

Does Your Organization Support, Ignore or Obstruct Project Management

A PCI Global Survey

Introduction

This article presents an overview of initial findings from a one year on-going survey conducted by PCI global, an international Project Management training and consulting company. The survey was conducted with one hundred practicing team members and project leaders from several of PCI's Fortune 500 clients. The findings raise serious questions about how organizations deal with projects.

Executive Overview

Projects do not appear or exist in isolation. They are developed in an organization by a perceived need from senior management that a change in process or product is required. Planning, resourcing, implementing and controlling these projects cause changes in that organization. The projects in turn, are impacted and changed by that organization. Management sets priorities by project funding, assigning scarce resources from a common pool to some projects, requiring changes in specifications, shrinking due dates and cutting budgets in others. These decisions and how often they change, create a specific project culture structured to support, ignore or obstruct projects within their organization.

Recent studies of project management effectiveness have focused either on rates of projects being completed (9%) aborted (34%) or reduced down to achieve a much reduced target (56%). Others have focused on what individual project managers do or do not do – to personally achieve success and some focus on “Why Projects Fail!” Current belief in the USA is that the project managers' skill, character, experience and determination determines if a project succeeds i.e., contributes to profitability or fails i.e., becomes a horror story.

The closest research to seeking organizational drivers has come from Carnegie Mellon's Software Effectiveness Institute (SEI), which built a five level matrix to evaluate and measure IT project organizations (internal) effectiveness with specific features and metrics for each level.

No previous survey has studied the impact of the organization and its' senior management on project management effectiveness. This PCI studies initial findings suggest the greatest impact or predictor of project success is whether the senior management – knowingly or unknowingly – supports, ignores or actually obstructs project progress. A byproduct is a set of complaints and recommendations by the project

leaders and team members, who were surveyed, as what is needed in their organizations to dramatically improve their project effectiveness.

Survey Sponsor: PCI Global Inc.

PCI Global is a charter registered education provider of the Project Management Institute, training project managers for 55 global 500 clients worldwide, for 14 years, via unique computer simulations of typical projects at 3 different levels.

The Survey

The survey consists of fourteen questions rating all aspects of participating company's corporate project effectiveness. It was not originally designed to study organizational impacts but to get data on each student's assessment of their organization. It has been administered to over a hundred participants – more than 80% of whom are project managers or team members – the groups who bear the brunt of their management's decisions or inaction.

The survey is embedded in an advanced training course that asks all participants to complete the form. Ironically, this caused all participants to fill in the survey honestly, since it was not perceived as an intrusive "survey" or a query coming from management. This provided more responses and more accurate and broad based data than is usually found.

This article summarizes what our survey has revealed to date. A white paper, providing a more detailed discussion of all aspects of the survey is available upon request including the survey form and all responses.

Survey Findings

Here we present the ten main findings followed in each case by an analysis of implications.

Survey Findings

In the short article, we reported only on 10 out of 14 questions; the ones with the most impact and surprises. Here we report all 14 questions in a different order than on the actual survey forms (Appendix I). The questions are grouped in four blocks (1) Roles, Resources and Responsibilities (2) Results (3) Specific Issues and Complaints and (4) Recommendations.

(1.) Roles, Resources and Responsibilities

- 1. My role in project management is currently as a**
Project team member (**40%**)
Project manager (**41%**),
Project sponsors (**3%**)

These are clearly the people we want to hear from – the ones on project management front lines; the ones senior management is going to have to listen to if they want to materially improve effectiveness.

2. **In our organization a project manager obtains resources by**
“taking whatever people are offered” (46%) - the most frequent response
“fighting for the best people” (*the theoretically “right” answer*) (6%)
“using senior management and/or sponsor support to get appropriate people”
came in second with (41%)
“Negotiating with line managers” (15%)
3. **In our organization the authority of the project manager comes from**
Project sponsor and/or senior management - (47% of the time)
The authority comes “from within him/herself” (42% of the time)
Almost half of the organizations do get some feeling of authority from the Sponsor or Senior Management. Almost the same percentage does NOT get authority from above. They have to “find (create) this authority within themselves – on their own.” Imagine.

Authority derived from documented job descriptions appears (4%) of the time!
Organizations who believe that project management is a valid career track need to re-examine this notion.

4. **After the project is launched our project sponsors**
“Are involved *only* when a crisis occurs” (44% of the time)
They become “practically invisible” (24% of the time)
“Are actively involved throughout the duration of the project (25%) (skewed by one company)

68% of the time the Project Sponsor – the one who most wants this project done is either “involved only when a crisis occurs or is “practically invisible.” Only ¼ sponsors are “actively involved throughout”.

5. **How effective is the Project Management Office in your organization?**
Not applicable (there is no PMO) 43% of the time
Where there was a PMO functioning (over 50% of the time) the ratings were
“Very effective” (9%)
Had a good impact (25%)
Moderate impact (16%)
Here is good news. Apparently, funding and supporting a Project (or Program) Office yields good results.

6. **In our company the person most likely held responsible for the final outcomes is**
The project managers themselves (73.33 %)
The Project sponsor (6%)

Line managers involved **only (2.67%)**

Notwithstanding, they have to take what resources are offered, their project sponsors are unavailable much of the time, they have to find their own authority (half the time) and half do not have a PMO to help them – still in their company, the role most likely to be held responsible when things do not work out – is the project manager 73.33% of the time!

7. Employees who are assigned to a project team have a performance evaluation conducted by

- Their line manager only (52.11 %)
- Their project manager only (8.45%)
- Both line and project manager (30.9%)
- Both, together with a review by the project sponsor (8.45%)

8. What skills do you think are most important for project managers in your organization?

- Technical knowledge (15.99%)
- Risk management (11.7%)
- Cost management (5.32%)
- Human resource skills(34%)
- Overall business knowledge (32.9%)

(2.) Results

Here, participants evaluated the organizations overall project effectiveness. With more surprises for us:

9. What Percent of your projects come in on time? The response “80% of projects come in on time” scored **14%** (no mistake). Every other percentage from 0% - 100% on time completion, scored single digits. The highest rating all of came from “have no knowledge” **44%**!

10. What percent of your projects come in budget? EVERY percentage from 0-100% had single digit responses. The highest rating of all came from “have no knowledge” (**64%**)

11. What Percent of your projects meet requirements / specifications ? Again, the response “have no knowledge” scored (**63.73%**)! **All other** percentages, from 0-90% except 100% which scored (**13.43%**) scored single digits

This is a startling finding. 64% of all project managers and members in all responding organizations have “no idea what happens to their own project!” and 44% do not even know if it finished; whether they were given authority or took it. And we know from question #6 that they still are most likely to be blamed.

12. My current evaluation of the overall project success (including implementation) in our organization is (1 (low) to 10 (high));

No votes for 9-10 excellent and only 1 vote for Poor (1-2).

Moderate (3-5) 54% and “Good” (6-8) 44%

This is the first finding that is expected and correlates with other studies on overall project completion.

(3.) Specific Issues and Complaints

Here, only the top five are presented in frequency order – most cited appears on top. The complete list of all key issues and complaints will be found in Appendix 2.

“ballpark estimates are being turned into (firm) targets” 29%

You can picture the scene. They are asked to estimate resources, costs or durations. They are told these are just “ball park” (USA term) estimates meaning they are only intended as crude gauges for initial planning. Then suddenly, they become a commitment by which they will be measured. This was a high rate of complaints.

“team members are being consistently pulled off projects” 21%

As priorities change and costs are cut, staffing changes. This happens so frequently that project team members and leaders unfortunately have gotten used to it despite the damage it does to schedule attainment.

“project team is made up of whoever is available not appropriate people 20%

This was discussed earlier. Almost 50% of all project teams are made up of those not grabbed up by higher priority projects or more aggressive leaders.

“insufficient team and/or human resource skills on part of the manager 16%

The biggest need is not technical skills for project managers but human resource and leadership skills.

“no project prioritization” 14%

This is more surprising for appearing in fifth place. You would expect this to be rated higher as a “bigger” problem. Perhaps it happens do often, they have adjusted to it.

There were a few others, scored less often. They included:

- Management’s on-going demand for “faster, cheaper results with fewer resources”
- unrealistic expectations
- Sponsors who are not engaged in moving barriers to success

Analysis – after all the foregoing now we see what some organizations do – they consistently try to shrink target dates or cut budgets, set or demand unrealistic expectation in functionality, schedule and budget and then, when the Project Managers cry out for help – no one is listening.

(4.) Key recommendations from survey participants:

Please list any recommendations you have for improving the project management culture within your company – either training or implementation related.

Recommendations can be either training or implementation related (please be as specific as possible).

- a. greater support by Sr. management
- b. more proactively
- c. balance resources across projects based on priorities
- d. resources allocated on multi projects without clear priorities
- e. better scope definition, get requirements
- f. better priority setting by Sr. management/clearer understanding communication of priorities
- g. improve risk management
- h. too many active priority projects
- i. sponsor training
- j. have pm's develop better people skills
- k. clearer understanding of p[prioritization of projects
- l. standardized project management methodology
- m. resources s/b available when needed so pm can level
- n. requirements hashed out at most detailed level possible
- o. better use of in-house resources
- p. need to identify appropriate resources early as opposed to taking whoever is available the day before person is needed
- q. make MS Project training mandatory
- r. project plan kept up to date and communicated
- s. more buy-in from part-time team members
- t. bringing people onto project with the right skills
- u. stop scope creep
- v. have people with appropriate knowledge part of establishing a realistic schedule
- w. project manager should develop/ be evaluated on interpersonal/human resource skills
- x. need a better picture of what is expected of the project communicated to the front line levels of management.
- y. need to give PM authority along with accountability
- z. support the PM process with action not just words
- aa. time should be allowed for adequate training for all project managers
- bb. improve the global decision making process
- cc. broader business knowledge base for OM's -- training
- dd. define project and stick to definition
- ee. poorly defined goals and/or business case for project
- ff. lessons learned sessions should be scheduled for appropriate length of time, should include key people for next phase
- gg. improved teamwork

A somewhat free-form section on the survey solicits recommendations for improving the project management culture in the organization. Thirty three distinct recommendations have been received to date. The key ones are:

1. Greater support from senior management as well as sponsor training in project management disciplines..
2. Setting and using priorities to manage scarce resources
3. Staffing projects with the right people at the right time.
4. adopt standard project management methods
5. One interesting comment is “define the project and stick to the definition.” Our recommendation in this regard is to define the project goals and keep them in your sights. The project processes, tools and techniques need to be flexible so that changes can be accommodated while keeping the goals clearly defined for team members and stakeholders alike.

A Conclusion: Do Senior Managers and Corporate Culture Support, Obstruct or Ignore Project Work?

You have seen our initial findings. But, it is a big world out there. We could use your help to verify our initial findings. We need more organizations to study.

First of all, it confirms the long held belief that project managers and the functions they perform are not understood or appreciated in most organizations. Senior managers have not been given enough information and feedback to fully understand the impact on their corporate projects of decisions they make – or not make in re: priorities, resource allocations, funding, sponsor support, letting resources be taken off on going projects, etc.

Worse still, there is a large disconnect between senior management and project sponsors on one hand, and project managers and their team-mates on the other. As a result senior management may not understand how many days and dollars are lost in projects that abort, are reduced down to vastly reduced levels of functionality; ultimately requiring the same work to be done a gain.

When Sponsors only appear during project kick off, when a crisis occurs or when they finally learn the project is late, over budget or aborted. – it is too late.

The most shocking finding is that 64% of PM’s and team members are not informed of of their projects final outcome. This signals the communication breakdown that must be addressed by organizations who really want to support project completion.

Recommendations. We at PCI recommend:

- (1) Read the short article
- (2) Have staff read the white paper
- (3) If there is any chance that these issues operate in your organization , then ...

Conduct your own survey. PCI Global will gladly provide you with the survey form and suggest ways to most effectively get answers and address the issues you discover.

Have the courage to look at your organization's specific findings.