# Individual Competence Baseline

## Reference Guide ICB4 for PMO

Version 1.0

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# Reference Guide
# ICB4 for PMO

Van Haren
PUBLISHING

# Colofon

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| Title: | Individual Competence Baseline Reference Guide ICB4 for PMO |
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| Graphical Design: | Based on a design by Dana Kowal: |
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| Publisher: | Van Haren Publishing, 's-Hertogenbosch, www.vanharen.net |
| Edition: | Version 1.0 |
| ISBN Hard copy: | 978-94-01811-52-1 |
| ISBN eBook: | 978-94-01811-53-8 |
| ISBN ePub: | 978-94-01811-54-5 |

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# Foreword

The project management profession has been developing for many years with the world changing. IPMA, as an international organisation with more than 70 national associations develops competence standards that are applied worldwide. IPMA pays great attention not only to project managers but also to all individuals involved in project activities.

Within many years we have developed the standards for individuals, teams and organisations. IPMA ICB (Individual Competence Baseline) is the core competence standard in IPMA and defines the areas of competences – Perspective, People, Practice, Key Competence Indicators (KCIs) and measures of each of the KCIs. Based on IPMA ICB the special Reference Guides have been developed and offered by IPMA worldwide – ICB CCT for Consultants, Coaches and Trainers in project management, Agile Leadership for people working in agile environment, IPMA PEB – Project Excellence Baseline for the project and programme teams, IPMA REB – Research Evaluation Baseline for those who are interested and/or are involved into research activities in project management and IPMA OCB – Organisational Competence Baseline for the organisations and their TOP management.

Today we are glad to introduce a new standard – IPMA ICB Reference Guide for PMO. This standard is dedicated to the structures that support projects, programmes and portfolios to run them effectively and efficiently. These structures are called PMO – Project Management Offices.

A PMO is defined as an organisational unit responsible for the administrative and specialists' support of the responsible management in their management of a (set of) project(s), programme(s) or portfolio(s). PMO plays a very important role in designing, performing, monitoring and reporting activities. Specialists are working in PMO together with the Head of PMO who is leading the unit towards its goals and objectives.

The new standard defines the competences for the individuals working in PMO. All the competences are aligned with the IPMA ICB that is used by all the project, programme or portfolio managers in their everyday activities.

IPMA Reference Guide ICB for PMO will be useful for the professionals who work in PMO, for project, programme or portfolio managers, for the TOP managers as well as HR people for recruiting, assessing and developing personnel in the organisations. It is also good to have this standard as a tool for certification of the individuals working in PMO.

**IPMA defines four levels of competence for the individuals working in PMO:**
IPMA Level A – Certified PMO Director
IPMA Level B – Certified PMO Senior Manager
IPMA Level C – Certified PMO Manager
IPMA Level D - Certified PMO Specialist

We warmly thank the team members from the Netherlands who developed this standard, and the associations that have been sounding, piloting and approving the IPMA Reference Guide ICB for PMO. We believe that this standard will help professionals all over the world to achieve great results in their projects, programmes and portfolios by using the standard in their everyday lives.

**Oxana Klimenko**

**IPMA Vice President
for Standards and Certification**

**Joop Schefferlie**

**IPMA President**

# Introduction

Internationally, there has been a lot of focus on Project Management Offices (PMO) for several years now. In this context, a PMO is an acronym and stands for Project Management Office, Originally this was a department that sets and maintains project management standards for an organisation. Today, the term PMO is also used for entities responsible for supporting a project, programme or portfolio. Within ICB4, the meaning of PMO and accreditation for PMO practitioners is based on the latter definition.

A PMO is now defined as an organisational unit responsible for the administrative and specialist support of the responsible management in their management of a (set of) project(s), programme(s) or portfolio(s). In this respect, a PMO can be a temporary role but also a permanent position and can range from a single person in one location to several hundred people spread across multiple locations, multiple organisational units and even multiple continents. Finally, the PMO's service portfolio can vary: from support on a single management aspect, e.g. only change management, to support on all management aspects of the responsible management.

## Main PMO activities
A PMO has three main activities:

- Design – the creation, establishment and maintenance of standards, processes, procedures and tools that define how work should be done inside.

- Perform – performing administrative and specialist support work.

- Monitoring and reporting – this may involve recording and reporting on the progress of work but also ensuring that agreed arrangements are met. Within all three main activities, the PMO worker also has an advisory role towards their manager and other stakeholders.

## Positions of a PMO

Essentially, we recognise four positions of a PMO:

1. Within 'management by projects': as a knowledge centre, the PMO is responsible for the standards with associated templates applicable for the implementation of projects and programmes. It also makes PMO staff available for deployment in projects and programmes. This can be done by seconding them into the projects and/or programmes, but it can also be done from within the project office itself. Often it is a combination of both.

2. Within a portfolio: the PMO is then a permanent entity that supports the portfolio manager in managing the portfolio: helping to select the right projects and programmes, ensuring that these initiatives are implemented according to the standards, reporting on their progress to the portfolio manager, and reporting on the realisation of the intended benefits. Often, such a PMO also includes a knowledge centre responsible for the standards with associated templates applicable to the execution of projects and programmes.

3. Within a programme: the PMO supports the programme manager in the day-to-day management of the programme and fulfils an assurance role to the individual projects within the programme. Within this responsibility, the PMO also acts as a knowledge centre for the projects within the programme.

4. Within a project: The PMO is responsible for providing administrative and specialist support to the project manager for the day-to-day management of the project.

The PMO comes under many names, ranging from project, programme and portfolio office, all depending on the specific function of the PMO in question.

## How to demonstrate competent support

IPMA's Individual Competence Baseline version 4 (ICB4) describes the competences required for individuals working in project. programme, and/or portfolio management. In doing so, the ICB4 distinguishes three competence areas: Perspective, People and Practice. Each area contains a number of competence elements. Each competency element (CE) contains the knowledge and skills needed to master the CE. Key Competence Indicators (CIPs) describe the indicators for successful support. Critical Performance Indicators (CPIs) describe within each CIP, the key performance indicators to measure the performance of the CPI.

This reference guide describes the various competency elements for a PMO employee or PMO manager.

In describing these, this Reference Guide refers to projects. This can be read as project, programme and portfolio.

When referring to the 'organisation', this can refer to both the relevant parent organisation(s) and the sponsoring organisation(s) such as for the project the parent programme or portfolio and for the programme the parent portfolio.

A PMO can make an essential contribution to improving organisational competence for managing projects, programmes and portfolios in organisations. See also IPMA's Organisational Competence Baseline (OCB) for this.

# Perspective competencies

## Context 1. Strategy

### Purpose
The purpose of this competence element is to enable the individual to understand the strategy and strategic processes, thus enabling a certain management domain (project, programme or portfolio), to manage the project within the contextual aspects.

### Description
Within projects, the PMO can play an important role in ensuring the correlation between the strategy and strategic processes and the project. This concerns both in contributing in aligning the project with the organisation's mission and vision and in identifying opportunities to improve the strategy. Furthermore, they can play a role in preparing the formal investment justification, establishing and maintaining strategic performance management, and monitoring and reporting on critical success factors and performance indicators. From this role, PMO also regularly reflects on the project objectives, identifies risks and opportunities that may affect the strategy and makes proposals to further improve alignment with the organisation's mission, vision and strategy.

### Knowledge
- Benefits realisation management;
- Critical success factors;
- Key performance indicators;
- Organisational mission;
- Organisational vision;
- Difference between tactic and strategy;
- Diagnostic and interactive control management systems;
- Strategic performance management;
- Benchmarking;
- Management control systems;
- Strategic schools of thought.

## Skills and abilities
- Analysis and synthesis;
- Entrepreneurship;
- Reflection of the organisation's goals;
- Strategic thinking;
- Sustainable thinking;
- Contextual awareness;
- Result orientation.

## Key competence indicators

### Context 1.1. Align with organisational mission and vision
- Reflects the mission and vision of the organisation;
- Aligns the project goals with the mission, vision and strategy by using diagnostic control management systems (top-down approach and pre-set goals);
- Controls whether the project's objectives and benefits are in sync with the mission, vision and strategy;
- Develops and implements measures of strategic alignment (e.g. critical success factors, key performance indicators, etc);
- Checks whether the project's organisation is delivering benefits to the organisation.

### Context 1.2. Identify and exploit opportunities to influence organisational strategy
- Knows the strategy-making process;
- Identifies new risks and opportunities which could alter the strategy;
- Engages co-workers in questioning the organisational strategy by implementing interactive control management systems (bottom-up approach and stretch goals);
- Identifies strategic improvements;
- Influences the strategy-making process by suggesting changes to strategy.

### Context 1.3. Develop and ensure the ongoing validity of the business / organisational justification
- Reflects and defines the business and/or organisational justification;
- Identifies objectives needed in a project to generate the planned benefits; Validates and sells the business and/or organisation justification to the sponsors and/or owners of the projects;
- Re-assesses and validates the justification within the higher context;
- Defines and manages the project configuration (the integral completeness and functionality of the project organisation);

- Applies benefits realisation management to check whether the project configuration is generating the desired results;
- Scans to determine whether there is a need to terminate the project because of redundancy or obsolete strategic importance and change the configuration.

**Context 1.4. Determine, assess and review critical success factors**
- Derives and/or develops a set of critical success factors (CSFs) for the strategic objectives;
- Uses formal CSFs for strategic alignment, but also identifies their informal context;
- Involves subordinates to question the organisation strategy while developing CSFs (interactive management control – stretch goals);
- Uses the CSFs for strategic alignment of or within a project;
- Uses the CSFs for managing stakeholders;
- Uses the CSFs for developing incentives/rewards and a motivated culture;
- Re-assesses CSF realisation within the higher strategic context.

**Context 1.5. Determine, assess and review key performance indicators**
- Derives and/or develops a KPI (or set of KPIs) for each critical success factor;
- Decides on the use of leading, lagging and real-time measures when developing KPIs;
- Uses KPIs for managing strategic performance;
- Uses KPIs to influence stakeholders;
- Uses KPIs for developing personal development plans;
- Uses KPIs for developing an incentive/reward system;
- Re-assesses project configuration by employing KPIs and performing benefits realisation management.