

P3M3 v2.0 Self Assessment

Instructions and questionnaire



Contents

<u>Contents</u>	<u>Page</u>
<u>Introduction</u>	<u>4</u>
<u>User Guidance</u>	<u>6</u>
<u>P3M3 Self-Assessment Guidance</u>	<u>10</u>
<u>P3M3 Model Answers</u>	<u>28</u>
<u>Next Steps</u>	<u>32</u>

P3M3™ (Portfolio, Programme and Project Management Maturity Model) is an overarching model containing three individual models:

- Portfolio Management Maturity Model (PfM3)
- Programme Management Maturity Model (PgM3)
- Project Management Maturity Model (PjM3)

Each model uses a five level process capability framework which may be used to gauge the overall organizational maturity. The descriptions and characteristics of the five **Maturity Levels** apply equally to each of the three sub-models.

P3M3 recognizes that organizations may be excellent at project management without embracing programme management concepts or indeed vice versa. Similarly, an organization may be accomplished at portfolio management while not being mature at programme management.

P3M3 focuses on seven **Process Perspectives**, which exist in all three models and can be assessed against five levels of capability. The flexibility of P3M3 allows organizations to review all seven Process Perspectives across all three models – portfolio, programme and project management – but they can also review just one (or several) of the Process Perspectives, whether across all three models or across only one or two of them. This can be useful to gain a better understanding of an organization's overall effectiveness in, for example, risk management or resource management.

An organization may choose to view how mature it is against any or all of the sub-models, or may wish to gauge their process capability, e.g. at organizational governance across portfolio, programme or project management.

This self-assessment tool should be read in conjunction with the P3M3 version 2 standard itself and the OGC Glossary of terms. These can be found at:

Self assessment at www.p3m3-officialsite.com

Common Glossary at www.best-management-practice.com/officialsite.asp?FO=1230366&action=confirmation&tdi=575004

Use of the P3M3 Self-Assessment

The P3M3 Self-Assessment can be used in many ways, for example:

- to provide a basic introduction and overview of the scope of P3M3
- to gauge the current level of organizational maturity in respect of portfolio, programme and/or project management
- to gain an understanding of the key practices in effective portfolio, programme and project management processes
- to identify the key practices that need to be embedded within an organization for it to improve process capability and achieve the next Maturity Level
- to understand and improve an organization's capability to manage its portfolio, programmes and projects more effectively.

The P3M3 self-assessment questionnaire is one of a number of alternative ways for an organization to begin to explore the P3M3 model. It introduces some of the core concepts such as the five Maturity Levels and seven process Perspectives that are the foundations of the P3M3.

By completing the self-assessment questionnaire, a relatively quick evaluation of the current organizational maturity and process capability with respect to portfolio, programme and/or project management is obtained. Do remember though, that self-assessments tend to introduce a degree of optimism bias that is often removed through a facilitated assessment conducted by a competent third party.

The self-assessment questionnaire may be used as an introduction to the model and individuals in completing the questionnaire are encouraged to explore the P3M3 further. It may also be used as perhaps a pre-cursor to seeking further information, external consultancy, training or assistance on using P3M3. Further information, including details of formal reviews, can be found on the official P3M3 website.

It should of course be recognised that the actual P3M3 model and in particular the **Attributes** - indicators of process and behavioural maturity, should be referenced in drawing-up an improvement plan. The P3M3 model and knowledge of where the organization needs or wants to be positioned in future, should underpin any subsequent improvement initiatives and the P3M3 model and not simply the self-assessment questionnaire should be the basis of continuous improvement initiatives.

The self-assessment consists of nine questions and although the self-assessment is based on a few questions, it remains a powerful tool addressing both process capability and providing insight into an organization's Maturity Levels in respect of portfolio, programme and project management.

In completing the self-assessment, a decision needs to be taken on whether the scope will be limited to a particular combination of portfolio, and/or programme and/or project management. For example, an organization may wish to assess just project management, or programme and project management. A second decision on scope is to determine the boundary of the organization that is to be reviewed i.e. is it the whole organization or a particular division or department alone?

The first question relates to the overall organizational maturity levels. The aim in answering this question is to ascertain which of the five Maturity Level descriptions best describes the portfolio, programme and/or project management processes within the organization. In answering this question, users are encouraged not only to familiarize themselves with the definitions of portfolio, programme and/or project management within Chapters 3, 4, and 5 of the P3M3 respectively, but to familiarize themselves with the characteristics which constitute best practice.

The questionnaire then contains seven questions, one for each of the Perspectives contained within P3M3 covering:

- Management Control
- Benefits Management
- Financial Management
- Stakeholder Management
- Risk Management
- Organizational Governance
- Resource Management

In completing the self-assessment questionnaire, a user may elect to answer questions on a subset of perspectives that are perhaps of particular interest to the organization or reflect the particular user's knowledge of the organization's processes and practices.

A description is presented for each perspective covering five levels of process capability for portfolio and/or programme and/or project management. The user needs to simply decide which of the five descriptions most adequately reflects the organization's current capability.

In reading the descriptions, the user may conclude that the organization could be positioned within perhaps two of the Levels. In such circumstances, the user should review the specific Attributes associated with the Perspective Level descriptions within P3M3. There are usually c.10 attributes associated with each Perspective Level and the user should review each of the specific Attributes in turn for the two Levels and consider

whether the specific attribute is true or false in respect to current practice within the organization. By simply counting the number of affirmative specific Attributes within two Levels, a decision can be taken based on the greater number of affirmative Attributes. In the unlikely case that the count is the same between two levels, then the organization should select the lower Perspective Level.

The final question, provides a cross-check on the structural components i.e. between the individual perspectives and the overall process capability maturity level for portfolio, programme and/ or project management.

It should be remembered that self-assessment has a tendency to result in some optimism bias and that although by completing the questionnaire, one will have indicative values of process capability and the overall organizational maturity in relation to portfolio, and/or programme and/or project management, it cannot be relied upon to the same extent as a detailed facilitated assessment carried out by a qualified, registered consultant.

Step-by-Step Guide

The following steps provide a simple guide to accomplishing a P3M3 self-assessment.

The first step, after familiarizing oneself with the general scope of P3M3, is to decide on the intent of the self-assessment, the range of areas to be covered and the parts of the overall organization to be included. For example, it may be the intent to limit the assessment to programme and/or project management, or perhaps to look at (say) organizational governance and risk management across portfolio, programme and project management, or to limit the scope to one division alone.

The next step, having determined the scope of the assessment is to determine the most appropriate individual(s) to complete the exercise. The self-assessment may be undertaken by:

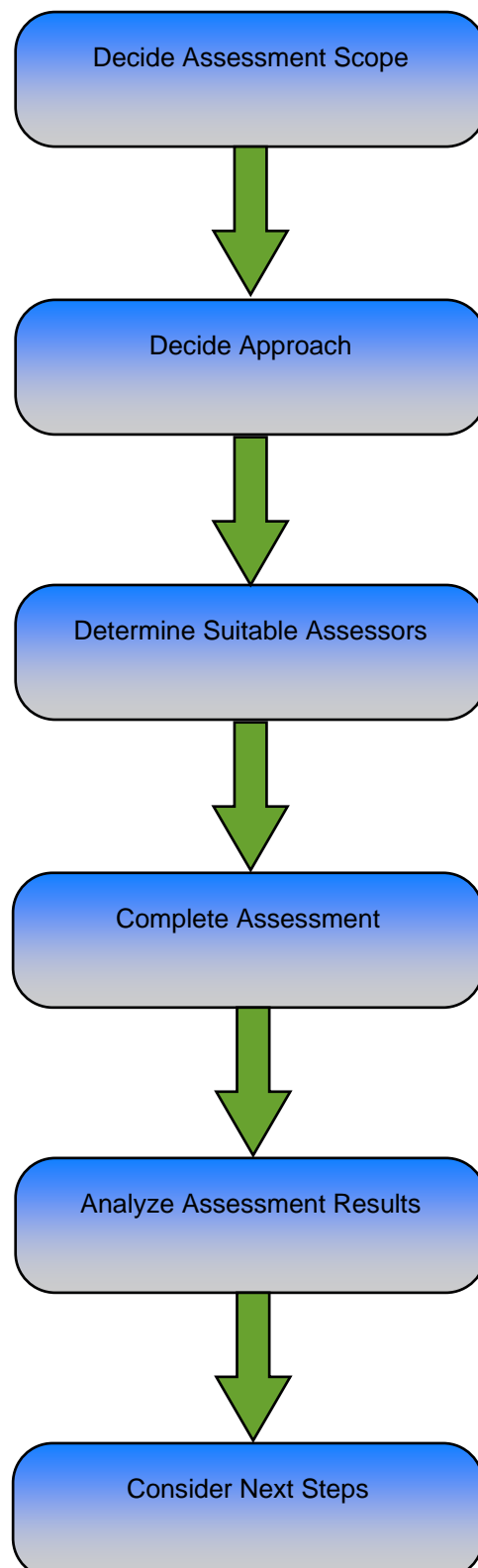
- **an individual**, with knowledge of the organization's portfolio, programme and/or project management processes and practices, as applicable.
- **a group of people**, either individually, or as a team to arrive at a consensus.
- **an internal or external facilitator**, to identify key individuals, e.g. Project Director, Programme Managers, collating answers from key personnel either individually or in groups and analysing the response(s).

Having decided upon the assessment scope, and determined the approach and who will contribute to answering the questionnaire, the assessment can be completed, by referring to the model answers supplied. The most appropriate response from the model answer specification should be selected that reflects the current process / practices within the organization. Where a group of individuals have provided their answers, the leader of the review will need to determine and agree a process for combining the individual scores. This might be the minimum score, or some form of averaging.

The penultimate step is to analyze the results of the assessment in the context of the organization's goals or intent. For example, the self-assessment may have been undertaken to provide a current baseline from which the efficacy of process improvement can be judged; alternatively it may be used to help justify the case for investment in (say) programme management methods training.

The final step, having analyzed the results of the self-assessment is to consider and plan the next steps and perhaps continue to improve portfolio, programme and/or project management within the organization leading to improved efficiency, quality and successful delivery of the organization's initiatives.

Generic Approach to P3M3 Self-Assessment



P3M3 Self-Assessment Questionnaire

P3M3 uses a five-level maturity framework and the five Maturity Levels are:

- Level 1 – awareness of process
- Level 2 – repeatable process
- Level 3 – defined process
- Level 4 – managed process
- Level 5 – optimized process

The descriptions and characteristics of the five Maturity Levels apply equally to each of the three sub-models – Portfolio, Programme and Project Management. P3M3 recognizes that organizations may excel at project management without having embraced programme management, or indeed vice versa. Similarly, an organization may be accomplished in portfolio management but immature in programme management. P3M3 therefore allows an organization to assess its effectiveness against any one or more of the sub-models independently. Although an overall P3M3 maturity rating cannot be given, since each model is independent from the others, gauging the overall maturity of an organization is still possible by undertaking assessments under all three sub-models.

The first question relates to the overall organizational maturity levels. The aim in answering this question is to ascertain which of the five descriptions given below is the most accurate reflection of the portfolio, programme and/or project management processes.

Question: 1 Our organization can be best characterised as having:

	Organization description	Tick the most appropriate description
a	<p>Processes are not usually documented; there are no, or only a few, process descriptions. Actual practice is determined by events or individual preferences, and performance is variable.</p> <p>Successful initiatives are often based on key individuals' competencies rather than organization-wide knowledge and capability and the organization is unable to repeat past successes consistently. Such "successes" are often achieved with budget and/or schedule overruns.</p> <p>Processes are undeveloped or incomplete. There is little, if any, guidance or supporting documentation, and even terminology may not be standardized across the organization – e.g. business case, risk, issues, etc. may not be interpreted in the same way by all managers and team members.</p>	

	Organization description	Tick the most appropriate description
b	<p>The organization is able to demonstrate that basic management practices have been established – e.g. tracking expenditure and scheduling resources – and that processes are developing. There are key individuals who have had suitable training and who can demonstrate a successful track record and through them, the organization is capable of repeating earlier successes in the future.</p> <p>Initiatives are performed and managed according to their documented plans; project status and delivery is visible to management at defined points, such as on reaching major milestones.</p> <p>The organization may still have inadequate measures of success; unclear responsibilities for achievement; ambiguity and inconsistency in business objectives; lack of fully integrated risk management; limited experience in change management; and inadequacies in communications strategy.</p>	
c	<p>Management and technical processes are documented, standardized and integrated to some extent with other business processes. There is likely to be process ownership and an established process group with responsibility for maintaining consistency and delivering process improvements across the organization.</p> <p>Senior management are engaged consistently and provide active and informed support.</p> <p>There is likely to be an established training programme to develop the skills and knowledge of individuals so they can more readily perform their designated roles. A key aspect of quality management will be the widespread use of peer reviews of identified products, to better understand how processes can be improved and thereby eliminate possible weaknesses.</p> <p>A key distinction between this and the previous level description is the scope of standards, process descriptions and procedures. Processes will be managed more proactively and the standard processes can be tailored to suit specific circumstances, in accordance with explicit guidelines.</p>	

	Organization description	Tick the most appropriate description
d	<p>The organization demonstrates mature behaviour through defined processes that are quantitatively managed – i.e. controlled using metrics and quantitative techniques. There is good evidence of quantitative objectives for quality and process performance, and these are being used as criteria in managing processes. The measurement data collected is contributing towards the organization's overall performance measurement framework and facilitates portfolio analysis and ascertaining the current capacity and capability constraints.</p> <p>Top management are proactively seeking out innovative ways to achieve goals.</p> <p>Using metrics, management can effectively control processes and identify ways to adjust and adapt them to particular initiatives without loss of quality.</p>	
e	<p>The organization is focused on optimization of its quantitatively managed processes to take into account changing business needs and external factors. It is able to anticipate future capacity demands and capability requirements to meet delivery challenges – e.g. through portfolio analysis.</p> <p>Top managers are seen as exemplars, reinforcing the need and potential for capability and performance improvement.</p> <p>The knowledge gained by the organization from its process and product metrics will enable it to understand causes of variation and therefore optimize its performance. The organization will be able to show that continuous process improvement is being enabled by quantitative feedback from its embedded processes and from validating innovative ideas and technologies. The organization will be able to demonstrate strong alignment of organizational objectives with business plans, and this will be cascaded down through scoping, sponsorship, commitment, planning, resource allocation, risk management and benefits realization.</p>	

P3M3 contains seven process perspectives that identify the key characteristics of mature organizations using portfolio, programme and/or project management to successfully achieve strategic objectives and priorities. The processes and practices that characterise a particular level of process capability within each perspective are described.

The following set of questions is intended to examine the process capability associated with each of the seven perspectives.

Management Control

This covers the internal controls of the initiative and how its direction of travel is maintained throughout its life cycle, with appropriate break points to enable it to be stopped or redirected by a controlling body if necessary.

Best practice is characterized by clear evidence of leadership and direction, scope, stages, tranches and review processes during the course of the initiative. There will be regular checkpoints and clearly defined decision-making processes. There will be full and clear objectives and descriptions of what the initiative will deliver. Initiatives should have clearly described outputs, a programme may have a blueprint with defined outcomes, and a portfolio may have an organizational target operating model.

Internal structures will be aligned to achieve these characteristics and the focus of control will be on achieving them within the tolerance and boundaries set by the controlling body and based on the broader organizational requirements. Issues will be identified and evaluated, and decisions on how to deal with them will be made using a structured process with appropriate impact assessments.

Question 2: *Our management control is best described by:*

	Portfolio Management	Programme Management	Project Management
a	The organization recognizes the portfolio but has little or nothing in terms of documented processes or standards for managing the portfolio.	Programme management terminology may be used but not consistently. The general approach is focused on projects rather than at the programme level.	Project management terminology is used by some within the organization but not consistently and may not be understood by all stakeholders. Projects are conducted and managed dependent on individual project managers' preferences.
b	There are some pockets of portfolio discipline within individual departments, but this is based on key individuals rather than as part of a comprehensive and consistent organization-wide approach.	Some general understanding exists of the concepts of programme management and its control mechanisms but adoption is localized.	The concepts of project management will have been grasped by some within the organization, and indeed there may be local experts, such as experienced project managers working on key projects.

	Portfolio Management	Programme Management	Project Management
c	Portfolio management processes are centrally defined, documented and understood, as are roles and responsibilities for governance and delivery.	There is a centrally defined and documented approach to a programme management life cycle and controls, and it is applied in all programmes by capable staff who support programme teams.	There is a consistent approach to project management controls across the organization, based on standard processes and methods. The project life cycle not only focuses on initiation and development activities, but equally on delivery, review, verification, implementation and handover.
d	Portfolio management processes exist and are proven. Portfolio management has established metrics against which success can be measured.	Programme management is seen as a key tool for the delivery of strategic objectives. Within the programme environment the focus is on improvement of delivery through measurement and analysis of performance.	Project management is of sufficient strategic importance for it to be integrated with business and strategic planning functions. There is an emphasis on quantitative management and performance measurement.
e	Portfolio management has well-defined controls and behaviours that enable it to deliver the strategic objectives of the organization through a variety of processes and tools.	Management controls ensure that the programme approach delivers the strategic aims and objectives of the organization. Acceptance of programme management as the optimal approach to strategic delivery is organization-wide.	Project management controls are being optimized to ensure that they are effective and efficient from the organizational perspective. They are regularly evaluated to ensure that they remain aligned to the business imperatives, strategies and plans.

Benefits Management

Benefits management is the process that ensures that the desired business change outcomes have been clearly defined are measurable and are ultimately delivered through a structured approach and with full organizational ownership.

Best practice recommends that Benefits are assessed and approved by the organizational areas that will deliver them. Benefit dependencies and other requirements are clearly defined and understanding gained on how the outputs of the initiative will meet those requirements. There should be evidence of suitable classification of benefits and a holistic view of the implications being considered. All benefits should be owned, have realization plans and be actively managed to ensure that they are achieved. There will be a focus on operational transition, coupled with follow-up activities to ensure that benefits are being owned and realized by the organization.

Question 3: Our benefits management is best described by:

	Portfolio Management	Programme Management	Project Management
a	Recognition that initiatives may exist within the organizational and divisional portfolio to enable the achievement of benefits for the organization. However, there isn't a defined benefits realization process.	There is recognition of the concepts of benefits that can be differentiated from project outputs. Benefits are being developed at a project level with minimal programme control.	There may be recognition that the concept of benefits can be differentiated from project outputs.
b	Development of the investment cycle with increasing awareness of the importance of identifying benefits and subsequently tracking whether they have been achieved. However, the realization of benefits is still likely to be patchy, inconsistent and unmonitored.	Benefits are being recognized as a key element and differentiating factor for programmes. The focus is likely to be at the project level but there is initial evidence of benefit tracking at a programme level in some cases.	Benefits are recognized as an element within business cases. There may be some documentation on who is responsible for particular benefits and their realization, but this is unlikely to be followed through or consistent.
c	There is a centrally managed framework used for defining and tracking the delivery of portfolio-level benefits across the business operations.	There is a centrally managed and consistent framework, with processes that are used for defining and tracking the delivery of benefits arising from programme outcomes.	There is a centrally managed framework for defining and tracking the delivery of benefits from project outputs.

	Portfolio Management	Programme Management	Project Management
d	The benefits realization and management process is well established, measurable and is integrated into how the organization manages itself.	Benefits management is embedded within the programme management approach and underpins the justification for, and management implementation of, each programme. Programme performance metrics are collected and analyzed.	Benefits management is embedded within the project management approach and there is a focus on delivery of business performance from project outputs.
e	Benefits realization is integral to the development of business strategy decision making.	Benefits management is embedded within the organizational approach to change and is assessed as part of the development of organizational strategies.	Benefits realization management is embedded within the organizational approach to change and is assessed as part of the development of organizational strategy. Business performance metrics are linked to, and underpin, the recognition of benefits realization.

Financial Management

Finance is an essential resource that should be a key focus for initiating and controlling initiatives. Financial management ensures that the likely costs of the initiative are captured and evaluated within a formal business case and that costs are categorized and managed over the investment life cycle.

There should be evidence of the appropriate involvement of the organization's financial functions, with approvals being embedded in the broader organizational hierarchy. Best practice suggests that a business case, or equivalent, should define the value of the initiative to the business and contain a financial appraisal of the possible options. The business case will be at the core of decision making during the initiative's life cycle, and may be linked to formal review stages and evaluation of the cost and benefits associated with alternative actions. Financial management will schedule the availability of funds to support the investment decisions.

Question 4: Our financial management is best described by:

	Portfolio Management	Programme Management	Project Management
a	Portfolio oversight of the financial aspects of initiatives may be recognized but there is little or no organizational investment control.	Minimal or no financial controls, and those that exist are principally related to projects or individual programmes.	There are little or no financial controls at project level. There is a lack of accountability and monitoring of project expenditure.
b	There are some good business cases being produced and some, usually departmental, structures to oversee investment decisions. However, business cases are often appraised independently of each other and real organizational priorities have not been established.	Financial approvals and cost projections for programmes may not be in evidence. There may be a focus on project finance but the overall cost of the programme is not fully accounted for.	Business cases are produced in various forms and the better and more formal cases will present the rationale on which to obtain organizational commitment to the project.
c	There are established standards for the investment management process and the preparation of business cases.	Centrally managed and standardized approach to financial management, with cost assessments tracked throughout the programme life cycle.	The organization has established standards for the preparation of business cases and processes for their management throughout the project life cycle. Project managers monitor costs and expenditure in accordance with organizational guidelines and procedures, with defined interfaces with other financial functions within the organization.

	Portfolio Management	Programme Management	Project Management
d	The organization has effective and robust financial control of its investment decisions and the approval and monitoring of initiatives. There is proactive, evidence-based management of the portfolio.	Programme life cycles are being flexed effectively to manage availability of funds. There is effective decision making, with consideration of financial evidence.	The organization is able to prioritize investment opportunities effectively in relation to the availability of funds and other resources. Business cases are evaluated and investment decisions ratified by the business. Project budgets are managed effectively and project performance against cost is monitored and compared. Cost models are used to demonstrate the efficacy of projects.
e	Financial control of the portfolio is an integral part of the organization's financial control regime.	Financial control is evident throughout the programme life cycle and a balanced view of financial risk taking underpins programme governance.	Project financial controls are fully integrated with those of the organization. Cost estimation techniques are continually reviewed in terms of actual versus estimate comparisons to improve estimation throughout the organization.

Risk Management

This views the way in which the organization manages threats to, and opportunities presented by, the initiative. Risk management maintains a balance of focus on threats and opportunities, with appropriate management actions to reduce or eliminate the likelihood of any identified risk occurring, and to minimize its impact if it does occur. It will look at a variety of risk types that affect the initiative, both internal and external, and will focus on tracking the triggers that create risks.

Mitigation of risk will be innovative and proactive, using a number of options to reduce likelihood and impact. The review of risk will be embedded within the initiative's life cycle and have a supporting process and structures to ensure that the appropriate levels of rigour are being applied, with evidence of interventions and changes made to manage risks.

Question 5: Our risk management is best described by:

	Portfolio Management	Programme Management	Project Management
a	There may be a growing recognition that risks need to be managed and that, at least for key business initiatives (e.g. cost saving or major site developments), they can threaten success.	There is minimal evidence of risk management being used to any beneficial effect. There may be evidence of a risk being documented but little evidence of active management.	There may be some evidence of risk management being deployed occasionally, but with minimal beneficial effect.
b	There is generally a top-down approach to risk identification, focusing on major organizational initiatives, but some initiatives are increasingly carrying out bottom-up risk identification. However, these approaches are inconsistent, not particularly interrelated and often do not address the actual management of risks.	Risk management is partially recognized and used on some programmes, but there are inconsistent approaches within and between programmes, which result in different levels of commitment and effectiveness.	Risk management is recognized and used in some projects, but there are inconsistencies in approach, commitment and deployment.

	Portfolio Management	Programme Management	Project Management
c	Portfolio risks are identified and quantified, and mitigation plans are developed and funded. Risk management across the portfolio is based on a common, centrally managed process.	Risk management has a clearly defined and centrally managed process that is followed consistently by all programmes. The framework is based on industry standards and is supported by a consistent system used by all programmes.	Project risk management is based on a centrally defined process that is cognizant of the organization's policy for the management of risks.
d	The organization's appetite for risk, and the balance of risk and benefit across the portfolio, are continually reviewed and managed. Senior managers own and oversee risk management across the portfolio.	Risk management works effectively, with active management and mitigation of risks evident through embedded behaviour. There is evidence of opportunity management and management of risk aggregation.	Risk management is working effectively, is embedded, and the value of risk management can be demonstrated from the organizational perspective. Decision making includes risk analysis.
e	The process of portfolio risk management is continually improved, based on the analysis of evidence from within the organization and comparison with other organizations.	Risk management is embedded in the culture of the organization and underpins all decision making within the programme. There is evidence of continual improvement and integration with strategic direction.	Risk management is embedded in the organizational culture and underpins all decision making with respect to projects.

Stakeholder Management

Stakeholders are key to the success of any initiative. Best practice suggests that stakeholders at different levels, both within and outside the organization, are analyzed and engaged with effectively in order to achieve objectives in terms of support and engagement. Stakeholder management includes communications planning, the effective identification and use of different communications channels, and techniques to enable objectives to be achieved. Stakeholder management should be seen as an ongoing process across all initiatives and one that is inherently linked to the initiative's life cycle and governance controls.

Question 6: Our approach to stakeholder management is best described by:

	Portfolio Management	Programme Management	Project Management
a	Stakeholder management and communication is rarely used by portfolios as an element of the delivery toolkit.	Stakeholder management and communication is rarely used by programmes as an element of the delivery toolkit.	Stakeholder management and communication is rarely used by projects as an element of the delivery toolkit.
b	Some portfolios will be communicating effectively, but this is linked more to personal initiative of portfolio managers than a structured approach deployed by the organization.	Some programmes will be communicating effectively, but this is linked more to personal initiative of programme managers than a structured approach being deployed by the organization.	Some projects will be communicating effectively, but this is linked more to personal initiative of programme and/or project managers than a structured approach being deployed by the organization.
c	There is a centrally managed and consistent approach to stakeholder management and communications, used by all portfolios.	There is a centrally managed and consistent approach to stakeholder management and communications, used by all programmes.	There is a centrally managed and consistent approach to stakeholder management and communications, used by all projects.
d	Sophisticated techniques are used to analyze and engage the stakeholder environment effectively, and quantitative information is used to underpin the assessment of effectiveness.	Sophisticated techniques are used to analyze and engage the stakeholder environment effectively, and quantitative information is used to underpin the assessment of effectiveness.	Sophisticated techniques are used to analyze and engage the stakeholder environment effectively, and quantitative information is used to underpin the assessment of effectiveness.

	Portfolio Management	Programme Management	Project Management
e	Communications is being optimized from extensive knowledge of the stakeholder environment, to enable the portfolios to achieve their objectives.	Communications is being optimized from extensive knowledge of the stakeholder environment, to enable the programmes to achieve their objectives.	Communications is being optimized from extensive knowledge of the stakeholder environment, to enable the projects to achieve their objectives.

Organizational Governance

This looks at how the delivery of initiatives is aligned to the strategic direction of the organization. It considers how start-up and closure controls are applied to initiatives and how alignment is maintained during an initiative's life cycle. This differs from management control, which views how control of initiatives is maintained internally, as this perspective looks at how external factors that impact on initiatives are controlled (where possible, or mitigated if not) and used to maximize the final result. Effective sponsorship should enable this.

Organizational governance also looks at how a range of other organizational controls are deployed and standards achieved, including legislative and regulatory frameworks. It also considers the levels of analysis of stakeholder engagement and how their requirements are factored into the design and delivery of outputs and outcomes.

Question 7: We deliver organizational governance by:

	Portfolio Management	Programme Management	Project Management
a	The organization has some inconsistent and informal attempts to align individual initiatives to organizational objectives, and there is an ad hoc, inconsistent and ineffective oversight of initiatives.	Some informal governance of programmes may exist but with undefined links to projects and/or broader organizational controls. Roles will not be formally defined.	Informal governance of projects exists but has undefined links to broader organizational controls. Roles are likely to be notional.
b	There are some attempts to recognize the portfolio of initiatives, but there is still little overall leadership and direction for the process. Initiatives may be initiated and run without full regard to the organizational goals, priorities and targets.	Programme management is beginning to take shape but with ad hoc controls, and there is no clear strategic control. Roles and responsibilities will be inconsistent, as will reporting lines.	Project management from an organizational perspective is beginning to take shape but with ad hoc controls and no clear strategic control.
c	The principles of portfolio management are widely understood, practised to a consistent standard, and underpin the governance framework.	Centrally defined organizational controls are applied consistently to programmes, with decision-making structures in place and linked to organizational governance.	Strategic governance controls are applied consistently, with decision-making structures in place to enable and control the delivery of projects and alignment with business needs.

	Portfolio Management	Programme Management	Project Management
d	All initiatives are integrated into an achievable and governed portfolio, which is aligned to strategic objectives and priorities. The portfolio contains relevant information on initiatives (e.g. performance measures, quality attributes and asset management data) to support Executive Board decisions.	There are clearly aligned decision-making processes that adopt and integrate with broader organizational governance and are transparent to those involved. Programme management responsibilities are embedded within broader role descriptions.	Decision-making processes associated with project performance are adopted and integrated into broader organizational performance management, reporting and governance arrangements.
e	The portfolio is managed to ensure that it remains aligned to support the organization's strategic objectives. The portfolio management process is optimized to ensure that it is sufficiently dynamic and agile to cater for changes in business direction and priorities.	Programme management is embedded at Executive Board level, with clear ownership and control responsibilities embedded within individual directors' terms of reference.	The governance arrangements for projects are a core aspect of organizational control, with demonstrable reporting lines to Executive Board level and with clear ownership and control responsibilities embedded within the organization.

Resource Management

Resource management covers management of all types of resources required for delivery. These include human resources, buildings, equipment, supplies, information, tools and supporting teams. A key element of resource management is the process for acquiring resources and how supply chains are utilized to maximize effective use of resources. There will be evidence of capacity planning and prioritization to enable effective resource management. This will also include performance management and exploitation of opportunities for greater utilization. Resource capacity considerations will be extended to the capacity of the operational groups to resource the implications of change.

Question 8: Our resource management is best described by:

	Portfolio Management	Programme Management	Project Management
a	Portfolio resource requirements are recognized but not systematically managed. Resource allocation is ad hoc, with little, if any, profiling of resources to meet the resource requirements of specific initiatives.	Focus is on project resources being deployed with minimal focus on programme management resource requirements and little attempt to develop a programme approach.	There is little recognition within the organization of the need to manage resources effectively to enable successful delivery of projects.
b	The organization has started to develop portfolio resource management processes and improve the identification and allocation of resources to specific initiatives. However, this is likely to be reliant on key individuals and does not assess the impact of resource allocation against the strategic objectives and priorities.	Resources are being deployed across the organization but there is little evidence of a consistent approach to resource acquisition, planning or management in support of programmes.	Resources are being deployed across the organization but there is little evidence of a consistent approach to resource acquisition, planning or management in support of projects.
c	The portfolio resource management process is centrally defined within the organization. Initiative resource needs are evaluated, enabling the organization to target and increase the development of resources to meet strategic objectives and priorities.	Centrally managed and consistent resource management processes are in place across all programmes.	The organization has a centrally defined and adopted set of procedures and management processes for managing resources.

	Portfolio Management	Programme Management	Project Management
d	The organization has established effective capacity and capability strategies and processes for obtaining, allocating and adjusting resource levels (including people, funding, estate and tools) in line with medium- and long-term investment plans.	There is measurement of resource utilization and proactive management to raise and broaden capability. There is evidence of innovative use of resource options to optimize delivery achievement.	Resource management for projects is considered at a strategic level within the organization. There is evidence of resource capacity management, through capacity planning, in order to meet project delivery needs.
e	Portfolio management drives the planning, development and allocation of initiatives to optimize the effective use of resources in achieving the strategic objectives and priorities.	Resources are deployed optimally. There is clear evidence of balancing internal and external expertise, with knowledge being embedded into the business by virtue of learning from previous deployments.	Resources are deployed optimally. There is clear evidence of load balancing and the effective use of both internal and external resources in accordance with a resource strategy.

Question 9: Does the organization:

	Portfolio Management	Programme Management	Project Management
a	Have an Executive Board that recognizes programmes and projects and maintains an informal list of investments in programmes and projects, without perhaps a formal tracking mechanism and documented process.	Recognize programmes and run them differently from projects. (Programmes may be running informally with no standard processes or tracking system).	Recognize projects and run them differently from ongoing business. (Projects may be running informally with no standard processes or tracking system).
b	Ensure that each programme and/or project in its portfolio is run with its own processes and procedures to a minimum specified standard. (There may be limited consistency or coordination).	Ensure that each programme is run with its own processes and procedures to a minimum specified standard. (There may be limited consistency or coordination between programmes).	Ensure that each project is run with its own processes and procedures to a minimum specified standard. (There may be limited consistency or coordination between projects).
c	Have its own portfolio management process and centrally controlled programme and project processes with individual programmes and projects being able to flex within these processes to suit particular programmes and/or projects.	Have its own centrally controlled programme processes with individual programmes being able to flex within these processes to suit the particular programme.	Have its own centrally controlled project processes with individual projects being able to flex within these processes to suit the particular project.
d	Obtain and retain specific management metrics on its whole portfolio of programmes and projects as a means of predicting future performance. The organization assesses its capacity to manage programmes and projects and prioritize them accordingly.	Obtain and retain specific management metrics on its programme management performance and run a quality management organization to better predict and control future performance.	Obtain and retain specific measurements on its project management performance and run a quality management organization to better predict and control future performance.
e	Undertake continuous process improvement with proactive problem and technology management for the portfolio in order to improve its ability to depict performance over time and optimize processes.	Undertake continuous process improvement with proactive problem and technology management for programmes in order to improve its ability to depict performance over time and optimize processes.	Undertake continuous process improvement with proactive problem and technology management for projects in order to improve its ability to depict performance over time and optimize processes.

P3M3 Model Answers

28

There are a number of possible answer permutations to the nine self-assessment questions presented above; the answer profile being dependent upon the assessment scope and approach being adopted by the organization.

The matrix presented below may facilitate in the collation of results for your self-assessment.

	Question	Focus	a	b	c	d	e	Result
1	Our organization can be best characterized as having:	Maturity						
2	Our management control is best described by:	Portfolio						
		Programme						
		Project						
3	Our benefits management is best described by:	Portfolio						
		Programme						
		Project						
4	Our financial management is best described by:	Portfolio						
		Programme						
		Project						
5	Our risk management is best described by:	Portfolio						
		Programme						
		Project						
6	Our approach to stakeholder management is best described by:	Portfolio						
		Programme						
		Project						

7	We deliver organizational governance by:	Portfolio						
		Programme						
		Project						
8	Our resource management is best described by:	Portfolio						
		Programme						
		Project						
9	Does the organization:	Portfolio						
		Programme						
		Project						

Self-evaluation tips

Question 1 is a general question relating to the level to which the processes have been defined and established within the organization. Higher levels of process maturity being demonstrated through the extent to which the processes are quantitatively managed and whether such management information is used to optimize the processes.

If the overall judgement is that the model answer **(a)** best characterizes the current process maturity, then the organization would appear to have immature processes and only partial awareness of the three Ps. This means, in management terms, that the organization may occasionally deliver individual initiatives that produce excellent results; however, managers are likely to be working reactively, focusing on solving immediate issues, rather than proactively. Schedules and budgets are likely to be exceeded because of a lack of sound estimating techniques. If deadlines are imposed, the quality of deliverables is likely to be compromised in order to meet the schedule. For example, verification and validation activities, including reviews, may be skimmed on, if an initiative falls behind schedule.

If the overall judgement is that the model answer **(b)**, **(c)**, **(d)** or **(e)** best characterizes the current process maturity, then this is indicative of maturing processes, as shown below:

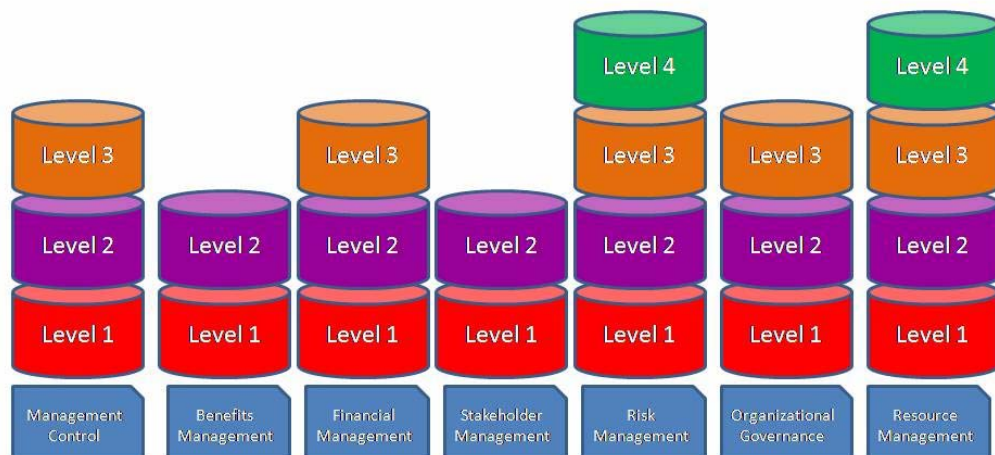
- (b)** Level 2 - repeatable process
- (c)** Level 3 - defined process
- (d)** Level 4 - managed process
- (e)** Level 5 - optimized process

Levels 3 - 5 are representative of a mature organization that has an organization-wide ability for managing initiatives based on standardized, defined management processes. These processes can be tailored to meet specific organizational needs and are

increasingly likely to be updated whenever necessary with improvements developed and implemented in accordance with a sound business case and development plan. At the higher Levels of maturity (Levels 4 and 5), the organization will have the knowledge and quantitative information against which to review performance and evaluate schedules and budgets, ensuring that these are realistic and achievable.

Answers to Questions 2-8 can be collated on the matrix above. The number of answers will depend upon the scope of the assessment i.e. whether portfolio and/or programme and/or project management has been included, and also the number of perspectives that are being considered.

It should be noted that the Level being attained for each Perspective and within each model (PfM3, PgM3, and PjM3) may be different, as shown in the diagram, below. Answers that are mainly (a) for a particular Perspective represent Level 1, through to mainly (e) representing Level 5. Level 1 is the lowest level of process capability and this basic awareness of the importance of a particular perspective is built upon in an incremental fashion as depicted in the P3M3 model answer specification.



Example assessment of Process Perspectives for PjM3

The answer to Question 9, provides an overall organizational capability maturity evaluation for Portfolio and/or Programme and/or Project Management. If all of the Perspectives have been assessed within a particular model (PfM3, PgM3, PjM3) then the capability maturity evaluation is likely to be a mean average of the process capability across the seven perspectives. For example, the above assessment of Project Management resulted in the following Level scores: 3,2,3,2,4,3,4. The mean average for the series is 3 and therefore the overall project management capability maturity evaluation would be Level 3.

However, do remember that the self-assessment is subject to a degree of optimism bias and that a facilitated assessment may result in a Level 2 evaluation, although should not be any lower, if the self-assessment has been conducted properly.

A further cross-check is recommended with the result from Question 1. If question 1 results in a Level that is lower than Question 9, then it is likely that there is a high degree of variation in the process capability for different Perspectives. Under these circumstances, the overall capability maturity evaluation should reflect the lower Level score.

Next steps

The self-assessment has enabled the organization to gain an overall view of its Maturity Level for Portfolio and/or Programme and/or Project Management. Process capability across seven perspectives applicable to all of the models (PfM3, PgM3, and PjM3) will also have been obtained and can be used to profile the current strengths and weaknesses.

In interpreting the results, it is recommended that the detailed Attributes within the P3M3 model for a particular Level and Perspective are reviewed to verify the accuracy of the self-assessment. If the organization wants to use the self-assessment results as the basis of an improvement initiative, then the assessment provides a valuable snapshot of where the organization stands currently.

The next step is to consider where the organization wishes to be positioned in future. It should be recognized that the optimal level may not be Level 5 across all Perspectives or all three models, and business needs in terms of the optimal level of performance, the business case for any process improvement initiative and what the organization feels able to achieve and sustain needs to be considered.

Should improvement in capability with regard to certain perspectives be deemed necessary, then in planning an improvement initiative, the detailed Attributes for the next level above the current assessed level should be reviewed and become an integral part of the improvement plans.

If the organization requires further assistance or a formal review, additional information can be found at www.p3m3-officialsite.com. Further information and assistance on using P3M3, including details of formal reviews and consultancy services, can also be found via the official P3M3 website.



Office of Government Commerce

About OGC

OGC - the UK Office of Government Commerce - is an Office of HM Treasury.

The OGC logo is a registered trademark of the Office of Government Commerce.

OGC Service Desk

OGC customers can contact the central OGC Service Desk about all aspects of OGC business.

The Service Desk will also channel queries to the appropriate second-line support. We look forward to hearing from you.

You can contact the Service Desk 8am - 6pm Monday to Friday

T: 0845 000 4999

E: ServiceDesk@ogc.gsi.gov.uk

W: www.ogc.gov.uk

Press enquiries

T: 020 7271 1318

F: 020 7271 1345

This document is printed on material comprising 80 per cent post consumer waste and 20 per cent ECF pulp.

© Crown Copyright 2008

Filename: self assessment template.doc
Directory: C:\Documents and Settings\Andrew Norman\Local
Settings\Temporary Internet Files\OLK6
Template: C:\Documents and Settings\Michael Acaster\Local
Settings\Temporary Internet Files\OLKAF\A4 Brochure 1Column Blue.dot
Title:
Subject:
Author: Michael Acaster
Keywords:
Comments:
Creation Date: 6/30/2008 5:07:00 PM
Change Number: 21
Last Saved On: 7/11/2008 4:07:00 PM
Last Saved By: Michael Acaster
Total Editing Time: 273 Minutes
Last Printed On: 7/14/2008 9:46:00 AM
As of Last Complete Printing
Number of Pages: 33
Number of Words: 8,121 (approx.)
Number of Characters: 46,293 (approx.)