Understanding the value of maturity

To remain competitive in a changing marketplace, organizations continually strive to identify and leverage performance advantage from improved efficiency and delivery across their portfolios, programmes and projects. To do this, organizations must first understand what makes them perform well, where their weaknesses lie and finally, where they would like to be, so well-informed investment decisions can be made to achieve this.

So how can organizations effectively measure their performance?

In many sectors, management models have grown in importance as they help organizations assess their capabilities and identify areas for improvement. However not all models offer a holistic view and tend to focus only on process maturity and compliance within an organization. One of the earliest and most well regraded maturity models in the portfolio, programme and project management sector is **P3M3**®.

This maturity model is unique as it considers the whole system and not just the processes. It analyzes the balance between the process, the competencies of the people who operate it, the tools that are deployed to support it, and the management information to manage delivery and improvements.

A **P3M3** assessment across portfolios, programmes and projects will provide an organization with a maturity level rating. The levels are:

Level 1: Awareness of process
Level 2: Repeatable process
Level 3: Defined process
Level 4: Managed process
Level 5: Optimized process

The maturity levels enable an organization to identify an improvement pathway along which they may choose to travel. They are a measure of an organization's ability to deliver process maturity and compliance - the higher up the curve the more predictable the outcome.

But why is organizational maturity important?

A study by PwC in 2014 found that organizational maturity is directly correlated with organizational success, therefore higher maturity yields higher performance. As with any investment in an improvement initiative, increasing the maturity rating should not be seen as a justification in itself. It is about improved capability to deliver strategic objectives, reduce costs and increase success rates. Every investment requires a justifiable return on investment (ROI).

Using **P3M3** helps organizations to improve the likelihood of high-quality delivery outcomes. It achieves this by guiding organizations from immaturity, where project/programme risk can be high and quality low, through to maturity, where risk is greatly reduced and quality increased.

It is important for any organization to understand the maturity level that is optimal for it to maximize the value for money from its investments. Very few organizations are required to achieve the highest level and for many the middle levels may well be appropriate to meet the needs of their business and its aspiration. **P3M3** helps organizations decide what maturity level they need to achieve to meet their business needs and provides a reliable baseline against which improvements in capability performance can be objectively measured.

How does P3M3 help?

To help organizations remain competitive, the **P3M3** approach also provides a widely accepted independent benchmark against which an organization's portfolio, programme and project capability performance can be objectively measured and certified. This enables a comparison of capabilities between organizations.

P3M3 also allows organizations to have an objective view of their maturity; and a structured process in which to drive improvements. This structure ensures the correct prioritization and resource management is in place to drive forward transformational change which leads to decreased costs and improvements in on-time delivery, productivity, and customer satisfaction.

To discover more about how your organization can benefit from P3M3, please visit: bestpractice.axelos.com/p3m3/

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