Proposal for OPM3 Assessment
Organizational Project Management Maturity Model

DC3 Project Management

www.mnprojectmanagement.com

David P. Cahill III
david.cahill@mnprojectmanagement.com

612-227-8625
Abstract

This is a proposal developed by DC3 Project management to conduct an OPM3 Assessment at your organization. This will identify weaknesses in the project, program, and portfolio management systems. These best practices will increase organizational maturity adding value to the organization. The process is relatively inexpensive, and will produce high returns in savings of overages in schedule, scope, and budget. It will also enhance risk mitigation and improve quality of deliverables. The analysis and recommendations are backed by references to the most respected authors and technical manuals in the field. There is a requirement for a large group of personnel to be engaged for a short period of time. The results of adopting many of the identified best practices may be immediate.

Executive Summary

The OPM3 assessment is a tool developed by the Project Management Institute (PMI) to evaluate the use of best practices in an organization. The tool determines how mature the processes of the organization are relative to the ideal situation described in Project Management Technical Manuals. A common Capability Maturity Model is the CMMI developed by The Software Engineering Institute at Carnegie Mellon School. That model has won high acclaim for its ability to streamline processes and provide a backbone for technical project management. The OPM3 assessment is equally at home in a functional project management environment or a technical environment. The OPM3 assessment monitors the use of best practices across project, program, and portfolio levels. The ideal level is to have a system of continuous improvement in place, followed by quantitative analysis, qualitative analysis, enterprise wide standardized processes, departmental standardized processes, and conventional project management with no repeatable system in place.

The assessment will identify not only the lack of best practices, but also, trends across the organization in lack of maturity for specific process groups. The assessment will require that project, program, and portfolio managers be present for a 2 hour meeting where we will describe the terminology used in the assessment, and prepare those who will be taking it for the specific way in which the assessment is administered. The identified individuals will need to sit for a 2-3 hour period in order to complete the assessment. Following the assessment I will derive the results. We will identify the top ten process groups, or best practices that should be implemented. There will be a full analysis of trends in the assessment, and a specific analysis for the identified best practices. I will provide recommendations which will be backed by well known references in the field. We will hold an implementation kick-off meeting and develop a project plan for implementing the identified practices.

In addition to the OPM3 assessment DC3 Project Management also provides common services that are resultant of the recommendations. We will provide consulting services for the selection, purchase and implementation of a PMIS (Project Management Information System) software package. We will work with HR to develop job descriptions involving experience, education, certification, and skills necessary to fill roles in project, program, and portfolio management positions, and those positions that support them. We can also provide services for the facilitation of increased maturity for the PMO.
We have solutions ranging from several hundred dollars to over $500,000 for PMIS software and PMO support materials and software.

It is essential to a modern project oriented organization to understand their current maturity and identify and areas which may be lagging behind in the organization. It is especially important to realize that the implementation of these best practices will add value to the organization. Especially in matrix or projectized environments where projects are the center of the business model it is important to develop standardized systems across the organization that will provide for the greatest benefit per dollar spent on any particular work package or deliverable. The rate for the assessment at a retainer of $3000 and a per hour fee of $115 an hour is a small price to pay for organization wide increased value.

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1.0 What is the OPM3 Assessment

1.1 Assessment tools:

A capability maturity model derives the current state of the use of best practices in regard to various process groups defined by a project management standard. The lowest level of any project is expert judgment, followed by a departmental standard for documentation and adherence to standards for various project management process groups. The next level of achievement is enterprise wide standards that are used across all departments, usually giving the PMO authority over such practices. Qualitative analysis methods that are especially useful for time, scope, budget, risk and quality are implemented in the next stage of organizational maturity. Quantitative analysis is used to achieve even a high standard for maturity. This is especially important for earned value analysis in status reporting during project monitoring and controlling. Because projects, programs, and portfolios all use different processes for administration of the management process there are independent best practices for each level in the hierarchy. If all best practices have been adopted across the enterprise at the highest level then the organization engages in continuous improvement of application of best practices or improvement of the practices themselves. This is where the PMI ideology of a common repository that is able to be easily accessed for lessons learned comes into play. The assessment will identify the best practices at each level for each process in the system utilized by the organization.
1.2 Developed by PMI:
Organizations adopting the system of project, program, and portfolio management outlined in their respective standards, published by The Project Management Institute will enjoy the direct applicability of the OPM3 Assessment to their organization. Other Capability Maturity Models may not be tied directly to, or be compatible with the system you are utilizing, which is the PMI system. The OPM3 assessment was created to establish a method to determine organizational maturity in organizations utilizing the PMI system.

1.3 Best Practices:
Best practices are the way that has been established as an industry standard for the execution of a process in the PPP (Project, Program, and Portfolio) management system. These were evaluated by many individuals before being established as best practices. The utilization of these practices will add to earned value across the PPP system. In many cases an organization will use many of the best practices, but may have a trend toward not utilizing them in a specific process. These trends end up costing money in the violation of the triple constraint causing projects to come in over schedule, over budget, and out of scope. An organization would like to develop itself in a way that would minimize risk due to an oversight in the system being utilized. This is where the OPM3 Assessment’s value lies. A skilled assessor will develop a list of the most important best practices to adopt, and will provide well documented recommendations using industry standard references.

2.0 Areas of Concentration
The OPM3 Assessment concentrates on the ability for an organization to be more efficient, mitigate risks to a higher degree, and provide higher quality standards for PPP. Because the standard for the PMI system separates the organizational hierarchy of the organization into projects, programs, and portfolios there is the necessity to have independent best practices for each standard. The PMO also plays a strong role in the actualization of the higher maturity levels. When an organization adopts a strong matrix or a projectized environment there is no room for proprietary processes, or departmental standards. Because employees are moved from project team to projects team it is only sensible to use a standardized process for each PPP.

2.1 CMM Level:
The Capability Maturity Model is a way of evaluating the current state of an organization to move toward the complete adaptation of functional roles to PPP roles. To achieve the higher levels of maturity the organization would need to have a centralized PMO, operate in a matrix environment, and have separate processes for PPP. The highest levels of maturity also need to have a strong system for documenting and acting on lessons learned.

2.2 Projects:
Projects in an organization have a definite date they begin and a date they end with a defined time scope and budget. The best practices here relate to the PMI PMBOK. They also have a direct relation to the PMI PMP certification. The PMBOK goes into detail about analysis of the project using
best practices, but many of the practices are referenced but not necessarily fully disclosed. There are
different levels of impact on an organization for various practices, which is why a skilled assessor will
identify and recommend changes to the most important best practices, because it would be difficult if
not impossible to update an organization in a timely manner that was required to change everything
they do, and the way they do it.

2.3 Programs:

Programs are groups of projects that have shared elements which benefit from being managed
as a set rather than being completely independent. Programs can exists in perpetuity. The PMI
Standard for Program management outlines the process utilized for the process of program
management. The PMI Program Management Certification is directly related to this set of practices.
Adopting analysis of quality, risk, and earned value across the program, as well as, having synchronous
and standardized status reporting will best suit the program environment.

2.4 Portfolios:

Portfolios are the adaptation of either programs or projects to the strategic goals and objectives
of the organization. An emphasis is on value not time, scope, or cost. This is usually an executive or
director level position determining if the plans of the organization are in sync with the necessity to carry
out a project or program. Many organizations find that projects that may be profitable, but are not
aligned with the organizations goals are a waste of time, human, and budget resources. The PMI
Standard for Portfolio Management outlines the processes used in developing an organization at the
portfolio level.

3.0 The Assessment

There will need to be a moderate level of personnel and time resources which will need to be
dedicated to the assessment. The cost and time used are small and the benefit is great.

3.1 Personnel Requirements:

There is a necessity for the organization to provide project, program, and portfolio level
managers, as well as, the managers of the PMO. These individuals will need to be present for all of the
meetings throughout the process of the assessment. It is essential that those in each role are able to
participate fully.

3.2 Time Requirements:

There will be several meetings during the process of the assessment, where all personnel
involved in the assessment including senior managers in portfolio roles will need to be present.

3.2.1 Kickoff Meeting:

The project kickoff meeting will serve to introduce the assessment and develop intial buy in to
the process and eventually the adaptation of the recommendations. At the kickoff meeting we will set
the project schedule, and determine arrange for the necessary facilities for future meetings. We will
give a description of why the organization is doing this project, and how they will benefit.
3.2.2 Orientation Meeting:
The OPM3 assessment utilizes specific language and jargon that the individuals taking the assessment will need to be familiar with. It is also helpful if they know the why behind many of the questions. Some organizations may opt for a short meeting, and buy each participant the PMI OPM3 Manual. The other method is to have a meeting where the assessor will present for approximately 3 hours.

3.2.3 Assessment:
The assessment is designed to take two and a half hours, but many individuals will complete it in less. The organization will have to provide this time for each individual involved in the project. The assessment is multiple choice, and will be administered in paper form.

3.2.4 Results Meeting:
Within 10 days we will provide for a results meeting where we will discuss the top ten best practices for improvement, as well as, any trends across the organization in specific process groups. This will take approximately one hour to present, and for purposes of buy-in it is important that everyone involved attend. Functional managers not involved in the process may also be invited to attend.

3.2.5 Analysis and Recommendations Meeting:
A bound form of the analysis and recommendations will be ready with 3 weeks from the date of the assessment. We will provide this in pdf format as well. The recommendations will be supported by references from industry standard technical manuals. We will present this is a PowerPoint presentation as well which should take less than an hour. Functional managers as well as PMO staff will need to be present in addition to the participants in the assessment process. Implementation steps will be included in the presentation.

3.2.6 Closing meeting:
The closing meeting will involve the closure of the project. DC3 Project Management will conduct a lessons learned session to better understand our role in the project. We will also discuss any additional services that may be prudent from DC3 Project management. All procurement will be closed at the time of the closure meeting, so future consulting will fall under a different contract.

4.0 Additional Services
DC3 Project Management has the ability to provide additional services that are commonly required following the assessment. We also have a list of consultants in the area that are capable of providing direction for the implementation of best practices that are not offered by our organization.

4.1 PMIS System:
A Project Management Information System is a software package that is used to conduct the processes of project management. There is not currently a system on the market that will automate all of the processes of project management. The highest end systems are enterprise wide systems that automate the majority of systems and costs over $500,000 to implement exclusive of hardware costs. A simple system such as MS Project and Project Server and SharePoint for reporting costs much less, and
may be what your organization needs. We will find the right system that concerns your current maturity, and the budget available for implementation.

4.2 PMO Operations Systems:

   The PMO will usually utilize standardized reporting and analysis tools across the organization. There are many software packages available that start with a simple set of template forms, all the way to systems which are fully integrated with the PMIS. For a organization utilizing qualitative or quantitative analysis which is standardized across the organization these become more important. We will find the PMO solution that best fits your current maturity level and the budget of your organization.

4.3 PPP Management HR Requirements:

   DC3 Project Management will work with the HR office to develop realistic job descriptions and qualifications for various roles in the system utilized at your organizations maturity level. Project, program, and portfolio levels, as well as subsets within each of the sets have very different skills, education, certification, and experience requirements. We will provide you with the necessary materials to fully realize the potential of your current maturity level.

5.0 Costs

   • The base retainer fee is $3000 for the OPM3 Assessment
   • There is an additional fee of $115/hr
   • Printing costs will be the responsibility of the client
   • All documents can be delivered in pdf format if there is no need for paper copies
   • All additional services can be arranged as a fixed rate contract or at the hourly rate

5.1 Assessment value:

   By adopting best practices the organization will add value to the systems used. This will allow for projects to come in within budget, schedule, and scope. There will be greater ability to estimate risk mitigation, and the ability to have higher quality standards. There is repeatability in processes and there is time savings in not having to develop a new system for each project. In a matrix environment there is the ability for project team members to feel comfortable in cross-functional teams with processes utilized enterprise wide. All of this added value will produce better results for the organization almost immediately.

5.2 CMM Level Increase:

   As the CMM level of the organization increases so do the ability of the organization to run tighter margins, produce better estimates, and provide for better project results. Adopting OPM3 Best Practices will inherently increase your organizations maturity. A more mature organization is capable of doing more projects with fewer resources. The higher the CMM level the greater the standardization and repeatability of standard processes – hence the greater saving in human and financial resources.
6.0 Closing

Please contact DC3 Project Management regarding our services. We firmly believe that better systems create better organizations. We would be happy to answer any questions you may have about the process, or our availability.

6.1 Contact Information:

- [www.mnprojectmanagement.com](http://www.mnprojectmanagement.com)
- 612-227-8625
- [david.cahill@mnprojectmanagment.com](mailto:david.cahill@mnprojectmanagment.com)

Mailing Address:

DC3 Project Management
1522 LaSalle Ave
STE 307
Minneapolis, MN 55403

6.2 Resources for Further Information:

Please feel free to order the OPM3 Manual from a bookstore and review it to see what best practices are involved and read PMI’s definitions. The manual can be found at:

Organizational Project Management Maturity Model (OPM3) Second Edition, PMI

ISBN: 978-1-933890-54-8

6.3 Non-Profit Organizations:

We will assess one non-profit organization per month pro-bono. We will charge for printing costs for the final analysis and recommendations, as well as for an additional services which you choose to add to the assessment. Organization size is less important than having at least some form of project, program, or portfolio management system in place. Organizations with greater than 100 employees that are not run in a matrix management model will be afforded the assessment of only one department.

7.0 Summary

The OPM3 Assessment is a tool used to identify what best practices can be utilized within an organization to produce reliable, repeatable, and consistent results. The greater the maturity of an organization the greater the likely hood to be within time, scope, and budget. There is greater chance of risk mitigation and an increase in quality standards. By producing a system that is utilized across the organization there is an increase in earned value do to the reduction in the necessity to develop proprietary systems for each project. By fully realizing portfolio management as value based decision making, program management as the combination of synergistic projects, and projects as systems that have been predefined there is greater value added to the organization. The cost of the assessment is minimal compared to the savings that will be realized in earned value almost immediately.