

Applying OPM3® in Organizations - a modular approach

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Abstract

Ever since OPM3 was first introduced by PMI in 2003, its application as a practice has not been widespread and has not been as successful as other programs for certification like PMP or even the recently introduced Agile certification. There are many reasons for lack of appreciation of OPM3 - these include among others - difficulty in understanding the model, the fact that PMI and professionals are still on a learning curve to market a consulting service as opposed to certification products and it being different from other contemporary models or frameworks. This paper presents alternative methods which are modular in approach for assessment of organizations and is good starting point for organizational improvement. It will be useful to both certified professionals and prospective users involved in improvement of organizations.

Implementing OPM3 - Challenges in the past

- The project management community has found it difficult to understand the model . For example, they are not familiar with strategic management either in terms of knowledge content or practice based on which OPM3 is based.
- Those who are involved in process improvement tend to look thorough the 'glass' of other models e.g. CMMI and 6 Sigma. It has been difficult to explain that OPM3 is not a substitute for these but complimentary to them.
- OPM3 is level-less model and has been designed in that way due to its multidimensional nature. The benefits of such a system i.e. flexibility and low entry level requirements has been difficult to communicate to many professionals.
- Organizations seek benchmarking data which PMI has not been able to develop so far for OPM3.
- Often , the need for the use of such models is more from customer requirements or for improving brand value so certification of the organization similar to ISO becomes a need and PMI has not developed any framework so far for OPM3
- As compared to getting the organization certified for business reasons the number of organizations genuinely seeking process improvement are fewer and it is challenge to locate such customers.

- The target market for OPM3 / Consulting services has so far erroneously been largely project management or quality professionals whereas the focus should be on operational management professionals and executives
- Only those organizations interested in process improvement should be sought and not because a certification is mandatory or due to customer insistence.
- While there are many PMI Certified professionals e.g. PMP and PgMP, it is a moot point if they are contributing in promoting process standardization and improvement within their own organizations.

Assessment methods - different approaches

Methods suggested by OPM3 Standards and Product Suite

- A Self-Assessment Method or SAM using OPM3 standard / OPM3 online. This assessment is at Best Practice level and is for Project, Program and Portfolio (PPP) domains and Organizational enablers (OEs). It considers stages of Standardize, Measure, Control and continuously Improve (SMCI).
- A Desk or Rigorous assessment using OPM3 Product Suite - The assessments are done for similar parameters but at a greater level of detail as compared to SAM. Therefore, the assessments are done for PPP domains with stages of SMCI and OEs but at capability level which is a subset of a Best Practice. A Desk assessment is designed to seek evidence through a interview process only and relies on information provided by responder. A rigorous assessment is more formal process of gathering, collecting and validating of responses through documented proof.

Alternative Methods

A challenge often faced when trying to enter into a client engagement is for the organization to go in for an assessment for the whole organization. This may be due to paucity of human or financial resources , inability to take decisions at operating level for proposals of higher value and proof of outcomes from improvement initiatives .A work-around for this problem is to segment initiatives in smaller components as shown in the following examples .

- Asses only part of the organization - a department , section ,SBU or division
- Assess only one project (or program)
- Assess only for standardize stage

- Assess only one domain (project , program or portfolio)with or without Organizational Enablers
- Assess only a few processes , or only processes from one knowledge area , or even a single process

While using the methods and tools suggested by PMI in their standards or Product Suite there are some challenges. In case of SAM the responses to questions are Binary (Yes / No). Persons taking the questions find it difficult to respond with a clear black or white situation. In this context the option of scaled responses is available in the Product Suite. but this accessible only to Certified OPM3 Professionals. The Product suite is more elaborate and detailed and can be overwhelming for 1st time users or while introducing OPM3 in organization.

A solution to this problem is to re- engineer the SAM / Product suite to make it easier to respond to questions with more clarity and make it less daunting. This can be done by reducing the number of questions and providing options where a 4 point scaled response is possible.

The re-engineered methods are not the same as a full-fledged PPP/SMCI desk or rigorous assessment. However the feedback from interviews or surveys could be extremely useful as a basis for analysis and can help recommend improvements paths and projects. There is less emphasis placed on actual scores as they may not be accurate and instead use them as only a guideline.

The methods have been developed to have a scalable relationship with a Desk or rigorous ProductSuite assessment when performed at a later stage.

Results from assessments - some case studies

ERP Implementation project - Assessment

- Assessment - Product Suite (Desk) **Single Project - Project +OE**
- Assessment not done for - Program / Portfolio and Measure /Control / Continuously Improve
- **Procurement Knowledge Area and some OEs not considered** - NA (Not Applicable)
- Assessment period - 1 day , No of Interviews - 5 persons 1/2 to 1 hr each
- BPs achieved - Overall maturity 3 % (also considering Program & Portfolio)
- For Project - 8 % (also considering MCI in addition to Standardize)
- For Project / Standardize - 33%
- ProductSuite scores - Project / Standardize Project XXX/XXX - 76% OE XXX/XXX - 29 %
- Areas of focus for Improvement - Scope ,Risk and Communication

Construction project - Assessment

- Assessment - Product Suite (Desk) Single Project - Project +OE
- Assessment not done for Program / Portfolio
- **Only for 4 PMBOK Procurement Processes , Interface processes assessed at hi level**
- Assessment period - 4 days , No of Interviews - 21 persons 1/2 to 1 hr each
- Depts - Planning , Execution (Site) Estimation, Arch /Design and Contracts
- Overall maturity - not reported - as only procurement processes considered, Program and Portfolio not considered. OEs evaluated separately
- ProductSuite scores - Project - 4 procurement processes - PMBOK (OEs excluded) Project / SMCI - 27% Project / Standardize - 61 % , Proc processes - caps achieved reported (bar chart) also Product Suite scores for processes
- Areas of focus for Improvement Organization (Co-ordination) , Risk and Change Management
- Improvement in Interface processes ProductSuite scores - Interface processes – (Scope, Time Cost, Integration) assessed - at hi - level ,OEs - Capabilities and
- Product Suite score reported - hi - level , Improvement projects and steps suggested

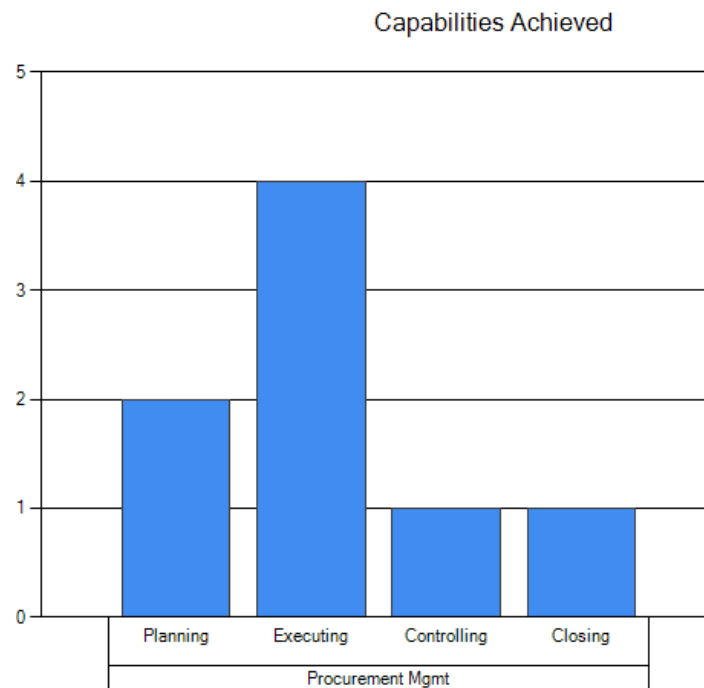


Exhibit 1 – Capability achieved – procurement processes

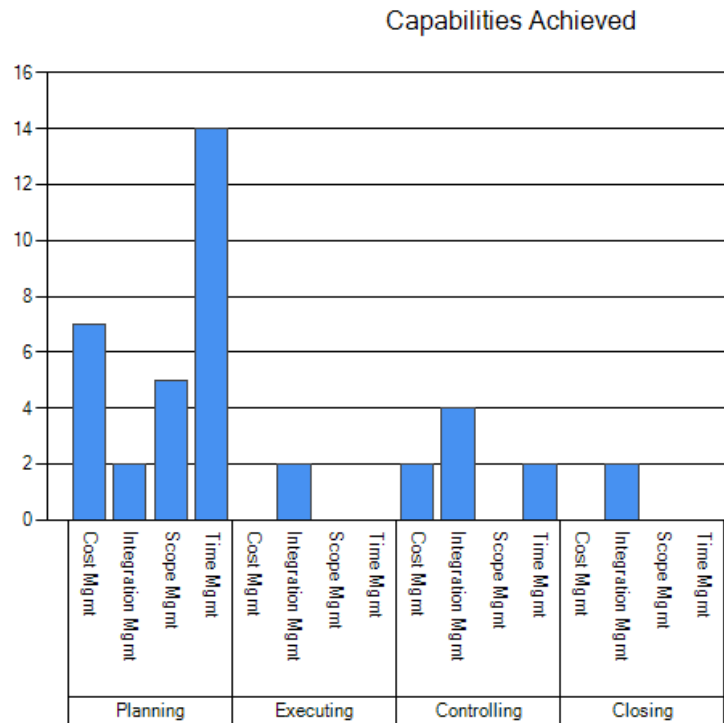


Exhibit 2 – Capability achieved – interface processes

Government - Assessment

- Assessment - **Modified Hi level** Product Suite (Desk)
- For Projects+OE - not done for Program / Portfolio Only for Standardize stage
- Population - about 200 projects
- Assessment period - about one month **No Interviews - only survey sent to 500 persons**
- The overall ProductSuite score achieved (all over country) for the project domain /standardize stage is xxx achieved / xxx max or 58 % and that for OEs xxx achieved / xxx max or 48 %
- Areas of Focus identified for OEs and Project Processes - Process Groups / Knowledge Areas
- Report on analysis of qualitative responses
- Recommendation / Next Steps - projects to be implemented

Project :		Please indicate a 'X' in appropriate column					
Questions		Fully	To a large extent	To some extent	Not at all	Undecided	Not applicable
4	Does your organization include organizational goals/objectives in addition to time cost and quality.						
5	Does your organization assess deliverables and outputs at every phase of a project and decisions are taken to either continue the project or cancel it.						
6	Does your organization use external standards or benchmarks against which performance of projects are measured						
Do you have process for ???							
16	preparation of an overall project plan , processes for execution , monitoring/control and closing a project						
17	collecting requirements from customer/client or sponsor and preparing a scope statement						
18	defining , sequencing, estimating duration and resource requirements for activities and preparing a time schedule						

Exhibit 3 – Sample Questions for survey - Hi Level assessment

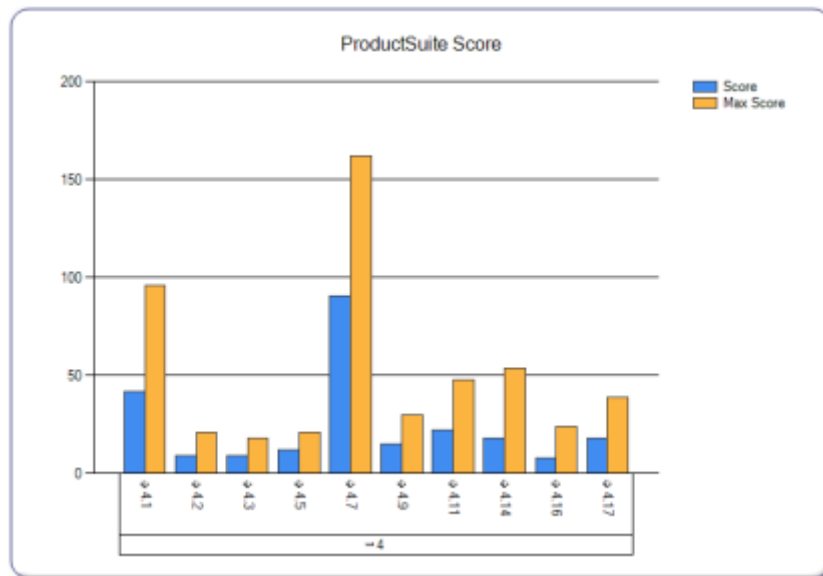


Exhibit 4 – Capability achieved –Organizational Enablers

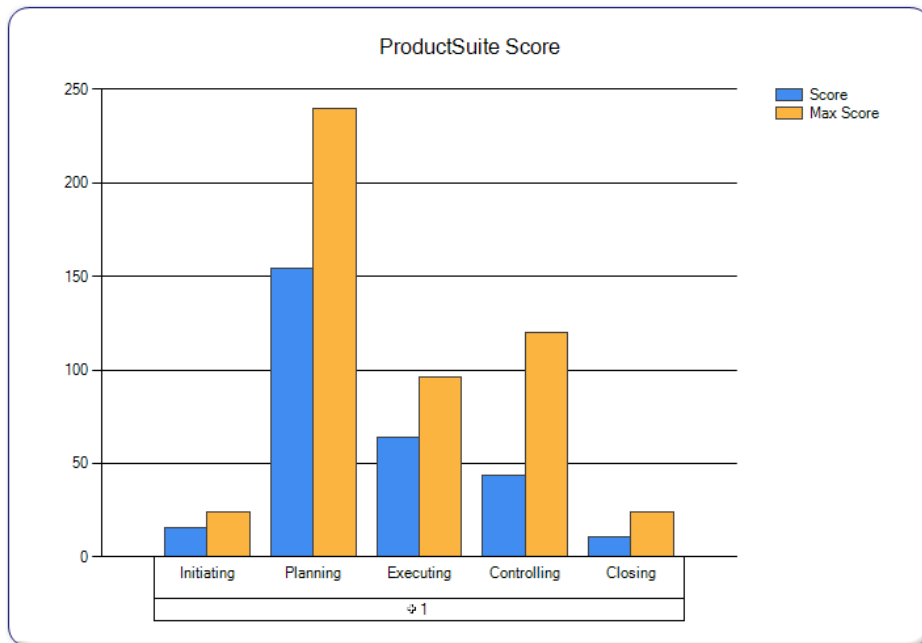


Exhibit 5 – Capability achieved – organized by process groups

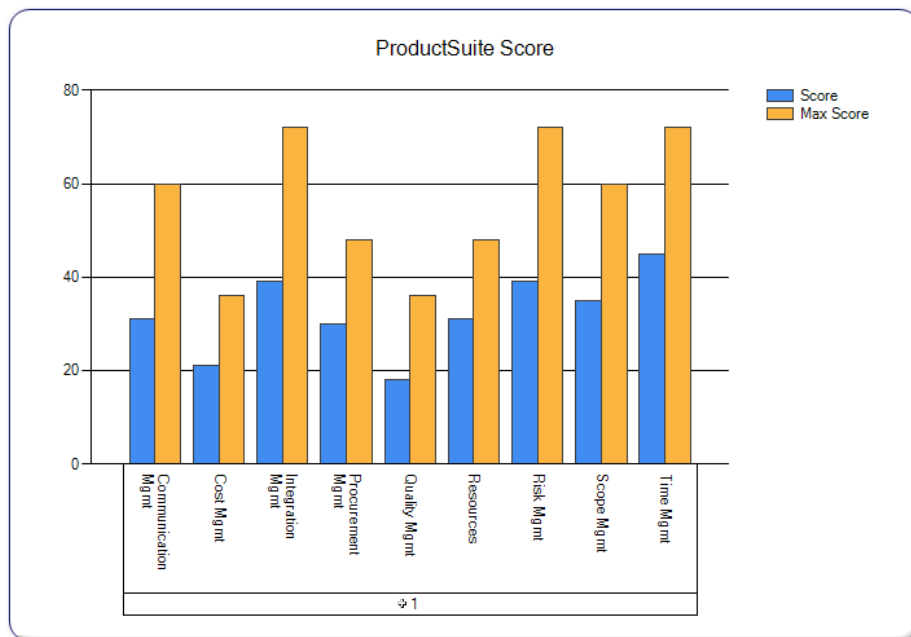


Exhibit 6 – Capabilities achieved – organized by Knowledge Areas

Conclusions

As shown in the examples, applying OPM3 in a modular way can be beneficial especially when we are interested in introducing it in organizations. Worldwide the application of OPM3 is still largely in its infancy and so there are many organizations who need to try out the model and satisfy its efficacy before applying it full-fledged across the organization. It is also hoped that certified PMI professionals will focus more in promoting process standardization and improvement in their organizations and thereby supporting and championing the use of OPM3 .The methods presented can be adopted by users or by certified professionals to support their sales efforts during client engagements.

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About the Author



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Raju Rao, PMP, SCPM, OPM3CC is principal consultant with Xtraplus Solutions, a PM consulting and training company based in Chennai, India. Mr. Rao has a B.Tech degree in Chemical Engineering from the University of Madras, India; a Diploma in Management from the University of Bombay; an Advanced PM certificate from Stanford University; and a certificate from IIM Calcutta. Mr. Rao has over 30 years' experience in engineering, process and project management and has been an active member of PMI for several years. He held leadership positions in both the 1st and 2nd edition projects of OPM3 and has been involved in development of several PMI standards. He has presented numerous papers in global congresses and is the co-author of two books – *Project Management Circa 2025* published by PMI and *Organizational Project Management* published by Management Concepts, USA. Raju is President of South India section of AACE International and founder of the Indian Project Management Forum. Raju Rao lives in Chennai, India and can be contacted at rao.raju@gmail.com.