

# **Executive Perceptions and PMO Influence: Cognitive Foundations for Recognizing Strategic Value in Project Management Offices <sup>1</sup>**

**Dr. Tony Pensa**

## **Executive Summary**

Project Management Offices (PMOs) have become standard organizational entities in many institutions, serving as a central mechanism for coordinating projects, programs, and portfolios. As strategy execution has grown more complex, especially with the acceleration of technological disruption, the rise of artificial intelligence, and the demands of enterprise-wide change, organizations have increasingly relied on structured governance to maintain alignment and control. Over the past two decades, that reliance has expanded as organizations have sought more formal ways to manage digital transformation initiatives, strategy execution, and enterprise change programs.

Industry research indicates that a substantial majority of medium and large organizations operate some form of PMO capability. Studies conducted by global consulting firms suggest that between 80% and 90% of large organizations have implemented centralized project governance structures, typically embodied in a PMO.

Yet adoption has not translated into consistent recognition of strategic value. Many PMOs continue to struggle to be seen as contributors to enterprise value, despite their formal role in governance and delivery.

Part of the issue lies in how PMO effectiveness has traditionally been assessed. Common metrics, such as project success rates, schedule adherence, compliance with governance processes, and reporting accuracy, provide a useful view of operational discipline. However, they reveal little about how executive leaders interpret the PMO's contribution at a strategic level.

This article takes a different position. The challenge is not primarily structural or operational; it is cognitive. Executives do not evaluate the PMO on metrics alone. Their judgments are shaped by

---

<sup>1</sup> How to cite this paper: Pensa, T. (2026). Executive Perceptions and PMO Influence: Cognitive Foundations for Recognizing Strategic Value in Project Management Offices; *PM World Journal*, Vol. XV, Issue IV, April.

where they place attention, how they assign causality, and how they make sense of organizational performance through narrative.

From this perspective, PMO value is not simply demonstrated; it is interpreted. Recognition depends as much on perception as it does on performance.

To explore this dynamic, the article introduces the **PMO Value Perception Model**, which identifies four domains that shape how executives recognize PMO value:

- Salience
- Attribution
- Narrative Coherence
- Emotional Confidence

Understanding these mechanisms provides PMO leaders with a more practical way to strengthen both the strategic recognition and legitimacy of the PMO.

**Keywords:** *Project Management Office (PMO), Strategy Execution, PMO Governance, Executive Decision-Making, Organizational Perception, Cognitive Leadership, Portfolio Governance, PMO Value, Enterprise Transformation.*

### **Acknowledgment of AI Assistance**

Artificial intelligence (AI) tools were used in the editing and final refinement of this manuscript to improve clarity, structure, and language quality. All concepts, analysis, and conclusions presented in this paper are solely those of the author. AI assistance was limited to editorial support and did not contribute to the development of the article's intellectual content.

### **Introduction**

Modern organizations increasingly rely on coordinated execution systems to turn strategy into results. Digital transformation, operational improvement, regulatory compliance, and innovation are rarely delivered through isolated efforts. More often, they are advanced through interconnected portfolios of projects that require alignment, oversight, and disciplined execution.

To manage that complexity, many organizations have established Project Management Offices (PMOs) as formal governance structures responsible for coordinating delivery, overseeing portfolios, and supporting alignment across strategic initiatives. Research from firms such as

McKinsey & Company, Boston Consulting Group, and PwC has repeatedly shown that organizations perform better when they are able to translate strategic intent into coordinated action and when governance structures are mature enough to sustain that alignment. Within this context, the PMO is often expected to serve as the institutional mechanism that helps make execution coherent.

Yet the presence of a PMO does not automatically lead to strategic influence. Although PMOs are now common in large organizations and are often associated with improved governance discipline, cross-initiative coordination, and portfolio visibility, many still struggle to be recognized by executive leadership as strategic contributors. This is the central paradox. PMOs are widely adopted and frequently valued for structure, control, and reporting discipline, but they are still often viewed as administrative or support functions rather than as contributors to strategic value.

Explaining this gap requires looking beyond structure alone. The issue is not only how PMOs are designed, staffed, or positioned in the organization. It is also how executive leaders interpret their contribution. In practice, strategic value is not recognized simply because it exists in operational form. It is recognized when it becomes visible, credible, and meaningful in the minds of decision-makers.

## **Strategy Execution and the Role of Governance**

Strategy execution remains one of the most persistent challenges in modern management. Many organizations invest heavily in strategic planning, yet far fewer are consistently successful in converting plans into coordinated action that produces measurable outcomes. Research from McKinsey & Company has pointed to recurring barriers such as weak coordination, fragmented decision-making, and insufficient governance. Boston Consulting Group similarly emphasizes that strategy implementation depends on governance arrangements capable of aligning initiatives, resources, and decisions across business units.

PMOs are commonly positioned as one response to this challenge. In principle, they provide governance oversight, portfolio coordination, decision support, and a structure for maintaining alignment across competing priorities. In practice, however, their influence varies considerably. Some PMOs remain confined to reporting cycles and procedural control, while others become embedded in enterprise governance and contribute directly to prioritization, investment decisions, and strategic alignment.

This difference matters. Formal structure alone does not explain PMO influence. A PMO may have defined authority, established processes, and broad visibility across initiatives, yet still fail to shape

executive thinking. Strategic influence depends not only on what the PMO does, but also on how its contribution is perceived by those who allocate attention, assign importance, and make high-level decisions.

## **Cognitive Foundations of Executive Decision-Making**

This perceptual dimension becomes more visible when executive decision-making is examined through a cognitive lens. Senior leaders operate in environments marked by complexity, information overload, ambiguity, and time pressure. Under such conditions, they do not evaluate every organizational contribution through a fully rational or comprehensive process. Instead, they rely on selective attention, mental shortcuts, and interpretive frames to make sense of what matters.

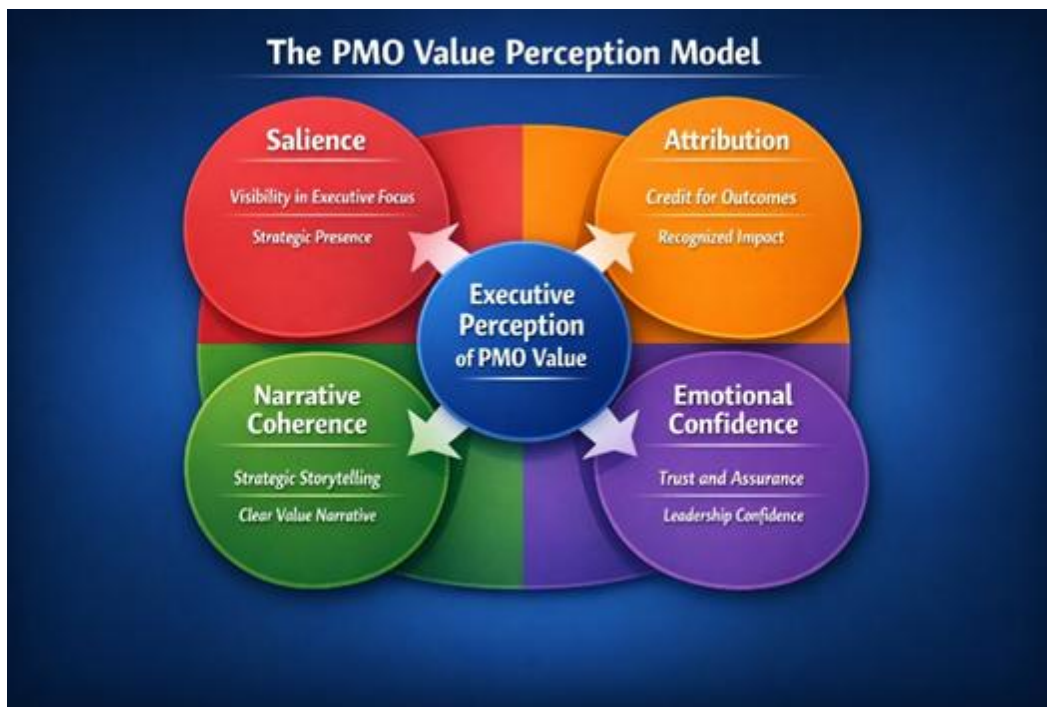
Herbert Simon's concept of bounded rationality is particularly relevant here. Simon argued that decision-makers cannot process all available information and therefore depend on simplified mental models when evaluating complex situations. Daniel Kahneman's work in behavioral economics reinforces this view by showing how judgments are often shaped by heuristics and cognitive shortcuts, especially in environments where uncertainty and complexity are high.

Applied to the PMO context, these ideas suggest that executive recognition of strategic value is shaped by more than performance metrics or structural design. It is filtered through perception. Leaders notice some contributions and overlook others. They attribute outcomes selectively. They are more likely to value functions that fit a coherent story about performance, control, and strategic progress. For that reason, understanding PMO influence requires attention not only to governance structures and delivery outcomes, but also to the cognitive processes through which executive judgment is formed.

## **The PMO Value Perception Model**

Building on these theoretical foundations, this article proposes the **PMO Value Perception Model** to explain how executive leaders interpret the value created by PMOs. The model argues that PMO influence is not determined solely by formal authority, delivery performance, or governance maturity. It is also shaped by how executives cognitively recognize, interpret, and trust the PMO's contribution.

The model identifies four perception domains that influence whether the PMO is seen as a strategic contributor.



## **Salience**

Salience refers to the extent to which PMO activities and outcomes enter the field of executive attention. The reason is straightforward: many PMO contributions are indirect. They often take the form of governance discipline, coordination, prioritization, escalation, and decision support rather than highly visible acts of leadership or delivery. As a result, their value can remain largely invisible unless it is clearly connected to decisions and outcomes that executives already regard as strategic.

Increasing salience requires more than better reporting. It requires positioning the PMO where strategy is discussed, priorities are set, and trade-offs are made. When the PMO is present in those spaces and its contribution is linked to strategic outcomes, executive recognition becomes more likely.

## **Attribution**

Attribution refers to how executives assign causal responsibility for organizational outcomes. In most organizations, success is more easily credited to visible leaders, sponsors, or business units than to the governance mechanisms that helped make execution possible. This creates a recurring problem for PMOs. Even when they improve coordination, reduce delivery risk, or strengthen

portfolio discipline, those contributions are often absorbed into the background and credited elsewhere.

In practice, unrecognized contribution rarely translates into strategic influence. If executives do not associate successful execution with the enabling role of the PMO, the function may continue to be viewed as supportive but not strategic. Strengthening attribution, therefore, requires making the PMO's role in enabling outcomes more explicit without overstating its importance.

### **Narrative Coherence**

Narrative coherence refers to the degree to which the PMO's value can be explained in a way that makes strategic sense to executive leaders. Executives do not interpret organizational performance through metrics alone. They rely on narratives that connect actions, decisions, and results into an intelligible account of what is happening and why it matters.

This creates a clear challenge for PMOs that communicate primarily through dashboards, compliance reports, and delivery statistics. Those instruments may demonstrate control, but they do not always communicate significance. A PMO is more likely to be seen as strategically valuable when it can explain how its governance role contributed to better prioritization, stronger execution, clearer trade-offs, and more reliable strategic delivery.

### **Emotional Confidence**

Emotional confidence refers to the level of trust and assurance executives place in PMO leadership. This dimension is not reducible to personal likability, nor is it merely a matter of technical competence. It develops when executives experience the PMO as reliable, credible, and useful in moments that matter, especially when decisions are complex, uncertainty is high, and strategic choices carry visible consequences.

When that confidence is present, PMO leaders are more likely to be invited into strategic conversations and to shape decisions before they are finalized. When it is absent, even capable PMOs may remain limited to procedural or reporting roles. Emotional confidence, in this sense, becomes a condition for strategic access as much as a reflection of interpersonal trust.

### **Practitioner Implications**

The PMO Value Perception Model suggests that PMO leaders must extend their focus beyond operational governance toward the management of executive perception. In practice, this shift leads to four implications for PMO leaders.

### **Increase the visibility of PMO contributions.**

PMOs should actively participate in executive governance forums and portfolio decision-making processes. In practice, this means making the PMO's contribution visible, understandable, and credible to senior decision-makers.

### **Clarify how value is attributed.**

PMO leaders should make clearer connections between governance practices and organizational outcomes. When better prioritization, stronger coordination, improved risk management, or more disciplined execution lead to positive results, the PMO's enabling role should not remain implicit.

### **Develop stronger strategic narratives.**

Operational metrics matter, but metrics alone rarely persuade executives. PMO leaders need to translate data into narratives that show why governance matters, how it supports strategic execution, and what difference it makes to enterprise performance.

### **Build executive confidence.**

Strategic influence depends heavily on trust. PMO leaders build trust through credible analysis, transparent governance, consistent judgment, and reliable delivery support. When executives have confidence in the PMO's leadership, they are more likely to involve it in consequential decisions.

## **Conclusion**

The widespread adoption of PMOs reflects the growing importance of coordinated strategy execution in modern organizations. Yet the persistent perception gap found in many institutions suggests that governance structures alone are not enough to secure executive recognition of PMO value.

The issue is not only structural; it is also cognitive. How executives perceive the PMO shapes whether its contribution is recognized as strategic, marginal, or merely administrative. For that reason, the future development of PMO leadership depends not only on stronger governance mechanisms, but also on a better understanding of the perceptual conditions under which value becomes visible and credible.

By increasing visibility, clarifying attribution, developing coherent strategic narratives, and building executive confidence, PMO leaders can strengthen the strategic recognition and legitimacy of the PMO within the enterprise.

## References

Bradley, C., Hirt, M., & Smit, S. (2018). *Strategy beyond the hockey stick: People, probabilities, and big moves to beat the odds*. John Wiley & Sons.

Hobbs, B., & Aubry, M. (2010). *The project management office: A quest for understanding*.

Kahneman, D. (2011). *Thinking, fast and slow*. Farrar, Straus and Giroux.

MacLennan, A. (2010). *Strategy execution: Translating strategy into action in complex organizations*. Routledge.

Mintzberg, H. (1979). *The structuring of organizations: A synthesis of the research*. Prentice-Hall.

Ocasio, W. (1997). Toward an attention-based view of the firm. *Strategic Management Journal*, 18(S1), 187–206.

Project Management Institute, & PwC. (2021). *The top 10 percent: A global study of PMO maturity and performance*. Project Management Institute.

Simon, H. A. (1997). *Administrative behavior: A study of decision-making processes in administrative organizations* (4th ed.). Free Press.

Stang, D., Davies, S., et al. (2022, March 24). *2022 strategic roadmap for the EPMO*. Gartner, Inc.

Weick, K. E. (1995). *Sensemaking in organizations*. Sage.

## About the Author



### **Dr. Tony Prensa**

Florida, USA



**Dr. Tony Prensa** is a PMO strategist, executive advisor, author, and keynote speaker whose work focuses on strategy execution, governance design, PMO transformation, and enterprise value delivery.

He is the author of *Digital Project Playbook* and the creator of *PMO Value Architecture™* and the *Blueprint360™* PMO Operating Model, frameworks developed to help organizations align strategy, governance, portfolio execution, and value realization in ways that support measurable business outcomes.

Dr. Prensa is the Founder and CEO of TP Global Business Consulting, where he advises organizations across industries on modernizing PMO operating models, strengthening governance systems, improving decision-making, and increasing executive confidence in PMO leadership.

Through keynote presentations, masterclasses, executive briefings, and published work, he continues to contribute to the advancement of the PMO profession, with particular emphasis on the relationship between strategy execution, governance design, and organizational value creation.

He can be contacted at [tony@tpglobalbusinessconsulting.com](mailto:tony@tpglobalbusinessconsulting.com).