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The path towards discovering PMO: an exploratory analysis of the Italian banking sector

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Abstract:

Directly acting on Project Management practices, PMO provides companies with help to innovate, reaching competitive advantage and growth in the long run, *ceteris paribus*, and attempts to reduce uncertainty. Even though PMO is a more consolidated practice in some countries, the phenomenon has lately been introduced in Italy, and it is still evolving. Not all organizations and not all individuals clearly understand the potential of PMO, and its role is often limited to simple Project Management in its strict meaning, while areas for improvement are many and varied. The paper analyses the status of PMO through a survey conducted inside the Italian banking sector, trying to frame the role of PMO, throwing light on its importance for a company as a whole, and not just for a single project. A discussion of the results and future work concludes the paper.

Keywords:

PMO; uncertainty; innovation; Italy; implementation; impacts; benefits; cultural change management.

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1. Introduction

As a consequence of digitalization of business, projects have increasingly become essential elements for organizations, and nowadays they are considered the shortest way to innovate within a company's framework [1], [2]: a project allows the management of time, resources and cost in a more effective way, permitting at the same time research and development of new products and procedures, better quality outcomes and better risk allocation between related parts. Organizations need to - beat the competition [4] and survive in the long run, and that is possible only through progress, which is the consequence of innovation. Even though a project has been identified as an efficient vehicle to maintain success and continuous growth through time [2], the equation does not always work [1]. There are unknown variables that could arise during a project's lifecycle, such as information asymmetry and imperfect knowledge, on which Project Managers could only partially intervene. The acknowledgment of such bounded rationality is always implicitly taken into consideration in every project feasibility analysis. Generally speaking, when it comes to a project, there is also another kind of element to which the Project Manager and team should pay close attention: *uncertainty*. This is a typical and common ingredient in the Project Management recipe book, as suggested by Atkinson, Crawford and Ward [5]. But uncertainty should not be considered only as a negative feature, since it often operates as a challenging incentive to improve the way of working and the quality of outcomes. Considering this dichotomy, uncertainty could be managed approaching it as a risk or as an opportunity: in this way individuals will not perceive risks only in a negative way, and threats will be easier seen as chances with the help of a different approach. Some stakeholders might not accept uncertainty, and they might be disappointed by project outcome (even in case of success), since involving different parts usually means involving different objectives [2]. That is why managing uncertainty should be considered unavoidable when it comes to projects. Although the choice to work by projects has become a rather common behavior for organizations [1], taken for granted in most cases, uncertainty remains a raw nerve, and it could affect even the most consolidated project, since it may come from diverse sources [2]. Every single step must be evaluated, but, since the Project Manager is not a hero, and since time, knowledge and resources are limited, too much control might lead to a state of analysis-paralysis, with a negative effect on efficiency; strictness does not always fit with uncertainty management [2]. However, organizations need a standardized approach, not only to increase the percentage of project successes but also to generate synergies [1], best practices [2] and reduction of repetition, instilling Project Management knowledge into team members [6], [7]. This kind of approach helps organizations to manage risks and ultimately to contain uncertainty as much as possible [5]. The appropriate figure that fits this role is the Project Management Office (PMO). Taking these issues into account the paper investigates the main PMO intervention areas emerging from academic literature, aiming to identify challenges and benefits for their implementation in situations which are actually innovators or else early adopters of this relevant resource for businesses. Consequently, an exploratory analysis on Italian banking sector is discussed.

This paper is structured as follows: first, the role of a PMO is defined throughout an analysis of contributions from literature; in the second section, which is the focus of the research, the case study and its methodology is introduced, followed by the findings regarding PMO areas of intervention and cultural change management. Finally, discussion and conclusions summarize the evidence emerging from interviews, giving a series of take ways.

1.1 Background and motivations

Recognized in literature as a recent but important phenomenon [2], [3], [4], [8], the PMO is a member of a dedicated business unit, often called the Project Management Office, which coordinates and centralizes information and data through specific tools and procedures, improving the management of projects and supporting Project Managers and team members in order to increase the percentage of delivery and the quality of performances [1]. Benefits and results are achievable mainly in the long run [9]: PMO should be seen not much as a solution for emergencies, but rather as a structural change to implement carefully. In a previous study [16], we also defined PMO as an organizational unit dedicated to providing Project Management support, whose strategic role is to enhance performance and organizational improvement by introducing a Project Management methodology and tools designed to: i) ensure the achievement of project goals; and ii) take advantage of the potential synergies between the various initiatives at a company level [17].

The introduction of PMOs could guarantee a number of benefits [6], [8], including shorter production cycles, meeting deadlines, cost reduction, higher quality, learning from experience and knowledge reuse.

The objectives of a project, if properly defined, are the primary aspects that determine its success. The same rule should be applied for starting a PMO. Thus, defining the project requirements and needs is a winning starting point; however PMO is not a ready formula to be applied equally to all projects and in all organizational contexts. For a successful start organizations must make a series of choices before inaugurating the new organizational unit:

- *What*: which PMO services to be chosen and what is the right degree of complexity for those services?
- *Where*: at what organizational level?
- *How* to implement the organizational unit?
- *Who* to involve: internal or external resources, with what professional profile?

Answering these questions, and taking into account the characteristics of concrete projects, organizational culture and necessary skills, means creating the right formula for a PMO that adds value. Projects missing deadlines and running late, difficulties in managing complexity, repeating mistakes and unforeseen risks resulting in high costs, are typical “symptoms” that indicate the need for an organizational unit in support of Project Management. Sometimes experience shows that these problems are rooted in everyday phenomena that are being neglected:

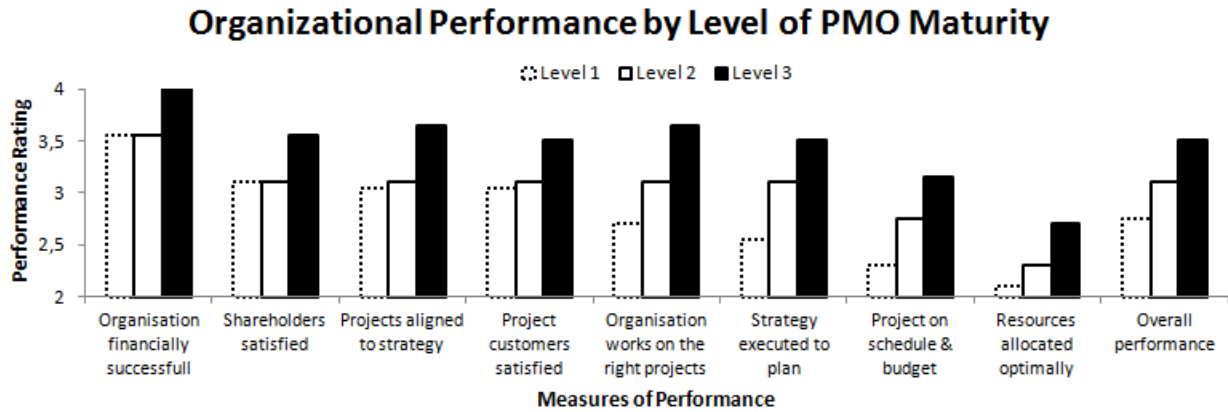
- Project Manager with strong technical skills and knowledge of the industry, who has qualities of team management but with no Project Management skills;
- Project Manager who does not have time to follow and continuously supervise all the projects;
- Synergies between different projects are not being exploited;
- The organizational procedures are costly in terms of time.

The benefits of implementing a PMO, in many cases, however, are not immediately perceived or are undervalued. The introduction of a new professional or organizational unit dedicated to Project Management is often seen only as an expensive option that slows down business processes, and initially results in change implemented mostly at a basic level.

Taking the above issues into account, Fig. 1 shows figures from a study conducted in 2007-2008 by the Center for Business Practice, which questioned the effectiveness of PMO on the basis of its maturity [15] (in terms of the total amount of time of PMO’s presence in an organizational framework). Even a few years ago, the scenario was clear: - different levels of PMO maturity correspond to different performances, and evidence highlights how a mature PMO could better help organizations in several ways, from a managerial point of view to a more complex strategic impact, even in financial terms. But the measure that surprises the most is indeed the allocation of resources: according to the research, a more mature PMO could fill the gap in this delicate field: its contribution in reconciling and motivating resources toward a common goal should ensure a decrease in capacity management threats, and throughout the implementation of Project Management practices (first and foremost, stakeholder analysis and RAM matrix), PMO might help the Project Manager to properly identify the resources and the activities to be assigned to each of them. Above all, this measure of performance better explains the “human side” of Project Management discipline, a side that, more than others, needs a deeper and more prudent approach.

A good team should not be allowed to replicate tasks, or overlap their activities with others. In an ideal world, a consolidated PMO gathers all the activities under its control, thanks to its wide view over the project portfolio. But often the border between theory and practice is evanescent, and the two things in the long term or the real development of project’s phases could no longer adhere. That is why the level of performance rating is lower than the others, but anyway, keeping in mind all these considerations, the contribution of PMO in this sense remains substantial, especially taking into account the starting level rate. Generally speaking, the overall rating of performance is higher with a more mature PMO. The effort of the team is more focused thanks to “additional” help, and ultimately the benefits are extended to the whole organization.

Fig. 1. Organizational Performance by Level of PMO Maturity



Maturity is not the only feature that marks different levels of PMO: it is possible to gather diverse literature contributions [1], [2], [7], [8], [10], [11], [12], and identify three categories of PMO:

- *Basic PMO*: a single resource, committed to a project or a stream of similar projects to support and assist the Project Manager and team members. He possesses strong knowledge of Project Management practices and procedures;
- *Advanced PMO*: several resources placed in a specific business unit, with authority over Project Managers and team members and responsibility for them in terms of career, training, activities and tasks; furthermore, the PMO has complete visibility of the organization's projects portfolio and analyzes information and data, often through specific dedicated tools. Monitoring and controlling procedures may help increase the organization's awareness of problems or negative trends;
- *Intermediate PMO*: several resources placed in a specific business unit, with the main purpose of gathering, consolidating, re-elaborating but especially standardizing information for each project and for the entire projects portfolio; this unit could also produce statistics and trend analysis for internal and external stakeholders.

These categories of PMO should not be considered as independent and separate elements, but they could (and should, indeed) coexist in the organization, and according to Hobbs [9] this statement is not always taken for granted. The uniqueness of this role should be related to the importance of documentation and standardized procedures: a peculiarity that allows the recognition synergies among projects [1] and permits development of best practices ready to be re-used, generating several benefits for the organization [6], [8], for instance time and costs saving, growth of efficiency and effectiveness, improving quality and precision of delivering. All these benefits could be translated into productivity enhancement, and stronger willingness to innovate, that in the long run means gaining competitive advantage [1], [2]. Not too much emphasis should be put on documents, but rather on the idea of PMO as a guarantor of an appropriate methodology and as a data-clearing house of historical information [2], [3], [7], often hard to recollect and very dangerous in terms of uncertainty, if forgotten [2]. Documents are only an adjunct arising from implementing uniformed procedures in the right way, with particular attention on the organization's history and physiological components [1]. In this way uncertainty could be better contained, taking advantage of experience and practices already tested [5]. It is worth noting that with right approach, it is possible to guide people in order to help them to overcome obstacles and improve change management process. That is why a solid organizational culture should be seen as the backbone in every organization. These considerations are indeed fundamental and must be taken into account whenever a company decides to establish a PMO area within its framework [5]. It should be remembered that Project

Management discipline considers also behavioral aspects, since each activity might be influenced by emotional biases. These issues should be considered during the reading of the following section.

1.2 PMO services and intervention areas

Different authors have tried to propose models to classify the major services offered by a Project Management Office, distinguishing, for example, between *Enterprise Services - Oriented* and *Project - Focused* [18] to focus attention on the possibility of implementing PMO at different organizational levels. Another model proposed in [16] is composed of the following seven areas of services in which the PMO operates in order to ensure the success of projects, adding value to existing processes or creating new ones (Fig. 2): Methodology; Training & Mentoring; Knowledge Management; Planning & Control; Communication & Reporting; Team Management; and Portfolio Management. It is important to remember that in each case the PMO, as an organizational unit, will play a role in some or all of these services, and, according to the needs of the case, every area of activity may have a different degree of maturity.

Fig. 2. Areas of PMO Services. Adapted from [16]



Thus, according to Fig. 2 and considering the state of the art contributions [2], [8], [10], [11], it is possible to identify a set of key macro-areas of PMO intervention, that are *Project Portfolio Management*, *Knowledge Transfer and Learning*, *Communication Management*, and *Team Management*:

- *Project Portfolio Management*: absorbing the most of the PMO working time, and enforcing its responsibility toward the organization, this macro-activity is based upon the identification of best practices and procedures inherent to Project Management discipline [14], to be applied either for a single project or for a program of similar projects; the PMO plans time and deadlines, coordinates resources and stakeholders, with particular attention to risks and changes to be implemented. PMO helps the organization to reach important achievements and satisfy its needs [2], at the same time improving the quality of outcomes and recognizing synergies [1], keeping a high degree of precision and reliability;
- *Knowledge Transfer and Learning*: a PMO could use its competencies and know-how in the Project Management field to enrich organizational expertise and offer support and assistance to Project Managers and team members [3], [6]. Sometimes companies find it useful to involve PMO in training courses, especially when the role is carried out by external resources, since different experiences and backgrounds could facilitate knowledge transfer (for example, Pemsel and Wiewiora identified PMO as a knowledge-broker [7]);

- *Communication Management*: the PMO calls team members and Project Managers to Project Review meetings in order to check working progress, according to people's availability. PMO also helps the team to address tasks to accountable resources. Furthermore, he manages relationships with internal and external stakeholders, trying to reconcile all the interests of involved parties with project requirements through the help of analysts. Moreover, he distributes notices and official project documentation to team members and stakeholders, and where possible he tries to centralize communications;
- *Team Management*: in addition to the previous point, PMO is interested in the psychological and behavioral aspects of project groups. Project Management is a discipline that involves an emotive side, since it is above all a matter of relationships and attitudes. PMO will intervene if necessary to motivate individuals as much as possible, avoiding conflicts and facilitating communication inside and outside the team. It is important to notice that risk could originate from these variables and from a lack of consensus, which should never be ignored, especially when it comes to managing change and resistance [3].

The rate of implementation in the Italian banking sector is further discussed in the following Section.

2. Case Study: a focus on Italian banking sector

2.1 Italian entrepreneurial landscape: a short overview of PMO implementation trends

In Italy, even though multinational companies are distributed throughout the territory - especially in the northern area of the country, the entrepreneurial landscape is mainly defined by a multitude of small and medium enterprises (SMEs) and family-run businesses; this configuration justifies the tardy introduction of a PMO role, despite its recognized benefits and its wide development in the rest of the world during the last twenty years [1], [2]. It is possible to discuss further the reason for such restrained behavior:

- In a typical Italian SME, the project portfolio often contains a limited number of projects, or a high number of small projects, apparently easy to conduct and without significant risks;
- The Management could consider it inappropriate to re-think the organizational structure in order to introduce a new unit, also because it could be perceived as an expensive and effort-consuming action [9];
- The Management could also be tempted to allocate projects resources already involved on other roles and tasks, and they may be certainly experienced, definitely with strong technical competences, but absolutely inadequate to organize activities, supervise them, and at the same time reconcile all involved parts in a Project Management's perspective [6];
- Another important reason for the rejection of PMO could be attributed to Italians typical entrepreneurial attitude: a strong creativity-driven approach and a lack of strictness in methodology that does not properly sit with PMO's practices;
- Due to a lack of a real pattern and a great variety of PMOs, as Aubry and others have already stated [3], [8], organizations tend to introduce PMO without a proper awareness of what this might mean for groups and structure.

Nevertheless, lately the professional figure of PMO has been gradually introduced in some Italian environments, and Italian organizations have generally preferred less invasive solutions, such as basic PMO, rather than advanced or intermediate.

2.2 A focus on Italian banking sector and IT area: research methodology

The Italian banking sector is interesting from a Project Management point of view considering the key role that PMOs and Project Management practices in IT area, that, especially in banking sector, requires the generation of diverse categories of projects, making the implementation of PMO mandatory, even in a country where its practice is actually emerging in most industries; this is why the choice of interviewees has fallen on IT areas. For the case study, six banks

have been selected from the chart of the first 15 Italian banking companies listed in the Stock Exchange (Chart updated on February, 2012). The analysis and data discussed are partially based upon a Master of Science thesis [14] as well as on field experiences of the authors; moreover, it has been done by a triangulation of quantitative and qualitative methods. Regarding the qualitative part, analysis and direct observations made by the authors have been re-elaborated in a reflective way, in different sessions along the entirety 2013. The sample is made up by 12 people, 2 for each bank, and each one works as a PMO, with different grades of seniority. Companies are very different in terms of size, history, services, as shown in the table 1, that summarizes the main features.

Basic PMO has been identified with letter A; Advanced PMO with letter B, and Intermediate PMO with letter C. The size of projects has been suggested by interviews, considering the average time, effort and cost of past projects. Qualitative interviews were carried out by telephone, and each interview lasted one hour (see Appendix A. for details about questionnaires). The sample should not be considered completely representative of Italian situation, although it gives a reliable picture of the implementation progress of Project Management methodology in environments with different cultural and structural backgrounds.

Table 1. Profile of respondent banks

Banks in the sample	Bank 1	Bank 2	Bank 3	Bank 4	Bank 5	Bank 6
Establishment	2008	1910	1871	2007	1998	1977
Bank Size (# employees)	< 1000	> 5000	> 3000	> 20000	> 100000	> 100000
Multi-country	No	Yes	No	Yes	Yes	Yes
Projects Size	Small-Medium	Small-Medium	Small	Medium	Medium-Large	Medium-Large
PMO Presence	Type A, C	-	Type A, C	Type A, C	Type A	Type A, C
PMO Job Experience :						
1 st resource	> 3 years	> 3 years	> 3 years	> 3 years	< 2 years	< 2 years
2 nd resource	≤ 1 year	> 2 years	< 2 years	≥ 1 year	≥ 2 years	≥ 1 year
Predisposition to change	Very High	Low	Low-Medium	Medium	Low-Medium	High
PMO Maturity	> 3 years	-	≥ 1 year	> 2 years	> 2 years	> 3 years

It is worth noting that, in this model, PMO maturity means the average duration of PMO presence in an organization (in years), which slightly differs from the definition of maturity used for example in Pinto, Cota and Levin analysis [8]. In this sense, it is possible to observe that PMO maturity in Italian organizations, at least at the time of the interviews (2012), is still in a developing phase from a temporal point of view, and that is mostly due to recent introduction in organizational contexts. One of the main findings stated in the PMO Maturity Cube [8], is that different PMO maturity levels correspond to different PMO categories; even though maturity is not intended with the same meaning, it is possible to agree with that statement, since from the interviews it emerges that, in an organizational framework different categories of PMO could coexist, and others might be later implemented.

2.3 A focus on Italian banking sector and IT area: evidence from interviews

First of all, it is important to highlight the presence of a recognized PMO in the analyzed sample. In 83% of cases, basic PMO is implemented, and intermediate PMO is observed in 67% of cases. At the time of the interviews (2012), advanced PMO was in a preliminary shape in one of the analyzed cases, and still not officially formalized. Future research could better judge its implementation and evolution through time, since probably this will be the next step for the banks where basic and intermediate PMO has been already implemented.

A similar distribution clearly reflects the previous considerations: Project Management practices have been recently introduced in Italy, and companies are still prudent when it comes to re-organizations, utmost consuming in terms of cost and effort. A basic PMO is an easier way to insert resources skilled in managing projects and supporting Project Leaders without upsetting the organizational balance. Whereas a basic PMO reality is more mature, it is more likely to find also a specific unit for PMO. In fact, as confirmed above, real benefits are recognizable mainly in the long run [9], and after a trial-period, companies would probably find it convenient to enrich their organizational structure with a dedicated unit. In Fig. 3, banks from the analyzed sample are distributed on the basis of their degree of PMO Maturity, matched with their lifetime: considering that the introduction of PMO has been recently implemented, and not all of the observed banks have decided to adopt PMO as a solution for Project Management and communication problems, the presented situation clearly shows that Italy lags behind if compared with other countries.

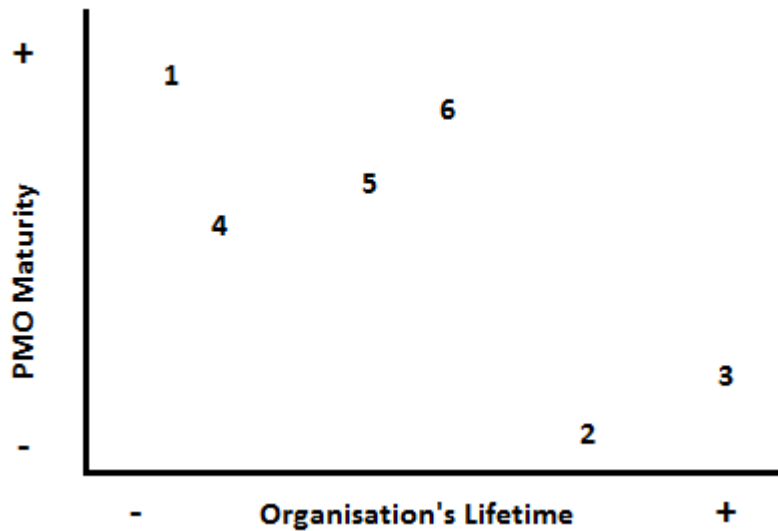


Fig. 3. Banks positioning

Notwithstanding that, the scenery is slowly changing, Fig. 3 may suggest that probably in the next years an increasing number of Italian organizations, at least Italian banks, will be aligned with PMO standards.

2.4 A focus on Italian banking sector and IT area: findings

Which are the main areas of intervention for a PMO? Table 2 illustrates the participation of PMO role within analyzed banks for each of the macro-areas identified and discussed in Section 1.2.

Table 2. PMO Areas of Intervention

PMO Intervention Areas	Project Portfolio Management	Knowledge Transfer and Learning	Communication Management	Team Management
Percentage	62%	33%	61%	56%

For *Project Portfolio Management*, in the Italian sample, in 62% of the observed cases this kind of activity is practiced, with more or less success. Its implementation depends on physiological factors related to organizational structure and policies, and not least on cultural aspects, for example a sort of rejection of a potentially rigid methodology, peculiar for PMO role. The percentage should be higher, since this would be the reason that incites companies to opt for a PMO, but often an organization may not be ready to host a similar role, even in case of perceived requirement. A preventive analysis should be conducted, in order to prepare adequately resources and organizational structure, and avoid wasted effort.

Considering *Knowledge Transfer and Learning*, in the analyzed companies, the area is actually developed only in 33% of cases. It is very complicated to reach this point, since it implies a tangible maturity in implementation of the PMO, which is not observable in Italy, except for progressive organizations (1/3 of cases). Recognizing the PMO as a focal point for learning might not be so immediate for team members: in Italian culture there is a sort of skepticism towards figures identified as experts in Project Management, seen as a discipline within everyone's reach, in which experience is the main facet considered for collecting knowledge. There is substantial room for improvement here.

Focusing now on *Communication Management*, in the Italian sample that has been analyzed, 61% of cases benefit from data diffusion. The percentage is still too low, considering that it should be one of the focal points for PMO activity, together with Project Management practices. Since this field goes hand in hand with Project Portfolio Management, considerations could be the same guessed for those activities, even if in certain cases the non-observance of practices could depend on inappropriateness of available tools and instruments, as well on PMO individual communication capability. Regarding the last point, clear guidelines could help to partially overcome the lack of confidence, and strong experience might fill the gap. In other cases, organizations shall furnish all the tools needed to allow communication management, whereas missing.

Finally, in 56% of the observed cases, PMO is compliant with its role in *Team Management*. This macro-area is probably the thorniest aspect to face for a PMO, since he should mainly rely on his empathic and personal capability. But experience is a valid help as well: a higher level of PMO maturity could bring effectiveness to team management, since a resource could become familiar with other people and could avoid conflicts in advance. In fact, team management is observed mostly in Italian organizations with intermediate PMO, in other words in situations of consolidated practices.

3. Discussion

It has already been identified that introducing competencies and a proper methodology related to the Project Management field could ensure time and cost saving, as well as increases in the quality of outcomes and experience of team members, making the re-use of knowledge possible [14]. All the activities mentioned above, if well executed, contribute to managing project risks, increasing the percentage of timely delivery, targeted budgeting and quality requirements [1], [2]. But, is PMO enough to avoid uncertainty and project failures and ensure competitive advantages and innovation? Its contribution has an effect in the long run, provided that suggested expedients have been adopted in time [9]. According to the case study, Italian organizations do not always adopt the model as a whole, and there is definitely room for improvement. The first weakness that emerges from the analysis is the lack of standardized procedures. According to interviewees only one bank has aligned all its Project Documentation to corporate standards, centralizing information thanks to the PMO unit.

A second point of interest concerns communication: PMO, where present, works efficiently, despite some problems due to diffidence; only time and cultural changes could break down resistance, as well as the experience of PMO and resources and their ability to avoid conflicts. It is also important to leverage another point: PMO is still not completely recognized as a useful support for learning. The evidence is directly correlated to the observed lack of training in Project Management field: in fact, not all companies provide continuing education courses either for internal or external resources, to the detriment of risk prevention and management, efficiency and quality of outcomes [6].

Talking about Project Risk Management activities, all interviewees have declared that procedures are not officially formalized, and often actions are down to Project Manager and team member experience and good sense. Individuals mostly address the risk as it appears, and sometimes identifying and managing a risk, before it becomes an issue, can be

very challenging. PMO has great leeway in this sense, and by acting promptly delays in delivering, missing information and risks might be avoided (the separation of a project in different sub-activities, each managed by different groups, could cause problems during the final phase, since parts might be not aligned or in conflict), granting a proper definition of project scope, compliance with corporate policies and standards and information sharing between stakeholders. According to interviewees, every bank tries however to prevent risks, and the most common way of facing it is by retention. That means that a risk frequently stays within organizational framework, and with a good *a priori* analysis, the Project Manager and team members should be able to manage it successfully. So prevention is fundamental, especially in the IT sector, because of the criticality of treated information. In organizations with a stronger PMO unit, the role is not merely confined to a project in itself, but is perceived as a plus for gaining success and growth in the long run, and in that way a PMO works for the whole company, not just for the project stream, adding value and contributing to achieving competitive advantages [2]. PMO could also help companies to mitigate risks, through disaster recovery methodologies, very frequently used in IT areas, and through monitoring and control of tasks and documentation. A low percentage of companies in the sample prefer to transfer risks (33%) while others choose insurances (17%).

With reference to the Italian analyzed sample, it seems that newer organizations are more inclined to implement a PMO unit, as shown in the Fig. 3: their framework could be structured in order to host new areas and in order to place side by side new units in case of changes. New companies are more predisposed to work by projects; furthermore, in the observed case, in companies recently started workers are younger, less hostile to changes, and more inclined to innovation; this is a common trend also abroad, as Dai and Wells already observed [2]. Despite this, the condition is necessary but not sufficient to ensure a correct implementation of PMO: for instance, in the analyzed sample, despite a recent merger and consequent creation of a new financial group, one of the banks still cannot count on Project Management methodologies and instruments, since the Management has not recognized its advantages. One of the companies analyzed in this study is older than the others, deeply traditional and with a strong local presence; it has a different background and different structural features, and it is interesting to note how the innovative pressure during recent years has led to strong changes, among which is the introduction of a PMO unit. Nonetheless, procedures are still not standardized and well defined, and some internal resources have demonstrated hostility toward PMOs, and it is surely due to a cultural legacy, badly managed in the re-organization.

Another important fact that emerges from the observed sample is that in SMEs the role of PMO is often underrated: the small size of a company could falsify the idea of control on project activities, and PMO could be perceived as unnecessary [3], [8], and in effect is not considered in one of the observed cases. Sometimes internal resources are not able to frame the role of PMO, and ultimately this could be related to cultural problems; very often individuals see PMO in a negative way, as an inspector, and not as a mediator or a facilitator. Anyway, where cultural problems have been managed in advance, resources now ask the PMO for support, and he operates as an important connection between stakeholders, easing the project execution phase and sharing information and knowledge.

3.1 Cultural changes

PMO is a role on which companies can rely in order to avoid risk [5], but it must be carefully introduced into the organizational framework, since employees could misjudge its intervention, especially long time workers [3]. People might feel threatened or frustrated because of re-organizations; moreover, an increase in controlling procedures could generate stress or loss of motivation [5]. It is necessary to prepare individuals for changes, above all future team members and Project Managers, explaining tasks and next steps, without insisting on control and judgment. Some recommendations to follow before introducing PMO in a structure are shown below:

- Definition of specific tasks that PMO will cover and his competencies;
- Definition of re-organizational schedule and timetable;
- Monitoring of PMO integration processes;
- Prompt intervention in case of conflicts or critical situation;
- Careful listening at complains from employees/PMO;
- Continuous dialog and comparisons between involved parts.

Following this advice, the risk of rejection could be prevented, and PMO should start to generate benefits. It is worth remembering that PMO is not an emergency solution, but rather a permanent support, effective in the long run [9]. Another improvement could come from an evaluation mechanism among the project team. This is a typical Anglo-Saxon instrument, not in the least used in Italy. It consists of a final judgment of internal and external resources, in anonymous form. It could be useful in order to enhance project effort and quality. Resources with higher grades will be reallocated to new team group for other collaborations, and will be incentivized with bonuses or rewards in terms of career, while others with lower grades could be provided with training courses, to fill their lack of competencies and enhance their knowledge. Every interviewee in the sample answered positively to this question: even if Italian workers are not so used to meritocratic practices, people responded well to the proposal, recognizing its usefulness.

3.2 *Expected benefits*

It is worth remembering that PMO should be considered as an investment, therefore it needs time to give a return, as said before. In the long run, an organization will realize a series of benefits deriving from the implementation of PMO [1], [2], [5], [8], for example:

- Proactive project risks/issues management;
- Better evaluations in terms of time and budget;
- Increase in effectiveness and efficiency in Project Management;
- Increase in output quality;
- Increased percentage of success in project activities;
- Better coordination and control of tasks and resources;
- Availability and circulation of information;
- Creation of a data-clearing house of information and project best-practices. This could be useful also in case of re-organizations, making handovers easier;
- Implementation of Project Management competencies and know-how within the organization;
- Increase in transparency due to information sharing;
- Increased predisposition to change and innovation;
- Identification of synergies between activities and projects;
- Gap fulfillment, especially during feasibility analysis, due to increased attention and awareness;
- Better definition of project priority and possibility of negotiations in order to manage urgencies.

4. Conclusion

This paper has investigated the main PMO intervention areas emerging from academic literature, aiming to identify challenges and benefits for their implementation in context which are actually innovators or else early adopters of this relevant resource for businesses. To this end an exploratory analysis of the Italian banking sector has been discussed. Examining in depth all the information that emerged from interviews, it is easy to understand that PMO needs particular conditions to work properly [6], [9]. These conditions can be related to organizational structure; flexible framework; matrix structured disposition; project based view; resources; organizational culture; willingness to innovate; ability to work in dynamic environments; low opposition to change; predisposition to working in team; proactive attitude. In the end, it is worth remembering that the success of a project (in terms of final outcome and of processes) always represents an increase in confidence and in safety toward competitors, and this could become a discriminating factor for the stability of a company in its field [1]. That is why, nowadays, companies shouldn't forget to give the right attention to PMO, an essential figure in project based organizations [1]. Implementing PMO within an organizational framework is a project in itself [3], so a company, before deciding to go in a similar direction, should review its Project Management attitude and be prepared for cultural changes. The main topic explored in this paper is how the PMO can create value for the organization across various service groups. An important lesson to take home is that, in order to maximize the

benefits of Project Management support, organizations should seek a custom match among the different possible combinations of PMO services.

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Appendix A. Questionnaire

The list of questions used for interviews is below. It is important to specify that the interviews were given in the basis of qualitative approach; thus, often it was not necessary to ask specific questions, and frequently the interviewees shared information spontaneously. At the same time, it has not always been possible for interviewees to reply to all the questions, since actual PMO have different shapes and features in each organization.

A.1. Questions

- Which category of PMO is implemented in the Organization (none, basic, intermediate, advanced)?
- Is currently in place any initiative in order to implement a new category of PMO?
- Since when PMO has been established in your Organization?
- How long have you worked as PMO in your Organization?
- How could you consider the average size of projects developed in your Organization?
- Are in place some criteria to define the degree of importance and effects of projects? If yes, could you please describe them?
- Does the PMO use specific tools or instruments for its activities? If yes, could you list them?
- How is the project team assembled and how is the Project Manager chosen?
- How does the team identify the internal and external involved stakeholders and their tasks?
- Is the PMO responsible for the documentation of the project?
- What standard criteria does the Organization set for the project documentation?
- Does the PMO share documentation with stakeholders? In which way?
- Who plans periodical meetings?
- Does the team make a preventive analysis of project's risks and opportunities? In which way?
- Is there any official documentation related to project risk management?
- Does the team decide which risk treatment should be adopted? If yes, in which way?
- Does the team review periodically risks and opportunities? If yes, does the team use standard procedures?
- Could you indicate strengths and weaknesses of project management procedures in your Organization?
- Would you please give some suggestions in order to improve processes and procedures?
- Would you find a final peer evaluation between team members useful for project performance control?
- Do you think that your Organization is a dynamic environment, with predisposition to change?
- Does the Organization offer Project Management trainings and courses to its employees or to external consultants?
- If you answered "yes" to the previous question: have you ever participated? If yes, do you find them useful? If no, would you find useful to participate?
- Have you ever shared your Project Management knowledge in an official way with your Organization?

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