

The new P3O Guidance from the Office of Government Commerce

There was standing room only at both of Sue Vowler's presentations on the P3O (Portfolio, Programme & Project Office) at the International BPUG Congress this year. The P3O - pronounced "Pee Three Oh" - is a formalisation of guidance to delivery "enablement / support" offices, offering advice to organisations on current Best Management Practice thinking.

"The P3O has been in the pipeline for several years," said Sue Vowler, Lead Author, P3O. "This new guidance pools together all that currently exists and tries to make sense of it. At the moment there are many kinds of support office and some of the guidance is contradictory. The aim is to provide a single point of reference for setting up or running effective delivery support and/or enabling offices in alignment with OGC Best Practice."

Like all other OGC methods, P3O will have a manual detailing the guidance, a pocketbook and an introduction to the subject entitled 'Think P3O'. The manual is due to be published in autumn 2008.

Sue explained that although there are qualifications for running projects (PRINCE2™) and managing programmes (MSP®), there are no recently refreshed programme or project office qualifications and none that align with the other OGC Best Management Practice methods.

"This is important because accreditation and continuous professional development enable organisations and people to improve, so the new manual has been written with qualifications in mind," she said.

The P3O will align with the new version of PRINCE2 – due for release in 2009 – and the 2007 versions of IT Infrastructure Library (ITIL®), MSP and Management of Risk (M_o_R®) as well as the OGC Gateway Reviews and Maturity Models.

What should we call our office?

Historically, organisations call their support offices many different things and the consequence is a diverse range of acronyms such as:

PO: Programme or Project Office
PPSO: Programme and Project Support Office
PMO: Project Management Office
BCU: Business Change Unit
CoE: Centre of Excellence

"This is an important issue because what you are called affects how people treat you," Sue said. "People assume that staff working in a Project Support Office are not senior people. Renaming the Project Office is therefore important so that people are recognised. Brand is all."

She continued: "Historically, the Project Office was responsible for administration, planning, reporting, risk and issues logs, etc. Now it needs to add value by offering a challenge and assurance role. It carries out performance management and financial tracking. It measures its success and thereby proves its value to the business, making it less likely to be cut in any restructuring exercise."

What is P3O?

A P3O model provides a decision enabling / delivery support structure for all change within an organisation. This may be provided through a single permanent office, which may exist under several different names e.g. Portfolio Office, Centre of Excellence, Enterprise or Corporate Programme Office, or be provided through a linked set of offices (portfolio office, programme offices, project offices), both permanent (enabling / supporting business objectives and consistency of delivery) and temporary (enabling / supporting specific programmes and projects), providing a mix of central and localised services. There is no 'one size fits all' approach – the model to be deployed in an organisation will depend on the vision and goals of the P3O sponsor, the business needs, the programme, project and risk management maturity of the organisation, the size of the resource pool, the numbers of programmes and projects being undertaken, the political and cultural environment, the business divisions / departmental structure, geographical location of staff and the maturity of matrix management structures.

Types of offices within a P3O model

A **portfolio office** will provide the decision support engine behind successful portfolio management. It will be responsible for advising senior management on the composition of the portfolio, its progress against plans and any problems with conflicting priorities [including priorities against business as usual delivery], risks and issues. Its key function is to ask 'Are we doing the right things and are we getting business benefit from our investments?' Other questions include – "Can everything be done? Can we speed up the time-to-decision cycle?"

Other offices – Centre of Excellence, Programme and Project Offices

Whereas the key role of a portfolio office is identified as ensuring the "right" things are delivered, there is also a requirement to ensure that change is delivered consistently and well, through standard processes and trained competent staff. This consistency of delivery is often provided by a **Centre of Excellence (COE)** who deliver standards, consistency of methods and processes, knowledge management, assurance and training across the full portfolio of change. This may be a team or function within the corporate portfolio office or may be set up as a separate office.

The mistake often made, is to staff P3O offices with junior staff, whereas they should involve people with years of experience at the top of their career. Programme Offices change, reinventing themselves to reflect changing business drivers.

Temporary **programme or project offices** are often set up, servicing a specific programme or project, to support the programme or project manager and board with planning, risk, issues and change management or act as configuration librarian. On small projects the support may simply be provided by a multi tasking project support officer.

"Many organisations wrongly assume the P3O is a collection of pen pushers who do nothing but fill in reports that nobody reads," Sue said. "It is often the first to be dismantled when organisations re-structure. However, in fact the mature organisation values its P3O and uses its capability. Only organisations working with effective P3O models attain a level 3 maturity assessment."

The Future of the P3O

“OGC’s aim is that the P3O will provide a backbone for integrated governance and escalation. It should provide a career path in its own right and not be seen a stepping stone to becoming a project manager, adding real value to senior management,” Sue explained.

“The centralisation of services will leverage more output and support alignment across initiatives. Where companies utilise virtual offices, the P3O will ensure they are working to consistent standards. It will give credibility to experienced trained staff as well as a clear set of tasks to the Strategic and Sponsor support functions. Performance Management will be aligned with portfolio, programme and project success meaning the P3O should no longer be a potential target for cost cutting. This should be good news for programme offices everywhere!”

Sue finished her presentation by taking questions from the floor, which mainly related to qualifications based upon the P3O. She told the audience that APMG expects to make an announcement about the proposed qualifications scheme once the review process is complete in summer 2008.

Sue appealed for contributors and good examples – sizing models, reporting formats, prioritisation models etc as well as case studies. Anyone interested should contact her by emailing sue@project-angels.co.uk

Further details about P3O: www.best-management-practice.com

Further details about P3O qualifications: www.apmgroup.co.uk



What the P3O manual will contain:

- Introduction – development path linked to management
- Value Proposition The Business Case
Funding - set up and ongoing performance measures
- What is P3O Strategic Context
Models and sizing
Organisation structure
Links to other functions
- Lifecycle of P3O Setting it up
Sustainability/continuous improvement
Closing down
- Functions/Services
- Techniques/Tools
- Appendices Roles/Responsibilities
Programme Brief
Sizing model
Case studies
Checklists
Good practice examples