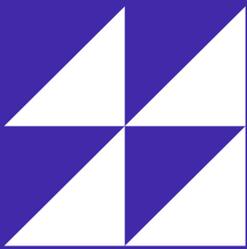




PMO Maturity

Lessons from the
Global Top Tier

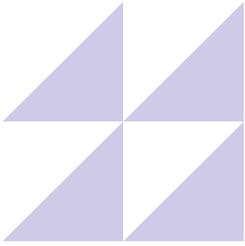


Summary

Project Management Institute (PMI), the world's leading authority on project management, and global professional services firm, PwC, have teamed up to address the current state of project management office (PMO) maturity through the creation of a bespoke PMO maturity index. While the global maturity index score shows there is still a long way to go for PMOs on their maturity journey, it has identified a cohort of 230 PMOs—called the “Top 10 Percent” in this report—which are leaders across all dimensions of the index.

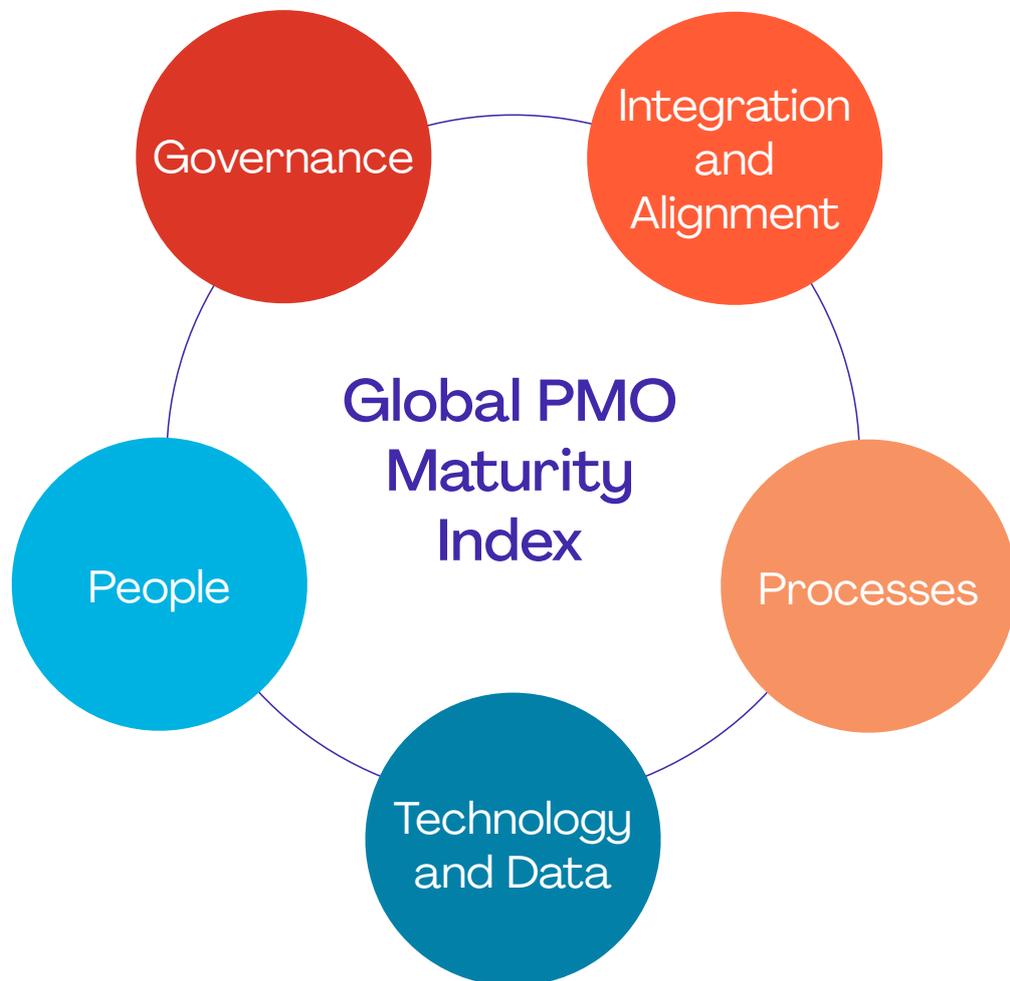
The Top 10 Percent are delivering on multiple aspects across five key dimensions of PMO maturity: governance, integration and alignment, processes, technology and data, and people. This allows the Top 10 Percent to have greater influence and impact in their organization and ultimately deliver more successful project outcomes. This is highlighted in their response to the COVID-19 pandemic, where the Top 10 Percent were able to support the sharp pivot their organizations took by accelerating new ways of working and rapidly expanding risk management functions.

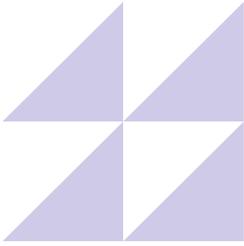
This report showcases the key attributes of the Top 10 Percent PMOs and the steps that can be taken to join them.



The project management office (PMO) has a vital role to play as the world transitions into a post-pandemic era. Often misunderstood as a department confined to governance and compliance, we are seeing PMOs move beyond the tactical execution of projects and perform a wider range of activities that drive strategic value for their organizations. These evolved PMOs embrace new technology, focus on team culture, and help develop project managers into ambassadors for value creation. They also have greater presence in the boardroom by working with the C-suite to align projects effectively with the organization's strategy and focus on key outcomes that really matter to the organization.

To assess the current state of PMO maturity and understand what we can learn from the most advanced PMOs, PMI and PwC have created a first-of-its-kind **Global PMO Maturity Index**. Using the results from a worldwide survey of over 4000 project management professionals, of which over 2500 work in a PMO, a profile of the highest-performing PMOs—the “Top 10 Percent”—reveals what they have in common and how they create long-term benefits for their organizations.





The PMI and PwC Maturity Index

Within our global survey, project management professionals working within a PMO were asked how often their PMO performed a range of activities linked to value creation. The more frequent the activity, the greater the maturity of the PMO. We measured levels of activity against 23 specific elements of PMO maturity across the following five dimensions:

Governance:

- Consistently measuring and regularly reviewing performance
- Effectively managing governance, risk, and compliance issues
- Ensuring project visibility (e.g., regular status reports, shared dashboards, stakeholder communications)
- Undertaking all roles and responsibilities with support from leadership
- Contributing to the development of strategy

Integration and Alignment:

- Effectively managing project integration (e.g., coordinating tasks, resources, stakeholders)
- Integrating PMO processes across business functions (e.g., procurement, human resources, etc.)
- Fully aligning initiatives and KPIs to the wider organization's critical strategic and change goals
- Regularly engaging with senior leaders and communicating the milestones and impacts of projects

Processes:

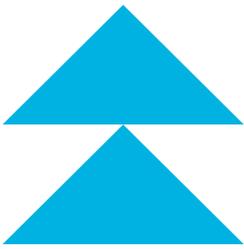
- Standardizing and documenting PMO structure, policies, procedures, processes, etc.
- Adapting project management tools, methodologies, and practices to different projects and teams
- Using tools, methodologies, and practices in alignment with industry standards and best practices
- Driving a benefits management and outcome-driven culture (e.g., developing a benefits realization framework)
- Providing formal assurance on the quality of processes, methodologies, approaches, and structures

Technology and Data:

- Using the latest project-level tools
- Using the latest portfolio/program-level tools
- Using data extensively to make evidence-based decisions

People:

- Developing strong personal skills like leadership, collaboration, and relationship building in project managers
- Developing flexibility and adaptability in project managers
- Developing strong business acumen skills in project managers
- Investing in learning and development for project managers
- Strengthening internal learning through creating communities of practice and knowledge management
- Adequately assessing, recognizing, and rewarding the performance of team members

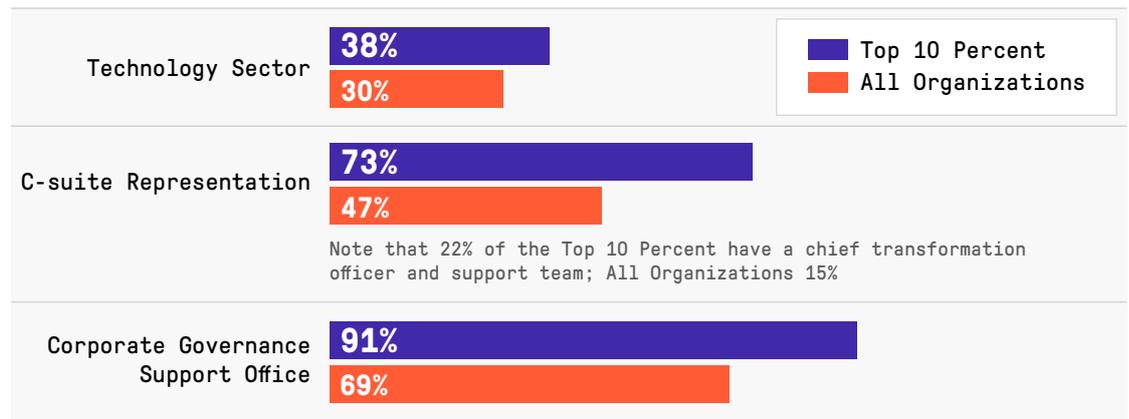


Introducing the Top 10 Percent

The Top 10 Percent (see Figure 1) are spread across the globe, with a slightly higher concentration in South Asia. A large proportion of the Top 10 Percent are in the technology sector, which is no surprise given that sector is ahead of the game when it comes to business change and transformation, as highlighted in [PMI's Pulse of the Profession® 2021](#). The other half are spread across a range of industries, with slightly greater prevalence in the financial services, construction, and telecommunications sectors.

Figure 1: Who are the Top 10 Percent?

Profile of the Top 10 Percent

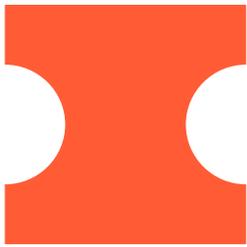


Outcomes for the Top 10 Percent Organizations



Source: PMI and PwC Global Survey on Transformation and Project Management 2021.

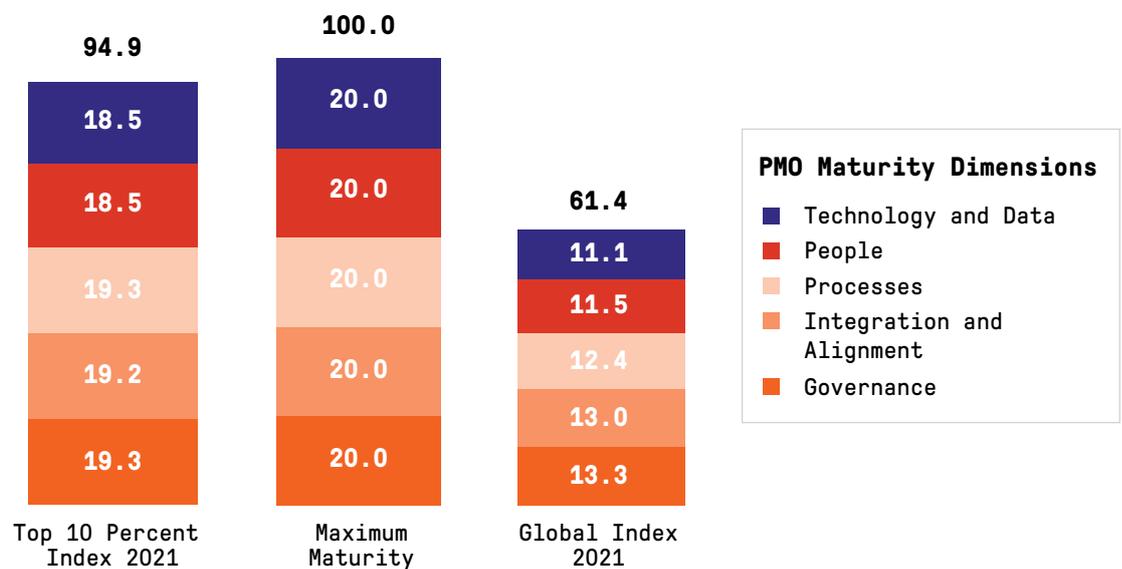
The majority of the Top 10 Percent are corporate-level governance offices, such as an enterprise PMO (ePMO). A centralized, organization-wide approach gives these PMOs the opportunity to support governance, best practices, and project/program alignment across departments and functions, ensuring projects are carried out for the overall benefit of the organization. The Top 10 Percent also have impressive representation at the C-suite level, further enhancing their wide viewpoint and understanding of projects across the organization. This insight, which is invaluable for effective resource allocation and project alignment, is a piece of the puzzle that is missing for the majority of PMOs globally.



The Global Index Score

Our analysis reveals global PMO maturity sits at an average of 61.4 out of a maximum score of 100 (see Figure 2). This score emphasizes the majority of PMOs are still midway through their maturity journey and are yet to reach a point where they are consistently delivering across all five dimensions. In comparison, the maturity score among the Top 10 Percent is 94.9—indicating they are implementing a range of activities across all metrics within each dimension almost all of the time. The Top 10 Percent are pushing the scope of the PMO beyond good governance—which encompasses the more “typical” activities of a PMO—into areas like talent development, technology adoption, and strategic influence. Our data suggests that the index dimensions reinforce one another—rarely do PMOs excel in one dimension and fail in another; therefore, a PMO looking to accelerate its maturity journey should consider how it invests its resources across all five dimensions.

Figure 2: PMO Maturity Index Score - The Top 10 Percent versus Global



Note that the maximum PMO Maturity Index score is 100.

Source: PMI and PwC Global Survey on Transformation and Project Management 2021.

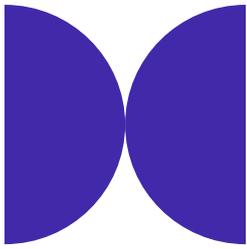
What Do the Top 10 Percent Do Well?

Key areas where the Top 10 Percent perform strongly in each dimension of the index:

- **Governance:** Contributing to the development of strategy
- **Integration and Alignment:** Fully aligning initiatives and key performance indicators (KPIs) to the wider organization’s critical strategic and change goals
- **Processes:** Adapting project management tools, methodologies, and practices to different projects and teams
- **Technology and Data:** Adopting digital tools that enhance collaboration and communication
- **People:** Helping to develop strong personal skills like leadership, collaboration, and relationship building in project managers

Source: PMI and PwC Global Survey on Transformation and Project Management 2021.





The Business Case for Maturity: What Can We Learn from the Top 10 Percent?

Governance

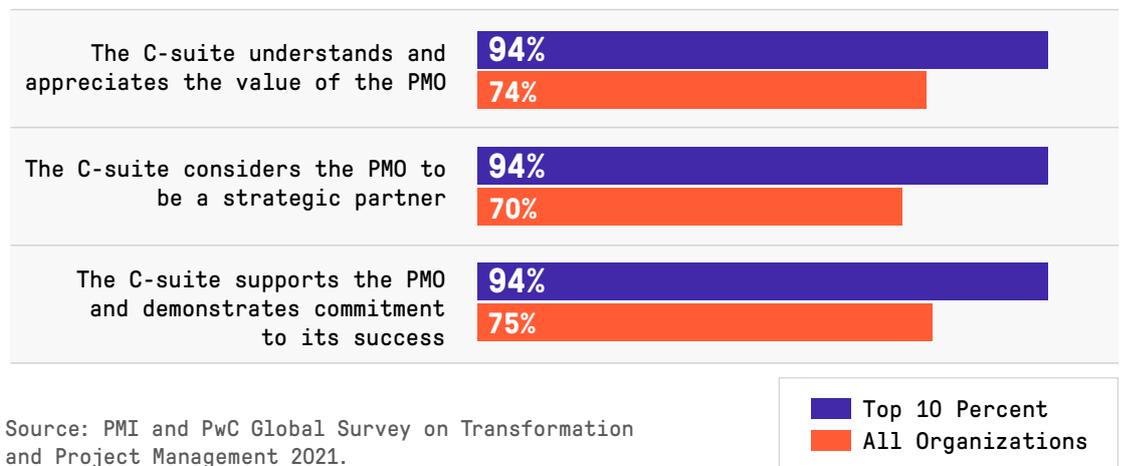
How the Top 10 Percent Influence Strategy

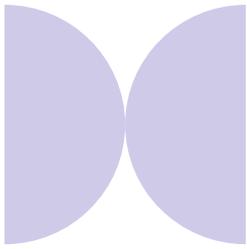
The Top 10 Percent have a strong governance framework to effectively manage risk, ensure project visibility, and consistently measure the PMO's own performance to ensure it is fulfilling its purpose. The Top 10 Percent have also elevated the PMO function, with 89% contributing to the development of strategy all the time compared to 32% of organizations as a whole. When the PMO is involved in strategy, it can ensure resources are allocated efficiently to projects and programs by prioritizing the initiatives that contribute toward the organization's key goals.

C-suite support is vital to enabling a more strategic PMO (see Figure 3). The vast majority of the Top 10 Percent tell us that the C-suite supports and values the PMO and considers it to be a strategic partner. Often this is through direct representation—73% of the Top 10 Percent PMOs have a C-suite-level role that represents the PMO compared to 47% of organizations overall. This allows senior leadership to take advantage of the PMO's insight into emerging issues, the wider impact of projects on the organization, and how the effective distribution of resources can drive more positive project outcomes.

Figure 3: C-Suite Characteristics - The Top 10 Percent versus All Organizations

C-Suite Support is a Key Feature of Leading PMOs





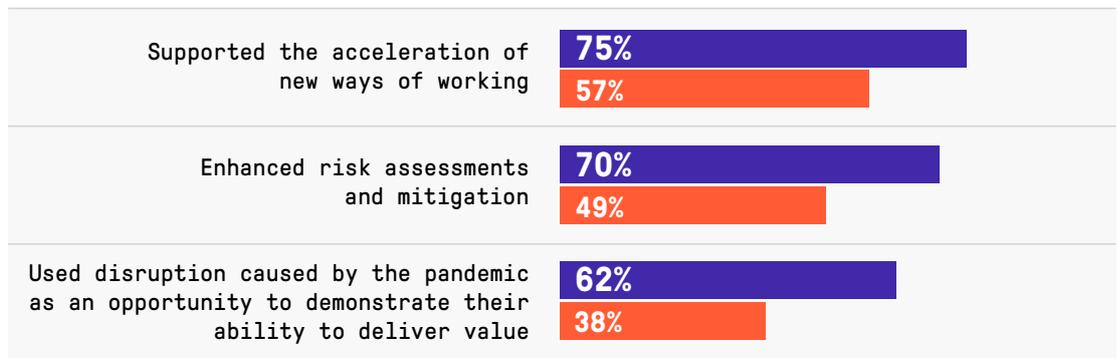
Integration and Alignment

How the Top 10 Percent Support Their Organization in the Face of Global Disruption

Ensuring key performance indicators (KPIs) and initiatives are fully aligned with the wider organization's strategic and change goals is a process that 94% of the Top 10 Percent are doing all the time, compared to 38% of PMOs overall. The Top 10 Percent enable consistent alignment through the integration of PMO processes across the organization, as well as effective communication with senior leadership through strategically relevant updates on project milestones, issues, and impacts. Strategic alignment helps PMOs be more agile in response to disruption and change, by helping to disseminate strategy quickly and effectively across a range of projects and programs and effectively rebalancing resources. As a result, the Top 10 Percent had a greater impact on organizational change when the COVID-19 pandemic hit by helping to accelerate new ways of working and expanding risk management practices (see Figure 4).

Figure 4: PMO Priorities - The Top 10 Percent versus All Organizations

What PMOs Prioritized in Response to the COVID-19 Pandemic



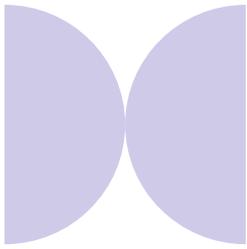
Source: PMI and PwC Global Survey on Transformation and Project Management 2021.

■ Top 10 Percent
 ■ All Organizations

“We are a very networked and integrated team - we see challenges down the line, and we address them much earlier on. When COVID-19 hit, we knew we needed to stop introducing complexity. What we did was pause our innovation agenda: ‘Let’s stop for now and let’s look at the things that are working.’ It was about reprioritization and balance and making sure the resources we had were in the right places.”

KATITJA MOLELE
 Innovation PMO Senior Manager, The Coca Cola Company, Africa

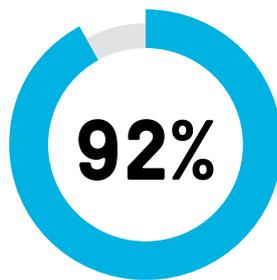




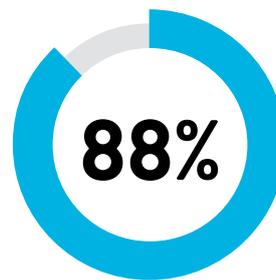
Processes

How the Top 10 Percent Build Adaptive Systems that Accommodate the Varied Needs of Projects and Teams

The Top 10 Percent provide consistency across their organization, ensuring that project management methodologies and tools are in alignment with best practices, policies are standardized, and formal assurance on quality is continually provided. However, a PMO still needs to be sensitive to the different needs of end users in the organization and be able to flex when necessary. More advanced PMOs have this mindset: 92% of the Top 10 Percent are continuously adapting tools, methodologies, and practices for different projects and teams, compared to 35% of PMOs overall. This approach emphasizes collaboration and flexibility rather than absolute compliance, allowing the PMO to become an enabler—one that is aware of how business needs change and is ready to adapt or simplify its own processes so they are fit for purpose and drive better outcomes for projects.



92% of the Top Ten Percent continuously adapt processes for different projects and teams



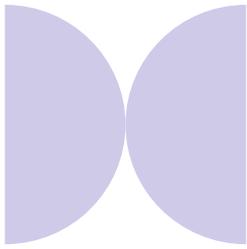
88% of the Top Ten Percent continuously help to develop strong personal skills in project managers

Source: PMI and PwC Global Survey on Transformation and Project Management 2021.

PMI and PwC recognized the need for a critical look at PMO maturity and together undertook a global survey in July and August 2021 consisting of 4069 people involved in leading or facilitating the delivery of projects, programs, portfolios, and workstreams. The survey sample was wide-ranging and included individuals with formal project management qualifications and those with formal job titles such as project/program/portfolio manager, as well as those in less formal roles, such as initiative and workstream leaders. The executive viewpoint was also well represented with the survey capturing 1348 C-suite responses.

Of the survey participants, 2601 people worked in a PMO. These participants were asked a number of questions to understand the structure and influence of their PMO in their organization. Their responses were used to generate the PMO maturity index.

The index is based on a series of 23 statements asked of PMO practitioners to assess the extent to which their PMO was carrying out a range of processes grouped under the five dimensions. An evenly weighted score was calculated for each dimension.



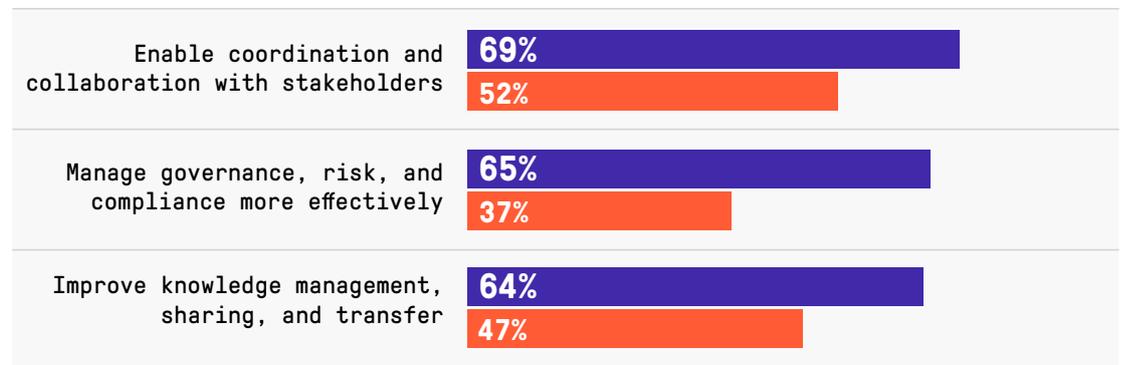
Technology and Data

How the Top 10 Percent Use Technology to Embrace New Ways of Working

The Top 10 Percent are strong adopters of the latest project and program-level tools, with a focus on technology to enhance a range of functions such as collaboration, visibility, and knowledge sharing. While the majority of organizations needed to ramp up their videoconferencing platforms to enable remote working, the Top 10 Percent also embraced more advanced solutions, which included cloud computing, and provided project managers with rapid, secure access to data across geographies (see Figure 5). Sixty-five percent of the Top 10 Percent have also adopted data analytics (versus 50% overall), and 59% said they are using automation solutions (versus 45% overall), helping organizations to use data extensively to make evidence-based decisions. This has the added benefit of freeing project managers from repetitive tasks, allowing them to spend more time collaborating with the organization on strategic and creative initiatives.

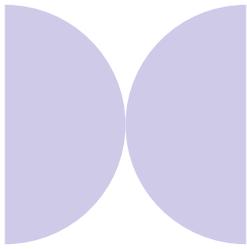
Figure 5: Technology Usage - The Top 10 Percent versus All Organizations

Top Three Uses of Technology Beyond Basic Reporting



Source: PMI and PwC Global Survey on Transformation and Project Management 2021.

■ Top 10 Percent
■ All Organizations



People

How the Top 10 Percent Show Commitment to Project Managers' Learning and Development

Project managers globally say that relationship building, collaborative leadership, and strategic capabilities are most important in improving decisions, outcomes, and team performance. Worryingly, our research reveals that one in three organizations struggle to find project managers with these sought-after capabilities. Despite these challenges, most organizations globally are still relying on traditional approaches to recruit talent and are not treating capabilities development as a strategic priority. While one in five of the Top 10 Percent face the same challenge in recruitment, they appear to be more aware of the implications of the shrinking talent pool and are taking action by investing in upskilling project managers with a range of skills beyond technical prowess.

The Top 10 Percent appreciate the importance of building winning capabilities to gain a competitive advantage. They support skills development by encouraging a learning mindset in their organization: 69% promote a continuous learning culture (versus 51% overall); 64% provide in-house coaching, mentoring, and shadowing (versus 44% overall). The benefits of this focus on continuous learning and upskilling are clear: the Top 10 Percent experience fewer hurdles in attracting and retaining talent relative to their peers. For example, only 19% of the Top 10 Percent find it challenging to recruit project managers with commercial awareness skills (versus 33% overall).

But there is still much more to be done. The Top 10 Percent still face a wide range of barriers when developing project management capabilities, including training that is not aligned with organizational strategy and is not sufficiently engaging. PMI and PwC's recent report, [Narrowing the Talent Gap](#), explores in detail the strategies and practices of high-performing PMOs, and how investing in project management talent gives them a competitive advantage.

Developing a Roadmap for PMOs to Excel in the New Normal

- Assess the current level of maturity and develop a roadmap to improve processes and impacts.
- Define goals based on the needs of the organization alongside the needs of teams, customers, and stakeholders.
- Maintain and improve effectiveness across the five dimensions of maturity to accelerate the transition.
- Measure and monitor progress, making sure benefits are aligned with the organization's strategic vision and change goals.
- Establish a mindset of continuous improvement, maintaining strong communication with project teams and senior leadership so the PMO can continue to adapt and improve in response to changing business needs.



A Call to Action

The reasons to invest in PMO maturity are clear. The Top 10 Percent are pushing the scope of the PMO beyond governance by investing in all five dimensions, resulting in a wide range of clear benefits. The COVID-19 pandemic provides a perfect business case for the value of a mature PMO, with the Top 10 Percent demonstrating that it is possible to pivot faster in the face of disruption, bringing in new ways of working and recovering quickly from failure.

The following are five areas the Top 10 Percent excel in, which can help any PMO accelerate its maturity journey:

- **Get a seat at the top table:** Establish C-suite support for the PMO to help move it beyond the execution of projects to a place where it can help inform and drive the organization's strategy.
- **Align to organizational strategy:** Integrate PMO processes across the organization and engage with senior leadership to enable effective alignment of initiatives and KPIs to the wider organization's critical strategic goals.
- **Flex to your organization's needs:** Adapt methodologies and processes to changing business needs to ensure they are fit for purpose and continue to create value.
- **Make talent a priority:** Invest in a wider range of skills to turn project professionals into effective leaders and relationship builders. Recruit from a wider talent pool to attract diverse candidates that can help bring new skills and innovative ways of thinking to the organization.
- **Embrace technology:** Take advantage of technology that can enhance collaboration and decision making.

Acknowledgement

PMI and PwC would like to thank everyone who took part in the survey and in the qualitative interviews referenced in this report.



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About Project Management Institute (PMI)

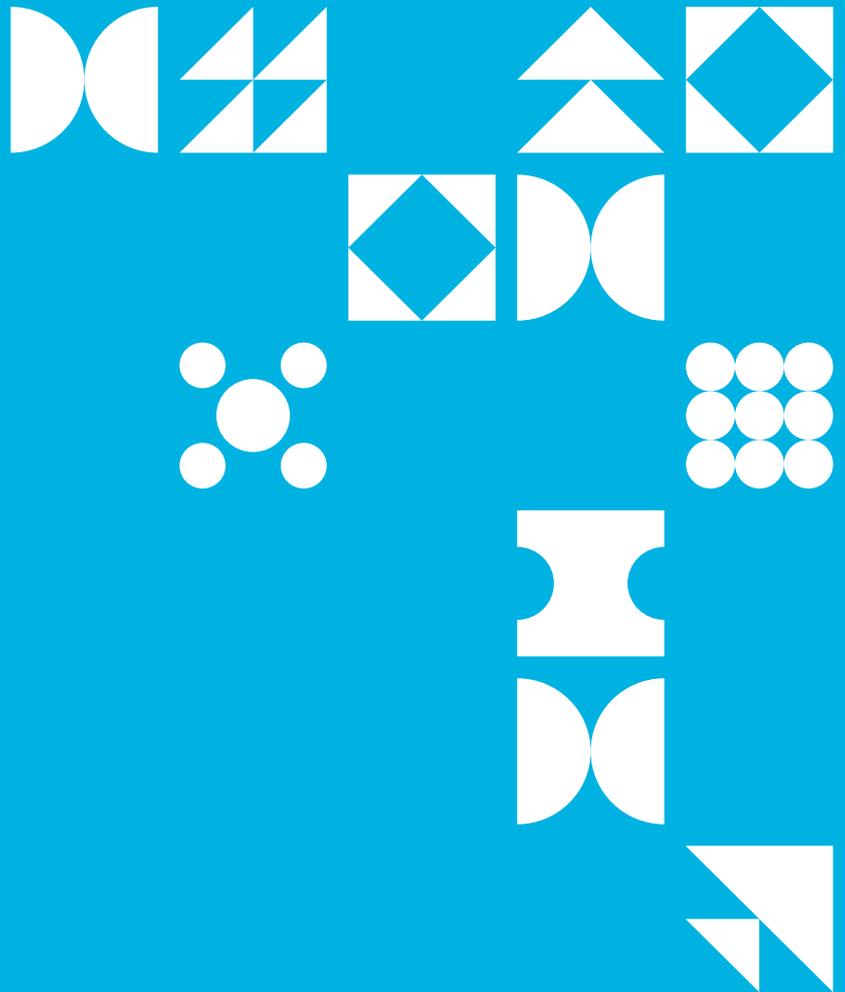
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