



Treasury Board of Canada  
Secretariat

Secrétariat du Conseil du Trésor  
du Canada

Canada

# **Standard for Organizational Project Management Capacity**

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# Standard for Organizational Project Management Capacity

## Disclaimer

In June 2007, Treasury Board Ministers approved the [Policy on the Management of Projects](#). This policy replaces the [Project Management Policy](#), the [Policy on the Management of Major Crown Projects](#), and the [Project Approval Policy](#) for departments and agencies listed in Section 2 of the [Financial Administration Act](#). This policy is a significant change in how government manages projects. As a result, the Treasury Board Secretariat has adopted a phased implementation approach, starting in 2007, that began with a group of four departments. Following this first phase of implementation, three more groups of departments will be brought on board so that, by April 1, 2012, departments and agencies will have the systems and processes in place to meet the policy requirements. In addition, based on lessons learned, amendments to the [Policy on the Management of Projects](#) were approved and came into effect in December 2009.

## 1. Effective date

1.1 This revised standard takes effect on December 9, 2010.

1.2 It replaces the 2007 version of the Treasury Board Standard for *Organizational Project Management Capacity*.

1.3 This standard is to be phased in over a five-year period in conjunction with the *Policy on Investment Planning – Assets and Acquired Services*.

1.4 Departments will have until April 1, 2012 to implement this standard.

## 2. Application

2.1 This standard applies to all departments as defined in section 2 of the *Financial Administration Act*, unless specific acts or regulations override it.

## 3. Context

3.1 Deputy heads are responsible for the effective management of projects in their organization. This standard establishes the mandatory assessment process that Treasury Board has approved for government-wide use. The Treasury Board *Policy on the Management of Projects* requires deputy heads to ensure that their organization is accurately assessed to determine its class of project management capacity for the purposes of project approval and expenditure authority.

3.2 The nature of and demand for project management capacity in departments varies considerably across the Government of Canada. Not every department needs to develop extensive capacity to manage projects. A department's and government's investment in developing and maintaining project management capacity is a direct function of the benefits that can be achieved by realizing outcomes and risk management in individual projects. This includes stronger program and investment portfolio management as well as consideration of the investment and maintenance costs associated with project management capacity.

3.3 Projects are managed in a manner that is consistent with the assessed level of complexity and risk. This includes demonstrating that both knowledgeable, integrated, multi-disciplinary project teams and effective project management systems and processes support the project management function.

3.4 The *Organizational Project Management Capacity Assessment Tool* provides the basis for determining the class of organizational capacity to manage projects and will assist in identifying areas of capacity that should be improved or maintained, in light of the department's business activity.

3.5 The *Organizational Project Management Capacity Assessment Tool* rates the class of organizational capacity to manage projects across 5 classes by evaluating criteria in each of the following project knowledge areas:

- Organizational integration
- Core project management
- Supporting project management

**Note:** Deputies with limited program expenditures intended for projects should assess the cost (resources) needed to establish project management regimes appropriate for the department's business activity.

3.6 This standard is issued pursuant to section 7 of the *Financial Administration Act*.

3.7 This standard is to be read in conjunction with the *Policy on the Management of Projects*, the *Policy on Investment Planning – Assets and Acquired Services*, and the *Standard for Project Complexity and Risk*

3.8 Treasury Board has provided to the Secretary of the Treasury Board of Canada the authority to issue such operational standards as necessary.

## 4. Requirements

4.1 Departments and agencies submitting an investment plan to comply with the *Policy on Investment Planning*, must demonstrate, through assessment, organizational project management capacity in order to exercise the project approval authorities defined in Appendix A of the *Policy on the Management of Projects*.

4.2 Assessments are to be completed using the *Organizational Project Management Capacity Assessment Tool* and the resulting capacity class is to be approved by Treasury Board at least once every three years, normally as part of the consideration of the department's investment plan as set out in the *Policy on Investment Planning – Assets and Acquired Services*.

4.2.1 Assessments are to take into account all planned projects, which must be contained within the investment plan.

4.3 The Treasury Board Secretariat is advised, in a timely manner, of any significant changes to the organizational project management capacity and the Treasury Board approved assessment class. If requested, by the Treasury Board Secretariat the capacity assessment is to be revised and submitted to the Treasury Board Secretariat.

4.4 Deputy heads and agencies are required to monitor the use and effectiveness of the delegated project approval levels within the department's management control framework through the following:

- Internal audits and evaluations
- Periodic Management Accountability Framework (MAF) updates
- Updated capacity assessments to support revised authorities
- Submission of the department's investment plan

4.5 When there is no evidence, nor business case, supporting the development of a departmental project management capacity, Treasury Board has limited the expenditure authority for project approval to \$1 million.

## 5. References

### 5.1 Related policies and publications:

- [Policy on Investment Planning - Assets and Acquired Services](#)
- [Directive on Delegation of Financial Authorities for Disbursements](#)
- [Policy on Privacy Protection](#)
- [Directive on Privacy Impact Assessment](#)
- [Policy on Government Security](#)
- [Policy on Transfer Payments](#)
- [Contracting Policy](#)
- [Project Complexity and Risk Assessment Tool](#)
- [Standard for Project Complexity and Risk](#)
- [Organizational Project Management Capacity Assessment Tool](#)
- [Procurement Administrative Directive<sup>1</sup>](#)
- [Policy on Managing Procurement<sup>1</sup>](#)

### 5.2 Further information

The Treasury Board Secretariat will maintain up-to-date information on best practices on its Web site. Additional background information supporting the implementation of this standard will also be available on the Treasury Board Secretariat's website.

## 6. Enquiries

Please direct enquiries about this policy instrument to the organizational unit in your department responsible for this subject matter. For interpretation of this policy instrument, the responsible organizational unit should contact: [TBS Public Enquiries](#).

## Footnotes

Footnote fn1

*Policy instruments or other documents referenced by title only and without links, are under development and not yet in effect. They will be published as they are approved.*

[Return to footnote 1 referrer](#)