Organisational Competence Baseline
for Developing Competence in Managing by Projects

IPMA GLOBAL STANDARD

Version 1.1

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Foreword

During the last few decades, a majority of organisations of all sizes and in all sectors have given emphasis to the successful delivery of projects. An increasingly complex and dynamic world requires organisations to meet the more demanding expectations of their stakeholders through the better management of projects, programmes and portfolios. These aspirations are despite various constraints such as deadlines or fixed budgets. In addition it is expected that projects should operate effectively and efficiently with optimal use of resources. While it is, of course, necessary to develop the competence of individuals and teams, it is also necessary to analyse and develop the competence of the organisation.

This standard, the IPMA Organisational Competence Baseline (IPMA OCB®), introduces the concept of organisational competence in managing projects. It is a holistic approach for organisations to strengthen their management of projects, programmes and portfolios. IPMA OCB is built on the strong heritage of the International Project Management Association (IPMA®), a recognised global leader in competence standard definition and certification.

IPMA offers a wide range of beneficial certifications, standards, guidance and awards for individuals, projects and organisations, starting with the Four-Level Certification (4-L-C) in Project Management for individuals and the Two-Level Certification for Project Management Consultants, based on the IPMA Individual Competence Baseline 4th Version. The slogan for IPMA Delta®, 'Up to the next dimension', is an obvious next step in the service offered by IPMA as well as a next step for all organisations interested in improving their performance in project management. IPMA Delta is a service to assess and certify organisations in a broad and thorough way. It is offered by independent Certification Bodies (CB) of IPMA Member Associations (MA). Three standards are used during the IPMA Delta® assessment, the IPMA Individual Competence Baseline (IPMA ICB®) to assess selected individuals, the IPMA Project Excellence Baseline® (IPMA PEB) to assess selected projects and/or programmes, and this IPMA OCB to assess the organisation as a whole.

In addition, IPMA offers the IPMA International Project Excellence Award, which annually honours project teams that achieve top performance worldwide, based on the IPMA Project Excellence Baseline (IPMA PEB).

IPMA OCB offers insights for all interested in understanding how to improve the way projects, programmes and portfolios are managed in an organisation. The main target audiences are top managers, senior executives, executives directing project management activities, line managers working within or interacting with projects and programmes, consultants, trainers and coaches, and

project staff. In addition, IPMA OCB provides teachers, coaches and their students insights into how a project-oriented organisation should look and how the future might be improved through better project management.

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IPMA OCB will help us to achieve a world in which all projects succeed.

Reinhard Wagner
IPMA President

Executive summary

The importance of effective management of projects, programmes and portfolios is increasingly understood as essential for delivering an organisation's strategic objectives. Every single project deserves to be run effectively and efficiently. However, a project's success or failure is influenced by the organisation in which it exists. The IPMA Organisational Competence Baseline (IPMA OCB®) addresses the ability of organisations to integrate and align people, resources, processes, structures and cultures in projects, programmes and portfolios within a supporting governance and management system.

The main purpose of the IPMA OCB is to show clearly the role that an organisation has in managing its project-, programme- and portfolio-related work. It describes the concept of organisational competence and how this should be used to deliver the organisation's vision, mission and strategic objectives in a sustainable manner. It also demonstrates how the governance and management of projects, programmes and portfolios should be continuously analysed, assessed, improved and further developed.

The IPMA OCB describes the role of key players. Senior executives identify the organisational aspects needing adjustment, they plan investments for change activities and they involve external partners. Project, programme and portfolio managers should understand the organisational context in which they are acting and identify relevant changes and improvements needed in their projects. For project management consultants, educators, trainers and researchers the IPMA OCB provides a framework for their contributions to the project, programme and portfolio competence of organisations.

The IPMA OCB describes five groups of organisational competence:

- **Project, programme and portfolio governance** is the part of the organisation's corporate governance that deals with projects, programmes and portfolios. It is usually performed by top management acting as steering boards and provides strategic views, policies, guidelines, decisions, monitoring and control of performance as well as directions for the sustainable development of the project, programme and portfolio competence.
- **Project, programme and portfolio management** is the part of the organisation's management system that deals with projects, programmes and portfolios. It is usually performed by management functions on different levels in both permanent and temporary parts of the organisation and provides people, methods, tools, guidelines, decisions, monitoring and control as well as directions for the sustainable development for all competence elements.

- **Project, programme and portfolio alignment** addresses the goals and expectations for performance set by top management. It is undertaken by project, programme and portfolio managers with the support of other management functions. Processes, structures and cultures of project, programme and portfolio are aligned with those of internal and external parties.
- **Project, programme and portfolio resources** addresses the goals and expectations for resource availability and utilisation set by top management and is undertaken by project, programme and portfolio managers together with support functions such as finance, legal, purchasing and technology. It provides guidance for defining resource requirements, the acquisition and sustainable development of the project, programme and portfolio resources.
- **Project, programme and portfolio people´s competences** deals with the competence, performance and recognition of project, programme and portfolio people and is undertaken by project, programme and portfolio managers supported by HR managers together with other management functions. It provides guidance for the definition of competence requirements, determination of the current state of competences and the sustainable development of, the project, programme and competence.

An organisation is successful if it consistently achieves its goals to the benefit of stakeholders. The IPMA OCB provides a standard for organisations to analyse their context, to identify relevant trends and to develop their strategies, processes, structures, cultures and project, programme and competences. Organisational learning assists continuous development and improvement of its competitiveness, effectiveness and efficiency.

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Abbreviations and Acronyms

Abbreviation or Acronym	Explanation
4-L-C	IPMA Universal Four-Level-Certification
CB	IPMA Certification Body
EFQM	European Foundation for Quality Management
HSSE	Health, Safety, Security & Environment
HR	Human Resource
IPMA ICB	IPMA Individual Competence Baseline
ICT	Information and Communication Technology
IPMA	International Project Management Association
KPI	Key Performance Indicator
MA	IPMA Member Association
IPMA OCB	IPMA Organisational Competence Baseline
PDCA	Plan-Do-Check-Act (Deming Cycle)
IPMA PEB	IPMA Project Excellence Baseline
PM	Project Management
PMO	Project Management Office
PfMO	Portfolio Management Office
PP&P	Projects, programmes & portfolios
QM	Quality Management
QMS	Quality Management System

Table 1: Abbreviations and acronyms

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Terms & Definitions

Term	Definition
Assessment	Mechanism to evaluate competences by one or more means such as self-assessments or third party assessments
Certification	A set of activities following the certification scheme within the framework of the certification processes and system
Competence	The application of knowledge, skills and abilities in order to achieve the desired results [IPMA ICB]
Continuous improvement	Recurring activity to increase the ability to fulfil requirements [ISO 9000]
Culture	Set of shared views, values, or beliefs guiding people consciously or unconsciously through their actions
Effectiveness	Extent to which planned activities are realised and planned results achieved [ISO 9000]
Efficiency	Relationship between the result achieved and the resources used [ISO 9000]
Excellence	Demonstrated performance which is exceptionally good and which exceeds ordinary standards
Governance	The system by which organisations are directed and controlled [ISO 38500]
Management	Coordinated activities to direct and control an organisation [ISO 9000]
Management system	System to establish policy and objectives and to achieve those objectives [ISO 9000]
Organisation	Group of people and facilities with an arrangement of responsibilities, authorities and relationships [ISO 9000]

Process	Set of interrelated or interacting activities which transforms inputs into outputs [ISO 9000]
Stakeholder	Any individual, group or organisation who may affect, be affected by or perceive themselves to be affected by a decision or activity [ISO 38500]
Strategy	An organisation's overall plan of development, describing the effective use of resources in support of the organisation in its future activities [ISO 38500]
Sustainable development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs [ISO 26000]
System	Set of interrelated or interacting elements [ISO 9000]
Top management	Person or group of people who directs and controls an organisation at the highest level [ISO 9000]

Table 2: Terms and definitions