



## Improving Organization Performance : Investigation Of the Impact of Outsourcing PMO Functions

Waffa Karkukly - PMP, MIT  
PhD Candidate at ESC Lille

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# Outsourcing and Globalization Trends: Impact on PMOs

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- PMO's are today subject to enormous expectations in terms of currently strong outsourcing and globalisation trends, where companies involve either short- or long-term partners to reduce overall project costs.
- Although outsourcing IT functions have proven successful - expanding beyond IT - there is a shift in the project management domain to outsource project management functions / activities traditionally carried out by a PMO.
- PMO outsourcing has been limited to:
  - Resources (project manager) as part of staff augmentation.
- PMO outsourcing has expanded to also include:
  - Tools and/or methodology as part of the SAAS (Software As A Service) model.
  - Entire functions that can handle all project management activities.

# Thesis Intent

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Assumption:

Based upon literature review and previous research, outsourcing business or production functions may lead to improved organizational performance.

Thus the question:

Whether some or all of PMO functions can be outsourced to improve or enhance the organizations performance ?

# Research Objectives

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- The purpose of this research is to:
  - Enrich and provide the PM/ PMO practitioners with contributions that will benefit their practice.
  - Help organizations create an effective PMO that provides both strategic and tactical structure through leveraging outsourcing some or all PMO functions for better performance.
- These objectives will be achieved through:
  - Review of relevant literature via investigating the evolving trends in outsourcing as well as the evolving role of PMO's in the context of Professional Services organizations.
  - Surveying a sample of practitioners within Professional Services organizations.
  - Case Studies to draw conclusions and or recommendations based on the data analysis.

# Research Questions

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- What PMO functions can be outsourced, and whether outsourcing PMO functions would improve organization performance?
- What PMO functions have been outsourced, and what organizational performance have this resulted into?
- What if any does the moderating effect of (governance and standards) have on organization's performance?

# Research Design

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- Ontological and epistemological positions: “being” (PMO and PMO functions are existing objects) ontology, and positivist / rationalist epistemology.
- The research approaches will combine quantitative and qualitative factors as a combined or mixed approach.
- Surveys and case studies to be used as tools for data collection and analysis.
- Collected data will be classified into separate data sets and analyzed, characterised by common functionalities. This classification will help determine main factors, variables, interdependencies and correlations.



# Value of The Topic

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- On the Personal Level:

Review of the creation of a PMO and analysis of the time spent, funds expended and resources required to make it successful. Both time and money spent can be expedited if some functions can be outsourced to allow focus on more organizationally strategic or advanced functions.

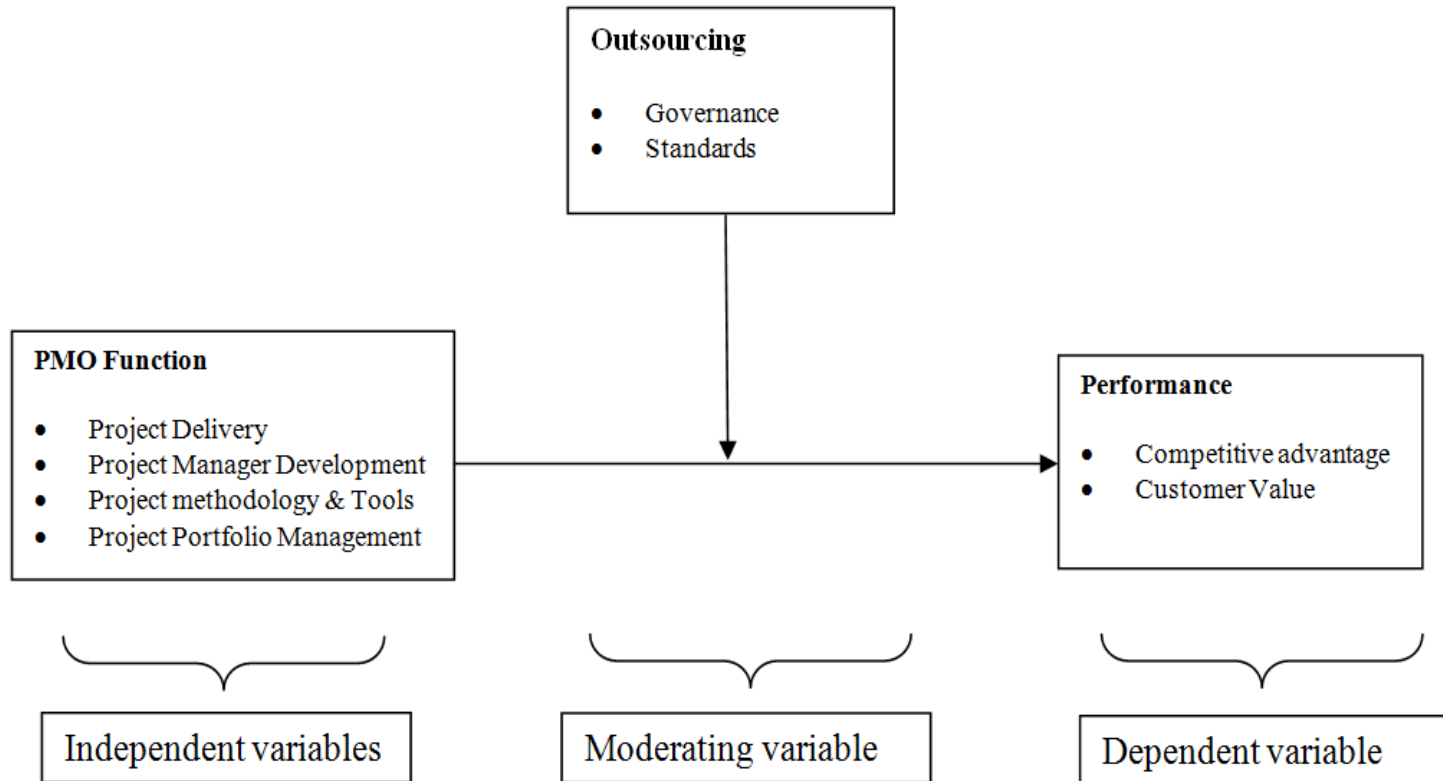
- On the Academic Level:

The literature review, case studies and collected data will benefit academics in the field and/or also provide additional future research materials. It will enrich existing outsourcing and PMO research.

- On the Practical Level:

Make the research operational, practical and able to assist organizations either create effective PMO's and/or assess their current PMO capability in order to benefit from outsourcing PMO functions and focus on strategic matters that advance overall organizational performance.

# Theoretical Framework





# Research Design

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- Ontological and epistemological positions:

The Research uses Realism Epistemology

- Surveys and case studies to be used as tools for data collection and analysis.
- Data classification will help determine main factors, variables, interdependencies and correlations.