to gather the following:

- **Strategy.** Vision, mission, product, service, desired profits, current performance, regulations, strategy metrics, measures, and key performance indicators (KPIs), department strategies (e.g., human resource strategy, marketing strategy, IT strategy, etc.), studies or assessments conducted on current weaknesses, threats, or areas of improvement.
- **People.** Geographic location; skills; tenure; organization structure; vendors; customers; organizational culture; understanding of process and tools; and understanding of processes, process design, lean concepts, and training.
- **Process.** Degree of automation, metrics, stability of process, documentation, communication, complexity of processes, process interaction, project management processes, program management processes, portfolio management processes, asset library.
- **Technology.** Automation tools, project management information system, templates.

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The Understand Organization process combines the right skills, industry knowledge, culture, tools, and strategy for assessment preparation. It is important to understand why organizations undertake an *OPM3* initiative—to improve business results. This process includes the *OPM3* team conducting meetings with senior executives to understand the strategic direction of the organization. See Figure 4-3 for a list of inputs, tools and techniques, and outputs.

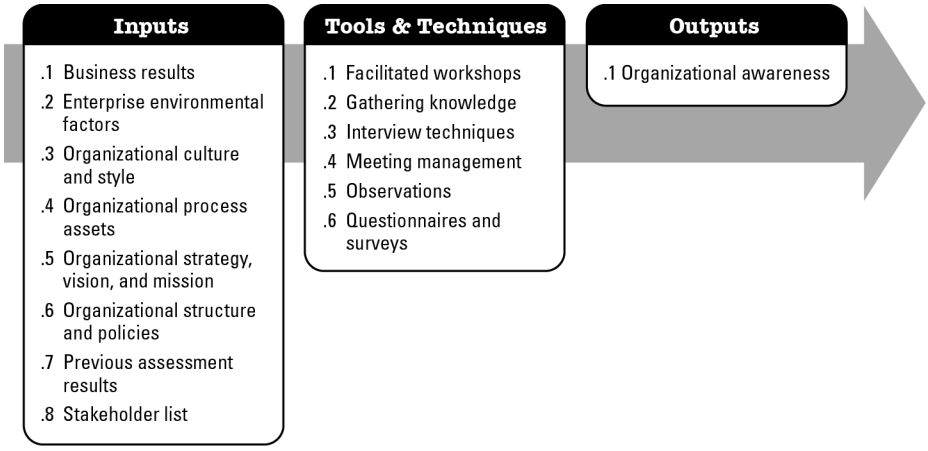

Figure 4-3. Understand Organization: Inputs, Tools and Techniques, and Outputs

4.2.1 Understand Organization: Inputs

4.2.1.1 Business Results

Business results include the income statement, balance sheet, cash flow statements, government-required reports for publicly traded companies, annual reports, and other internally or externally published information. The *OPM3* practitioner gathers operations data to support improving business results. Business results also include department budgets, department operational information, and department goals that assist with identifying measures pre- and post-improvement.

4.2.1.2 Enterprise Environmental Factors

Enterprise environmental factors refer to both internal and external environmental factors that surround or influence an organization's business success. Enterprise environmental factors may enhance or constrain *OPM3* initiative options. Enterprise environmental factors include, but are not limited to, the following:

- Cultural factors,
- Existing human resources,
- Market conditions,
- Organization's communications channels,
- Organizational processes,

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- Personnel administration,
- Political climate, and
- Project management information systems.

4.2.1.3 Organizational Culture and Style

Organizational culture and style play an important part in understanding the environment landscape in which the people, process, and tools described earlier reside. Different approaches and activities need to be employed for the Acquire Knowledge Cycle Element processes to be effective.

4.2.1.4 Organizational Process Assets

Described in Section 4.1.1.5.

4.2.1.5 Organizational Strategy, Vision, and Mission

The organizational strategy, vision, mission, values, and purpose help shape strategic objectives and include the mission, vision, values, and purpose. Mission and vision statements convey the organization's intent to shape the culture and inspire employees. The *OPM3* practitioner should be sensitive to the organization's core values.

4.2.1.6 Organizational Structure and Policies

Organizational structure and policies provide insight on the management style, reporting channel, and span of control. Policies impact how OPM is adopted and need to be considered for each individual organization.

4.2.1.7 Previous Assessment Results

For follow-up assessments (second or later iterations), previous assessment results provide background on the prior state of the organization. These historical results provide awareness of what had previously been done, the reaction to prior assessments if applicable, and what potential opportunities exist.

4.2.1.8 Stakeholder List

The stakeholder list includes key stakeholders that provide oversight and influence with a vested interest in improving business results. Stakeholders are individuals, groups, or organizations who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a portfolio, program, or project. Many stakeholders provide valuable input and play a critical role in the success of any project or program.

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4.2.2 Understand Organization: Tools and Techniques

4.2.2.1 Facilitated Workshops

Described in Section 4.1.2.1.

4.2.2.2 Gathering Knowledge

This process involves gathering knowledge from key stakeholders. Four steps guide the gathering of this knowledge:

- **Elicit organizational knowledge.** Traditional elicitation techniques include interviews and workshops. Knowledge gathered may address organizational questions such as:
  - What is the organization's business area?
  - What is the organization's business need?
  - What is the organization's business goal?
- **Analyze organizational knowledge.** Extract the real state of the organization by analyzing elicited knowledge. There may be a difference between stated and real state of the organization.
- **Document organizational knowledge.** Document elicited knowledge for stakeholder review, understanding, and confirmation.
- **Validate documented organizational knowledge.** By reviewing and inspecting the documented knowledge, confirm the documented knowledge is unambiguous and consistent throughout the document.

4.2.2.3 Interview Techniques

An interview is a formal or informal approach to gather information from stakeholders. An *OPM3* practitioner conducts interviews by asking prepared questions and recording the responses. Interview scenarios include:

- One interviewer—one interviewee,
- One interviewer—many interviewees,
- Many interviewers—one interviewee, and
- Many interviewers—many interviewees.

The *OPM3* practitioner establishes an atmosphere of trust, exchanges information, gives and receives feedback, and sometimes performs a follow-up interview. Interview preparation and planning include:

- Utilizing appropriate methods (face-to-face, telephone, email, chat messaging, etc.),
- Incorporating critical thinking, and
- Identifying problems.

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4.2.2.4 Meeting Management

Described in Section 4.1.2.2.

4.2.2.5 Observations

Observations provide a direct way of viewing individuals in their organization and how they perform their jobs or tasks and execute processes. Observers witness how activities performed in an environment impact a process. Observers glean direct or indirect evidence resulting from work being performed. Observers draw conclusions regarding the environment and the state of people, processes, and tools within that environment.

4.2.2.6 Questionnaires and Surveys

Questionnaires and surveys are written sets of questions designed to quickly accumulate information from a wide number of respondents. The *OPM3* practitioner uses questionnaires and surveys to rapidly gather information. Figure 4-4 contains some sample questions for a questionnaire or survey.

Topic	Question
Organization's strategic plan	What are the main goals in your strategic plan for the next 5 years?
Customer expectations	What product/service standards do you think your customers are expecting to receive from you?
Political environment	What legislative changes are expected to affect your operations?
Social environment	What kind of social activities does your HR department arrange for your staff?
Economic environment	Are the current economic conditions in the market enabling your future growth targets?
Technical environment	What kind of technologies are you relying upon for performing your operations?
Strength of the organization	What are your main competitive advantages in the market?
Weakness of the organization	What are the organization's most painful weakness points that you would like to address?
Organizational structure	How are organizational power and decision-making authorities granted in the organization?
Other data	Do you work with offshore suppliers?

Figure 4-4. Sample Questionnaire and Survey Topics

4.2.3 Understand Organization: Outputs

4.2.3.1 Organizational Awareness

Organizational awareness grows through a variety of activities throughout the Understand Organization process. Organizations continually evolve and can be complex to understand. Gaining organizational knowledge is essential as an organization seeks to mature portfolio, program, and project management.

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Although the results of organizational awareness are not used as a discrete input to any of the processes included in Sections 4 and 5, the knowledge obtained constitutes the basis for all of these processes.

4.3 Assess Change Readiness

Assess Change Readiness is the process that establishes the organization's willingness or ability to change. If the organization has a very low propensity to change, resistance is likely to be experienced when undertaking an *OPM3* initiative. Assess the change readiness of individuals and the overall organization.

Readiness reflects the individuals' ability to change and that of the environment within which they operate. Extensive research and literature exist regarding this topic. The organization facilitates adoption and broad acceptance by the community when improvements are made to the enterprise structure, technology, and culture. Process change impact needs to consider readiness of the target population, change agents, and sponsors. See Figure 4-5 for a list of inputs, tools and techniques, and outputs.

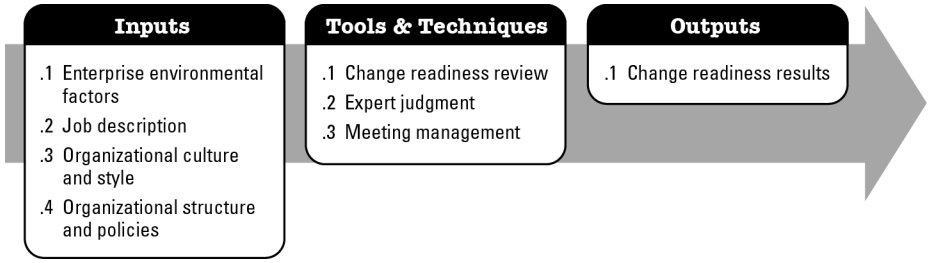

Figure 4-5. Assess Change Readiness: Inputs, Tools and Techniques, and Outputs

4.3.1 Assess Change Readiness: Inputs

4.3.1.1 Enterprise Environmental Factors

Described in Section 4.2.1.2.

4.3.1.2 Job Description

The job description outlines the job function performed by individuals in the organization. Job descriptions are classified as one of the organization's assets and serve as an input to the Assess Change Readiness process. By reviewing job descriptions, the organization determines whether skills required to change the organization exist.

4.3.1.3 Organizational Culture and Style

Described in Section 4.2.1.3.

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4.3.1.4 Organizational Structure and Policies

Described in Section 4.2.1.6.

4.3.2 Assess Change Readiness: Tools and Techniques

4.3.2.1 Change Readiness Review

Change readiness review reveals preliminary findings based on insights gained from the Understanding OPM and Understanding Organization processes. This review serves as a general gauge of the organization's preparedness for change and potential obstacles.

4.3.2.2 Expert Judgment

Expert judgment is a tool or technique demonstrated by knowledgeable parties associated with the organization. Qualified individuals demonstrate expert judgment by providing information and data used to solve problems or make decisions through specialized education, knowledge, skill, experience, or training.

4.3.2.3 Meeting Management

Described in Section 4.1.2.2.

4.3.3 Assess Change Readiness: Outputs

4.3.3.1 Change Readiness Results

The change readiness results convey the organization's readiness for change in the following areas:

- Attitude and expectations of the key stakeholders are understood.
- Sponsor is defined to deploy resources to understand OPM and its fit for organizational culture and environment.
- Organization/department is assigned and accepts responsibility for improvement initiatives.
- OPM is understood among stakeholders.
- Organization's strategic plan is clear, understood, and accepted by the stakeholders.
- Organization's vision and mission are clear and understood among stakeholders.
- Organization's structure and policies are clear and understood among stakeholders.

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5

PERFORM ASSESSMENT

This section describes the processes required to successfully plan, scope, and conduct an *OPM3* assessment. It is structured such that Perform Assessment delivers a framework consistent with the *OPM3* Areas of Expertise and Cycle Elements. Within the Perform Assessment Cycle Element, there are four processes that are discrete and not necessarily sequential. Practitioners often perform the four interwoven and possibly iterative processes concurrently.

The Perform Assessment Cycle Element is comprised of four processes as depicted in Figure 5-1:

5.1 Establish Plan—An *OPM3* practitioner and the organizational leaders work together to establish a plan prior to starting an *OPM3* initiative.

5.2 Define Scope—The Define Scope process identifies the breadth and depth of the planned assessment. Scoping includes skills, resources, funding, and other preparations that flow into the Establish Plan process.

5.3 Conduct Assessment—The Conduct Assessment process is where the organization executes the assessment plan based upon the Define Scope process.

5.4 Initiate Change—The Initiate Change process provides change management information to the team throughout the Perform Assessment Cycle Element. An *OPM3* practitioner tailors the approach based on the organizational environment in which OPM is being assessed.

In summary, these four processes interact to produce assessment findings. These findings quantitatively drive OPM initiatives that correlate to desired business results.

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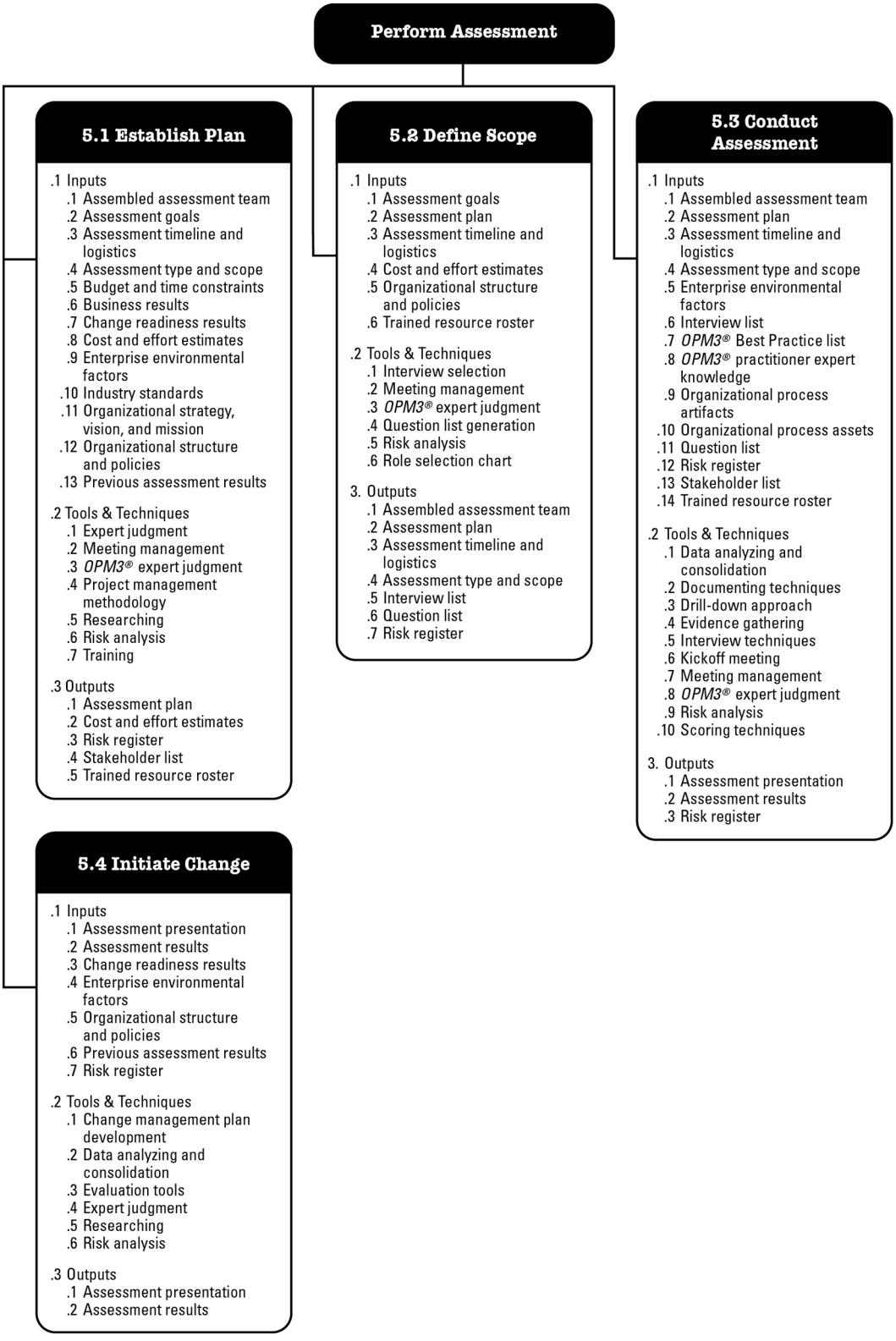

Figure 5-1. Perform Assessment Overview

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5.1 Establish Plan

The Establish Plan process transforms goals, organizational performance, market position, and other information into an assessment plan. An *OPM3* practitioner focuses on preparing for an assessment and how it relates to improving business performance. When available, the *OPM3* practitioner leverages the organization's project management methodology to manage the initiative. An external *OPM3* practitioner may employ other available methodologies. This process also yields cost estimates, risks, key stakeholders, and an assessment team. See Figure 5-2 for a list of inputs, tools and techniques, and outputs.

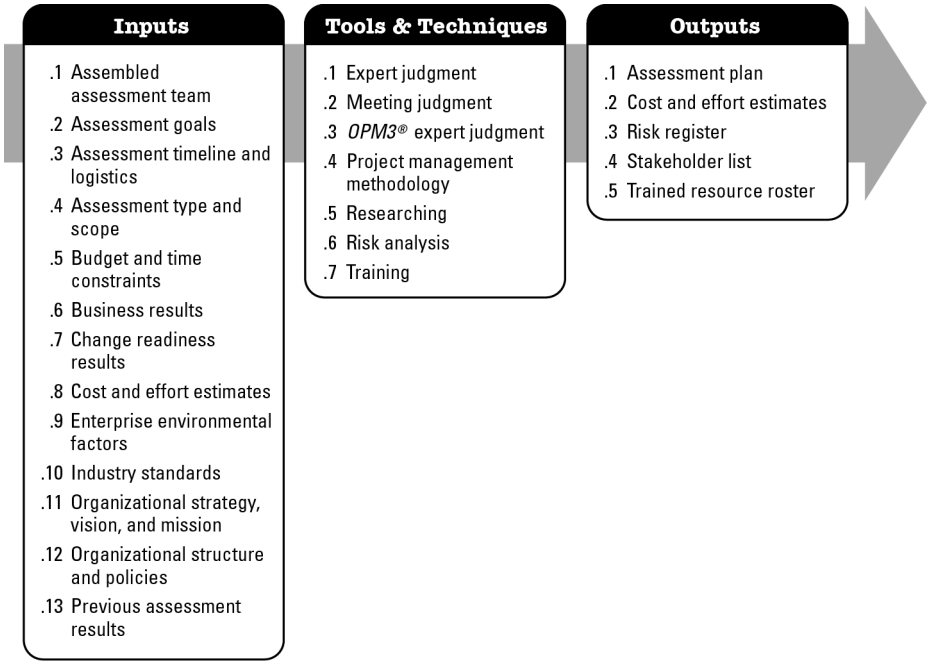

Figure 5-2. Establish Plan: Inputs, Tools and Techniques, and Outputs

5.1.1 Establish Plan: Inputs

5.1.1.1 Assembled Assessment Team

The assembled assessment team addresses the skills, abilities, training, and industry knowledge needed for an OPM initiative. Assessment team roles include the *OPM3* practitioner, organizational process owner, key stakeholders, industry subject matter experts (SMEs), and process SMEs.

5.1.1.2 Assessment Goals

Assessment goals cover why an organization wants to undertake an OPM initiative. The *OPM3* practitioner strives to align the assessment goals to improve business performance. Examples of goals include, but are not limited to, greater benefits realization, reduced project cycle time, better cost estimating, standardized processes across several departments, improved metrics, and faster improvements, etc.

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5.1.1.3 Assessment Timeline and Logistics

Assessment timeline and logistics provide the Establish Plan process with time frames acceptable to the organization. Logistical information includes, but is not limited to, the physical building locations, conference rooms, dates, time frames, equipment, and catering.

5.1.1.4 Assessment Type and Scope

Assessment type and scope address the method of the assessment, whether it will be document-based or interview-based, or both, and includes portfolio, program, and project management. Organizational enablers are typically in scope for all assessments regardless of industry, size, or complexity.

Types of assessments include, but are not limited to, the following:

- Evidence-based/interview-based,
- High-level/detailed,
- Remote/local, and
- Single user and multiusers.

Scope options include, but are not limited to, the following:

- By business result,
- By Knowledge Area,
- By Process Group,
- By SMCI (standardize, measure, control, and improve),
- Complete assessment,
- Domain-based (portfolio, program, and project), and
- Organizational enablers only.

5.1.1.5 Budget and Time Constraints

Budget and time constraints bound the OPM initiative. Examples of constraints include, but are not limited to: the number of interviews, duration of the interviews, participant availability, geographic challenges, and associated costs.

5.1.1.6 Business Results

Business results include the income statement, balance sheet, cash flow statements, government-required reports for publicly traded companies, annual reports, and other internally or externally published information. The *OPM3* practitioner gathers operations data to support improving business results. Business results also include department budgets, department operational information, and department goals that assist with identifying measures pre- and post-improvement.

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5.1.1.7 Change Readiness Results

Change readiness results convey the organization's readiness for change in the following areas:

- Attitude and expectations of the key stakeholders are understood.
- Sponsor is defined to deploy resources to understand OPM and its fit for organizational culture and environment.
- Organization/department is assigned and accepts responsibility for improvement initiatives.
- OPM is understood among stakeholders.
- Organization's strategic plan is clear, understood, and accepted by the stakeholders.
- Organization's vision and mission are clear and understood among stakeholders.
- Organization's structure and policies are clear and understood among stakeholders.

5.1.1.8 Cost and Effort Estimates

Cost and effort estimates capture the resources projected to be consumed by the OPM initiative. Examples of cost and effort include number of days, number of people, resource rates, travel costs, facility costs, etc.

5.1.1.9 Enterprise Environmental Factors

Enterprise environmental factors refer to both internal and external environmental factors that surround or influence an organization's business success. Enterprise environmental factors may enhance or constrain *OPM3* initiative options. Enterprise environmental factors include, but are not limited to, the following:

- Cultural factors,
- Existing human resources,
- Market conditions,
- Organization's communications channels
- Organizational processes,
- Personnel administration,
- Political climate, and
- Project management information systems.

5.1.1.10 Industry Standards

It is beneficial to be cognizant of industry standards that govern or influence organizations. This domain knowledge helps guide the team during discussions, interviews, assessments, and improvements.

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5.1.1.11 Organizational Strategy, Vision, and Mission

The organizational strategy, vision, mission, values, and purpose help shape strategic objectives and include the mission, vision, values, and purpose. Mission and vision statements convey the organization's intent to shape the culture and inspire employees. The *OPM3* practitioner should be sensitive to the organization's core values.

5.1.1.12 Organizational Structure and Policies

Organizational structure and policies provide insight on the management style, reporting channel, and span of control. Policies impact how OPM is adopted and should be considered for each individual organization.

5.1.1.13 Previous Assessment Results

For follow-up assessments (second or later iterations), previous results provide background on the prior state of the organization. These historical results provide awareness of what has previously been done, the reaction to prior assessments if applicable, and what potential opportunities exist.

5.1.2 Establish Plan: Tools and Techniques

5.1.2.1 Expert Judgment

Expert judgment is a tool or technique demonstrated by knowledgeable parties associated with the organization. Qualified individuals demonstrate expert judgment by providing information and data used to solve problems or make decisions through specialized education, knowledge, skill, experience, or training.

5.1.2.2 Meeting Management

Meeting management includes planning, scheduling, conducting, documenting, and following-up on meetings pertaining to *OPM3*.

5.1.2.3 *OPM3* Expert Judgment

OPM3 expert judgment is a tool or technique leveraging OPM knowledgeable parties associated with the organization. *OPM3* expertise is provided by any group or person with specialized education, knowledge, skill experience, or training. Qualified individuals demonstrate *OPM3* expert judgment by providing information and data from PMI standards (*PMBOK® Guide* – Fifth Edition, *The Standard for Program Management* – Third Edition, *The Standard for Portfolio Management* – Third Edition, and *Project Manager Competency Development Framework* – Second Edition) to solve problems or make decisions.

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5.1.2.4 Project Management Methodology

Project management methodology is a collection of methods and rules followed in the science or discipline of project management. Artifacts generated by a methodology include project charter, schedule, templates, procedures, training materials, etc.

5.1.2.5 Researching

Researching is the systematic investigation into new or existing knowledge. White papers, industry courses, articles, books, research papers, and other materials are available to ascertain broader knowledge of *OPM3*.

5.1.2.6 Risk Analysis

Risk analysis is a technique applied to systematically assess potential barriers and opportunities to improve success. Steps for risk analysis include:

- Identifying risks to expose uncertainty, which requires an intimate knowledge of the industry, legal, social, political, and cultural environment;
- Evaluating risks and assigning classifications;
- Determining and managing impacts on the assessment project; and
- Developing a response plan.

5.1.2.7 Training

Training is the acquisition of knowledge, skills, and competencies through instruction. The change readiness process identifies any party affiliated with the OPM initiative that needs training. The *OPM3* practitioner creates training plans to address training needs. *OPM3* practitioners attend training to develop mastery of translating organizational capability to *OPM3* Best Practices.

5.1.3 Establish Plan: Outputs

5.1.3.1 Assessment Plan

The assessment plan output is a culmination of defining, preparing, integrating, and coordinating all aspects of planning.

The assessment plan identifies:

- People responsible for the assessment process;
- Mission, goals, and outcomes of the initiative;

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- Outcome targets; and
- Performance measures.

5.1.3.2 Cost and Effort Estimates

The cost and effort estimates output captures the revised amount of resources projected to be consumed by the OPM initiative. Examples of cost and effort include number of days, number of people, resource rates, travel costs, and facility costs, etc.

5.1.3.3 Risk Register

The risk register documents all identified risks throughout the life cycle of an OPM initiative. It quantifies risk in terms of the likelihood of occurrence and impact, initial plan for responding to each high-level risk, and cost and responsibility of mitigation. Refer to the *PMBOK® Guide* for details on the management of a risk register.

5.1.3.4 Stakeholder List

The stakeholder list includes key stakeholders that provide oversight and influence with a vested interest in improving business results. Key stakeholders are individuals, groups, or organizations who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project, program, or portfolio. Many stakeholders provide valuable input and play a critical role in the success of any project or program.

5.1.3.5 Trained Resource Roster

The trained resource roster output includes those individuals who acquire OPM knowledge, skills, and competencies through instruction. The *OPM3* practitioner includes training plans as part of the assessment plan to address team member training needs.

5.2 Define Scope

The Define Scope process outlines who, what, where, and how much boundary is needed for the *OPM3* initiative. Defining the scope develops a common understanding of what is included in, and excluded from, the initiative. This scope provides the foundation for building the schedule, budget, and staffing plans. See Figure 5-3 for a list of inputs, tools and techniques, and outputs.

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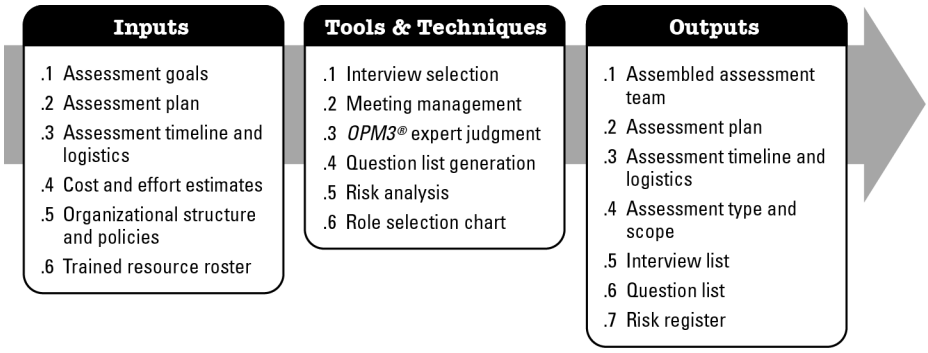

Figure 5-3. Define Scope: Inputs, Tools and Techniques, and Outputs

5.2.1 Define Scope: Inputs

5.2.1.1 Assessment Goals

Described in Section 5.1.1.2.

5.2.1.2 Assessment Plan

Described in Section 5.1.3.1.

5.2.1.3 Assessment Timeline and Logistics

Described in Section 5.1.1.3.

5.2.1.4 Cost and Effort Estimates

Described in Section 5.1.1.8.

5.2.1.5 Organizational Structure and Policies

Described in Section 5.1.1.12.

5.2.1.6 Trained Resource Roster

Described in Section 5.1.3.5.

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5.2.2 Define Scope: Tools and Techniques

5.2.2.1 Interview Selection

The interview selection technique provides the *OPM3* practitioner with a way to efficiently and effectively gather evidence from the organization through interviews. Practitioners seek important information from a number of resources within the organization to confirm Best Practices. The *OPM3* practitioner selects a sample of roles across the organization to document findings and draw conclusions about the entire population. Valid conclusions require statistically significant sample size selection.

5.2.2.2 Meeting Management

Described in Section 5.1.2.2.

5.2.2.3 *OPM3* Expert Judgment

Described in Section 5.1.2.3.

5.2.2.4 Question List Generation

The question list generation technique is used by the *OPM3* practitioner to compile an appropriate set of questions for the scoped initiative. Questions typically address each role selected for an interview.

5.2.2.5 Risk Analysis

Described in Section 5.1.2.6.

5.2.2.6 Role Selection Chart

The role selection chart technique provides the *OPM3* practitioner with a way to quickly determine the roles that participate in an initiative. As the initiative scope varies, the *OPM3* practitioner selects different roles for the interview process. High-quality assessment results include an appropriate range of roles from across the organization. The *OPM3* practitioner considers these roles:

- Corporate leadership,
- Director of PMO,
- Functional leaders,
- Human resources leaders,
- Portfolio manager (person or committee),
- Process owners,
- Project and program managers,

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- Subject matter experts (SMEs), and
- Team members.

5.2.3 Define Scope: Outputs

5.2.3.1 Assembled Assessment Team

Described in Section 5.1.1.1.

5.2.3.2 Assessment Plan

Described in Section 5.1.3.1.

5.2.3.3 Assessment Timeline and Logistics

Described in Section 5.1.1.3.

5.2.3.4 Assessment Type and Scope

Described in Section 5.1.1.4.

5.2.3.5 Interview List

The interview list output documents the set of individuals selected for interview. The *OPM3* practitioner schedules and adjusts interviews during the Conduct Assessment process using the interview list.

5.2.3.6 Question List

The question list output documents the set of questions administered to the interviewees from the interview list. Questions are typically grouped by role and Knowledge Area.

5.2.3.7 Risk Register

Described in Section 5.1.3.3.

5.3 Conduct Assessment

The Conduct Assessment process is applicable when the assessment team evaluates the organization against the specified scope. This includes a kick-off meeting, document reviews, interviews, documenting findings, gathering evidence, analyzing data, and creating the final report. The *OPM3* practitioner records evidence and is continually translating the collected evidence into the *OPM3* Best Practice to determine the degree to which it exists. The *OPM3* practitioner analyzes and validates results to report back to the organization. See Figure 5-4 for a list of inputs, tools and techniques, and outputs.

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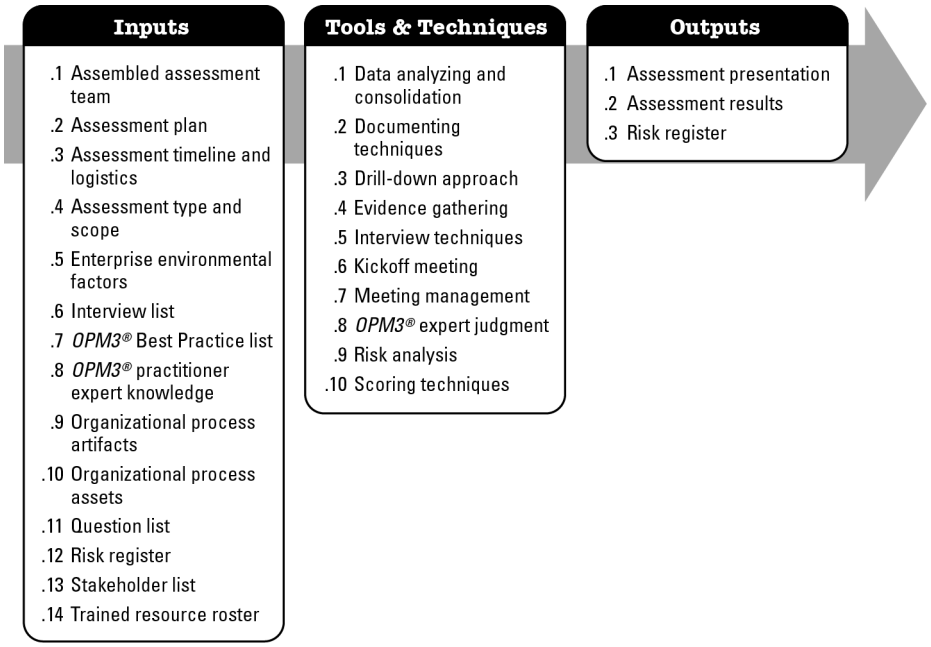

Figure 5-4. Conduct Assessment: Inputs, Tools and Techniques, and Outputs

5.3.1 Conduct Assessment: Inputs

5.3.1.1 Assembled Assessment Team

Described in Section 5.1.1.1.

5.3.1.2 Assessment Plan

Described in Section 5.1.3.1.

5.3.1.3 Assessment Timeline and Logistics

Described in Section 5.1.1.3.

5.3.1.4 Assessment Type and Scope

Described in Section 5.1.1.4.

5.3.1.5 Enterprise Environmental Factors

Described in Section 5.1.1.9.

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5.3.1.6 Interview List

Described in Section 5.2.3.5.

5.3.1.7 *OPM3* Best Practices List

The *OPM3* Best Practices list, found in Annex A1, represents methods currently recognized within a given industry or discipline to achieve a goal or objective. An organization demonstrates achievement of an *OPM3* Best Practice by consistently demonstrating all of the supporting capabilities and realizing the Outcomes associated with each Capability.

5.3.1.8 *OPM3* Practitioner Expert Knowledge

The *OPM3* practitioner expert knowledge input addresses a broad spectrum of topics encompassing the *OPM3* multidimensional model. Organizations seek external consulting services to translate the organization's business needs into the model when in-house *OPM3* expertise is unavailable.

5.3.1.9 Organizational Process Artifacts

Organizational process artifacts are outputs created by the execution of a process. These artifacts include things such as a project charter, schedule, meeting minutes, risk register, etc. Practitioners use these artifacts to evaluate the health of an organization's processes.

5.3.1.10 Organizational Process Assets

The organizational process assets encompass policies, procedures, guidelines, templates, checklists, and methodologies. These assets include the organization's knowledge base such as lessons learned and historical process information as the organization improves.

5.3.1.11 Question List

Described in Section 5.2.3.6.

5.3.1.12 Risk Register

Described in Section 5.1.3.3.

5.3.1.13 Stakeholder List

Described in Section 5.1.3.4.

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5.3.1.14 Trained Resource Roster

Described in Section 5.1.3.5.

5.3.2 Conduct Assessment: Tools and Techniques

5.3.2.1 Data Analyzing and Consolidation

The data analyzing and consolidation technique enables the *OPM3* practitioner to analyze information collected during the assessment process. The *OPM3* practitioner gains greater insight by applying multivariate, bivariate, and univariate techniques to data from the interviews. Steps for analysis include the following:

- Aggregate and group similar information;
- Avoid drawing false conclusions;
- Be objective, accurate, and truthful;
- Corroborate process artifacts with interview findings;
- Separate fact from opinion; and
- Support findings with data.

Data consolidation reveals patterns, common themes, trends, and highlights outliers.

5.3.2.2 Documenting Techniques

Documenting techniques ensure a full, clear, and accurate account of the site, all field operations, and observation details. Capturing the assessment inputs with pen and paper encourages open communication during interviews. Depending on the culture and receptiveness of the organization, other documenting techniques may be appropriate. The *OPM3* practitioner employs non-attribution in the collection of the assessment information. This means that all documented information is not associated with a specific project or person.

5.3.2.3 Drill-Down Approach

The drill-down approach technique involves progressively drilling into more detail. The drill-down approach is an analytical method that compares and contrasts scenarios in relation to specific conditions and situations.

5.3.2.4 Evidence Gathering

The evidence gathering technique assists the *OPM3* practitioner with accumulating evidence to support assessment findings. The *OPM3* practitioner collects evidence to validate the existence of Best Practices. There should be a balance between available evidence and sufficient evidence for the assessment to avoid analysis paralysis. The assessment team ensures that access to the systems or PMIS are available for gathering the evidence identified in the assessment plan.

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5.3.2.5 Interview Techniques

An interview is a formal or informal approach to discover information from stakeholders. An *OPM3* practitioner conducts interviews by asking prepared questions and recording the responses. Interview scenarios include:

- One interviewer—one interviewee,
- One interviewer—many interviewees,
- Many interviewers—one interviewee, and
- Many interviewers—many interviewees.

The *OPM3* practitioner establishes an atmosphere of trust, exchanges information, gives and receives feedback, and sometimes performs a follow-up interview. Preparation and planning include:

- Identifying problems;
- Incorporating critical thinking, and
- Utilizing appropriate methods (face-to-face, telephone, email, chat messaging, etc.).

5.3.2.6 Kickoff Meeting

The kickoff meeting technique outlines the purpose, sets the tone, clarifies expectations, plans for logistics, reinforces scope, discusses the timeline, describes the resource needs of the assessment, and describes how the assessment results will be handled. Allow time for answering questions and ensure that participants feel comfortable with the upcoming assessment interviews.

5.3.2.7 Meeting Management

Described in Section 5.1.2.2.

5.3.2.8 *OPM3* Expert Judgment

Described in Section 5.1.2.3.

5.3.2.9 Risk Analysis

Described in Section 5.1.2.6.

5.3.2.10 Scoring Techniques

Scoring techniques assign a numeric value to findings and include:

- Ordinal scale,
- Conditional distribution (yes or no), and
- Dimensional matrix (low, mid, high).

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Scoring techniques quantify the collected assessment data in a consistent and structured manner.

5.3.3 Conduct Assessment: Outputs

5.3.3.1 Assessment Presentation

The assessment presentation output is a culmination of the Conduct Assessment process. The *OPM3* practitioner summarizes the primary findings of the assessment results and sets the baseline for the organization. The presentation balances the strengths and opportunities for improvement. To gain buy-in, the *OPM3* practitioner socializes the presentation with sponsors and key stakeholders prior to delivery. It is important to be attentive to difficult team members and stakeholders who are typically vocal in public forums. Delivery of the assessment presentation and assessment results brings closure to the Cycle Element Perform Assessment.

5.3.3.2 Assessment Results

The assessment results output is the written report summarizing the Conduct Assessment process. Elements to consider when structuring the assessment results include, but are not limited to, using executive language, graphics to pictorially convey messages, and a writing style to fit the organization.

5.3.3.3 Risk Register

Described in Section 5.1.3.3.

5.4 Initiate Change

The Initiate Change process begins with an analysis of the current state of affairs to identify where the organization is in need of change. This analysis gives team members and stakeholders a clear purpose in making the changes and what they hope to achieve. To increase the probability of success, a change management process turns intention into action to achieve benefits realization.

The *OPM3* practitioner analyzes inputs such as change readiness results to understand the organization's readiness for change. The Initiate Change process runs concurrently with the other processes in the Perform Assessment Cycle Element to evaluate the organization, culture, processes, tools, and technologies as an enterprise solution. The *OPM3* practitioner makes adjustments as the Establish Plan and Define Scope processes ebb and flow. Throughout the Conduct Assessment process, the *OPM3* practitioner makes periodic adjustments and leverages every opportunity to pace change at an acceptable rate for the organization. Pacing change at a rate higher than an organization can absorb has a negative impact on people and processes. See Figure 5-5 for a list of inputs, tools and techniques, and outputs.

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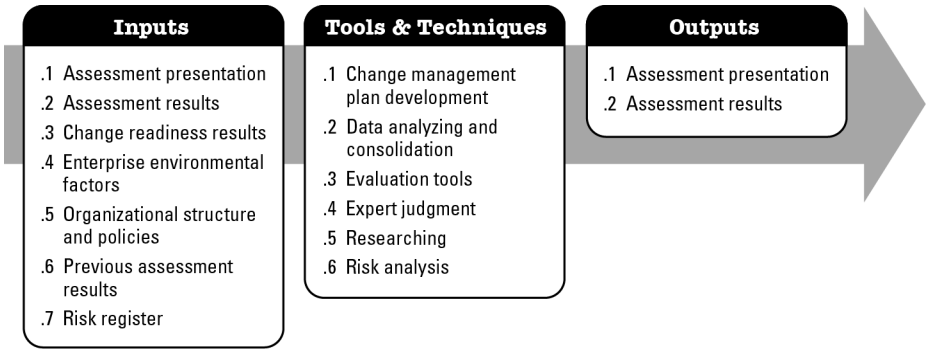

Figure 5-5. Initiate Change: Inputs, Tools and Techniques, and Outputs

5.4.1 Initiate Change: Inputs

5.4.1.1 Assessment Presentation

Described in Section 5.3.3.1.

5.4.1.2 Assessment Results

Described in Section 5.3.3.2.

5.4.1.3 Change Readiness Results

Described in Section 5.1.1.7.

5.4.1.4 Enterprise Environmental Factors

Described in Section 5.1.1.9.

5.4.1.5 Organizational Structure and Policies

Described in Section 5.1.1.12.

5.4.1.6 Previous Assessment Results

Described in Section 5.1.1.13.

5.4.1.7 Risk Register

Described in Section 5.1.3.3.

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5.4.2 Initiate Change: Tools and Techniques

5.4.2.1 Change Management Plan Development

Change management plan development involves the management of organizational change activities related to the *OPM3* initiative and desired business results.

The change management plan development technique is used to gather information about the organizational environment, its training style, leadership style, agility, desire to change, and ability to change.

The *OPM3* practitioner applies different methods, depending on the complexity of the change initiatives. A special focus when developing the change management plan is to plan measures to handle possible concerns and resistance that could appear during the change process of the organization.

Key components of creating a change management plan include but are not limited to:

- Evaluating the change management methodology to fit the culture,
- Reviewing the communications plan for effectiveness,
- Engaging managers and supervisors to support tactical measures,
- Considering proactive and reactive resistance to change measures,
- Establishing feedback and measure processes to promote change adoption, and
- Implementing reward systems.

5.4.2.2 Data Analyzing and Consolidation

Described in Section 5.3.2.1.

5.4.2.3 Evaluation Tools

Evaluation tools compare the organization's ability to change and desire to change against the scope defined for the assessment. The assessment team gains an understanding of the probability that the change will be accepted, adopted, and sustained.

5.4.2.4 Expert Judgment

Described in Section 5.1.2.1.

5.4.2.5 Researching

Described in Section 5.1.2.5.

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5.4.2.6 Risk Analysis

Described in Section 5.1.2.6.

5.4.3 Initiate Change: Outputs

5.4.3.1 Assessment Presentation

Described in Section 5.3.3.1.

5.4.3.2 Assessment Results

Described in Section 5.3.3.2.

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6

MANAGE IMPROVEMENT

This section describes the processes to transform the assessment results into an improvement plan within the context of the organization. The difficulty of selecting a single improvement path stems from understanding the complex organizational variables (e.g., strategy, process, technology, communication channels, change readiness, culture, and style). The *OPM3* practitioner guides the selection of improvements by translating the art of the possible into the science of the practical. Once selection is complete, the organization executes the improvement plan by leveraging project and program management methodologies. Linking organizational metrics to the improvement activity improves the odds of success by engaging management and resources. The *OPM3* practitioner anticipates organizational responses and fosters acceptance throughout the Manage Improvement Cycle Element.

Within the Manage Improvement Cycle Element, there are five processes that are discrete and not necessarily sequential. The Manage Improvement processes as depicted in Figure 6-1 are:

6.1 Create Recommendations. The process of identifying the linkage of the Best Practices and Capabilities to the desired business results of the organization.

6.2 Select Initiatives. The process of prioritizing the Best Practices and deciding which improvements to implement or defer, based on cost, timing, change readiness, and resource availability.

6.3 Implement Improvement Initiatives. The process of executing improvement plans to obtain better business results.

6.4 Measure Results. The process of quantifying the impact of improvement activities against historical and target performance.

6.5 Manage Change. The process of synthesizing organizational information such as structure, processes, tools, skills, culture, and style that promote or hinder improvement.

In summary, the Manage Improvement Cycle Element enables the organization to do the right things in the right order to realize improved business results.

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Figure 6-1. Manage Improvement Overview

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6.1 Create Recommendations

The Create Recommendations process produces cost and effort estimates and identifies areas of improvement for the organization. The *OPM3* practitioner creates recommendations by leveraging results from the Perform Assessment Cycle Element and utilizing appropriate techniques. The *OPM3* practitioner clarifies what to improve, why it should be improved, and how much investment the improvement needs. See Figure 6-2 for a list of inputs, tools and techniques, and outputs.

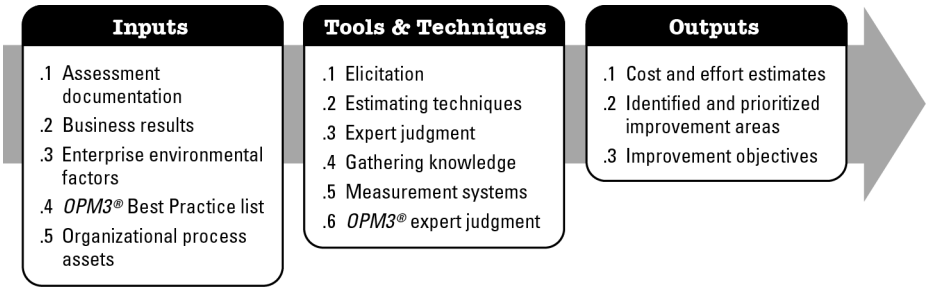

Figure 6-2. Create Recommendations: Inputs, Tools and Techniques, and Outputs

6.1.1 Create Recommendations: Inputs

6.1.1.1 Assessment Documentation

The assessment documentation input describes assessment deliverables that the *OPM3* practitioner synthesizes while creating improvement recommendations. These include:

- **Assessment presentation.** The assessment presentation output is a culmination of the Conduct Assessment process. The *OPM3* practitioner summarizes the primary findings of the assessment results and sets the baseline for the organization. The presentation balances the strengths and opportunities for improvement. To gain buy-in, the *OPM3* practitioner socializes the presentation with sponsors and key stakeholders prior to delivery. It is important to be attentive to difficult team members and stakeholders who are typically vocal in public forums. Delivery of the assessment presentation and assessment results brings closure to the Cycle Element Perform Assessment.
- **Assessment results.** The assessment results output is the written report summarizing the Conduct Assessment process. Elements to consider when structuring the assessment results include, but are not limited to, using executive language, graphics to pictorially convey messages, and a writing style to fit the organization.

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6.1.1.2 Business Results

Business results include the income statement, balance sheet, cash flow statements, government-required reports for publicly traded companies, annual reports, and other internally or externally published information. The *OPM3* practitioner gathers operations data to support improving business results. Business results also include department budgets, department operational information, and department goals that assist with identifying measures pre- and post-improvement.

6.1.1.3 Enterprise Environmental Factors

Enterprise environmental factors refer to both internal and external environmental factors that surround or influence an organization's business success. Enterprise environmental factors may enhance or constrain *OPM3* initiative options. Enterprise environmental factors include, but are not limited to, the following:

- Cultural factors,
- Existing human resources,
- Market conditions,
- Organization's communications channels,
- Organizational processes,
- Personnel administration,
- Political climate, and
- Project management information systems.

6.1.1.4 *OPM3* Best Practices List

The *OPM3* Best Practices list, found in Annex A1, represents methods currently recognized within a given industry or discipline to achieve a goal or objective. An organization demonstrates achievement of an *OPM3* Best Practice by consistently demonstrating all of the supporting capabilities and realizing the Outcomes associated with each Capability.

6.1.1.5 Organizational Process Assets

The organizational process assets encompass policies, procedures, guidelines, templates, checklists, and methodologies. These assets include the organization's knowledge base such as lessons learned and historical process information as the organization improves.

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6.1.2 Create Recommendations: Tools and Techniques

6.1.2.1 Elicitation

The *OPM3* practitioner uses elicitation to draw out improvement recommendations. These techniques include:

- **Facilitated workshops.** Facilitated workshops bring together key cross-functional stakeholders, experts, and both internal and external consultants to understand the OPM. Workshops are a technique for eliciting information in order to understand OPM. Facilitated sessions build trust, foster relationships, and improve communication among the participants or increase stakeholder understanding.
- **Focus groups.** Focus groups bring together key cross-functional stakeholders and subject matter experts to create recommendations for improvement. A trained moderator guides the group through an interactive discussion, designed to be more conversational than a one-on-one interview.
- **Group creativity techniques.** The *OPM3* practitioner organizes group activities to identify improvement recommendations. Creativity techniques include, but are not limited to:
    - *Brainstorming*—A technique used to generate and collect multiple ideas related to recommendations.
    - *Nominal group technique*—This technique enhances brainstorming with a voting process used to rank the most useful ideas for further brainstorming or prioritization.
    - *Idea/mind mapping*—This technique consolidates ideas created through individual brainstorming sessions into a single map to reflect commonality and differences in understanding and stimulates new ideas.
    - *Affinity diagram*—This technique allows large numbers of ideas to be sorted into groups for review and analysis.
    - *Multicriteria decision analysis*—This technique utilizes a decision matrix to provide a systematic analytical approach for establishing criteria, such as risk levels, uncertainty, and valuation for evaluating and ranking many ideas.
- **Group decision-making techniques.** Group decision making is an assessment process of multiple alternatives with an expected outcome in the form of future actions resolution. These techniques generate, classify, and prioritize recommendations.

  There are multiple methods of reaching a group decision, for example:
    - *Unanimity*—Everyone in the group collaboratively agrees on a single course of action.
    - *Majority*—Support exists from more than 50% of the collaborating members of the group.
    - *Plurality*—The largest block in a collaborating group decides even when a majority is not achieved.
    - *Dictatorship*—One individual makes the decision for the group.

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- **Interview techniques.** An interview is a formal or informal approach to discover information from stakeholders. An *OPM3* practitioner conducts interviews by asking prepared questions and recording the responses. Interview scenarios include:
    - One interviewer—one interviewee,
    - One interviewer—many interviewees,
    - Many interviewers—one interviewee, and
    - Many interviewers—many interviewees.

The *OPM3* practitioner establishes an atmosphere of trust, exchanges information, gives and receives feedback, and sometimes performs a follow-up interview.

Preparation and planning include:

- Identifying problems,
- Incorporating critical thinking, and
- Utilizing appropriate methods (face-to-face, telephone, email, chat messaging, etc.).

6.1.2.2 Estimating Techniques

Estimating techniques quantify the magnitude of a recommendation for an organizational culture, process, skill set, or other applicable entity. When little information is available and decisions on general directions are made, estimation techniques are applied. There are a number of different techniques that can be applied for quantifying and classifying the possible influence of recommendations on the different dimensions and dependencies, including process improvement and costs, processes improvement and skill set, cost and skill set, etc. The *OPM3* practitioner selects the appropriate estimation technique, including, but not limited to:

- Analogous estimating,
- Parametric estimating,
- Bottom-up estimating,
- Three-points estimates,
- Influence diagrams,
- SWOT (strengths, weaknesses, opportunities and threats) analysis,
- Cost of quality, and
- Vendor bid analysis.

6.1.2.3 Expert Judgment

Expert judgment is a tool or technique demonstrated by knowledgeable parties associated with the organization. Qualified individuals demonstrate expert judgment by providing information and data used to solve problems or make decisions through specialized education, knowledge, skill, experience, or training.

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6.1.2.4 Gathering Knowledge

This process involves gathering knowledge from key stakeholders. Four steps guide the gathering of this knowledge:

- **Elicit organizational knowledge.** Traditional elicitation techniques include interviews and workshops. Knowledge gathered may address organizational questions such as:
    - What is the organization's business area?
    - What is the organization's business need?
    - What is the organization's business goal?
- **Analyze organizational knowledge.** Extract the real state of the organization by analyzing elicited knowledge. There may be a difference between the stated and real state of the organization.
- **Document organizational knowledge.** Document elicited knowledge for stakeholder review, understanding, and confirmation.
- **Validate documented organizational knowledge.** By reviewing and inspecting the documented knowledge, confirm the documented knowledge is unambiguous and consistent throughout the document.

6.1.2.5 Measurement Systems

Measurement systems deliver concrete metrics to make decisions. These metrics are often called key performance indicators (KPI). The measurements systems are any IT or manual system used to track the status or health of a key performance indicator.

6.1.2.6 *OPM3* Expert Judgment

Based on the assessment results, the *OPM3* practitioner decides which areas of improvement the organization should focus. In most cases, time or financial restrictions do not allow detailed analysis of the cost and benefits regarding the implementation of each Best Practice. On a high level, quick decisions are made to do the right things in the right order to reach strategic goals. *OPM3* expert judgment is a tool or technique demonstrated by knowledgeable parties associated with the organization. Qualified individuals demonstrate expert judgment by providing information and data used to solve problems or make decisions through specialized education, knowledge, skill experience, or training. When analyzing candidate recommendations, current organizational capability (maturity) is a factor.

Like the maturity of an organization, the OPM maturity of an organization also changes over time, as shown in Figure 6-3. The organization progresses through the different stages of maturity over time, with the maturity growing or declining. Organizations move from birth or startup to death. The *OPM3* practitioner leverages *OPM3* to identify the current maturity of the organization. Figure 6-4 depicts a current and future state of an organization. On each maturity level, different Best Practices are applied or implemented for the three domains portfolio, program, and project management, as well as for the organizational enablers. The *OPM3* practitioner pursues implementation of the corresponding Best Practices, depending on the desired *OPM3* maturity level.

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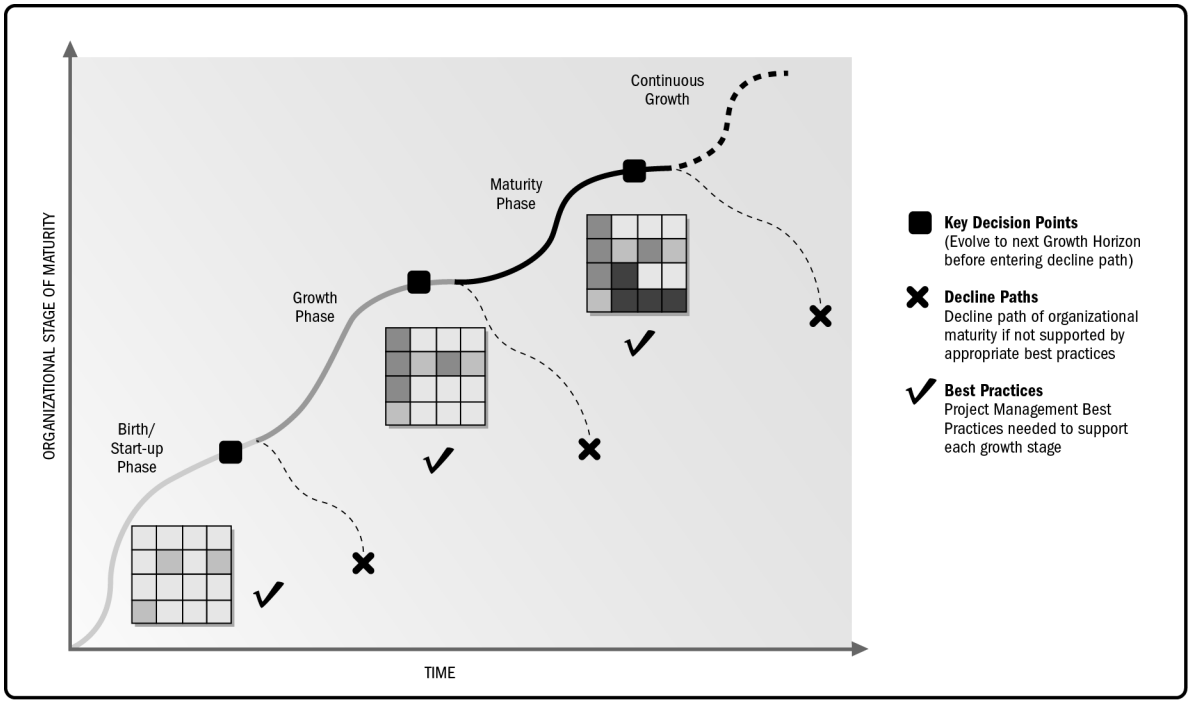

Figure 6-3. Maturity Stages of an Organization

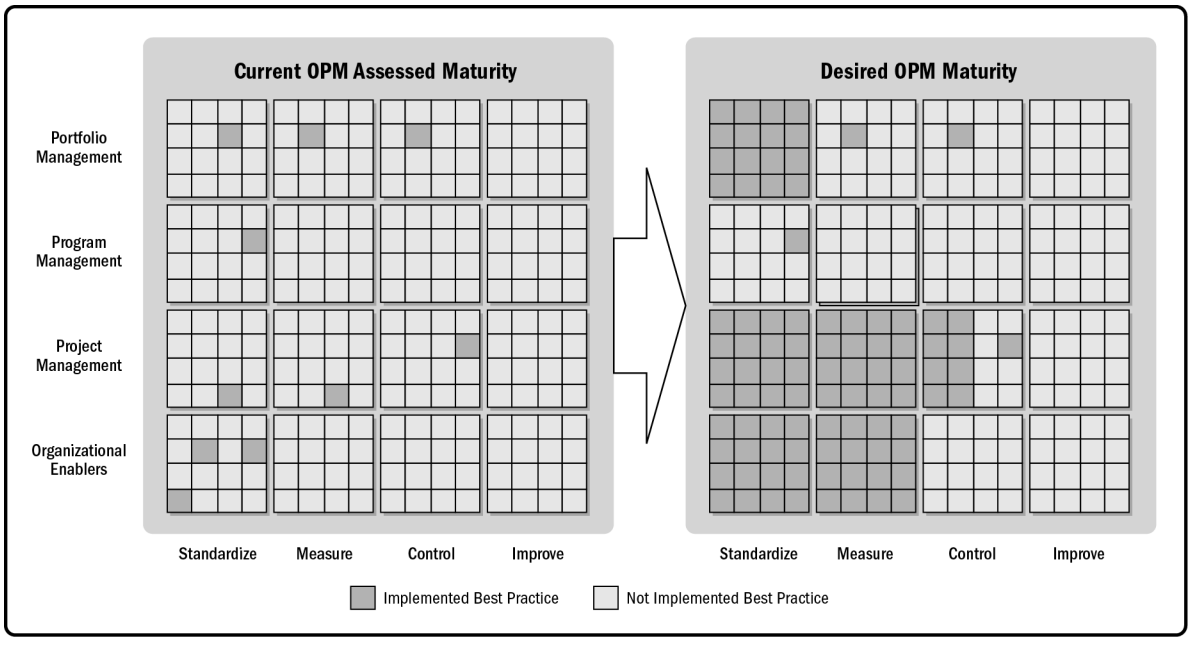

Figure 6-4. High-Level Schema of Current versus Desired OPM Maturity

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The focus of increasing maturity depends on the strategic and tactical targets of the organization. Organizations improve business results by increasing the maturity in:

- Certain domains;
- OE categories;
- Process groups of portfolio, program and project management; and
- Business processes.

The *OPM3* practitioner applies expert judgment to the assessment results shown in the example in Figure 6-5 by identifying gaps and relevant areas of improvement.

Based on the identified high-level areas for improvement (see Figure 6-4) and the assessment results (see Figure 6-5), the related Best Practices can be identified. Depending on the desired *OPM3* maturity level and the implementation status of single Best Practices, the *OPM3* practitioner gets a recommendation which measures should be considered (see Figure 6-6).

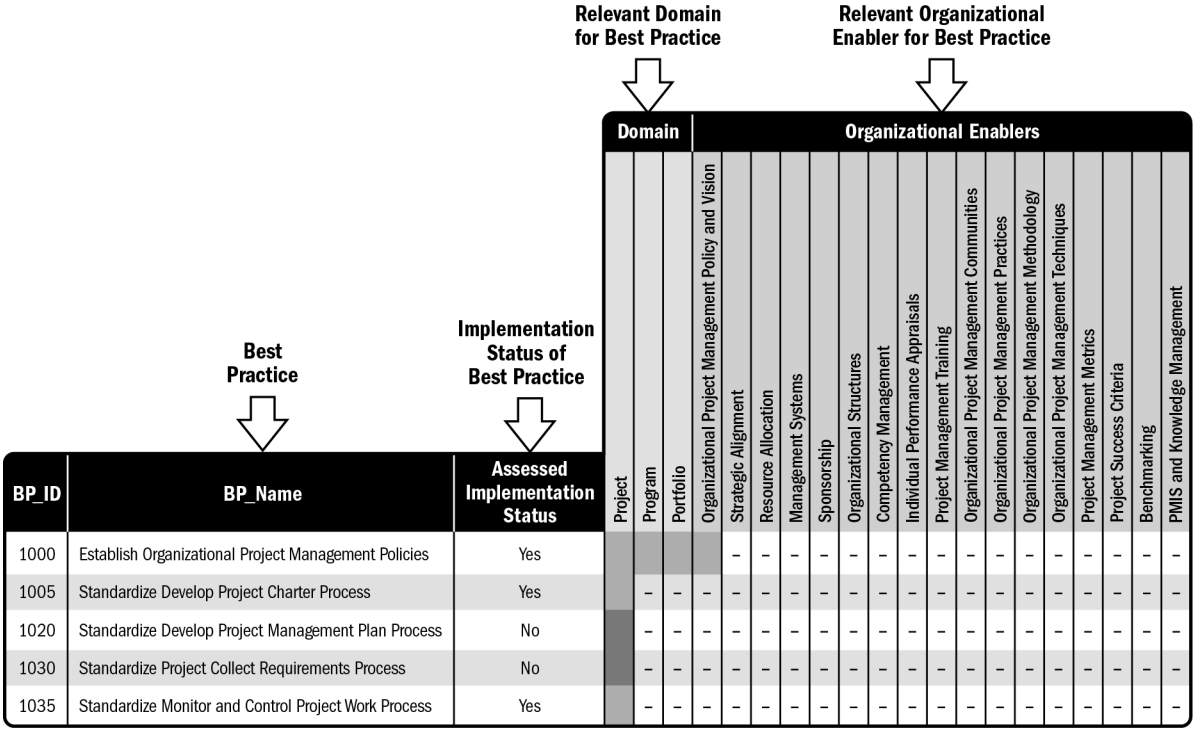

Figure 6-5. Example of *OPM3* Assessment Results

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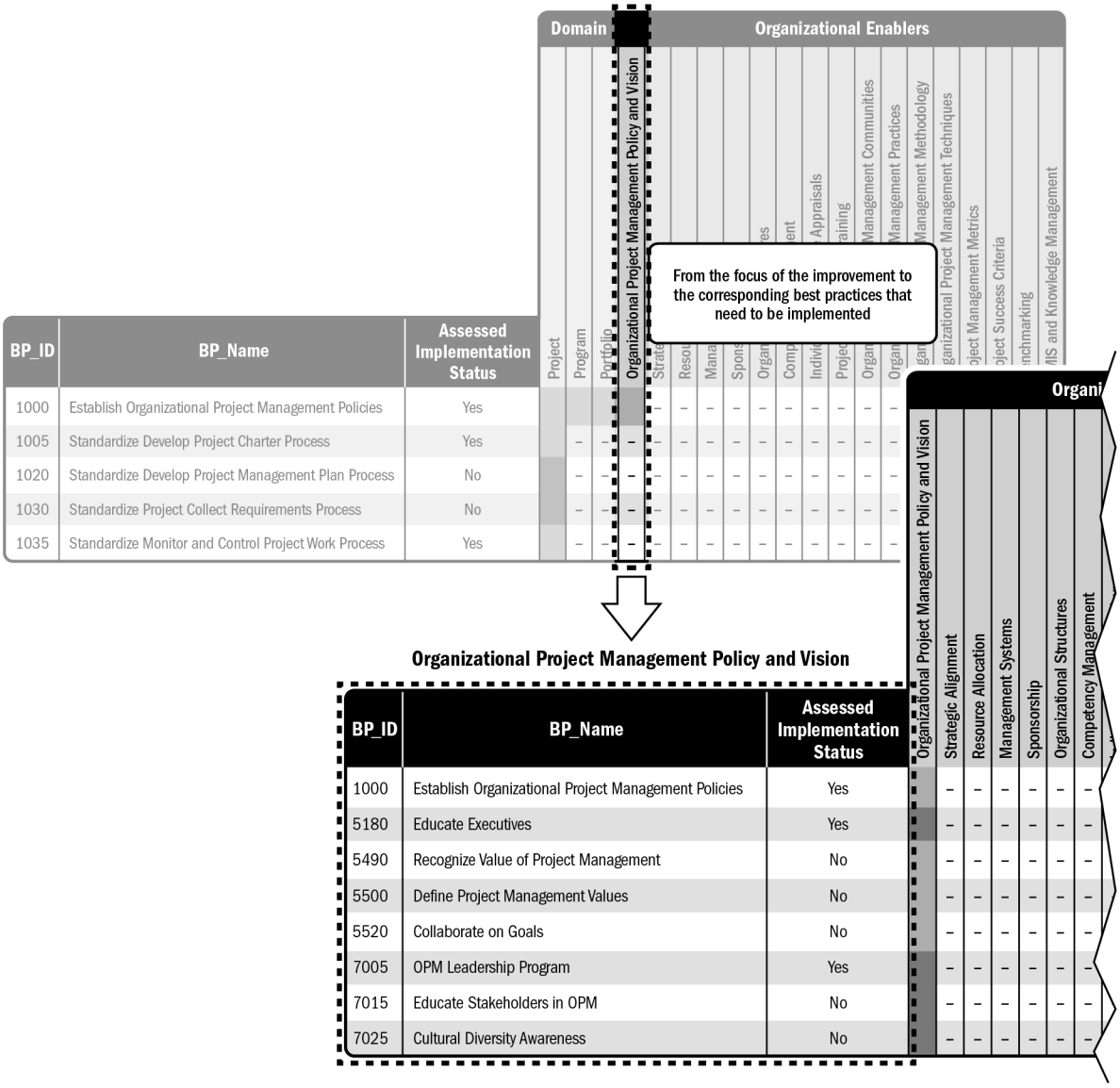

Figure 6-6. Selection of Best Practice Based on the Desired Maturity Level

The overview of the implementation status of each Best Practice and the Best Practices that need to be implemented to reach the desired *OPM3* maturity level (see Figure 6-7) is the basis for the further evaluation process.

For each Best Practice that is in focus for improvement, the *OPM3* team and the relevant stakeholders decide whether the Best Practice should be implemented. The determination of the relative impact of each Best Practice can be assessed by using the elicitation techniques described in 6.1.2.1.

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		Current Maturity	Desired Maturity
Organizational Project Management Policy and Vision			
BP	**BP Name**	**Assessed Implementation Status**	**Desired Implementation Status**
1000	Establish Organizational Project Management Policies	Yes	Yes
5180	Educate Executives	Yes	Yes
5490	Recognize Value of Project Management	No	Yes
5520	Collaborate on Goals	No	Yes
7015	Educate Stakeholders in OPM	No	Yes
7025	Cultural Diversity Awareness	Yes	Yes
7005	OPM Leadership Program	No	Yes
5500	Define Project Management Values	No	No

Figure 6-7. Example of Implementation Status for Desired Maturity Level on Best Practice Level

6.1.3 Create Recommendations: Outputs

6.1.3.1 Cost and Effort Estimates

The cost and effort estimates output captures the rough amount of resources projected to be consumed by the *OPM3* initiative; for example, number of days, number of people, resource rates, travel costs, facility costs, etc.

6.1.3.2 Identified and Prioritized Improvement Areas

The identified and prioritized improvement areas output captures the requirements of the organization's relevant stakeholders pertaining to the desired areas to improve. The *OPM3* practitioner defines a list of *OPM3* Best Practices aligning with the business results sought by stakeholders.

6.1.3.3 Improvement Objectives

The improvement objectives output records the business result sought by the organization's stakeholders. The *OPM3* practitioner translates this business result into an improvement objective associated with *OPM3* Best Practices.

6.2 Select Initiatives

The select initiatives process outlines a set of initiatives, grouping relevant Best Practices for implementation to meet the improvement objectives. The *OPM3* practitioner leverages a variety of tools and techniques to document the initiatives. See Figure 6-8 for a list of inputs, tools and techniques, and outputs.

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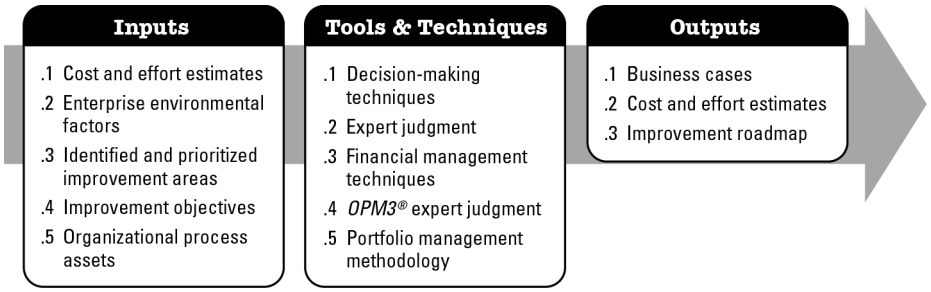

Figure 6-8. Select Initiatives: Inputs, Tools and Techniques, and Outputs

6.2.1 Select Initiatives: Inputs

6.2.1.1 Cost and Effort Estimates

Described in Section 6.1.3.1.

6.2.1.2 Enterprise Environmental Factors

Described in Section 6.1.1.3.

6.2.1.3 Identified and Prioritized Improvement Areas

Described in Section 6.1.3.2.

6.2.1.4 Improvement Objectives

Described in Section 6.1.3.3.

6.2.1.5 Organizational Process Assets

Described in Section 6.1.1.5.

6.2.2 Select Initiatives: Tools and Techniques

6.2.2.1 Decision-Making Techniques

Decision-making techniques are rational processes/systematic procedures for applying critical thinking to information, data, and experience in order to make a balanced decision when the choice between alternatives is unclear. These techniques provide organized ways of applying critical thinking skills developed around accumulating answers to questions about the problem. Steps include clarifying purpose, evaluating alternatives, assessing risks

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and benefits, and making a decision. These steps usually involve scoring criteria and alternatives. Scoring (a systematic method for handling and communicating information) provides a common language and approach that removes decision making from the realm of personal preference or idiosyncratic behavior. The decision-making techniques provide tools to gain consensus on complex topics. These techniques include:

- **Pros and cons analysis.** Pros and cons analysis is a qualitative comparison method in which good things (pros) and bad things (cons) are identified about each alternative. Lists of the pros and cons, based on the input of subject matter experts, are compared for each alternative.
- **Kepner-Tregoe (K-T) decision analysis.** K-T is a quantitative comparison method in which a team of experts numerically scores criteria and alternatives based on individual judgments/assessments. The size of the team needed tends to be inversely proportional to the quality of the data available—the more intangible and qualitative the data, the greater the number of people that should be involved.
- **Analytic hierarchy process (AHP).** AHP is a quantitative comparison method used to select a preferred alternative by using pair-wise comparisons of the alternatives based on their relative performance against the criteria. The basis of this technique is that humans are more capable of making relative judgments than absolute judgments.
- **Facilitated workshops.** Facilitated workshops bring together key cross-functional stakeholders, experts, and external consultants to create recommendations. Workshops are a technique to elicit information to create these recommendations. Facilitated sessions build trust, foster relationships, and improve communication among the participants or increase stakeholder understanding.
- **Group decision-making techniques.** Group decision-making techniques involve multiple individuals analyzing a problem or situation. The group evaluates different options and identifies appropriate courses of action. The group employs structured and unstructured problem-solving activities.

6.2.2.2 Expert Judgment

Described in Section 6.1.2.3.

6.2.2.3 Financial Management Techniques

Financial management techniques assist the *OPM3* practitioner with selecting the appropriate organizational improvement initiatives. These techniques include but are not limited to:

- **Estimating technique.** Described in Section 6.1.2.2.
- **Financial asset analysis.** The financial asset analysis technique seeks to understand the organization's physical needs to support selecting the appropriate Best Practices. This technique considers types of assets (equipment, buildings, etc.) to identify constraints. The resulting analysis reveals the range of Best Practices an organization implements in a certain period.

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- **Cost-benefit analysis.** The cost-benefit analysis technique is a systematic process for calculating and comparing benefits and costs of initiatives. This technique has two purposes:
    - To determine if it is a sound investment/decision by applying methods such as return on investment (ROI), cost-benefit ratio, and payback; and
    - To provide a basis for comparing projects by applying methods such as net present value (NPV), discounted cash flow (DCF), and internal rate of return (IRR). The analysis involves comparing the total expected cost of each option against the total expected benefits to see whether the benefits outweigh the costs, and if so, by how much.
- **Financial capacity analysis.** The improvement team conducts a financial resource capacity analysis to understand the capacity of the organization to finance the implementation of the selected Best Practices. The analysis utilizes the financial and/or budget process of the organization. The *OPM3* practitioner measures internal financial capacity, coupled with external financial resource availability, to compile a broad financial landscape. The financial resource capacity constrains the number of Best Practices an organization undertakes in a given timeframe.

6.2.2.4 *OPM3* Expert Judgment

Based on the selected initiatives, the *OPM3* practitioner selects which areas of improvement upon which the organization should focus. The *OPM3* practitioner takes into account the current *OPM3* maturity when analyzing candidate recommendations.

The Best Practices, which were grouped into initiatives during the Create Recommendations process, provide the *OPM3* practitioner with enough information to identify which initiatives require a business case (see Figure 6-9). The business case provides stakeholders with information to decide if the improvement initiative is worth the investment.

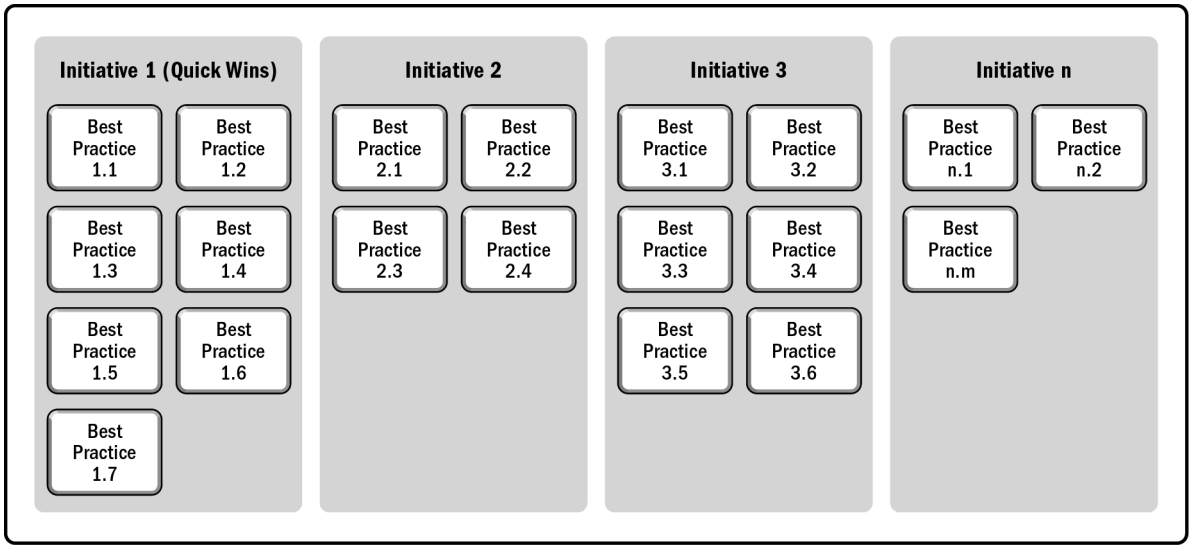

Figure 6-9: Grouping of Best Practices to Improvement Initiatives

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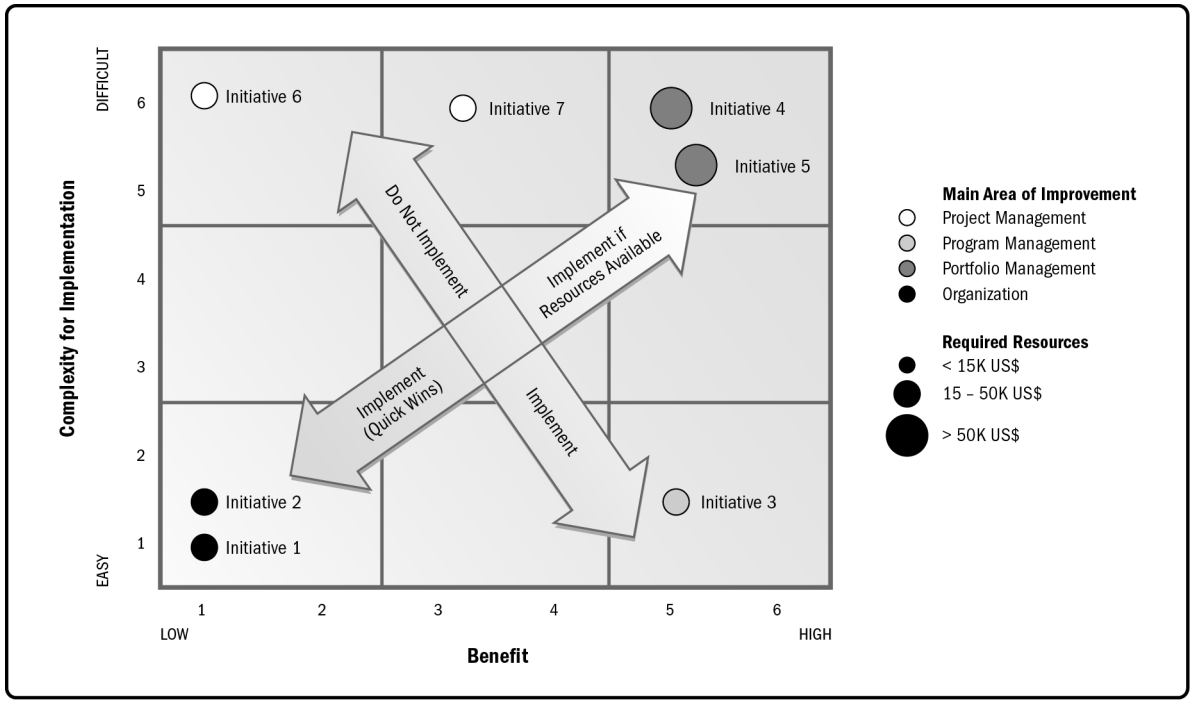

Figure 6-10. Portfolio Diagram for Prioritization and Identification

A portfolio diagram, as Figure 6-10 illustrates, uses the dimensions "complexity of implementation" and "benefit" to rank each initiative in relation to the others.

The main purpose of using the portfolio diagram is to reach a common understanding of the scope of initiatives (see Figure 6-9) and to get a common agreement on priorities. Under consideration of limited resources, the prioritization process results in a list of recommended Best Practices that should be implemented as a first step to meet the improvement objectives. As shown in Figure 6-11, most organizations allocate resources for daily operation and resources available for other projects such as, an *OPM3* improvement project. Each selected improvement initiative reduces the available resources for projects. Realistic planning reveals that only a limited number of initiatives can be implemented within a certain period of time.

Initiative selection, tempered by resource availability, yields candidate improvement objectives. The different options for an improvement maturity path (see Figure 6-12) convey to the relevant stakeholders the improvement initiatives to be implemented and their expected business value realization. Different maturity scores (for measuring *OPM3* maturity, see Section 3.5 on *OPM3* Scoring Methods) can be reached by implementing the different improvement options. The organization decides, on the basis of its strategic objectives and resource restrictions, which improvement option is the most appropriate.

Transforming the selected improvement initiatives into a high-level timeline generates an improvement roadmap for the stakeholders (see Figure 6-13).

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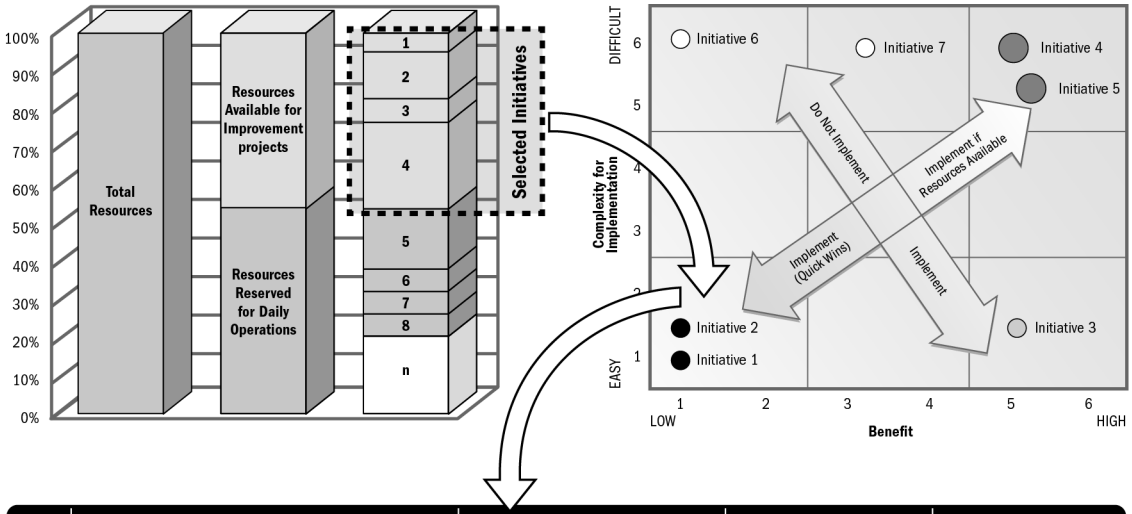
Lastly, the *OPM3* practitioner garners approval for the recommended improvement roadmap from relevant stakeholders. Upon final approval of projects and programs, stakeholders assign required resources.



BP_ID	BP_Name	Duration and Effort in Days			Cost in T$			Benefits	
		Internal Effort	External Effort	Duration	Investments	OTC	Cost P.A.	Quantitative	Qualitative
Initiative 1									
1000	Establish Organizational Project Management Policies	20	15		30		5000		
5490	Recognize Value of Project Management		40						
Initiative 2									
5500	Define Project Management Values	65	20						
5520	Collaborate on Goals	70	30						
Initiative 3									
6960	Create an Organizational Maturity Development Program	30	25		50				
7005	OPM Leadership Program								
Initiative 4									
7015	Educate Stakeholders in OPM	40				60			
7025	Cultural Diversity Awareness	40			20	30			

Figure 6-11. Prioritization of Selected Initiatives under Constraints of Limited Resources

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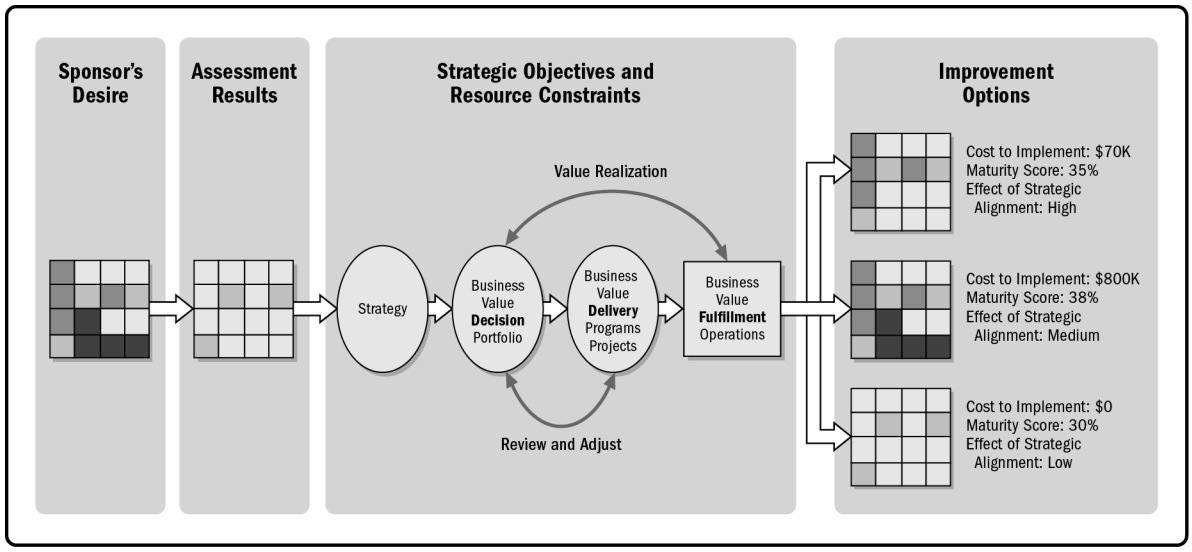

Figure 6-12. Sample Maturity Improvement Path

	Year 1				Year 2			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Initiative 1 (Quick Wins)								
Initiative 2								
Initiative 3								
Initiative n								

Figure 6-13. Sample OPM Improvement Roadmap for Increasing OPM

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6.2.2.5 Portfolio Management Methodology

The portfolio management methodology assists with selecting, prioritizing, and resourcing the initiatives that best meet the improvement objectives. These techniques include, but are not limited to, the following:

- **Evaluation tools.** Evaluation tools compare the organization's ability to change and its desire to change against the scope defined for the assessment. The assessment team gains an understanding of the probability that the change will be accepted, adopted, and sustained. The *OPM3* practitioner selects evaluation tools to support the selection of initiatives. Evaluation tools include, but are not limited to the following:
    - *Scoring model comprising weighted key criteria.* Scoring models assign points to Best Practices according to potential improvement impact. This method evaluates and compares Best Practices.
    - *Graphical representations.* Various graphical representations facilitate comparison among Best Practices under consideration. Graphical representations include histograms, pie charts, line charts, and bubble charts. Two-criterion grids are among the most utilized and most effective graphical tools for comparison.
- **Prioritization tools.** Prioritization tools provide a classification and ranking framework to evaluate Best Practices. The *OPM3* practitioner compares the Best Practices, ensuring optimal alignment with the strategic plan and the expectations of the relevant stakeholders. Prioritization tools include weighted rankings and scoring techniques.
- **Human resource capacity analysis.** The improvement team conducts a human resource capacity analysis to understand the organization's capacity to source and implement the selected Best Practices. The improvement team performs an analysis of organizational skill sets to determine the resource skill set limitations. The *OPM3* practitioner measures internal resource capacity, coupled with external resource availability, to compile a broad resource landscape. The human resource capacity constrains the number of Best Practices an organization undertakes in a given timeframe.

6.2.3 Select Initiatives: Outputs

6.2.3.1 Business Cases

Business cases provide the necessary information from a business standpoint to determine whether or not the initiative is worth the required investment. Business cases contain the business need and the cost-benefit analysis that justifies the initiatives.

6.2.3.2 Cost and Effort Estimates

Described in Section 6.1.3.1.

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6.2.3.3 Improvement Roadmap

The improvement roadmap defines the timing and focus of the Best Practice improvement initiatives. The roadmap includes initiatives that represent a significant output for the maturity improvement project/program or are interdependent with other initiatives. The *OPM3* practitioner refines the improvement roadmap schedule, based on collected feedback.

6.3 Implement Improvement Initiatives

The Implement Improvement Initiatives process represents the execution aspect of Best Practice improvements. See Figure 6-14 for a list of inputs, tools and techniques, and outputs.

Organizations often spend 90% of their total effort in the improvement phase of an *OPM3* Cycle. The *OPM3* practitioner balances level-of-effort and complexity when executing improvement initiatives. The organization implements the initiative as a series of individual projects, a program, or a portfolio. Figure 6-15 depicts how the *OPM3* practitioner considers grouping the projects.

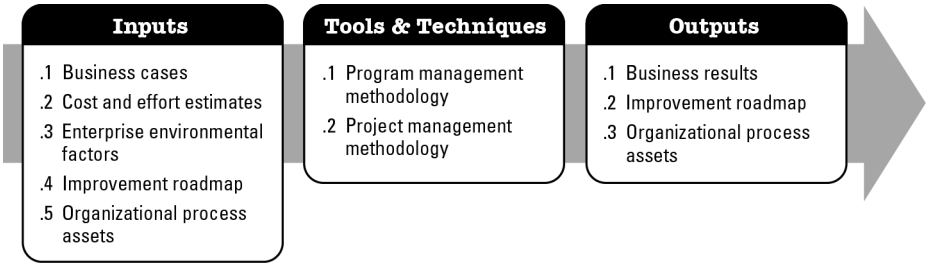

Figure 6-14. Implement Improvement Initiatives: Inputs, Tools and Techniques, and Outputs

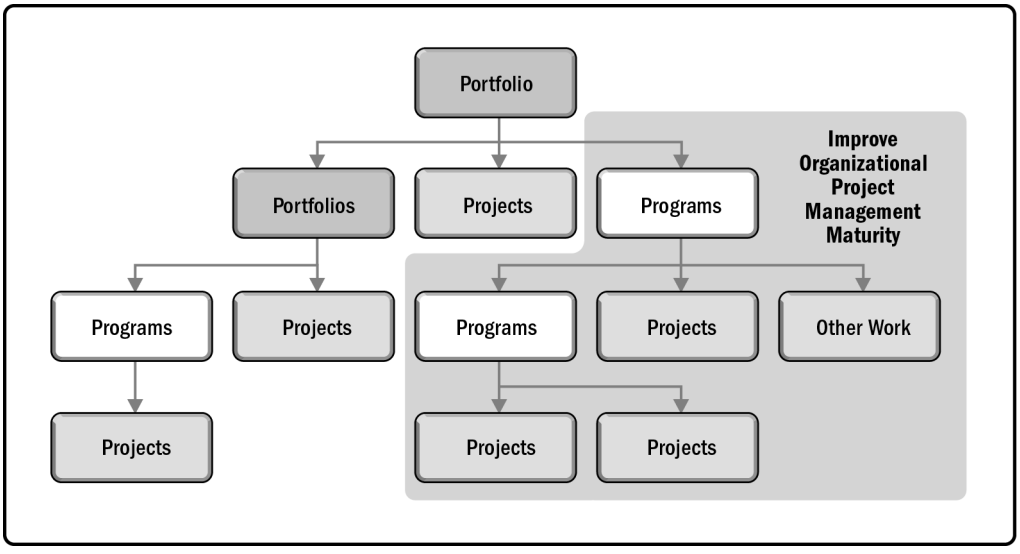

Figure 6-15. Structure of an *OPM3* Initiative

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The *OPM3* practitioner leverages the following standards to create a plan for the *OPM3* initiative:

- **Project Management.** *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)* – Fifth Edition.
- **Program Management.** T*he Standard for Program Management* – Third Edition.
- **Portfolio Management.** *The Standard for Portfolio Management* – Third Edition.

6.3.1 Implement Improvement Initiatives: Inputs

6.3.1.1 Business Cases

Described in Section 6.2.3.1.

6.3.1.2 Cost and Effort Estimates

Described in Section 6.1.3.1.

6.3.1.3 Enterprise Environmental Factors

Described in Section 6.1.1.3.

6.3.1.4 Improvement Roadmap

Described in Section 6.2.3.3.

6.3.1.5 Organizational Process Assets

Described in Section 6.1.1.5.

6.3.2 Implement Improvement Initiatives: Tools and Techniques

6.3.2.1 Program Management Methodology

Program management methodology contains processes manage an improvement initiative according to defined improvement objectives.

6.3.2.2 Project Management Methodology

Project management methodology is a collection of methods and rules followed in the science or discipline of project management. Artifacts generated by a methodology include project charter, schedule, templates, procedures, training materials, etc.

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6.3.3 Implement Improvement Initiatives: Outputs

6.3.3.1 Business Results

The business results output captures the business results originally targeted for post-improvement implementation. These results may be lagging type metrics that require thirty days, sixty days, and sometimes longer to realize. It is important to be cognizant of the stability of the business result being targeted and its associated cycle time.

6.3.3.2 Improvement Roadmap

The improvement roadmap documents completed and revised work. Figure 6-16 shows the growth of organizational project management maturity and improved value realization achieved by implementing the clusters of Best Practices with the most benefit.

After completing an improvement activity, the *OPM3* practitioner reassesses where the organization is on the continuum of organizational project management maturity. By repeating the assessment or tackling other Best Practices improvement initiatives, the organization gains greater insights where to apply resources for other Best Practice improvement initiatives.

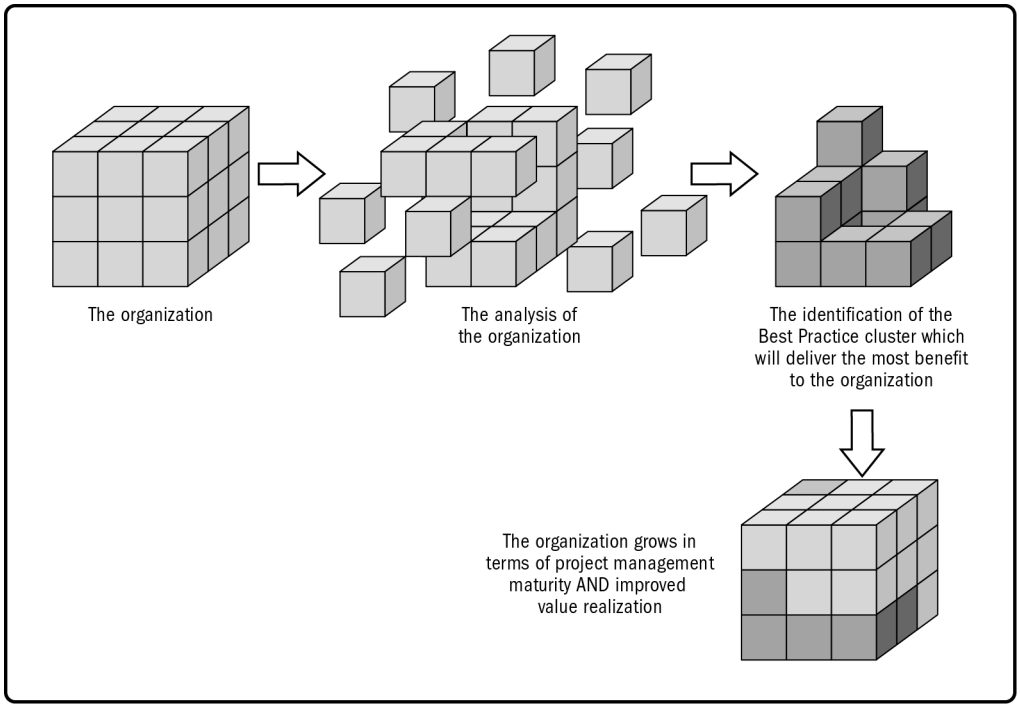

Figure 6-16. Maturity Growth of the Organization

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6.3.3.3 Organizational Process Assets

Described in Section 6.1.1.5.

6.4 Measure Results

The Measure Results process addresses the overall status and progress monitoring and measuring associated with improvement objectives. The *OPM3* practitioner collects and consolidates data for the respective initiatives. Monitoring requires interfacing with the governance structure of the *OPM3* initiative to ensure the stakeholders have a clear picture of the current benefit delivery and expected future benefits. See Figure 6-17 for a list of inputs, tools and techniques, and outputs.

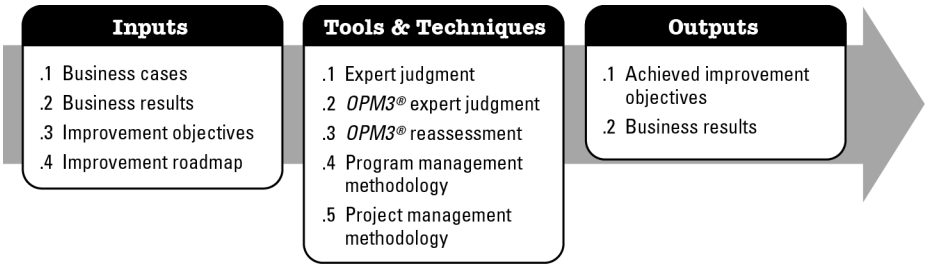

Figure 6-17. Measure Results: Inputs, Tools and Techniques, and Outputs

Effective management of results supports appropriate preventive and corrective actions at the top level of the *OPM3* initiative, especially during the improvement phase of the *OPM3* Cycle. An integrated change control process involves redirecting or modifying the *OPM3* initiatives as needed, based on feedback from individual project work on implementing Best Practices.

The process of measuring results includes:

- **Monitor and control performance.** Monitor and control performance of the activities in all *OPM3* initiatives, ensuring that the execution of the *OPM3* initiatives occurs according to the approved *OPM3* roadmap.
- **Monitor and control scope of the *OPM3* Cycle**. Monitor and control the overall scope as well as the major changes resulting from individual initiatives that impact the desired maturity status.
- **Monitor and control *OPM3* roadmap.** Ensure the on-time delivery of all initiatives by tracking the actual start and finish of initiatives against the approved roadmap.
- **Monitor and control financials.** Analyze actual cost, compare actual costs against planned costs, and conduct trend analysis.
- **Manage stakeholder expectations**. Ensure that stakeholders' expectations are identified and that stakeholders are kept informed about the status of *OPM3* initiatives.
- **Monitor and control risks**. Track known risks, identify new risks, execute risk response plans, and evaluate effectiveness of risk response actions.

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- **Manage program benefits**. Ensure there is a defined set of reports and metrics communicated to the stakeholders.

OPM3 practitioners constantly monitor and report benefits to stakeholders, who can then assess the overall health of the *OPM3* initiative, and take action as required ensuring successful benefit delivery.

6.4.1 Measure Results: Inputs

6.4.1.1 Business Cases

Described in Section 6.2.3.1.

6.4.1.2 Business Results

Described in Section 6.1.1.2.

6.4.1.3 Improvement Objectives

Described in Section 6.1.3.3.

6.4.1.4 Improvement Roadmap

Described in Section 6.3.3.2.

6.4.2 Measure Results: Tools and Techniques

6.4.2.1 Expert Judgment

Described in Section 6.1.2.3.

6.4.2.2 *OPM3* Expert Judgment

Described in Section 6.1.2.6.

6.4.2.3 *OPM3* Reassessment

As the organization continues to implement improvement initiatives and monitor and control that work, the organization decides to conduct another *OPM3* assessment to gauge the achievement of Best Practices that contribute to the improvement objectives.

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6.4.2.4 Program Management Methodology

Described in Section 6.3.2.1.

6.4.2.5 Project Management Methodology

Described in Section 6.3.2.2.

6.4.3 Measure Results: Outputs

6.4.3.1 Achieved Improvement Objectives

The achieved improvement objectives output reflects historical performance compared to current performance post-improvements. One example is the reduction of project cycle time from 18 months to 15 months.

6.4.3.2 Business Results

Described in Section 6.3.3.1.

6.5 Manage Change

The ability to manage change, driven by external or internal demands, is important for organizations. Whenever people are involved, change does not only mean to implement tools and technology and define processes and policies, but also to involve individuals throughout the entire *OPM3* improvement cycle. See Figure 6-18 for a list of inputs, tools and techniques, and outputs.

Organizations can change only if the people affected by the change embrace it. No matter how large the endeavor, its success ultimately lies with changing how and what each individual does. Effective change management requires an understanding and appreciation of not only the as-is and to-be states, but also of how one person successfully makes a change.

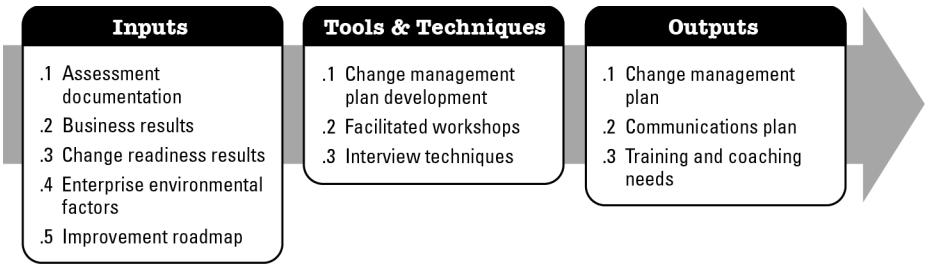

Figure 6-18. Manage Change: Inputs, Tools and Techniques, and Outputs

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Leaders of change in an organization need to recognize the following:

- People don't like change,
- People resist what they don't like, and
- People respond differently to change.

Achieving the goal of organizational transformation starts with a plan for initiating and managing change. Implementing change exposes aspects of organizations and systems that hinder the ability to achieve better results. Addressing these hindrances promotes positive transformation. People directly involved in change processes learn new skills and acquire experience. Transformation is not a goal but a sustainable capacity for change—a continuing process of reassessment and renewal focused on measurable improvement.

In larger systems and organizations, sometimes change has to happen all at once. However, in many cases, introducing change on a smaller scale is less risky and success can come in smaller steps. Thus, it can be introduced to a portion of the organization such as a region, an agency, or some specific targeted part of a system or group; in the case of *OPM3*, it can be introduced in a set of related Best Practices and appropriate prerequisites.

6.5.1 Manage Change: Inputs

6.5.1.1 Assessment Documentation

Described in Section 6.1.1.1.

6.5.1.2 Business Results

Described in Section 6.1.1.2.

6.5.1.3 Change Readiness Results

The change readiness results input conveys the organization's readiness for change in the following areas:

- Attitude and expectations of the key stakeholders are understood.
- Sponsor is defined to deploy resources to understand OPM and its fit for organizational culture and environment.
- Organization/department is assigned and accepts responsibility for improvement initiatives.
- OPM is understood among stakeholders.
- Organization's strategic plan is clear, understood, and accepted by the stakeholders.
- Organization's vision and mission is clear and understood among stakeholders.
- Organization's structure and policies are clear and understood among stakeholders.

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6.5.1.4 Enterprise Environmental Factors

Described in Section 6.1.1.3.

6.5.1.5 Improvement Roadmap

Described in Section 6.2.3.3.

6.5.2 Manage Change: Tools and Techniques

6.5.2.1 Change Management Plan Development

Change management plan development involves the management of organizational change activities related to the *OPM3* initiative and desired business results.

The change management plan development technique is used to gather information about the organizational environment, its training style, leadership style, agility, desire to change, and ability to change.

The *OPM3* practitioner applies different methods, depending on the complexity of the change initiatives. A special focus when developing the change management plan is to plan measures to handle possible concerns and resistance that could appear during the change process of the organization.

Key components of creating a change management plan includes but are not limited to:

- Evaluating the change management methodology to fit the culture,
- Reviewing the communications plan for effectiveness,
- Engaging managers and supervisors to support tactical measures,
- Considering proactive and reactive resistance to change measures,
- Establishing feedback and measure processes to promote change adoption, and
- Implementing reward systems.

6.5.2.2 Facilitated Workshops

Facilitated workshops bring together key cross-functional stakeholders, experts, and external consultants to create recommendations. Workshops are a technique to elicit information to create these recommendations. Facilitated sessions build trust, foster relationships, and improve communication among the participants or increase stakeholder understanding.

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6.5.2.3 Interview Techniques

An interview is a formal or informal approach to discover information from stakeholders. An *OPM3* practitioner conducts interviews by asking prepared questions and recording the responses. Interview scenarios include:

- One interviewer—one interviewee,
- One interviewer—many interviewees,
- Many interviewers—one interviewee, and
- Many interviewers—many interviewees.

The *OPM3* practitioner establishes an atmosphere of trust, exchanges information, gives and receives feedback, and sometimes performs a follow-up interview.

Preparation and planning include:

- Identifying problems,
- Incorporating critical thinking, and
- Utilizing appropriate methods (face-to-face, telephone, email, chat messaging, etc.).

6.5.3 Manage Change: Outputs

6.5.3.1 Change Management Plan

The change management plan describes the initiatives for supporting the implementation of the *OPM3* initiatives and the measures to handle the identified concerns and possible resistance from individuals or groups.

6.5.3.2 Communications Plan

The communications plan describes the communication needs and expectations for the change initiative, how and in what format information will be communicated, when and where each communication will be made, and who is responsible for providing each type of communication.

6.5.3.3 Training and Coaching Needs

Training and coaching needs is a document that describes which training and coaching initiatives will be executed in order to increase the acceptance of the change initiatives.

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ANNEX A1
OPM3 BEST PRACTICES LIST

Best practices are optimal methods, currently recognized within a given industry or discipline, to achieve a goal or objective. The types of best practices are:

- **Domain.** Project, program, and portfolio, with process improvement stage: standardize measure, control, and improve (SMCI).
- **Organizational Enabler.** Non-domain-based processes, pertaining to environmental and cultural aspects of the organization.

Table A1-1 provides the name and a brief description of each Best Practice and maps each Best Practice to the appropriate *OPM3* categories. This mapping allows the organization to focus on those Best Practices related to the categories important to them. Utilizing a scoring method previously described, an organization conducts an assessment based upon the *OPM3* Framework and scores the following Best Practices as appropriate.

Continuous improvement is a total quality management concept based on theories developed by Edward Deming and Walter Shewart. The Capabilities supporting an SMCI Best Practice aligned with key principles of continuous improvement.

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Table A1-1. *OPM3* Best Practices List

Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1000	Establish Organizational Project Management Policies	The organization has policies describing the standardization, measurement, control, and continuous improvement of organizational project management processes.	Portfolio	Program	Project	Organizational Project Management Policy and Vision	
1005	Standardize Develop Project Charter Process	Develop Project Charter Process standards are established.			Project		Standardize
1020	Standardize Develop Project Management Plan Process	Develop Project Management Plan Process standards are established.			Project		Standardize
1030	Standardize Project Collect Requirements Process	Collect Requirements Process standards are established.			Project		Standardize
1035	Standardize Monitor and Control Project Work Process	Monitor and Control Project Work Process standards are established.			Project		Standardize
1040	Standardize Project Define Scope Process	Define Scope Process standards are established.			Project		Standardize
1045	Measure Monitor and Control Project Work Process	Monitor and Control Project Work Process measures are established, assembled, and analyzed.			Project		Measure
1050	Standardize Project Define Activities Process	Define Activities Process standards are established.			Project		Standardize
1055	Control Monitor and Control Project Work Process	Monitor and Control Project Work Process controls are established and executed to control the stability of the process.			Project		Control

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Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1060	Standardize Project Sequence Activities Process	Sequence Activities Process standards are established.			Project		Standardize
1065	Improve Monitor and Control Project Work Process	Monitor and Control Project Work Process problem areas are assessed, root causes are identified, process improvement recommendations are collected, and process improvements are implemented.			Project		Improve
1070	Standardize Project Estimate Activity Durations Process	Estimate Activity Durations Process standards are established.			Project		Standardize
1075	Standardize Project Create WBS Process	Create WBS Process standards are established.			Project		Standardize
1080	Standardize Project Develop Schedule Process	Develop Schedule Process standards are established.			Project		Standardize
1085	Measure Project Create WBS Process	Create WBS Process measures are established, assembled, and analyzed.			Project		Measure
1090	Standardize Project Plan Human Resource Management Process	Plan Human Resource Management Process standards are established.			Project		Standardize
1095	Control Project Create WBS Process	Create WBS Process controls are established and executed to control the stability of the process.			Project		Control
1100	Standardize Project Estimate Costs Process	Estimate Costs Process standards are established.			Project		Standardize

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Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1105	Improve Project Create WBS Process	Create WBS Process problem areas are assessed, root causes are identified, process improvement recommendations are collected, and process improvements are implemented.			Project		Improve
1110	Standardize Project Determine Budget Process	Determine Budget Process standards are established.			Project		Standardize
1115	Standardize Project Estimate Activity Resources Process	Estimate Activity Resources Process standards are established.			Project		Standardize
1120	Standardize Project Plan Risk Management Process	Plan Risk Management Process standards are established.			Project		Standardize
1125	Measure Project Estimate Activity Resources Process	Estimate Activity Resources Process measures are established, assembled, and analyzed.			Project		Measure
1130	Standardize Project Plan Quality Management Process	Plan Quality Management Process standards are established.			Project		Standardize
1135	Control Project Estimate Activity Resources Process	Estimate Activity Resources Process controls are established and executed to control the stability of the process.			Project		Control
1145	Improve Project Estimate Activity Resources Process	Estimate Activity Resources Process problem areas are assessed, root causes are identified, process improvement recommendations are collected, and process improvements are implemented.			Project		Improve

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Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1150	Standardize Acquire Project Team Process	Acquire Project Team Process standards are established.			Project		Standardize
1155	Standardize Manage Project Team Process	Manage Project Team Process standards are established.			Project		Standardize
1160	Standardize Project Plan Communications Management Process	Plan Communications Management Process standards are established.			Project		Standardize
1165	Measure Manage Project Team Process	Manage Project Team Process measures are established, assembled, and analyzed.			Project		Measure
1170	Standardize Project Identify Risks Process	Identify Risks Process standards are established.			Project		Standardize
1175	Control Manage Project Team Process	Manage Project Team Process controls are established and executed to control the stability of the process.			Project		Control
1180	Standardize Project Perform Qualitative Risk Analysis Process	Perform Qualitative Risk Analysis Process standards are established.			Project		Standardize
1185	Improve Manage Project Team Process	Manage Project Team Process problem areas are assessed, root causes are identified, process improvement recommendations are collected, and process improvements are implemented.			Project		Improve
1190	Standardize Project Perform Quantitative Risk Analysis Process	Perform Quantitative Risk Analysis Process standards are established.			Project		Standardize
1195	Standardize Project Identify Stakeholders Process	Identify Stakeholders Process standards are established.			Project		Standardize
1200	Standardize Project Plan Risk Responses Process	Plan Risk Responses Process standards are established.			Project		Standardize

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Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1210	Standardize Project Plan Procurement Management Process	Plan Procurement Management Process standards are established.			Project		Standardize
1230	Standardize Direct and Manage Project Work Process	Direct and Manage Project Work Process standards are established.			Project		Standardize
1240	Standardize Project Perform Quality Assurance Process	Perform Quality Assurance Process standards are established.			Project		Standardize
1250	Standardize Develop Project Team Process	Develop Project Team Process standards are established.			Project		Standardize
1260	Standardize Project Manage Communications Process	Manage Communications Process standards are established.			Project		Standardize
1270	Standardize Project Conduct Procurements Process	Conduct Procurements Process standards are established.			Project		Standardize
1290	Standardize Project Control Procurements Process	Control Procurements Process standards are established.			Project		Standardize
1300	Standardize Project Control Communications Process	Control Communications Process standards are established.			Project		Standardize
1310	Standardize Project Perform Integrated Change Control Process	Perform Integrated Change Control Process standards are established.			Project		Standardize
1320	Standardize Project Validate Scope Process	Validate Scope Process standards are established.			Project		Standardize
1330	Standardize Project Control Scope Process	Control Scope Process standards are established.			Project		Standardize
1340	Standardize Project Control Schedule Process	Control Schedule Process standards are established.			Project		Standardize
1350	Standardize Project Control Costs Process	Control Costs Process standards are established.			Project		Standardize

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Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1360	Standardize Project Control Quality Process	Control Quality Process standards are established.			Project		Standardize
1370	Standardize Project Control Risks Process	Control Risks Process standards are established.			Project		Standardize
1380	Standardize Project Close Procurements Process	Close Procurements Process standards are established.			Project		Standardize
1390	Standardize Close Project or Phase Process	Close Project or Phase Process standards are established.			Project		Standardize
1400	Staff Organizational Project Management With Competent Resources	The organization provides organizational project management with an adequate workforce with the right level of competence for each project-related role.	Portfolio	Program	Project	Competency Management	
1430	Establish Project Manager Competency Processes	The organization establishes a process to ensure project managers have sufficient knowledge and experience.			Project	Competency Management	
1450	Establish Strong Sponsorship	Sponsors actively participate in supporting the project.	Portfolio	Program	Project	Sponsorship	
1460	Tailor Project Management Processes Flexibly	The organization applies processes in a manner that is relevant to each project.	Portfolio	Program	Project	Organizational Project Management Methodology	
1530	Use Formal Individual Performance Assessment	The organization integrates PM performance in their formal processes and procedures to assess performance.	Portfolio			Individual Performance Appraisals	
1540	Include Strategic Goals Into Project Objectives	Objectives of projects include explicit strategic goals in addition to time, cost, and quality.			Project	Project Success Criteria	

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Best Practice ID	Best Practice Name	Best Practice Description	Portfolio Domain	Program Domain	Project Domain	Organizational Enabler	Process Improvement Stage
1590	Record Project Resource Assignments	The organization has a formal process for assigning resources to projects and recording assignments.	Portfolio	Program	Project	Resource Allocation	
1670	Know Inter-Project Plan	Project Managers know the goals and plans of all projects related to their own projects. This allows them to explore alternative ways to avoid conflicts while still satisfying goals.			Project	Organizational Project Management Practices	
1700	Measure Develop Project Charter Process	Develop Project Charter Process measures are established, assembled, and analyzed.			Project		Measure
1710	Measure Develop Project Management Plan Process	Develop Project Management Plan Process measures are established, assembled, and analyzed.			Project		Measure
1720	Measure Project Collect Requirements Process	Collect Requirements Process measures are established, assembled, and analyzed.			Project		Measure
1730	Measure Project Define Scope Process	Define Scope Process measures are established, assembled, and analyzed.			Project		Measure
1740	Measure Project Define Activities Process	Define Activities Process measures are established, assembled, and analyzed.			Project		Measure
1750	Measure Project Sequence Activities Process	Sequence Activities Process measures are established, assembled, and analyzed.			Project		Measure

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