Project management office a knowledge broker in project-based organisations

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Abstract

Current research into project management offices (PMOs) has stressed the PMOs' potential to act as knowledge brokers between projects, and between project and top management. Nonetheless, the literature does not provide sufficient evidence of the brokering role of PMOs. The research reported here aims to examine PMO's functions from a knowledge sharing perspective and explore whether or not these functions reflect the knowledge sharing needs of project managers (PMs). These issues are investigated through a cross-case analysis of seven organisations. The main contribution is insight into how PMs share knowledge and awareness of the need to structure PMOs to align with PMs' nature, needs and expectations in order to improve knowledge sharing in PBOs. Finally, some practical steps for helping PMOs to better adapt their functions to the needs of PMs and their learning and knowledge sharing style are proposed.
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1. Introduction

Projects are temporary organisations, with an intentional death, purposefully designed to provide benefits for a permanent organisation or certain stakeholders through complex problem-solving processes (Söderlund, 2011). Projects are often regarded as an efficient means for combining knowledge and thereby optimising value from investments. Although projects are considered temporary organisations, they exist within the boundary of a project-based organisation (PBO). PBOs have no standard form and previous researchers have discussed project-based firms (Lindkvist, 2004; Whitley, 2006), other project-based organisations (Turner and Keegan, 2000) or project-based companies (Huemann et al., 2007). PBOs are here defined as organisations in which the majority of products or services are produced through projects for either internal or external customers. The PBO may be a standalone organisation or a subsidiary of a larger organisation (Turner and Keegan, 2000),

but characteristically for both types, it's an organisation that is capable of handling many projects (Artto et al., 2011).

The expected benefits of establishing a PBO are that the temporary project organisation and the PBO should work jointly. Moreover, new ideas, challenges and learning gained in projects should be transferred to the PBO (Söderlund and Tell, 2011). Therefore, PBO has to ensure effective knowledge sharing (KS) and integration within and between projects to avoid the risk of reinventing the wheel and so repeating the same mistakes (Schindler and Eppler, 2003). Nevertheless, although PBOs have knowledge transfer processes in place, these are often ineffective (Swan et al., 2010). This is mostly because PBOs are fragmented and have a high degree of autonomy between PBO's sub-units, as suggested by Lindkvist (2004) and Orton and Weick (1990).

A project management office (PMO) is a formal layer of control between top management and project management within a PBO (Kerzner, 2003; Liu and Yetton, 2007) that is, an institutionalisation of governance strategies (Müller, 2009). The shapes and roles of PMO's functions vary according to the context within which they are incorporated (Aubry et al., 2010; Hobbs and Aubry, 2007, 2008) and although many PBOs do not have an explicit PMOs, the PMO functions are often

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incorporated within the parent organisation (Dietrich et al., 2010). The complexity and variety of PMOs have evidently resulted in a number of interpretations of what a PMO actually is and should do, both in practice and in research terms. For instance, Aubry et al. (2010) found that many organisations implement PMOs without a clear direction and vision of what role they want the PMO to play; they simply adopt existing PMO archetypes without considering organisational needs. From a knowledge perspective, the PMO can be regarded as an organisational unit facilitating coordination of knowledge and other resources between the PBO and its projects, and can therefore act as a bridge over organisational and knowledge boundaries. This perspective of a PMO as a knowledge broker was investigated in two studies (Desouza and Evaristo, 2006; Julian, 2008). These studies provided an insight into PMO's knowledge brokering role from the perspective of a PMO's personnel, but lacked insights into PMs' knowledge needs and expectations. Accordingly, the research conducted so far on PMOs as knowledge brokers is limited and requires further investigation. There are areas in need for further investigation, which brings the nature and knowledge needs of PMs into the picture. From the above, we have identified the following research question: *what capabilities do the PMO have to possess to become a knowledge-broker and meet PMs' knowledge sharing needs?* More specifically, the research reported here aims to examine PMO's functions from a knowledge sharing perspective and to explore whether or not these functions reflect the knowledge sharing needs of PMs.

Scarbrough et al. (2004) noted that in existing studies on organisational learning and knowledge sharing in the project environment, the level of analysis tends to be the project itself (e.g. Lindkvist et al., 1998; Prencipe and Tell, 2001). Relatively less attention is paid to project-to-organisation or inter-project KS behaviours. In this research, the unit of analysis is the relationship between PMO's knowledge brokering activities and PMs' knowledge sharing behaviours. The research is set in Sweden and Australia and includes subsidiary PBOs. The paper begins with a discussion on knowledge sharing in PBOs, which includes PMs' knowledge sharing and integrating behaviours, and the role of a PMO as a knowledge broker. It then continues with a description of the methods used in the study. A cross-case analysis is then presented followed by a discussion on the results and their implications.

2. Literature review

The main focus of this section is on knowledge sharing practices between projects and from projects to parent organisation; in particular, this review of the literature focuses on: knowledge sharing challenges in PBOs, the role of PMO as a potential knowledge boundary spanner between projects and PBO, and PMs' knowledge sharing behaviours.

2.1. Knowledge sharing challenges in PBOs

The PBO mainly learns from the projects through an accumulation of experiences among the project participants

and project members (Swan et al., 2010). Nevertheless, the project nature tends to hamper knowledge sharing as PMs' primary focus is on time and product, or service, delivery, rather than on knowledge sharing activities. Time pressure and temporary nature of the project mean that the end of the project is often the end of collective learning. Furthermore, it is a common practice that project lessons are evaluated at the end of the project and regarded superfluous. This results in low quality of best practices and lessons learned, causing a lack of cross-project learning and communication such that project experiences are captured and shared infrequently (Ajmal and Koskinen, 2008; Eskerod and Skriver, 2007; Keegan and Turner, 2001; Newell et al., 2006; Schindler and Eppler, 2003; Turner et al., 2000). Crucially, problems of cross-project learning have wider implications for processes of organisational learning and the development of organisational and project management capabilities (Scarbrough et al., 2004).

KS on the project level takes place as social communication between project stakeholders and through different explicit information channels such as project documents (Arenius et al., 2003). Accumulated knowledge throughout the project, if not effectively shared with other projects and the parent organisation, can be irretrievably lost. Thus, the risk of a knowledge loss at the project's end is a serious problem for PBOs. It is therefore apparent that the transfer of knowledge and learning generated within projects, either to other projects or to the parent organisation, does not happen without difficulty (Scarbrough et al., 2004).

The main reason why the PBO is weak in coordinating processes, resources and capabilities across projects is because of the specific characteristics of projects. Even though projects have been found to be impacted by its history and context (Engwall, 2003), projects act almost like separate organisations. This means that project work is highly independent, hence there is limited coordination across project lines and, in effect, the learning process is interrupted causing 'learning closure' (Hobday, 2000). The result of this project autonomy makes learning and KS across projects difficult. As suggested by Scarbrough et al. (2004), project autonomy can be advantageous for learning by allowing the development of practices which are distinctively different to mainstream organisational practices. However, the integration of learning or sharing capabilities is the main challenge for PBOs. Moreover, another challenge for effective inter-project KS and KS from project to parent organisation is the finite character of projects, wherein project members, ever mindful of time pressures, become focused primarily on product or service delivery rather than on KS activities. This hinders the transfer of best practices, causing a lack of cross-project learning and communication (Davenport et al., 1998; Kotnour, 1999; Loo, 2002). Additionally, when a project finishes, people are reassigned to work on another project. Members of the disbanded team often have little time and motivation to reflect on their experience and document transferable knowledge for recycling in the future (Brady and Davies, 2004). Thus, the tendency to reinvent the process rather than learn from the experiences of previous projects is common in PBOs (Prusak, 1997). Not surprisingly then, studies that