

PMO Benchmark Report 2016

April 2016

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8th June, 2016

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Who PMO Practitioners Are

The PMO Benchmark Report is a focused report using data from the recently published Arras People Project Management Benchmark Report in February 2016. This report focuses on the responses from three groups which fall within the PMO community.

Thanks to Arras People we're able to provide a focused view of PMO practitioners in the market today.



27% Portfolio Managers
50% PMO Managers
23% Programme/Project Support

400 respondents took part between December 2015 and January 2016

Location



30% of all PMO Practitioners live in London 21% in the South East, 12% in the Home Counties, 11% in the Midlands, 7% in the South West, 6% in the North West, 4% in Scotland and 3% in Wales. Other areas are all below 3%.

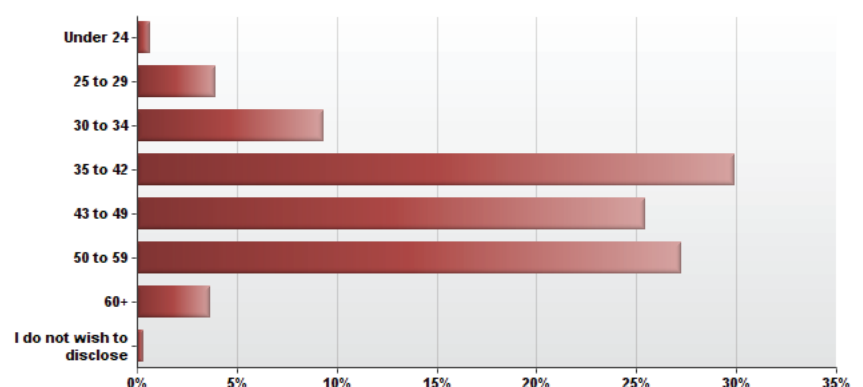
Of those living in London: 13% are Portfolio Managers, 46% are PMO Managers and 41% are Programme/Project Support.

PMO Practitioners in the UK today are comprised of three major groups. Those working at the portfolio management level and indicated in this report as Portfolio Managers. PMO Managers are managers of different types of PMO - mainly those that are enterprise level, programme or project level. The people who work in supporting roles such as Analyst, Co-ordinator and Administrator are grouped in this report as Programme/Project Support and therefore are classed as supporting programme or project activity.

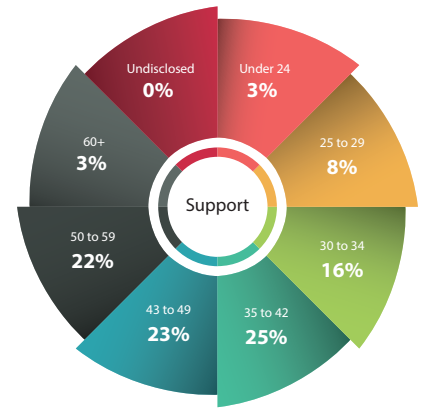
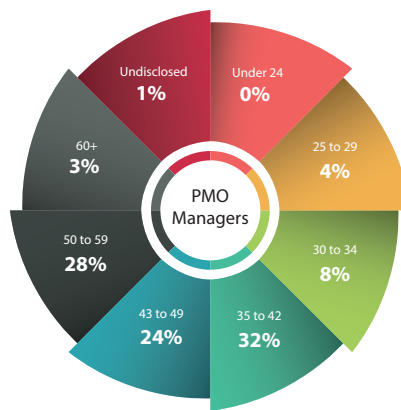
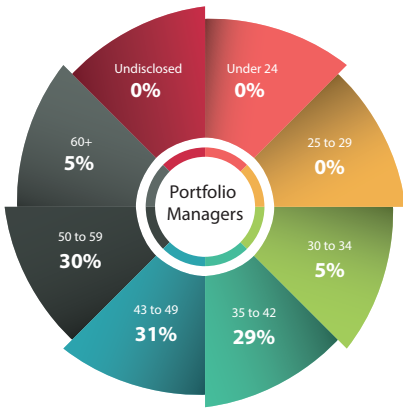
The vast majority of PMO Practitioners live and work in London and the South East, perhaps an indication of what types of organisations have a PMO function and where most of those businesses are in the UK.

Age

The role of PMO attracts practitioners at all ages. At the younger end of the scale, support roles are often seen as the entry level into PMO work. At the older end of the scale, it indicates that roles such as Portfolio Manager and PMO Manager require those with much more works experience.



The breakdown of age across each role:

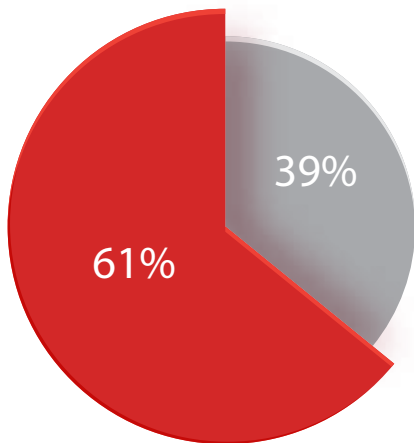


Gender

For a long time, the role of PMO was seen as an administration and secretarial role, which traditionally attracted a lot of female workers into the role. In 2016, what are the splits like now?



61% of PMO Practitioners today are male.



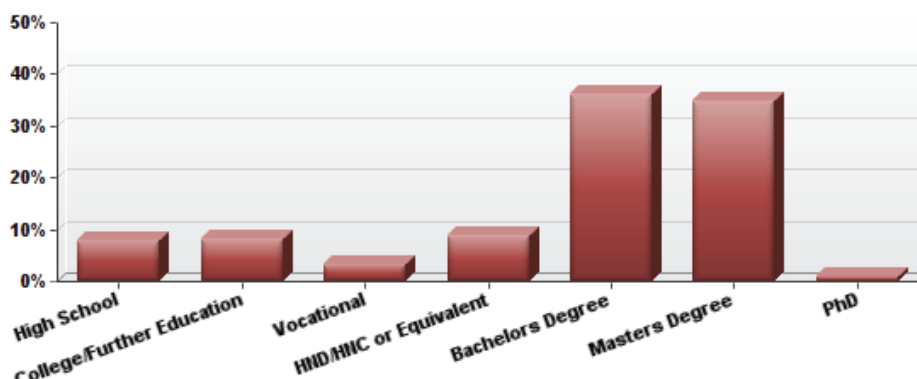
When we look at the gender breakdown across the three different types of roles:

- Portfolio Managers: 70% male Vs 30% female
- PMO Managers: 62.5% male Vs 37.5% female
- Programme/Project Support: 46% male Vs 54% female

The gender splits across project management as a whole, counting all the roles has been consistent over the last ten years with a 70 male:30 female split. The interesting view here is, what happens to the females who work within programme/project support? Do they tend to stay within that post rather than progressing on to the managerial role of PMO Manager?

Education

72% of PMO Practitioners are educated at degree level and above. Of the 35% who have achieved a Masters degree, 17% have obtained it in Project Management, yet it is not the most popular subject. 34% have obtained a MBA whilst 13% have a Masters degree in Computer Science or IT.



Who PMO Practitioners Work For

PMOs can be found in almost every kind of business today. Where there are programmes and projects, PMOs are not far behind. PMO Practitioners are more likely to be working with in the private sector (68%), compared with the public sector (23%) and charities/ third sector (8%).

Within the private sector, it's the financial services organisations which are the most likely to employ PMO practitioners (27%) followed by IT organisations (18%) and Business or Professional Services (10%). At the other end of the scale, there are less PMO Practitioners in Pharma, Arts and Entertainment and Automotive.

In the public sector, Central Government employs the most PMO Practitioners (29%) followed by Local Government (18%), Transport (14%) and Education (10%). At the other end of the spectrum, PMO Practitioners are less likely to be seen in the Armed Forces, Regulatory Bodies and Non-Departmental Bodies.

In the charity sector, the largest proportion of PMO Practitioners work for large international charities (23%) and large national charities (23%).



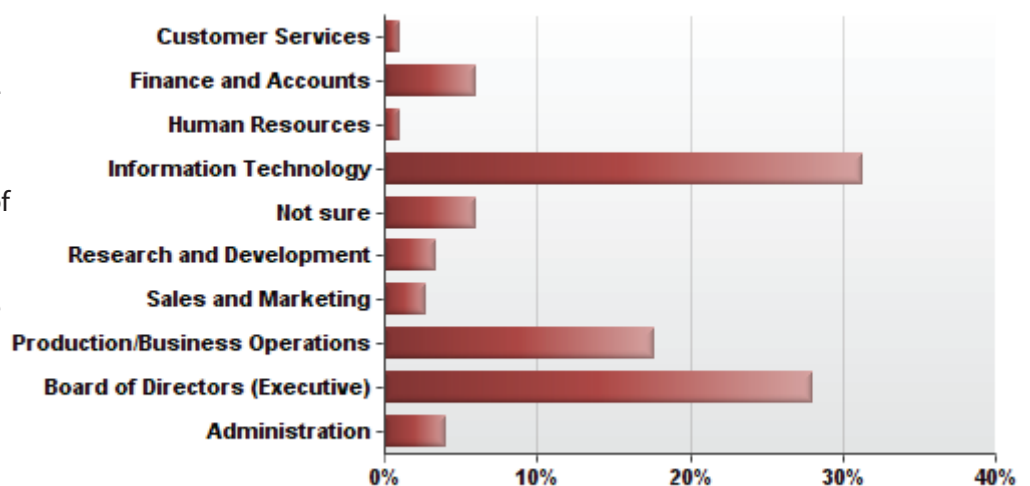
The PMO can exist in any area of a business. They can support just one project or programme; support a whole department's project output; support an enterprise's or organisation's whole output of programme and projects or even just exist for a few months or years with a temporary structure.

Reporting Line

The majority of PMO Practitioners either report through their IT departments (31%) or at the senior executive level (28%).

What is interesting is the number of PMO Practitioners who are unsure where in the business they report to (6%). These people tended to be at the lower level of Programme/Project Support.

40% of Portfolio Managers report through the senior executive level; 31% of PMO Managers report through IT and 34% of PPM Support through IT too.



Size of Organisation

PMO Practitioners predominantly work in organisations with over 1000 employees (65%) which perhaps is not surprising if we consider that PMOs are largely in place to support a number of programmes or projects, or have a remit to improve delivery capability and even enable the portfolio of activity across the organisation.

The numbers remain largely the same across the different PMO roles. 63% of Portfolio Managers, 67% of PMO Managers and 62% of PPM Support work for 1000+ organisations. At the other end of the spectrum, 4% of Portfolio Managers, 4% of PMO Managers and 9% of PPM Support work for organisations with less than 50 employees.

PMO roles are also more likely in organisations that are international, multi-site operations too. 66% of Portfolio Managers, 62% of PMO Managers and 70% of PPM Support work for organisations of this nature.



5% of PMO practitioners are currently out of work.
The sample size is too small to give an insight into how this breaks down into different PMO role types.

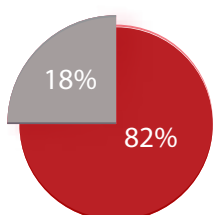
5%

Unemployment

59% of those currently unemployed have been out of work for 3 months or less. At the other end of the scale, 18% have been out of work for more than a year.

58% of those out of work were previously earning between £60,000 and £100,000 which gives some indication that the roles most likely to be currently out of work are Portfolio and PMO Managers.

We also asked these respondents what their biggest challenges were whilst looking for a new role. 47% found securing an interview the most difficult aspect. 24% stated that finding suitable roles to apply for was their greatest challenge.



Previous to unemployment, 82% of respondents were working in a permanent role. Of the 18% who were classed as contract workers 12% are self-employed - classed as a contractor and 6% are on a third-party payroll, classed as temporary.

Yet optimism remains high with 59% stating that their personal confidence was reasonably high as they head into 2016.

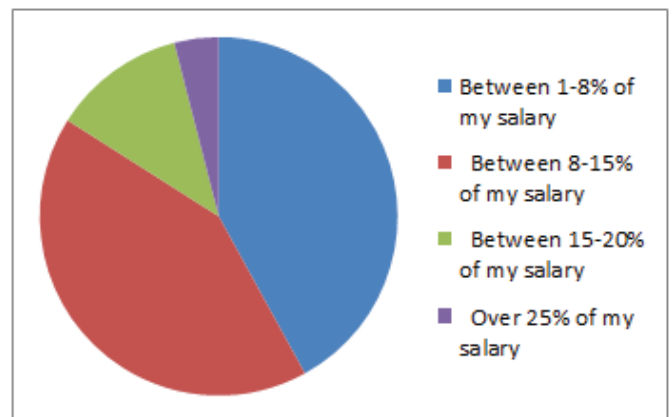
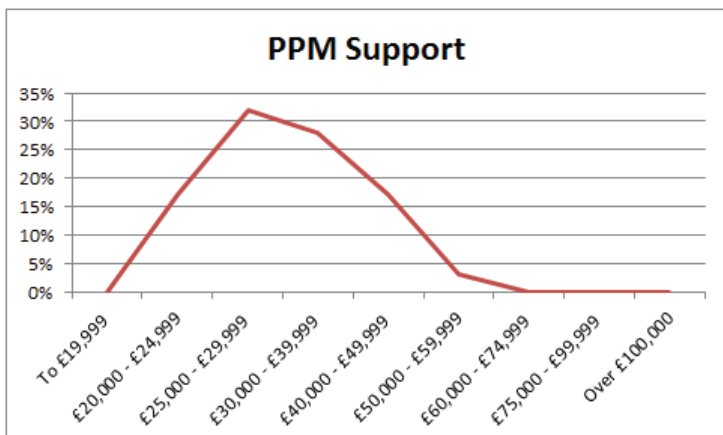
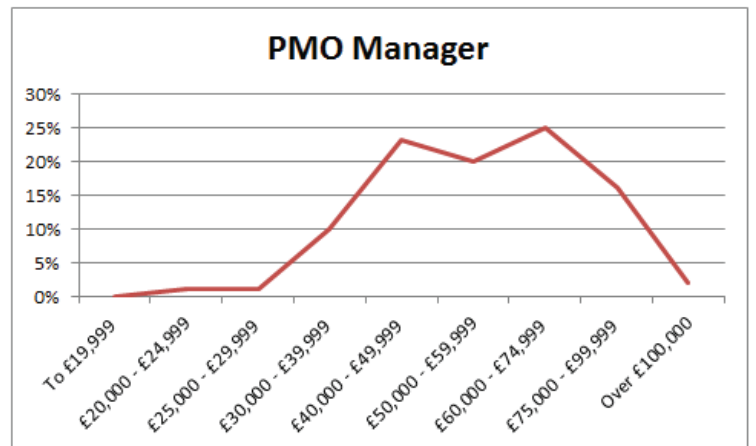
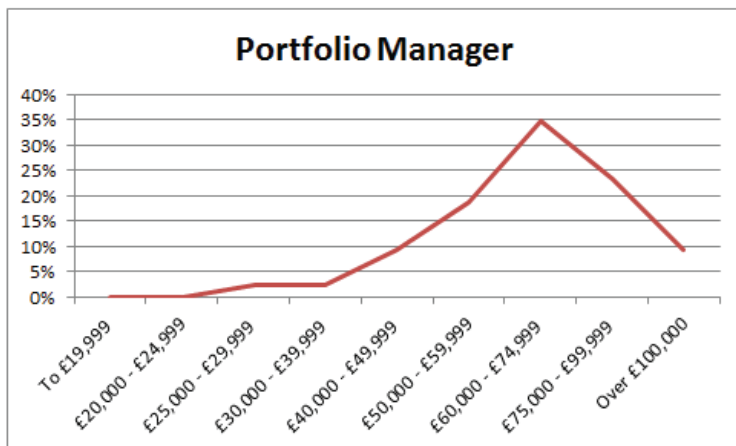
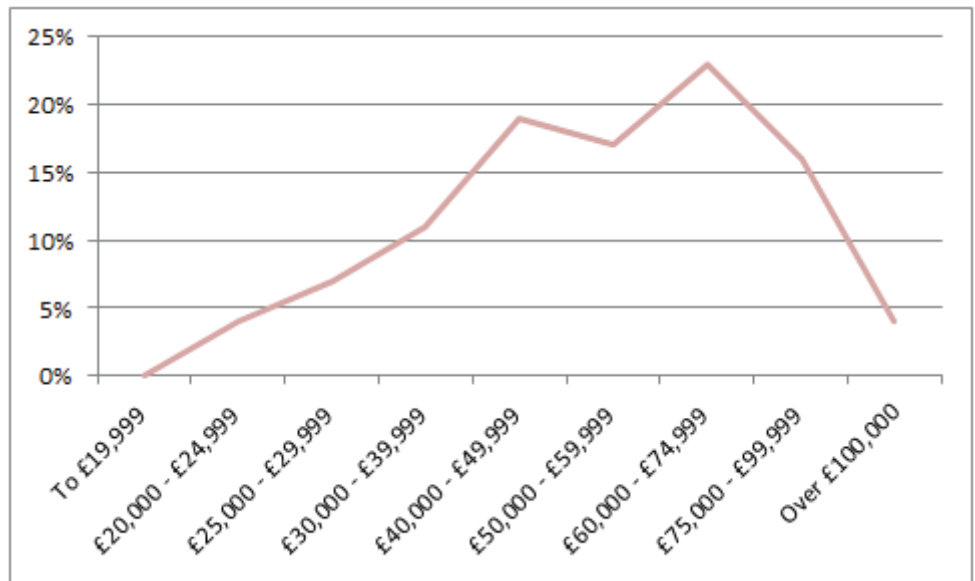
Permanent Employees

68% of PMO Practitioners work in a permanent role for one organisation; 27% are freelancers and 5% are currently unemployed. Of those 68% who are permanent workers, 4% are currently on a fixed term contract. 41% of permanent workers have been with their current organisation for over 5 years

Salaries

The largest salary band for PMO Practitioners is between £60,000 and £74,999 a year. This indicates that this is more likely to be aligned to Portfolio Managers and PMO Managers. The second spike around the £40,000 and £49,999 mark will be closely aligned to experienced PPM Support and less experienced PMO Managers.

Looking closer at the three individual roles gives a clearer picture:



Bonuses

We also asked if permanent PMO Practitioners received any performance related bonus on top of their salary. The chart above shows that 84% received bonuses of between 1% and 15% of their salary. 69% indicated that this bonus was made up of a combination of company and personal performance targets.

76% of PMO Practitioners also received benefits on top of their salaries. The most popular was a contributory pension (86%), healthcare (65%), mobile phone (46%), life insurance (42%) and car allowance (24%).

Base Salaries

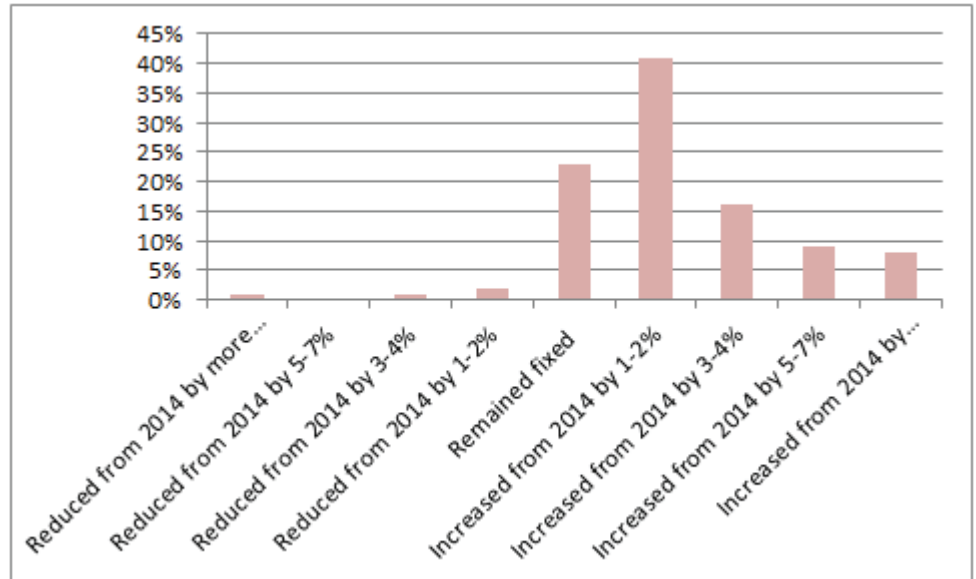
Some good news for PMO Practitioners, salaries have increased over the last year. 41% have seen at least a 1-2% increase over inflation, which may not be boom times but at least it is heading in the right direction. We also asked respondents to try and predict what would likely happen with their salary this year too.

Predictions

47% are predicting an increase of 1-2% this year, with 29% reporting that they anticipate no change (compared to 23% this year)

Respondents who had recently changed jobs, we wanted to find out how their salaries compared both before and after. Did making a move in jobs bring them a higher salary?

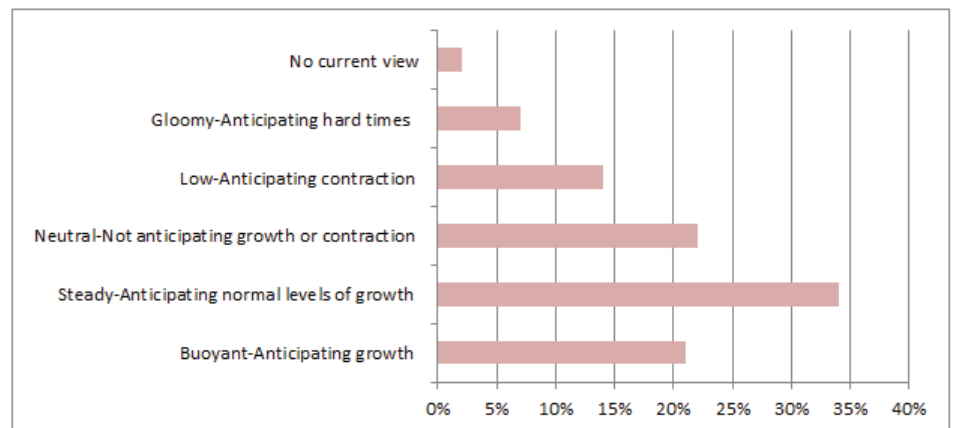
The results are surprising, 24% stated that they are now earning less than they did before the move. 25% had earned an increase of between 1% and 10%.



Confidence

We wanted to see how confident permanent PMO Practitioners were feeling about their current organisation:

As we can see in the graph to the right, 34% are anticipating normal levels of growth whilst 21% describe it as buoyant. We then asked if they think their organisation are anticipating any redundants this year. 50% don't think there will be any, whilst 28% believe there may be some. On the other end of the spectrum, 66% believe there will be some hiring of new employees. In terms of termination of their own roles 37% indicate they are slightly concerned to very worried that their role will be terminated. 57% are not worried at all.

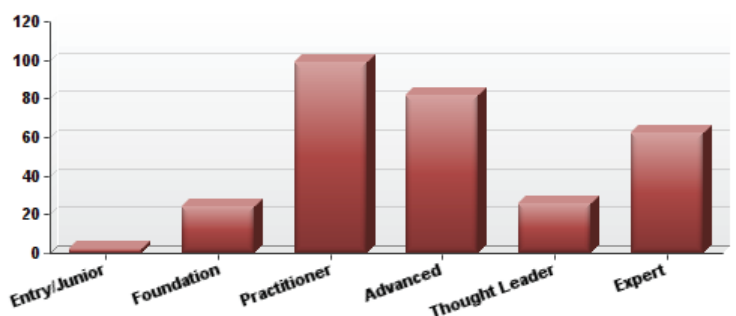


Hours Worked

Permanent PMO Practitioners on average are contracted to work 37 hours a week. When we asked how many hours they actually worked in a week, the number increased to 45 hours a week, 8 hours more!

Experience

We asked permanent PMO Practitioners how they would describe their experience levels. The majority see themselves as Practitioners. See how this compares to that of the freelancers and contractors on the next pages.

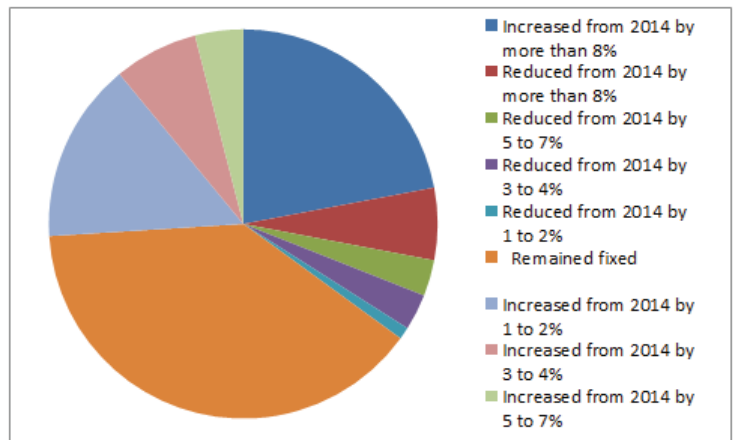
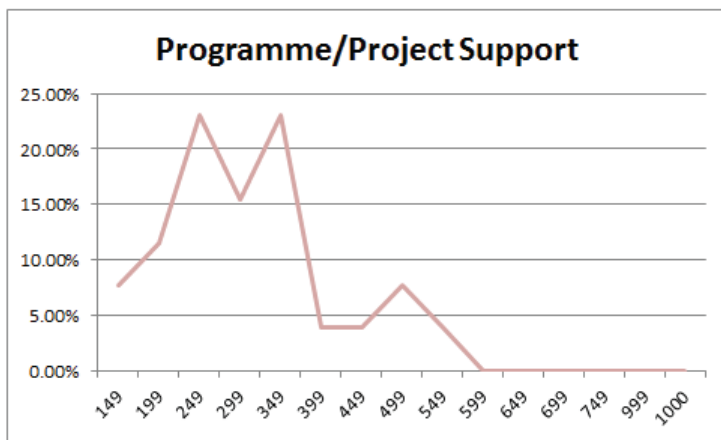
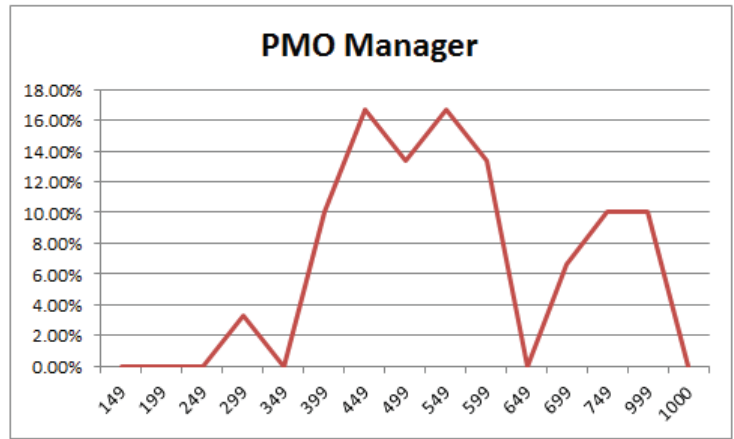
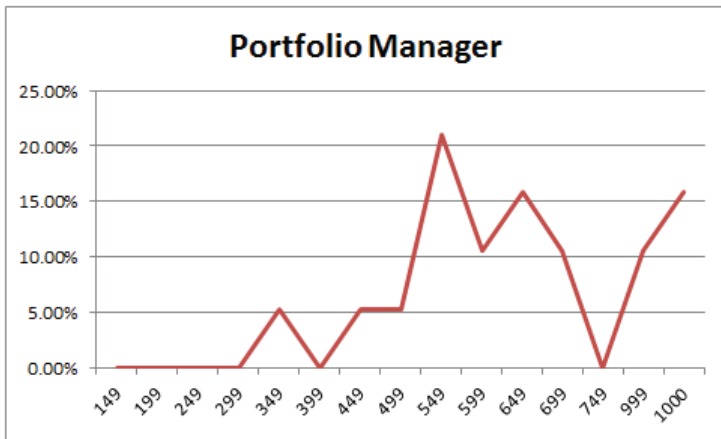
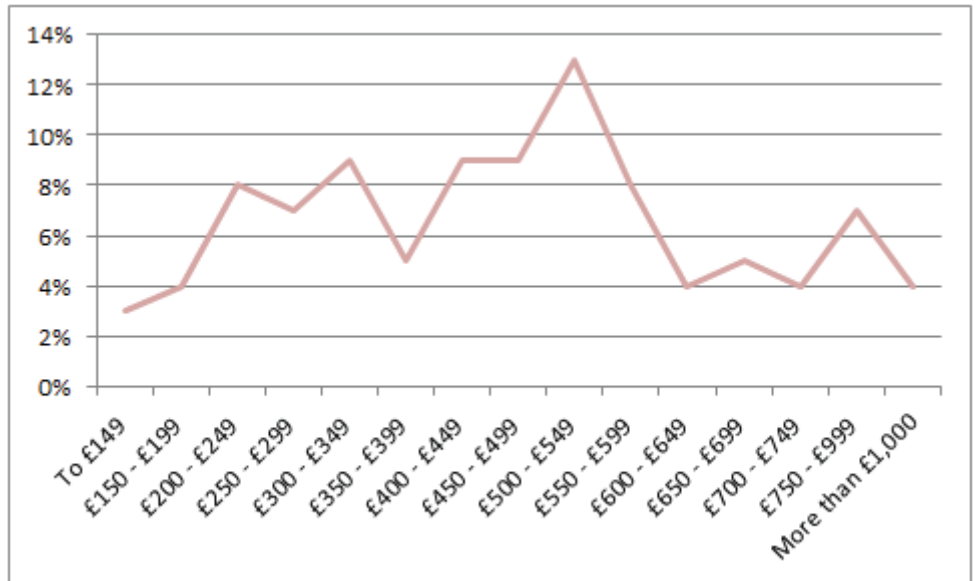


Freelancers and Contractors

Of the 27% of PMO Practitioners who work as contractors, 83% work for just one client or organisation at a time. 5% work for four clients at any one time. 87% of contractors operate a Limited Company, with 11% opting for an Umbrella Company. 43% have been operating as a contractor for over 5 years, 12% have just started within the last 12 months for the first time.

Rates

The spread of rates across all the PMO roles is vast. 13% are earning within the £500 to £549 range. The spikes in the chart to the right can be linked to the types of roles. 15% of those earning below £249 a day are more likely to be working in PPM Support. 21% of those earning £250 to £399 are more experienced PPM Support practitioners. In the £400 to £599 range where 39% of practitioners are, this is both PMO Manager and Portfolio Managers. And 24% of those earning above £600 are senior PMO Managers and Portfolio Managers.



When each role is shown individually, it becomes easier to see the spikes in each of the roles. Freelancers were also asked to share how their rates had changed over the year. 22% of freelancers saw their rate increase by over 8% whilst 39% saw their rate remain the same. A quarter of Portfolio and PMO Managers saw their rate increase by over 8%, whilst almost half of PPM Support practitioners saw their rates fixed. Heading into this year, 48% of all the roles believe their rate will remain static. With 14% believing they will see increases of over 8%.

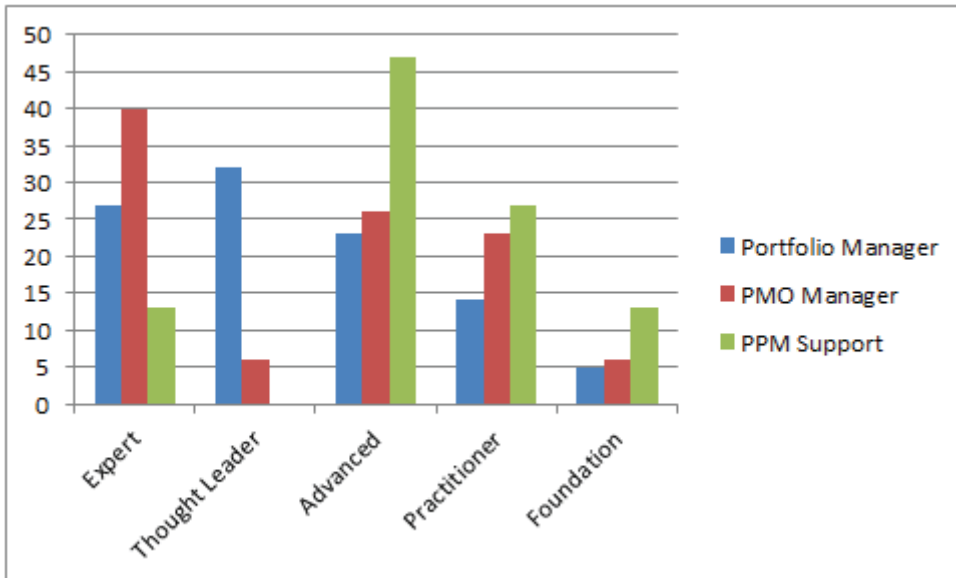
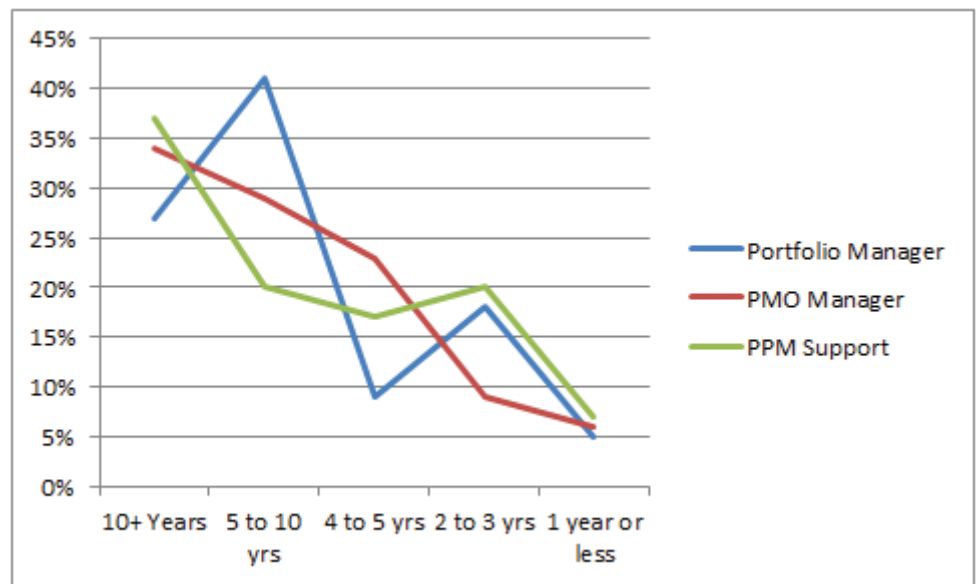
Contracting Details

Portfolio Managers have the longest contracts of all the PPM roles, including PMs, Programme Managers etc. 66% enjoy contract lengths of at least 10 to 12 months. Programme/Project Support Practitioners also enjoy long contracts, with 61% working in contracts of 10 to 12 months. The figure reduces to 57% for PMO Managers. The average across all the roles within PPM, and detailed in the Project Management Benchmark Report from Arras People, shows that the majority (41%) have contract lengths of 4 to 6 months. This is an interesting insight that shows how PMO roles tend to be more long term within an organisation rather than the transient nature of projects and project managers. This is good news for contractors who are looking for some stability in their contracts.

For those working in shorter contracts, the 'Time Between Assignments' (TBA) figure also gives some insight into how 'in demand' PMO Practitioners are. 61% of Portfolio Managers had no TBA, going from one contract to another, without a break. That drops to 54% for PMO Managers and 48% for PPM Support. 46% of PPM Support normally have between 1 and 4 weeks between assignments. When looking across all the roles within PPM, the PMO roles do have less time between assignments and are therefore working more of the year. In comparison, 25% of Change Managers have had over 12 weeks between assignments.

How Experienced Do You Need to Be?

We asked contract PMO Practitioners how much experience they had in their current type of role to gain an understanding of the level of experience that is available in the contract PMO marketplace today. The graph to the right gives an indication of the amount of Practitioners with 5 years and above. We also asked PMO Practitioners how much experience they had within PPM as a whole. 91% of Portfolio Managers, 74% of PMO Managers and 27% of PPM Support indicated they had over 10 years experience within PPM.



We also asked contract PMO Practitioners to choose a term that best describes them. The graph to the left gives an interesting insight into how the different roles view themselves. We purposely didn't describe or give a definition for what each of these terms meant but the outcome gives much food for thought.

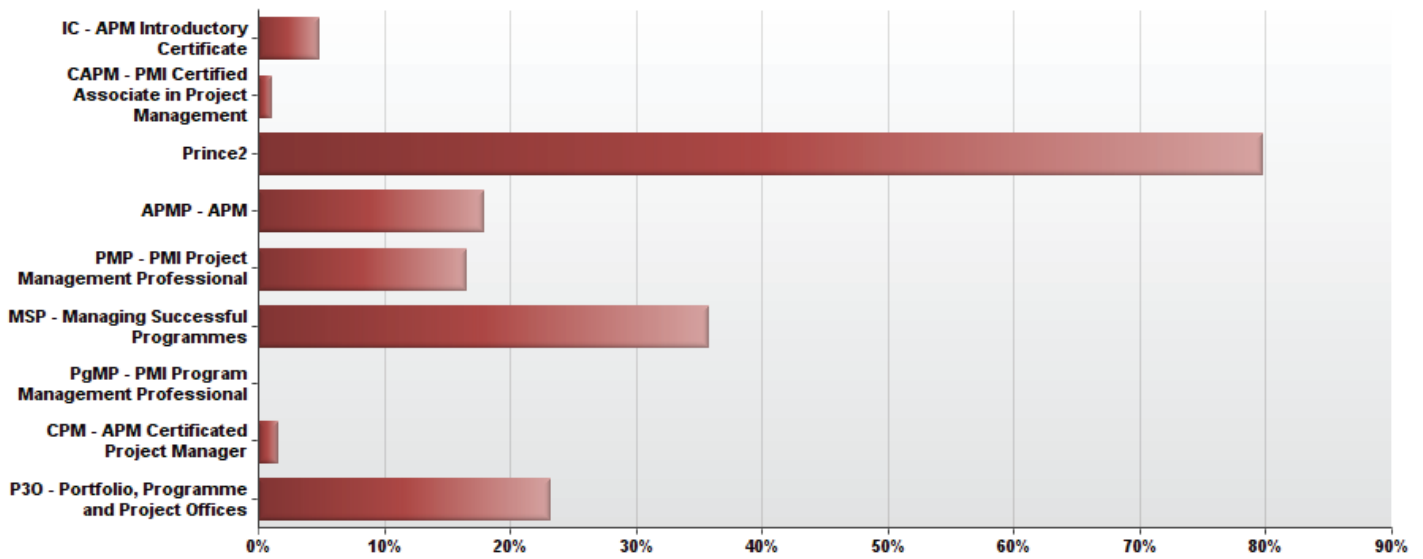
If a PMO Manager today is thinking about Portfolio Management tomorrow, do they need to be thinking about themselves as a thought leader? Do we even know what thought leadership is in these three roles?

Thought Leadership

We decided to ask contractor respondents what they were thought leaders in. The PMO Managers highlighted areas such as PMO Performance Metrics; Project & Programme Delivery Assurance; Project & Programme Risk Management; Coaching & Training and Project/Programme Sponsors. The Portfolio Managers; Strategy and Technology Alignment; Delivery of Transformational Change; All Aspects of Project Portfolio Management (embedding project portfolio management and setting up PMOs)

Training

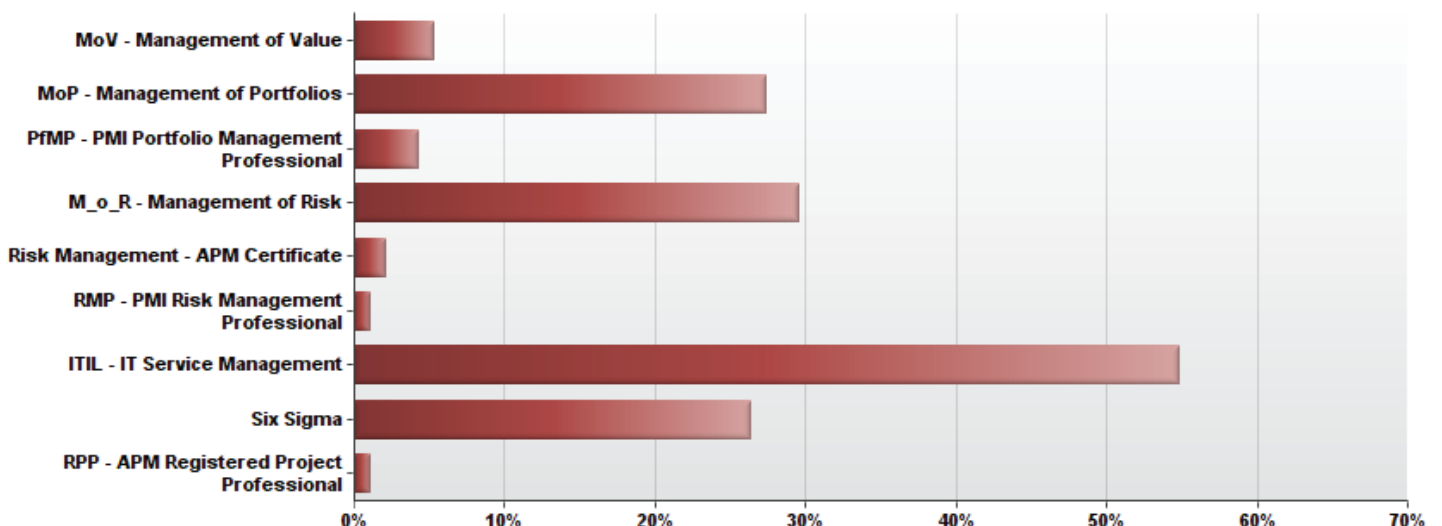
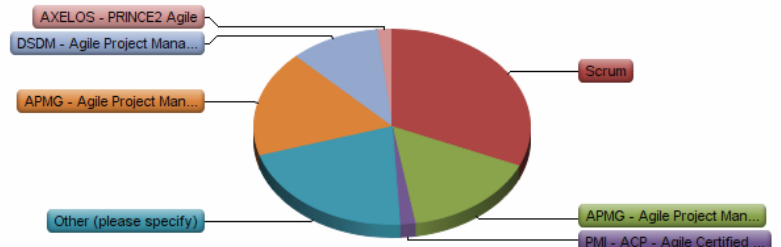
It's no surprise that PRINCE2 is the most common accreditation for PMO practitioners, just like it is for all project management practitioners, although the figure for Project Managers is around 60% so you can see that many more PMO practitioners have PRINCE2 than Project Managers!



The conversation about training for PMO practitioners has been a popular one at PMO Flashmobs and the graph above does reflect those conversations. PMO practitioners tend to favour the Managing Successful Programmes (MSP) over the Portfolio, Programme and Project Offices (P3O). Why? For a number of reasons. A lot more PMO practitioners are working in Programme Management Offices so it makes sense to understand the programme structure and processes. P3O is seen as the accreditation to take if you're someone who predominantly sets up PMOs.

Less Common Accreditations

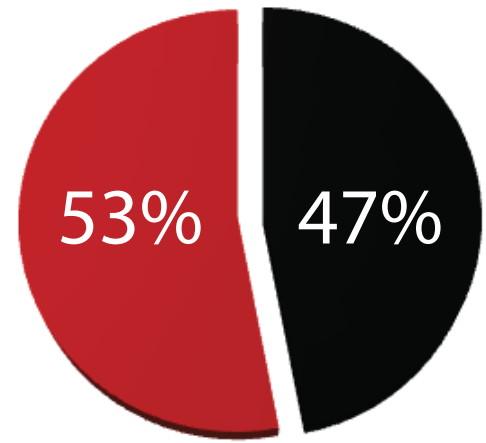
PMO Practitioners have also taken up the relatively new Agile related courses as well as individual specialisms such as risk, portfolios and ITIL.



Professional Associations

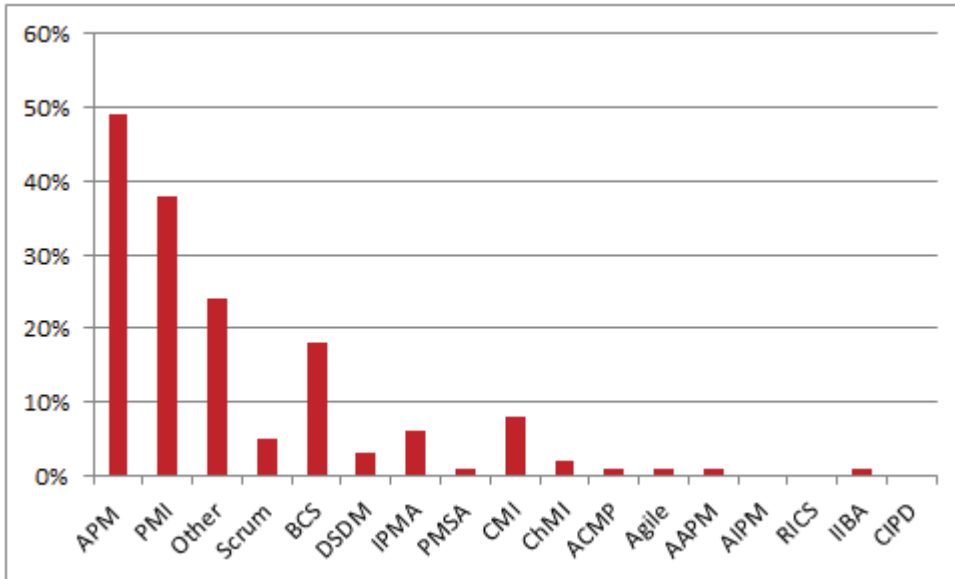
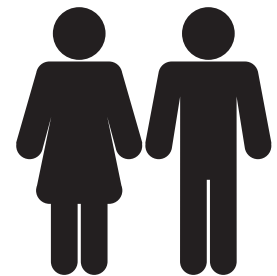
47% of PMO Practitioners are members of a professional association. The most popular are APM and PMI. Although 49% are members of APM, not all of those have opted for the APM accreditations (see the opposite page) Same goes for PMI.

Of the 53% who are currently not a member of a professional association, 18% have previously been members (82% have never been a member of any professional body). 63% of these Practitioners were previously members of APM (25% were PMI members)



Gender | Age

51% of males are members of a professional body compared to 48% of females. The 50 to 59 age group are also more likely to be members (54%) compared to the millennial age groups 25 to 30 at 45%.



Who is Most Likely to Be a Member?

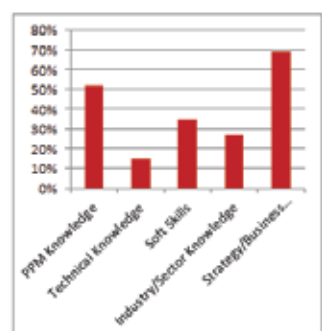
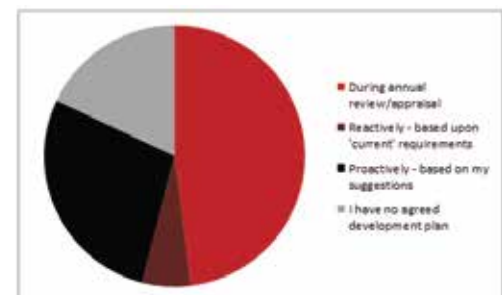
Portfolio Managers - 62% | APM - 46% | PMI - 37.5% | BCS - 16% |
 PMO Managers - 46% | APM - 51% | PMI - 39% | BCS - 14% |
 PPM Support - 29% | APM - 50% | PMI - 31% | BCS - 36% |

Of those who have previously been members but are not anymore:
 Portfolio Managers - 12% | PMO Managers - 22% | PPM Support - 15%



Professional Development

We asked respondents about their career development plans. 73% believe they own their career development plan (compared to 4% owned by organisation, 23% believe its a combination of themselves and their organisation). 48% agree their career development plan on an annual basis and 73% agree funding for their development on a case by case basis.



We also asked what their focus was for the coming year in terms of the type of development. Strategy and Business Management came out tops (69%) This number increased to 81% for Portfolio Managers (66% for PMO Managers, 50% for PPM Support). For PPM Knowledge it was the PPM Support Practitioners who felt this was their biggest area of focus with 70% looking for development in this area. PMO Managers were the most likely to seek out soft skills development (46% compared to 13% of Portfolio Managers)

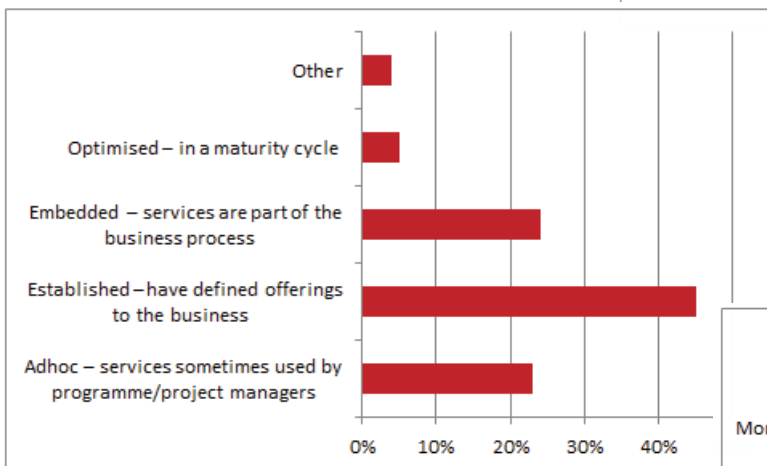
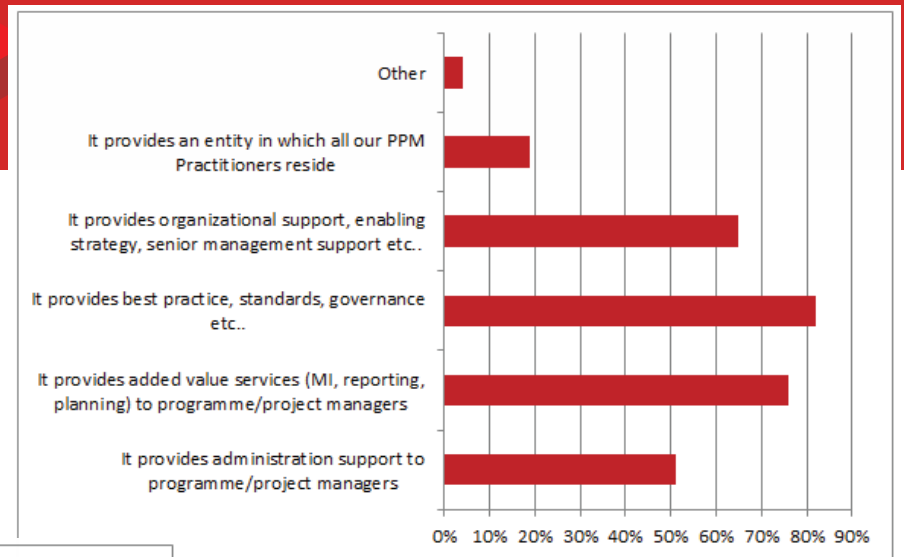
The PMO

We wanted to find out more about the types of PMOs that PMO practitioners work in and what type of services and functions they carry out.

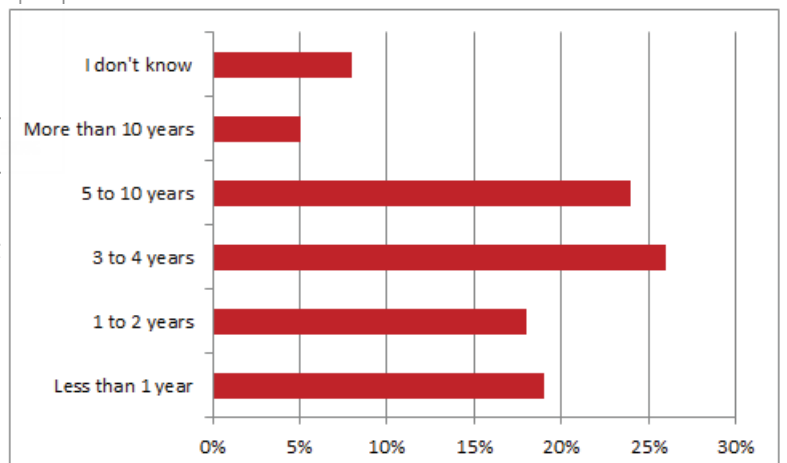
We asked respondents to let us know which was the most dominant type of PMO within their organisations.



To further understand the type of PMO which practitioners work within, we asked about the main objective of its existence and also how mature it is:



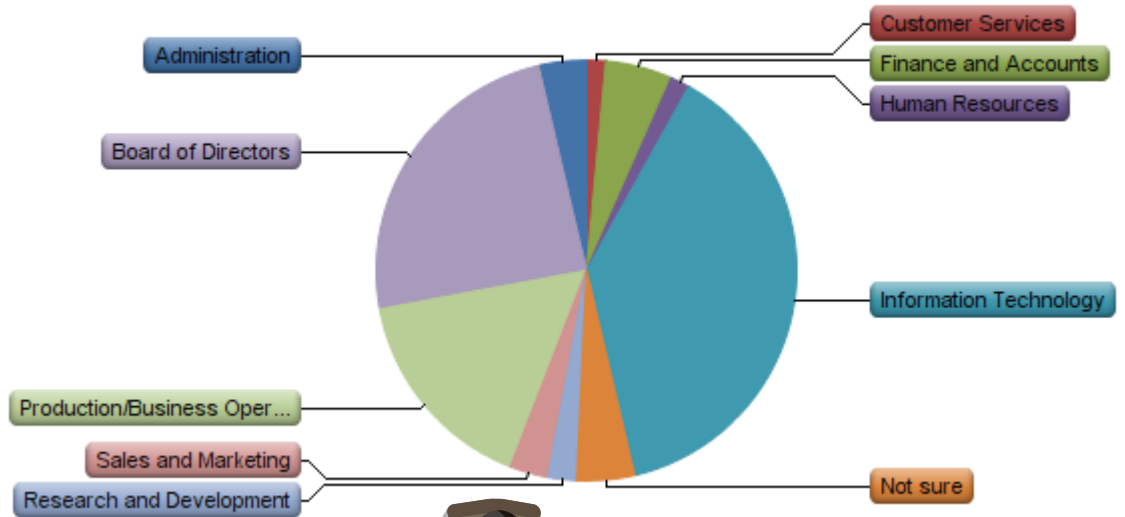
There has been a long held statistic that PMOs have a shelf life of around 3 to 4 years. The graph below shows the number of years our respondent's own PMO has been in operation.



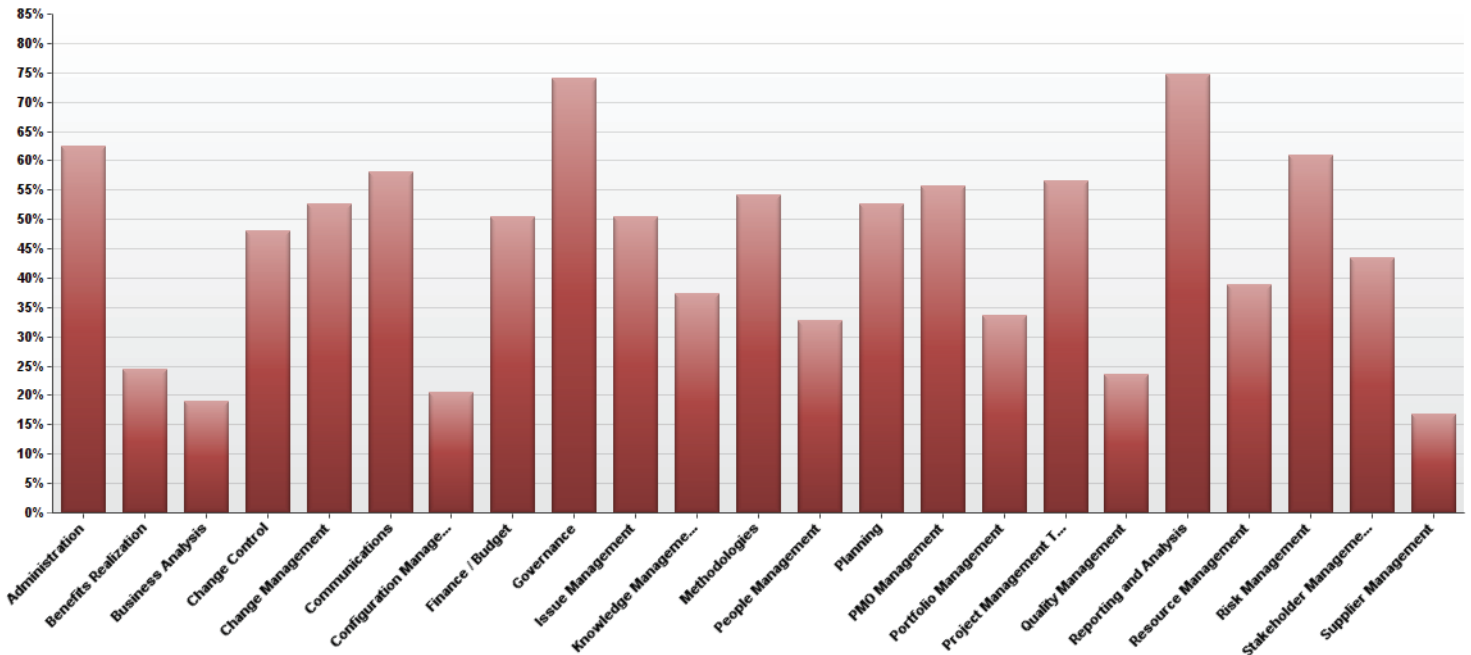
Maturity models and assessments like the P3M3 state that an organisation's project management maturity can not advance from Adhoc to Established and beyond unless there is a PMO.

The PMO

We asked the question, "Which area of the business does your PMO report through?"



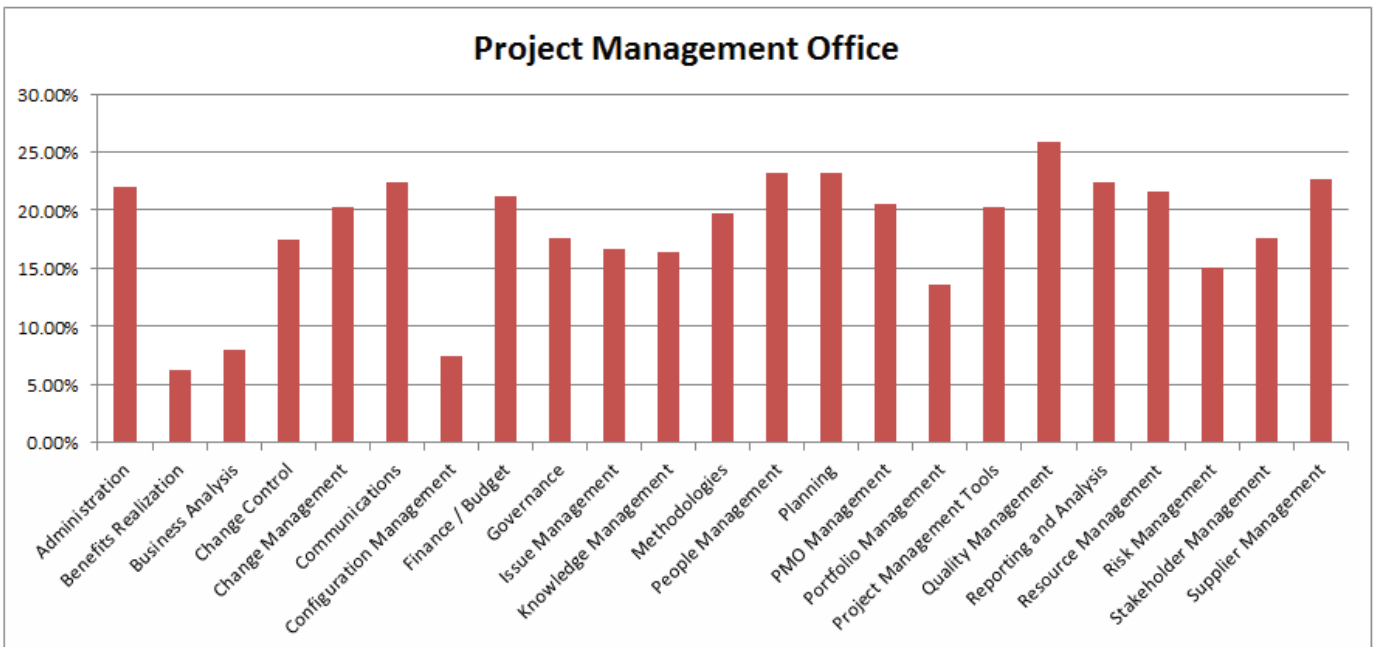
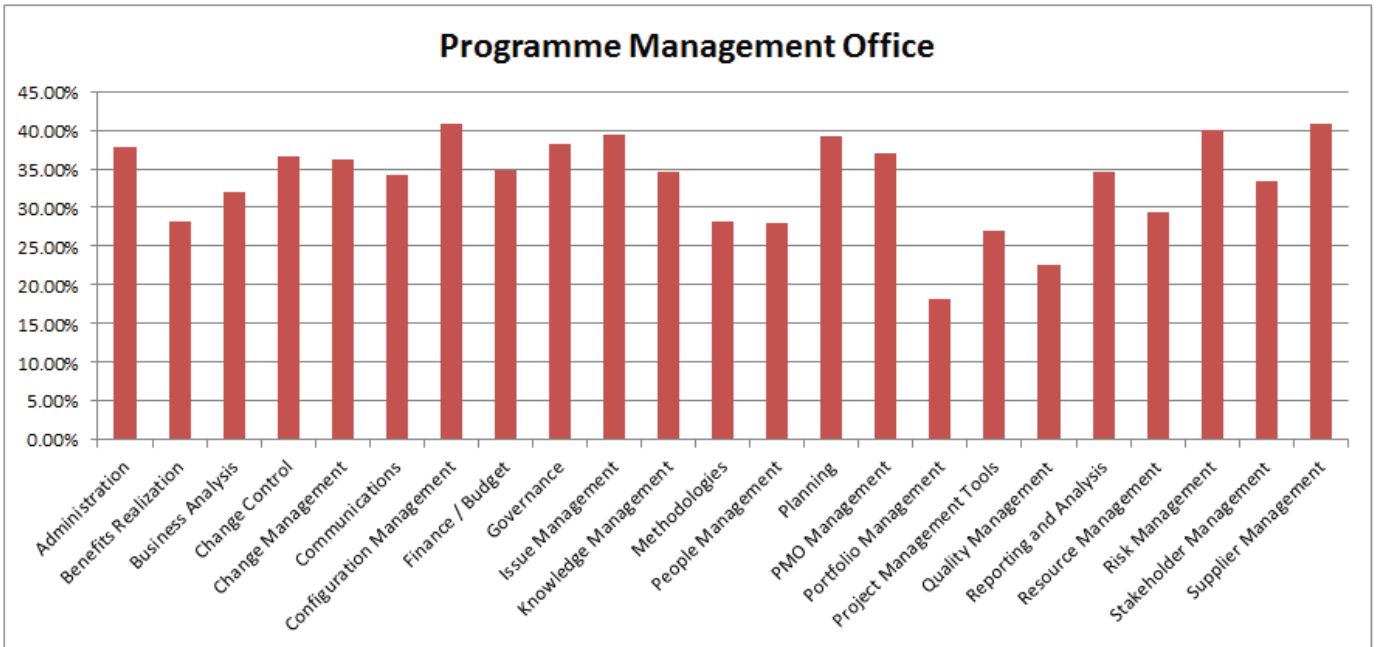
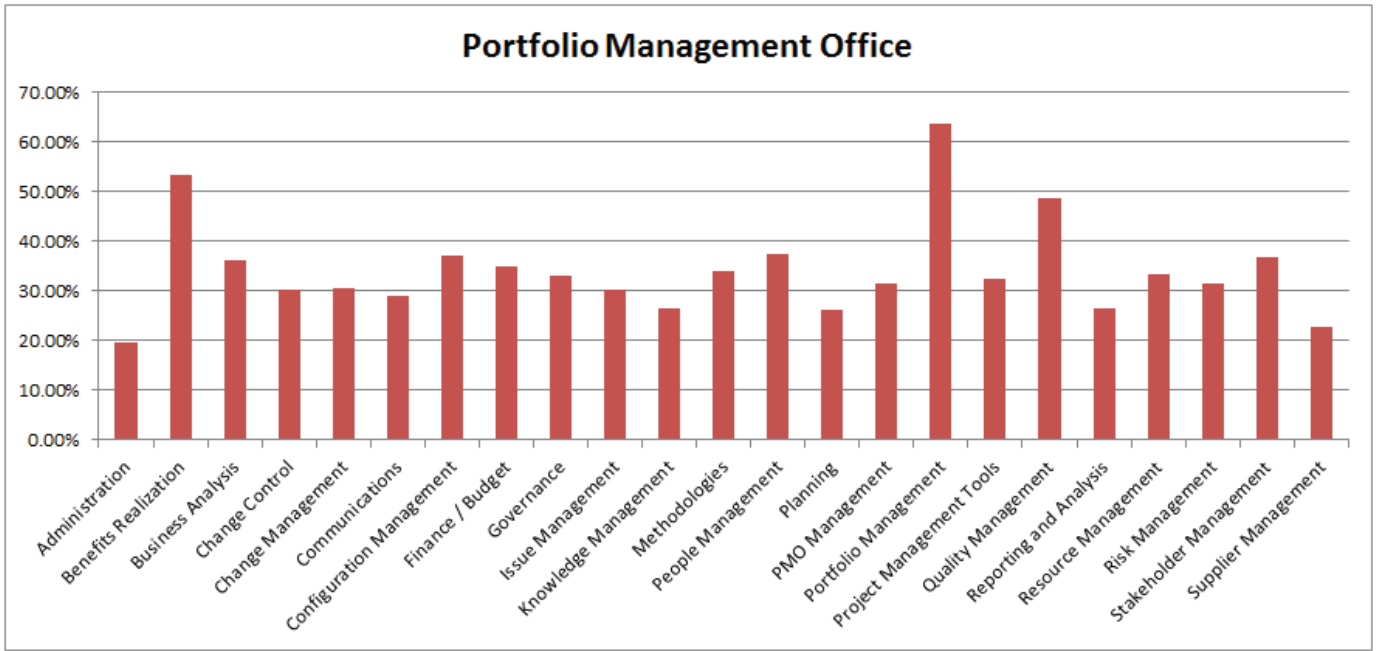
"I'd like to extend our influence and appear to be gaining traction"



In an ongoing PMO Flashmob survey, we're currently trying to understand exactly what PMO functions and services are being offered by the different types of PMOs. The graph above shows the responses from all the respondents so far which gives an interesting insight. The most popular functions of governance and report should come as no surprise as they feature in all types of PMO.

Overleaf we take a look at three different types of PMO - Portfolio, Programme and Project Office to see how the functions and services change. Bear in mind the survey data currently contains 200 respondents - you can contribute at: <http://pmoflashmob.org/what-role-do-you-perform-in-the-pmo/>

PMO Functions and Services



PMO Managers

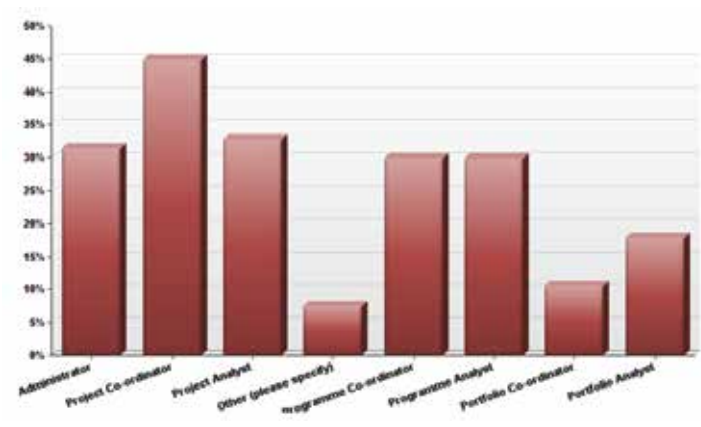
We asked a series of questions to PMO and Portfolio Managers to gain a greater understanding of the role within the business. First we wanted to know how many direct reports they had. 32% had between 1 and 3 people; 25% had none and 26% had between 4 and 7. We then asked what their overall span of control was. 31% said less than 10 people, 24% between 10 and 20 and 13% said more than 60 people. Worryingly 13% had no span of control.

62% of PMO Managers were Project Managers in their previous jobs. 33% were Programme Managers and 32% worked in Programme or Project Support

In terms of budget, "What size of budget are you personally responsible for?". 42% indicated that they had no budget, whilst 16% indicated that their budget was more than £10M. Going further and asking if they had P&L responsibility on that budget, 65% said no. The differences in answers around the question of budget management gives a great insight into just how different PMOs are or can be. Further digging into the responses showed that PMO Managers who were previously working in PMO Support were more likely to have no budgetary responsibilities and had smaller spans of control. It appears that we have two different tracks of PMO Management.

PMO Support

We wanted to find out more about the people who work within the PMO as opposed to managing them. The most common role - or common name - for those working within a PMO is Project Co-ordinator. The graph to the right shows each popular title in the marketplace.



We also asked PMO Support practitioners to let us know who they report to. 36% report to a Programme Manager; 27% to a PMO Manager and 25% to a Project Manager. These figures give us further insight into the location and type of PMO. Just 10% reported to a Portfolio Manager, further indication that portfolio management and the associated PMO are still relatively new.

We also asked PPM Support respondents "What are the top 3 skills or capabilities that make you effective in your role?"

1

MS EXCEL

⚙️

The most common skills was MS Excel followed by #2 Reporting and #3 Planning. Other popular answers included MS Sharepoint, Communications and Stakeholder Management.

2

Soft Skills

👥

The types of softer skills that PMO Support practitioners deem to be important included #1 Communication, #2 Stakeholder Management, #3 Time Management, #4 Facilitation.

3

Resource Mgmt

💡

The rarest skill, mentioned by just one respondent was resource management!

🛒

TOP TIP

Make sure your development includes advanced training in MS Excel.

PMO Thoughts

Throughout the survey there are plenty of opportunities for respondents to share their thoughts about their PMO and also their own career. We've selected just some of the ones which caught our eye.

“

Happy to work with Agile folk who will work with me to agree analogous reports and controls to those delivered by waterfall. Unsympathetic to those who think Agile absolves them from all planning and reporting.

“

Longevity of PMO at risk due to low PPM maturity of organisation

”

Our PMO needs to change from being an owner to being a supporting function

“

My current organisation does not really support development, although they want the PMO to be professional!

”

”

Please help me be less under valued!

Very little understanding of what career development options there are for PMO staff

Experience is bought in using Interims, as opposed to home grown” ”

I thought the 2015 Conference threw out a great challenge to PMOs to measure our own value. I think the practitioners who crack this will help drive their PMOs forward.

The more senior I get, the harder it becomes to find decent opportunities

“

Like everywhere, we're not where we want to be yet but are working to a plan to improve.

”

In many companies it is underrated and incorrectly staffed with unqualified people.

The use of a structured PMO environment, allow employees to grow within the frameworks set up for project delivery.

“
Chaotic.
Constant change.
Lack of adherence to process and governance.
”

”

“
Having inherited a failing and under resourced PMO I have lots to do!

PMO Flashmob

Many thanks to everyone that took part in the Arras People Census which enabled us to put together this PMO Benchmark Report. We still need your input on the PMO Functions and Services survey.

Give us some of your time and let's find out what PMOs are doing:

<http://tinyurl.com/pmoflashmob>



The PMO Flashmob is all about bringing together PMO Practitioners to network, learn and chat.

Find us in London, Scotland and various locations across the UK. Or sign up on the website:

Visit www.pmoflashmob.org

The PMO Conference

Focused on portfolio, programme and project offices, this one day conference is all about learning more about your chosen profession. From a full programme of PMO expert speakers, a dedicated PMO exhibition full of PMO products and services and time to network with new PMO contacts or reconnect with friends and ex-colleagues,
the day is 100% PMO focused.

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8th June, 2016, Central London

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