

# The Tragedy of the Commons: Establishing a Strategic Project Management Office (PMO)

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**Abstract.** The Tragedy of the Commons is a dilemma arising from a situation in which multiple individuals, acting independently and in their own self-interest, will ultimately deplete a shared limited resource, even when it is clear that it is not in the group's long-term interest for this to happen [1].

## Introduction

*"100% of everyone's time should be taken up by projects."*  
-Tom Peters, Circle of Innovation

Popular theories about the Tragedy of the Commons hold that government or organizational intervention and private property are the only effective methods to prevent finite resources from being ruined or depleted. This parable was popularized by wildlife biologist Garrett Hardin in the late 1960s, and was embraced as a principle by the emerging environmental movement.

Indiana University professor Elinor Ostrom won the Nobel Prize for Economics for her theory that cooperative behavior greatly boosts the legitimacy of the commons as a framework for solving our social, environmental and personal advancement problems. Dr. Ostrom died in June, 2012 with the distinction of being the first and only woman to win the prize, although never formally trained in economics (she was technically a political scientist). Over many decades, Ostrom has documented how various communities manage common resources—grazing lands, forests, irrigation waters, fisheries—equitably and sustainably over the long term. "When local users of a forest have a long-term perspective, they are more likely to monitor each other's use of the land, developing rules for behavior," she cites as an example. "It is an area that standard market theory does not touch [2]."

Hardin himself later revised his own view, noting that what he described was actually the Tragedy of the Unmanaged Commons. Ostrom's research refutes the Tragedy concept with the real life experience from places like Nepal, Kenya and Guatemala. A classic example of this is an acequia, a centuries-old tradition of a cooperative irrigation in New Mexico and Colorado where the small flow of water available for agriculture is allocated by the community as a whole through a democratic process.

The Tragedy of the Commons might be equally applied to common project management practices where individual projects are siloed, acting almost as separate entities in organizations that would benefit from cooperative behavior, long-term perspectives and the development of rules for behavior. Limited project resources such as people, funding, equipment, facilities, tools, network capacity and expertise replace lands, forests and water, but are no less important to the success of a project portfolio.

As a newly minted project manager with the DISA Joint Spectrum Center (JSC) back in the late eighties, I sought out the one PM most admired for her estimation skills. I asked Elissa what was her process? She said she simply asked her developer how long it would take to develop the software, then tripled that number, explaining that developers tend to estimate only their own time (which was about one-third of the total lifecycle time) to the exclusion of planning, requirements, testing, release and documentation activities. While comprehensive studies later confirmed that the development stage typically takes up 35% of the total [3], it would have been nice to have a common repository maintained by a PMO to discover this best practice. Much like the Commons, where challenges are limited to physical resources, organizations need a central entity to support project management. It would have also been helpful at the JSC to have a PMO where training, coaching and information were available in configuration management, scheduling, metrics, monitoring, reporting and management of risk, issues and decisions. The challenge for any successful PMO, as with the Commons, is to provide these resources and to prove without doubt that the project manager will benefit from similar PMO services.

Most organizations have established a number of groups, programs, initiatives, meetings and activities targeting project management control and excellence. These may include structures dedicated to learning and applying project management principles, and various status meetings and retrospectives where progress, quality, budgets, metrics, risks, issues and other important subjects are discussed and documented. The primary goal is to promote solid project management processes, methodology and culture. As companies begin to recognize the favorable effects that project management has on profitability, emphasis is now being placed on achieving professionalism in project management using the project office concept. Even with new process improvement practices in place, maturity and excellence in project management does not occur simply by using project management over a prolonged period of time. Rather, it comes through strategic planning for both project management and the project office [4]. Or to paraphrase Dr. Ostrom, when projects have access to limited organizational assets, project-level strategic planning with a long-term perspective will allow for monitoring of overall objectives, common tools and services, project metric and other repositories, dashboards, facilitators to support detailed and predictable planning with desired results, new and more efficient estimation techniques, cost effective organizational training and the development of rules for behavior. Successful PMOs realize that it's not enough just to deliver value—they make the business value of the PMO known throughout the organization, consistently and often [5].

## Background

While organizations currently monitor or measure numerous project activities, the only clear way to have a global sense of how projects are doing is to have a defined project focus point: the Project Management Office (PMO). A Gartner Group study [6] predicted that companies that fail to establish a formal PMO will experience twice as many project delays, overruns and cancellations as will companies with a PMO in place. A more recent Gartner study states "It brings structure and support to evaluating, justifying, defining, planning, tracking and executing IT modernization efforts. It also encourages more business-side participation in IT modernization efforts and in the resolution of conflicts caused by limited resources and other constraints [7]." If Steven Covey is right, and interdependence is the name of the game, then the PMO is the way for people throughout the organization to recognize and capitalize on their interdependencies, to best manage and transfer project management knowledge, and to get into step with each other for the benefit of all [8].

Once repeatable and managed processes are established through Business Process Initiatives (BPI) and continuous process improvement programs, initiation of a PMO would seem to be the logical next step to ensure these programs are built to last and that positive organizational innovations continue. Using the theories of Jim Collins and other researchers, this article will present a justification for the establishment of a strategic PMO, along with a systematic approach to create and sustain project management value through an institutionalized PMO function.

## PMO Concepts

*"The way a team plays as a whole determines its success. You may have the greatest bunch of individual stars in the world, but if they don't play together, the club won't be worth a dime."* -Babe Ruth

Although companies have employed PMOs since the mid- to late 1990s, the vast majority of PMOs have either been recently created or restructured [4]. A PMO's effectiveness and success depends on choosing which functions to implement, and adapting them and adjusting them to fit the organization's needs [9]. In a recent 3-phase program, it was determined that the relative differences in importance of various individual functions "reinforce the need to adapt to the organizational and strategic context when deciding which functions to include within the mandate of a particular PMO [10]." This research provides the most extensive list of the functions PMOs perform in organizations today. The 500 respondents in the survey were responsible for a variety of roles, but most were project managers or PMO members. Respondents ranked the importance of each PMO function on a scale of 1 to 5 (not important to very important), and the study ultimately identified 27 functions that PMOs can perform. Factor analysis grouped these into six distinct groups as indicated in Table 1. Table 2 lists these same PMO functions in decreasing order of industry importance, according to the same survey. While this order of importance will likely change for a given organization (e.g., a lessons learned or risk database might be closer to the top than the bottom of the list), it is instructive to note how industry as a whole prioritizes these functions.

<b>Monitoring &amp; Controlling Project Performance</b> <ul style="list-style-type: none"> <li>Report project status to upper management</li> <li>Monitor &amp; control of project performance</li> <li>Implement &amp; operate a project information system</li> <li>Develop &amp; maintain a project scoreboard</li> </ul>	<b>Development of Project Management Competencies &amp; Methodologies</b> <ul style="list-style-type: none"> <li>Develop &amp; implement a standard methodology</li> <li>Promote project management</li> <li>Develop competency of personnel, including training</li> <li>Provide mentoring for project managers</li> <li>Provide a set of tools specific to project needs</li> </ul>	<b>Multiproject Management</b> <ul style="list-style-type: none"> <li>Coordinate between projects</li> <li>Identify, select and prioritize new projects</li> <li>Manage one or more portfolios</li> <li>Manage one or more programs</li> <li>Allocate resources between projects</li> </ul>
<b>Strategic Management</b> <ul style="list-style-type: none"> <li>Provide advice to upper management</li> <li>Participate in strategic planning</li> <li>Benefits management</li> <li>Network &amp; environmental scanning</li> </ul>	<b>Organizational Learning</b> <ul style="list-style-type: none"> <li>Monitor &amp; control PMO performance</li> <li>Manage project documentation archives</li> <li>Conduct post project reviews</li> <li>Conduct project audits</li> <li>Implement &amp; manage lessons learned database</li> <li>Implement &amp; manage risk database</li> </ul>	<b>Other Functions</b> <ul style="list-style-type: none"> <li>Execute specialized tasks for project managers</li> <li>Manage customer interfaces</li> <li>Recruit, select, evaluate and determine salaries for project managers</li> </ul>

Table 1. Importance of 27 PMO functions grouped into factors; n= 500, Hobbs & Aubry [2007]

In Good to Great [11] Jim Collins suggested that sustaining value generated from organizational investments requires both “preserving the core” and “stimulating progress.” “Preserving the core” explains why appropriate on-boarding of experienced project managers is so important. His philosophy of first defining “who” before determining “what” speaks directly to the importance of preserving the core ideology as an anchor point while stimulating change, improvement, innovation and renewal. When we maintain a steady culture of discipline, we can give our employees more freedom to experiment and find their own

best path to results. It also explains why PMOs should not get distracted from their primary focus (their hedgehog principle—see what is essential and ignore the rest), by taking on other responsibilities not part of their primary charter.

The PMO must stay focused on managing projects in order to continue to add value to the company. This in no way infers stagnation or neglecting core principles. As Collins observed, “If you successfully apply these ideas, but then stop doing them, you will slide backward...the only way to remain great is to keep applying the fundamental principles that made you great”

PMO Function	% of PMOs Where Important
Report project status to upper management	83%
Develop & implement a standard methodology	76%
Monitor & control of project performance	65%
Develop competency of personnel, including training	65%
Implement & operate a project information system	60%
Provide advice to upper management	60%
Coordinate between projects	59%
Develop & maintain a project scoreboard	59%
Promote project management within organizations	55%
Monitor & control PMO performance	50%
Participate in strategic planning	49%
Provide mentoring for project managers	49%
Manage one or more portfolios	49%
Identify, select and prioritize new projects	48%
Manage project documentation archives	48%
Manage one or more programs	48%
Conduct project audits	45%
Manage customer interfaces	45%
Provide a set of tools specific to project needs	42%
Execute specialized tasks for project managers	42%
Allocate resources between projects	40%
Conduct post project reviews	38%
Implement & manage lessons learned database	34%
Implement & manage risk database	29%
Benefits management	28%
Network & environmental scanning	25%
Recruit, select, evaluate and determine salaries for project managers	22%

Table 2. Identified PMO functions in decreasing order of industry importance, Hobbs & Aubry 2007

Collins' "Stimulate progress" theorem has application to several PMO-related issues, including developing project managers by having them take on more challenging roles or different types of projects, periodically updating or refreshing the project management methodology, or adding new functions to the PMO that enhance its ability to manage projects on the organization's behalf.

**The Project Office: 1990s and 2000s**

Project management competency represents important intellectual property, and therefore must be managed wisely. This responsibility is most appropriately that of the PMO [4]. After reviewing the roles and responsibilities of the project office over several decades, Kerzner listed PMO benefits in the 1990s and 2000s. As indicated in Table 3, the purpose of a PMO has changed with the business environment over the past two decades.

With the dawn of the 21st century, the PMO became commonplace in the corporate hierarchy. While the majority of PMO activities had not substantially changed, there was now a new mission for the PMO:

- Responsibility for maintaining all intellectual property related to project management
- Active support for corporate strategic planning

In the last decade the PMO began servicing the corporation, especially the strategic-planning activities, rather than focusing on a specific customer. The PMO was transformed into a corporate center for control of project management intellectual property. This was a necessity as the magnitude of project management information grew almost exponentially throughout organizations.

Note that the newer benefits of Table 3 relate specifically to project management processes and procedures. It is absolutely essential for an organization to establish mechanisms (intranet, project team sites and databases, other information systems) to capture this data and then disseminate the data to various stakeholders. Since much of this information is important for both project management and strategic planning, strategic planning for the PMO is imperative.

**The Project Office: 2008-Present**

Since the seminal work of Hobbs & Aubry no survey has come close to analyzing anything close to 500 respondents. Forrester Research came close, conducting interviews with 40 PMO leaders and executives. In their four key findings they note [12]:

- PMO leaders now have a seat at the executive table, regarded as members of executive management
- PMOs are a vital part of the strategic planning team, providing feedback about performance, labor costs and customer feedback
  - PMOs build significant learning and development programs to mature project management skills
  - PMOs drive success through alignment with business stakeholders and operational excellence

By far the most influential studies regarding the challenges and opportunities for the modern PMO were recently published by Gartner on the Nexus of Forces regarding the convergence and mutual reinforcement of mobile, social, cloud and information [13, 14]. This research identifies cloud computing as the glue for all the forces of the Nexus, enabling social and mobile interactions to happen at scale, and information to be freed from internal systems. A summary of PMO functions resulting from the Nexus is given in Table 4. While the 21st century functions noted in Table 3 continue to be important, more and more companies are redirecting their PMO expertise, tools and techniques at clients and external stakeholders, hoping to bolster client satisfaction with increased productivity and quality. Whether this is a good idea is debatable and only time will tell. But we must remember that the PMO isn't science, its business; rational thought doesn't always apply.

**DTE Energy: A Case Study**

A good example of a client-facing PMO can be found in the Project Management Institute's (PMI) selection of DTE Energy as a finalist for their 2014 PMO of the Year Award [15]. Detroit power company DTE Energy was upgrading Detroit's aging electrical infrastructure and improving service in long-neglected

1990 – 2000	2001 – 2007
<ul style="list-style-type: none"> <li>• Accomplishing more work in less time with fewer resources and without any sacrifice in quality</li> <li>• An increase in profitability</li> <li>• Better control of scope changes</li> <li>• More efficient and effective operations</li> <li>• Better customer relations</li> <li>• Better risk identification and problem solving</li> <li>• An increase in quality</li> <li>• A reduction in power struggles</li> <li>• Better company decision making</li> <li>• An increase in business and becoming more competitive</li> </ul>	<ul style="list-style-type: none"> <li>• Standardization of operations</li> <li>• Company rather than silo decision making</li> <li>• Better capacity planning</li> <li>• Quicker access to higher-quality information</li> <li>• Elimination or reduction of company silos</li> <li>• More efficient and effective operations</li> <li>• Less need for restructuring</li> <li>• Fewer meetings that rob executives of valuable time</li> <li>• More realistic prioritization of work</li> <li>• Development of future leaders</li> </ul>

Table 3. Benefits of a Project Management Office

Table 4. New Functions of a Project Management Office Gartner, 2014

2008-2014	
<ul style="list-style-type: none"> <li>• Hide complexity under a layer of simplicity</li> <li>• Foster ideas that make technology transparent while enhancing human behavior</li> <li>• Empower knowledge workers to share ideas</li> <li>• Create lasting relationships between users and cloud-based ecosystems</li> <li>• Develop a discipline of innovation through information by harnessing the information in social media</li> <li>• Maintain flexible IT configurations</li> </ul>	<ul style="list-style-type: none"> <li>• Transition from digital marketing to digital business</li> <li>• Focus on consumer expectations through contextual content delivery, behavioral analysis and location awareness</li> <li>• Facilitate an agile response to changes and innovation in the workplace, disruptive trends, revised roles and frequent changes in providers</li> <li>• Plan for a future where the cloud-led model changes the nature of applications and opens digital business opportunities</li> </ul>

areas. The PMO developed two centers of excellence, one responsible for providing resources and the other for ensuring quality. These centers provided oversight on standards, practices, coaching, mentoring and assessments, resulting in project delivery on time, on budget, with the required scope. While these are all standard early 21st century PMO functions, they also communicated outcomes to stakeholders, implemented a detailed change process to evaluate revisions to scope, budget or requirements, and facilitated the redeployment of capital as necessary. Way back in the early 2000's these functions were handled at the siloed project level. As DTE has shown though, the new nimble PMO is capable of flexible configurations to enact necessary changes and to collaborate strategically.

### Confronting the Brutal facts and Reality

*"Truth is incontrovertible, malice may attack it and ignorance may deride it, but, in the end, there it is."* -Sir Winston Churchill

Collins explained that it is vitally important for organizations to understand the brutal facts of its environment and its problems, but to never lose faith in the organization's ability to win out in the long term. As he noted, Winston Churchill never failed to confront the most brutal facts. During WWII he created an entirely separate department outside the normal chain of command, the Statistical Office, with the principal function of feeding him—continuously and unfiltered—the most brutal facts of reality. He slept soundly knowing these facts. Recent research suggesting best organizational practices for project management similarly suggests that the best way to improve project management is to have the "difficult conversations" necessary to keep projects healthy [16]. To take this a step further, we must retain faith we will prevail in the end and confront the most brutal facts of our current reality (Collins' Stockdale Paradox).

The PMO should ensure that the brutal facts associated with a project are recognized in an effective and timely manner, so that issues and risks can be addressed and corrective action taken. Unaddressed risks and issues are compounded in a multi-project environment, and a central office for handling of

various problems will ensure that personnel feel safe to report and act on their concerns.

### PMO Risk Management Considerations

*"You'll miss 100% of the shots you never take."*  
-Wayne Gretzky

- **Value.** Issues of value and the contribution or lack of contribution to project performance are key to the perceived performance and ultimately to the legitimacy of the PMO. Poor-performing PMOs are seen as contributing little to project performance, while highly valued PMOs are seen as making significant contributions to performance. The ability to show contribution to performance is critical.

- **Cost.** While many companies see fit to establish large and costly PMOs made up of a dedicated full-time team, the administrative cost of a PMO should be minimal. The key is to establish a culture wherein personnel devote their time and energy toward continuous process improvement in addition to their compensated level of effort. The PMO should be staffed with Level 5 leaders who target the success of the company over their own personal advancement. PMO membership should be considered an honor and a privilege to serve, with effort expended without additional compensation.

- **Mandate.** Organizations choose from a number of possible roles or functions when deciding on the mandate to give a PMO. They also choose between a PMO in a support role with little or no authority and a PMO with considerable decision-making power. Senior Management will need to form a balance between these roles and functions that establishes an efficient and effective PMO conducive to business culture and values.

- **Best Practices.** A Lessons Learned database is vitally important to any organization for a number of reasons. As a key mechanism for cross-project communication, it allows for sharing of best practices and fosters continuous process improvement. However, we often learn more from what we did wrong than what went right on a project (luck often enters into success). We should ensure such a database is not only useful

(i.e., searchable, organized by category, etc.), but is not viewed as a 'failure information database'. Internal marketing and communication are required to ensure this information is understood to be used for improvement and not blame.

## Agile vs. the PMO

*"Agile methods derive much of their agility by relying on the tacit knowledge embodied in the team, rather than writing the knowledge down in plans."* -Barry Boehm

*"Strange women lyin' in ponds distributin' swords is no basis for a system of government. Supreme executive power derives from a mandate from the masses, not from some farcical aquatic ceremony."* -Monty Python and the Holy Grail

Agile development is characterized by frequent rapid delivery of useable software by self-organizing teams with regular adaptation to change [17]. Working software is the principal measure of progress; and increased throughput (velocity), by reduction of bottlenecks, is the primary measure of efficiency. Such methods are not very conducive to authoritarian control by the standard PMO model.

In Agile, just as in chess and in the PMO, there are multiple decisions and compromises to be made. By the second chess move there are 72,084 possible games; by the 3rd move, 9 million, and by the 4th move, 318 billion. There are more possible games of chess than there are atoms in the universe [18]. Similarly, the imposition of standard processes by a strategic PMO on Agile projects can lead to multiple responses and disastrous effects. Typically, when a PMO attempts to develop and implement a standard methodology, force common documentation archives or standardize post project reviews on an Agile project, the response is something like "Thank you very much, but we already got one, and it's very nice."

In a recent unscientific blog that I posted (there is very little research in this area), I received 72 comments on this subject from both Agile PMs and Agile Practitioners. Most PMs thought that a PMO could, if managed properly, benefit Agile teams. However, most Agile Practitioners not only viewed the PMO as the Evil Empire, but considered not only the PMO but all project managers to be waste, bottlenecks and a hindrance to velocity. Many questioned whether either should be allowed to breathe oxygen in an Agile environment.

Currently many PMOs believe that Agile is a blip on the process radar that will someday go away. Agile isn't going anywhere, mainly because customers love frequent deliveries (call it the Amazon conundrum). PMOs need to understand the Agile methods being used in their company, and manage strategic processes and decisions accordingly. Somebody's got to be the hero; it won't be the Agile Practitioner who has a manifesto and usually productivity metrics to back up their increase in productivity and client satisfaction. The successful PMO will be the one that understands the difference between a project schedule and an Agile roadmap, osmotic communication and talking, and minimal documentation vs. maximum invisible documentation. Remember that while there are more possible chess games, or

decisions to be made in a technical environment, than there are atoms in the universe, if you make a mistake there is nearly an infinite amount of ways to fix it.

## Conclusion

*"You don't lead by pointing and telling people some place to go. You lead by going to that place and making a case."*

-Ken Kesey

Research has shown that PMOs are largely new creations in the corporate world and undergo frequent changes in relatively short periods [19]. Therefore it should not come as any surprise if an initial PMO has a short life span before being restructured or refocused. Effective PMOs continue to add value specifically by changing and reinventing themselves—as long as they stay focused on the principle of improving project management.

- **Establish a Strategic PMO.** A strategic PMO should be established, along with a systematic approach to create and sustain project management value through a PMO charter. There are many types of PMOs, a subject beyond the scope of this article, but aligning the goals of a PMO with the strategic direction of the company is critical to the success of this venture.
- **Create a PMO Charter.** A charter recognizes the existence of a project. The PMO should be treated as a project, with a charter that describes at a high level the business need, scope, objectives, deliverables, constraints, assumptions and approvals.
- **Use Information Radiators.** "Information Radiator" [20] is an umbrella term for a number of highly visible ways to display information, including video displays, data summaries and email newsletters. Typically used in Agile software development, it's an ideal way to inform PMO benefits and services to stakeholders and to maximize exposure of the PMO. Communicate the potential benefits early and often, supported by metrics relevant to business objectives.
- **Drive Down Decision Making.** Dr. Ostrom contended that individuals and communities could effectively manage their own collective resources without the intrusion of higher level authorities. While occasionally tactical decisions at the project level require coordination with strategic objectives of senior management, project managers are usually in the best position to make effective and timely decisions. A Strategic PMO will allow for collaborative management of project risks and issues with increased agility by the personnel closest to the action.
- **First Who...Then What.** A compelling high-level corporate vision is imperative. As Collins notes, "People are not your most important asset. The right people are." Any company should therefore concentrate on who gets on the PMO bus and what seats they take before setting a direction for the PMO.
- **Staffing with the Right People.** Collins again. While our first inclination may be to search for the most intelligent, multi-disciplined personnel to staff the PMO, we should search first for Level 5 leaders who exemplify the key trait of ambition first and foremost for the company and concern for its success rather than for one's own riches and personal renown. These

individuals should be self-effacing people with extreme humility and intense professionalism who will display the fierce resolve to do whatever is needed to make the company great.

- **Teaming: Integrating the Right People.** While Collins points out that once you have the right people in the right seats on the bus, issues such as managing change, motivating people or creating alignment largely melt away. Here I must disagree. In a perfect world where you've identified the proper people in the exact proper places I might agree. However, in our imperfect world we will need to pay special attention, especially in the initial stages, to assigning PMO members who have previously shown the ability to work together as a group.

- **Foster Innovation through Best Practices.** A recent report from Forrester Research indicates that the most successful PMOs focus on removing obstacles and delivering project management best practices to the entire company [21]. It's important to celebrate our successes and even to document them in detail for others to learn from. It's just as important, however, to focus equal emphasis on learning from those projects that appear to have run off-course [22].

- **Progress Measurement and Continuous Improvement.** As the PMO evolves, members must concentrate on the metrics by which their projects are measured as well as how process effectiveness is determined. While there must be a concerted effort to identify processes which require improvement, data collection and indicators (graphs, charts, etc.) must directly support both project and organizational goals. We can't manage what we can't measure, and unless all the projects in the company can be held up to the light and compared to each other, we have no way of managing them strategically, no way of making intelligent resource allocation decisions, no way of knowing what to delete and what to add. The PMO will assist in making these key decisions.

- **Start Small.** Tables 2, 3 and 4 provide examples of typical PMO functions in use throughout industry. There will be a strong inclination to initially load up the PMO charter with all the company's perceived problems and desired process improvements. Highly valued PMOs are seen as making significant contributions to performance and, especially in the initial stages, the ability to show contribution to performance is critical. Once the PMO is seen to produce some highly visible and useful improvements, however small, personnel will begin to value the PMO as a mechanism of positive transformation. The PMO charter can then be revised, incorporating new functions in accordance with the organization's strategic goals. Research has shown that successful PMOs start with a narrow portfolio of projects, and as project management becomes a more systematic practice, the PMOs broadened their scope. These PMOs had to demonstrate value within their first six months of existence to maintain executive support [23].

- **Consensus.** It's important to note that the PMO serves in an advisory function to the CEO. Therefore, the PMO should not necessarily seek consensus on every issue, recognizing that consensus decisions are often at odds with intel-

ligent decisions, and that dissenting opinions may well have importance in the final analysis. The responsibility for the final decision should remain with the CEO.

- **Use Existing Assets to Assure Compliance.** Most PMOs I've studied had a tendency to make decisions and attempt to follow through on implementation on their own. Unfortunately, as an advisory committee to the CEO they had no charter to force implementation and, once forced, to determine compliance. Many organizations employ BPI and Quality Assurance teams with vast experience in implementing change and ensuring compliance. Upon CEO sign-off, the PMO should use these teams to full advantage. While maintaining a separate identity, these teams can be of great value in advancing the goals of the PMO.

- **Select PMO Functions that Make Sense for the Corporate Culture.** Although this paper lists 27 functions in common use by industry, we must recognize that most companies are unique. They make a unique product for a unique client base. While selection of PMO functions will be the responsibility of the PMO, the following functions may be considered for initial implementation:

- > Report overall and individual project status, issues and risks to upper management
- > Advise senior management on strategic project initiatives
- > Provide coordination between projects, eliminate silos and ensure effective communication
- > Provide mentoring, coaching and training in project management and methodologies
- > Allocate resources between projects
- > Implement and manage Best Practices and Lessons Learned databases to ensure the effectiveness of the program

Based on history and accomplishments, most companies have both great advantages and unique challenges. Continuous process improvement initiatives, along with the dedication of talented personnel, should allow most companies to continue their good to great journey, even in the current economy. The opportunity exists, however, to improve to an extent that was previously unimaginable only a few years ago. Establishing and maintaining a strategic project office will help facilitate and maintain the corporate transformation to a new level of efficiency, productivity, quality and commitment to excellence.

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