

**PMO**  
**Conference**  
**London**   
**2016**

# Organizing for Projects

## The Integrative Role of PMO

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**Monique Aubry** Ph.D. is professor at the School of Management at Université du Québec à Montréal. She teaches in the master's programs in project management and executive MBA. Her principal research interest bears on *Organizing for Projects* and its relation to the organizational performance. The results of her work have been published in major academic journals and presented to several international conferences, both research and professional. In 2012, she received the IPMA Research Award for the whole contribution of her research on Project Management Offices. She is member of the Project Management Research Chair ([www.pmchair.uqam.ca](http://www.pmchair.uqam.ca)) and the Institute of Health and Society of UQAM ([www.iss.uqam.ca](http://www.iss.uqam.ca)). She is senior editor for *Project Management Journal*.

Before joining UQAM, Monique Aubry was project manager in a major Canadian financial group for more than 20 years.

She has served in the PMI's Standards MAG and Research Informed Standards Steering Committee. She has contributed to the development of the PMI's PMO Framework. She is strongly involved in the local PMO community of practices where she contributes to reinforcing the links between professionals and researchers.

# Objectives

## My goal as a researcher

- To make “organizational design” as a real function in the realm of project management

## Objectives for participants

- Learning about recent research on PMOs
- Develop skills in PMO design
- Understanding the integrative role of PMO

# Agenda

## Introduction

1. Key messages from earlier research on PMOs – some provocative results!
2. Searching for PMOs innovative practices: major transformation projects in healthcare
3. Phase 1 research: performance and underlying values
4. Phase 2: Three patterns for integrative role of PMOs

## Conclusion

# INTRODUCTION

# Research Program on PMOs

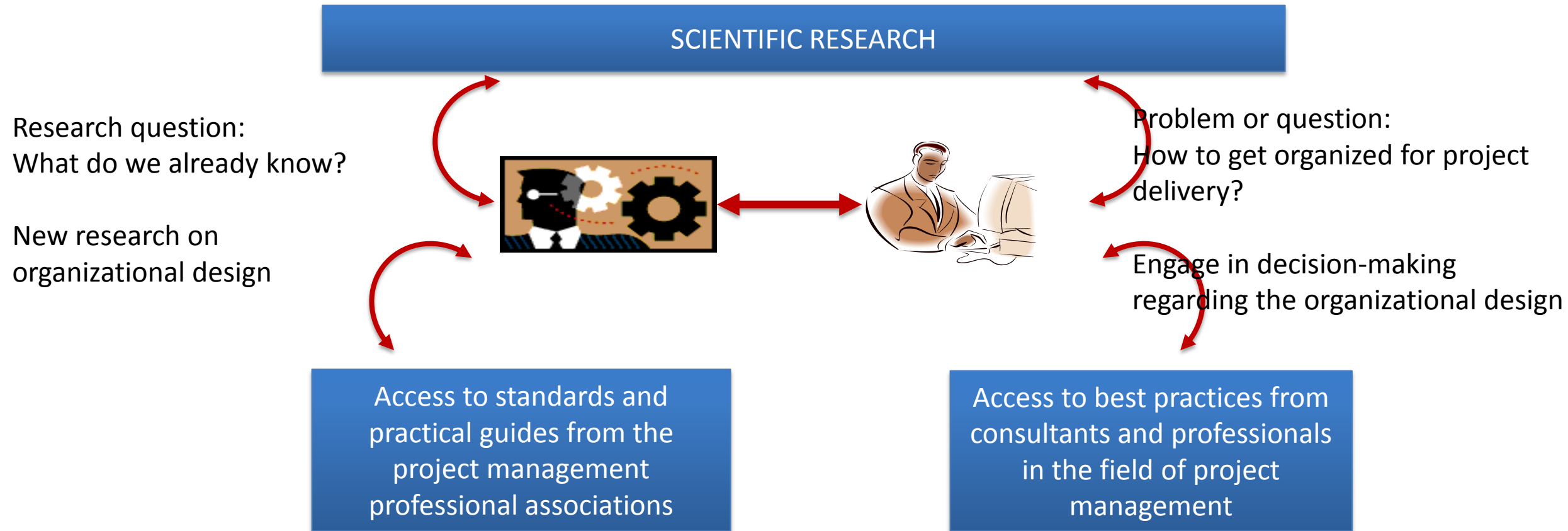
## A Dynamic Approach to Uncover the Hidden Face of PMOs

PHASE		Date	Deliverables
I	Reality of PMOs*	2005 - 2008	<ul style="list-style-type: none"> <li>• Survey of 500 PMOs</li> </ul>
II	In depth analysis *	2006 - 2007	<ul style="list-style-type: none"> <li>• Doctoral thesis on 4 organisations</li> </ul>
III	BdP in transition*	2008 - 2009	<ul style="list-style-type: none"> <li>• 17 PMOs transformation</li> <li>• Survey of 184 PMO transformations</li> </ul>
IV	Governance and Communities of PMOs*	2009 - 2011	<ul style="list-style-type: none"> <li>• 4 case studies</li> <li>• Social Network Analysis</li> </ul>
V	The PMO's contribution to the organisational performance**	2010 - 2011	<ul style="list-style-type: none"> <li>• 1 In-depth case study</li> <li>• Action research</li> </ul>
VI	The PMO's contribution to the organisational performance and change management**	2012-2016	<ul style="list-style-type: none"> <li>• 4 in depth case studies in University hospitals</li> </ul>
VII	Benefits Management: A Performative perspective*	2016-2017	<ul style="list-style-type: none"> <li>• 4 in depth case studies in different sectors</li> </ul>

\* : Research has received a grant from PMI

\*\* : Research has received a grant from the Canadian Government

# Research Informed Practices on PMOs (evidence-based)





# KEY MESSAGES FROM EARLIER RESEARCH ON PMOS

# Key Messages

- **1. *Slow* PMO - Reflection, Awareness and Sense-making**
- 2. Be prepared for change
- 3. Think globally
- 4. Chaos versus order
- 5. Performance and underlying values

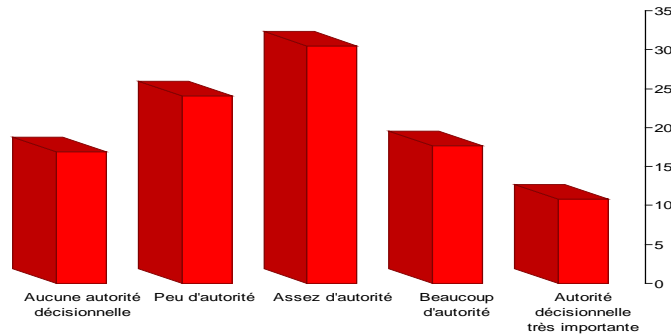
# *Slow* PMO PMO Models?

- There is an extreme variability:
  - Form
  - Function
  - Perceived value
- PMOs don't vary systematically with
  - Industry
  - Geographic region
  - Public vs. Private sector
  - Size of organization (except size of PMOs)
  - Internal vs. External customers

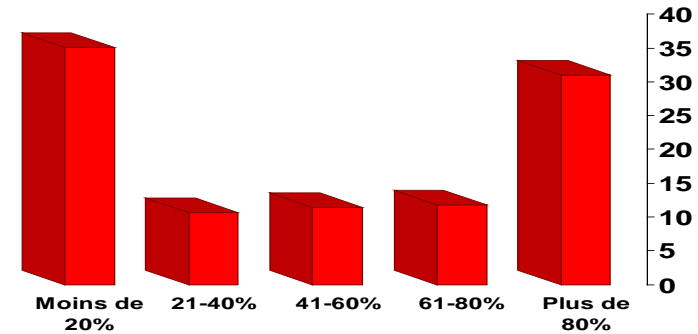
# Slow PMO

## Few Examples of Variability

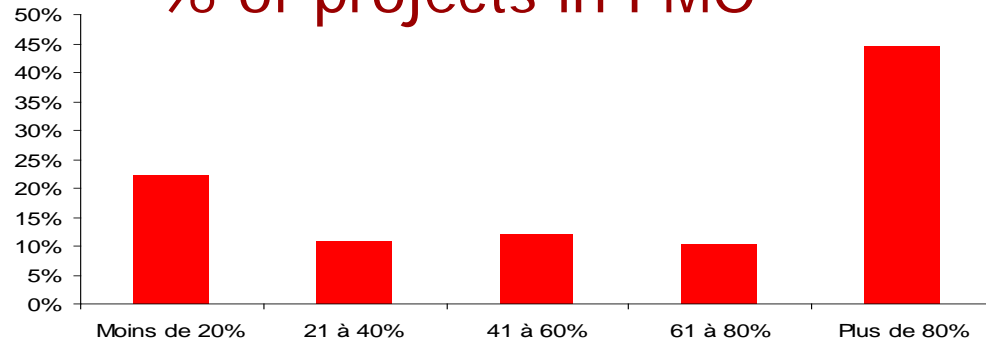
### Decision-making authority



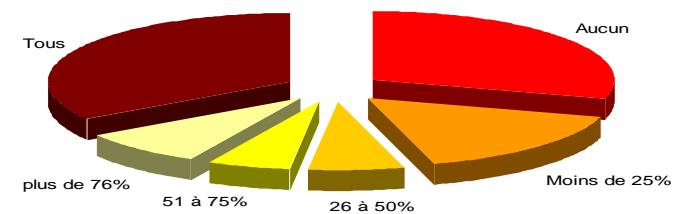
### Matrix type



### % of projects in PMO



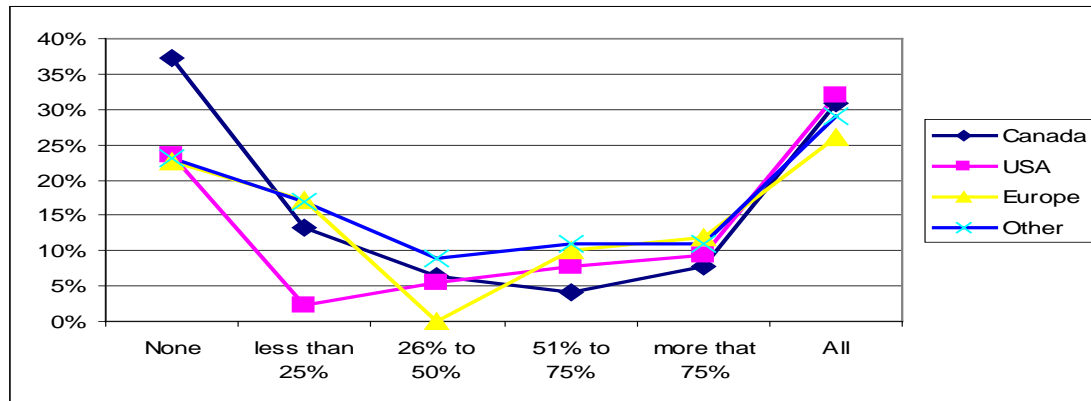
### % of PM in PMO



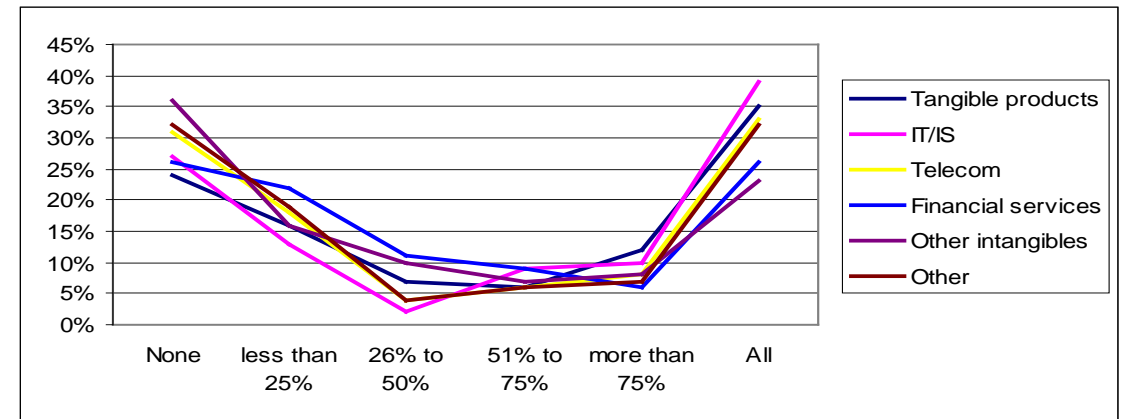
Hobbs, B., & Aubry, M. (2010). *The Project Management Office: A Quest for Understanding*. Newtown Square, PA Project Management Institute.

# Slow PMO

## Few Examples of Variability



**% of PMs in PMO by Region**

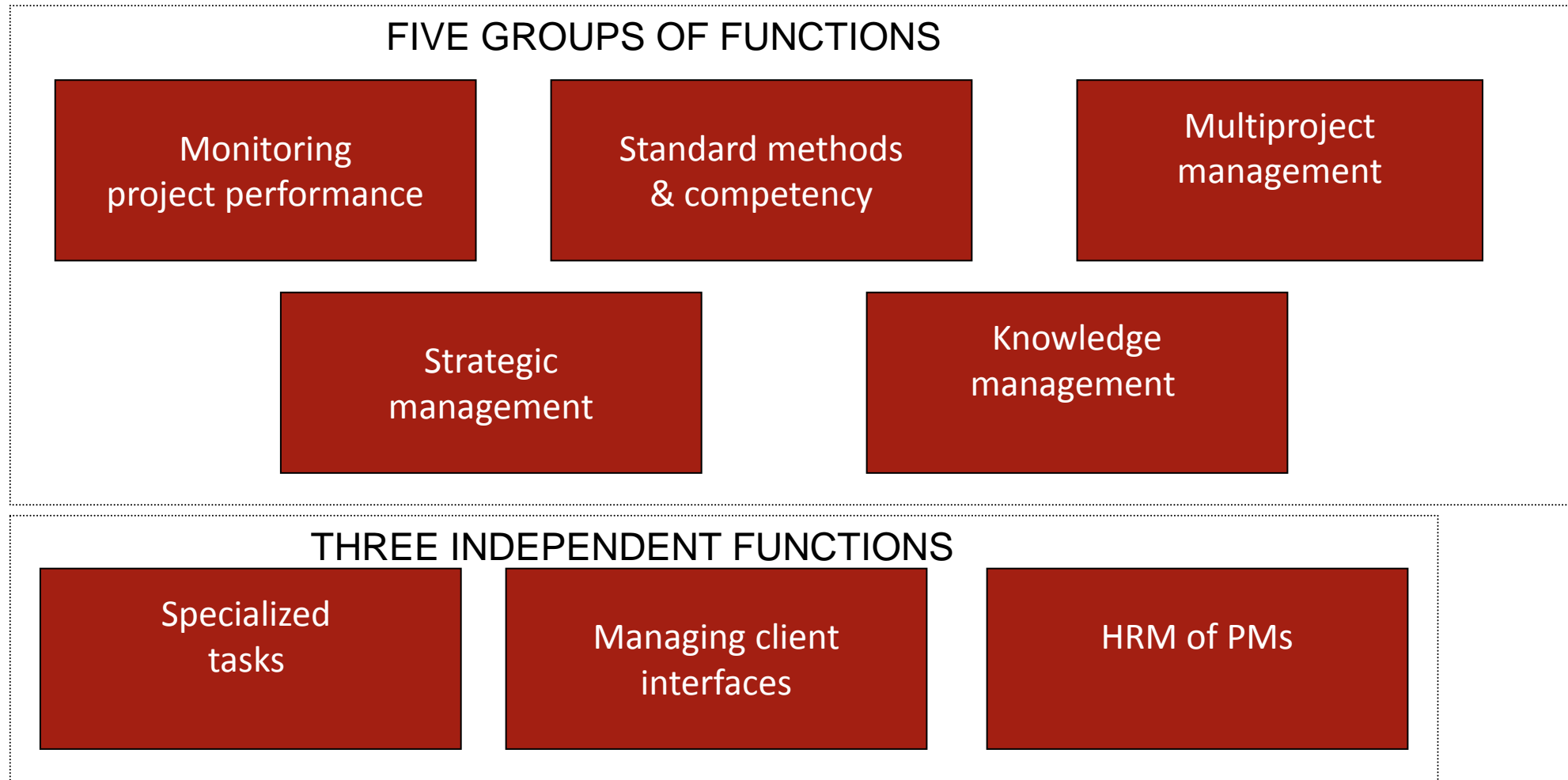


**% of PMs in PMO by Industry**

Hobbs, B., & Aubry, M. (2010). *The Project Management Office: A Quest for Understanding*. Newtown Square, PA Project Management Institute.

# Slow PMO

## The PMO Functions



Hobbs, B., & Aubry, M. (2010). *The Project Management Office: A Quest for Understanding*. Newtown Square, PA Project Management Institute.

# What Are the Practical Implications for Professionals?

PMO design is a true and active work to be done:

- **Sense-making** (Weick, 1995) of the unique environment of one organization and strategy.
- Each situation is unique: it does not serve to copy from one PMO to another (Engwall, 2003)
- The PMO design should take into account the context in terms of: its history, its culture, its economic context, its strategy, etc.
- This call for **awareness** of context and changes in environment (Crawford, 2010)

# Key Messages

1. *Slow* PMO - Reflection, Awareness and Sense-making
- **2. Be prepared for change**
3. Think globally
4. Chaos versus order
5. Performance and underlying values



# Be Prepared for Change

## PMOs are Changing Frequently

- Research just shows that 80% of organizations changed their PMO after 3 years.
- Reasons why changes occur are various and not necessarily associated with something wrong
- Research shows that PMOs adapt to their internal and external environments
- Not changing could be the sign of organizational inertia and being a barrier to reaching the strategic objectives

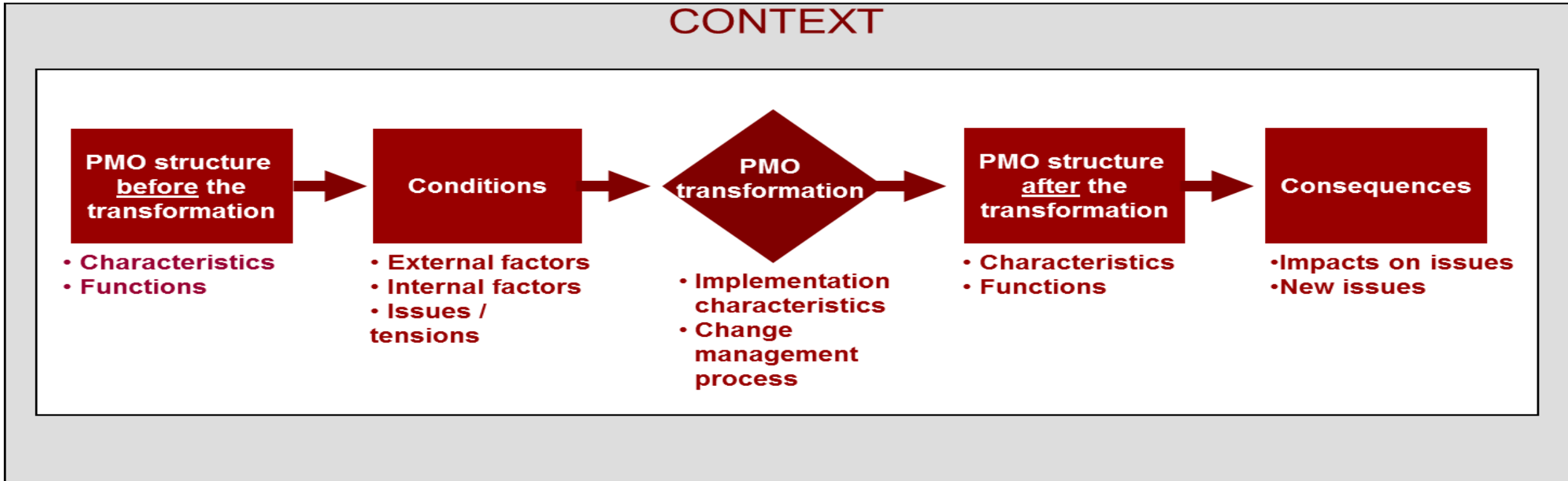
# Be Prepared for Change

## An Example of Adaptation to Environmental Change



# Be prepared for Change

## The PMO Transformation Process



Aubry, M., Hobbs, B., Müller, R., & Blomquist, T. (2011). *Identifying the Forces Driving the Frequent Changes in PMOs*. Newtown Square (PA): Project Management Institute.

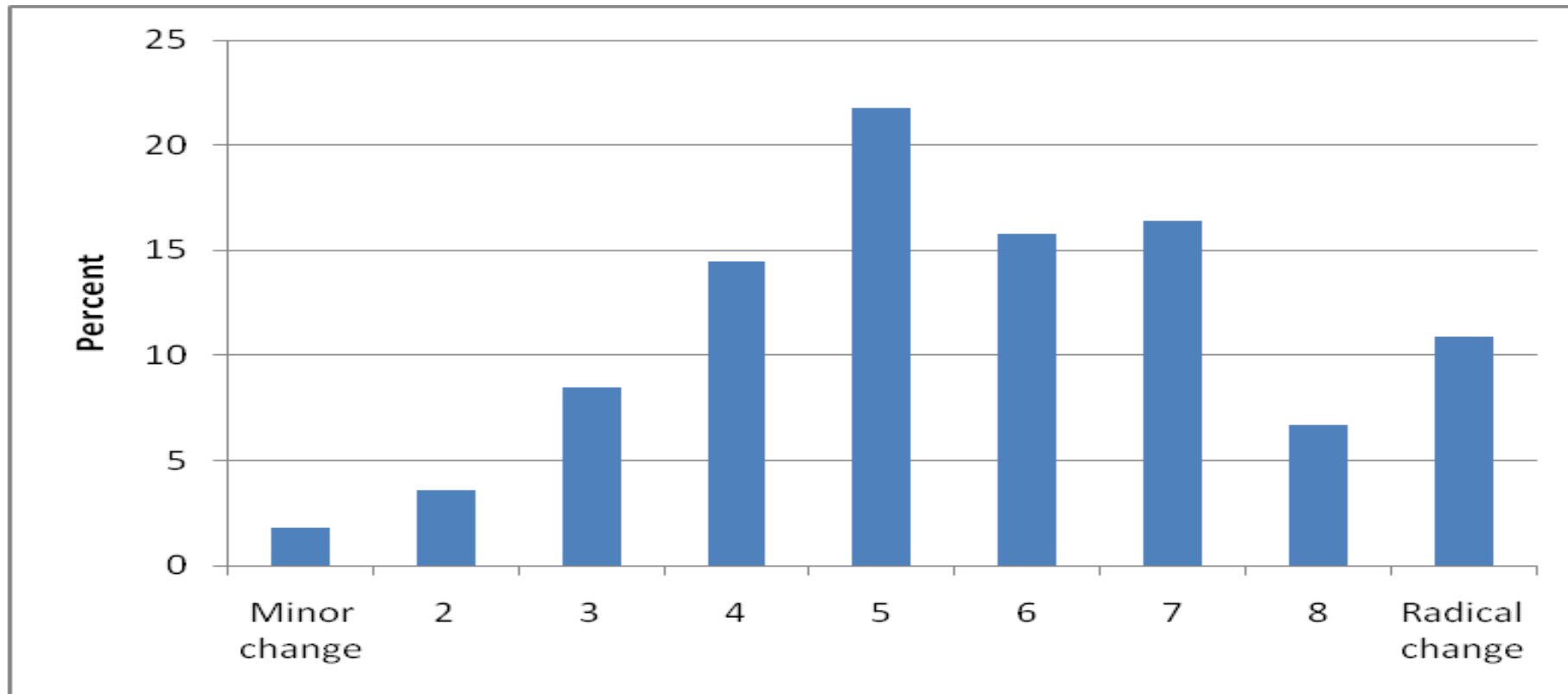
# Be Prepared for Change

## Change Management

- PMOs change frequently
- A PMO transformation is an organizational change
- 50% of PMO transformations do not use change management
- Using change management should affect embeddedness

# Be Prepared for Change

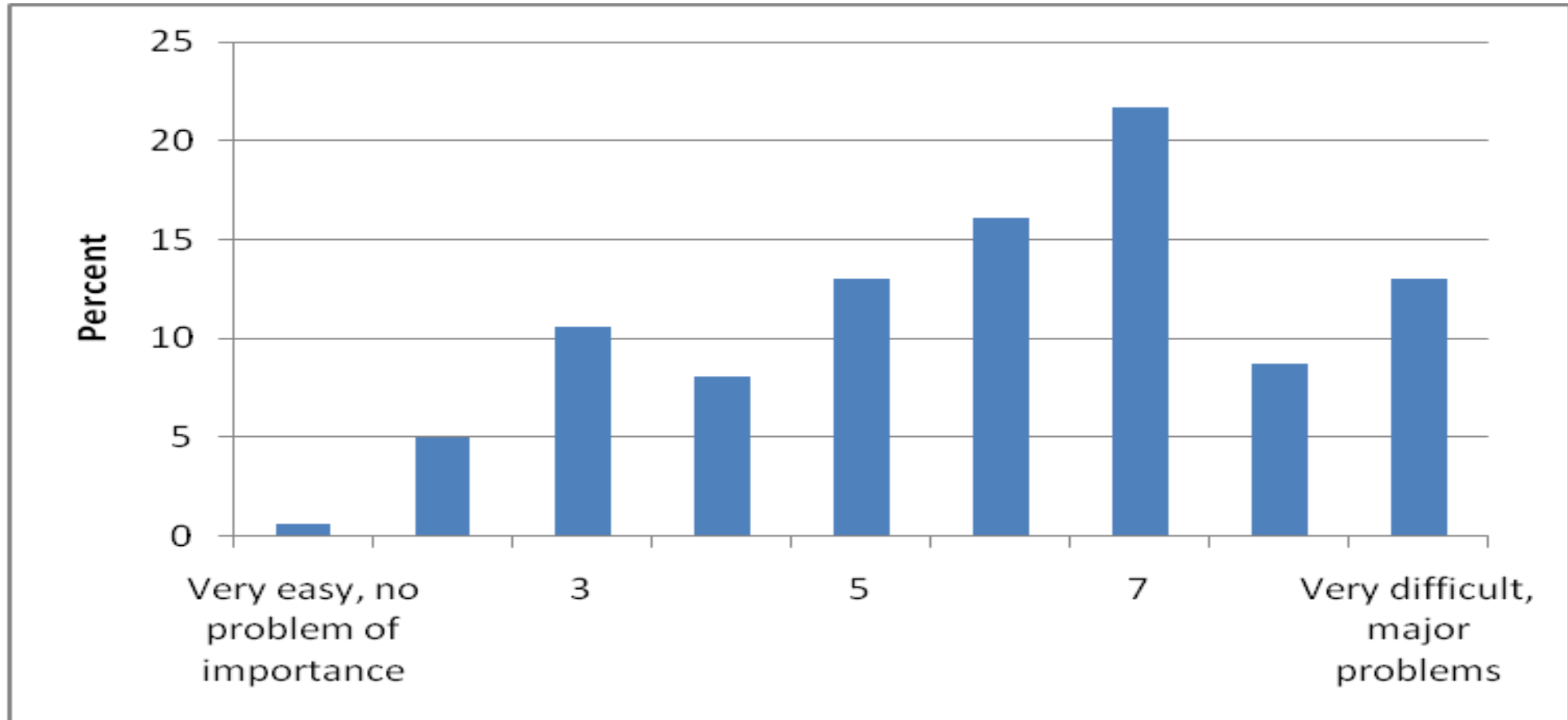
## Changes to PMOs are Significant



Aubry, M., Hobbs, B., Müller, R., & Blomquist, T. (2011). *Identifying the Forces Driving the Frequent Changes in PMOs*. Newtown Square (PA): Project Management Institute.

# Be Prepared for Change

## ... and Difficult



Aubry, M., Hobbs, B., Müller, R., & Blomquist, T. (2011). *Identifying the Forces Driving the Frequent Changes in PMOs*. Newtown Square (PA): Project Management Institute.

# What are the Practical Implications for Professionals?

- Get prepare to adapt and change. The PMO is going to change: do not look for permanent solutions to last forever.
- **Awareness** of the environment: stay connected to and be sensitive to events and emerging tensions in the politics systems in and around the organization (Van de Ven & Sun, 2011).
- Organizational change should be manage: these are important organizational changes

# Key Messages

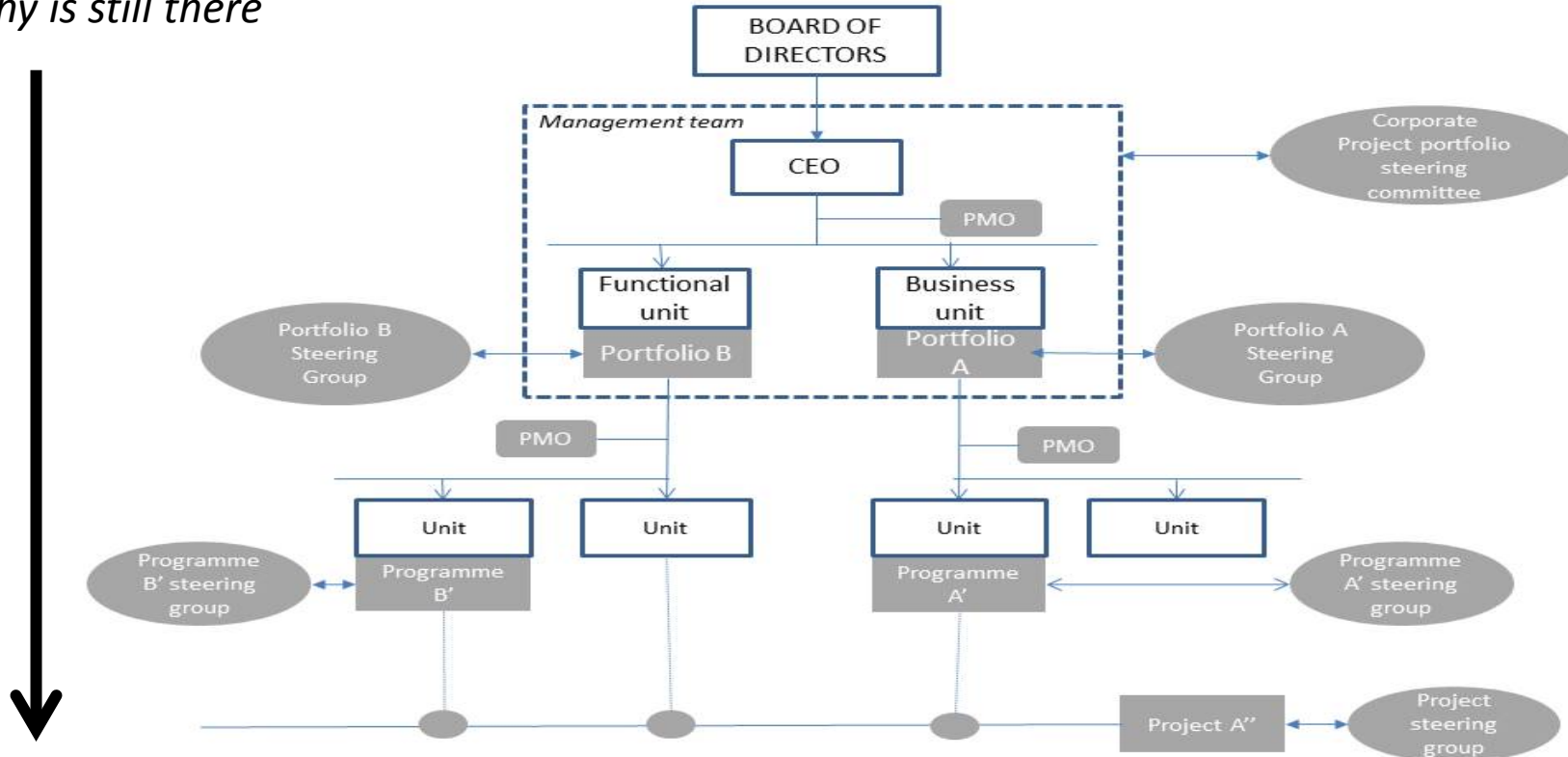
1. *Slow* PMO - Reflection, Awareness and Sense-making
2. Be prepared for change
- **3. Think globally**
4. Chaos versus order
5. Performance and underlying values



# Think Globally

## Project-Based Organizations

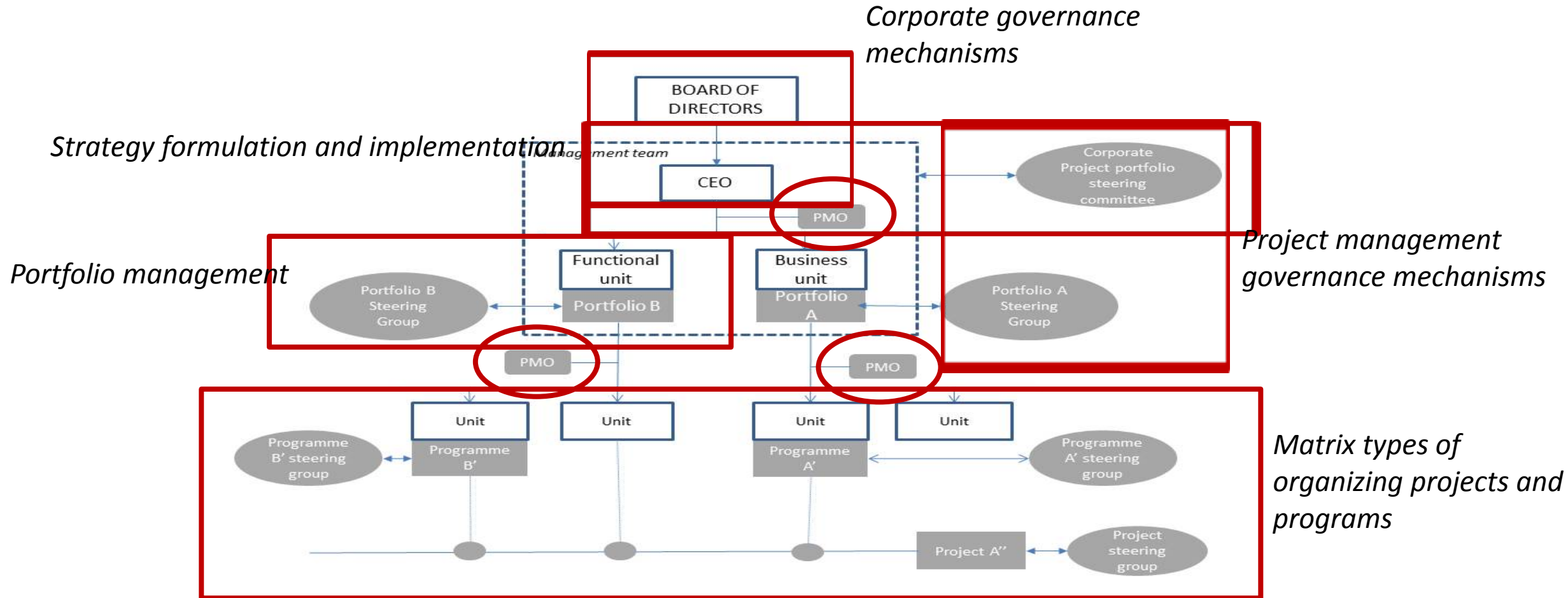
*Hierarchy is still there*



Aubry, M. (2013). Managing organisation. In J. R. Turner (Ed.), A handbook for project management professionals (5th ed.). Aldershot (UK): Gower.

# Think Globally

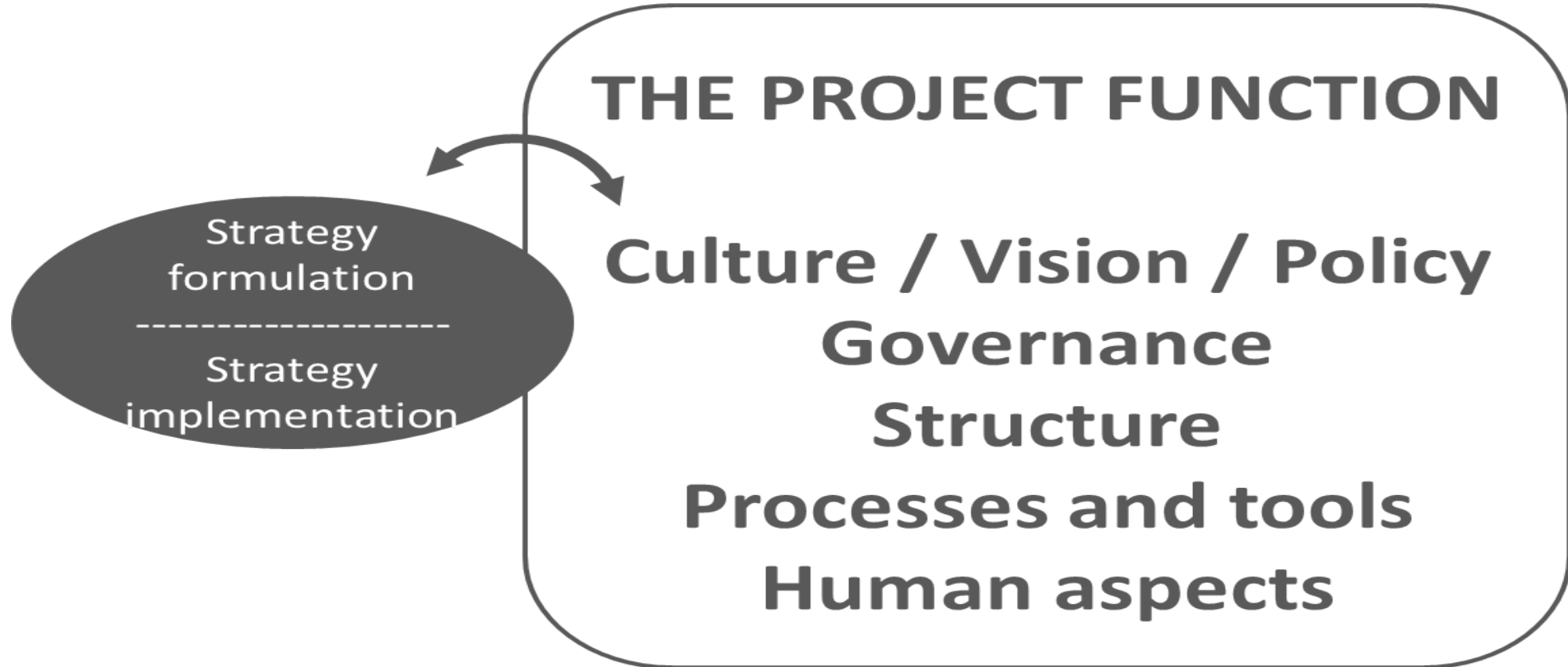
## Archipelagos of Isolated Knowledge Islands



Aubry, M. (2013). Managing organisation. In J. R. Turner (Ed.), A handbook for project management professionals (5th ed.). Aldershot (UK): Gower.

# Think Globally

## The Project Function



After Aubry, M. ( 2013). Managing organisation. In J. R. Turner (Ed.), A handbook for project management professionals (5th ed.). Aldershot (UK): Gower.

# Think Globally

## The Project Function (or Organizational Project Management)

- I'm referring here to an organizational function as a need for coordination of multiple activities (Mintzberg, 1979). The objective is to provide an overarching view when considering activities needed for the management of multiple projects. It is a matter of managing the institutional level (Morris & Geraldi, 2011).
- This function can be centralized within a single unit or spread out within many of them.
- But the main thing is to keep the function focusing on the main objectives and be coherent altogether.
- This should be a very flexible and adaptive function: as business is moving so should do the project function.

# Key Messages

1. *Slow* PMO - Reflection, Awareness and Sense-making
2. Be prepared for change
3. Think globally
- 4. **Chaos versus order**
5. Performance and underlying values

# Chaos vs Order

## Impacts of *Projectification* and *Programmification*

- The idea of matrix-type of organization is coming from the innovative research field (Burns & Stalker, 1961):
  - Bureaucratic hierarchies are good at repetitive and operational activities
  - Organic form or organizing will better fit innovation and project type of activity
- More control mechanisms are coming with more formalization and standardization in project, program and portfolio management (Maylor & al., 2006)

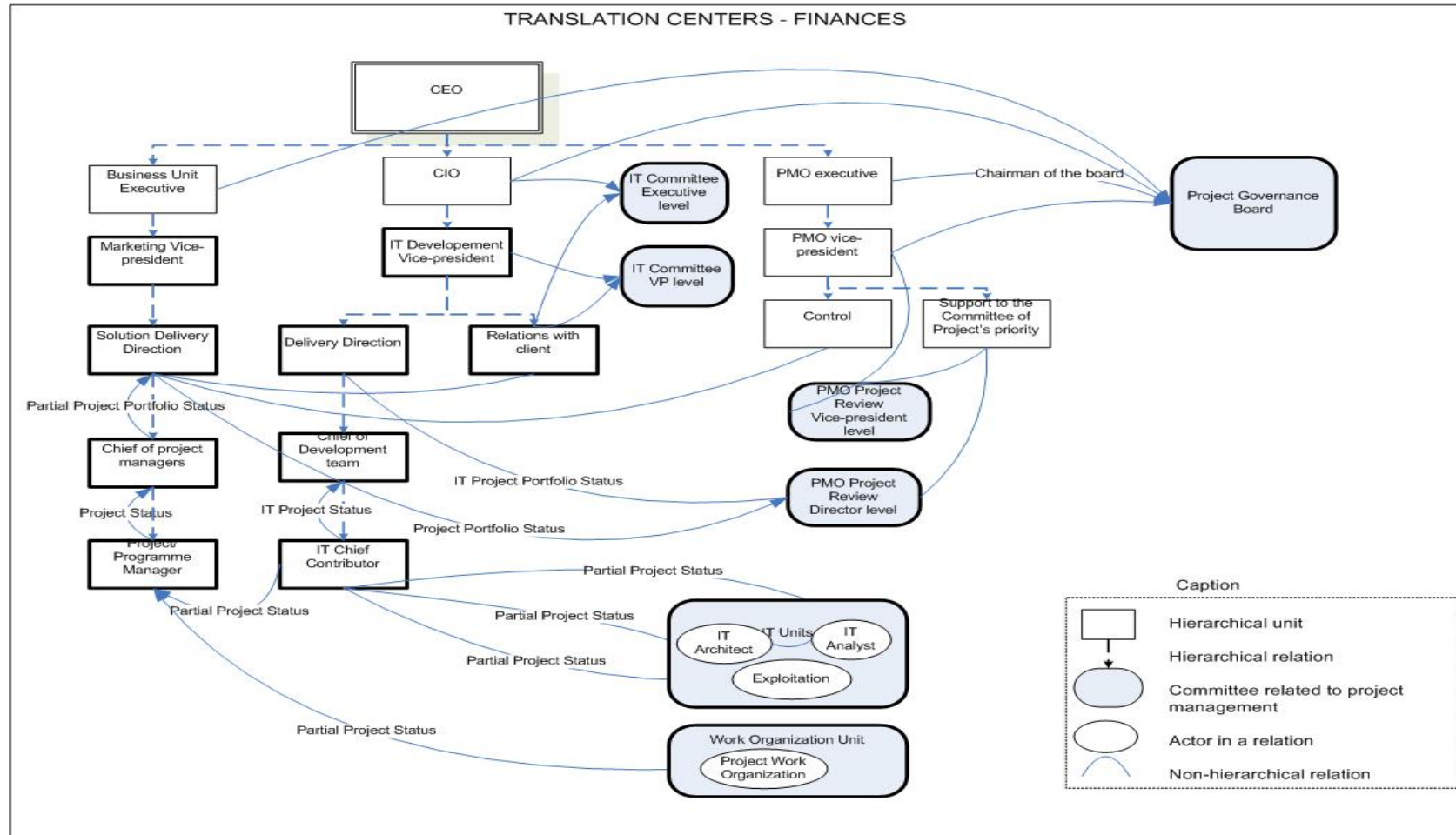
# Chaos vs Order

## Impacts of *Projectification* and *Programmification*

- Researcher in the project management field do question these findings where organizations are going back to the *iron cage* (Di Maggio & Powell, 1983, Maylor & al, 2006, Sage et al, 2010)
- Some bring the idea of the need for an equilibrium between chaos and order to bring projects delivering the expected outcomes (Geraldi, 2009). Too much order will kill or inhibit the emergence of the project. Too much chaos will have risks of being lost.

# Chaos vs Order

## Project Networks Add Up to Hierarchy

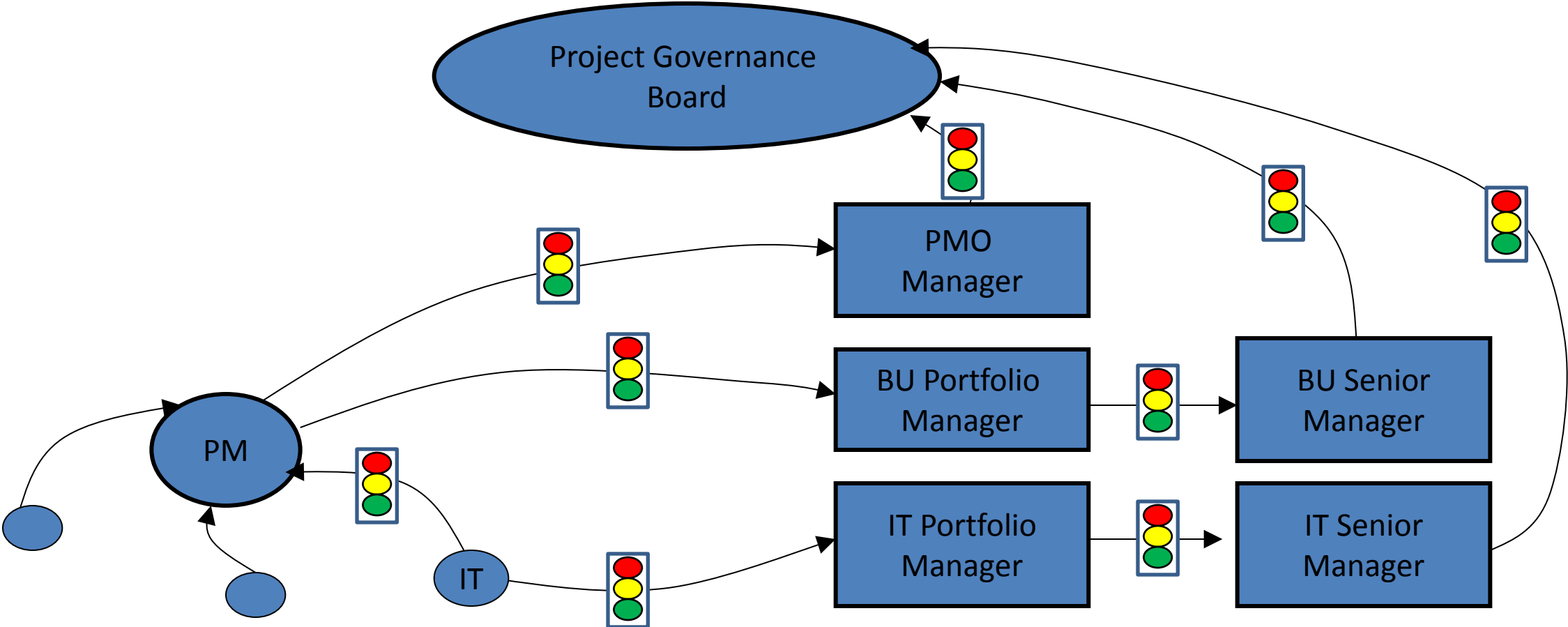


Aubry, M. (2011). The social reality of organisational project management at the interface between networks and hierarchy. *International Journal of Managing Projects in Business*, 4(3, Emerald Highly Commended Paper Award 2012), 436-457.



# Chaos vs Order

## Control Locus: Hyper-Control?



Aubry, M. (2011). The social reality of organisational project management at the interface between networks and hierarchy. *International Journal of Managing Projects in Business*, 4(3), 436-457.

# Key Messages

1. *Slow* PMO - Reflection, Awareness and Sense-making
2. Be prepared for change
3. Think globally
4. Chaos versus order
- 5. **Performance and underlying values**

# Performance as Underlying Values

## PMO Performance Based Solely on Structural Characteristics and Functions

Answers to the questions:

- Form: How should my PMO be structured?
- Function: What should its mandate be?

These may be the wrong questions or at least incomplete.

# Performance as Underlying Values

## Predictors of PMO Performance

- Form
  - Most projects within mandate
  - Most project managers in PMO
  - Decision-making authority
- Function
  - All functions linked to performance
  - Multiple functions
- Organization context
  - Project management maturity
  - External customers
  - Non-matrixed resources

**Explains 28% of variation in PMO performance**

# Performance as Underlying Values

## Embeddedness

- Collaboration with other project participants
- Recognition of PMO's expertise
- PMO's mission is well understood
- Support of upper management

**Explains 48% of variance in PMO performance**

# What are the Practical Implications for Professionals?

- Involving key partners in the developing PMO mandate
- Developing internal partnerships to foster collaboration between different groups involved in the management of projects
- Right people at the right place: PMO expertise should be managed at the hiring and then developed
- Upper management should be involved in decision making
- Communicate, communicate and communicate

# **SEARCHING FOR PMO'S INNOVATIVE PRACTICES: MAJOR TRANSFORMATION PROJECTS IN HEALTHCARE**

# Context in Quebec

## Social context and impacts on the Healthcare System

- Healthcare context in Quebec is similar to other North America and European countries
  - Aging population
  - Healthcare infrastructure has to be renewed
    - Construction of new hospitals
    - Redeployment of healthcare services
    - Major organizational transformations



# Context in Quebec

## Investments in Healthcare System

- Major investments in 4 out of 5 university hospitals in Quebec (over 10 billions CAD)
- Major projects of redeployment of healthcare services
- Extreme pressure from the government to deliver return on investment (ROI) through projects
- Project Management Office has played an important role in these projects

# Cultural Challenges in University Hospitals

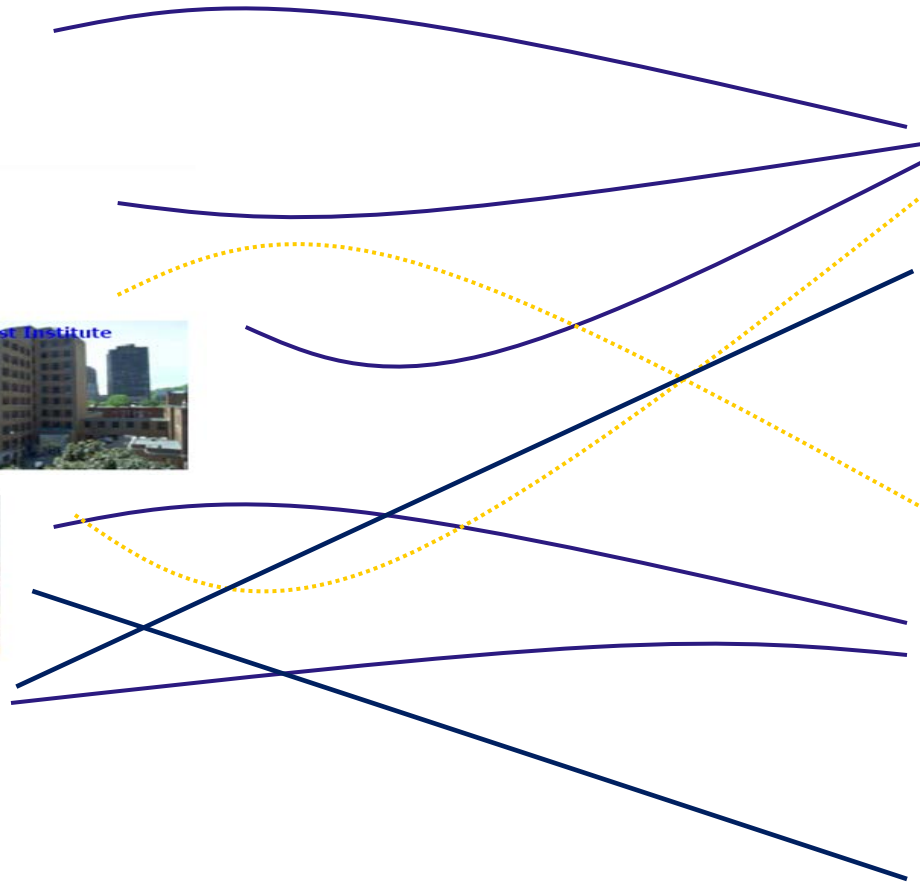
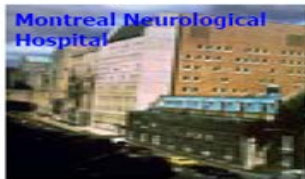
- Strongly professionalized hierarchies
  - Very strong silos
  - Project management is new as a key competence
- Scientific culture: practices oriented towards evidence-based
- Open to participating in this research as there are expectations to *produce* new evidence-based practices

# Tensions Between Temporary and Sustainable

- In this specific context, the Project Management office is defined as a **temporary entity** – and it is important to communicate about this temporary nature
  - The mandate will end up at a fixed date, shortly after the moving
- There is a goal that project management competencies will be sustainable:
  - Experiences, knowledge, assets, richness
  - Not only boxes will move: you move the history, art, knowledge, etc.
  - The final goal is to transfer the transformation!

# What is a Redeployment Project: One Example

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Montreal Children's Hospital (MCH)  
Royal Victoria Hospital (RVH)  
Montreal Chest Institute (MCI)  
Shriners Hospital



Montreal General Hospital (MGH)  
Montreal Neurological Hospital (MNH)



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# Practical Question

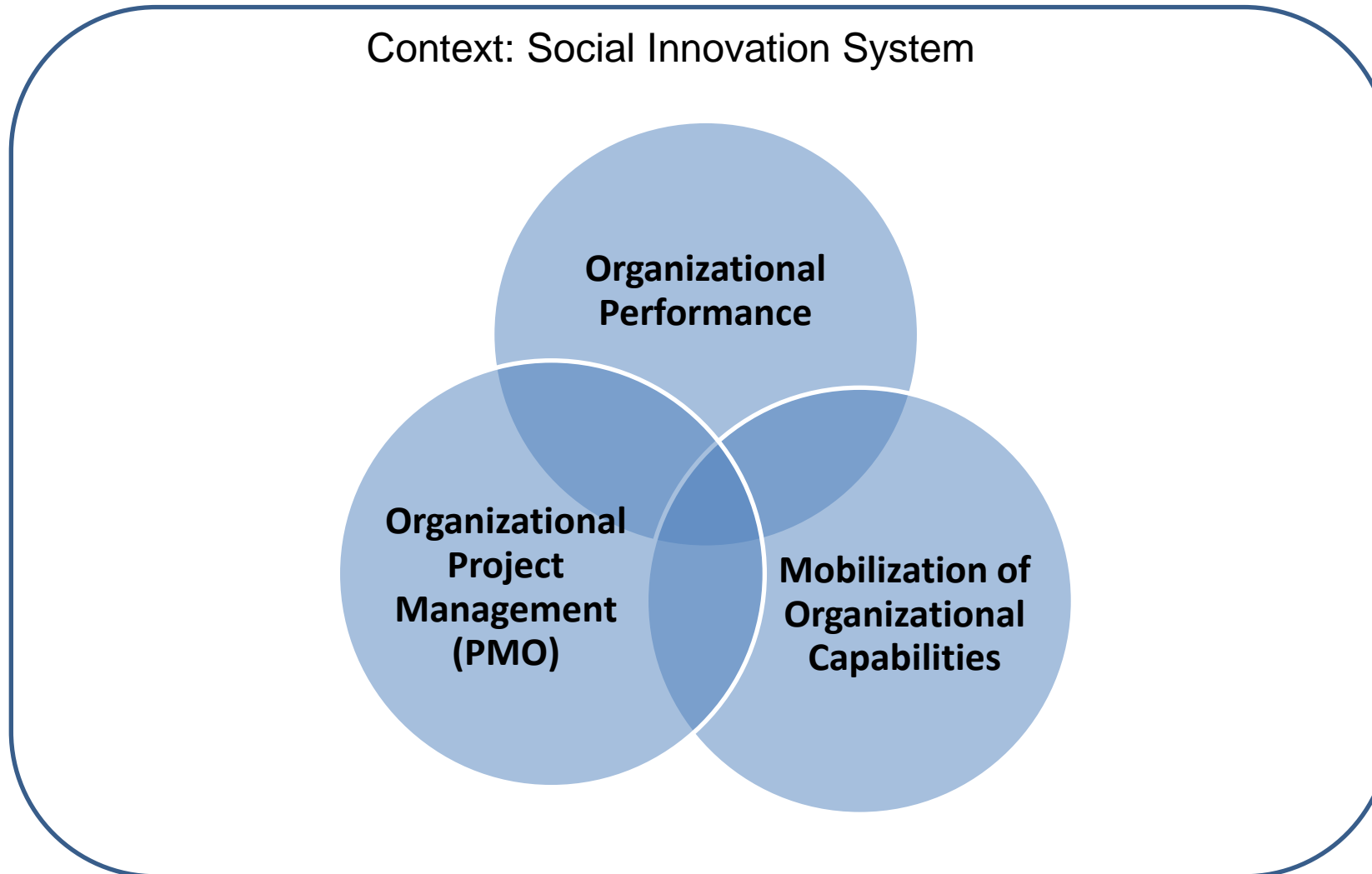
- How to get organized to succeed?

# Research question

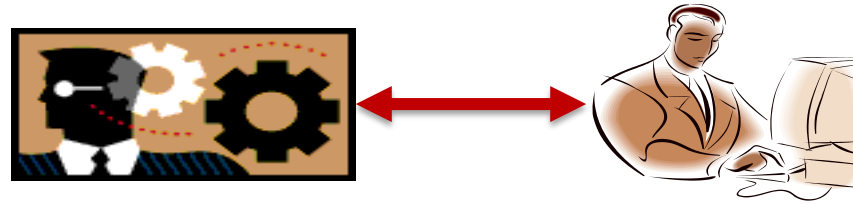
What is the organizational contribution of a PMO in a context of an organizational transformation?

- What is the PMO's context?
- What are the PMO's characteristics and functions?
- How to understand their contribution to change management?
- How to understand their contribution to the organizational performance?

# Conceptual Framework



# Research Governance: Multiple Partnerships



**Scientific Committee**

- 2 researchers
- 1 decision-maker from Healthcare

- Research fields: Empirical data collection



**Adviser Committee**

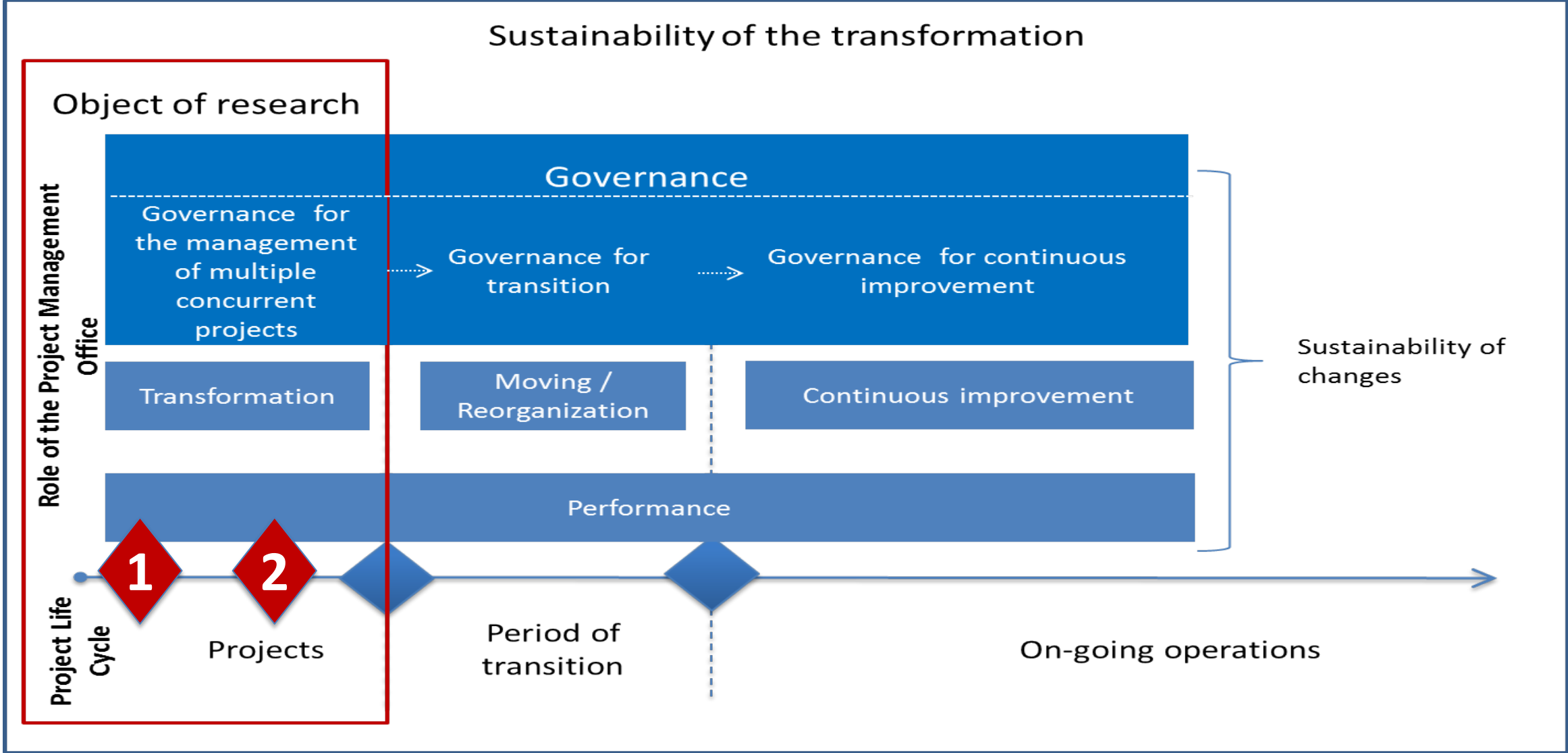
- 2 Researchers
- 1 decision-maker from Healthcare
- Diversity of healthcare professionals

- Orientations on research decisions
- Workshop on findings and their relevance for decision-makers
- Activities of knowledge transfer for practitioners

- Other hospitals
- Other center of healthcare and social services
- Regional agencies
- Delegate from the Ministry of Health and Social Services



# Global Methodology



# RESEARCH PHASE 1: PERFORMANCE AND UNDERLYING VALUES

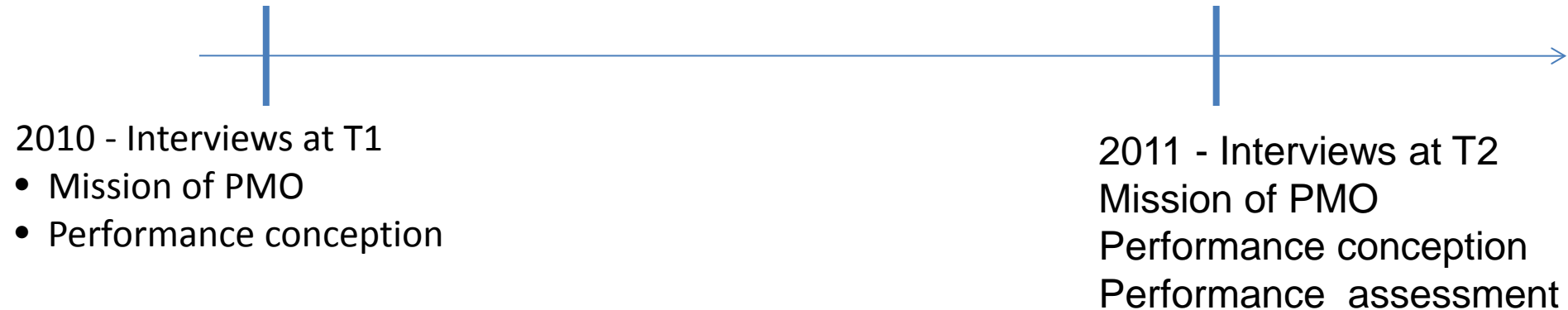
# Methodology – Phase 1

- Exploratory research
- Design: unique in-depth case study
- Unit of analysis: PMO
- Data collection: interviews
- Target participants: 2 groups

	PMO	Steering Committee
Number of participants	11	11
%	100%	69%

# Methodology

- Participative action research
- Data collection in 2 times

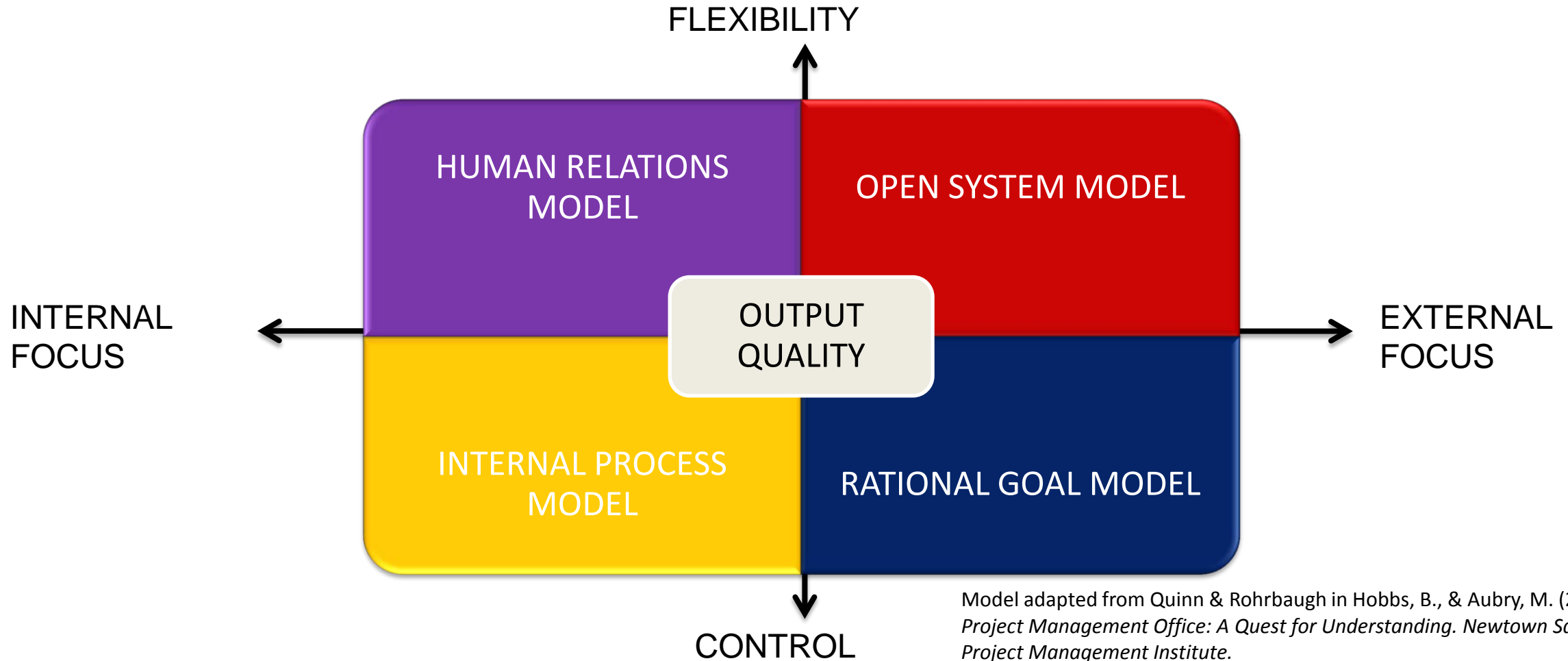


## 4. Performance as Underlying Values

A Fresh Look at the PMO Contribution to the Organizational

Performance:

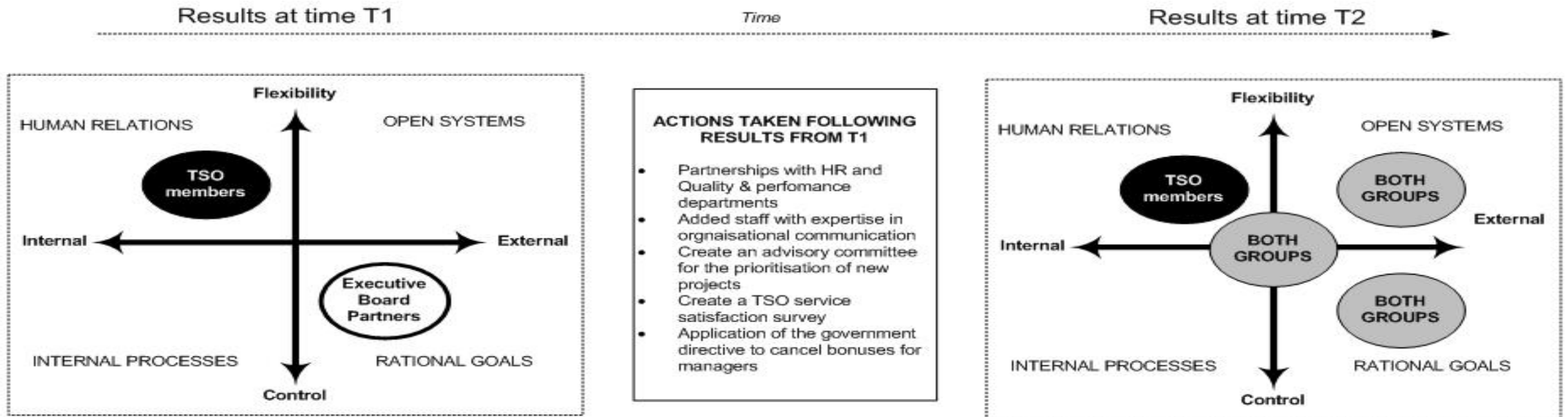
Competing Values Framework



Model adapted from Quinn & Rohrbaugh in Hobbs, B., & Aubry, M. (2010). *The Project Management Office: A Quest for Understanding*. Newtown Square, PA Project Management Institute.

# 4. Performance as Underlying Values

## Competing Values Framework: It Works!



Aubry, M., Richer, M.-C., & Lavoie-Tremblay, M. (2014). Governance performance in complex environment: The case of a major transformation in a university hospital. *International Journal of Project Management*, 32(8), 1333-1345.

Aubry, M., Richer, M.-C., Lavoie-Tremblay, M., & Cyr, G. (2011). Pluralism in PMO performance: The case of a PMO dedicated to a major organizational transformation. *Project Management Journal*, 42(6), 60-77.

# Contribution

- **Pluralism** in the assessment of the PMO contribution to the organizational performance
- **Competing values** exist in every organization
- PMO performance is better understood as a process, as a **dialogue**

# **RESEARCH PHASE 2: THREE PATTERNS FOR INTEGRATIVE ROLE OF PMOS**



# Methodology

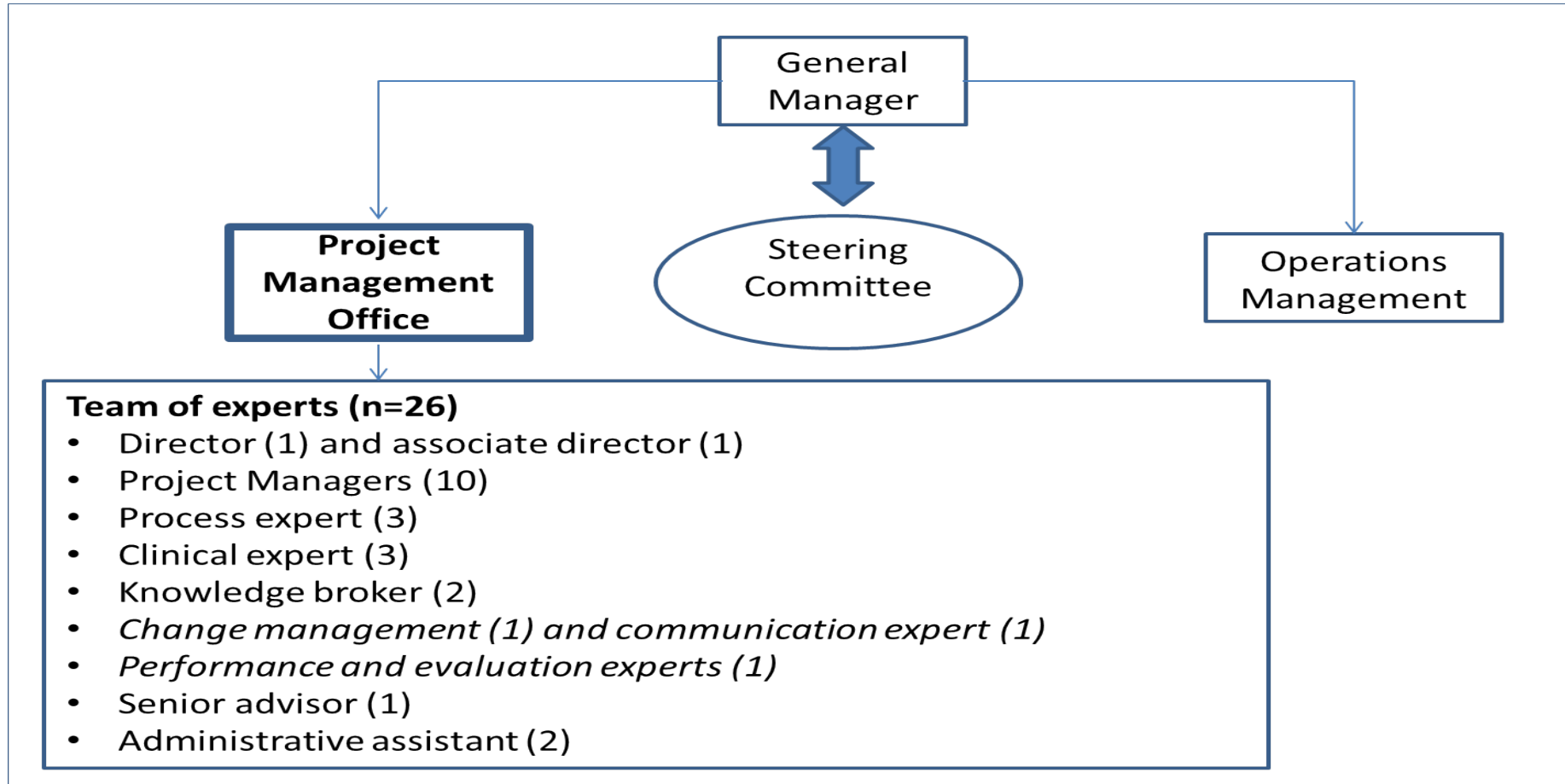
- Qualitative approach: interviews, observation, participation action research, and questionnaires
- 4 in-depth case studies
- Total: 64 interviews
  - General manager and/or Associated General Manager
  - PMO Director and other managers at PMO, if any
  - Members of steering committee
  - PMO Employees
  - Project Managers
  - Clients of projects

# Three Major Projects in University Hospitals

UH	Employees and physicians	Budget <sup>1</sup>	Moving Target Date	Construction Start	PMO operation start
#1	14000	2,3 Billions\$	2015	2010	2008
#2	12000	2,5 Billions\$	Phases: 2014; <b>2016</b> ; 2020	2010; 2012	2011
#3	6000	995 Millions\$	2017	2012	2012

Note 1: Budget is a rough estimation at the time of research project

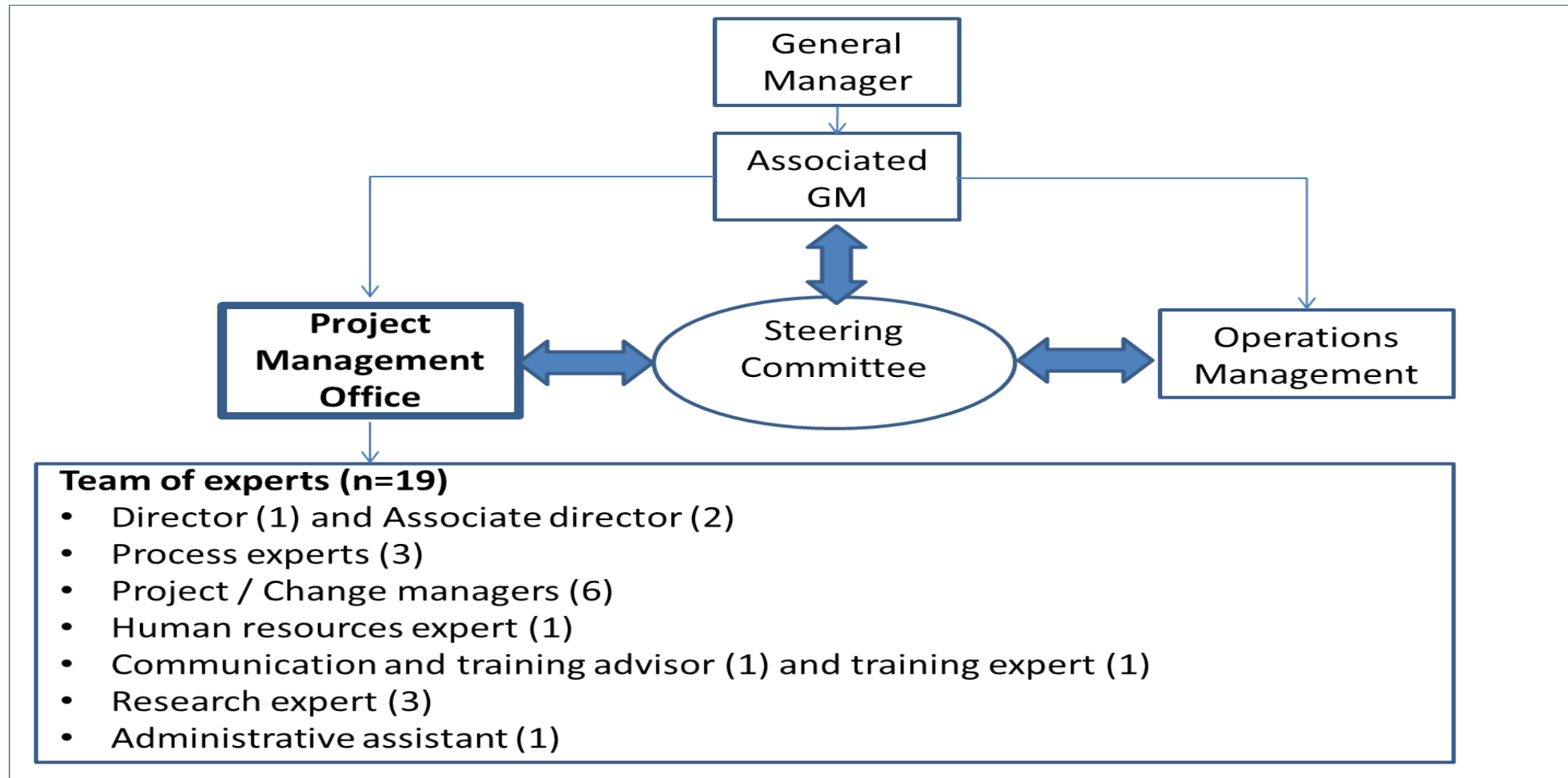
# Organizational Design #1



## Project Management Office

- At time of interviews: cruise speed
- Mandate: support in practices harmonization, change management; and processes review
- Number of projects in the portfolio: 42 projects

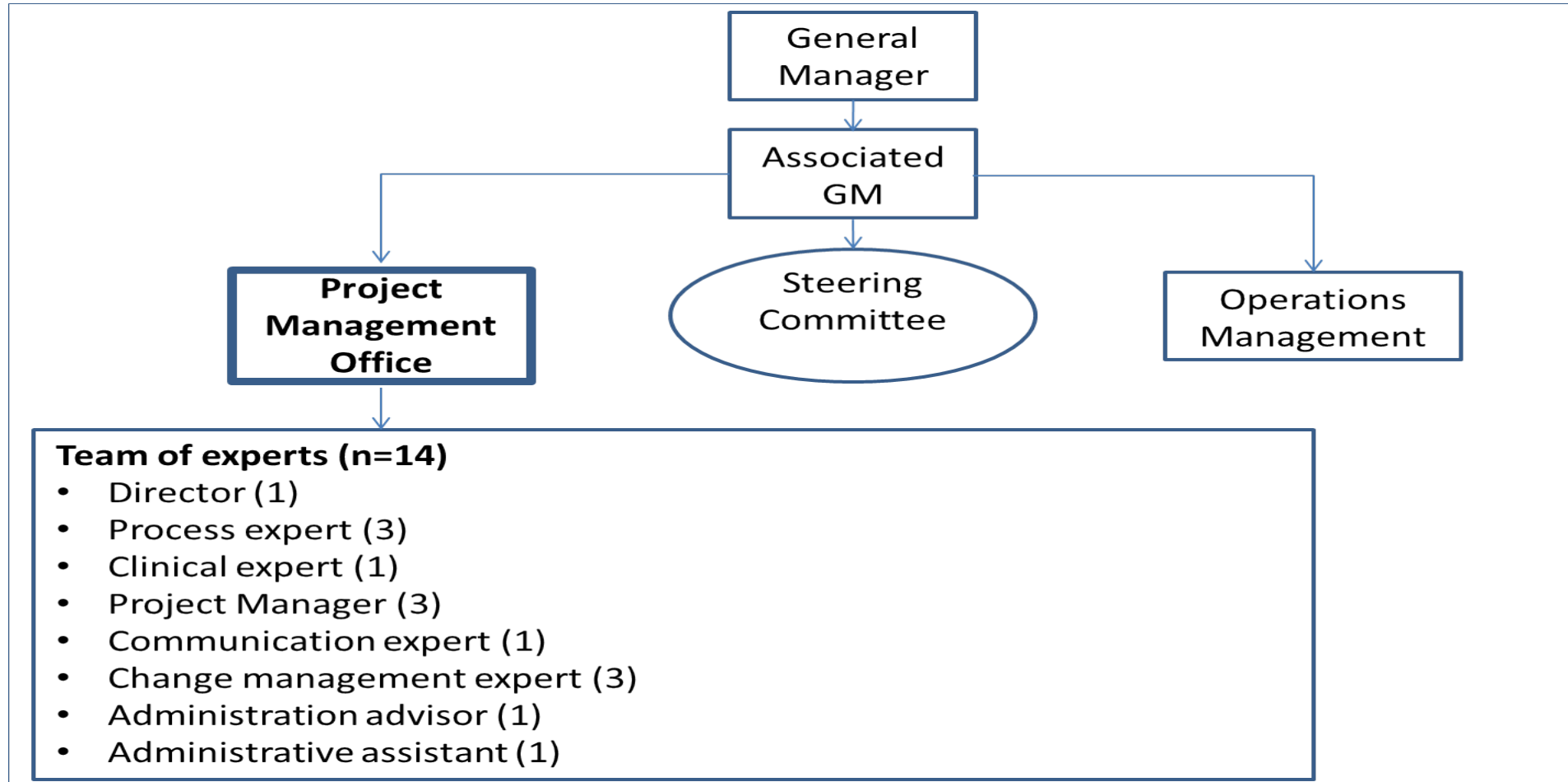
# Organizational Design #2



## Project Management Office

- At time of interviews: not yet at cruise speed
- Mandate: to support projects related to the strategic plan for the future Hospital
- Number of projects in the portfolio: 80 projects

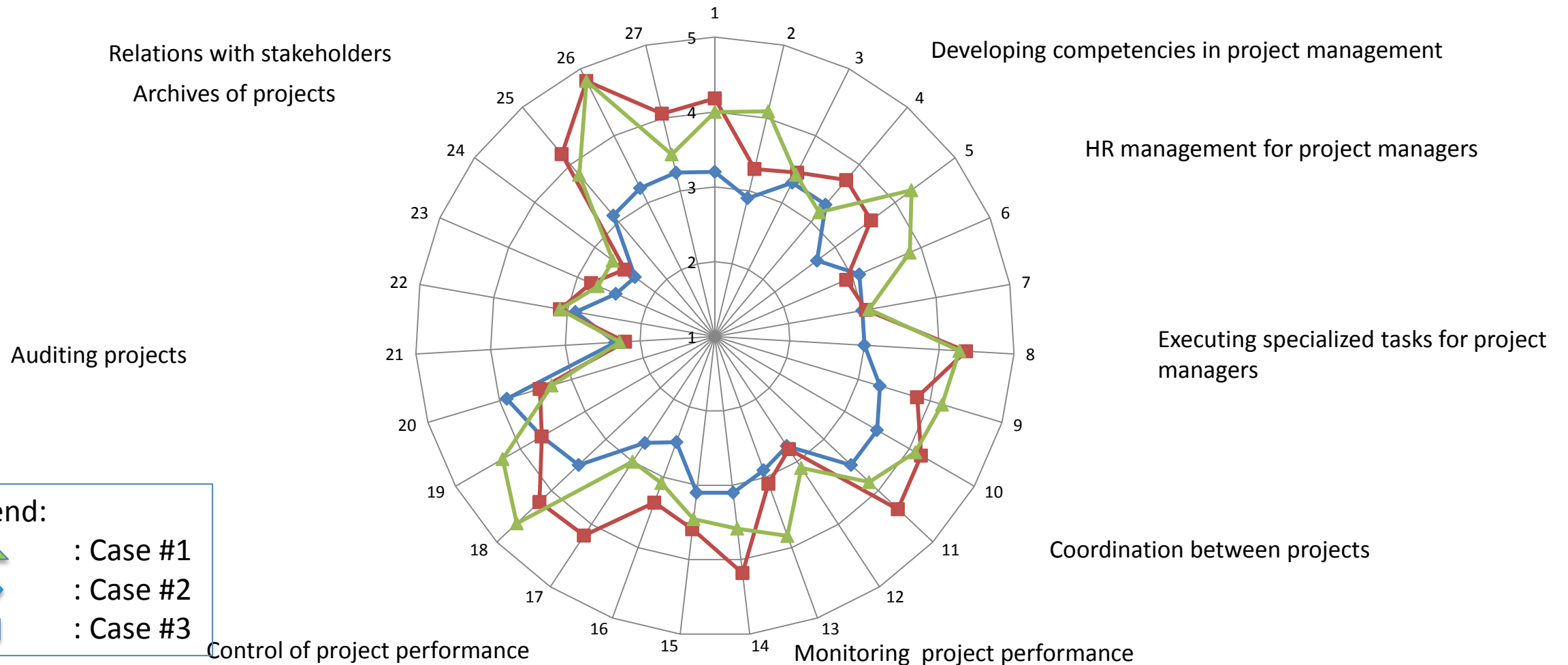
# Organizational Design #3



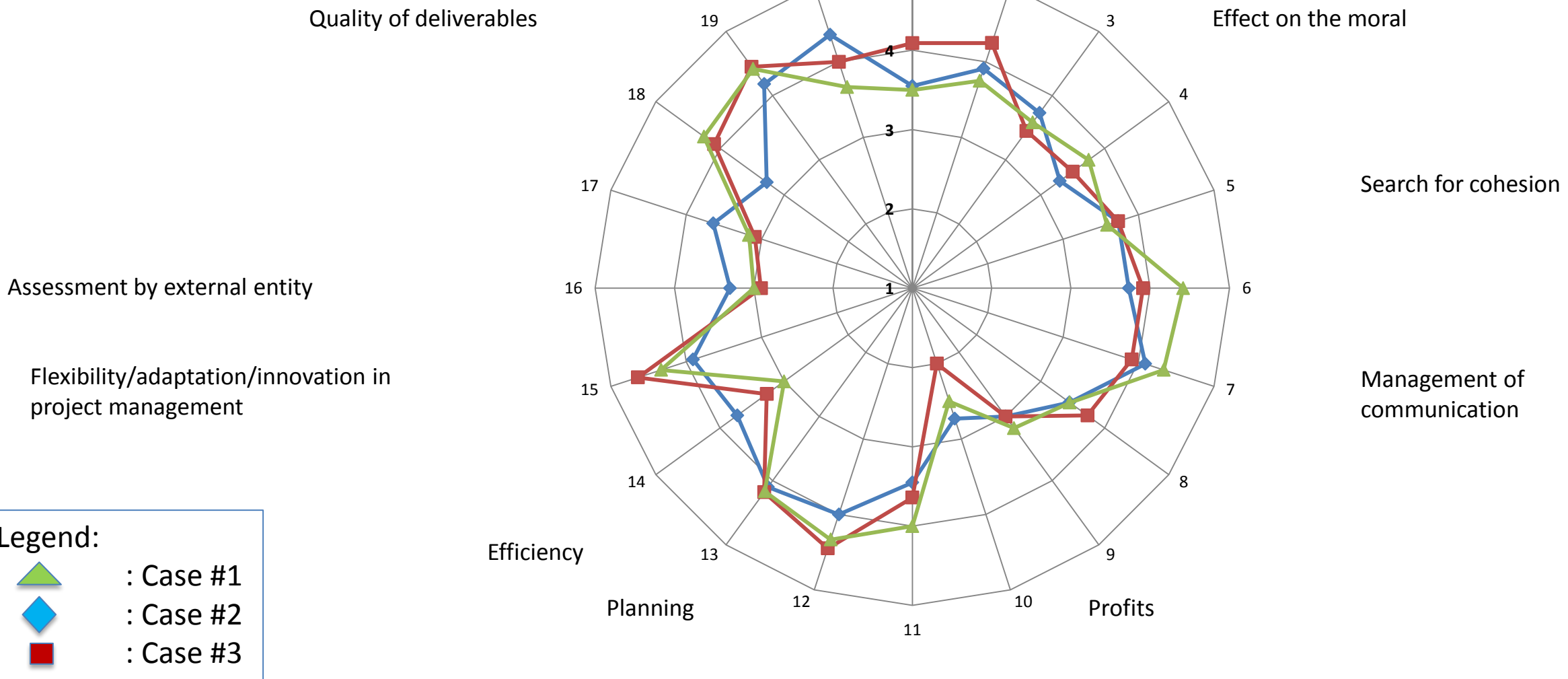
Project Management Office :

- At the time of interviews: early stage
- Mandate: organizational transformation and support to projects' teams
- Number of projects in the portfolio: 39 projects

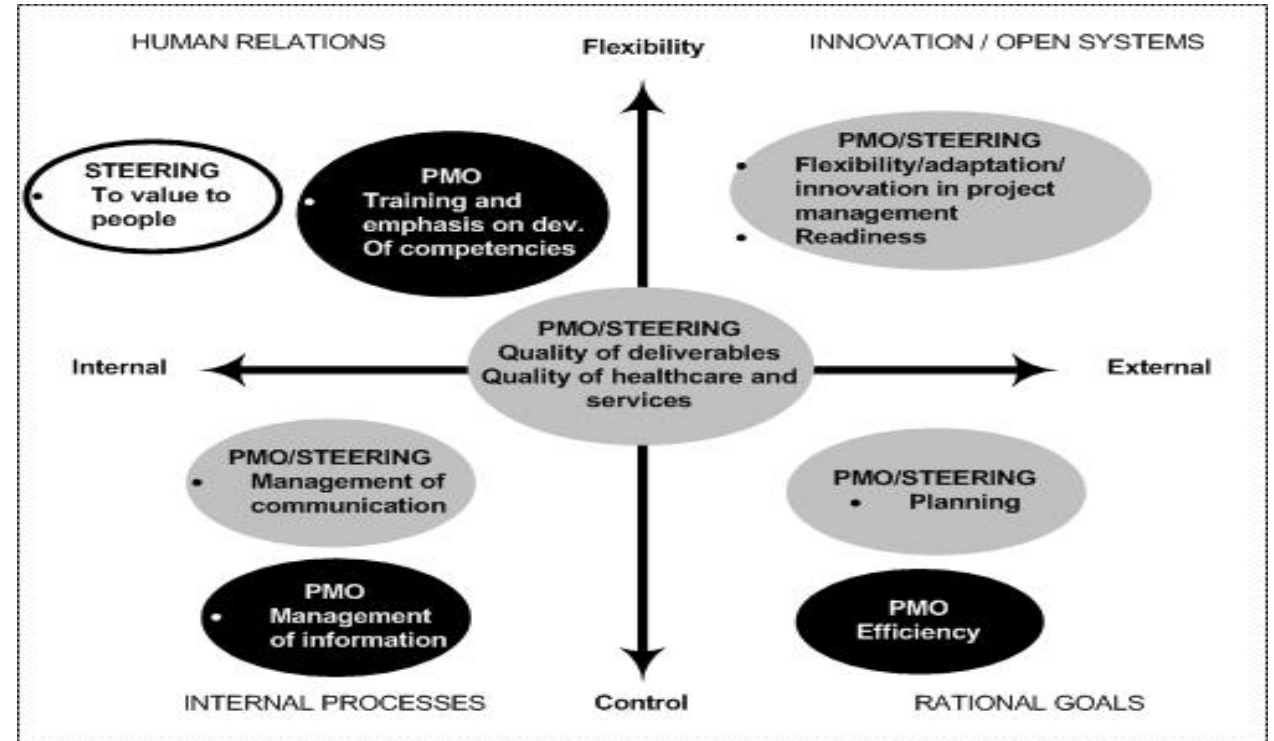
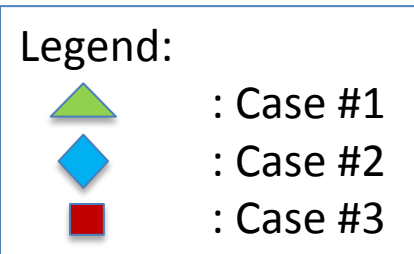
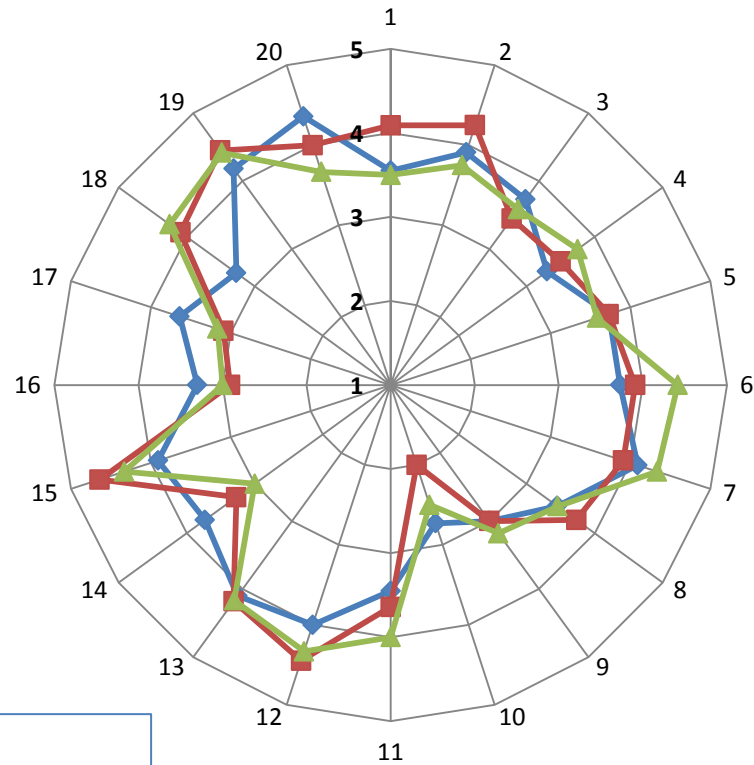
# Different PMO Designs: Different Functions



# Similar Patterns in PMO Performance



# Similar Patterns in PMO Performance



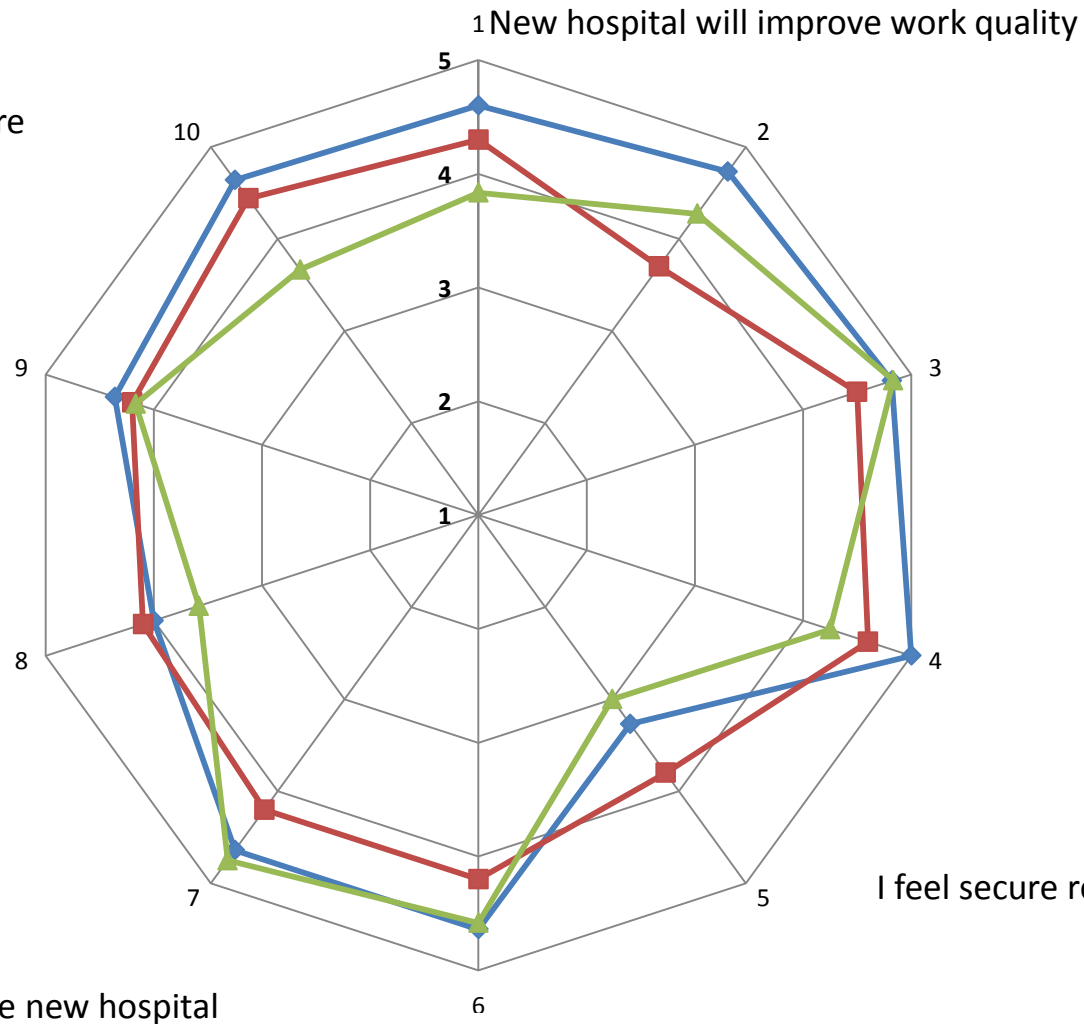


# Similar Patterns in Readiness for Change

The new hospital will help in the quality of healthcare ad services to patients

The new hospital is positive for me

I'm ready to bring my own contribution to the new hospital



Legend:

- ▲ : Case #1
- ◆ : Case #2
- : Case #3

# Findings

## **1. SIMILAR PROBLEM**

Redeployment of healthcare services within strict restrictive budget

## **2. DIFFERENT CONTEXTS**

Different organizational designs

## **3. KEY FACTOR : INTEGRATION**

Integration of project management, change management and process management

## **4. SIMILAR PATTERNS OF PERFORMANCE AND READINESS FOR CHANGE**

All three cases show good and similar results

# CONCLUSION

# Conclusion

- New key messages from research in the healthcare
  - The real question is about embeddedness : understanding the context
  - Project management as an integrative mechanisms
    - Partnerships with other entities
    - Inclusion of plurality of expertise
    - Dialogue
    - Communicate, communicate, communicate

# Many thanks!

## Contact Information

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- **LinkedIn:** Monique Aubry



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