Is your PMO scorecard helping you to communicate and prove your PMO's value?

What are the common PMO metrics?

Given that not all PMOs are the same, emphasis must be placed on the fact there is no one-size-fits-all PMO scorecard or set of KPIs. You will still need to consider the environment in which you operate and tweak them to suit your project portfolio and your organisation:

METRIC	DESCRIPTION	CONSIDERATIONS
STRATEGIC CONTRIBUTION		
% of projects in the portfolio aligned to strategy	This is the number of projects active in the portfolio that are aligned to strategy as a % of the total number of active projects in the portfolio	Although easy to calculate, it requires the PMO to have a clear definition of what qualifies a project to be aligned to strategy
% of strategically aligned projects	This is the number of strategically aligned projects as a % of the total portfolio delivered in the last 12 months	To facilitate seamless measurement, a formal project closure process that records the date on which the project was completed must be in place. In addition, the PMO must ensure that all projects are formally closed with the closure date recorded
IMPROVE TIME TO MARKET		
Average number of elapsed days between project proposal and project activation	This is a calculation of the number of elapsed days between project conception and project start as an average of the total number of projects activated	The PMO's management systems must allow for the recording of project proposal and project approval dates for an effective measurement.
% Increase/decrease in the number projects completed in the last 12 months vs. previous period	This is a comparison of the number of projects completed in the last 12 months against the previous period calculated as a %	Higher volumes of projects delivered does not equate to increased value but does give an indication of productivity levels

METRIC	DESCRIPTION	CONSIDERATIONS
OPERATIONAL		
% improvement of projects with approved scope changes delivered on time in the last 12 months	This is the number of projects delivered on time in the last 12 months as a % of the total number of projects in the portfolio compared to the previous period	A formal scope change process is required for accurate data measurement
% of projects delivered within budget within the last 12 months	This is the number of project delivered within budget in last 12 months as a % of the number of projects in the portfolio	Too stringent focus on money can lead to a decrease in quality
% of active project portfolio with scope changes	This is the number of projects with scope correction or deviation as a % of the total number of projects in the portfolio	Requires discipline to record and track project scope
Average time taken between identification of risks and mitigation action	This is a calculation of the number of elapsed days between identification of risks and mitigation action as an average of the total number of risks identified	Only measures the responsiveness of project teams to proactively manage risk without assessing the effectiveness of the risk management strategy
GOVERNANCE		
% adherence to governance requirements to	This is the number of compliant projects as a % of the total project portfolio	Gathering data can be a time consuming process if governance tracking and reporting is a manual process
% of projects subject to project health checks at each stage gate	This is the number of projects with completed health checks as a % of the total project portfolio	Consumes huge amounts of PMO resource time if done manually

METRIC	DESCRIPTION	CONSIDERATIONS
RESOURCE MANAGEMENT		
% of projects appropriately resourced at the time of project start	This is the number of projects that have met the project's resource requirements at the time of project start as a % of the total project portfolio	Without a basic resource request process in place, this can be a difficult metric to measure
% of active projects with resource challenges	This is the number of active projects with resource issues as a % of the total project portfolio	To effectively measure resource challenges, the status reporting template/format must include a mechanism for project managers to report on resource challenges as part of the reporting cycle
RETURN ON INVESTMENT (ROI)		
% of active projects with validated business cases	This is the number of active projects with approved business cases as a % of the total project portfolio	An accessible document management system is required to limit the time spent gathering data
% improvement in benefits delivered per year	This is a calculation of the total actual value of business-case benefits realised as a % of the total value of planned business-case benefits in a specific year compared to previous years	Tracking business benefit realisation must be a coordinated effort between the PMO and other areas of the business
STAKEHOLDER MANAGEMENT		
Average customer/user satisfaction score	This is the satisfaction score per project calculated as an average of the total number of satisfaction assessments conducted	To connect project success with stakeholder satisfaction, the project closure process must include the satisfaction assessment as a formal step. It's important to note that stakeholder ratings tend to be confined to specific experiences and can be subjective.

METRIC	DESCRIPTION	CONSIDERATIONS
PEOPLE AND SKILLS		
Average time taken to on-board project staff	This is the number of days taken to on-board a project resource calculated as an average across the total number of project staff on-boarded	While quicker on-boarding does not equate to competent project staff, it forces the PMO to implement a basic on-boarding process for project resources
% of project staff at the planned competency level	This is the number of project staff as a % of the total project staff complement at the planned competency level	This metric can be difficult to measure if continuous competency assessments of project resources and the skill mapping per project role is not in place
PMO EFFECTIVENESS		
% of completed projects versus cancelled or on-hold projects within the last 12 months	This is the number of completed projects versus cancelled or on-hold projects as a % of the total project portfolio within the last 12 months	Formal process that facilitates cancelling or placing projects on hold must be in place
% of project status reports older than X number of days	This is the number of project status reports as a % of the total project portfolio older than X number of days	This activity has the potential to consumes huge amounts of PMO resource time if the process of conducting age analysis of project status reporting is done manually

These metrics listed above are by no means an exhaustive set of PMO KPIs but rather indicative of what the common metrics are across the eighty or so contributing PMOs. Based on the list above, you may be tempted to adjust or add to your existing metrics but the "more is better" approach will do more harm than good. You could end up with a PMO dashboard that goes on and on with information that is too detailed or irrelevant for the audience. Bearing in mind that no set of metrics will work for every PMO, define your metrics with the understanding that the metrics needs to be strategically focused, help to drive decision making through the provision of accurate information and more importantly demonstrates the strategic contribution of the PMO.

What should PMOs be measuring?

Traditionally, PMOs have focused on tactical metrics such as project management processes, governance and templates but the rate at which business is evolving and the requirement to be more competitive necessitates a review of these metrics. The second part of this scorecard aims to define a list of metrics that PMOs should be measuring and the associated challenges that prevents its implementation.

METRIC	DESCRIPTION	WHAT'S PREVENTING IMPLEMENTATION
% of terminated projects	This is the number of terminated projects not aligned to strategy as a % of the total project portfolio	Decision-makers are not brave enough to make hard decisions
Number of project resources with an agreed career path	This is the number of project resources with a career development plan as a % of the total number of project staff	Budgetary restrictions and defining development paths for project resources is a complex exercise
Effectiveness score of project sponsors and owners	This is a rating of sponsors and owners by the project manager assessing their contribution to the project	Largely dependent on maturity of organisation. There is reluctance to rate sponsors negatively when there's likelihood of them sponsoring future projects.
% of successful projects delivered per delivery approach type (Waterfall vs. Agile)	This is the total number of successful project completions per approach type as a % of the total number of projects in the portfolio	Assessing the effectiveness of a particular delivery approach is subjective
Number of improvement initiatives implemented based on the PMO Roadmap	This is the number of improvement initiatives implemented as a % of the total number of improvement initiatives identified	The perception of Maturity/Organisational Capability assessments is that it is a time consuming and resource intensive process

In Summary

While reporting PMO success and progress is key, don't lose sight of the reporting needs of your stakeholders. While different metrics will be applicable to different PMOs, I hope the above PMO KPI's are useful for your PMO. If you have any additional metrics or questions, we'd love to hear from you!

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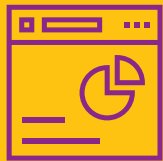
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