



The PMO Business Case

21.8.2025

Dr. Robert Joslin

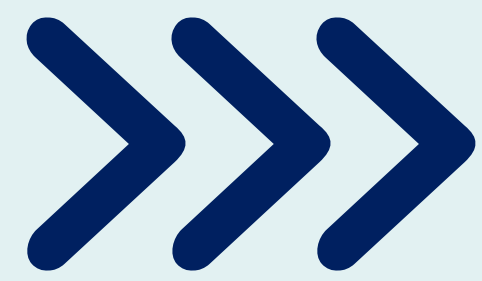




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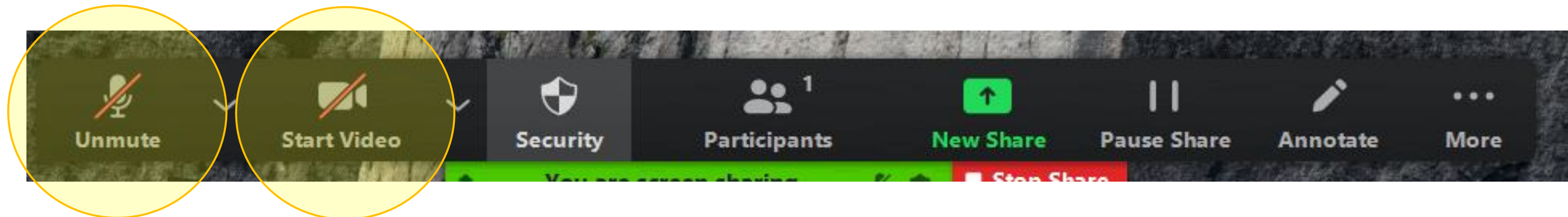


WE NEED YOU! Please, Chat!

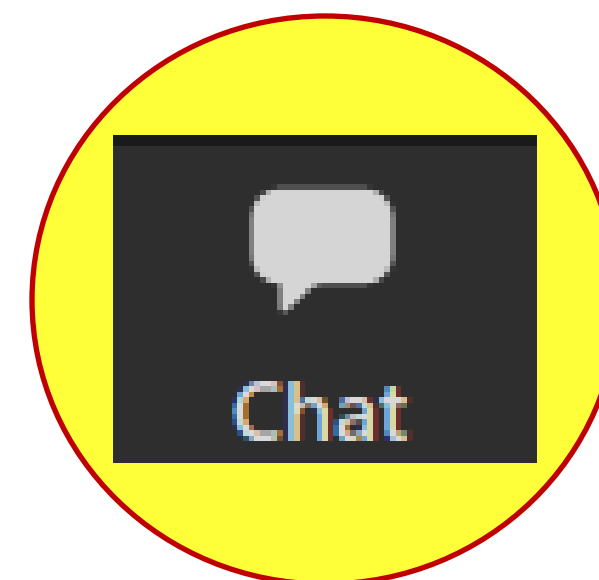
Thank you very much to all participant in the PRY webinars!

To make the presentation visible and audible, we will keep microphones and videos turned off during the presentation.

At the end of the webinar, we'll pick up the toughest questions from the Chat for our expert to “chew” on.

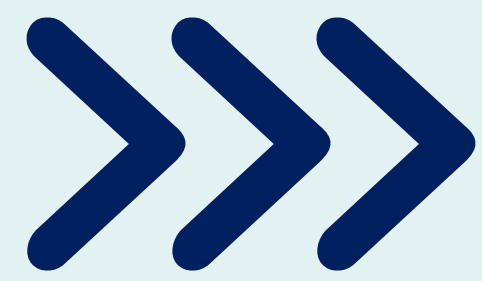


Plase, PARTICIPATE IN CHAT!
Ask questions and comment via



the online chat.

PS. The webinar will be recorded. The webinar recording will be available on the PRY YouTube-channel



The PMO Business Case?

PMO Business Case is the reasoned presentation of arguments for establishing or continuing a PMO (Project/Program/Portfolio Management Office). It's a compact 'investment proposal', written for the executives who fund it, support it, and benefit from it, with enough detail to show enablers and users how PMO will help them and benefit the whole organization.

The PMO Business Case explains

- why PMO is needed now
- what it will do
- what it costs
- what benefits it will deliver
- how success will be measured and communicated
- and the **consequences & risks of NOT** doing it.

— 01 Introduction

Dr. Robert Joslin

Researcher and designer of AIPMO's single and multi-PMO Maturity and Impact assessment model



*Founder and President
AIPMO*

Associate Professor, Alma Mater ECM.

- 35 years of experience in designing, initiating, and program management delivery of large-scale business transformation, reengineering, infrastructure, and strategy development, including winning prizes for ideas and product innovation.
- Consultant in telecom, banking, insurance, manufacturing, construction, and direct marketing whilst working for McKinsey & Co, Logica and own consulting company.
- Author of books, chapters, and research papers in the field of project, program, and portfolio management.
- Architect of PMO BOK, which comprises seven books.
- Peer reviewer for four academic project management journals.
- Part of the core portfolio team that produced the Project Portfolio Standard V4 and was a key reviewer of the pre-exposure draft of the Program Management Standard V4.
- AIPMO's PMO lifecycle framework and Body of Knowledge.
- AIPMO's Maturity Model Co-Designer.

AIPMO – A Swiss International Organization

Vision

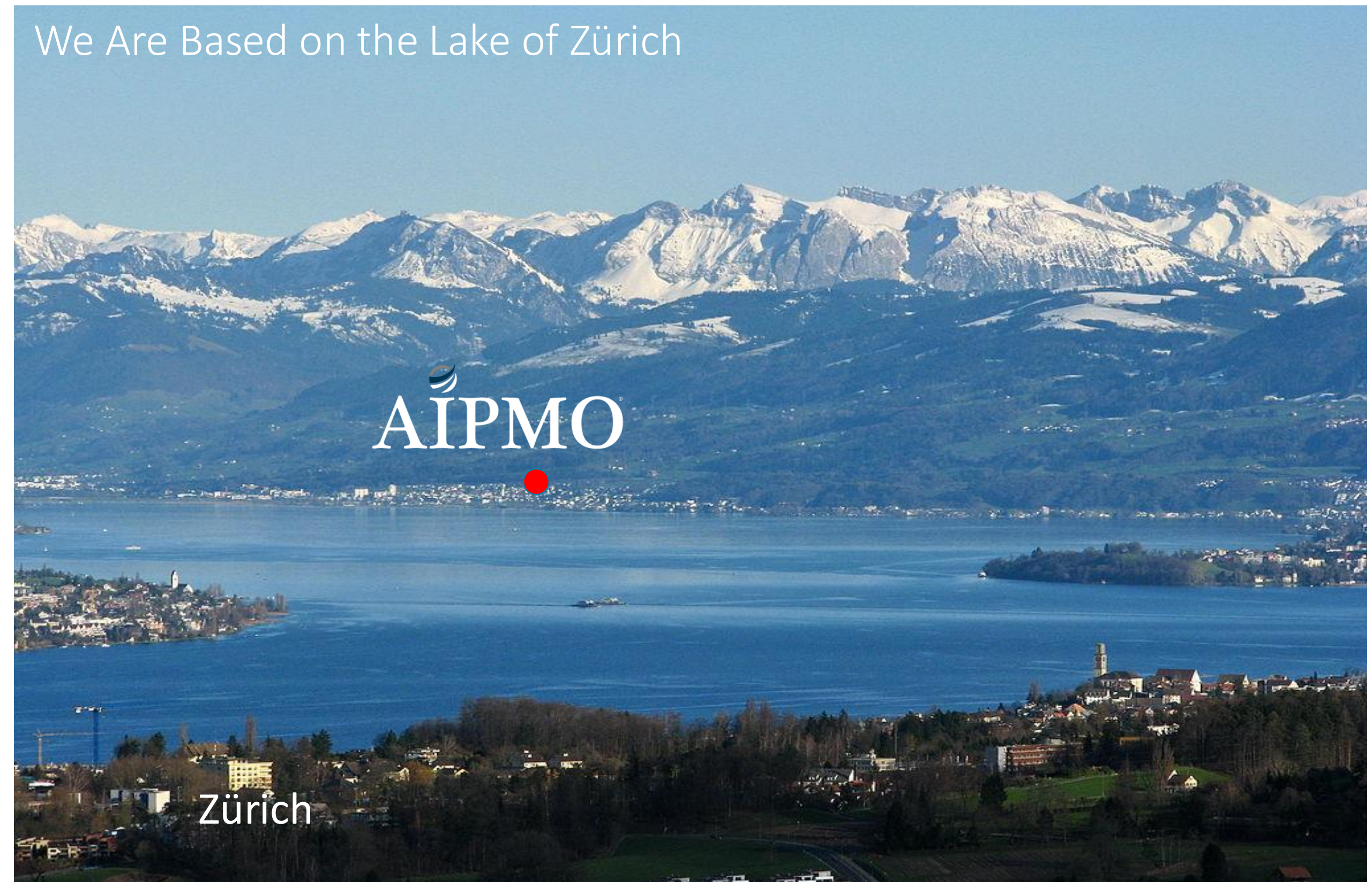
To identify and put into place the building blocks for PMO management to become a recognized international profession.

Mission

To advance the theory, design, and implementation of high-performing collaborative PMOs to empower PMO professionals to create sustainable measurable organizational impact.

Strategy

To build and evolve AIPMO's PMO set of integrated frameworks and models through research, development, and partnering in parallel to determining and establishing the building blocks in creating PMO management as a profession.



We Are Based on the Lake of Zürich

Zürich

View of the Swiss mountains

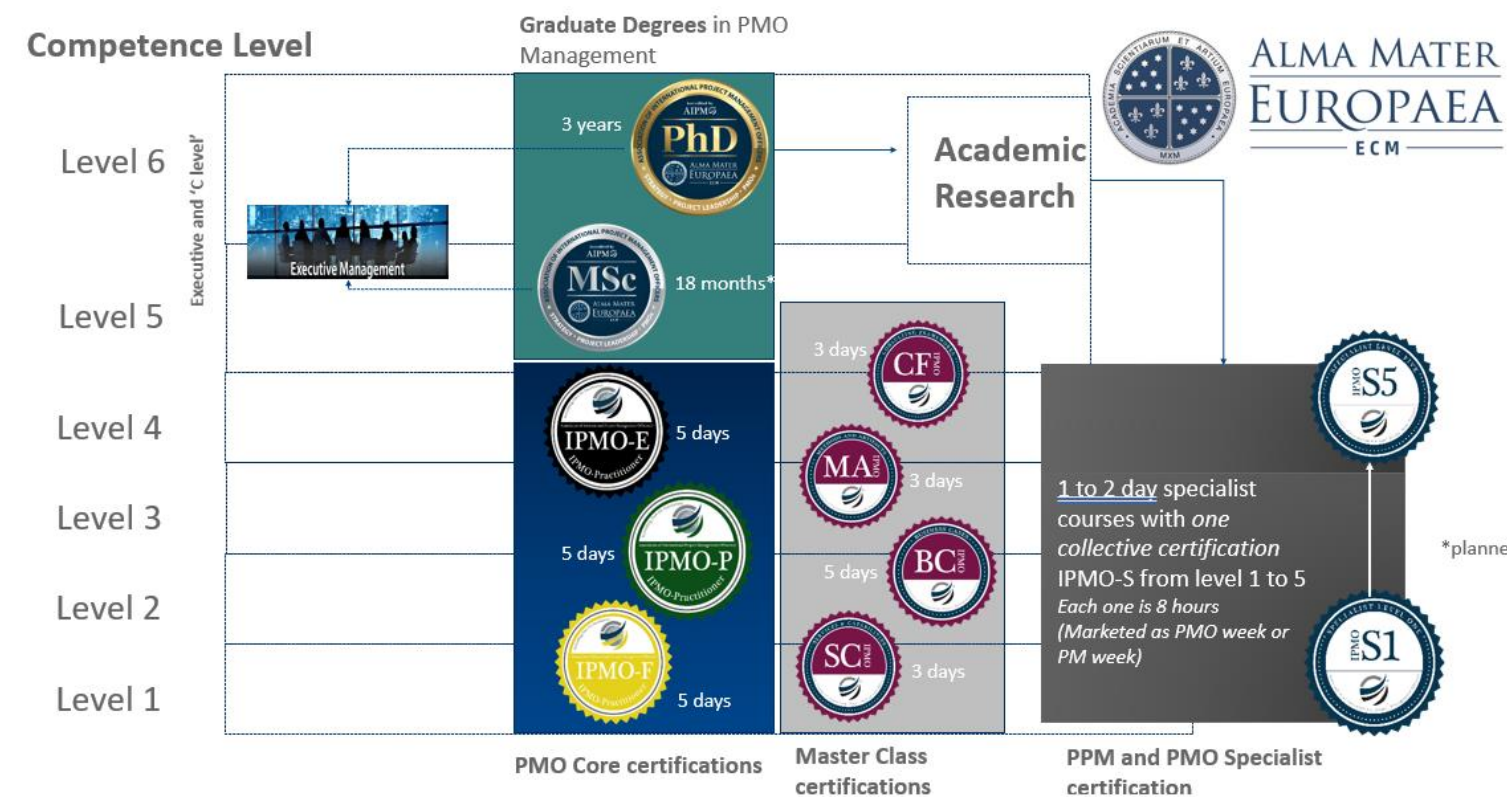
AIPMO - Perspectives

Founded in 2015 by Dr. Robert Joslin, AIPMO is a Swiss-based, research-driven international organization committed to the advancement of PMO management as a profession. Specializing in the establishment of high-performing, collaborative PMOs, AIPMO has developed principle-based frameworks and methodologies. Distinctive contributions by AIPMO include the world's first PMO Service Catalogue book, two authoritative books on Principles for PMOs and PPMs, and the pioneering principle-based maturity and impact model. Notably, the principles from these works have been incorporated into NEOM's POW and PMI's Program Management Standard V5.

The AIPMO Frameworks & Methodologies are recognized and adopted by leading organizations both regionally and Internationally, such as NEOM, Aramco, PIF and Red Sea Global, and globally, including UEFA, ABB and Siemens.

AIPMO's Book assets

The only organization in the world to have published and integrated a set of books on PMO Management using a research-driven approach. AIPMO frameworks & Methodologies are based on the research and publications.



AIPMO Training & certification

AIPMO's Core Expert course tests research findings as well as contributes ideas and research areas for AIPMO's graduate and postgraduate degrees.

Using world-views achieved by objective research findings to populate AIPMO's Strategic Lifecycle frameworks, which are tested, improved and then written into books, including the PMO management standard.

Many international and globally renown AIPMO's certifications are based on frameworks for structure and content. The content is from both research findings in PMO/Project management and expert knowledge from international practitioners. Based on course attendees' real PMO problems. Structured approach to design a PMO, PMO service catalog, or a complex PMO topology, which is then taken back to the office to implement.

Academic Partners



Highlights About AIPMO

- Founded in 2015 and the first association to focus purely on PMOs.
- Based on world-views (research-based) and not local views
- Coined the term PMO Management in 2017
- First to publish books on PMO and PPM Principles which are used by PMI and other organizations including NEOM
- Launched a principle-based PMO Maturity & Impact Assessment Model (PMO-MI) based on 5 years of research
- Use a unique approach to certifications which include both theory and case study practice
- First to offer a DBA and PhD In Strategy Project Leadership and PMO management
- First to offer three levels of integrated certifications (PMO Core certifications, Master certifications and Specialist certifications).

Selected Clients (from 500+)



Connecting to AIPMO, Research, and a New LinkedIn Group

AIPMO uses LinkedIn Groups and WhatsApp to communicate to its members



AIPMO's LinkedIn Page



MSc/PhD LinkedIn group for Research into Strategy, Project Leadership, and PMO Management



A new neutral group called "Global Community for Management Offices"

— 02 Insights and Challenges

- PMO evolution, misconceptions, Kano model
- Why PMOs struggle to show value

Evolution of standards and focus

From a project centric view of project management to a production line view of projects

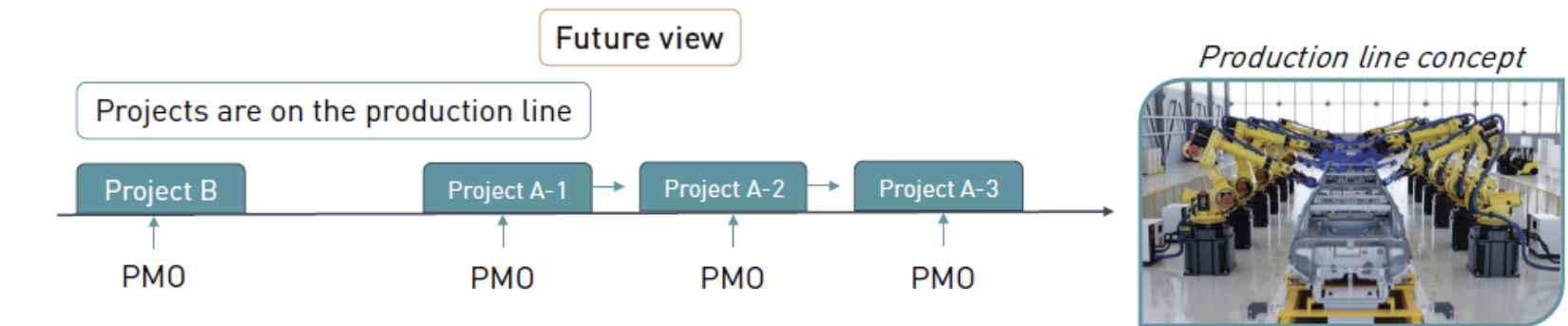
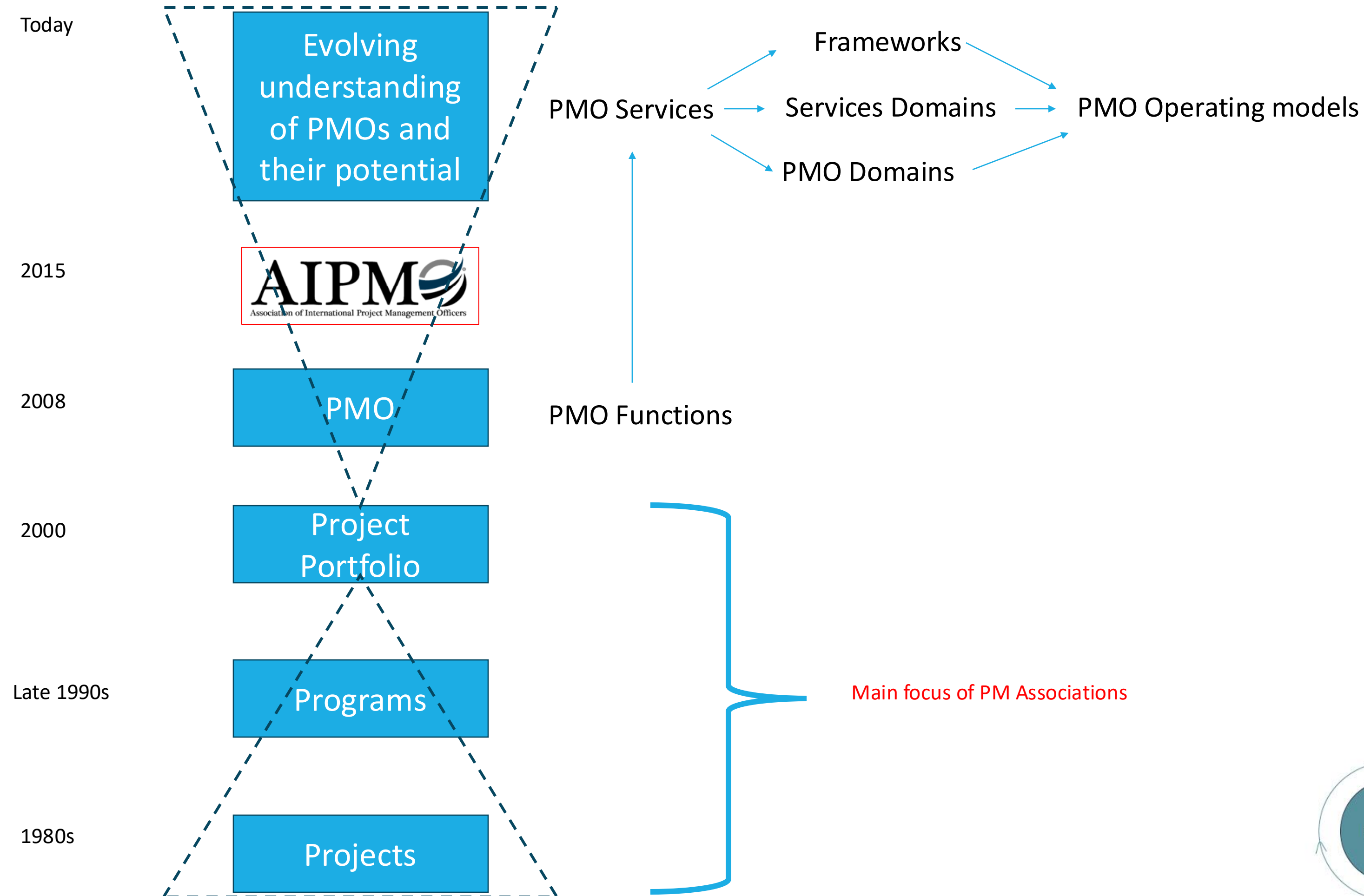


Figure 3.7 Production line view of projects
Source: AIPMO

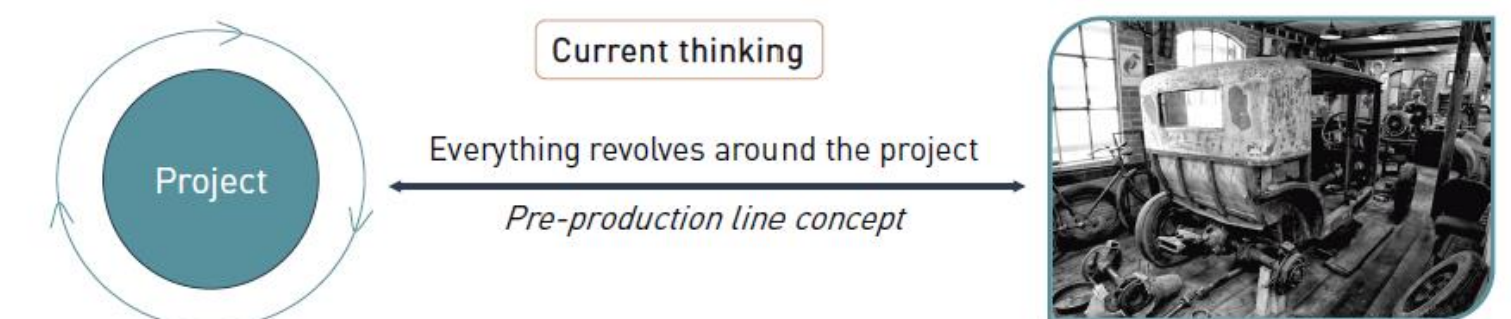
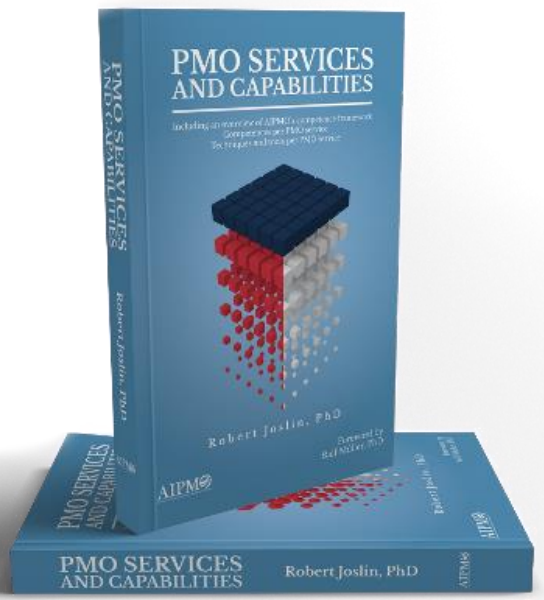


Figure 3.6 Project-centric view of project management
Source: AIPMO

Definition of a PMO

An organizational entity operating independently or with other PMOs, offering mandated services and non-mandated services with responsibilities relating to the delivery and management of those services.

Services range from providing one or more project management support services, compliance/ assurance mandated services, to the direct management of one or more projects to providing advice on innovation, product/service development, and strategic planning.



Frameworks and Methodologies Management

9

128 Frameworks and Methodologies Management

Creating methodologies that are accepted and used effectively within organizations is both an art and science. The author has worked/volunteered in developing standards for the major project management organizations including architecting AIPMO's frameworks and method. He has seen first-hand the vastly different approaches in how project management associations approach this challenge. It takes years of experience to write effective methodologies, and research findings have shown that 22.6% of the variation of project success is directly related to the effectiveness of the project methodology (Joslin & Müller, 2015)¹⁰.

An effective PMO methodology is likely to offer an even higher correlation than project success, but in this case to PMO success. However, very little is understood about how to establish an effective PMO, with its domain of control and domain of influence, and the approach to maximize and maintain its benefits. Figure 9.1 gives the building blocks needed to consider developing and/

PPM Tools Management

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148 PPM Tools Management

There is a German expression widely used in Switzerland and Germany, "A fool with a tool is still a fool." The point being made is that not all problems are solved by tools. From the author's experience, people who say that the only solution is through the introduction of a tool are likely indicating that they need to first understand more about techniques used in projects or in operations. AIPMO believes that mastering techniques is one of the building blocks for project and PMO success. AIPMO's research findings so far indicate that there is confusion around this topic, and many of the so-called techniques are not actual techniques but "categories of techniques", or "chains of techniques". In the field of project and PMO management, understanding techniques and knowing which ones to apply is more important than the tools themselves. This is the reason that techniques are embedded into tools. To understand a tool, the techniques the tool employs must be first understood.

Figure 10.1 shows a structure from which processes employ techniques to achieve an outcome, where tools are the enablers.

This section is about PPM tools, but remember that a good understanding of techniques and applying them in different contexts is one of the success factors in sourcing and implementing a tool. There is research that shows that misapplying techniques can lead to project failure (Bosner & Hobbs, 2012)¹¹, which is why AIPMO is working on publishing a book on the subject of "techniques and tools," which will complement this book.

Figure 10.1 Difference between a technique and a tool, the types of techniques, and how they are related (Source: AIPMO)

What the services within the domain provide for the customer?

By using a PPM tool, the PMO is able to offer consistency in the information provided. These tools provide a way of validating the information being entered, and having the information in a single

PMOs can solve 99% of project/program problems


This is research from AIPMO: a PMO is responsible for itself, recruiting competent project managers, and defining governance. Therefore, there should be little to no project failures!

Problem	Competent Project Manager	Effective Governance	High performing PMO	Other
Lack of collaboration (project team)	3	1	2	
management is not supportive for the project	2	3	1	
people are not accepting the change	3	2	1	
project do not have clear objectives, goals	2		1	
bad leadership	2	1	3	
no communication between departments	1	2	3	
Incompetent project manager		1	2	
Non aligned PMO tools and templates	3	2	1	
incompetent team members	1	3	2	
Duplication of effort	3	1	2	
Incompetent PMO		1		
Lack of quality in a project	1	3	2	
Lack of Vision/Goal	2	3	1	
Minimal Resources vs Huge Requirements (Poor resource planning)	1	3	2	
No Customer Buy-In	2	3	1	
Multiple Sponsors with contradictory vision and expected outcomes	1	2	3	
no one feels responsible	1	3	2	
no motivation / doing just the minimum	1	3	2	
Lack of ownership between PMO & PM	2	1	3	
not clear priorities (in delivery)	1	3	2	
Management not supporting PMO and PMs	1	3	2	
Non cooperative project manager		1	2	
Sponsor is not aligned on the project		2	1	
Delaying a change for no reason and indecisiveness.	2	1	3	
Lack of resources	2	3	1	
Working with a bad vendor and continuing to work with them regardless.	2	1	3	
No Cooperation from Clients	1	2	3	
Sales Issue (incompetency)	1	3	2	
No Responsibilities/Tasks Ownership	2	1	3	
Lack of trust between stakeholders	3	1	2	



Competent Project Manager

The PMO is responsible to recruit or vet project managers, support and mentor them so they become competent in their organizational Context



High Performing PMO

It is up to the PMO to make sure it has the conditions to become and remain high performing



Effective Governance

The PMO has an governance role to establish and maintain effective governance

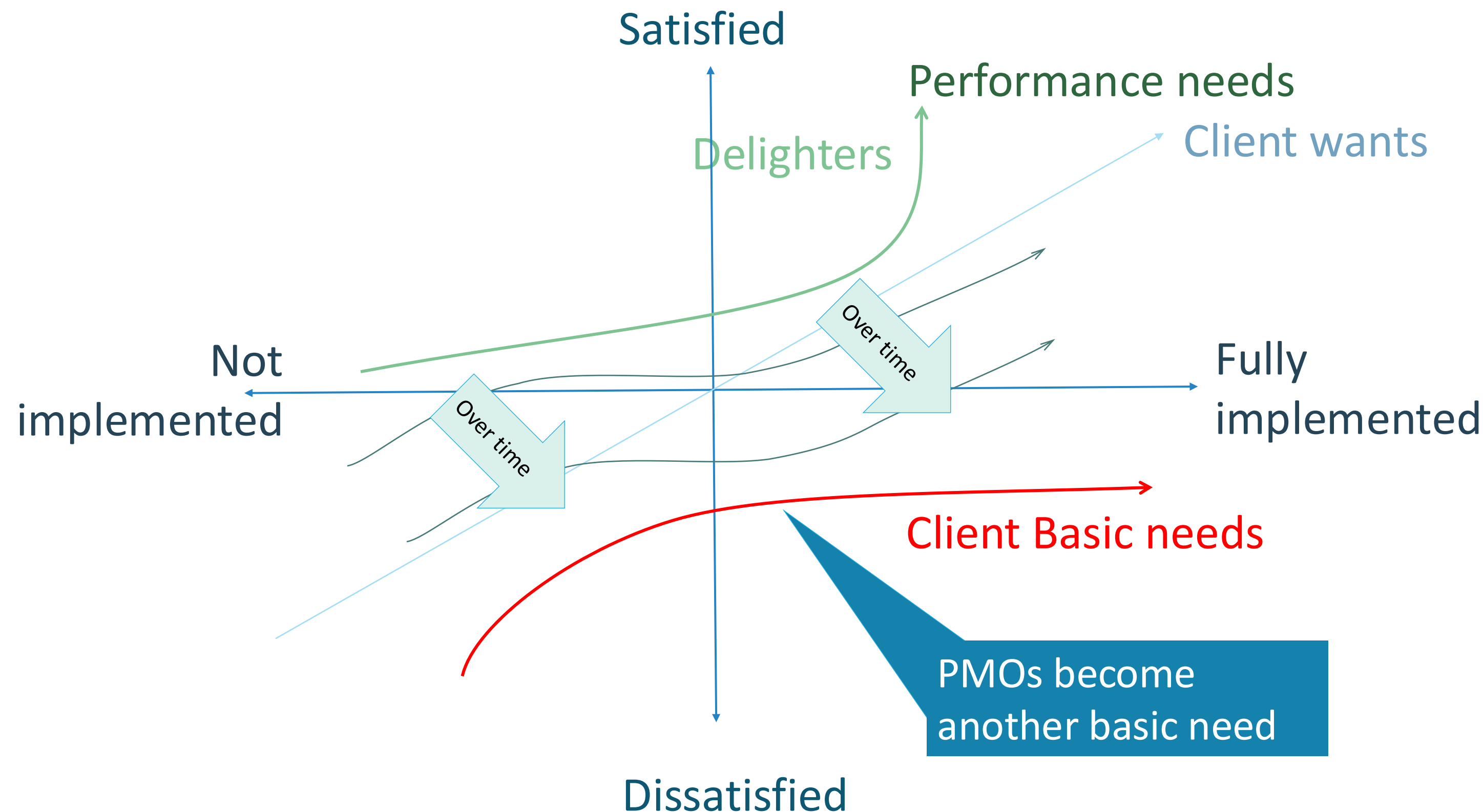


This exercise is done on every PMO course and every listed problem of project failures can all point back to the PMO

A PMO if established properly, can create its own future meaning ensuring high project, program and portfolio success rate

Kano Model – Explains why PMOs are challenged to show value

The Kano Model is a tool for analyzing customer requirements by plotting user needs along two axes: satisfaction with the outcome and extent of goal achievement. Depending on how a PMO performs on these axes, clients can be classified into three categories: delighted, neutral, or dissatisfied.



- Over time, client “**wants**” often evolve into basic expectations
- This shift impacts PMO client satisfaction, as what once delighted clients becomes a minimum requirement.
- PMO should continuously aim adapt to changing needs and innovate to maintain and enhance client satisfaction

Sauerwein, E., Bailom, F., Matzler, K., & Hinterhuber, H. H. (1996, February). The Kano model: How to delight your customers. In International Working Seminar on Production Economics (Vol. 1, No. 4, pp. 313-327).

The Kano effect – Reason why AIPMO is innovation-focused

Little focus has been given to the role of associations in innovation. AIPMO believes its role in innovation will drive PMO Management to be a recognized international profession. Below are some examples of AIPMO's innovation which are all strongly influenced by research.

Innovation - 1

Details

Since 2012, AIPMO has established and run the largest LinkedIn forum for Undergraduate, Graduate, and Postgraduate students in Strategy, PPM, and PMO Management. It has over 4,200 members and is neutrally branded.

<https://www.linkedin.com/groups/4475361/>

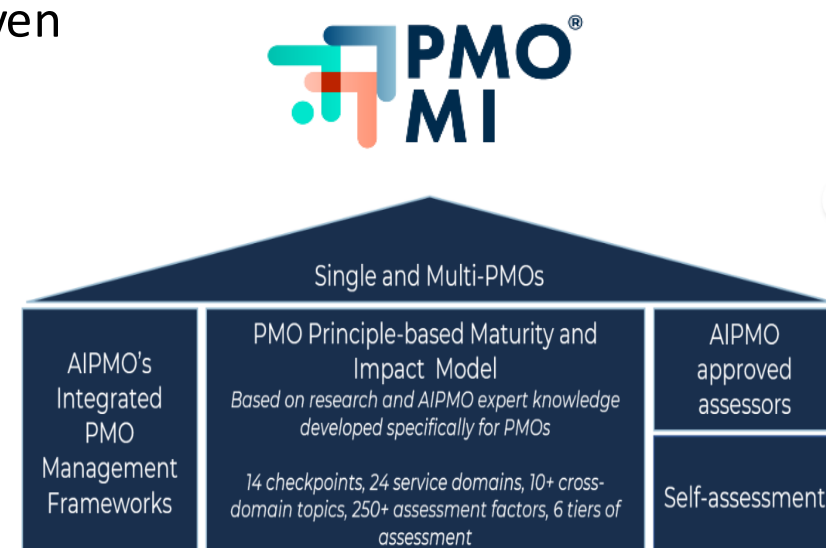


AIPMO has developed two post-doctorate programs in collaboration with SBS Swiss Business School and Alma Mater Europaea - ECM. Eight students are enrolled in these programs, and 11 more are enrolled for next semester.



IPMO has developed the first principle-based, empirically proven maturity and impact model uniquely designed for assessing one or more PMOs. The PMO-MI® model took five years to develop.

<https://www.pmo-mi.com>

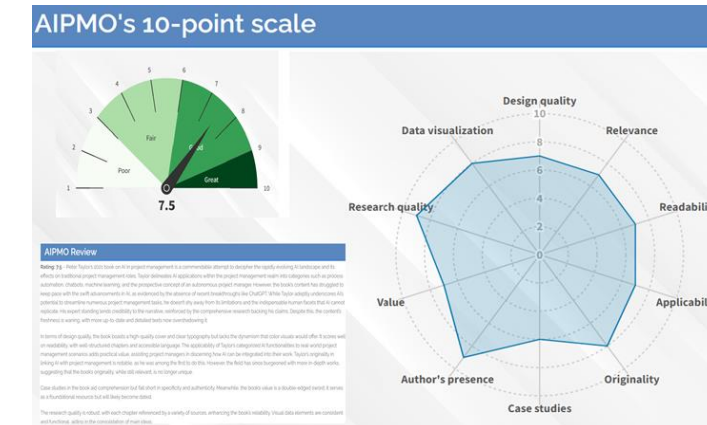


Innovation - 2

Details

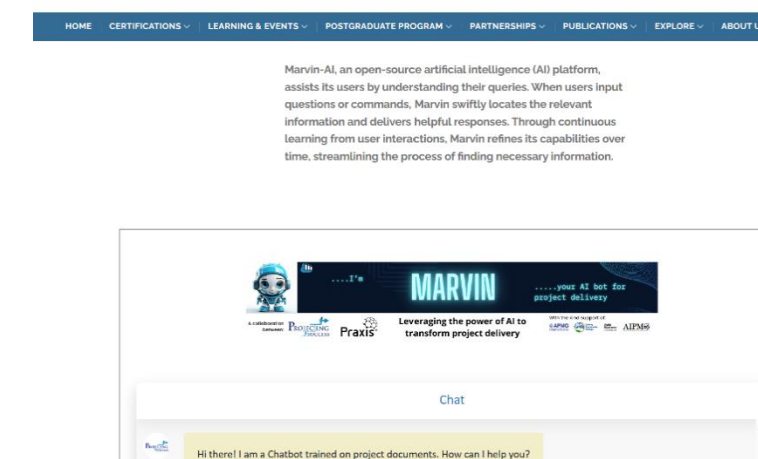
AIPMO launched a unique 10-point book review system. It aims to critically assess any book and identify the best market offerings in PMO management, PPM, and related fields.

The system underscores our dedication to promoting high-quality literature in the PMO community.



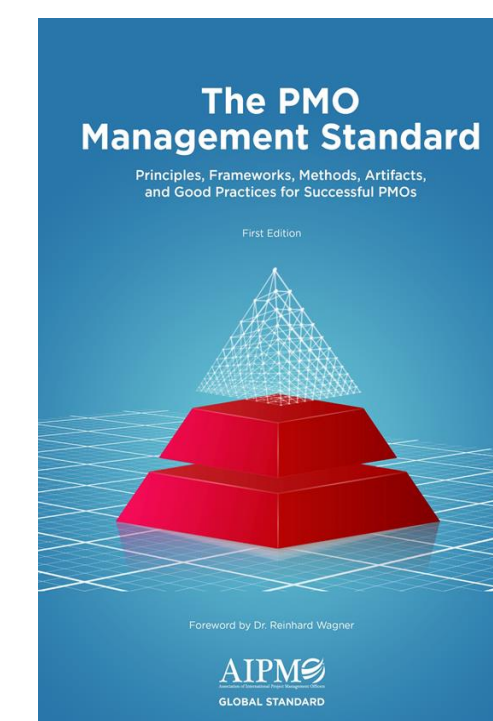
AIPMO co-sponsored the development of Marvin, an AI chatbot explicitly designed for PMO management and PPM

Two of AIPMO's books have been ingested by Marvin.
<https://www.aipmo.org/marvin-ai/>



AIPMO is about to introduce the world's first PMO Management standard, underpinned by sense-making frameworks and methodologies.

This complements the other books AIPMO has already published

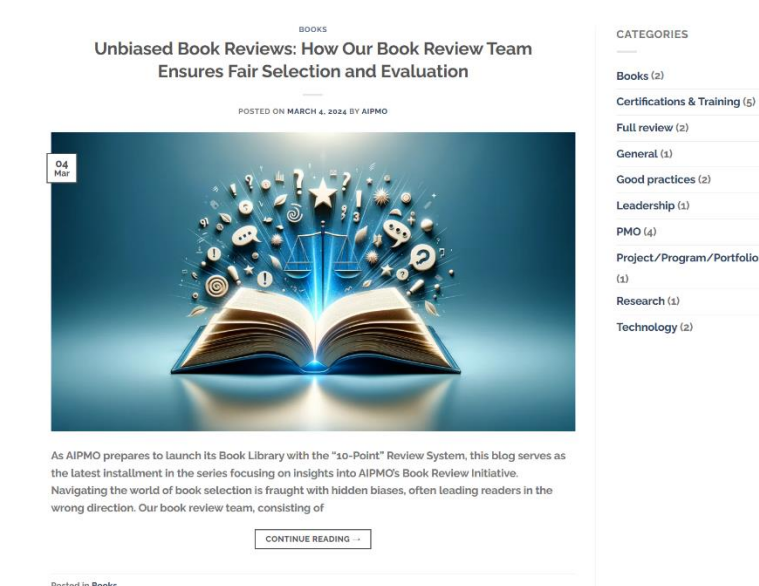


Innovation - 3

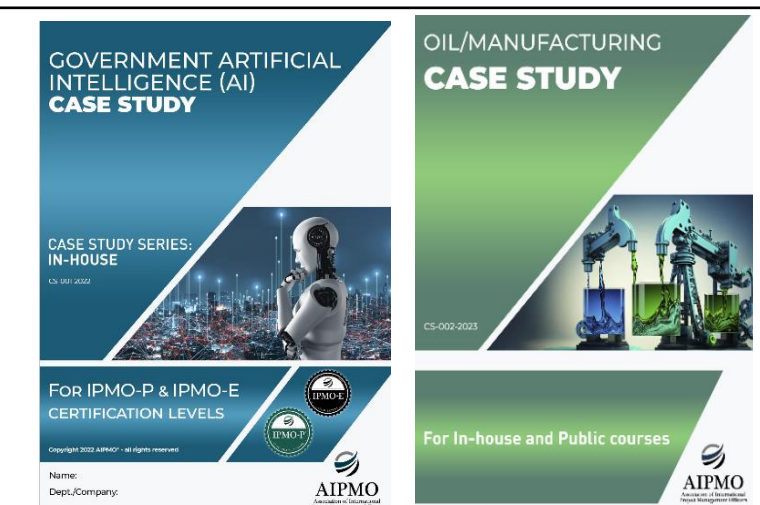
Details

Through its blog platform, IPMO translates complex PMO management research into accessible content for practitioners, demonstrating its dedication to educating and informing the PMO community.

<https://www.aipmo.org/blog/>



Harvard-type case studies based on generalized past assignments. AIPMO has written seven 40+ page case studies in different industries



Global Ambassador Program
There are experts from every country who can help ensure knowledge is gained and shared across the PMO communities worldwide.

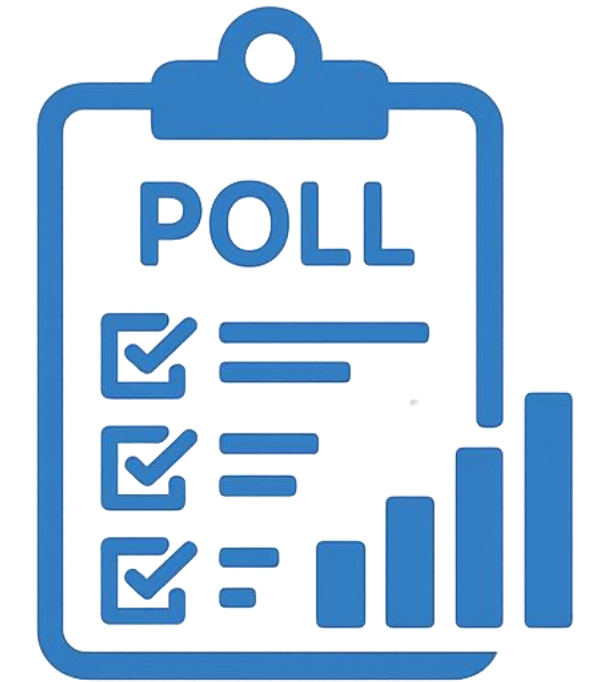
<https://www.aipmo.org/aipmo-ambassadors/>



— 03 Formal vs. Informal PMOs

- Polls
- Definitions, triggers, trust, & mandate
- Demand–supply framework
- Bridge: Why all PMOs need a business case

Let's hear from YOU



Poll 1. Was Your PMO Approved via a Formal Business Case?

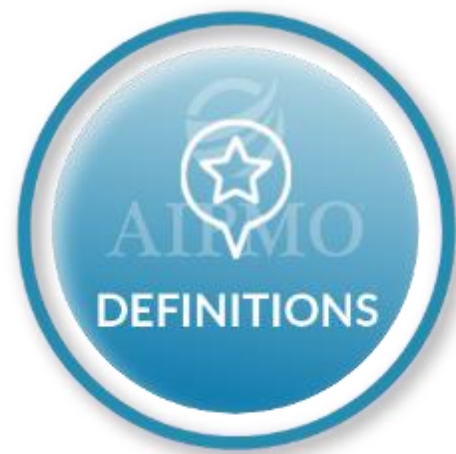
Poll 2: What Was the Main Reason for Your PMO's Creation?

Poll 3: How do Executives Currently perceive Your PMO?

Poll 4: What's the Biggest Barrier to Justifying a PMO in Your Context?

Formal PMO

A Formal PMO is designed with clear intent, authority, and alignment — but its structure must be carefully balanced to avoid rigidity and erosion of trust.



A PMO that was established with a clear mandate, scope, business case, and often executive sponsorship. It may have defined KPIs and a governance structure.

Advantages

- Clear strategic alignment
- Easier to justify budget and resourcing
- Defined authority and accountability
- Integrated into governance structures
- Easier to show measurable impact

Disadvantages

- Slower setup due to approvals
- Risk of early over-structuring
- May reduce agility in fast-paced settings
- High expectation–trust risk if underperforms
- Can be viewed as control-focused, not client focused

Informal PMO

Flexible and fast to form — but long-term impact depends on trust and recognition.



A PMO that emerged without a formal mandate often started through local initiative or urgent need. Typically lacks a defined scope or governance structure.

Advantages

- Quick to initiate with minimal overhead
- Highly adaptable to local needs
- Builds trust through relationships and responsiveness
- Fills immediate gaps in support or coordination
- Can prove value before formalization

Disadvantages

- Lacks formal authority or visibility
- Relies on individual effort and goodwill
- Harder to secure budget or scale services
- Vulnerable to leadership changes
- Difficult to demonstrate impact consistently

What Triggers a Formal vs. Informal PMO?

Triggering conditions shape PMO formality—structured demand leads to longevity, while reactive setups risk short-term survival.

Formal PMOs (Top-Down, Demand-Led)

Common Triggers

- Part of a business case for a strategic program or portfolio
- Executive or audit-driven mandates
- Compliance or regulatory pressure
- Structured demand from known project pipelines
- Topology gap analysis (service or PMO coverage)
- Consulting or SWAT team recommendations
- PMO justified via ROI/efficiency model

Informal PMOs (Bottom-Up, Emergent)

Common Triggers









- Local project chaos or overload
- Resource bottlenecks in project execution
- One-off PMO spun up mid-project lifecycle
- Admin team or section lead unofficially fills coordination roles
- Hotspots of failure or inefficiency not yet addressed top-down
- Lack of central support drives localized workarounds

Structured demand → Formal PMO → High visibility, accountability, long-term role

Pain or urgency → Informal PMO → Reactive, fast, often under-resourced

How Trust and Mandate Define PMO Survival

Mandate gives you a seat at the table, but only trust keeps you there. Informal PMOs can become powerful if trust builds over time. Formal PMOs can fail if they rely on authority but lose relevance”

Trust	Mandate	Result	Comment / PMO Type
		Brittle	Often Formal PMO with low buy-in – risks failure
		Fragile	Common Informal PMO – trusted locally, but lacks staying power
		Sustainable	Ideal outcome – trust + mandate → long-term PMO
		Invisible	Typical of unrecognized PMOs or misaligned setups

Mapping PMO Types:

- Informal PMOs often emerge with trust but lack formal power → *Fragile*
- Formal PMOs are launched with a mandate but may struggle with buy-in → *Brittle*
- Long-term success comes when trust and mandate align → *Sustainable*

Informal/Formal PMOs: All Need a Business Case

Whether emergent or mandated, PMOs must articulate their value to survive or scale.

Informal PMOs

Reactive emergence

Operate on best efforts

Rely on individuals and networks

Vulnerable to turnover or change

Often invisible to strategy

Needs a business case to survive

Formal PMOs

Top-down directive

Backed by executive mandate

Defined services and roles

Institutionalized in governance

Aligned to organizational objectives

Needs a business case to deliver

What If You Don't Build the Business Case?

"Without a business case, a PMO's survival depends on goodwill. With a business case, it earns legitimacy, funding, and impact."

Fragile PMOs → remain informal, reliant on individuals, easy to dismantle

Perceived as Overhead → executives see cost without evidence of value

Higher Risk Exposure → project/portfolio failures continue unchecked

Missed Strategic Alignment → projects run, but not necessarily on the right priorities

No Benchmarking or Metrics → difficult to defend PMO existence during reviews

Vulnerable to Closure → without a formal case, PMOs are the first to be cut in downturns

Audit & Compliance Risk → without a formal mandate, PMOs may fail audits or be flagged as non-compliant 

— 04 Building the Business Case

- What goes into a business case
- Differences by entity type (PMO, project, program, portfolio)
- AIPMO's lifecycle framework
- Types of PMO business cases (single, services, multi, operating model)
- Poll on how people would build a case
- Frameworks: PMO lifecycle, PMO services lifecycle
- Service domains & ROI model

What Goes into a Business Case for a PMO?

Business cases is similar across PMOs, projects, programs, and portfolios, but the unit of justification, value driver, and evaluation logic differ.

Similarities Across All Business Cases:

- Problem/Opportunity Statement
- Strategic Alignment
- Options and Preferred Solution
- Benefits (Quantitative + Qualitative)
- Costs
- Risks
- Return on Investment (or equivalent metrics)
- Governance and Accountability
- Implementation plan (High level)

Business Case Differences by Entity Type

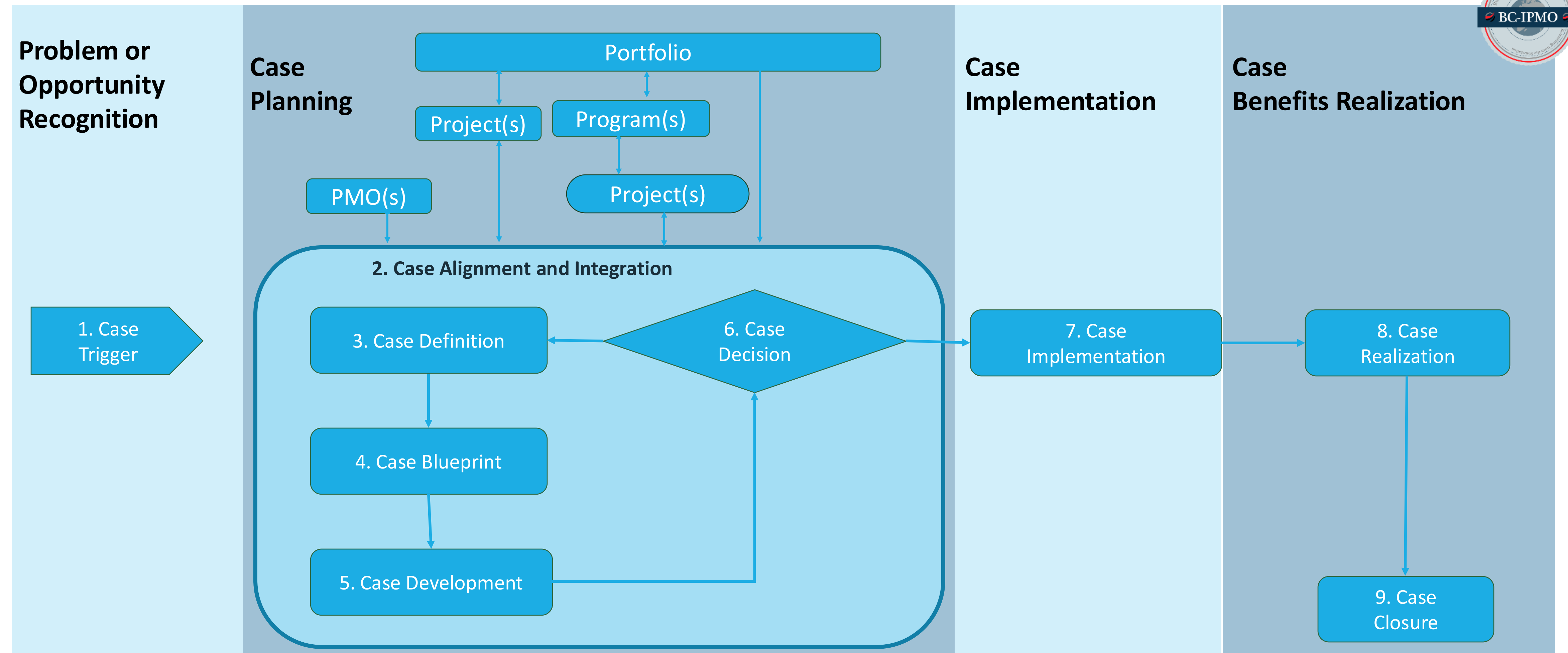


PMO business cases differ — they justify sustained services, not one-time outputs.

Element	PMO Business Case	Project Business Case	Program Business Case	Portfolio Business Case
Purpose	Justify services to support/change delivery across multiple initiatives	Justify execution of a defined initiative to create specific outputs/outcomes	Justify a coordinated group of projects for compounded benefits	Justify the selection & prioritization of investments against strategic criteria
Value Source	Services that enable or improve project/program/portfolio success (e.g., assurance, planning, knowledge, governance)	Output/outcome benefits from a single initiative (e.g., cost savings, revenue growth)	Integrated outcomes from related projects + emergent synergies	Strategic optimization (e.g., ROI balance, risk/reward trade-offs, diversification)
Key Drivers	Capability gaps, service demand, governance needs, institutional learning	Customer or internal demand, compliance, innovation	Complex change, transformation, interdependencies	Organizational strategy, risk appetite, capacity constraints
Metrics of Success	Service impact, stakeholder satisfaction, enablement of project success	Benefit realization, cost/schedule/performance targets	Aggregated benefits, change realization, sustained outcomes	Portfolio performance: value, balance, alignment, risk exposure
Typical Risks	Service irrelevance, lack of uptake, PMO perceived as overhead	Failure to deliver scope, time, or benefit	Fragmentation, duplication, change fatigue	Strategic misalignment, investment dilution

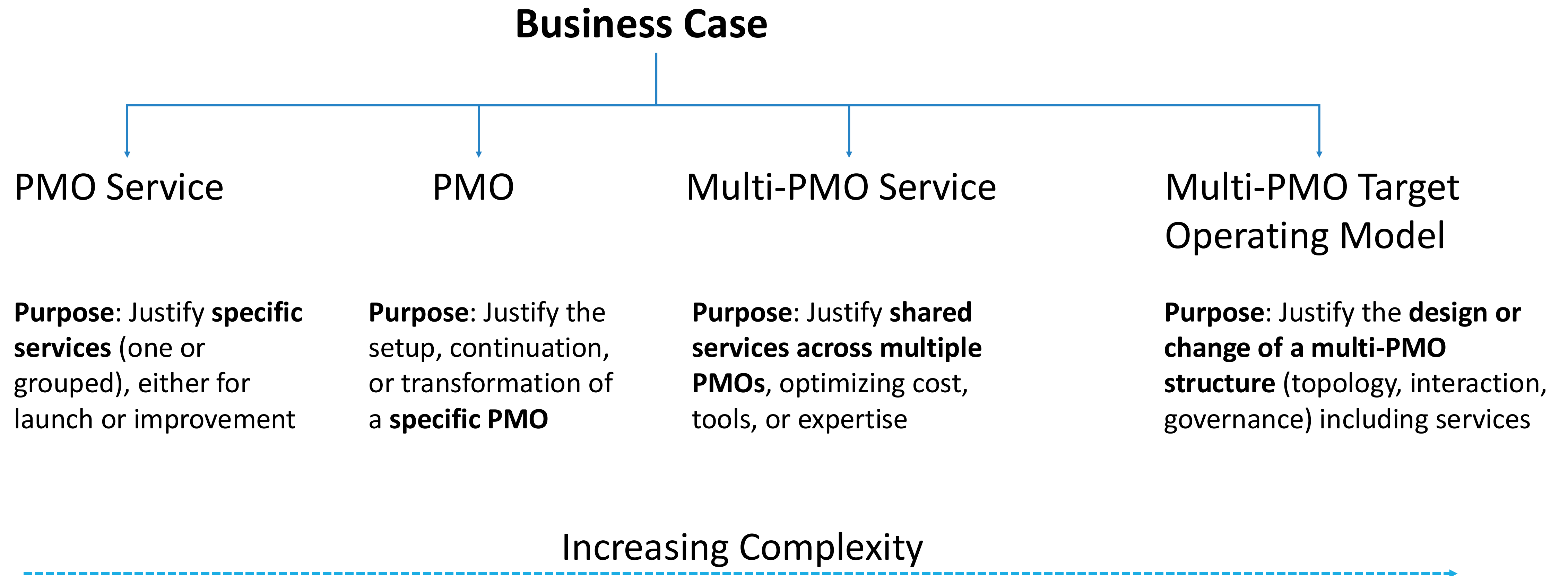
A Structured Approach - Business Case Lifecycle

For PMOs, Services, Projects, Programs, and Portfolios. Using a framework helps you move from **problem recognition** to **case closure**, incorporating steps like alignment, blueprinting, development, and benefit realization.”



Types of PMO Business Cases

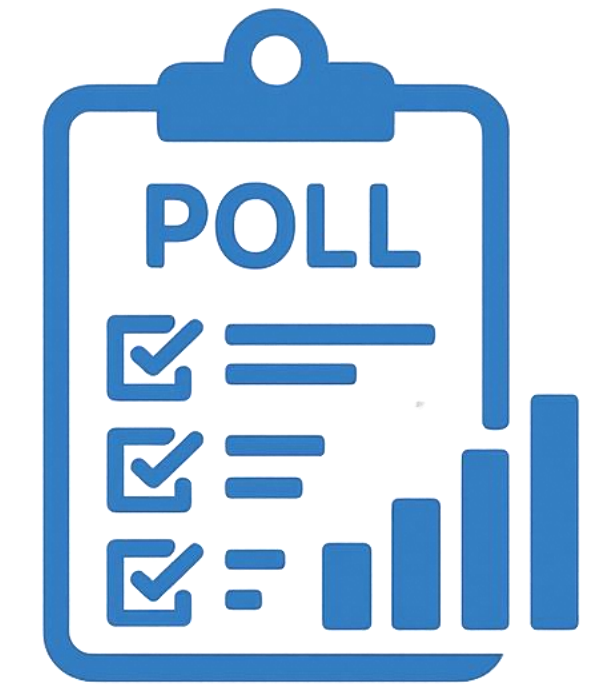
PMO business cases evolve from single-service justification to enterprise-wide structural change, each step requires greater clarity, coordination, and strategic alignment.



How would you go about building a business case for your PMO?

Select one or more options up to 3

1. List PMO activities and show time/cost savings
2. Use project failures or delivery issues as justification
3. Align PMO services to strategy and quantify their enabling value
4. Another way
5. We've never created a formal PMO business case



Structured Approach Building PMO Business Case

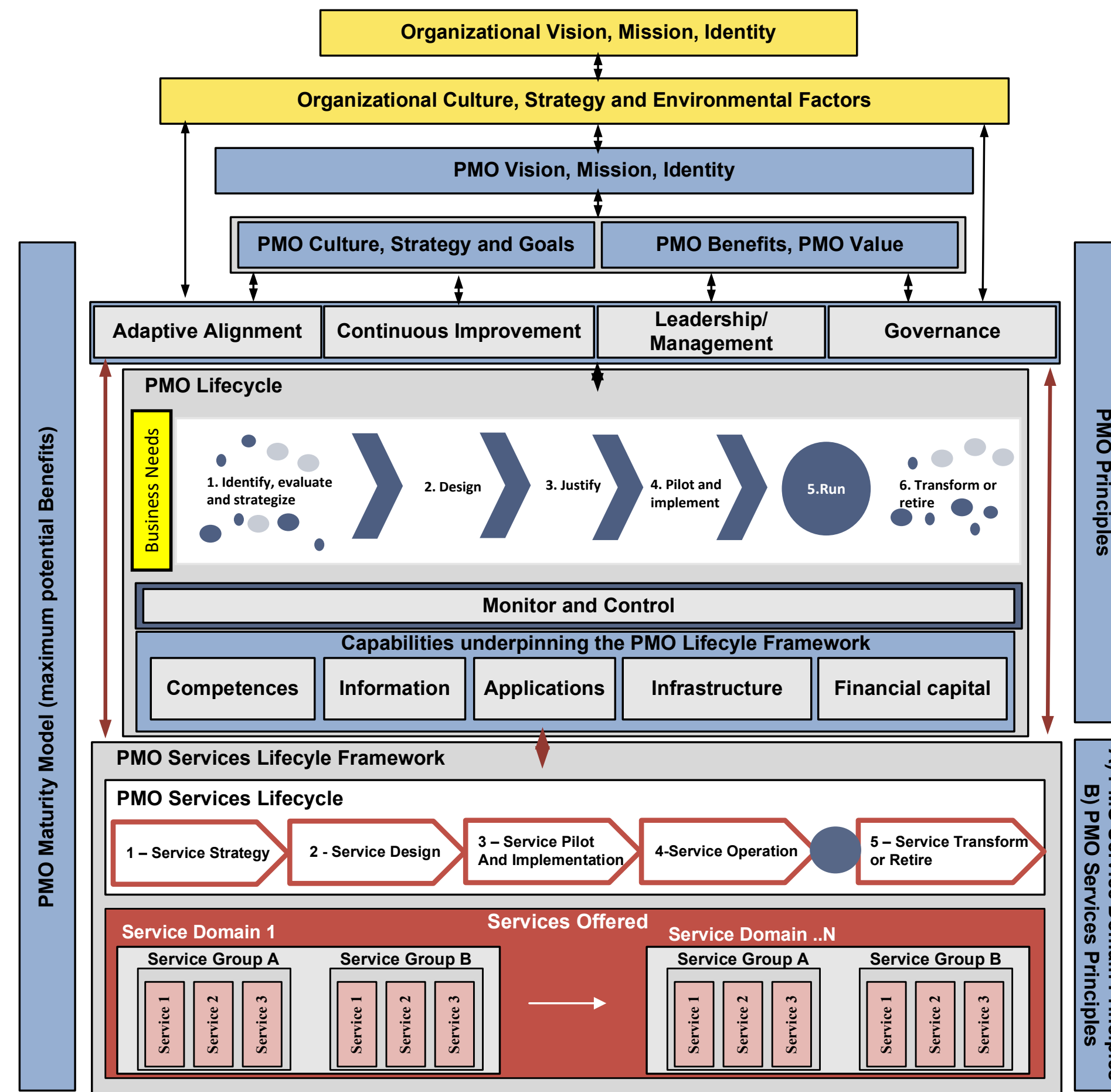
This is where the PMO Lifecycle Framework and PMO Services Lifecycle Framework help translate ideas into justifiable value.

You've defined the **problem or opportunity**, confirmed **strategic alignment**, explored the **options**, and selected a **preferred solution**.

Now comes the real challenge:
How do you justify it?

Use a structured framework to identify the components needed to **design, build, and operate** your PMO.

Then **map each component** to measurable success criteria and **quantify** the value it enables.



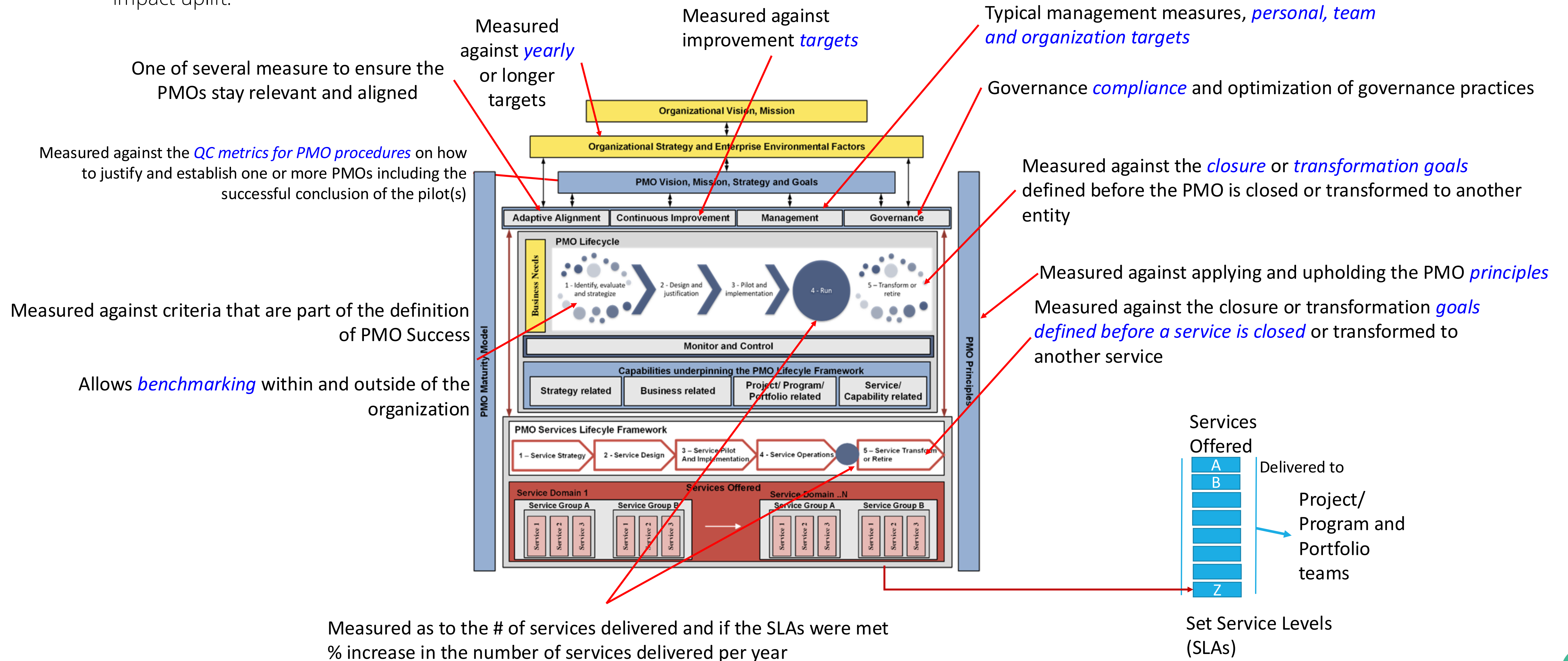
PMO Lifecycle Framework

PMO Services Lifecycle Framework

PMO Strategic Lifecycle Framework

Where and How to Measure and Quantify PMO Success

The examples below are not exhaustive. Depending on the Scenario type you have, it will focus on the basis of qualification, e.g., Service launch, PMO impact uplift.



Scenario-Based Types of PMO Business Cases



The type of business case depends on the PMO's intent, maturity, and context, and whether it is delivery-focused or non-delivery-focused affects how value and justification are framed.

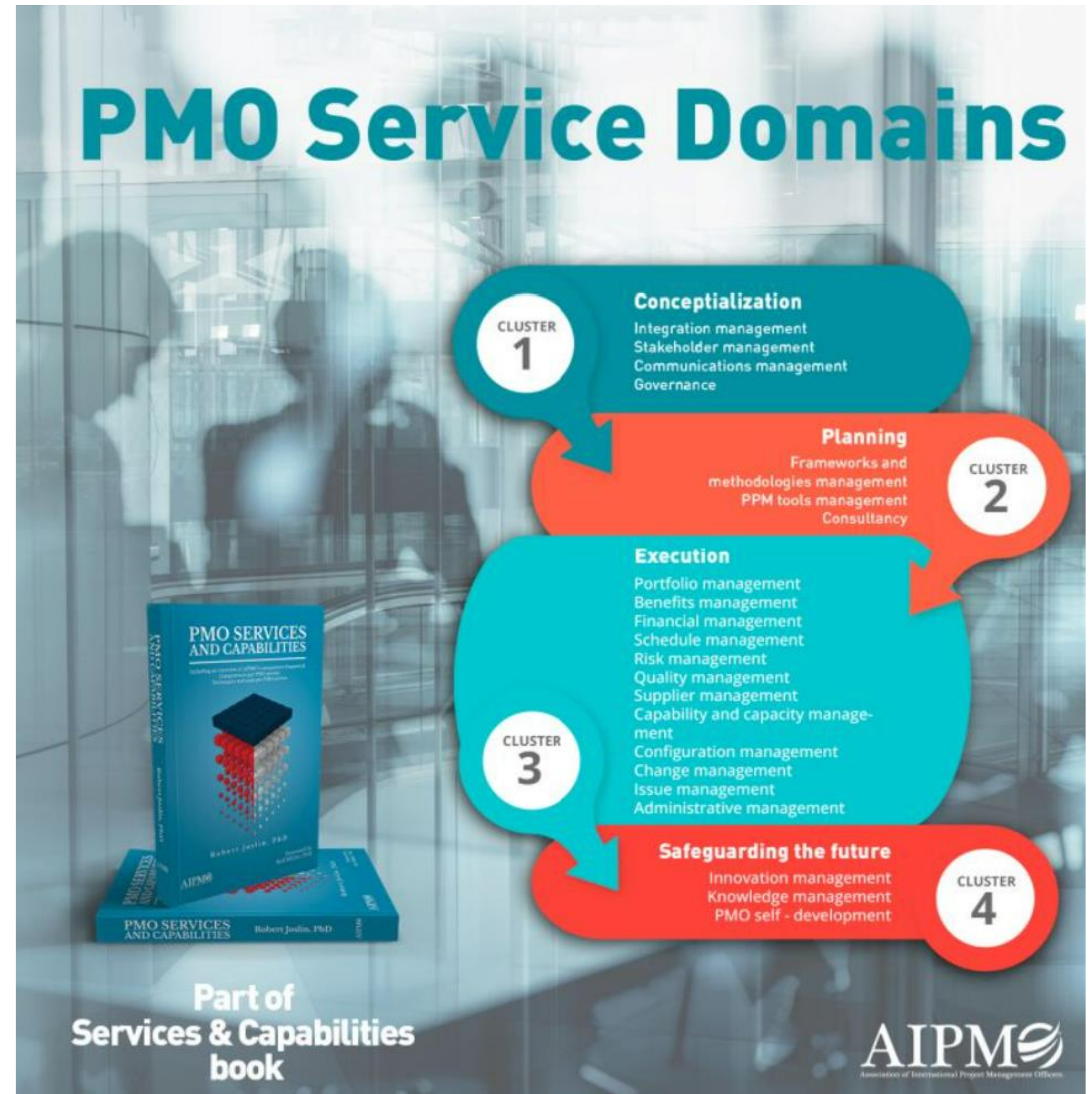
Scenario	Description	Best for Delivery / Non-Delivery?	Primary Basis of Quantification
1. Service Launch	Justifying one or more new PMO services (e.g., risk mgmt., benefits tracking)	Either	Cost of poor control vs. cost to implement; service demand/volume
2. PMO Establishment	Justifying the creation of a new PMO from scratch	Either (context-dependent)	Failure rates, pain points, stakeholder demand
3. Maturity Uplift	Justifying investment to move a PMO from level X to level Y	✓ Delivery PMO	Risk reduction, delivery uplift, improved time/cost predictability
4. Multi-PMO Service Coordination	Business case for shared services across PMOs	Mixed	Duplication savings, efficiency gains
5. Portfolio Enablement	PMO positioned as an enabler of portfolio success	✓ Non-Delivery	Increased throughput, better prioritization, fewer canceled projects
6. Value Leakage Mitigation	Based on quantifying current leakage	Either	Value recovery potential (vs. continued failure)
7. Compliance & Governance Justification	PMO needed for audit trail, reporting, or legal risk	✓ Non-Delivery	Compliance risk mitigation cost, SLA governance coverage
8. Strategy Execution PMO	PMO needed to implement strategic programs	Either	Speed to strategy delivery, benefit acceleration
9. PMO Transformation or Recovery	A weak PMO needs to justify a redesign or rescue	Either	Opportunity cost of inaction vs. potential gain post-redesign
10. AI/Automation Investment	Business case to shift services to AI or tools	Either	Service delivery costs, automation gains, accuracy uplift

PMO Service Domains

Refer to them in the following slides hence need to define them



Service domain – A particular field of thought, activity, or interest where services are offered (AIPMO).



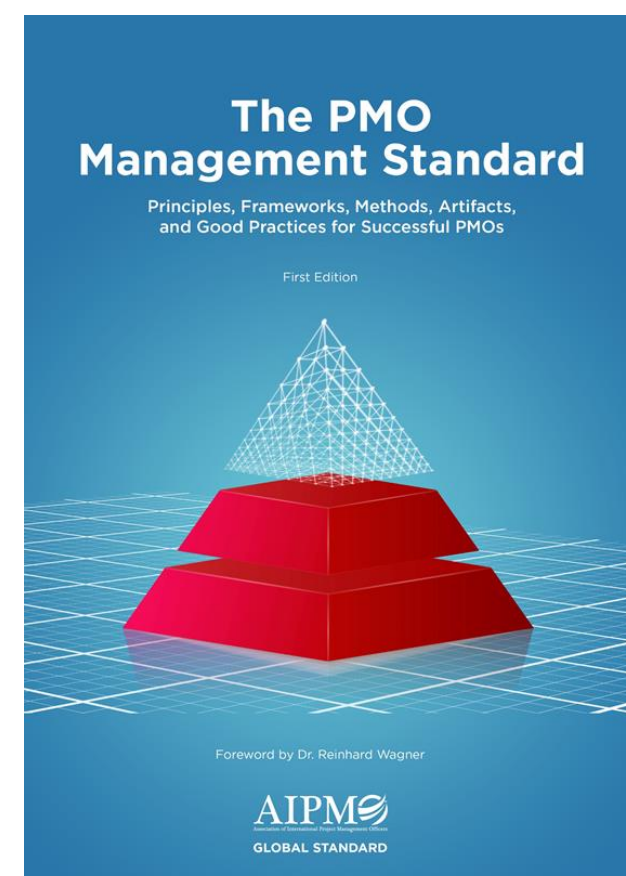
The challenge is to find a way to categorize benefits

The PMO Management Standard lists 100 benefits but there are many more depending on the PMO and the services they offer

D.1 Benefits of a PMO

One of the biggest challenges PMO people have in writing a business case is justifying a PMO in terms of benefits. The reality is there are hundreds of ways to justify a PMO business case. There are so many benefits that we capped it at 100 reasons, which are listed below just for projects. The same can be done for programs and portfolios.

1. Improve project success rates
2. Increase project ROI
3. Enhance project management maturity
4. Improve resource allocation and utilization
5. Improve project prioritization
6. Improve project visibility and transparency
7. Improve project risk management
8. Improve project governance
9. Standardize project management practices
10. Enhance project communication and collaboration
11. Improve project tracking and reporting
12. Improve project stakeholder engagement
13. Improve project quality
14. Improve project team performance
15. Reduce project costs
16. Improve project delivery timelines
17. Improve project scope management
18. Improve project change management
19. Enhance project alignment with business objectives
20. Improve PPM
21. Enhance decision-making processes
22. Increase customer satisfaction
23. Improve vendor management
24. Improve supplier management
25. Enhance procurement processes
26. Reduce project failures



Categorizing benefits by:

- Cost savings and efficiency gains
- Improved project outcomes and success rates
- Better decision-making and risk management
- Enhanced visibility and reporting
- Increased alignment with business strategy and objectives
- Improved stakeholder satisfaction and engagement
- Organizational development and learning

100's of benefits and ways to describe them

...Or categorize by PMO Service domain

Linking Benefits to Service Domains or to the Service

Benefits should be ideally mapped to PMO service domains or services to help justify value, but quantifying them is complex and often scenario-specific.

Linking benefits directly to a Service Domain: Knowledge Management

Benefit	Description
Improved decision-making	A PMO that offers knowledge management services enables better-informed decisions by providing access to relevant information and lessons learned from previous projects.
Enhanced collaboration	Knowledge management services facilitate the sharing of expertise and experiences among team members, leading to more effective teamwork and collaboration.
Increased efficiency	By providing easy access to good practices, templates, and tools, a PMO can help project teams streamline their processes and avoid reinventing the wheel.
Reduced risk	Knowledge management services help identify and mitigate potential risks by leveraging past experiences and insights from similar projects.
Continuous improvement	A PMO with effective knowledge management services fosters a culture of learning and improvement, driving continuous growth and development within the organization.
Talent retention	By offering opportunities for employees to learn and grow, a PMO can help retain top talent and reduce turnover.
Faster project delivery	Knowledge management services can help accelerate project delivery by providing access to proven methodologies, tools, and resources.

Linking benefits directly to the PMO services in the Stakeholder Management domain

PMO Service*	PMO Service Benefits
6.1.1 Develop stakeholder management frameworks:	<ol style="list-style-type: none">1. Comprehensive understanding of the project environment, including all key stakeholders and their roles and influence.2. More targeted and effective engagement strategies, resulting in stronger stakeholder support and commitment.3. Early identification of potential risks and challenges related to stakeholders, enabling proactive mitigation strategies.
6.2.2 Guidance on stakeholder management	<ol style="list-style-type: none">1. Comprehensive understanding of the project environment, including all key stakeholders and their roles and influence.2. More targeted and effective engagement strategies, resulting in stronger stakeholder support and commitment.3. Early identification of potential risks and challenges related to stakeholders, enabling proactive mitigation strategies.

* Every service has a unique reference from the PMO Services and Capabilities book

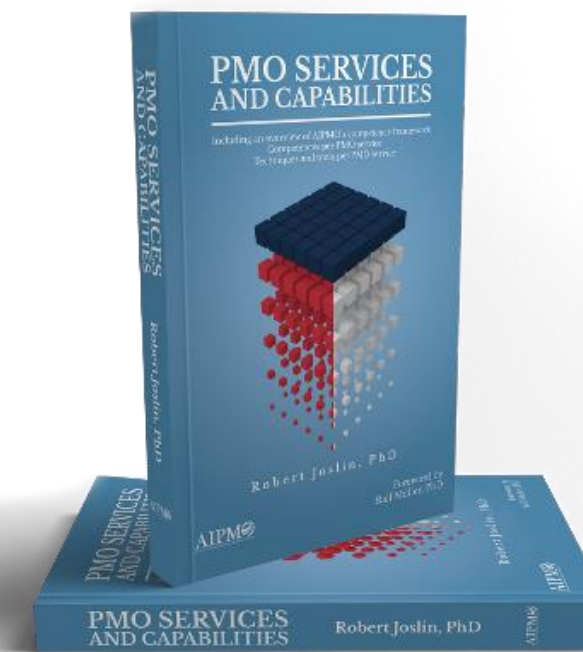
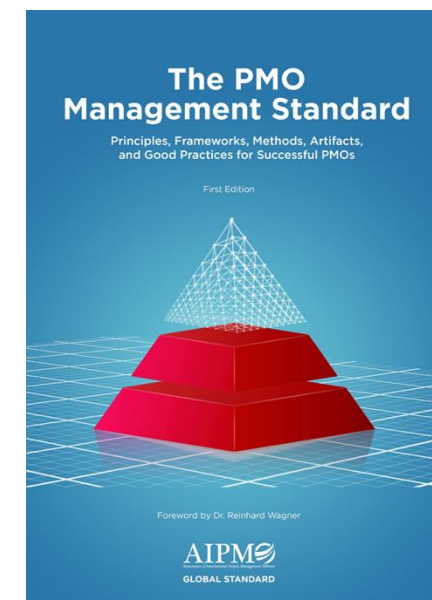
Structuring Service Justification - to make it universal applicable

This is for New PMOs as well as New Service/Service Domain offerings

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25. Enhance procurement processes
26. Reduce project failures



1. Categorize them into PMO Service domains (same as before)
2. Then, determine the influence of each **service domain on project success**
3. Apply this to any given project, program, or portfolio

100's of benefits and ways to describe them



AIPMO has developed a model to make the process of building a business case much easier

PMO Service Impact & ROI Model

A structured, service-domain-based model for estimating ROI and impact from PMO services, accounting for enablement maturity and scaling attribution logic. This is for New PMOs as well as New Service/Service Domain offerings

Input fields

- Service domain/Service
- PMO Enablement factor (Maturity Level)
- % Accounted to PMO
- Cost to deliver services (domain-specific)
- Ratio of domain services in and out of scope (Scaling factor)

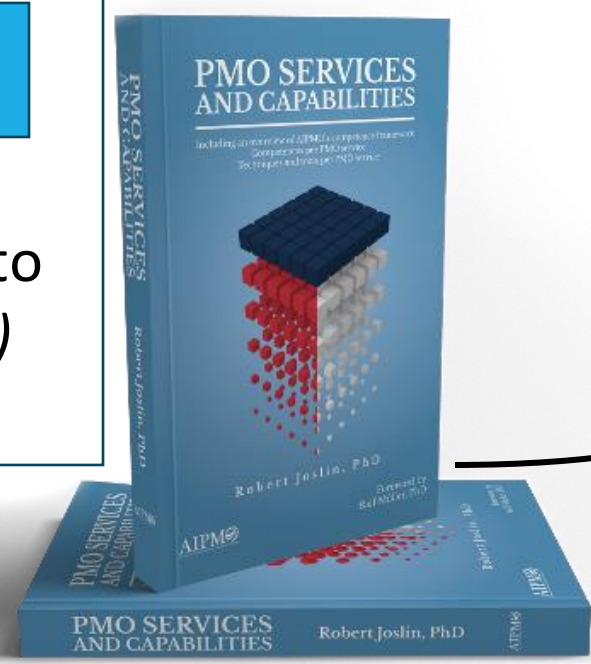
Calculated

- Potential Impact (PI)
- Attributed Impact (AI)
- ROI

Lookup and weighting tables

24 PMO Service domains

Contribution to Success per domain normalized to 100% (derived from research and factor analysis)



Sample PMO Business Case Summary (Based on Two Service Domains)

To illustrate the quantifiable value a PMO can provide, consider a portfolio valued at €1,000,000 with a PMO operating at **Maturity Level 4**.

1. Consultancy & Training Services

This domain is estimated to contribute **2.8%** to overall portfolio success when fully delivered by the PMO.

- **Cost to deliver:** €10,000
- **Attributed Impact:** €25,200
- **Estimated ROI:** 152%

2. Frameworks & Methodologies


This domain contributes a slightly higher **3.7%** to portfolio success.

- **Cost to deliver:** €18,000
- **Attributed Impact:** €21,645
- **Estimated ROI:** 116%

Combined Results

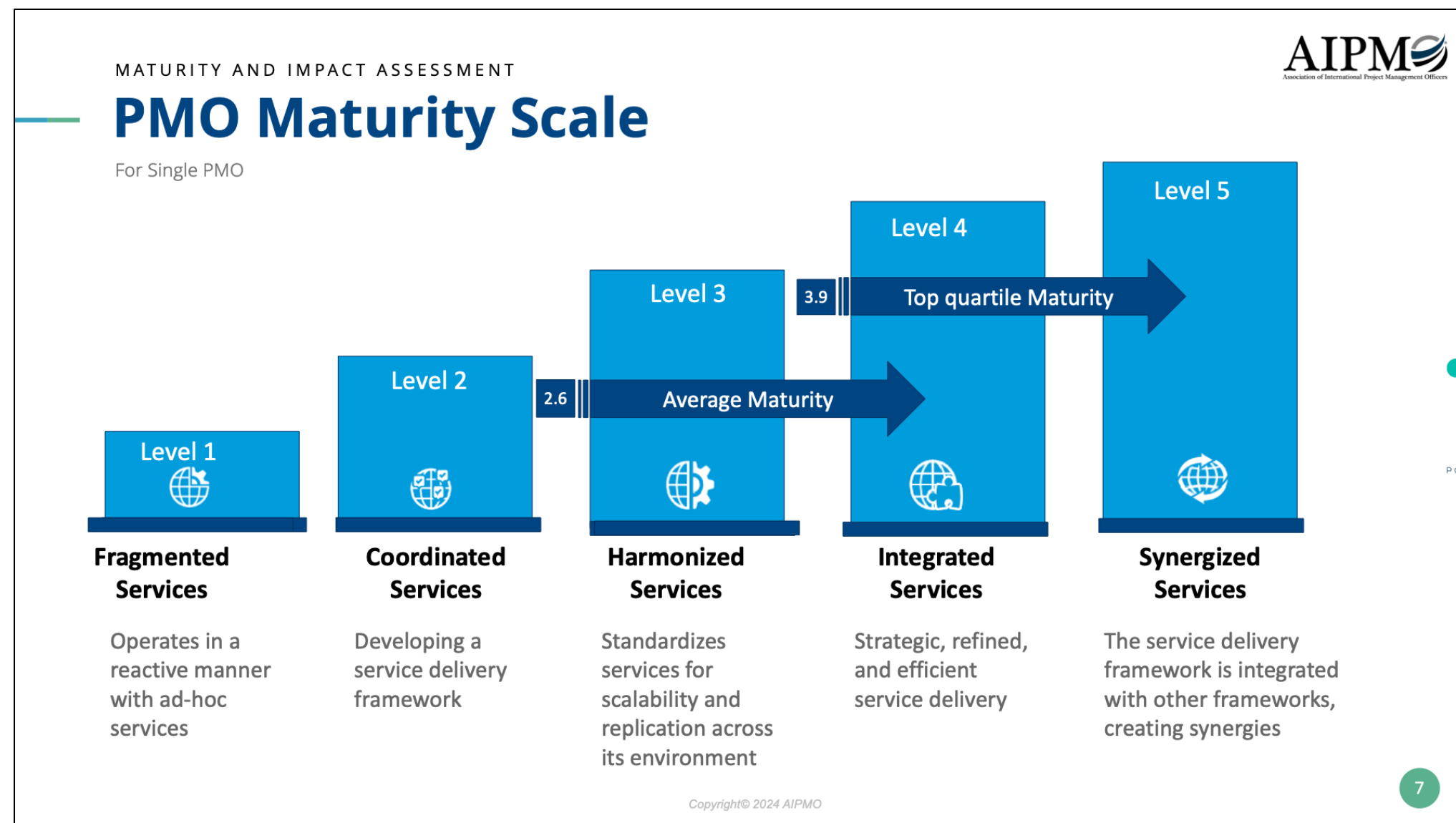
When both domains are implemented:

- **Total Attributed Impact:** €46,845
- **Total Cost:** €28,000
- **Net Value Created:** €54,845
- **Overall ROI:** 67%

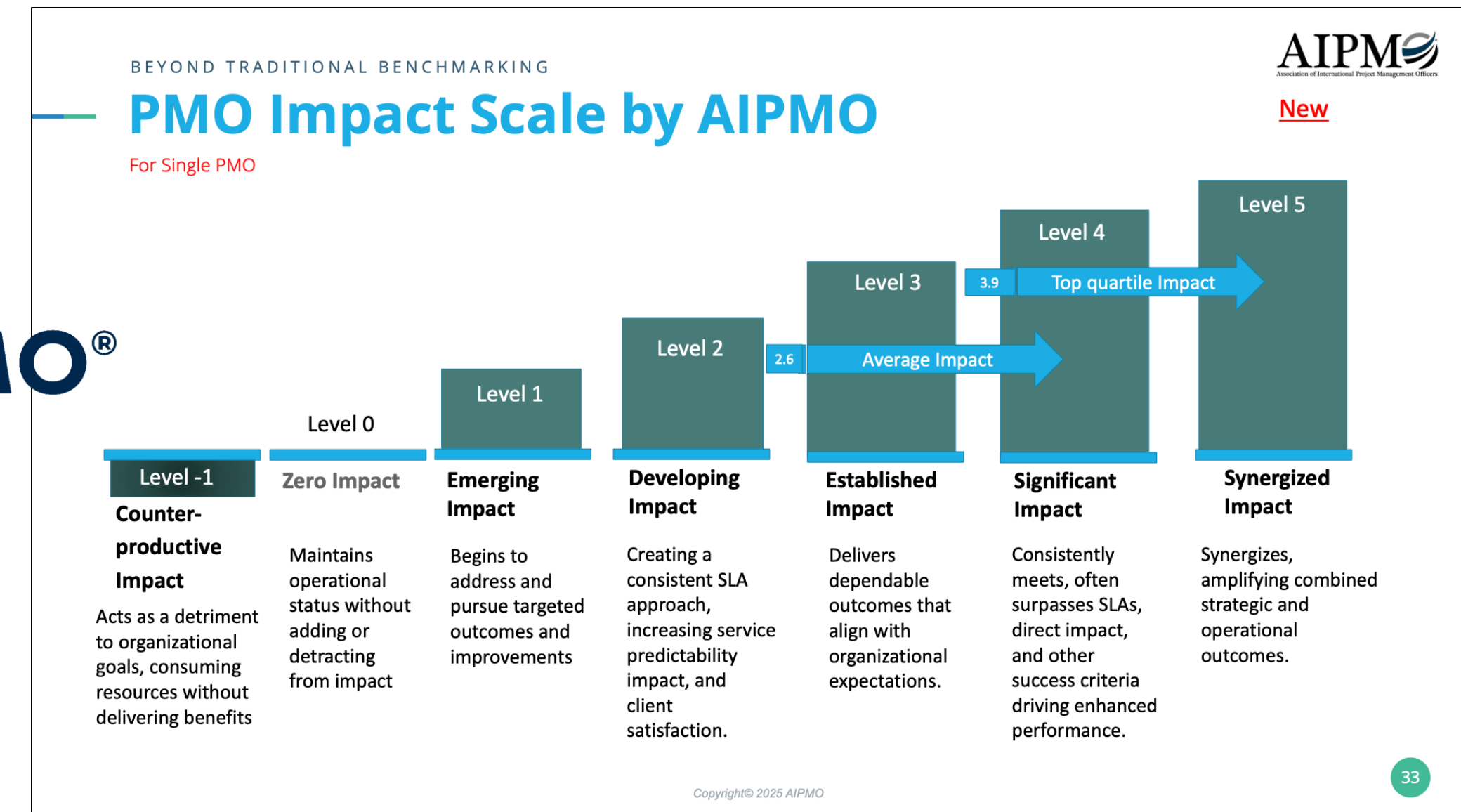


Delivery “PMO Biz Model” based on Maturity & Impact Scales

Models have to be based on reference points or in this case, two new scales, which are service-based and impact-based. This is for new or improving an existing PMO



- Designed for assessing a single PMO
- Focus on adaptability and service delivery
- Service-based with underlying processes at the lower maturity levels and principles at the high levels of maturity
- Does not rely on the assumption that an increase in maturity leads to an increase in impact, as AIPMO have developed a new impact scale



- First 7-point scale to reflect all scenarios of potential impact

The PMO Business Model uses this scale to determine enablement that influences the ability to create financial contribution

The PMO Business Model uses this scale to determine financial contribution

PMO Biz Case Example –Delivery PMO Impact Assessment

This model provides an evidence-based pathway to justify PMO investment based on **portfolio risk exposure** and the **measurable uplift in impact level** achieved through targeted service and capability interventions

A Delivery PMO managing a project portfolio of **1 million Euro** is currently operating at a **low impact level (Level 1)**, with a **50% project failure rate**. This translates into an estimated **500,000 Euro in projects at risk** due to poor execution and governance.

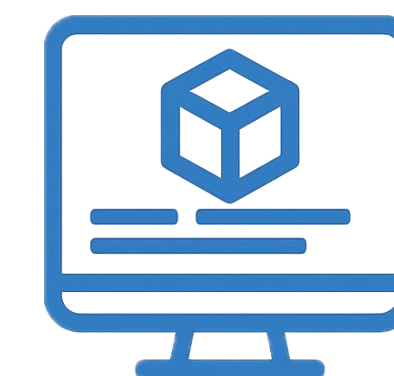
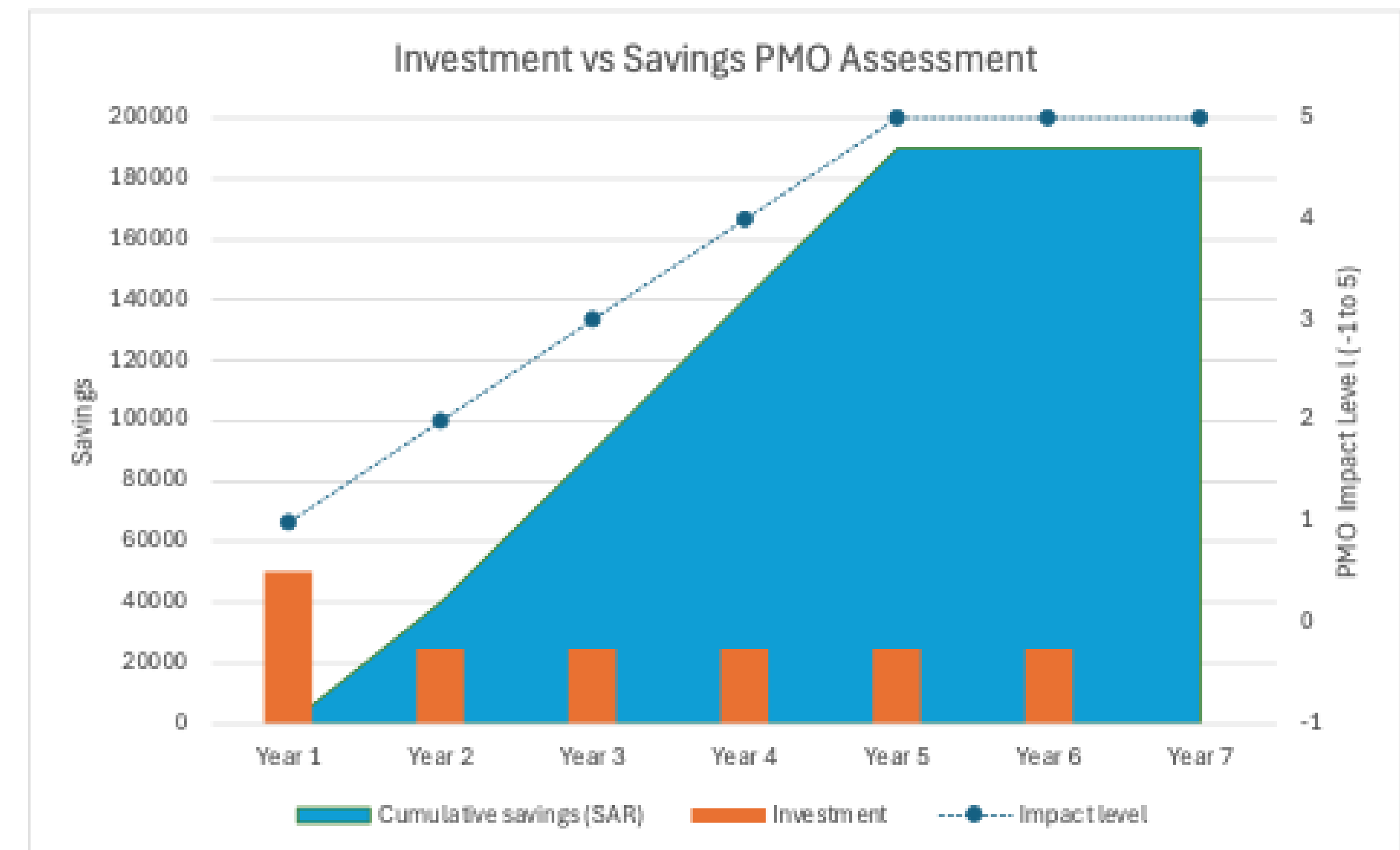
To address this, a structured impact improvement program is proposed, beginning with an **initial assessment investment of 50,000 euros**, followed by **annual reassessments at half the original cost** to ensure continued optimization and performance tracking.

Savings potential is modeled over a 7-point impact scale, where:

- Cumulative improvement yields up to **50% recovery** of projects at risk
- The value recovery curve follows a **non-linear “J-curve” pattern**, representing initial inertia followed by increasing returns as PMO capabilities improve and synergize with the broader organization

The approach assumes:

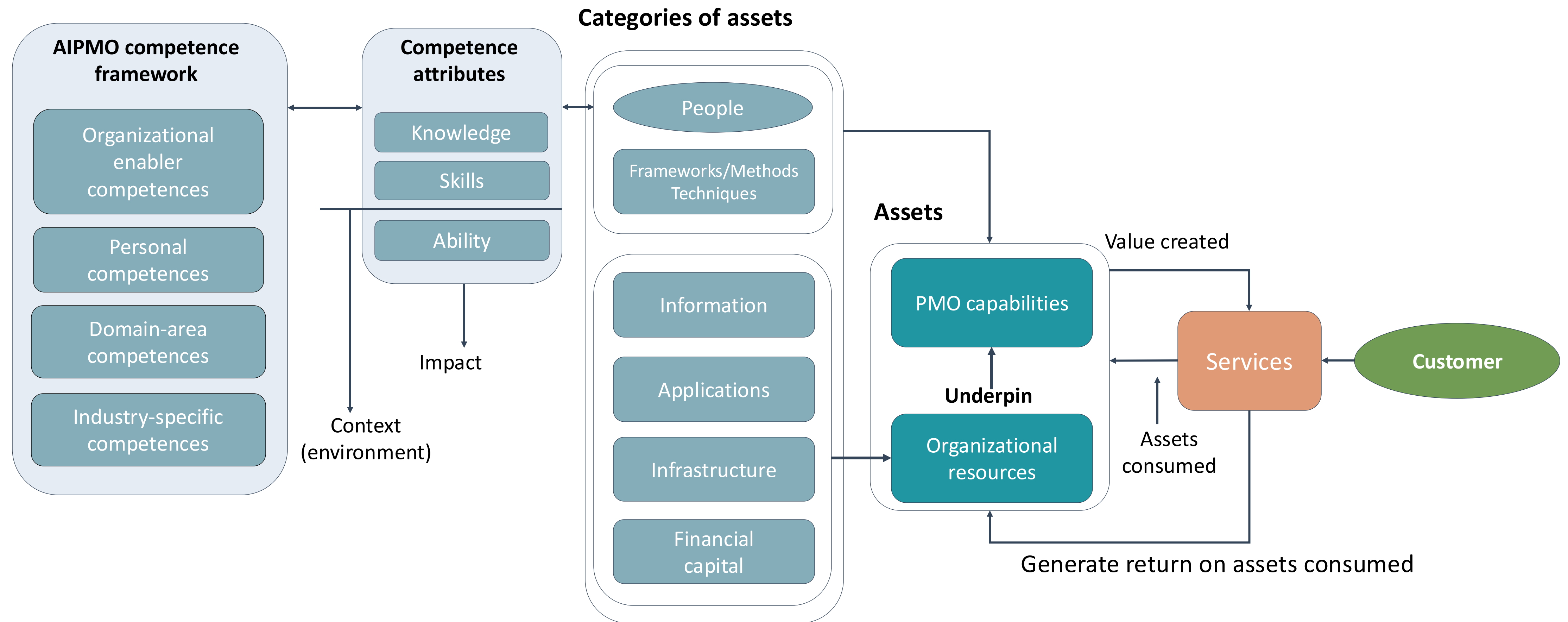
- Benefits are realized **12 months post-assessment**
- Implementation recommendations are led **in-house by the PMO**
- Reassessments are ongoing to maintain peak PMO performance even after reaching maximum impact.



— 05 Costs and Funding

- Asset view of a PMO
- Cost elements of a PMO business case
- PMO funding models (centralized, chargeback, shared, etc.)

Asset view of PMO Services



Costs associated with delivery of PMO services

There are also external costs but not shown below. There is a Appendix in the PMO Management Standard covering Business Cases

- Salaries and benefits of PMO staff
- Tools, software, and databases related to building the capability to deliver the services
- Training and development for PMO staff
- Office space and equipment for the PMO
- Travel and expenses for PMO staff
- Quality assurance and control activities
- Risk management and compliance activities
- Continuous improvement initiatives and internal projects

PMO/PMO Services Funding Model



PMOs can be funded through different models — from centralized budgets to cost-recovery approaches, each with distinct benefits and trade-offs.

Funding Model	Description	Key Benefit
Centralized Funding	Budget allocated annually as part of organizational planning.	Stable, predictable funding.
Chargeback Model	PMO charges departments/projects for services.	Encourages efficient service use; cost accountability.
Shared Services	PMO operates as a shared service center; costs allocated by usage or fixed fee.	Equitable distribution of costs; scalable across units.
Project-Based Funding	PMO costs embedded within individual project budgets.	Direct link between PMO services and project outcomes.
Cost Recovery Model	PMO offsets costs through savings or revenue (e.g., efficiencies, optimizations).	Self-sustaining; demonstrates tangible value.
Hybrid Models	Combination of the above approaches (e.g., central for core, chargeback for extras).	Flexible; tailored to organizational needs.

— 06 Putting It All Together

All Together: The PMO Business Case

- **Every PMO needs justification** - formal or informal, survival or scale depends on a clear business case.
- **The structure is universal** - but the unit of value differs (projects, programs, portfolios, PMOs, services).
- **AIPMO's models provide the rigor** - PMO Lifecycle Framework, Service Lifecycle Framework, and Service Impact & ROI Model translate abstract benefits into measurable value.
- **Business cases must evolve** - they are living documents, refreshed as maturity and impact grow.
- **Funding models and cost transparency matter** - sustainability depends on both benefits and financing logic.
- **Standardized business case models** – ensure consistency across units, make comparisons meaningful, and provide a structured approach to data and decision-making.

“With this approach, PMOs can move beyond ‘belief in value’ to *evidence of value* — turning justification into impact.”



Discussion

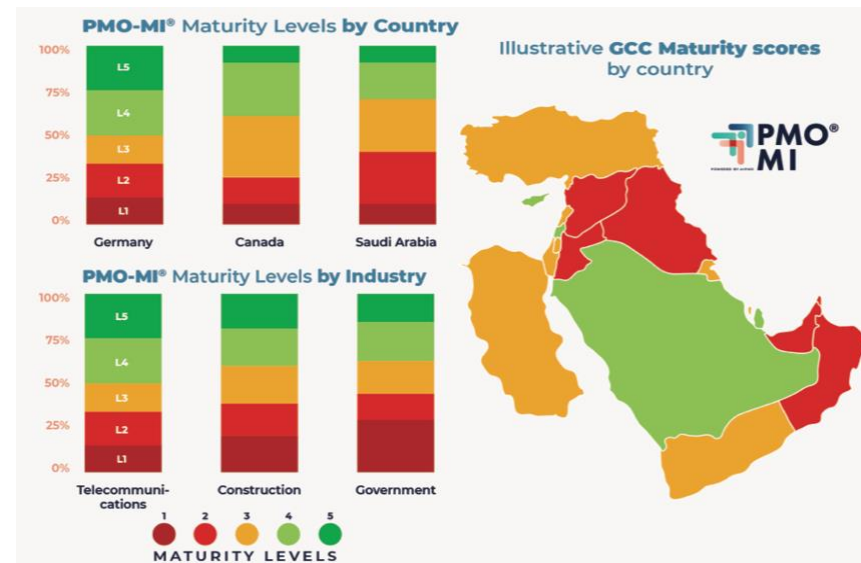


Question and Answers



— 07 Kakola Workshop, Turku

Peek into the 2-day workshop

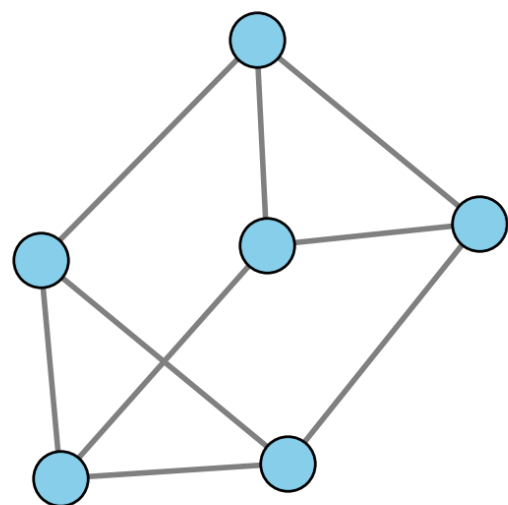


Maturity, Impact, and learn the latest on benchmarking, compare models. Benchmark your PMO against others in Finland. Compare Finland to Denmark, Sweden, Norway, and Iceland. Panel discussion with IPMA presidents and experts

Workshop: Mapping Tensions and Opportunity Areas in your organization using a new framework covering Strategy, PMO Management, Project Management, and Leadership – input morning, resulting in the workshop

Present findings from each day

Masterclass – peek into Poland's Masterclass

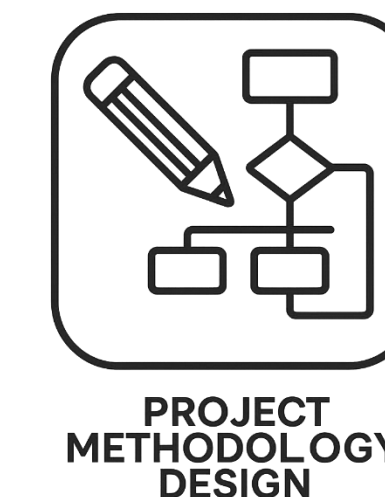


Complex projects, why they fail (based on research papers) and a mega project in KSA

Roles of PMOs in mega projects



Panels and EPMO and PMO observation teams



Workshop: Design your own project methodology, apply and build it - competition

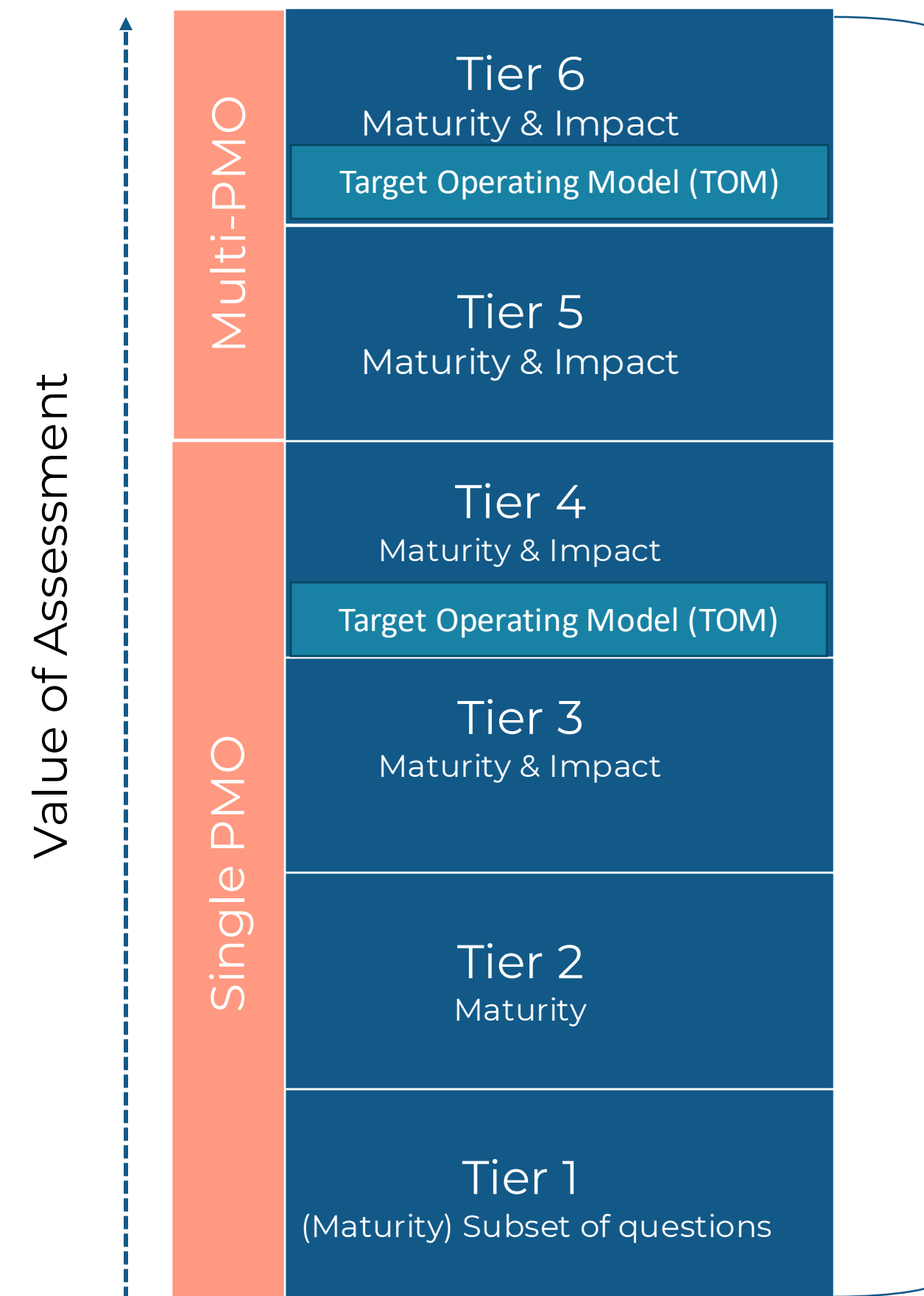
"As part of the workshop, five Nordic countries are participating in a joint PMO assessment to create a comparative snapshot of cross-country maturity."

The **PMO-MI® Tier 1 Self-Assessment** offers PMO leaders a unique opportunity to evaluate their current performance and maturity level using a globally recognized framework. With over 250+ participants from around the world, this self-assessment is driving meaningful dialogue, peer learning, and strategic reflection in diverse industries.

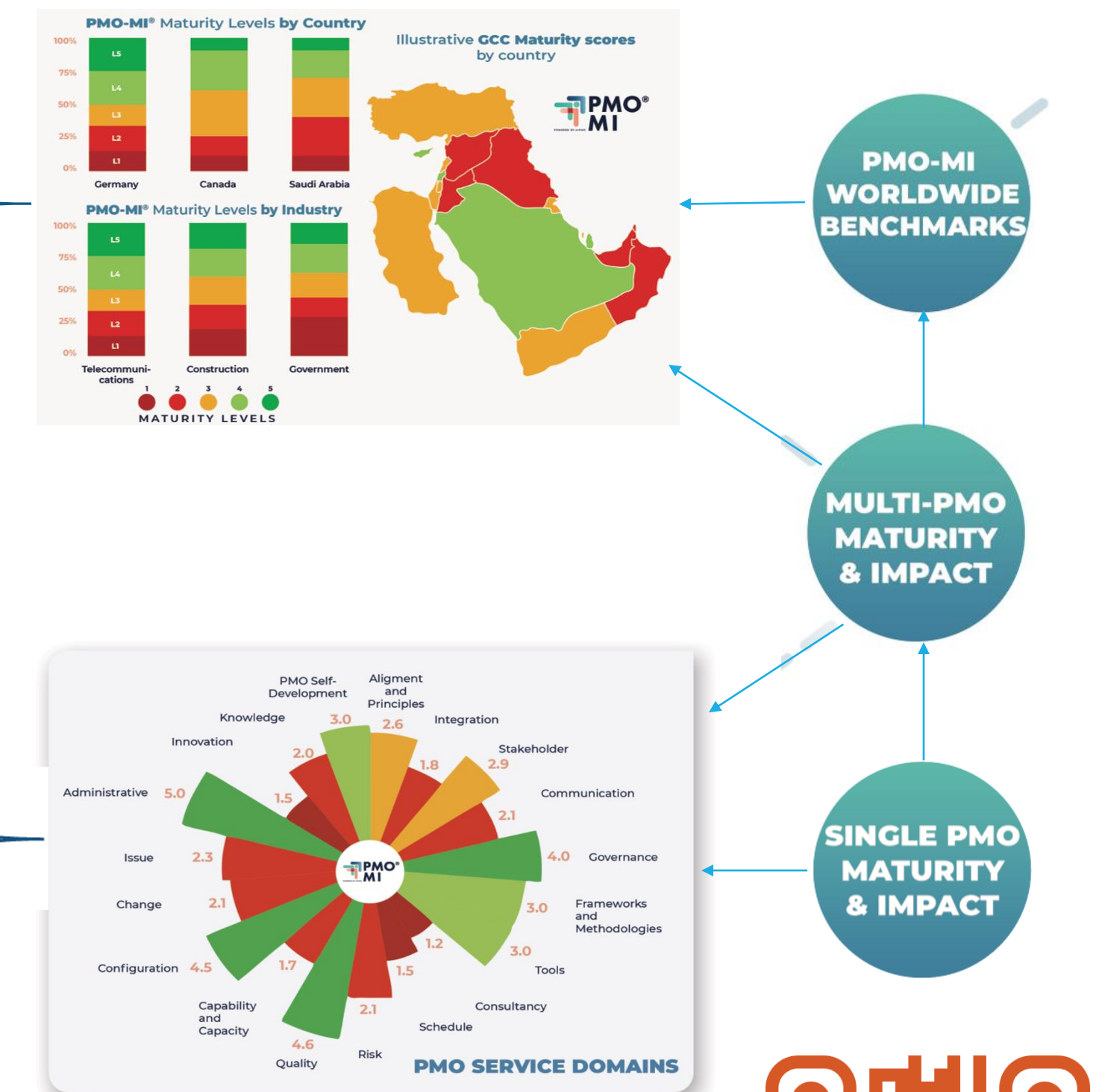
Why take the PMO-MI® Self-Assessment?

- ✅ **View of Your PMO Performance** - Assess your PMO against a structured framework that reflects real-world challenges and performance enablers.
- ✅ **Benchmark with Global Peers** - See how your PMO compares across sectors and regions, identifying strengths and areas for improvement using real data.
- ✅ **Catalyst for Strategic Dialogue** - Utilized by hundreds of PMO professionals worldwide, this tool sparks insightful discussions on purpose, value, and impact.
- ✅ **Foundation for PMO Transformation** - Results help prioritize efforts, align stakeholders, and pave the way for deeper engagement through Tiers 2 to 6 of the PMO-MI® model, including PMO Impact (Value)

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