

The Focus, Roles & Responsibilities of a Program Management Office^{1, 2}

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Increasingly large CAPEX owners are carrying out multiple “giga” programs (1) simultaneously. While each of these “giga” programs is likely using a program management approach to manage the multiple projects that comprise an individual “giga” program, there is a higher level of programmatic management required at the owner’s enterprise level.

This higher-level coordination and oversight is increasingly being provided by a Program Management Office or PMO, whose responsibilities are evolving as individual programs undertaken by the organization grow in scale and complexity.

This paper attempts to succinctly capture my observations of best practices of PMOs of large CAPEX owners as well define future roles and responsibilities of these PMOs based on emerging trends and program trajectories.

Focus of the PMO

Much has been written on the role of program managers as well as on the role of an enterprise level Program Management Office or PMO. In simple terms I see the PMO focus as:

- Enterprise wide
- Strategic focus related to the delivery of programs and projects
- Support and improve the management of projects through clear standards, processes and training

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Roles and Responsibilities of the PMO

With this focus in mind, PMO roles and responsibilities are trending towards a series of well-defined and interlocked roles and responsibilities. Key is to recognize that these roles and responsibilities are at an enterprise level with respect to program and project delivery and not directly responsible for program and project delivery.

PMO roles and responsibilities include:

1. Establishment and ownership of the program and project implementation requirements

- Support and link to investment decision process
 - o Assure strategic business objectives linked clearly to program and project implementation
- Overall project development and implementation flow chart
 - o Project approval
 - o Project planning
 - o Project initiation
 - o Project management, review and oversight
 - o Project close-out
- Define “tollgate” process and lead reviews linked to investment decision process
 - o individual phases before each tollgate
 - o deliverables
 - o outcomes required
 - o individuals and organizations involved
 - o anticipated duration of each phase

2. Top level enterprise standards and key operating procedures

- Standard for the Project Baseline Centric Documentation
 - o Scope of Work
 - o Base Line Schedule
 - o Cost Estimate
 - o Project Execution Strategy (including contracting approach)
 - o Risk Management (including supporting methodology)
 - o Standard Prime contracts (major contract types and procurement methods)
 - Developed in conjunction with contracts and procurement

- Project Execution Plan (PEP) Standard
 - Reporting Standard
 - o Performance metrics and KPIs
 - Quality Management Standard
 - Project Management Manual
 - Project Procedures Manual
3. Consolidated enterprise reporting based on reporting standard
- increase visibility of CAPEX
 - improve cash flow projections related to CAPEX
 - cross enterprise issues identification
4. Identification of enterprise program and project skill requirements and training needs
- establish project management culture
 - establish common PM vocabulary
 - increase project management capability
 - identify enterprise resource needs
5. Knowledge management
- build knowledge culture in enterprise
 - deploy knowledge sharing tools
 - identify best practices
 - share lessons learned
6. Execute complex business and transformational change

Conclusion

Delivery of large, complex CAPEX programs is growing across many industry segments ranging from oil and gas, through mining and minerals to a range of infrastructure programs. Often owner organizations may have several such “giga” programs underway and, as a consequence, have a new enterprise level programmatic management challenge. This challenge is not met by another level of program and project management but rather by putting in place robust frameworks for them to operate within and tools to facilitate enterprise level decision making. PMOs represent this enterprise level structure and today’s and tomorrow’s focus will require their roles to be sharpened and strengthened.

References:

1. Prieto, Robert; *Strategic Program Management: Key to “giga” Program Delivery*; PM World Today; July 2009. <https://pmworldlibrary.net/wp-content/uploads/2020/08/pmwj97-Sep2020-Prieto-strategic-program-management-key-to-giga-program-delivery-2nd-ed.pdf>
 2. Prieto, Robert; *Strategic Program Management*; published by the Construction Management Association of America (CMAA); ISBN 978-0-9815612-1-9; July 24, 2008.
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About the Author



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Bob is an Independent Member of the Shareholder Committee of Mott MacDonald and a member of the board of Dar al Riyadh. He is a member of the ASCE Industry Leaders Council, National Academy of Construction, a Fellow of the Construction Management Association of America and member of several university departmental and campus advisory boards. Bob served until 2006

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