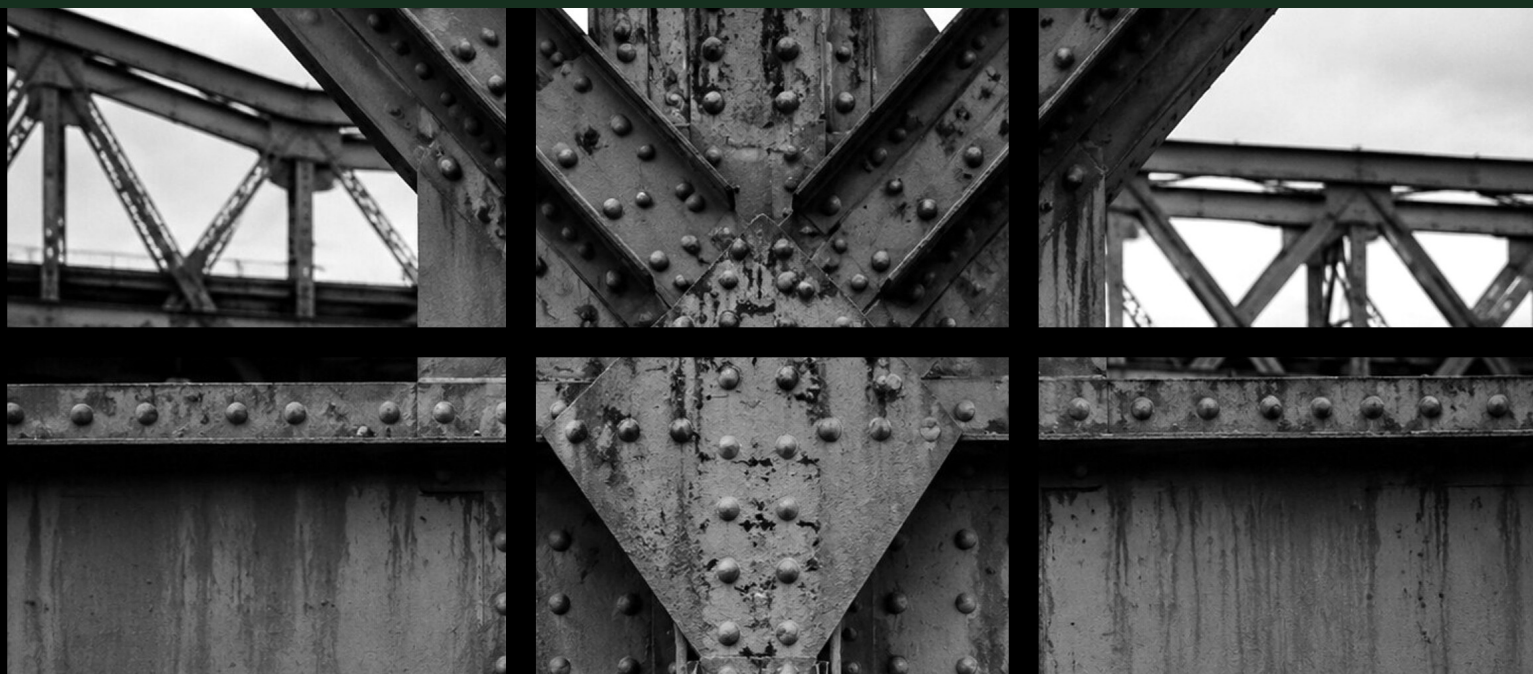


BEYOND THE PMO CHARTER

The PMO Empire — Why the Growth of Programme Management Offices Has Not Delivered the Value It Promised

A Practitioner's Perspective on PMO Proliferation and the Gap Between Institutional Overhead and Delivery Impact



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1. The Proliferation No One Questioned

Something remarkable has happened in large organisations over the past several years, and it has happened so gradually that few people have paused to examine it. Programme Management Offices have multiplied. What was once a single, modest function supporting a handful of major initiatives has become an empire — a layered hierarchy of PMOs at project, programme, portfolio, and enterprise level, each with its own head, its own staff, its own reporting templates, and its own justification for existence.

The growth has been extraordinary. Organisations that five years ago had no PMO at all now have four or five, nested inside one another like Russian dolls. The headcount dedicated to the management of programmes — as distinct from the delivery of programmes — has expanded in a way that would, in any other function, have triggered serious questions about return on investment.

And yet those questions have largely not been asked. The PMO has acquired a status in organisational life that insulates it from the scrutiny applied to other functions. It is, after all, the function responsible for scrutiny itself. Who audits the auditor?

2. The Original Promise

The PMO concept, in its early form, addressed a genuine problem. Large organisations running multiple programmes simultaneously needed a mechanism for consistency — common reporting standards, shared risk frameworks, a single view of resource demand across the portfolio. The early PMOs were lean, pragmatic functions that served this coordination role without pretending to be anything more.

The value proposition was clear: reduce duplication, improve visibility, enable better decisions at the portfolio level. It was a support function, and a useful one. A small team that maintained the reporting standards, consolidated the programme dashboards, and flagged cross-programme dependencies could genuinely improve an organisation's ability to manage a complex portfolio.

What happened next was less about the merits of the original concept than about the organisational dynamics that surrounded it.

3. How Empires Grow

The expansion of the PMO from a modest coordination function to a substantial organisational empire followed a pattern that is recognisable across many corporate functions, but was particularly pronounced in this case because of three reinforcing dynamics.

The governance ratchet. Every programme failure — every cost overrun, every missed deadline, every benefits shortfall — generated a governance response. And the governance response, almost invariably, was more oversight. More stage gates, more review points, more mandatory templates, more reporting requirements. Each increment of governance required someone to administer it, and that someone sat in the PMO. The PMO grew not because it was delivering more value, but because the organisation was demanding more process. Failure bred bureaucracy, and bureaucracy bred headcount.

The methodology mandate. The rise of formal programme management methodologies — PRINCE2, MSP, and their variants — created a natural expansion path for the PMO. Someone had to be the custodian of the methodology, the trainer, the assessor, the enforcer. The PMO assumed this role, and with it came additional staff, additional budget, and additional organisational authority. The methodology became the PMO's territory, and like any territory, it was defended and expanded.

The reporting addiction. Senior leaders, uncertain about the true state of their transformation portfolio, demanded ever more detailed reporting. Monthly became fortnightly became weekly. Summary dashboards acquired supplementary packs, exception reports, trend analyses, and deep-dive appendices. Each new reporting requirement was individually reasonable; collectively, they created a reporting machine that consumed enormous energy and produced diminishing insight. The PMO staffed up to feed the machine, and the machine justified the staff.

None of these dynamics was the result of malice or incompetence. Each was a rational response to a legitimate concern. But their cumulative effect was to transform the PMO from a coordination function into an institutional overhead — one that consumed an increasing share of the transformation budget while contributing a decreasing share of the transformation value.

4. The Value Question Nobody Asks

The most striking feature of PMO proliferation is the absence of any serious attempt to measure its impact. Organisations that would never approve a programme without a business case have built PMO empires without ever asking whether the investment is justified.

This is partly because the PMO's value is assumed to be self-evident. Of course you need a PMO. Of course you need governance. Of course you need reporting. These are articles of faith in the programme management profession, and questioning them feels like questioning whether an organisation needs an accounting function.

But the analogy is misleading. An accounting function produces outputs — financial statements, tax returns, management accounts — whose value is both measurable and legally mandated. A PMO produces outputs whose value is far harder to assess. Did the programme succeed because the PMO's governance framework caught a critical risk early, or would the programme team have caught it anyway? Did the weekly status report improve decision-making, or did it simply consume time that could have been spent on

delivery? These are genuinely difficult questions, and the profession has largely avoided asking them.

The result is a function that grows by accretion, justified by the assumption that more oversight must mean better outcomes. The evidence for this assumption is, at best, ambiguous. In my observation, the correlation between PMO size and programme success is weak, and in some cases negative — the most heavily governed programmes are often the ones most likely to fail, not because the governance caused the failure, but because governance is the organisation's instinctive response to risk, and the programmes that attract the most governance are the ones that were most troubled to begin with.

5. What the PMO Displaces

The cost of the PMO empire is not only its direct expense — the salaries, the tools, the office space — but what it displaces. Every hour spent in a governance review is an hour not spent solving a delivery problem. Every senior programme manager drafted into the PMO is one fewer senior programme manager available to lead a programme. Every pound allocated to PMO overhead is a pound not available for delivery capability.

The displacement effect is particularly acute in the area of talent. The PMO, as it grows, becomes an attractive career path — it offers seniority, visibility, and the comfort of working at one remove from the sharp end of delivery. It draws experienced programme managers out of delivery roles and into oversight roles, weakening the very capability it claims to be supporting.

This creates a perverse dynamic: as the PMO grows, the delivery capability it oversees weakens, which produces more programme problems, which generates demand for more governance, which grows the PMO further. The empire feeds on the failure it helps to create.

6. The Reporting Trap

Perhaps the most visible symptom of PMO overreach is the reporting burden. In many organisations, the production of programme status reports has become an industry in its own right — one that consumes a staggering proportion of available programme management time.

The pattern is familiar. A senior leader asks a reasonable question: "How is the programme performing?" The PMO responds with a template. The template, once established, becomes mandatory. Other leaders ask different questions, generating additional templates. The templates multiply, and with them the effort required to complete them. Before long, programme managers are spending two or three days of each reporting cycle compiling status reports, leaving three or two days for actual programme management.

The tragedy is that the reports, once produced, are rarely read with the attention their preparation demands. A board member may glance at a dashboard for thirty seconds before moving to the next agenda item. The hours invested in producing that dashboard are, in effect, wasted — not because the information is unimportant, but because the format and volume have overwhelmed the audience's capacity to absorb it.

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7. Towards a Leaner Model

None of this is an argument against programme management offices per se. The original value proposition — coordination, consistency, visibility — remains valid. The argument is against the unexamined expansion of the PMO into an empire whose costs are borne by the programmes it is supposed to serve.

A more effective model would start with a simple question: what does the PMO do that programme teams cannot do for themselves? The answer, honestly assessed, is usually quite limited. A small central function that maintains standards, facilitates cross-programme coordination, and provides a consolidated portfolio view can deliver most of the value that a large PMO claims to deliver, at a fraction of the cost.

The remaining functions — detailed governance, methodology enforcement, programme-level reporting — can in most cases be devolved to the programme teams themselves, who are better placed to understand what governance is genuinely useful and what is merely ceremonial. This requires trusting programme managers to manage their programmes, which is, after all, what they are paid to do.

The resistance to this leaner model is predictable. It threatens jobs, status, and organisational territory. It requires senior leaders to accept that they can govern a portfolio without a large apparatus of oversight. It demands that the profession ask itself an uncomfortable question: are we adding value, or are we adding process?

The answer, in many organisations, is more process than value. The PMO empire has grown, but the programmes it oversees continue to fail at roughly the same rate they always did. Until the profession is willing to confront that reality, the empire will continue to expand, and the gap between institutional overhead and delivery impact will continue to widen.