A Contextual Guide to Setting up a Programme Management Office [1]

Dr Dimitris Antoniadis

DANTON ProgM Ltd

Introduction

The author, with this article as well as two articles published earlier (Antoniadis, 2026a & 2026c), wishes to contribute to the discussion on the setting up of a Programme/Project Management Office (PMO). Also, the author wishes to provide a helping hand/support to those individuals who will undertake, at some point, the task of delivering such a transformation. Therefore, this article should be seen as a contextual guide rather than a definitive tool for setting up a PMO.

In the modern business landscape, the demand for an integrated approach to Project Management has never been higher. Organisations are increasingly finding that traditional, fragmented processes and associated systems no longer meet the rigorous requirements of complex project delivery. A PMO serves as a management structure designed to standardise project-related governance processes and facilitate the sharing of resources, methodologies, tools, and techniques.

The primary purpose of establishing a PMO is to provide support to all parties within the organisation and enable informed decision-making (Antoniadis, 2026b). It acts as a bridge between high-level strategy and tactical execution, offering effective project oversight and control while supporting management and project teams throughout the delivery lifecycle. Crucially, a PMO is not restricted to client-oriented roles; it is highly effective when structured to serve construction and other industry-specific organisations. By providing a common IT system and standardising performance methodologies, the PMO ensures consistent, scalable control that reduces risk exposure and enhances predictability of delivery. Also, and further to the latest developments regarding AI, the PMO could become the implementation hub of the required transformation.

Essential points on the PMO

Understanding the theoretical evolution of a PMO is essential for its long-term success. A properly set up department is best described by the phrase: *"PMO should provide and support*

[1] How to cite this work: Antoniadis, D. (2026). A Contextual Guide to Setting up a Programme Management Office, advisory, *PM World Journal*, Vol. XV, Issue VII, July.

centralisation by decentralising". This means that while governance, standards, and strategic oversight are centralised to ensure consistency, the actual execution and delivery support are decentralised to empower project teams. The APM (2019) as well as the PMI (2017) have provided a set of 'types' and 'forms' of PMO that can be implemented depending on the requirements, and these will not be repeated here. In answer to the question, 'Why the PMO?' the author would propose the following:

- Provides and enables Governance, supports Strategy.
- Provides Coordination and Integration.
- Supports and enables performance monitoring and reporting.
- Provides PM supporting functions.
- Establishes and supports communality of project management process and structures
- Enables Management of Interfaces.
- Being a Centre of Excellence.
- Supports PM Assurance.

Most of the above will be described below as part of the contextual setting-up guide.

The PMO Hierarchy of Needs

A vital theoretical framework used in the industry is the PMO Hierarchy of Needs (an interesting description given by Arnaz-Pemberton) as adapted from Maslow's theory of human motivation. This model posits that as each level of need is satisfied, the PMO's desire to evolve toward higher levels of value becomes apparent.

1. **Business Problem or Opportunity:** This is the foundational level where the PMO exists to address the need for monitoring and control of projects and activities.
2. **Value Perception:** At this stage, the PMO achieves "safety" in its position, typically through **active sponsorship and championing** by senior leadership.
3. **Partnership:** The PMO evolves into a respected business partner, driving strategy development and maintaining representation across organisational functions.
4. **Maturity:** This stage involves a mapped-out journey of continuous improvement, where the PMO systematically increases the value it generates for the organisation.
5. **Innovation:** The pinnacle of the hierarchy, where the PMO achieves its full potential through targeted transformation, sustaining core values while fostering progress that achieves industry recognition.

This progression takes a PMO from a basic concept designed to bring discipline to change activity to a fit-for-purpose value-adding partner that supports the organisation across its entire portfolio.

Its value is even more important when the organisation (client or contractor) are engaging in an alliance style contract of work.

Approach to Setting up the PMO

The establishment of a PMO must be treated as a project, in its own right, requiring major commitments from multiple company levels and not just the senior management levels. A structured, phased approach is recommended to ensure that the office meets the organisation's specific needs while managing the associated cultural and technical changes.
The author proposes three basic phases: Conceptualisation, Development of proposal and standards and Implementation.

Phase 1: Conceptualisation and Context of Works

The first phase focuses on defining requirements and assessing the organisation's readiness.

- **Value Management (VM) Workshop:** It is recommended that a VM workshop be held initially to define "what the organisation wants out of the PMO" and to describe the depth of required changes. This workshop acts as the forum for defining the project brief and identifying members for the Steering Group.
- **Stakeholder Engagement:** All stakeholders must be engaged to understand the drivers behind the PMO and to assess the current state of live projects.
- **System Review:** An assessment of technical software systems and how they interface is conducted to ensure the PMO's needs are fitted to the organisation’s current and future workload.
- **Output:** The phase closes with a report on findings and required actions for the next stage, confirmed by senior management.

Phase 2: Developing the Proposal and Standards

In this phase, and at high level, the detailed structure of the department and the basic Project Control (PC) requirements are defined and agreed.

- **Organisational Structure:** The proposal details specific PMO type, roles, positions, and RACI matrices (Responsible, Accountable, Consulted, Informed) for all processes.

- **Identifying and closing gaps** in processes by developing them to the required level of detail.

- **Standard Project Management Structures:** The PMO defines and agrees upon standard structures, the Work Breakdown Structure (WBS), Organisational Breakdown Structure (OBS), Cost Breakdown Structure (CBS), Risk Breakdown Structure (RBS), and Document Control Structure. Also, describing the level of utilisation, use of templates, etc., on the appropriate software tools.

- Careful consideration of use of AI tools and their requirements.

- **Software tools and ERP Integration:** The primary software tools (such as scheduling, cost, contract and change management, estimating, reporting, etc.) are proposed, selected and set up. It is advantageous for this to happen in parallel with or before ERP implementation, or if this exists, then defining how the software tools will integrate, so that common structures are maintained in both scheduling and financial software. For further details, see Antoniadis 2026a.

- **Output:** The phase 2 output is a report which includes the proposed organisational structure, agreed processes, standard project structures, and a plan for the management of change.

Phase 3: Implementation

Implementation should follow a stepped approach rather than a "blitz" approach to allow for feedback and adjustment.

- **Development** of:
  - Processes,
  - Set up of structures,
  - Addressing AI tool requirements, discipline specific and including training requirements.
  - Any templates
  - Procurement, testing and set up of required software tool(s)

- **Piloting:** New processes are tested on a live project (or more than one if required) to gather feedback and make necessary adjustments before a wider rollout.

- **Documentation:** Key documents are drafted and established, including the PMO Handbook (vision, mission, and interfaces), the Project Control Plan (PCP) (detailed guidance on scheduling, cost monitoring, and change control), any other fundamental documentation, such as the PMP, PQP, Schedule Management Plan, etc.

- **Training:** Various modules of training are delivered to Project Managers, Project Controllers, and Commercial and others, including contractors (where required).

- **PMO Champions:** Individuals who have been identified as Champions during phase 2, roll out PMO requirements to their specific departments or business units and link directly with the Steering Group.

Some essential PMO Processes and Procedures

For a PMO to achieve informed decision-making, several core disciplines must be integrated into its operating model, and if/where required, describe the processes and procedures:

1. **Governance:** Establishing project gateways, governance secretariat and, where/when required, chairing Portfolio Boards.

2. **Project Control**
   2.1. Planning: supporting from the early stages the process of identifying the methods, resources and activities necessary to accomplish the project's objectives.
   2.2. Scheduling: Ensuring all schedules are logically linked with a clear critical path and integrated with resource and cost data.
   2.3. Cost and Budget Management: Monitoring actuals, expenditure, and income while managing accruals.
   2.4. Resource Management: Managing capacity and capability across the projects, programmes and portfolios.
   2.5. Risk Management: Including threats and opportunities within the schedule monitoring process.
   2.6. Change Control: Rigorous monitoring and approval of changes in both the cost tools and the schedules.

3. **Reporting**: coordinating the reporting to portfolio boards, Directorates, P3Ms as well as discipline leaders. Be the source of truth and trust.

4. **Coordinating:** as required, with other departments/directorates, especially in the case of an Infrastructure organisation, where it needs to act as the funnel of/for the workload.

5. **Knowledge Management:** Operating as a Centre of Excellence (CoE) for continuous improvement and capturing lessons learned (Antoniadis, 2026c).

6. **Interface Management:** act as the interface with Finance, IS/IT, Supply Chain/Procurement, etc., for the transfer of information and any other requirements relevant to the context for which it has been created.

Figure 1 below, created by the Google AI tool NotebookLM, depicts the roadmap for setting up a PMO.

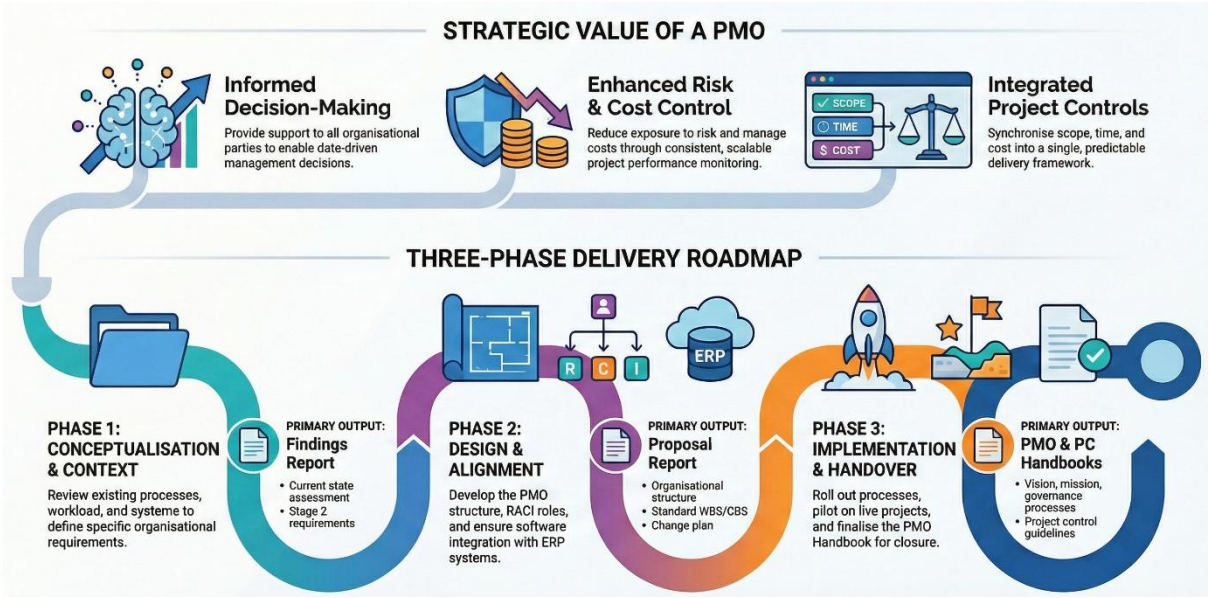

Figure 1. Roadmap to establishing a PMO.

Common Pitfalls and Reasons for Failure

Despite their benefits, PMOs often fail for several reasons. Some are briefly stated below:

- Lack of agreed context or lack of support from Senior Management.
- Failure to understand the purpose of the department by its members.
- Excessive centralisation leading to conflicts with other functional departments.
- Inappropriate behaviours, ranging from excessive assertiveness to extreme subservience, as well as internal politics.

Closing Remarks

As Nieto-Rodriguez (2026) says, '*If your PMO still sees its main job as policing deadlines and producing status reports, it's not wrong — it's just doing yesterday's job perfectly*'. Also, AI is transforming P3M by enhancing data-driven decision-making, but its effective and responsible

use depends on strong governance, not technology alone. Therefore, as Boudreau states, the PMO should be well positioned to take on new responsibilities by integrating AI into decision processes, ensuring transparency and alignment with strategy, and evolving into a strategic orchestrator of human and AI-driven project management. The company and PMO leadership should also consider the PMO acting as a Transformation Office (Nieto-Rodriguez, 2026), supporting and, if necessary, leading the AI transformation in P3M first and foremost, measuring outcomes, driving prioritisation, and removing roadblocks.

The successful setup of a PMO represents a significant evolution in how an organisation delivers its strategy. By moving away from siloed reporting and toward an integrated performance reporting model, organisations can achieve enhanced predictability and reduced cost exposure. The journey from solving a basic "Business Problem" to achieving "Innovation" requires not only the right IT tools and processes but also a focus on the human and cultural elements of project delivery. Ultimately, the PMO provides the necessary oversight and support to ensure that every project contributes effectively to the organisation's long-term success.

Relevant Reflective Questions

- Does our organisation have the active senior sponsorship necessary to reach the "Value Perception" level of the PMO hierarchy?
- How well do our current project management processes meet the need for an integrated approach to time, cost, and risk?
- Do our project management software tools talk to the company-wide tool (ERP)?
- Are we using the right tools and are we using them right?
- Are our project schedules logically linked with a clear critical path, or are we reporting based on disconnected data?
- Are we managing our projects in "silos"?
- Do we have the standard structures (WBS, CBS) required for company-wide reporting?
- How could a "train the trainer" approach help us sustain PMO skills more cost-effectively within our organisation?
- Do we see the PMO functioning as a respected business partner, or is it seen as an administrative "reporting office"?

Acknowledgment

The author wishes to indicate that Figure 1 was generated using Google's AI tool NotebookLM.

Bibliography

Al-Maghraby, R. (2011). 'How to establish a Project Management Office (PMO)', PM World Today, 13(5).

Antoniadis, D. (2026a). The Symbiotic Relationship Between the Programme Management Office (PMO) and Project Control; PM World Journal, Vol. XV, Issue V, May.

Antoniadis, D. (2026b). The case for Programme Management Office (n.d.) [Internal White Paper].

Antoniadis, D. (2026c). PMO Memory Framework for Knowledge Management and Visualisation; PM World Journal, Vol. XV, Issue I, January.

APM (2019). APM Body of Knowledge (7th ed.). Princess Risborough.

Arnaz-Pemberton, E.-R. (n.d.) The PMO Hierarchy of Needs. Available at: https://www.futurepmo.com/pmo-hierarchy-of-needs/ (Accessed: 25 March 2026).

Boudreau, P. (2010). How the Project Management Office can use Artificial Intelligence to Improve the Bottom Line.

Boudreau, P. (2026). Will the PMO Become the Center of AI Adoption in Organizations?
Giraudo, L. and Monaldi, E. (2015). PMO evolution: from the origin to the future. London: PMI.

Hobbs, B. & Aubry, M. (2007). 'A multi-phase research program investigating Project Management Offices (PMOs): The results of phase 1', Project Management Journal, 38(1), pp. 74-86.

Jordan, A. (2020). 'Now More Than Ever, You Need Your PMO', ProjectManagement.com. Available at: https://www.projectmanagement.com/articles/624363/Now-More-Than-Ever--You-Need-Your-PMO

Jordan, A. (2023). 'Where Should the PMO Focus?', ProjectManagement.com. Available at: https://www.projectmanagement.com/articles/863886/Where-Should-the-PMO-Focus

Nieto-Rodriguez, N. (2026). The PMO is the past. The Transformation Office is the future — if it can actually measure transformation. (email communication from Projects & Co. on 24th May 2026)

PMI (2017). A Guide to the Project Management Body OF Knowledge (6th ed.).

Salameh, H. (2014). 'A Framework to Establish a Project Management Office', European Journal of Business and Management, 6(9).

Salamah, H. and Alnaji, L. (n.d.). Challenges in Establishing, Managing, and Operating a Project Management Office.

About the Author

Dr. Dimitris N. Antoniadis

London, UK

Dr Dimitris N. Antoniadis PhD MSc BEng(1st) CEng FAPM FCMI MIMechE, based in UK, has 35+ years' experience in Programme and Project Management positions, having covered project phases from concept to handover and operation / maintenance.
He is currently Director in the Programme, Project Management and PMO with DANTON PROGM, technical advisor to Novacept and has set up the BSc in Project Control that is currently delivered by the partnership between London Metropolitan College and the University of West London.

He has held Senior Management posts in major utilities, infrastructure and construction organisations delivering programmes of works ranging from £250M to £3.2Bn. As Head of Programme Management Office (PMO) he has set up and run the departments within challenging partnering environments, setting up all the processes from governance to reporting. He has also led / co-led major business transformation programmes for Client organisations in UK and abroad, integrating project management software tools with ERP systems.

He is the author of the book '*Demystifying Project Control*'; contributed chapters in books on complexity, leadership and other project management topics and has written a number of journal and conference papers. He has been a guest speaker at UK Universities as well as International conferences on various project management topics.

He was awarded the PhD, from Loughborough University, UK, on the subject of '*Managing Complexity in Project Teams*', where he developed a framework for managing the effects of complexity on projects.

Parts of his work can be seen in www.danton-progm.co.uk .His book Demystifying Project Control can be purchased from: https://amzn.to/2Jm1Zeh

Dr. Antoniadis can be contacted at dnanton00@gmail.com