Organizational Project Management Maturity Model (OPM3)

PMI-MN Breakfast sessions
OPM3 Overview
Agenda

- OPM3™ Concepts
- The OPM3 Standard
- Categorization
- OPM3 Cycle
- Summary
- Questions and Discussion
OPM3 Concepts
OPM3 Concepts – Introduction

- **Maturity** implies a state of being fully developed

- A **Model** is a framework organizations may use to identify, establish, and maintain required capabilities
A maturity model may include:
- methods to facilitate assessment
- methods to identify deficiencies
- representations of improvement paths
OPM3 Concepts – Introduction
(cont.)

• OPM3 can enable you to do the right projects the right way in a dynamic and global economy

• OPM3 may be applied to organizations of diverse
  ‣ industries
  ‣ sizes
  ‣ geographical locations
OPM3 Concepts – The Benefits of OPM3

- Provide answers to very important questions related to the organization’s current maturity
- Assess maturity of different parts of the organization
- Identify specific areas that need improvement
- Promote organizational maturity awareness among senior management
- Attribute organizational success to project management

The challenge is to link organizational strategy to successful, consistent, predictable project completion...
OPM3 Concepts – A Strong Foundation

OPM3:
- has a strong foundation based on research, including 27 contemporary models
- was developed with the widespread participation of the larger PM community
- was developed with contribution of over 800 professionals from over 35 countries
- is aligned to the *PMBOK® Guide*
OPM3 Concepts – Beyond Single Projects

OPM3 defines organizational project management as:

“the consistent application of knowledge, skills, tools and techniques to organizational and project activities to achieve the aims of an organization through projects”
OPM3 Concepts – Why OPM3?

A large number of respondents to OPM3 surveys cited that, in their business environment,

- desired project results were seldom achieved
- project evaluation was often not linked to business value
- despite having selection criteria, processes in place to align projects to strategy, they often failed

By almost a three-to-one majority (72% to 26%), most CEOs believe that US companies’ execution of their chosen strategies requires more improvement than the development of appropriate strategies.

*The Nation's CEOs Look to the Future*, NIST Study No. 818407 July 1998
OPM3 Concepts – Connecting the Gap

- Most organizations have strategic planning processes
- OPM3 will enable organizations to align their projects to business strategy
- The *PMBOK® Guide* enables you to successfully accomplish projects
OPM3 Concepts - The Links

- PMBOK® Guide
- Projects
- OPM3
- Organizations
- Project Manager Competency Development Framework
- People
OPM3 Standard
The essence for OPM3 is the blending of knowledge, assessment, and improvement.

Organizational project management, its maturity, relevant Best Practices and how to use the Model

Sequence for developing Capabilities aggregating to Best Practices

Methods for evaluating Best Practices and Capabilities

The essence for OPM3 is the blending of knowledge, assessment, and improvement.
OPM3 Standard - Components

Best Practice

Capability

Outcome

KPI

Capability

Capability
OPM3 Standard - Best Practices

• A **Best Practice** is an optimal way currently recognized by industry to achieve a stated goal or objective.

• For organizational project management, this includes the ability to deliver projects successfully, consistently, and predictably to implement organization strategies;

• The OPM3 Best Practices may be accessed from the OPM3 CD-Rom interactive database.
OPM3 Standard - Capabilities

- The incremental steps along the path to increased maturity
- A set of Capabilities supports the achievement of a Best Practice
- The existence of a Capability is demonstrated by the existence of its corresponding Outcome(s)
- The OPM3 Capabilities may be accessed from the OPM3 CD-Rom interactive database.
OPM3 Standard – Outcomes & Key Performance Indicators

- An **Outcome** is the tangible or intangible result of demonstrating or applying a Capability.
- A **Key Performance Indicator** (KPI), represents the means to measure an Outcome through a Metric.
OPM3 Standard – Dependencies

OPM3 provides details relating to all of the capabilities required for each Best Practice, including ones from other Best Practices.
OPM3 Standard - Components

BP Name: Use Team Work
BP Description: Cross functional teams carry out the Organization’s activities

Capability Descriptions:
• Develop Integrated Program and Project teams
• Develop Cross Functional Teams
• Organize project work by functional area
Categorization
Categorization - Overview

Methods for Categorizing Best Practices and Capabilities are:

- The Capabilities are categorized by the Process Groups - Initiating, Planning, Executing, Controlling and Closing Processes (IPECC)

- Best Practices are categorized according to the Organizational Project Management Domains - Project, Program, Portfolio (PPP)

- Best Practices are also categorized by the Stages of Process Improvement - Standardize, Measure, Control, continuously Improve (SMCI)
Categorization - IPECC

Initiating Processes

Planning Processes

Controlling Processes

Executing Processes

Closing Processes

Project Management Institute, *A guide to the project management body of knowledge (PMBOK® Guide)* (Newtown Square: The Project Management Institute, 2000), p. 31
Categorization - PPP
Categorization - SMCI

OPM3 Construct

Organizational Project Management
OPM3 Steps

Use the Standard to obtain a basic understanding of OPM3, its components and operation

Option: Exit process if satisfied with results; reassess periodically to monitor effects of change

High-Level: Use self-assessment tool to identify existing and needed Best Practices, and obtain results

Comprehensive: Identify existing Capabilities to determine maturity at a detailed level and consider planning for improvements
Self-Assessment Results: Diagrams

Your Organization on OPM3 Continuum
Project / Program / Portfolio (PPP)

- Project: 52%
- Program: 10%
- Portfolio: 29%

Your Organization on OPM3 Continuum
Standardize / Measure / Control / Improve (SMCI)

- Standardize: 43%
- Measure: 45%
- Control: 15%
- Improve: 10%
Self-Assessment Results: Continuum

Your Organization on OPM3 Continuum

[Bar chart showing relative maturity percentage]

Organizations' Relative Maturity Percentage

PPP/SMC

Project Standardize - 52%
Project Measure - 73%
Project Control - 50%
Project Improve - 22%
Program Standardize - 34%
Program Measure - 0%
Program Control - 0%
Program Improve - 0%
Portfolio Standardize - 40%
Portfolio Measure - 47%
Portfolio Control - 0%
Portfolio Improve - 9%
OPM3 Steps

Recommended:
Return to Step 2, reassess maturity to detect changes caused by recent events

Option: Return to Step 3 to work on other Best Practices identified in original assessment

Execute planned organizational development activities to advance on the maturity continuum

Use Assessment results and organization’s priorities to determine scope and sequence of improvement efforts
Summary
What will OPM3 do for your organization?

- Help your organization understand its organizational project management maturity
- Identify ways to translate strategies into successful, consistent and predictable project outcomes
- OPM3 will help you do the right projects the right way!
Summary – Connecting the Gap

• Most organizations have strategic planning processes
• OPM3 will enable organizations to align their projects to business strategy
• The *PMBOK® Guide* enables you to accomplish successful projects
Summary – Significance of OPM3

• The beginning of a journey
  • Goes beyond immediate implications
    • Forms a strong foundation for future work
Is OPM3 Available for Purchase?

The OPM3 Standard is now available through PMI’s Bookstore!
Primary *OPM3* product

*OPM3* – The Standard is the primary product, delivered as a CD-ROM with the following:

1. **Knowledge** element of *OPM3* & appendices as electronic file
2. **Self-Assessment** as database
3. **Improvement** directories (three) as database - unique feature not available with other maturity models

Additionally:

- PDA compatible electronic file of the Knowledge element
- **Paperback book copy** of the Knowledge element electronic file as it will not allow copying, cutting & pasting or printing
- Invitation to a Web based community
Secondary OPM3 Products

Supportive products to the Standard include:

- *An Executive’s Guide to OPM3* (2 to 5-pages – no charge)
- Products available through the PMI Bookstore
  - *OPM3 Overview* (~ 25-pages)
  - *OPM3* Paperback book of the Knowledge portion including appendices, glossary, index, with a listing of Best Practices (~150-pages) “Knowledge Foundation”
- Quantity discounts available by calling Bookstore customer service
## OPM3 Product Pricing and Description

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<thead>
<tr>
<th>Product</th>
<th>List Price</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>OPM3 (The Standard)</strong></td>
<td><strong>PMI Member Price:</strong> $595.00</td>
<td><em>OPM3 CD-ROM + book, Web community area - R.E.P.s and Components get the same discount as PMI Members</em></td>
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<tr>
<td><em>Includes a copy of soft-cover book, Knowledge Foundation</em></td>
<td><strong>Introductory Price:</strong> $295.00</td>
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<td><strong>Non-member Price:</strong> $695.00</td>
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<td><strong>Introductory Price:</strong> $345.00</td>
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<tr>
<td><strong>OPM3 Paperback Book Knowledge Foundation</strong></td>
<td><strong>Member:</strong> $65.95</td>
<td>~150-page on knowledge, assessment and a listing of the best practices</td>
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<td><strong>Non-member:</strong> $79.95</td>
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<tr>
<td><strong>OPM3 Overview</strong></td>
<td><strong>Member:</strong> $9.95</td>
<td>25 page summary of OPM3</td>
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<td><strong>Non-member:</strong> $14.95</td>
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<tr>
<td><strong>OPM3 Executive Summary</strong></td>
<td><strong>No Charge</strong></td>
<td>2-5 pages summary of OPM3 and the benefits and value of OPM3</td>
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<tr>
<td><strong>OPM3 Highlights</strong></td>
<td><strong>No Charge</strong></td>
<td>1-page brief high-level summary on benefits and value of OPM3</td>
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*Introductory price until 31 Mar ‘04*
Questions & Discussion
Questions?

For more information, contact:

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