

**11th Annual UT Dallas Project
Management Symposium**
J. Davidson Frame, PhD, PMP, PMI Fellow
2017 Board of Directors

Making project management indispensable for business results.®

**Transforming the High Cost of
Low Performance: How will you
improve business results?**

18 August 2017

PMI's Pulse of the Profession Reports

PMI Tracks Project Management Developments Today

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- Each year, PMI conducts a number of comprehensive surveys to identify the state of project management at a given point in time.
- These studies focus on:
 - The state of PM practice - How much is it promoted in organizations? Are PM tools being adopted?
 - The attitudes of different players toward PM - e.g., The executive suite vs. PMO directors
 - The extent to which PM yields benefits - i.e., Does it make a difference?

Pulse of the Profession: “Transforming the High Cost of Low Performance, 2017”

- Today’s presentation looks at a *Pulse of the Profession* report titled: “Success Rates Rise: Transforming the High Cost of Low Performance.”
- Involved questionnaires submitted to and/or interviews with:
 - 3,234 project management practitioners
 - 200 senior executives
 - 510 PMO Directors (PMO = Project Management Office)
 - 10 corporate leaders + 7 PMO directors
- **For information and free downloads:**
<https://www.pmi.org/-/media/pmi/documents/public/pdf/learning/thought-leadership/pulse/pulse-of-the-profession-2017.pdf>

Project Management Practice Today

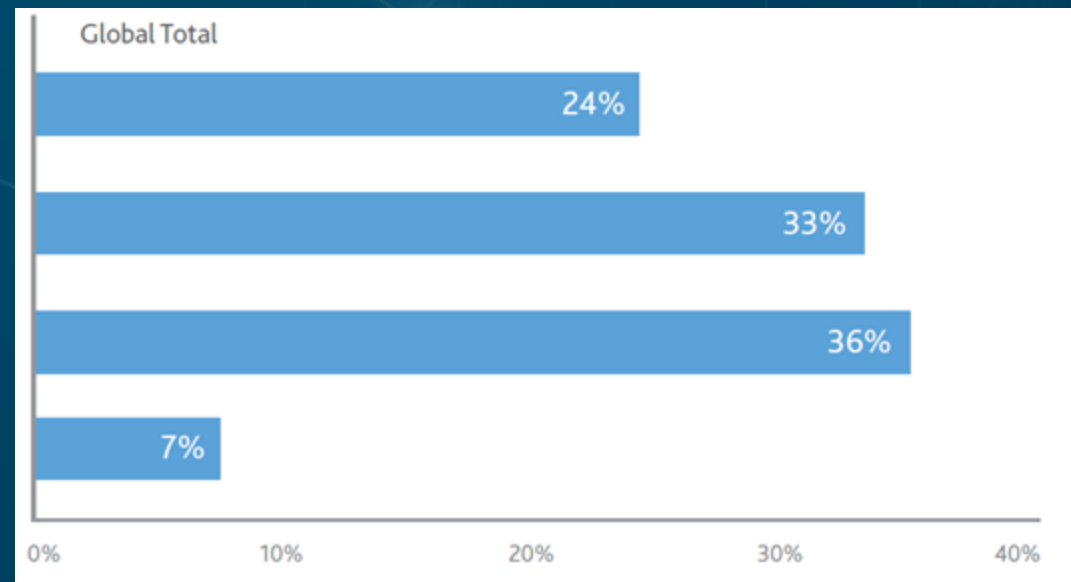
To what extent does your organization use standardized project management practices?

Used throughout the organization

Used by most departments

Used by some departments

Are not used



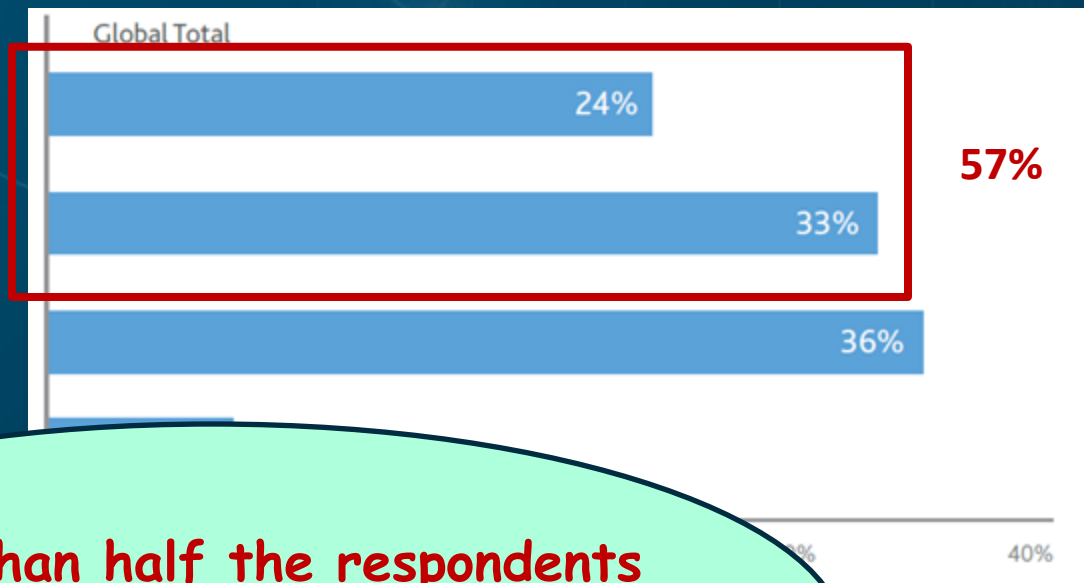
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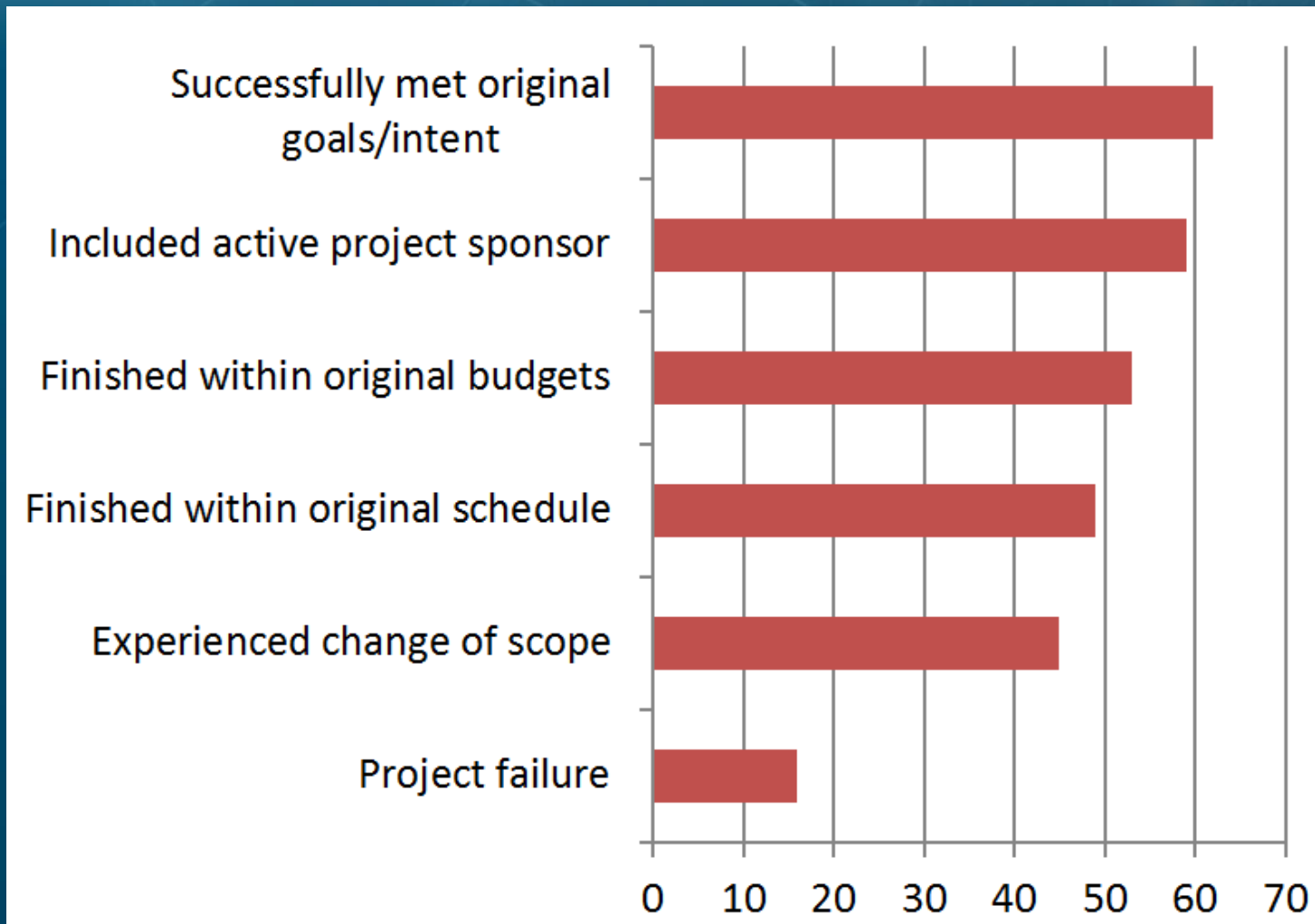
Used by some departments

Are not used

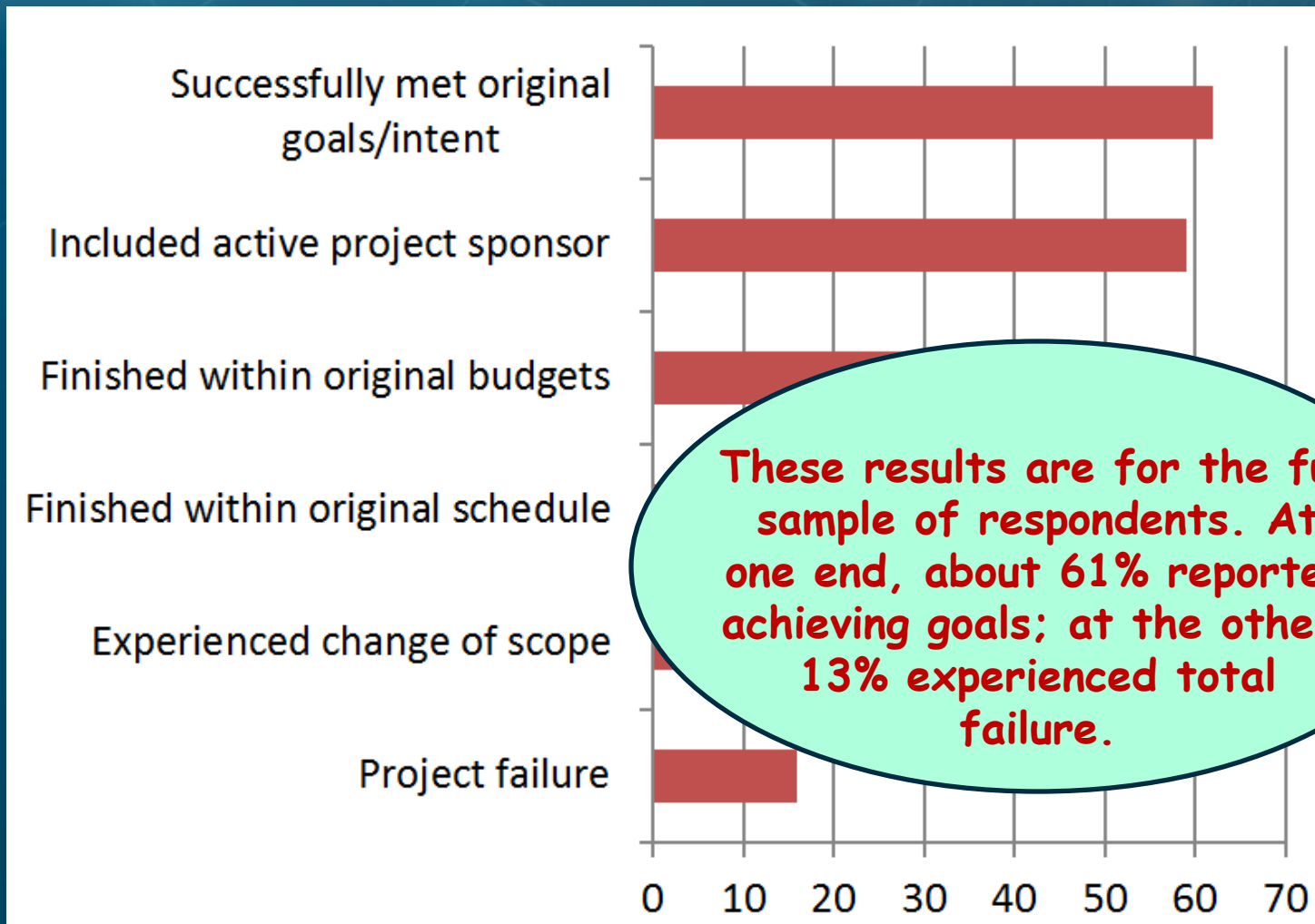


More than half the respondents report employing significant standardized PM practices in their organizations.

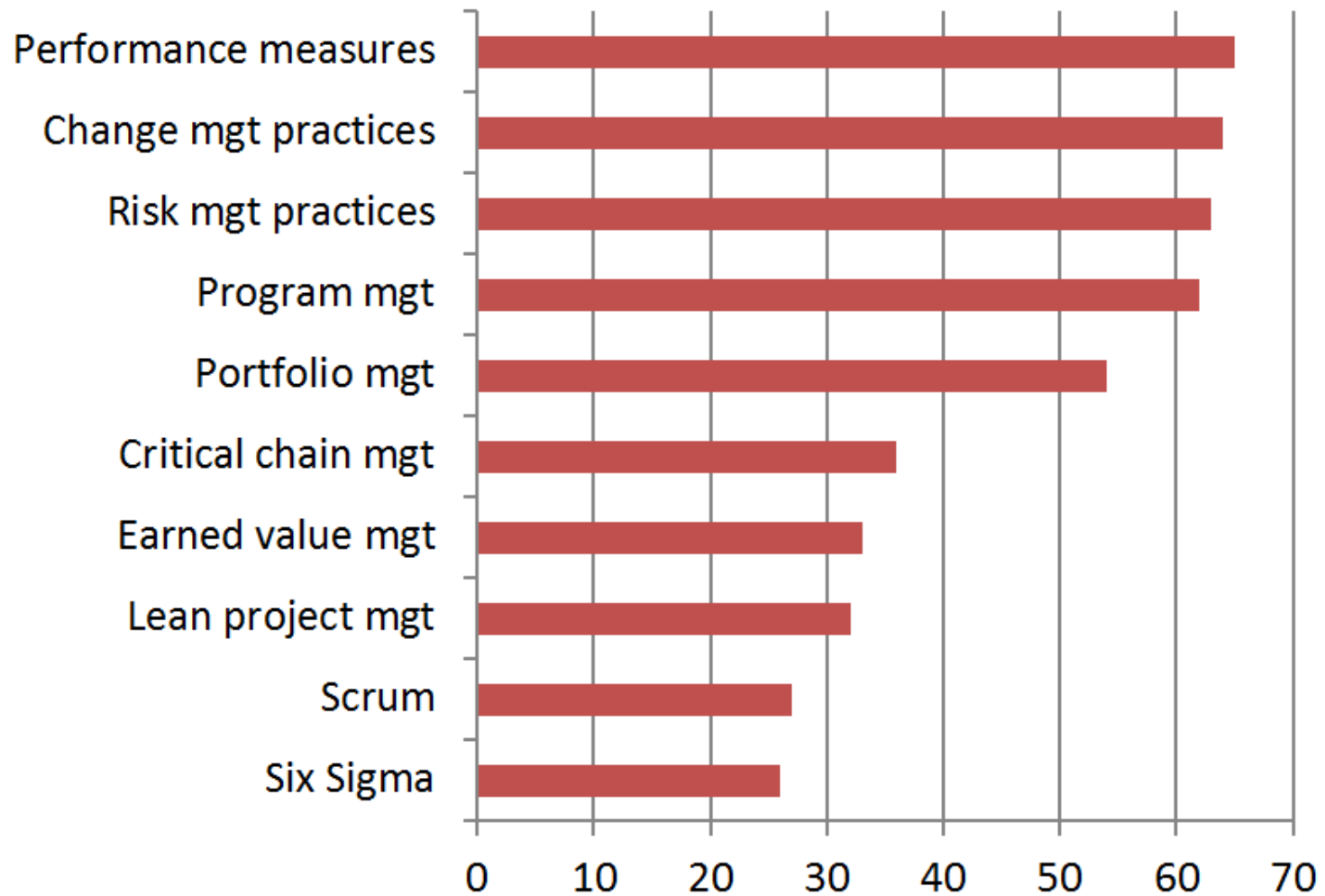
What percent of the respondents reported ... ?



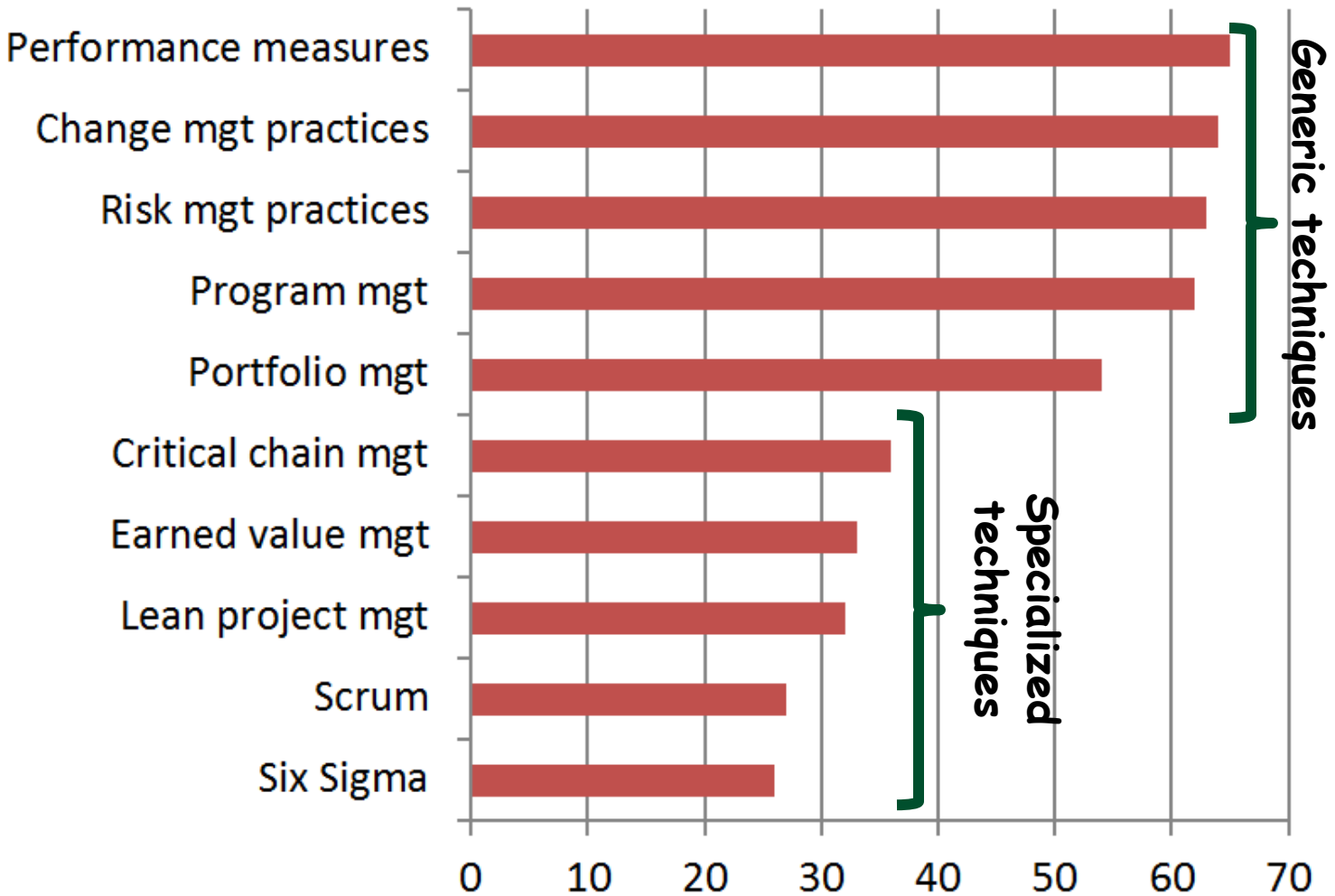
What percent ... ?



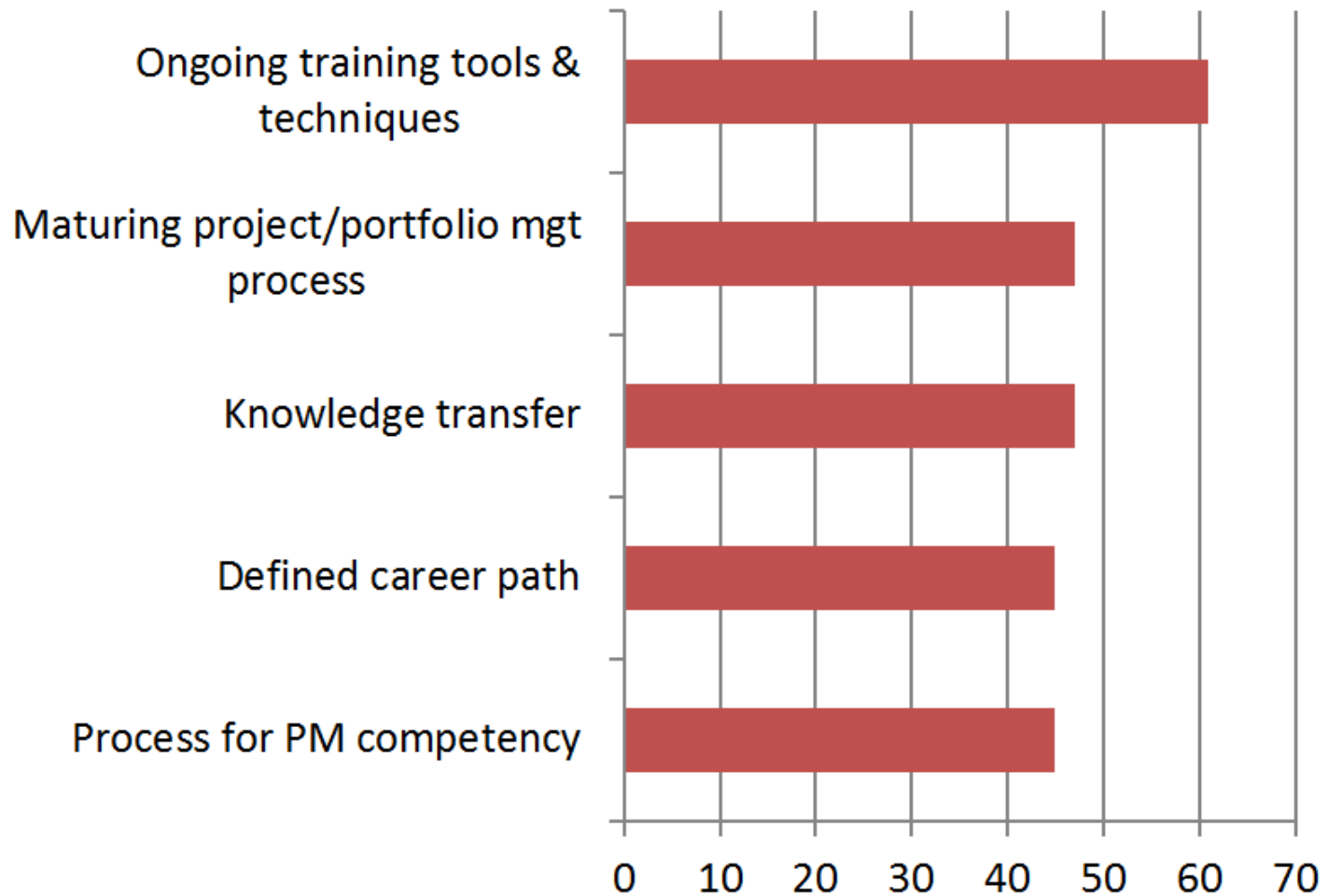
PM techniques used always/often



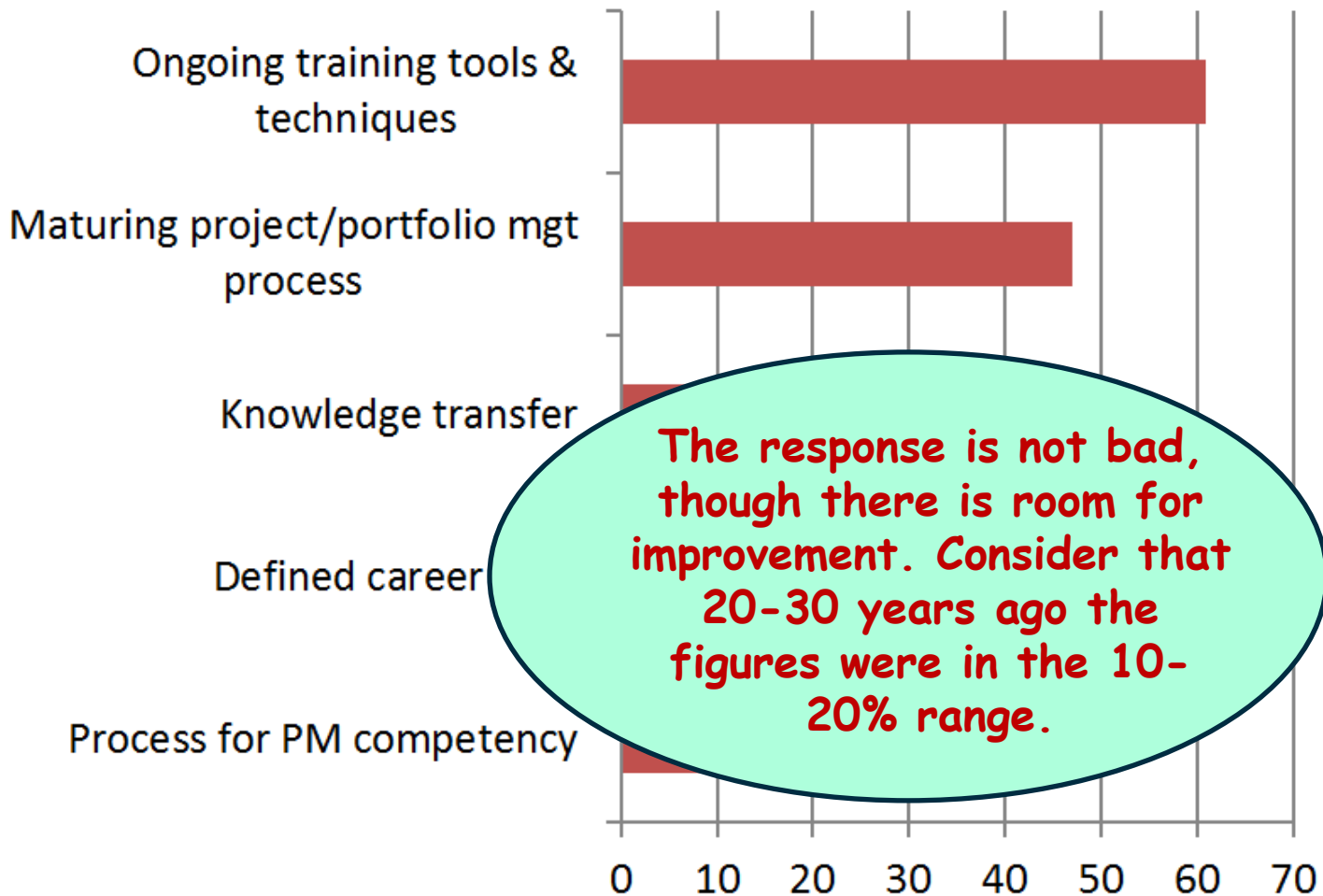
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Does your organization have ... ?

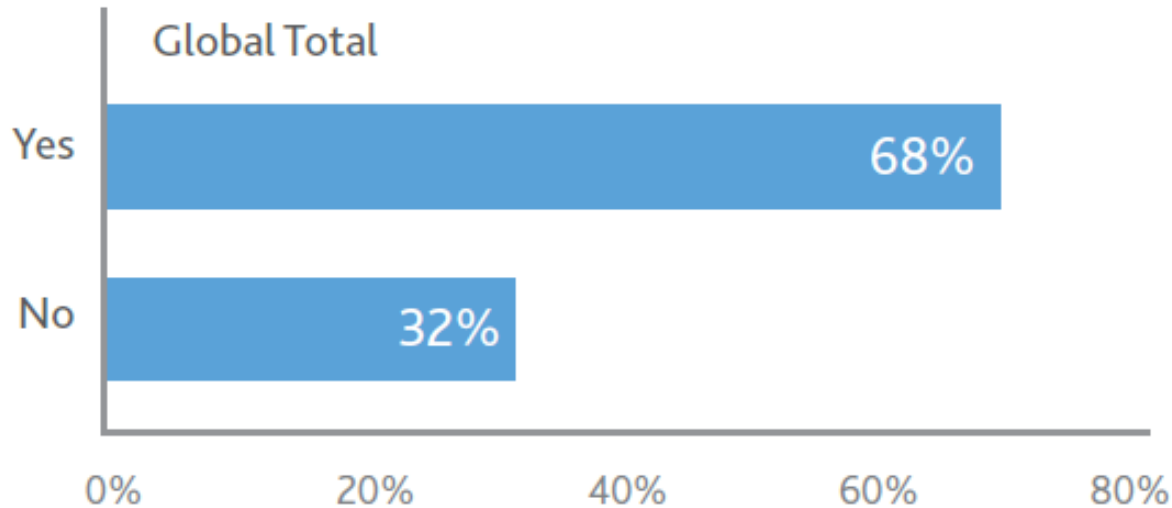


Does your organization have ... ?



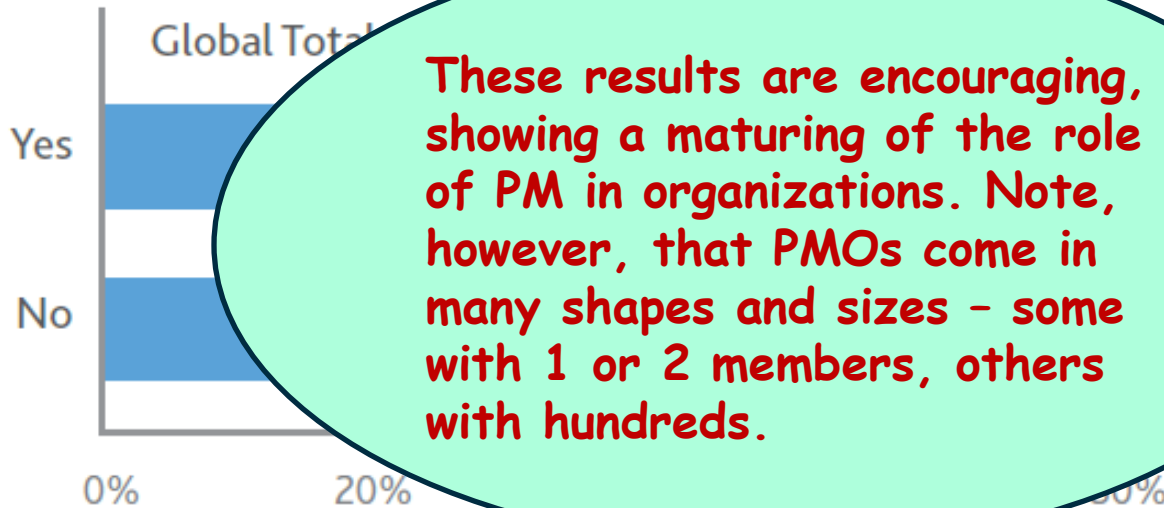
Project Management Office

Q: Does your organization have a Project Management Office?



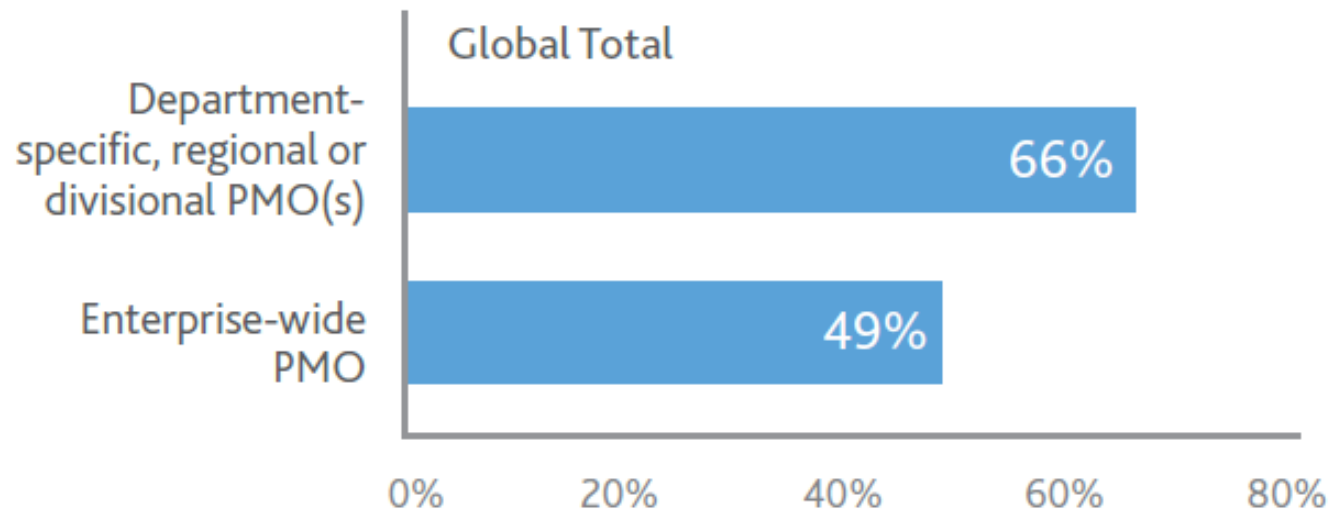
Project Management Office

Q: Does your organization have a Project Management Office?



These results are encouraging, showing a maturing of the role of PM in organizations. Note, however, that PMOs come in many shapes and sizes - some with 1 or 2 members, others with hundreds.

Q: What type(s) of PMO does your organization have?
(Select all that apply)



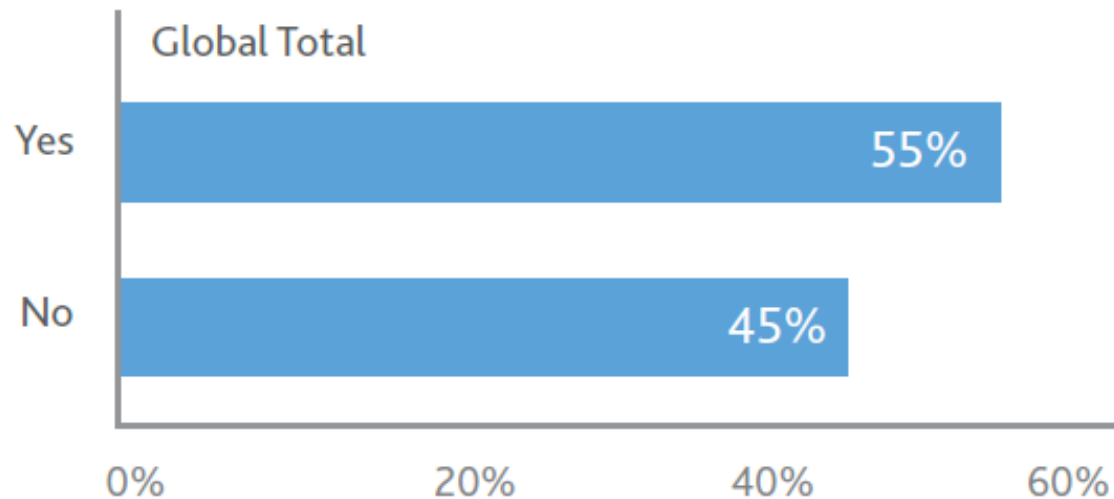
Q: What type(s) of PMO does your organization have?
(Select all that apply)

Department
specific, regional
divisional

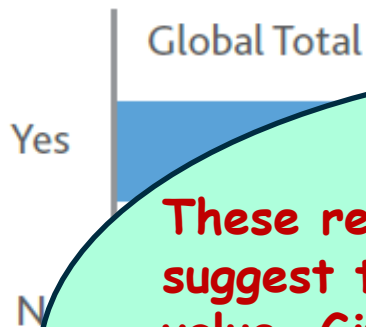
Enterprise

It is not uncommon having multiple PMOs in organizations. For example, there may be an EPMO that establishes general standards - it may play the leading role in supporting PM processes; but there may also be smaller PMOs serving specialized needs, e.g., in the IT Dept.

Q: Do you believe that your organization fully understands the value of project management?



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These results are a bit disappointing. They suggest that just over a half appreciate PM value. Given the demonstrated relationship between PM practice and PM benefits (to be shown in the next section), we would expect greater levels of appreciation.

Link between Project Outcomes and Good Project Management Practice

Does Project Management Make a Difference?

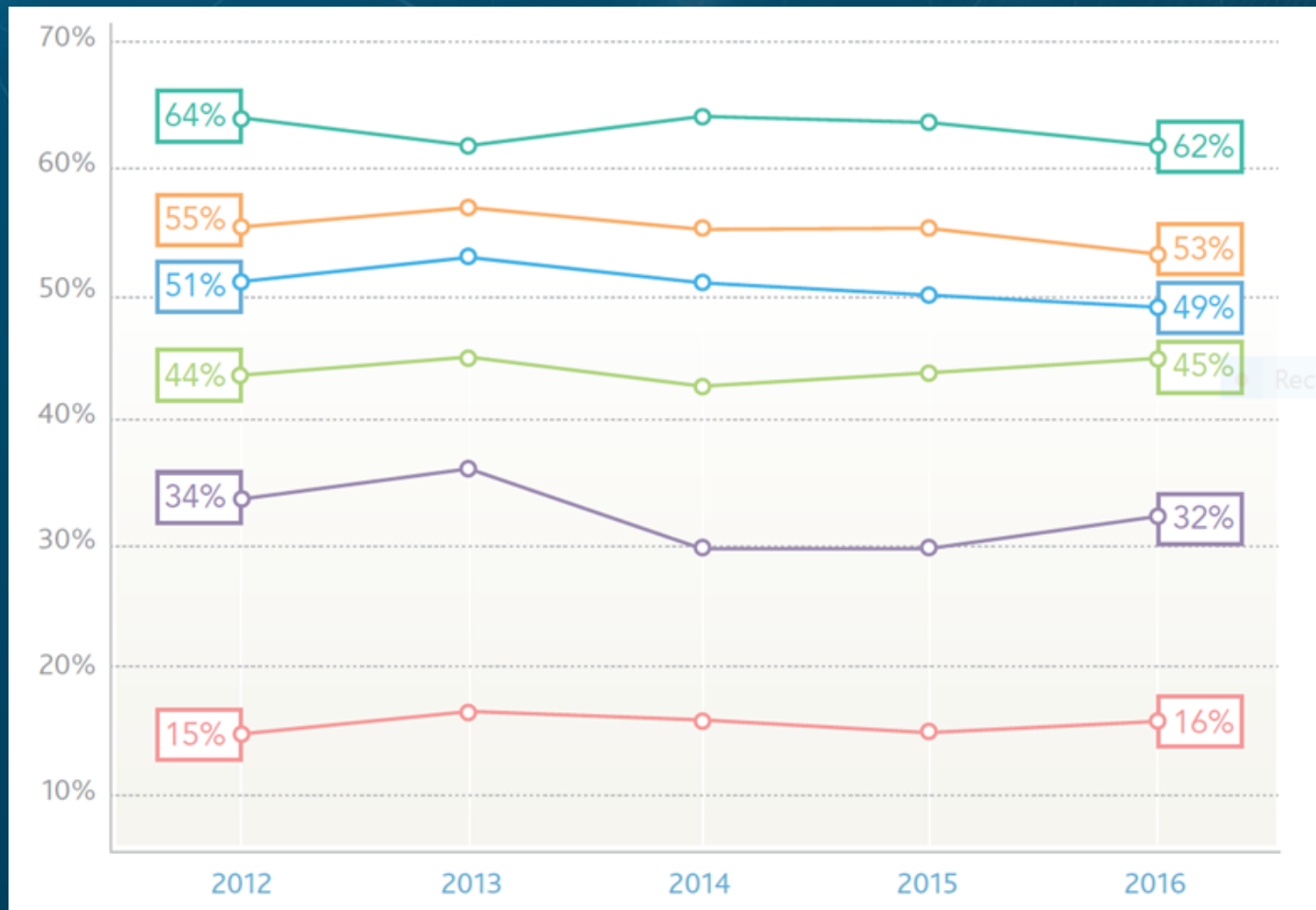


Does Project Management Make a Difference?



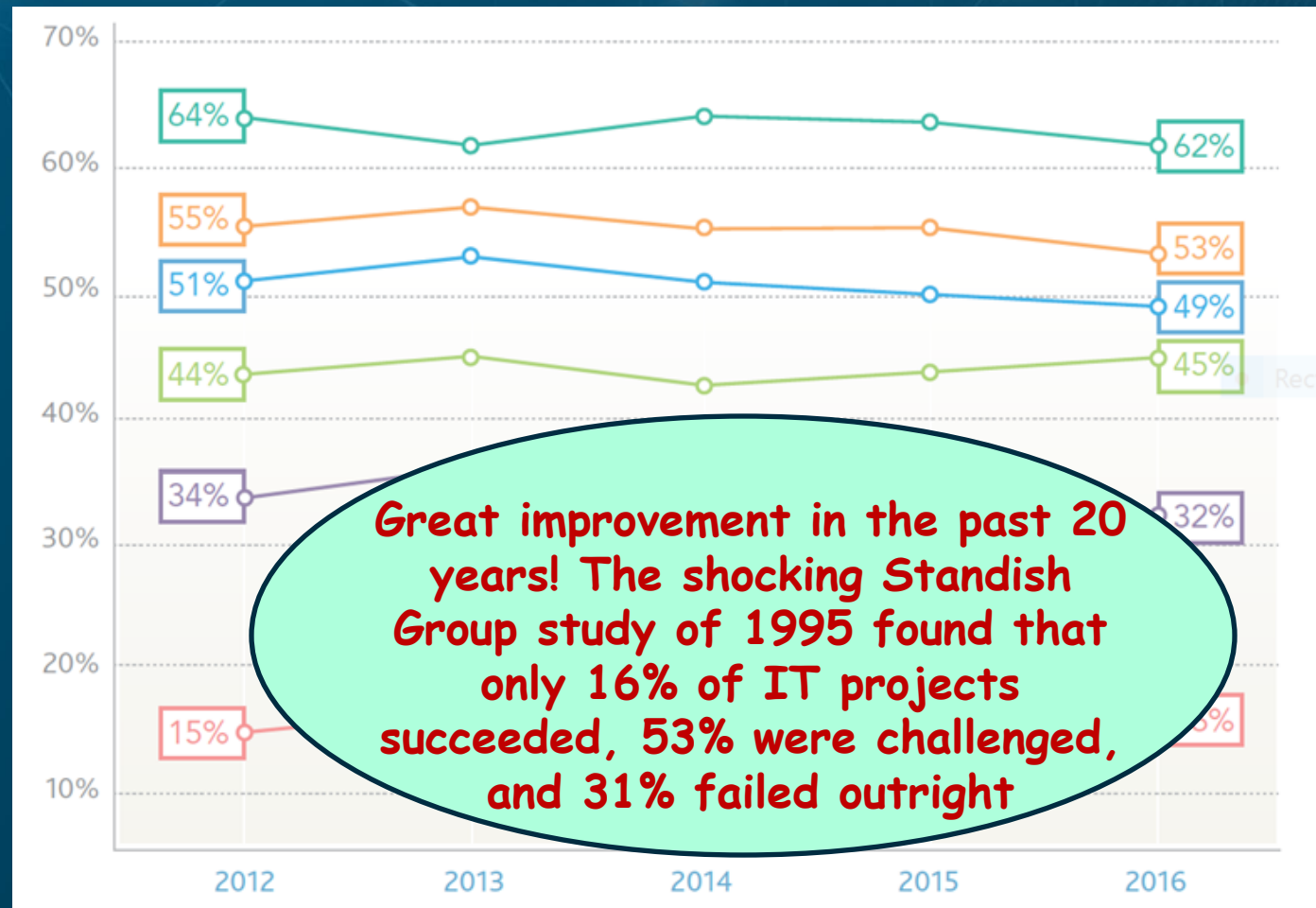
Project outcomes over recent years

- Met original goals
- Met original budget
- Completed on time
- Faced scope creep
- Failed project's budget lost
- Deemed failure



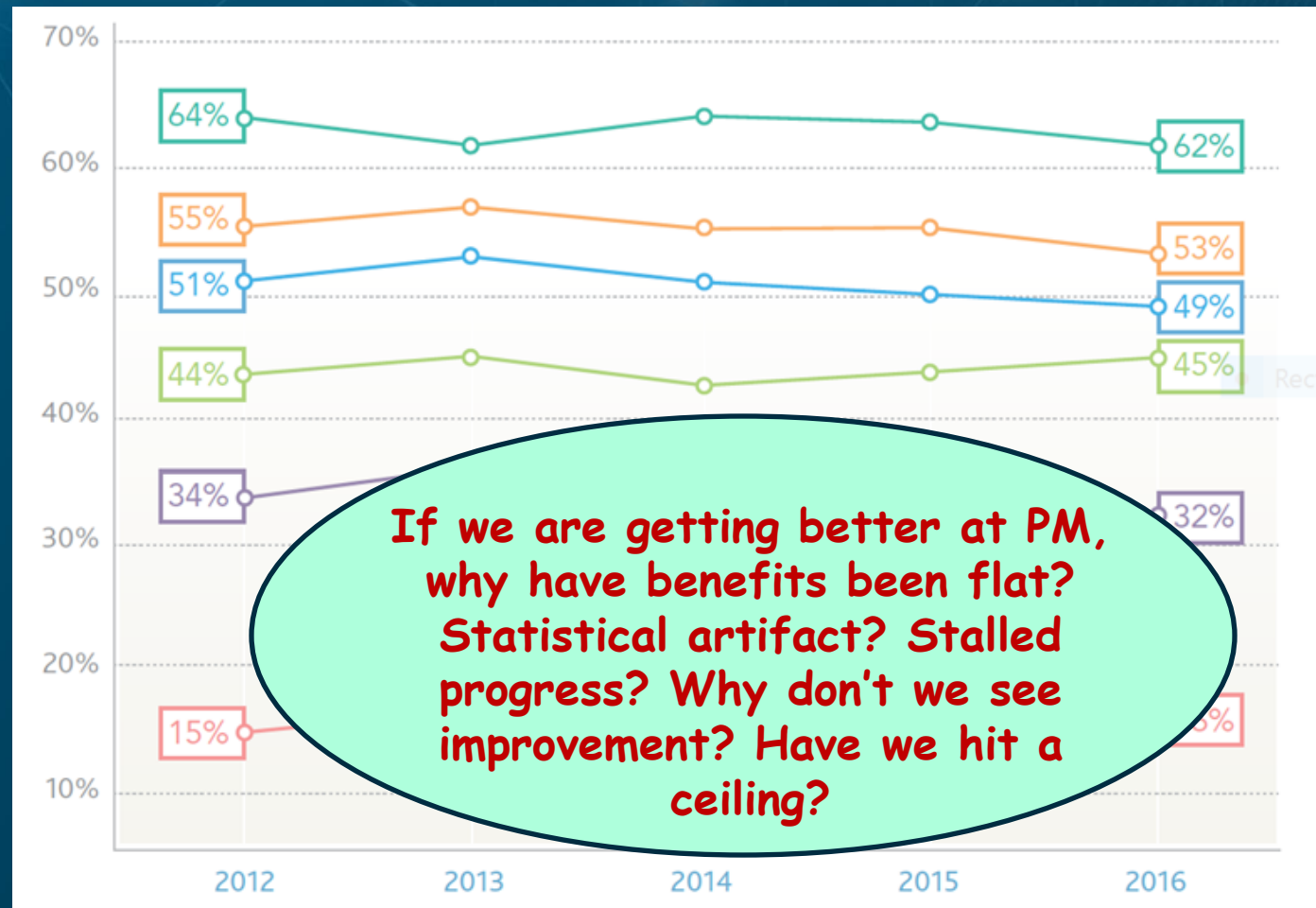
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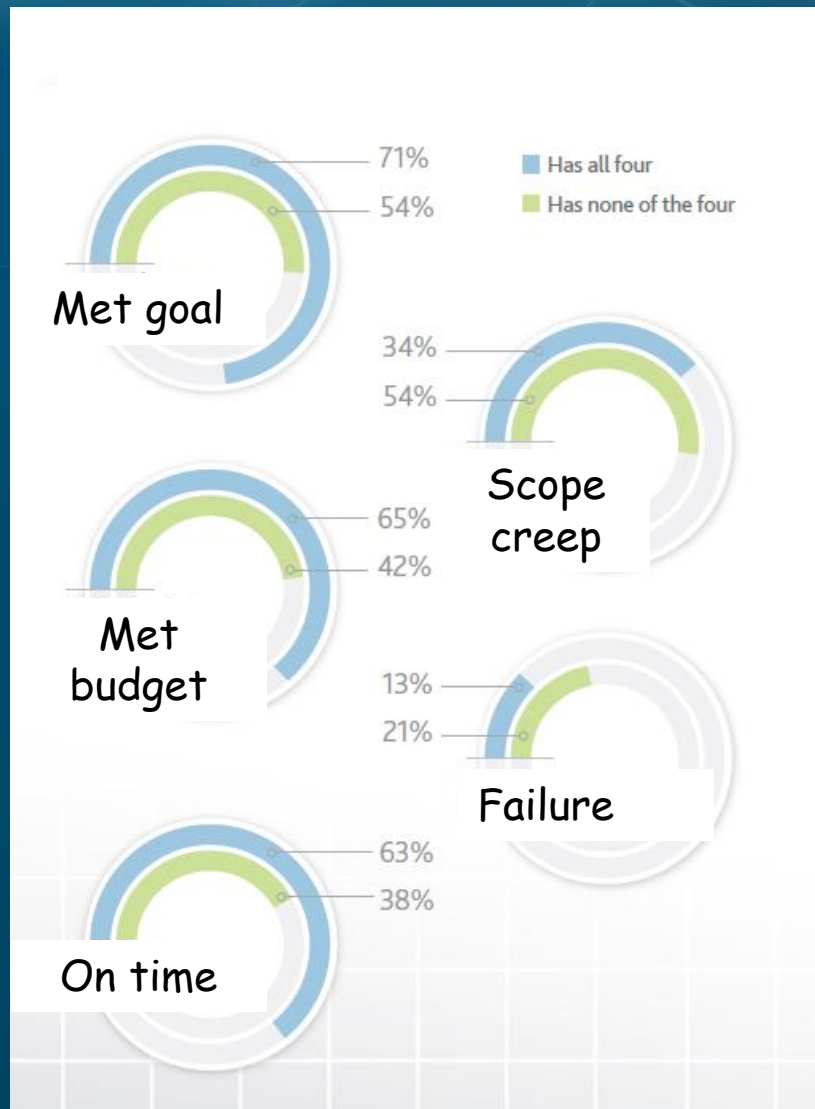


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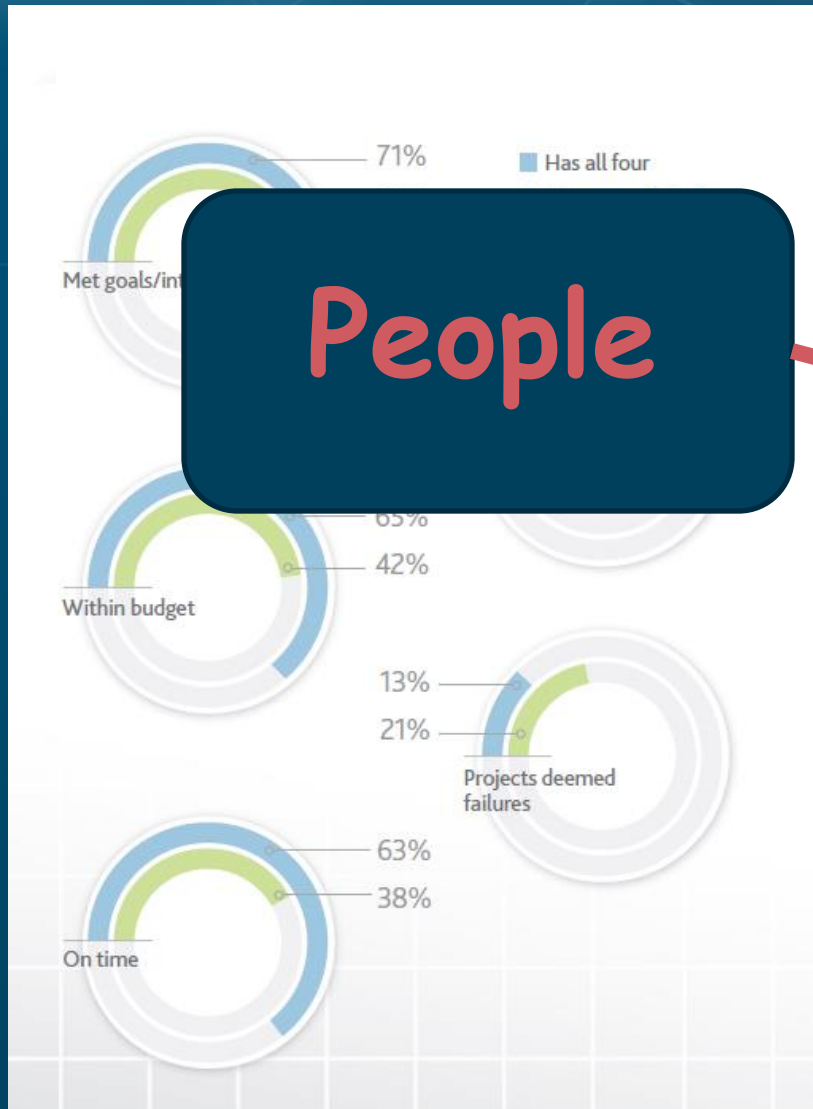
IMPROVED PERFORMANCE OF PROJECTS FOLLOWING FOUR STRATEGIES



FOUR ENTERPRISE STRATEGIES TO STRENGTHEN PROJECT PERFORMANCE

- Invest in on-going PM training
- Defined PM career path
- Formal processes to develop PM competencies
- Address knowledge transfer

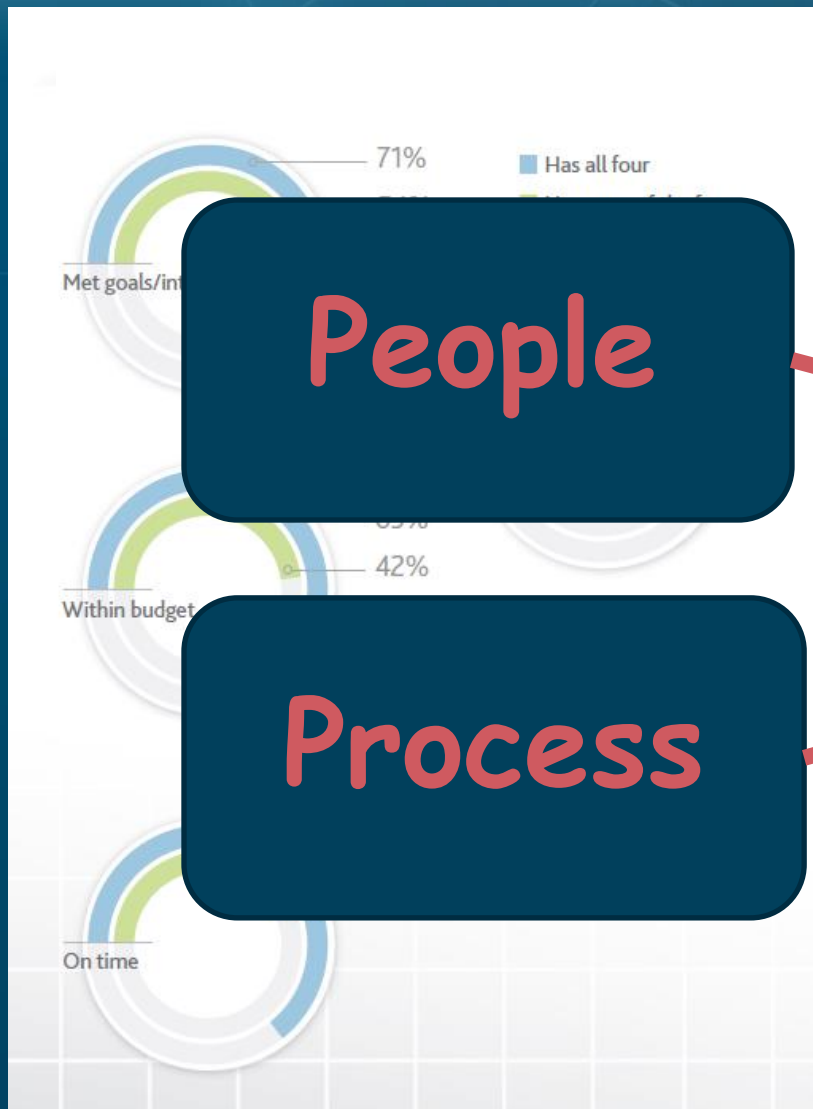
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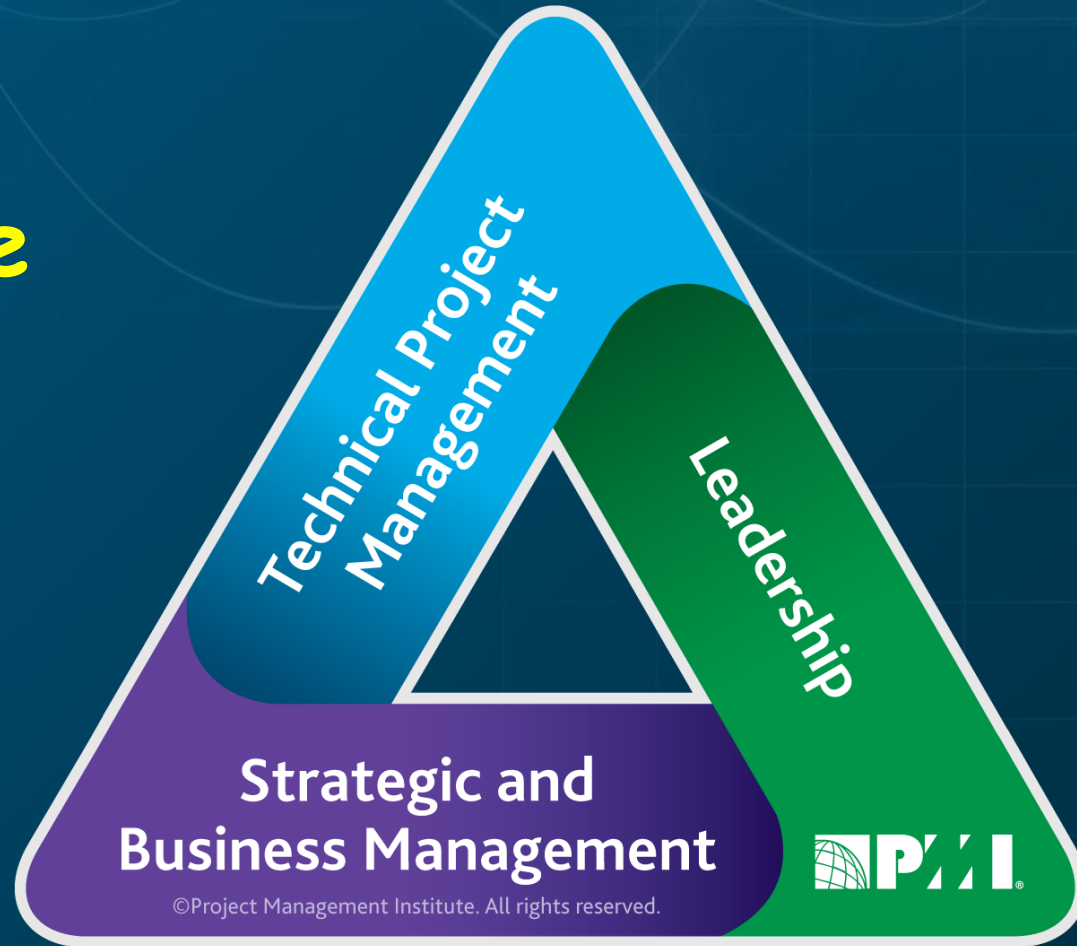


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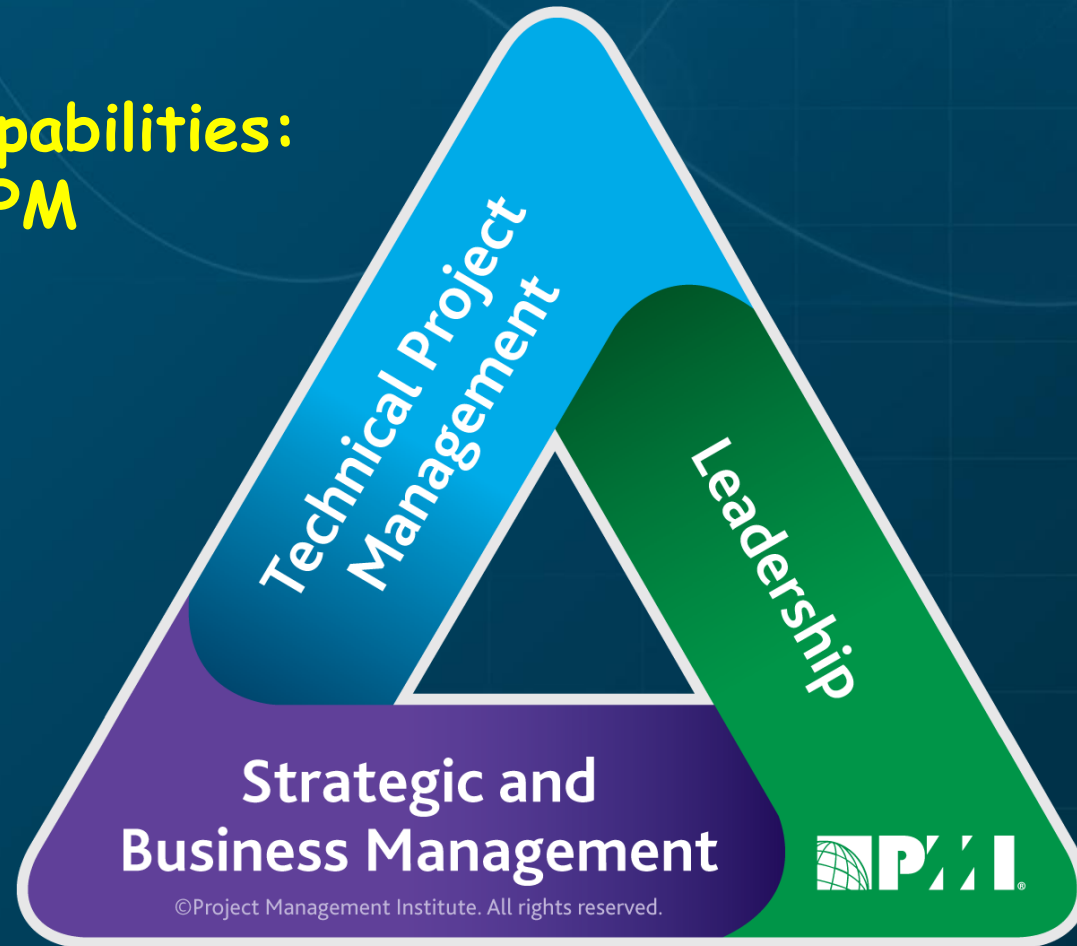
People factors: Your Professional Development Roadmap

Talent Triangle



Your Professional Development Roadmap

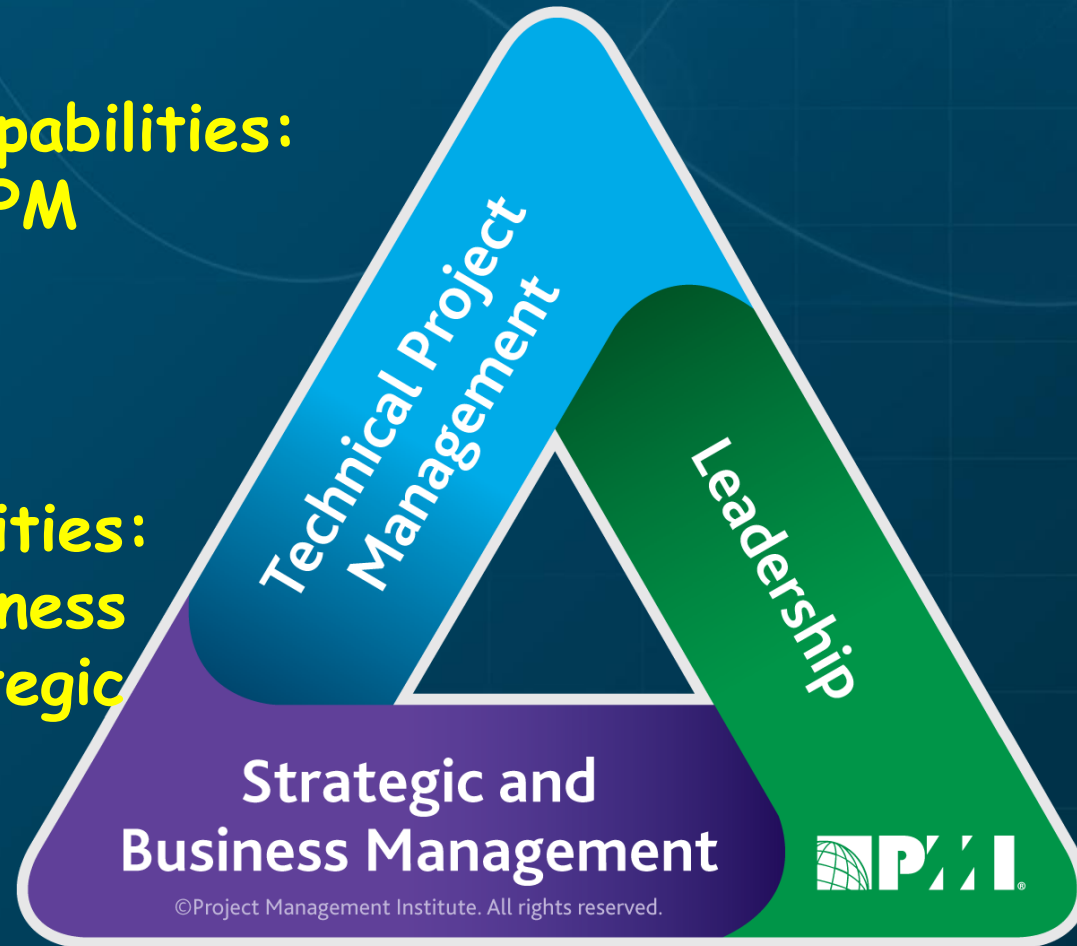
**Technical capabilities:
Mastery of PM
practice**



Your Professional Development Roadmap

**Technical capabilities:
Mastery of PM
practice**

**Business capabilities:
Mastery of business
basics and strategic
thinking**

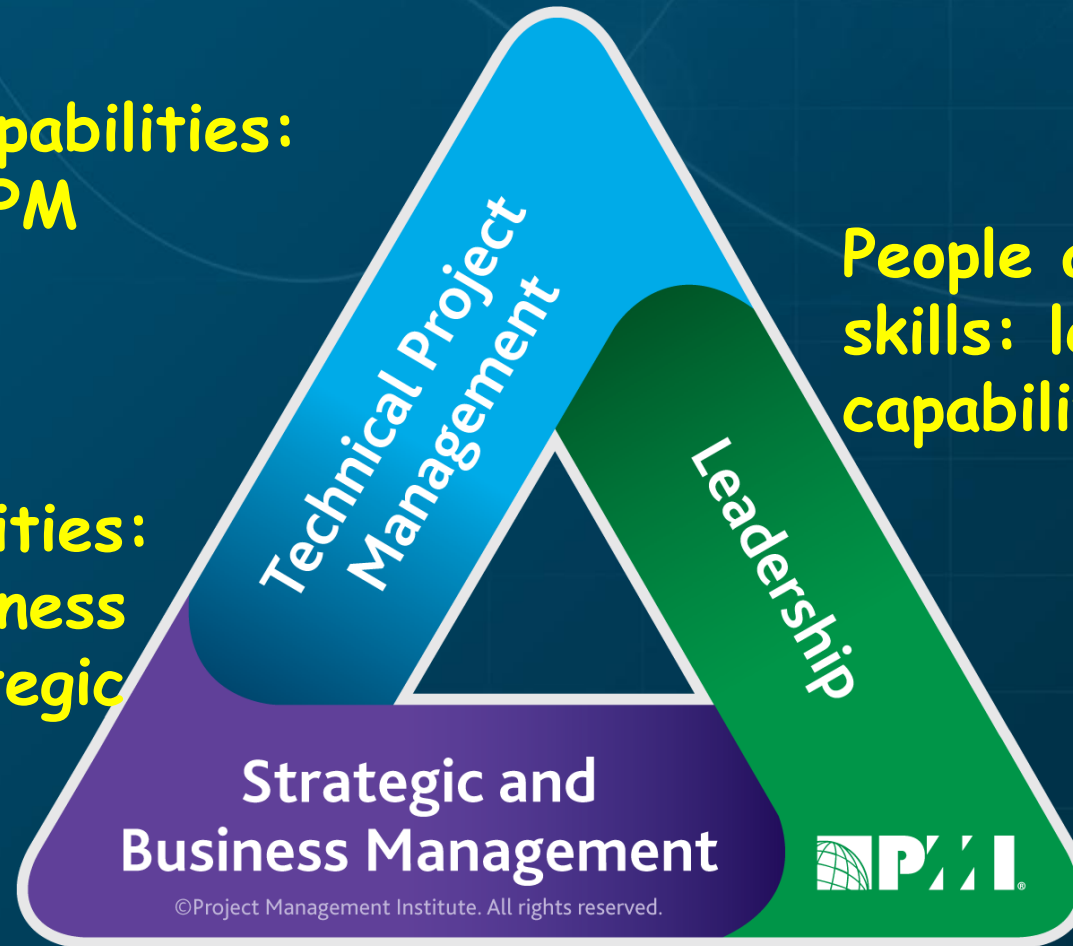


Your Professional Development Roadmap

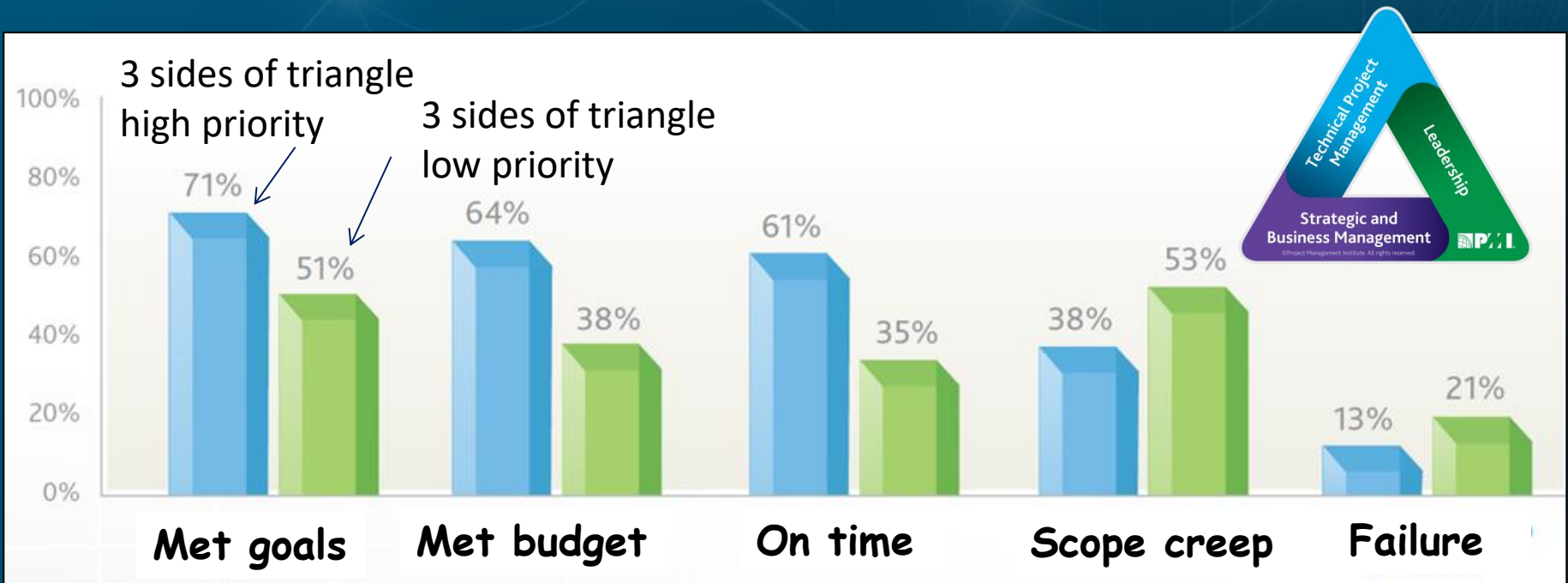
**Technical capabilities:
Mastery of PM
practice**

**People and team
skills: leadership
capability**

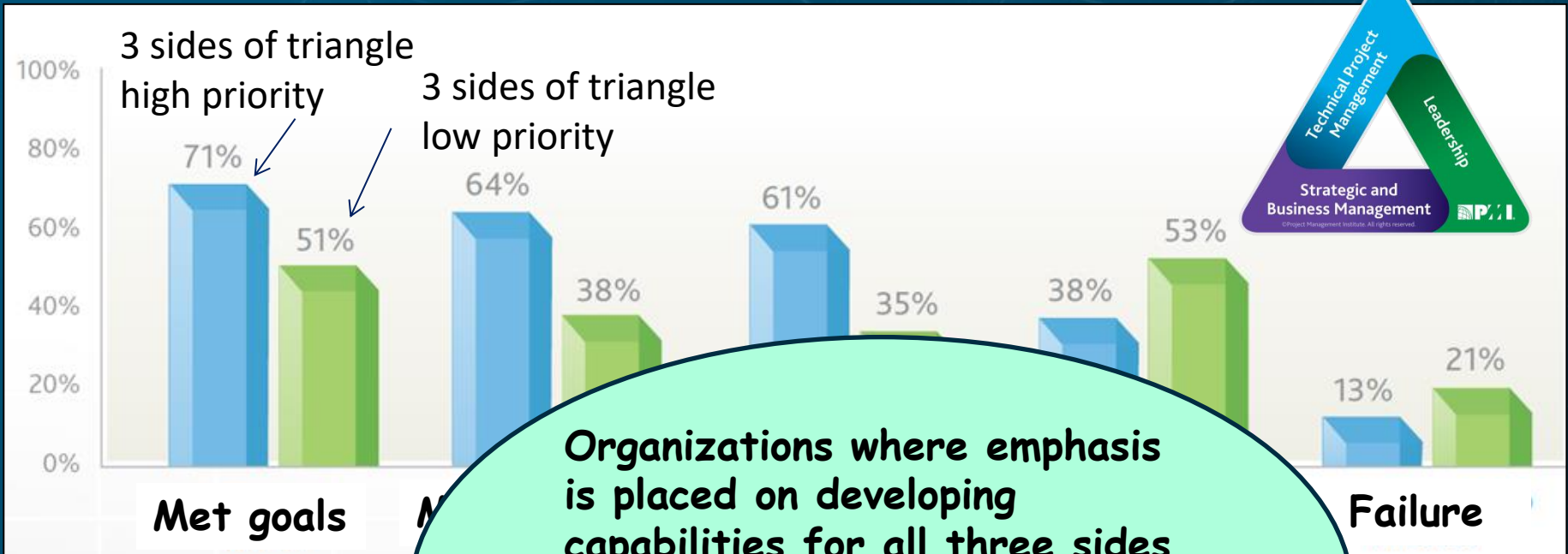
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Higher achieving projects associated with emphasizing three sides of the Talent Triangle



Higher achieving projects associated with emphasizing three sides of the Trade-off Triangle

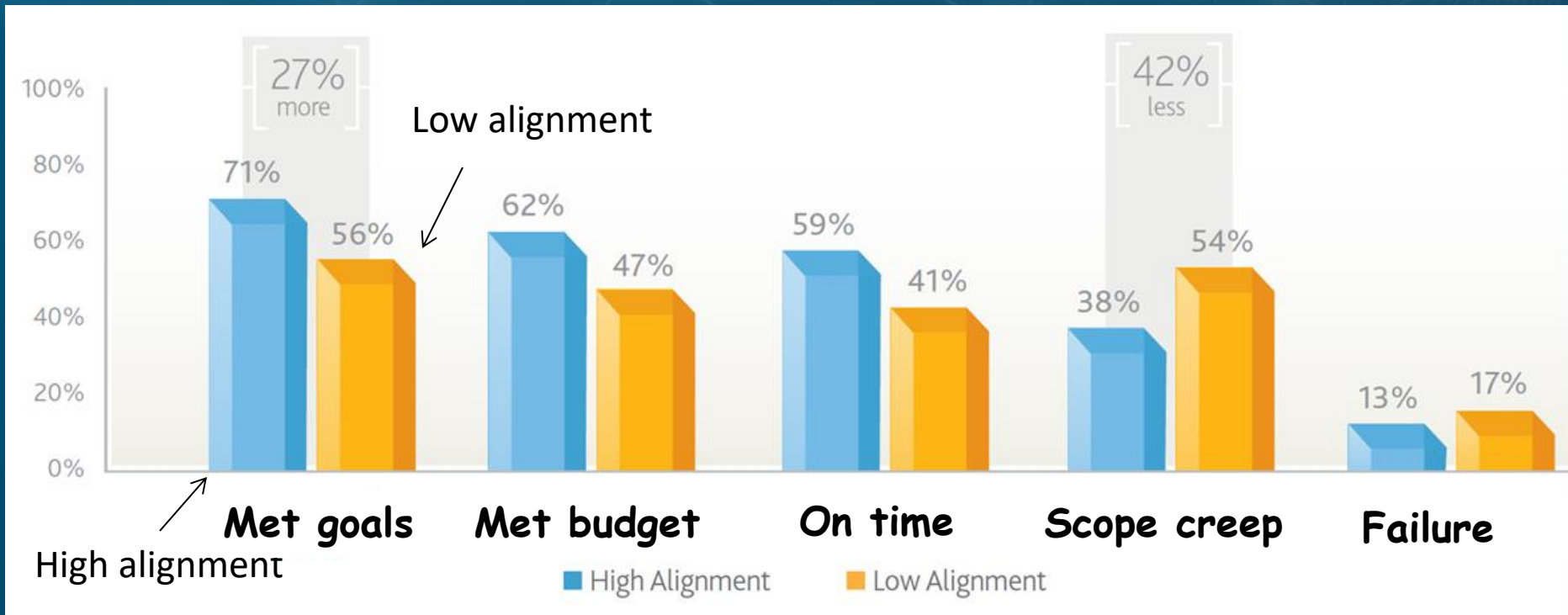


Organizations where emphasis is placed on developing capabilities for all three sides of the Talent Triangle strongly outperform organizations where the three sides are neglected.

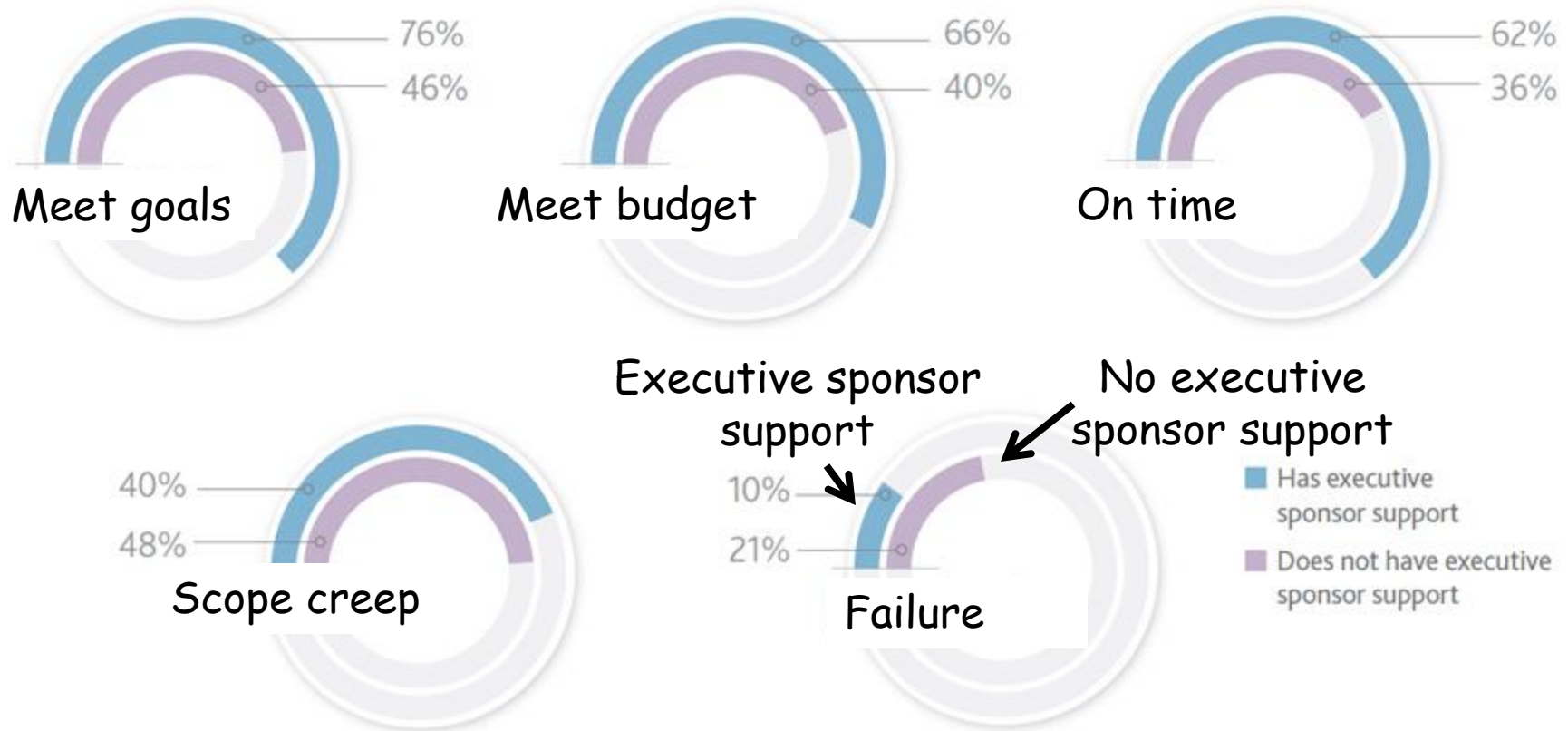
PM Culture and Project Performance



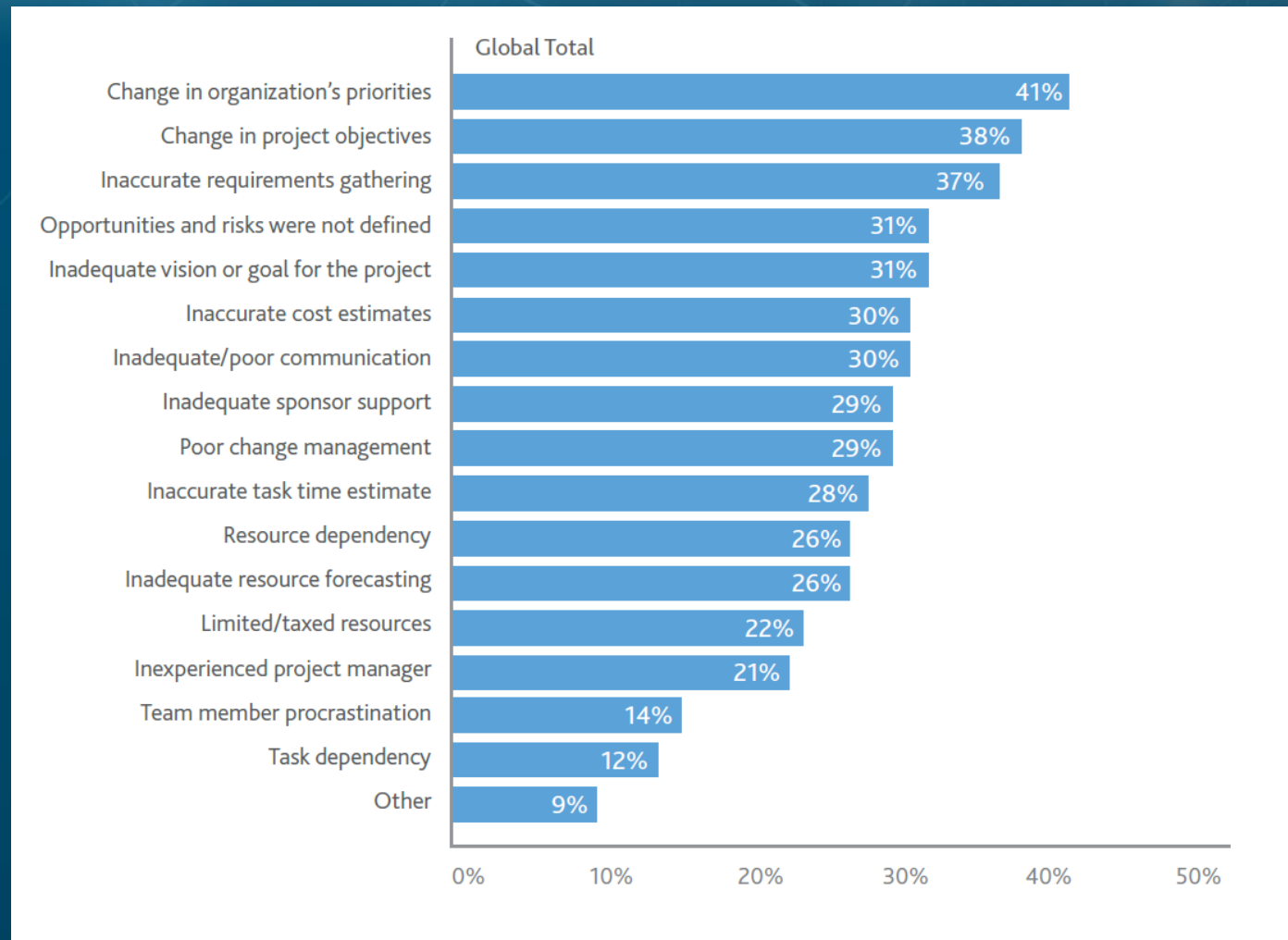
Improve project outcomes with an aligned EPMO



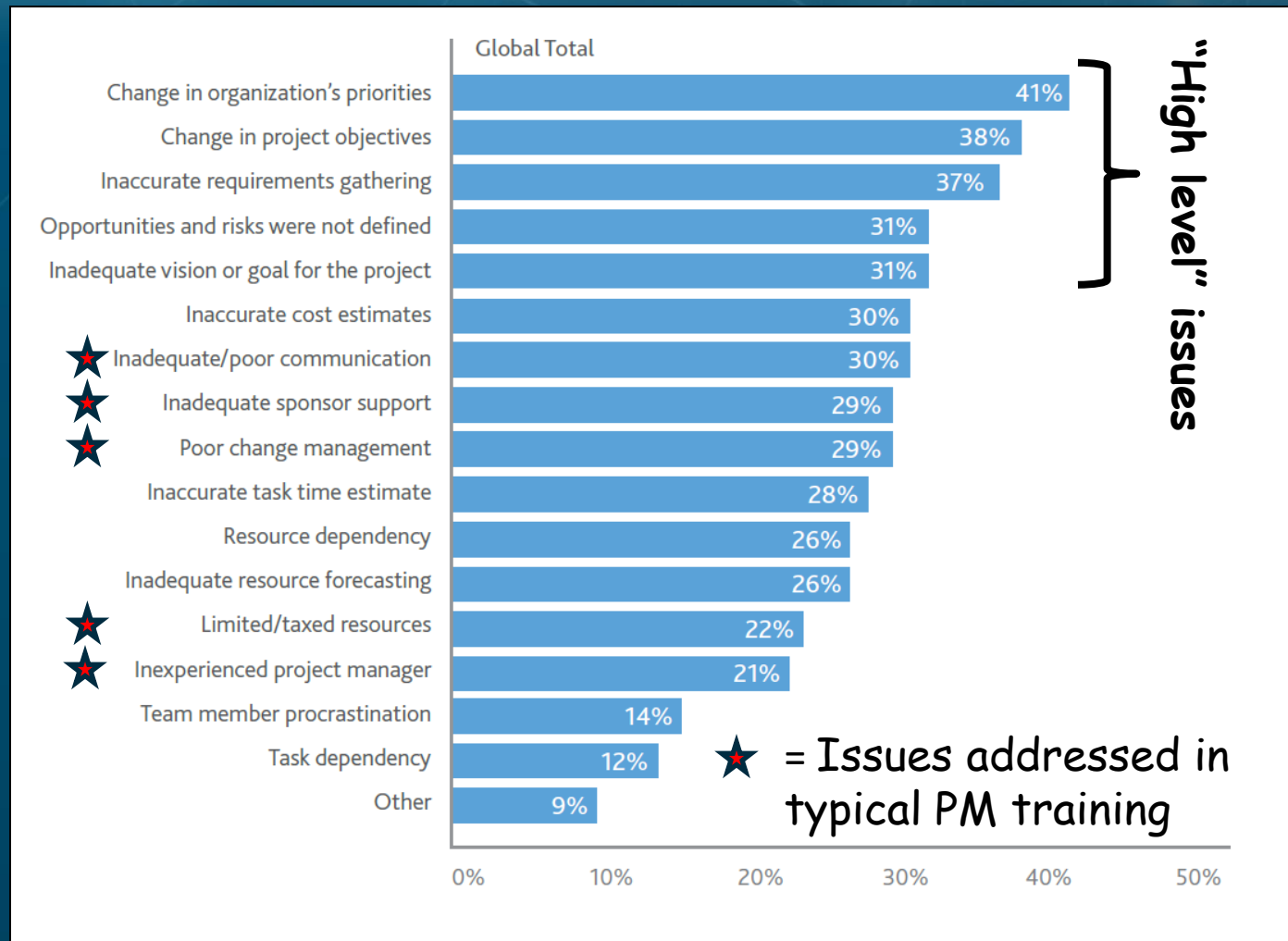
When projects have active sponsors ...



Of the projects that failed, what were the causes?



Of the projects that failed, what were the causes?



Outlooks of Enterprise Executives vs. PMO Directors

Execs vs. PM Mgrs: Benefits of formal project management

Higher organizational agility

Greater cost savings

Better risk ID and mitigation

Competitive edge

More success with org change

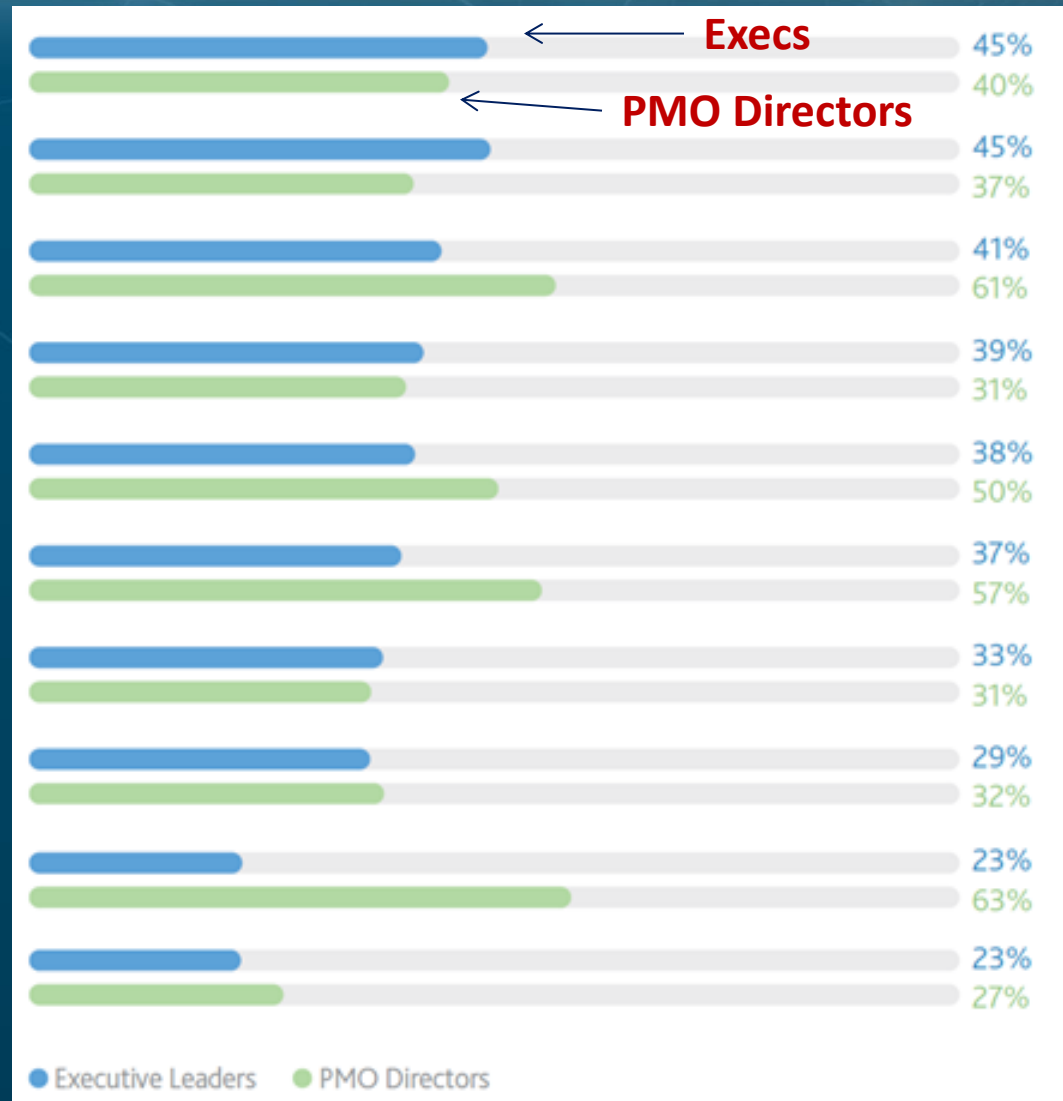
Greater customer satisfaction

Meets or exceeds ROI

Faster time to market

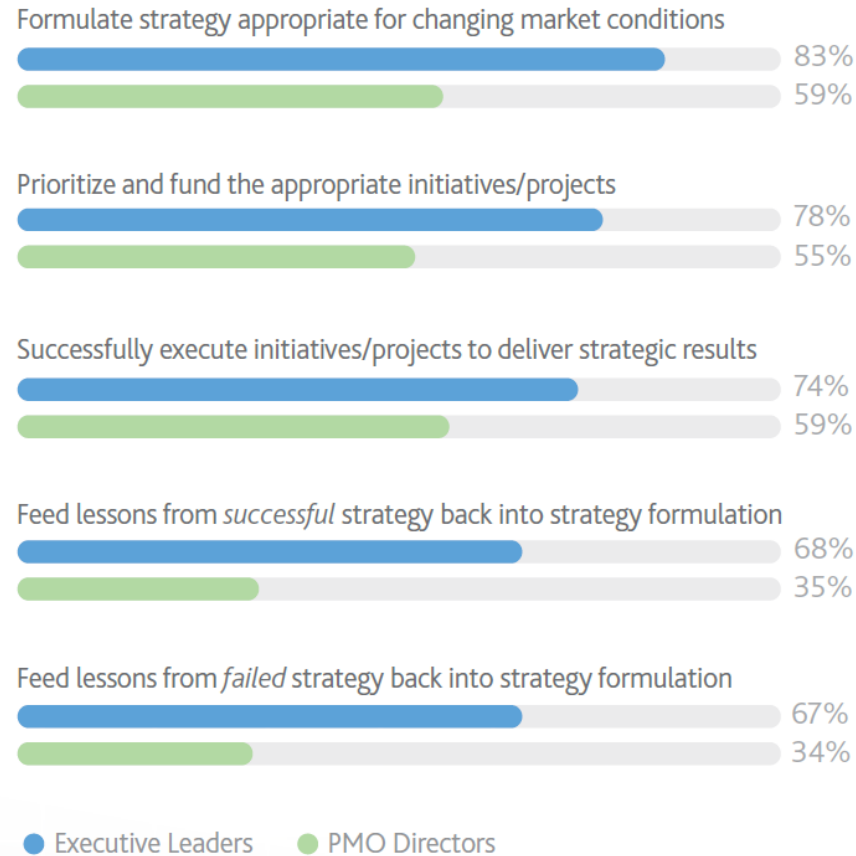
Success on complex projects

Higher revenues/profits



Executive vs. PMO Director Perspectives

Figure 8: SUCCESS IN PERFORMING EACH ACTIVITY LAST THREE YEARS (EXCELLENT/GOOD)



Executive vs. PMO Director Perspectives

Figure 8: SUCCESS IN PERFORMING EACH ACTIVITY LAST THREE YEARS (EXCELLENT/GOOD)



Interesting finding: There is a big gap between enterprise execs and PMO directors perceptions on how well the business employs project management

Figure 10: IMPORTANCE OF IMPROVING COMPETITIVENESS OVER NEXT THREE YEARS (ESSENTIAL/VERY IMPORTANT)

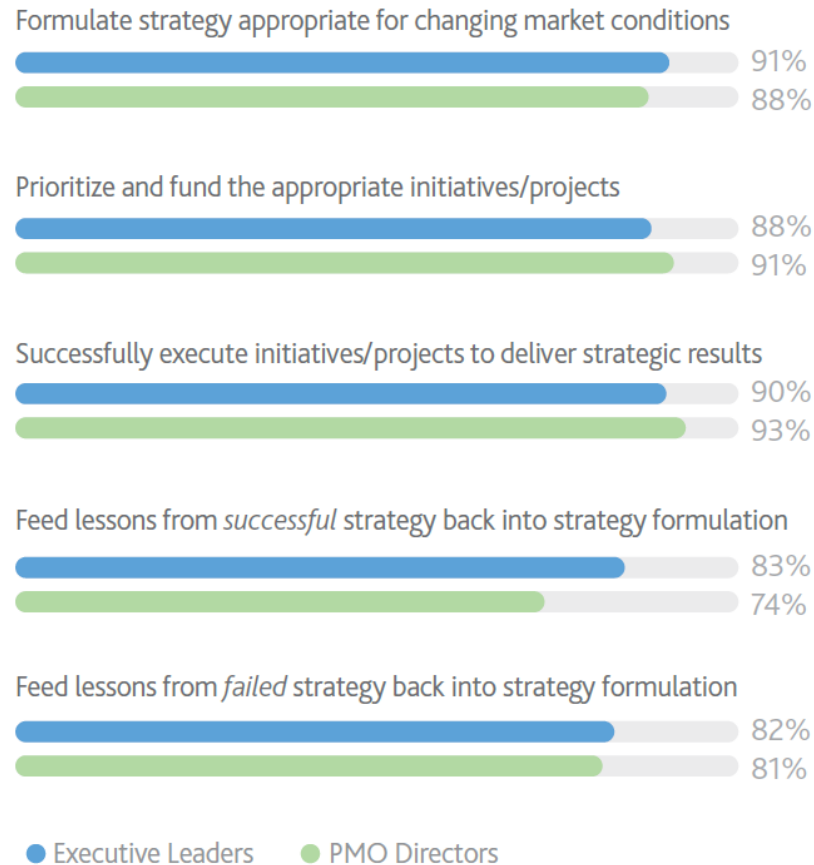


Figure 10: IMPORTANCE OF IMPROVING COMPETITIVENESS OVER NEXT THREE YEARS (ESSENTIAL/VERY IMPORTANT)



Interesting finding: When addressing issues of the business's strategy, Execs and PMO Directors are aligned.

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Conclusions

What the *Pulse of the Profession* tells us about PM today

- Project-oriented organizations take the implementation of project management practices seriously. Currently, we see substantial support for training and the implementation of formal PM processes.
- Examination of data regarding organizations that strongly support PM training and processes shows they consistently outperform organizations that do not.
- Project directors and enterprise Execs have different perspectives on the value of PM in specific areas, but are aligned on Big Picture issues.