Portfolio, Programme and Project Management Maturity Model (P3M3®)

Introduction and Guide to P3M3®

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Foreword

Since 2006, OGC's Portfolio, Programme and Project Management Maturity Model (P3M3) has established itself as a flagship management tool in helping to achieve OGC's mission of driving up standards and capability in public sector portfolio, project and programme management, and in improving performance and quality in the wider business world.

I am delighted to be able to introduce this new, fully updated version of P3M3, which embodies the latest knowledge and best practice in portfolio, programme and project management.

We live in a world of change and uncertainty, and businesses must be prepared continually to adapt in order to meet new economic conditions and retain a competitive edge. The P3M3 model is an indispensable part of the armoury. By enabling businesses to change and improve in a controlled and manageable way, P3M3 is increasing quality and efficiency in the delivery of products and services across the public and private sectors.

High quality, efficient delivery means better value for money, both for businesses and the taxpayer, and leads to a heightened ability to grasp opportunities for strategic advantage. This is not only good news for individual businesses and government, but also for the position of UK industry in the global marketplace.

I wholeheartedly commend this model and hope that it will become an essential and well-thumbed part of your improvement planning.

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Executive Summary

This new version of OGC's Portfolio, Programme and Project Management Maturity Model (P3M3) is fully updated to take into account the latest knowledge and best practice in portfolio, programme and project management, including other OGC tools such as Gateways, as well as extensive feedback on the original model.

It is fully compatible with the first version of P3M3, so if your organization has already had assessments based on that version, you can move seamlessly to applying this version and will be able to see the impact of any current improvement plans reflected in future assessments under the revised model. Equally, it applies to organizations new to maturity models that wish to adopt this approach to performance and capability measurement.

This version has also been overhauled in three main ways:

- it is written in plainer English, with a user-friendly layout, making it easier to read and understand
- maturity in different areas or major processes can be assessed individually or together
- maturity in portfolio, programme and project management can be assessed independently of each other, making it suitable for businesses at all stages of development.

In a competitive world, your organization will be constantly on the lookout for strategic advantages and striving for efficiency and quality in performance and delivery. With P3M3 you can easily assess your organization's current capabilities, identify where you want to be in the future and implement the necessary improvements in a clear and structured way, with measurable results.

Whatever the size or nature of your organization, as its maturity increases and its processes and capabilities improve, you will be able to reap the benefits in many ways, including:

- a higher rate of return on investment
- greater production efficiency
- lower production costs
- better quality outcomes
- improved customer satisfaction
- enhanced employee morale

P3M3 is not simply about isolated, here-and-now assessments – it also acts as a roadmap for ongoing improvement and progression towards realistic and achievable goals that are suitable for your business needs and aspirations. With this roadmap as your guide, in the longer term your organization can reach its optimal level of performance and maximize value for money from investment. Because P3M3 recognizes achievements from investment as well as highlighting weaknesses, and justifies further investment in portfolio/programme/project management infrastructure, it contributes to a virtuous circle of learning and improvement.

So, whether you want a quick health check of your organization's strengths and weaknesses against a benchmark standard, or a more detailed and wide-ranging assessment with a full development plan, P3M3 is an indispensable tool. It is flexible, so it can be used in many ways, with a broader or narrower focus, according to your business needs. Assessments can be made informally by your organization or by a formal independent review for a more thorough insight into where you are, where you could be in the future and how to get there. The new self-assessment tool sets out these possibilities in more detail.

1. Introduction

As organizations strive to identify competitive and performance advantages, and leverage them through improved efficiency and delivery, management models designed to assess performance and identify opportunities for improvement are increasingly important.

Maturity models in particular have become an essential tool in assessing organizations' current capabilities and helping them to implement change and improvements in a structured way. These models consist of a hierarchical collection of elements describing the characteristics of effective processes, and their use can enable organizations to reap the benefits brought by improved capability at all levels.

The Portfolio, Programme and Project Management Maturity Model (P3M3®) has become a key standard amongst maturity models, providing a framework with which organizations can assess their current performance and put in place improvement plans with measurable outcomes based on industry best practice.

Background

The Office of Government Commerce (OGC), owner of P3M3, is an office of Her Majesty's Treasury within the UK government and is responsible for improving value for money by driving up standards and capability in public sector procurement. It achieves this through policy and process guidance, helping organizations to improve their efficiency and deliver successfully.

This is the second version of P3M3 – the first was published in February 2006. The new version takes into account the maturing knowledge of programme management, and the evolving recognition and definition of portfolio management, across a number of industry sectors. It is fully compatible with the earlier version, so organizations that have already undertaken P3M3 assessments based on the first version will see the impact of their existing improvement plans reflected in future assessments made under the revised model.

P3M3 originated as an enhancement to OGC's Project Management Maturity Model, which in turn was based on the process maturity framework that evolved into the (now superseded) Capability Maturity Model (CMM)®, developed by the Software Engineering Institute (SEI) in the United States. This was a descriptive reference model to provide organizations with more effective guidance in establishing process improvement programmes. It could also be used as the foundation for systematically building a set of tools, including maturity questionnaires.

P3M3 therefore followed the CMM structure, using a five-level maturity framework, as explained in the overview below. The new version takes account of extensive feedback on the original model and represents a major overhaul in three principal ways:

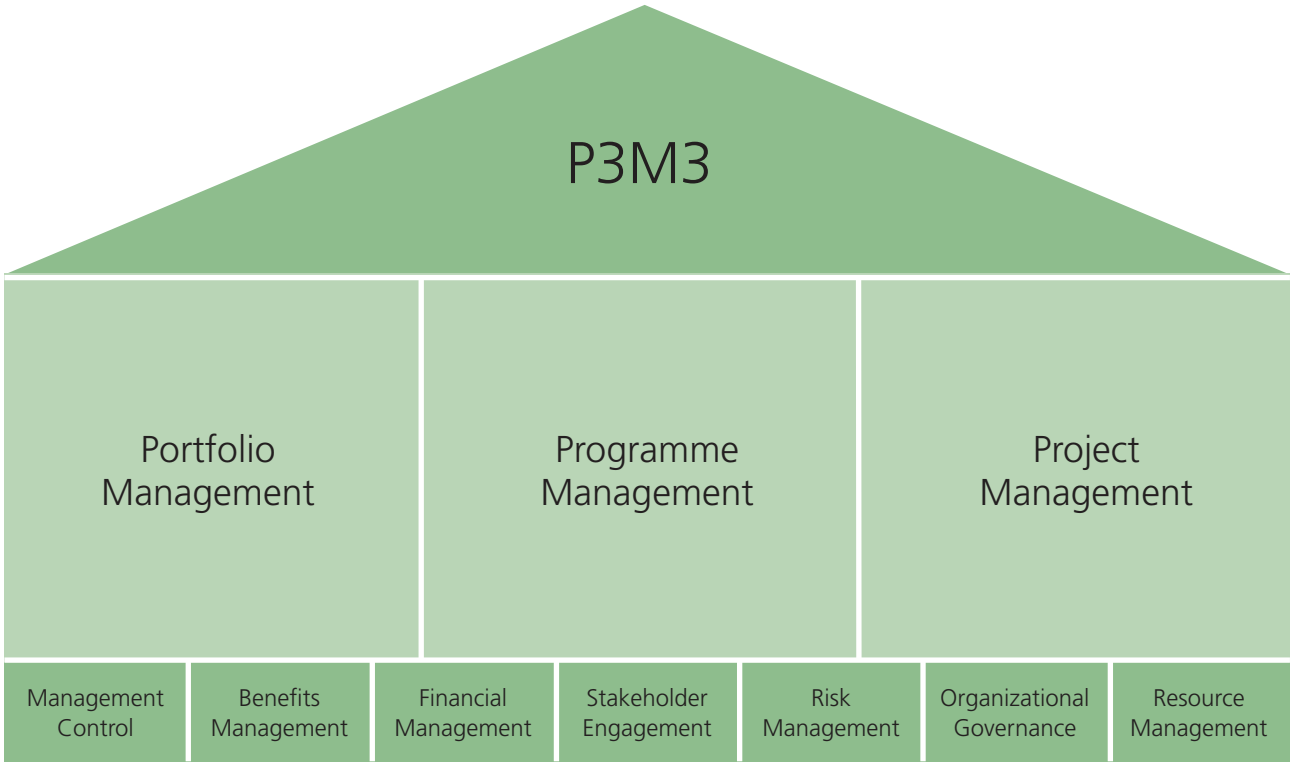
- it is written in simpler, more straightforward English and is therefore easier to read and understand
- the maturity of different perspectives can be gauged separately or together
- the maturity of portfolio, programme and project management can be gauged independently of each other.

Overview of P3M3

P3M3 is an overarching model (Figure 1) containing three individual models:

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

Figure 1 – P3M3 Structure



Although connected, there are no interdependencies between these models, which allows for independent assessment in any of the specific disciplines. For example, an organization's programme management capabilities may be more evolved than its project management capabilities, so the project management model can be used as a stand-alone tool when looking to improve that area.

Maturity Levels
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

These levels comprise the structural components of P3M3 and are characterized as shown in the table below. They are consistent with the original P3M3 model and its predecessor, the Project Management Maturity Model.

Table 1 – Maturity Levels

Maturity Level	Portfolio Management	Programme Management	Project Management
Level 1 – awareness of process	Does the organization's Executive Board recognize programmes and projects, and maintain an informal list of its investments in programmes and projects? (There may be no formal tracking and documenting process.)	Does the organization recognize programmes and run them differently from projects? (Programmes may be run informally with no standard process or tracking system.)	Does the organization recognize projects and run them differently from its ongoing business? (Projects may be run informally with no standard process or tracking system.)
Level 2 – repeatable process	Does the organization 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.)	Does the organization 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.)	Does the organization 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.)
Level 3 – defined process	Does the organization have its own centrally controlled programme and project processes and can individual programmes and projects flex within these processes to suit particular programmes and/or projects. Does the organization have its own portfolio management process?	Does the organization have its own centrally controlled programme processes and can individual programmes flex within these processes to suit the particular programme?	Does the organization have its own centrally controlled project processes and can individual projects flex within these processes to suit the particular project?
Level 4 – managed process	Does the organization obtain and retain specific management metrics on its whole portfolio of programmes and projects as a means of predicting future performance? Does the organization assess its capacity to manage programmes and projects and prioritize them accordingly?	Does the organization obtain and retain specific measurements on its programme management performance and run a quality management organization to better predict future performance?	Does the organization obtain and retain specific measurements on its project management performance and run a quality management organization to better predict future performance?
Level 5 – optimized process	Does the organization 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?	Does the organization 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?	Does the organization 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?

Process Perspectives
P3M3 focuses on the following seven Process Perspectives, which exist in all three models and can be assessed at all five Maturity Levels.

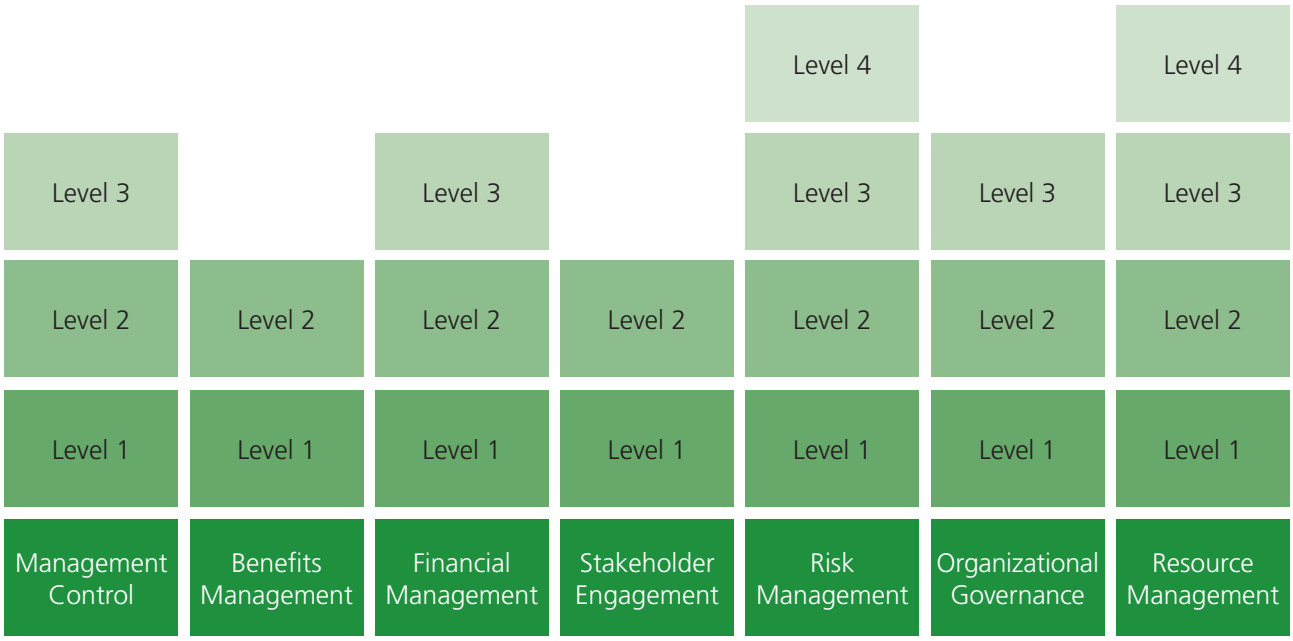
- Management Control
- Benefits Management
- Financial Management
- Stakeholder Engagement
- Risk Management
- Organizational Governance
- Resource Management

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.

Attributes
Embedded within the Process Perspectives are a number of attributes. Specific Attributes relate only to a particular Process Perspective. Generic Attributes are common to all Process Perspectives at a given Maturity Level, and include planning, information management, and training and development.

Most organizations have strengths in some areas but not in others. P3M3 is designed to acknowledge these strengths as well as highlighting weaknesses. Figure 2 illustrates how an organization might be viewed from the Process Perspectives.

Figure 2 – Example assessment of Process Perspectives



Benefits of using P3M3

It is important for organizations to understand the optimal level of performance in their quest to maximize value for money from investment, and to have a realistic view of what they can achieve. Not all organizations will be able to reach the highest level and, for many, the middle levels may be adequate to meet their business needs and aspirations.

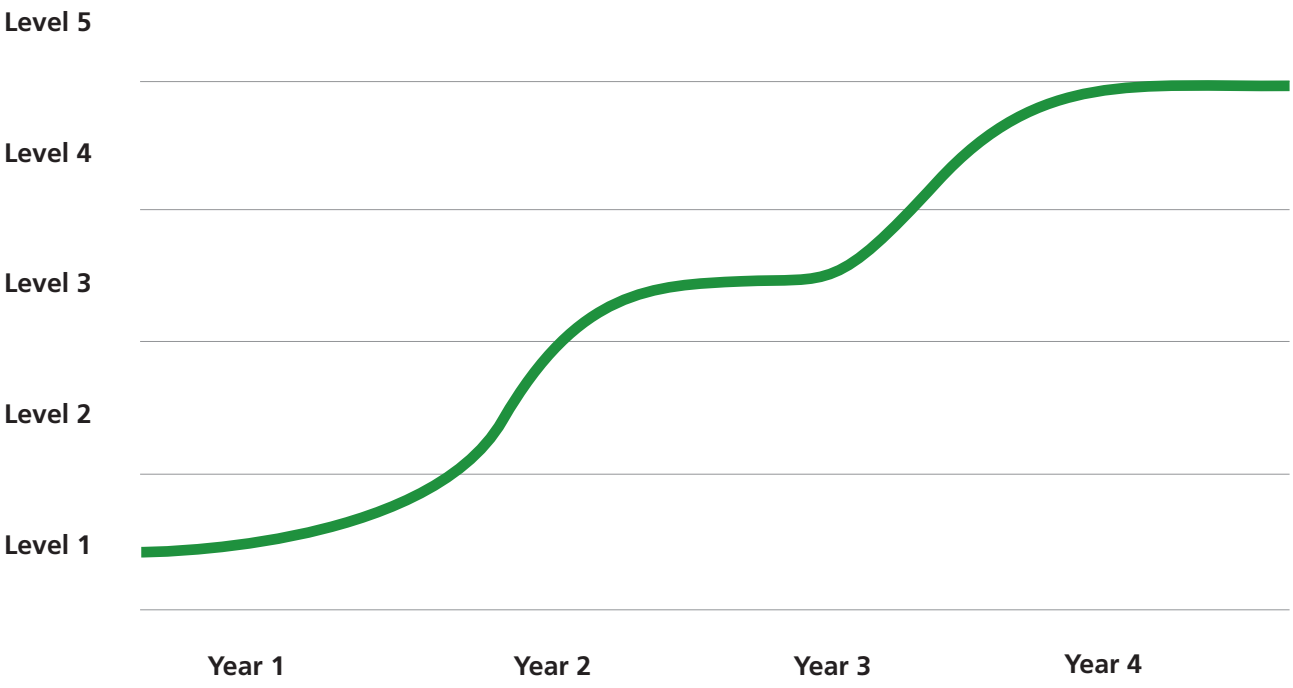
To gain the maximum benefit from using P3M3, performance improvement should be seen as a long-term process (Figure 3), although it is possible to achieve short-term performance gains by using P3M3 to identify and correct performance weaknesses.

There are a number of reasons why organizations might choose to use a maturity model to assess their current performance, such as:

- justifying investment in portfolio, programme or project management improvements
- gaining recognition of service quality in order to support proposals
- gaining a better understanding of their strengths and weaknesses in order to enable improvement to happen.

Organizations that have focused only on training, specific methods or tools, or a governance framework, often wonder why they have not seen the promised improvements. P3M3 offers a more holistic view of an organization's performance, using a broad spread of attributes.

Figure 3 – Long-term performance improvement



It helps organizations to address fundamental aspects of portfolio, programme and project management. It improves the likelihood of quality results and successful outcomes, reduces the likelihood of adverse impacts from risks, and thereby minimizes the chances of failure. The common causes of failure are discussed later in this chapter.

P3M3 provides a set of common standards and, whilst OGC is its owner, it is available for use by all organizations.

Some of the organizational benefits of using P3M3 as opposed to other maturity models are as follows.

- It acts as a health check of strengths and weaknesses judged against an objective standard, not just against other organizations (although OGC does intend to build a database, with the help of the programme and project management community, to enable organizations to compare their maturity with that of other organizations with similar portfolios, programmes and projects)
- It helps organizations to decide what level of performance capability they need to achieve in order to meet their business needs
- It focuses on the organization's maturity rather than specific initiatives (good results are possible even with low levels of maturity, so are not in themselves a reliable indicator)
- It recognizes achievements from investment
- It justifies investment in portfolio, programme and project management infrastructure
- It provides a roadmap for continual progression and improvement.

Other, more tangible, benefits include:

- increased productivity, with shorter cycle times
- greater time and cost predictability
- fewer defects, leading to higher-quality outcomes and a lower cost of quality
- improved customer satisfaction
- enhanced employee morale.

Research by the SEI has shown significant improvements in the return on investment rate in organizations adopting a maturity model approach to process improvement, with the average rate exceeding 4:1. More mature organizations have experienced an 85% reduction in defects and a 75% reduction in cost. Although the SEI's maturity models were originally specific to software engineering, they are now widely used for process improvement generally.

Uses of P3M3

P3M3 can be used in many ways, for example:

- to understand 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 achieve the next Maturity Level
- to understand and improve an organization's capability to manage its portfolio, programmes and projects more effectively
- by client organizations, to assess the risks that might arise from process capability issues within service providers managing their programmes and projects
- by OGC, user groups and the APM Group's Accredited Consultancy Organizations as the basis for developing maturity questionnaires.

P3M3 also has the flexibility to be refined and expanded as best practice evolves within portfolio, programme and project management. This can be accommodated by new or amended key process areas at specific levels within the model.

Causes of failure

OGC has carried out extensive research into the common causes of programme and project failure and how those causes actually impact on outcomes. The causes of failure can be grouped into the following categories.

- Design and definition failures, where the scope of the change and the required outcomes and/or outputs are not clearly defined
- Decision-making failures, where there are inadequate levels of sponsorship and commitment to the change – i.e. there is no person in authority able to resolve issues
- Discipline failures, such as weak (or no) arrangements for risk management and an inability to manage changes in project requirements

- **Supplier management failures**, such as a lack of understanding of suppliers' commercial imperatives, poor management and inappropriate contractual set-ups
- **People failures**, such as disconnection between the programme/project and stakeholders, lack of ownership, and cultural issues.

P3M3 for successful delivery
As noted above, P3M3 improves the chances of delivery outcomes being successful and of high quality. It achieves this by guiding organizations from immaturity, where risk can be high and quality low, through to maturity, where risk is greatly reduced and quality increased.

Immature organizations
An organization that is immature in management terms may occasionally deliver individual initiatives that produce excellent results. However, managers are more 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 skimped on, or even omitted, if an initiative falls behind schedule.

P3M3 applies not only to individual portfolio, programme and project activities, but also to those activities within organizations that provide focus and help sustain efforts to build a delivery infrastructure of effective approaches and management practices. In the absence of an organization-wide infrastructure, repeatable processes and results depend entirely on the availability of specific individuals with a proven track record, which may not provide a basis for long-term success and continuous improvement throughout the organization.

The P3M3 Maturity Levels indicate how key process areas can be structured hierarchically to provide transition states for organizations wishing to set realistic and sensible goals for improvement. The levels facilitate the transition from immaturity to a mature and capable organization, with an objective basis for judging quality and solving programme and project issues.

Mature organizations
A mature organization 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 will be updated whenever necessary, with improvements developed and implemented in accordance with a sound business case and development plan.

The standardized approaches are communicated to team members and stakeholders, and activities are carried out in accordance with the plans and defined processes. Roles and responsibilities are well defined and clearly understood throughout the organization. Managers will monitor the progress of initiatives against the appropriate plans, including the quality of deliverables and customer satisfaction. There will be an objective, measurable basis for judging the quality of deliverables and for analyzing any problems with deliverables, programme/project approach or other issues.

Mature organizations will have knowledge and quantified information against which to review performance and evaluate schedules and budgets, ensuring that these are realistic and achievable. Learning from previous initiatives, establishing and embedding management processes, and ensuring that the organization acquires and retains the skills and competencies to undertake the necessary activities are of paramount importance.

Together, these processes and planning techniques will enable organizations to gain confidence in their ability to deliver the desired outcomes, on budget and on time, and achieve the required quality in deliverables.

P3M3 Assessments
Organizations can obtain a P3M3 assessment of their maturity either by self-assessment or a formal review. Self-assessment can be done by simply reviewing the model(s) of interest and assessing the organization using the attributes, or by using OGC's self-assessment tool to gain a better insight – this can be found at www.p3m3-officialsite.com. Further information and assistance on using P3M3, including details of formal reviews, can also be found on the official P3M3 website.

2. P3M3 Structure

Further details of the content of P3M3 are given in Chapter 2.

As outlined in Chapter 1, P3M3 is based on three core concepts: Maturity Levels, Process Perspectives and Attributes. This chapter examines each concept in more detail.

Maturity Levels
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 Maturity Levels enable organizations to identify a process improvement pathway along which they may choose to travel. This journey should be seen as a long-term strategic commitment rather than a quick fix for immediate tactical problems. Although rapid short-term improvements can be targeted to achieve specific goals, the real benefits of P3M3 come through continual process improvement.

The five-level hierarchy of P3M3 does not imply that every organization should aim for, or needs to achieve, Level 5 in all three sub-models. Each organization should decide which Maturity Level would be optimal for its particular business needs at a given time. The highest-level certificate awarded by the APM Group to date is Level 3.

The following sections summarize the characteristics of each of the five Maturity Levels. Achievements at a given level must be maintained and improved upon in order to move up to the next level.

Level 1 – awareness of process
Processes are not usually documented. There are no, or only a few, process descriptions. They will generally be acknowledged, in that managers may have some recognition of the necessary activities, but actual practice is determined by events or individual preferences, and is highly subjective and variable. Processes are therefore undeveloped, although there may be a general commitment to process development in the future.

Undeveloped or incomplete processes mean that the necessary activities for better practice are either not performed at all or are only partially performed. There will be 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.

Level 1 organizations may have achieved a number of successful initiatives, but these are often based on key individuals' competencies rather than organization-wide knowledge and capability. In addition, such "successes" are often achieved with budget and/or schedule overruns and, due to the lack of formality, Level 1 organizations often over-commit themselves, abandon processes during a crisis, and are unable to repeat past successes consistently. There is very little planning and executive buy-in, and process acceptance is limited.

Level 2 – repeatable process
The organization will be able to demonstrate, by reference to particular initiatives, that basic management practices have been established – e.g. tracking expenditure and scheduling resources – and that processes are developing. There are key individuals who can demonstrate a successful track record and that, through them, the organization is capable of repeating earlier successes in the future.

Process discipline is unlikely to be rigorous, but where it does exist, initiatives are performed and managed according to their documented plans, e.g. project status and delivery will be visible to management at defined points, such as on reaching major milestones.

Top management will be taking the lead on a number of the initiatives but there may be inconsistency in the levels of engagement and performance.

Basic generic training is likely to have been delivered to key staff.

There is still a significant risk of exceeding cost and time estimates. Key factors that may have preconditioned the organization to experience difficulties or failure include: 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.

Level 3 – defined process
The management and technical processes necessary to achieve the organizational purpose will be 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 process improvements across the organization. Such improvements will be planned and controlled, perhaps based on assessments, with planned development and suitable resources being committed to ensure that they are coordinated across the organization.

Top management are engaged consistently and provide active and informed support.

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.

A key distinction between Level 2 and Level 3 is the scope of standards, process descriptions and procedures – i.e. stated purposes, inputs, activities, roles, verification steps, outputs and acceptance criteria. This enables processes to be managed more proactively using an understanding of the interrelationships and measures of the process and products. These standard processes can be tailored to suit specific circumstances, in accordance with guidelines.

Level 4 – managed process
Level 4 is characterized by mature behaviour and processes that are quantitatively managed – i.e. controlled using metrics and quantitative techniques. There will be evidence of quantitative objectives for quality and process performance, and these will be used as criteria in managing processes. The measurement data collected will contribute towards the organization's overall performance measurement framework and will be imperative in analyzing the portfolio and ascertaining the current capacity and capability constraints.

Top management will be committed, engaged and proactively seeking out innovative ways to achieve goals.

Using process metrics, management can effectively control processes and identify ways to adjust and adapt them to particular initiatives without loss of quality. Organizations will also benefit through improved predictability of process performance.

Level 5 – optimized process
The organization will focus on optimization of its quantitatively managed processes to take into account changing business needs and external factors. It will anticipate future capacity demands and capability requirements to meet delivery challenges – e.g. through portfolio analysis.

Top managers are seen as exemplars, reinforcing the need and potential for capability and performance improvement.

It will be a learning organization, propagating the lessons learned from past reviews. The organization's ability to rapidly respond to changes and opportunities will be enhanced by identifying ways to accelerate and share learning.

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. There will be a robust framework addressing issues of governance, organizational controls and performance management. 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.

Process Perspectives
There are seven Process Perspectives within P3M3, defining the key characteristics of a mature organization. They apply across all three models and at all Maturity Levels, and each perspective describes the processes and practices that should be deployed at a given level of maturity. As organizations move up through the Maturity Levels, the quality and effectiveness of the processes and practices increase correspondingly. This incremental nature of process improvement is a key feature of P3M3.

P3M3 is flexible, enabling organizations to assess their maturity with respect to any one or more of the three sub-models. Organizations may also choose to assess their effectiveness against any particular Process

Perspective(s) across all three sub-models – e.g. to measure risk management maturity in portfolio, programme and project management.

The following sections outline the seven Process Perspectives and give a summary of their characteristics.

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.

Management control 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 (or target operating model) with defined outcomes, and a portfolio may have an organizational blueprint (or 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.

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

Benefits should be assessed and approved by the organizational areas that will deliver them. Benefit dependencies and other requirements will be 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.

There will be evidence of continual improvement being embedded in the way the organization functions. This process will identify opportunities that can be delivered by initiatives and also take ownership of the exploitation of capabilities delivered by programmes and projects. Change management, and the complexities this brings, will also be built into the organization's approach.

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. The 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.

Stakeholder Engagement
Stakeholders are key to the success of any initiative. Stakeholders at different levels, both within and outside the organization, will need to be analyzed and engaged with effectively in order to achieve objectives in terms of support and engagement. Stakeholder engagement includes communications planning, the effective identification and use of different communications channels, and techniques to enable objectives to be achieved. Stakeholder engagement 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.

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 minimize or eliminate the likelihood of any identified threat occurring, or to minimize its impact if it does occur, and to maximize opportunities. 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.

Responses to risk will be innovative and proactive, using a number of options to minimize threats and

maximise opportunities. 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.

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.

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.

Attributes
Within each Process Perspective are a number of attributes. These are indicators of process and behavioural maturity. Specific Attributes relate only to a particular Process Perspective, while Generic Attributes apply equally to all Process Perspectives at each of the five Maturity Levels.

Inevitably, organizations will perform well against some Process Perspectives and not so well against others. Attributes describe the intended profile of each Process Perspective at each Maturity Level, and the topics, processes and practices covered will change and build as the Maturity Level changes.

Conclusion
This structure of P3M3 allows organizations to see a snapshot of where they are now with respect to any of the Process Perspectives in all or any of their portfolio, programme and project management capabilities. This, along with knowledge of where the organization needs or wants to be in the future, provides the basis for an improvement plan to be devised and for progress towards the target to be tracked.

The remaining three chapters look at each of the individual models in more detail.

Feedback concerning the model should be sent to P3M3model@ogc.gsi.gov.uk

Feedback concerning the self-assessment should be sent to P3M3assessment@ogc.gsi.gov.uk

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