

Wellington

PROJECT MANAGEMENT



The State of Project Management

Annual Survey 2016

Contents

Foreword	3
Introduction	5
Participants	6
Consistent Project Management Approach	7
Project Management Processes	8
Project Manager Skills & Experience	9
Project Management Maturity	10
PMO Office	12
The CEB Imperatives for the PMO	13
PMO Status & Value	14
Project Performance	15
Software Tools	18
Cloud Computing	19
About Wellington Project Management	20
About APM PMO SIG	21
About the Survey	22

Foreword

This very welcome survey provides just what the profession needs. Information and evidence that enables us to make informed decisions. To manage.

25 years ago I fumbled and stumbled my way to delivering a large and successful I.T. project, largely because it was impossible to tell what its true status was. I realised that it was possible to deceive with a mixture of seemingly business like reporting and aggressive confidence. But it troubled my professional conscience. Then I discovered Earned Value Management and a way to articulate and do 'gold standard' Project Controls which became my career.

In recent years and after a very long journey I now think that the 'holy grail' for the profession is benefits driven portfolios: joined up project programme and portfolio management producing real qualitative and quantitative value for users, be they customers or citizens.

I think the answers and problems are highlighted in these survey results. We are at the 'knowing-doing' gap. We understand what has to be done we now have to do it. Enforce it. Make it stick. We can do that most effectively by continuing to professionalise Project Management.

We now have to discover whether the reason projects are poorly scoped or that PMOs are not involved in setting strategy is because of lack of insight, lack of information or through wilful blindness. The deliberate choice of senior management to conceal deceive mislead. To manage by instinct wish and opinion. To deliberately exclude.

In this report I see evidence with which to challenge complacency and incompetence so that things can be made better for us all. I would like to live in a world where there is always a Project Manager on the Board, in the same way that there is always Finance. It is only by participation and sponsorship of Project Management at Board level that our full professional value will be realised. This place at the top-table is ours if we do what is necessary to take it. The first positive step is to understand that no-one is going to give it to us unless we convince them. With evidence. Which is why this survey is such a valuable step, both forward and up in this journey.



Steve Wake Chair
APM Board

Foreword

It still amazes me that every time we try to kill the "PMOs only last 4 yrs" theory, we always manage to prove it! Anyone involved with the APM's PMO SIG will have seen this question crop up on a regular basis.

Interestingly, this survey shows that of the 70% of respondents who have a PMO entity in their organisation, more than 55% of them have existed for 4 years or less. It is however, good to see that 5-6 years has now broken the 10% barrier!

Back in the autumn, the PMO SIG very much welcomed our Wellington friends asking us to get involved with this survey. We have been trying to obtain decent data that we can use to support the UK industry for some time now so it is very exciting to have (for the first time ever) real national Project Management and PMO data.

Whenever we speak to our members, we find that (despite all the guidance that is out there) benefits realisation is a big headache. This survey really reflects this view with over 45% of respondents claiming this to be the most troublesome PMO process to embed into an organisation.

Up there with benefits realisation with over 30% each sit change control and lessons learned. Followed swiftly by resource management and prioritisation. I am only surprised to see lessons learned so high up in the list – especially as more than 60% of organisations have a maturity level of 2 or 3, and I see lessons learned as key for the success of any PMO and whilst not insignificant; a 'must have' for the PMO to be seen to be embedding (and living by) a culture of continuous improvement.

The project success figures are startling (and genuinely worrying), especially with over 70% of respondents having an established PMO. Maybe it's because the majority of PMO's time is spent on administrative tasks, or maybe because of the high proportion of non-professionals running projects?

Whatever the reason, it is something we need to get to the bottom of – the irony always being that if there is an established PMO recognized as a partner to the business a lot of the issues highlighted by this survey can be addressed!

I want to thank everyone at Wellington Project Management for enabling this to happen, and making the APM PMO SIG a partner. The real recognition though, goes to all those that took the time to complete this years' survey – I hope that next year you will take the time to let us know how you progressed in 2016!



Emma-Ruth Arnaz-Pemberton Chair
APM PMO SIG

Introduction

Wellingtone Project Management and the Association for Project Management (APM) Project Management Office (PMO) Specific Interest Group (SIG) have together published this, our first 'The State of Project Management' annual survey.

Although a number of non-salary focused project management surveys are published each year they tend to be either very US centric or global in perspective. Our UK project management industry is highly developed and deserves special attention.

We invited colleagues from across our project management industry to participate, and they did, in their hundreds! This is the largest ever non-salary focused project management survey in the UK.

The State of Project Management survey asks questions across a number of important topics including; project management maturity, tools & techniques, project success rates and of course PMO maturity.

You are very welcome to share this report with colleagues across our industry. It provides a fantastic insight into the state of project management in the UK.

In writing this report I was keen to provide short focused commentary on the data rather than making you wade through pages of text. As a minor point of clarification where I have used the term "Project Management" I have done so as a generic catch all and am referring to project, programme & portfolio management. The data should speak for itself and although it highlights the great successes achieved by some it clearly shows there is much work to be done! Almost every organisation can benefit from improving their project management maturity. I hope this report provides the catalyst for you to consider how you can increase your project successes.

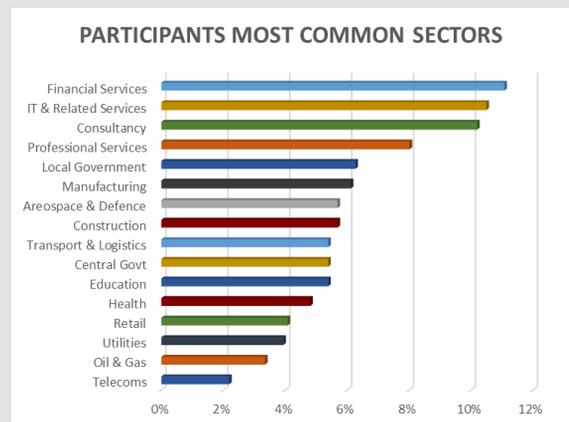
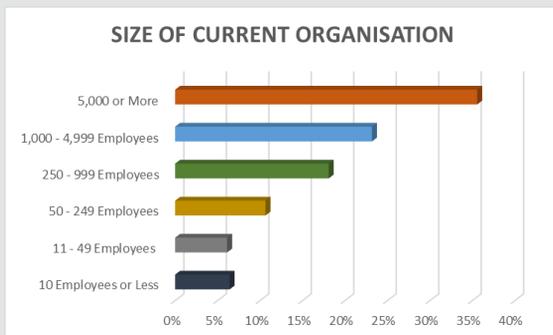
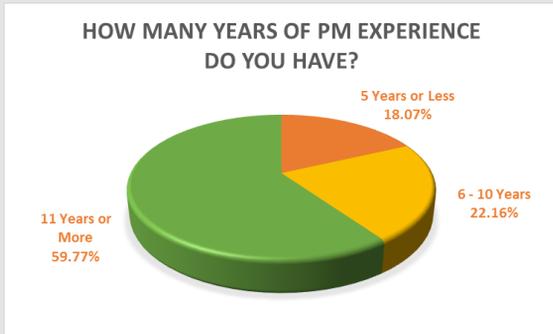
Thank you to all those professionals who contributed to this important and invaluable research data. I would also like to thank the Chair of the APM PMO SIG, Emma-Ruth Arnaz-Pemberton who recognised the value of this research and worked tirelessly with me to make it a reality. Please do contact me with your thoughts on the survey and this report.



Vince Hines Managing Director
Wellingtone Project Management
vince.hines@wellingtone.co.uk

Participants

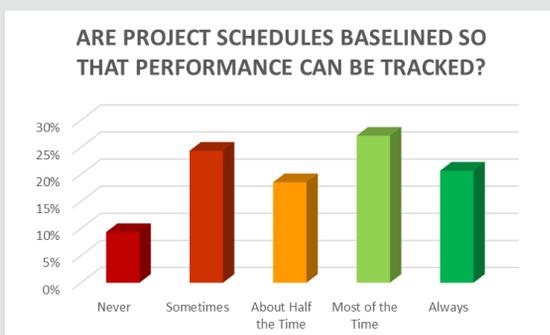
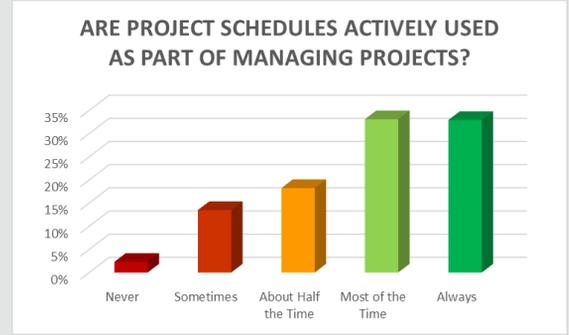
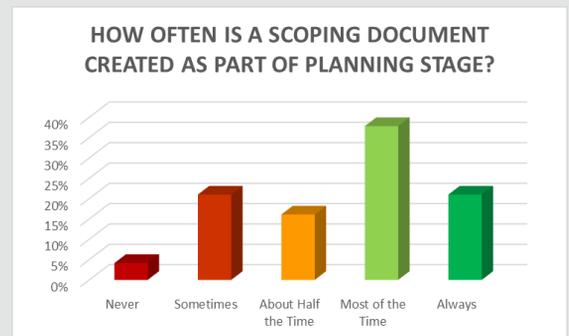
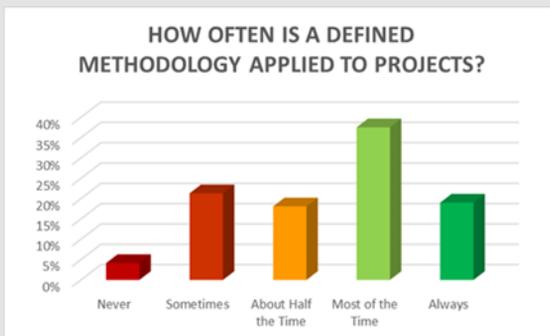
686 professionals participated representing
317 organisations



Thank you to all those who participated from across our profession. Respondents tended to be highly experienced, professionally qualified project management practitioners from across a wide spread of industries and UK geographic regions. The average participant is a Project Manager with at least one professional qualification (most likely PRINCE2) who is an employee of a large organisation

Consistent Project Management Approach

A strong indicator of project management maturity is the application of a consistent methodology. Are all projects of a similar size & scale run in a similar way, or is the approach driven by the selected Project Manager? Participants were asked a series of questions about the application of consistent methods and their frequency of use



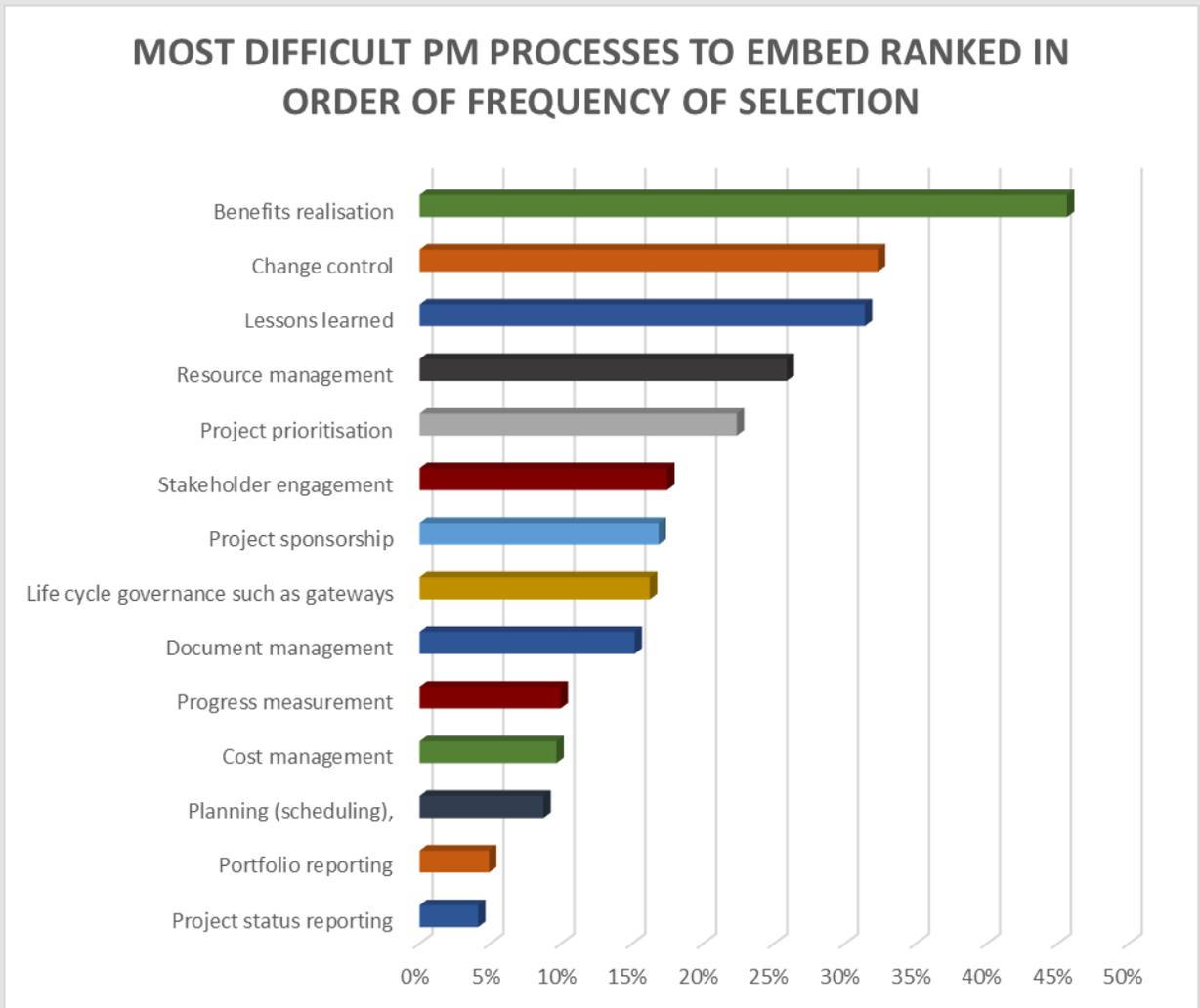
Over 34% of projects schedules are not baselined. Baselining should occur at the end of the Planning Stage as part of approval to proceed. Actual progress can then be tracked against the baseline plan. PMs should not only know where they are in the plan, but also where they are **compared to where they should be**

1/4 of PMs never or sometimes apply a consistent project management methodology or prepare a standard scoping document. A similar number never or sometimes engage in project risk management. These are significant numbers & demonstrate that even across professionally qualified experienced PMs there is significant room for improvement

Project Management Processes

We asked the question; "in your experience what typical project management processes are the most troublesome to embed?"

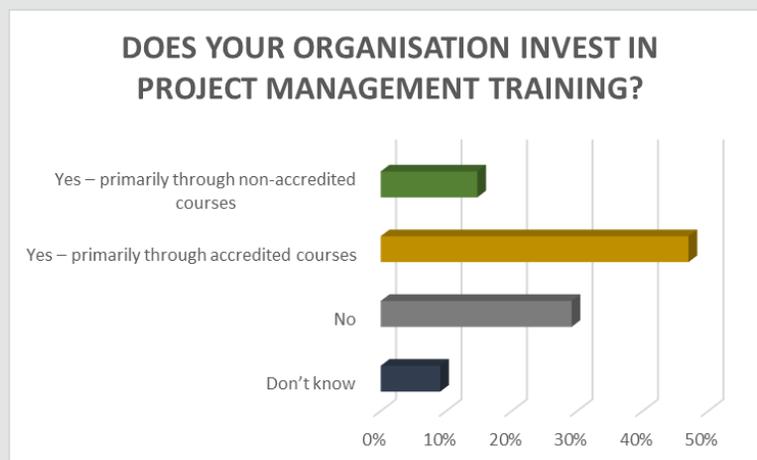
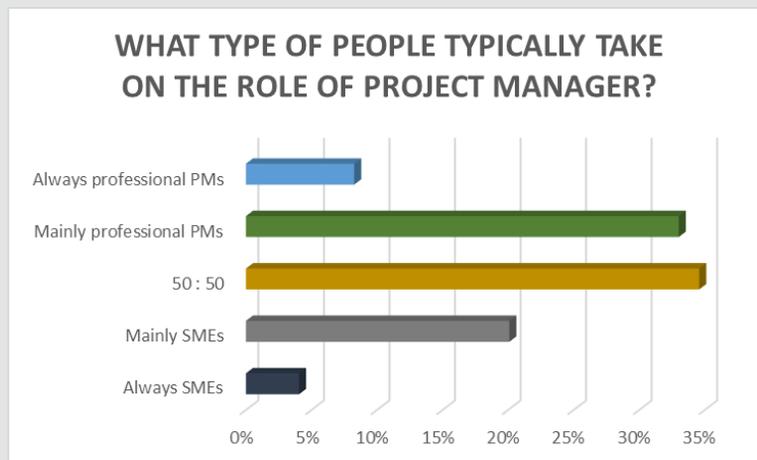
Respondents were asked to select their top 3



Benefits realisation has been a "hot" topic in project management for some time. **Organisations are waking up to the need to identify and monitor tangible benefits post project, but worryingly over 45% of respondents highlighted this as troublesome to embed.** We anticipated resource management would feature strongly but change control & lessons learned are also key challenges

Project Manager Skills & Experience

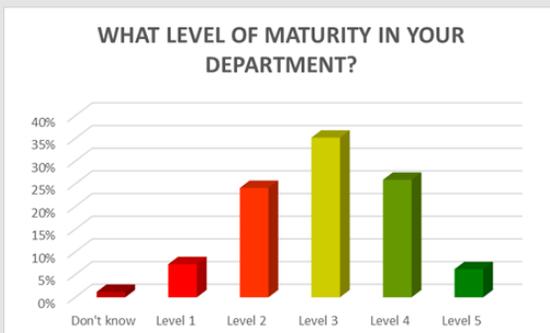
Many projects are not run by a recognised “professional” Project Manager but rather a Subject Matter Expert (SME) who has been given the challenge of running a project in their area of expertise. Often people therefore undertake projects with little or no formal training. We asked about what type of people run projects and whether their organisation invests in project management training



Not surprisingly, given our pool of respondents, there was a high percentage of “professional PMs” undertaking projects. Still, even within this pool 25% of projects are always or mainly undertaken by SMEs. This is fine if they receive appropriate training but significantly **more than 1/3 said “No” or “Don’t know” when asked about the availability of training**

Project Management Maturity

We can measure the maturity of an organisation to see “how good” it is at project management. A standard 5 level maturity model is shown below. Respondents were asked to grade their department and organisation as a whole on their maturity. People are often over-optimistic about maturity and the more telling question relates to whether they are happy with the current level of maturity



45% of respondents are somewhat or very dissatisfied with the current level of PM maturity in their organisation. This is a significant figure and demonstrates the scale of the opportunity for PM improvements. The majority of organisations should aim to achieve level 3 as a minimum so with circa 50% of organisations at a maturity level of 2 or below, it is no surprise that we find so many dissatisfied respondents

Project Management Consultancy

We are a leading Microsoft Project Server, Project Online (office 365) & Microsoft SharePoint technology consultancy and provide fixed-price implementation packages; **SharePoint PRIME, Project Online PRIME and Project Server PRIME.**

We also provide expertise guidance and support to clients looking to develop, assess or improve their project management methodology.



Wellingtone very quickly get to know your organisation and we have built a very open relationship. They really care about solving our problems so that we can run our projects and programmes better.

Home Retail Group (Homebase & Argos)

Project Management Training

We provide practical project management training that delivers real world benefits for both organisations and individuals.

We can also help to define a practical, fit for purpose, project methodology and then train this out to employees. Our courses are customised to match your exact project and programme training needs, assessment, project management processes and project environment.



Wellingtone helped us to establish a firm grounding for developing a project management framework that matches the nature of our business, our people, our structure and our operations.

Ince & Co

Project Management Recruitment

We are a specialist project management recruitment company and are the trusted partner of choice for many organisations looking to recruit the very best project management professionals.

We take the time to fully understand your exact requirements so that we can find you the right project resource whatever the role; permanent or contract.

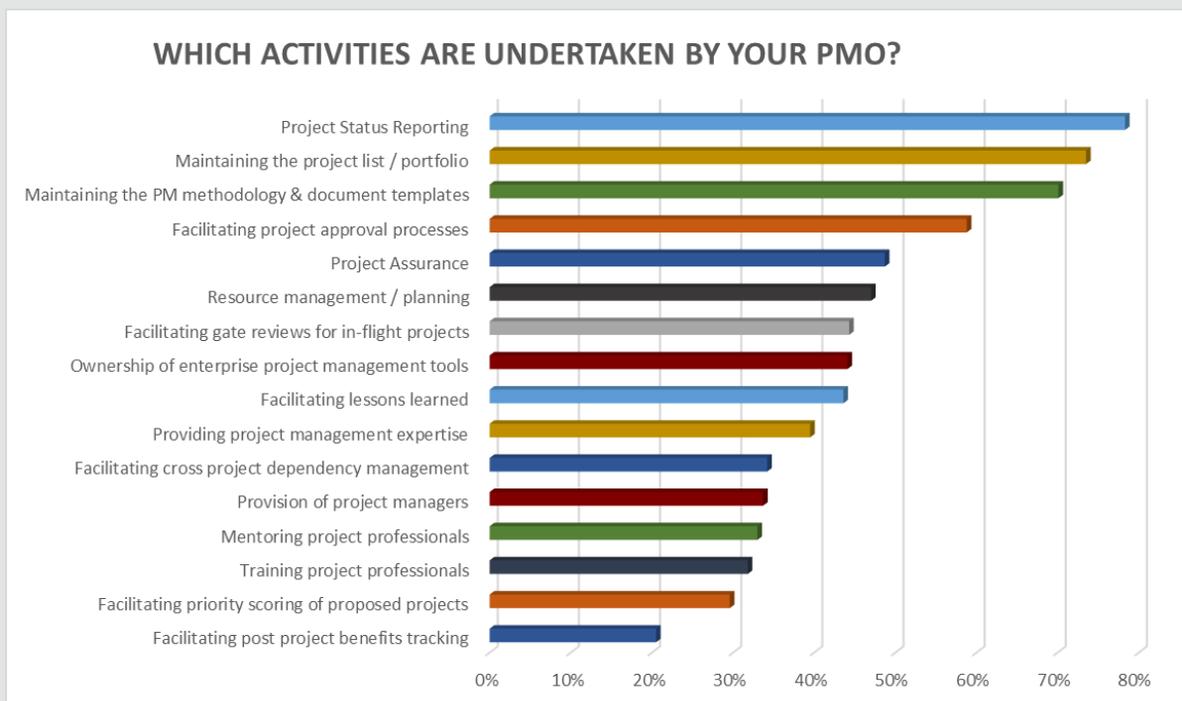
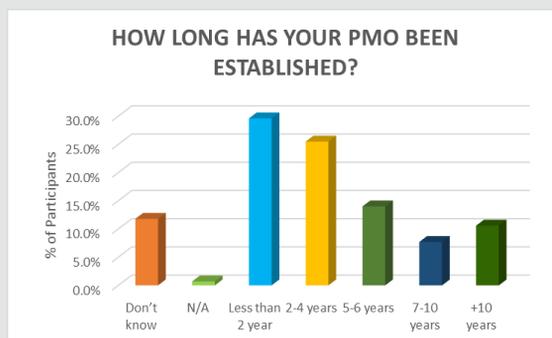
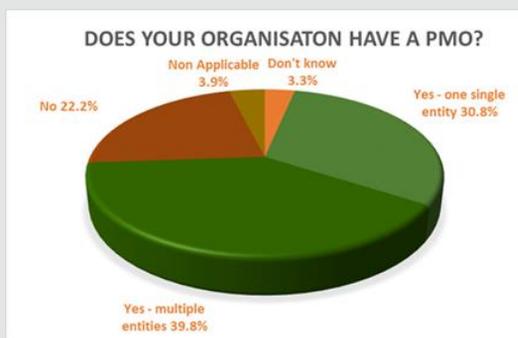


It was refreshing to come across Wellingtone as they understood my business and skill-set and was able to match me up with a suitable client first time around.

Senior Project Manager

PMO Office

We asked a series of questions related to the state of the PMO, obviously a core interest for the APM PMO SIG. We started by asking about the existence of a PMO or PMOs and their scope of work. Different terms are used across industry for a range of similar permanent entities that oversee project activities. Here we are using the term PMO as a generic name to cover PMO, PSO, Programme Office, Portfolio Office, Projects Office or PM Centre of Excellence

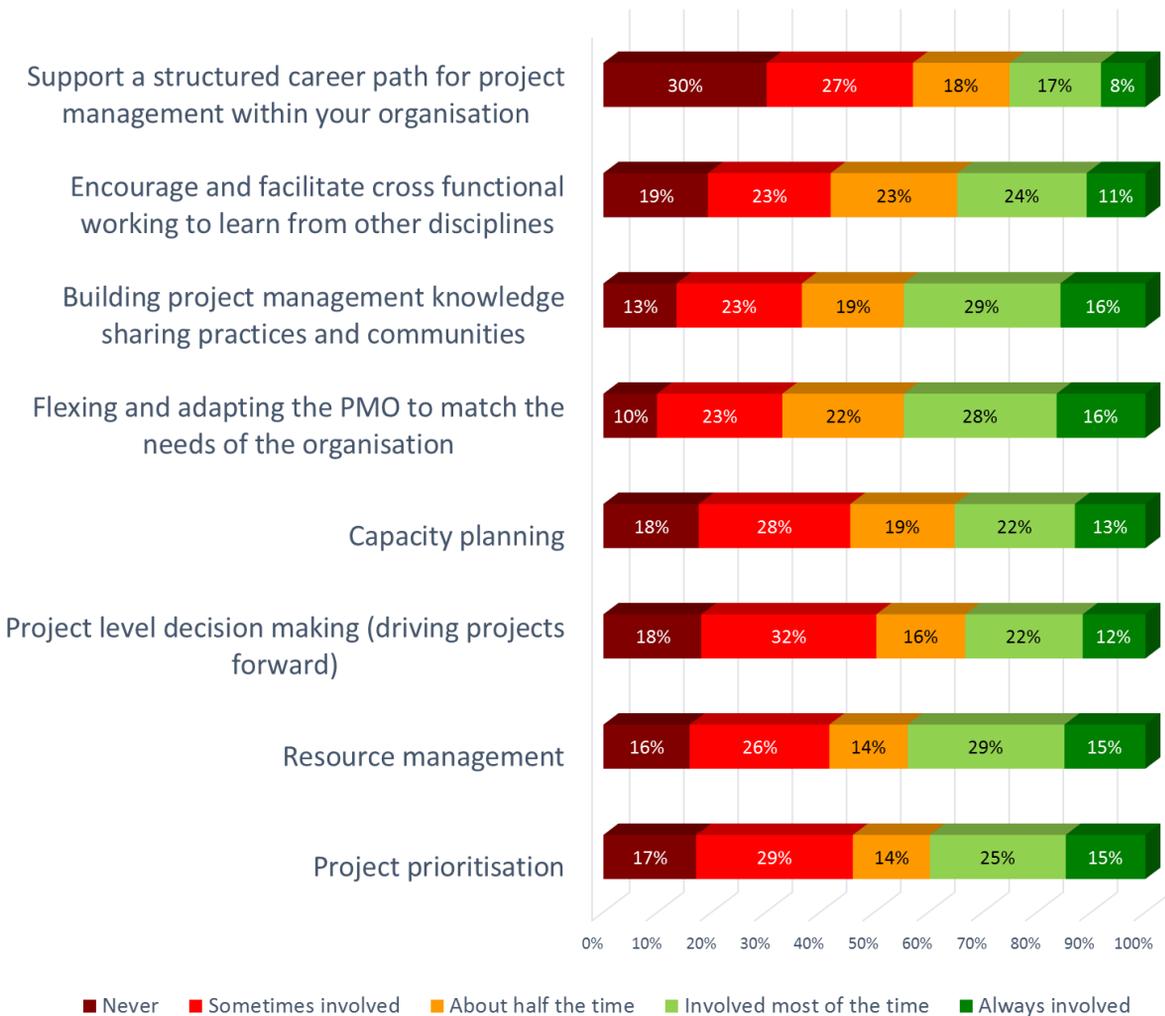


We have seen strong growth in the setup of PMOs over recent years. **Over 70% of organisations now have a single or multiple PMOs.** On page 8 we listed processes that were the most difficult to embed, the highest being “benefits tracking”. Here we see “benefits tracking” as the least likely to form part of the scope of a PMO; an entity that could and should perform this function for the organisation on behalf of Sponsors

The CEB Imperatives for the PMO

The CEB PMO Leadership Council published their 2015 PMO Outlook which detailed nine imperatives for the PMO function. We asked respondents how involved their PMO is in each of these

HOW INVOLVED IS YOUR PMO IN EACH OF THE FOLLOWING

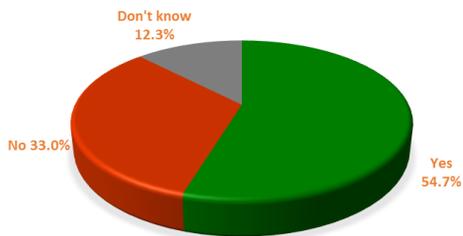


44% of the time PMOs are either sometimes or never involved in these nine imperatives. Page 12 backs this up and suggests most PMOs are focused on perceived lower value activities such as maintaining the project list, maintaining document templates and, most commonly, issuing project status reports. Interestingly, 57% of PMOs are never or only sometimes involved in supporting a PM career path

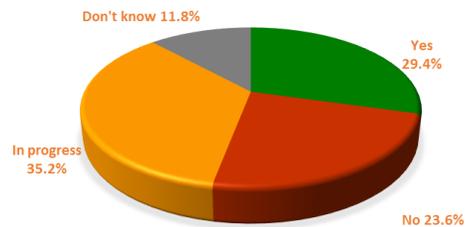
PMO Status and Value

We asked a series of questions around the status and value of the PMO. In our experience many PMOs spend a larger portion of their time justifying their existence than other business units or entities

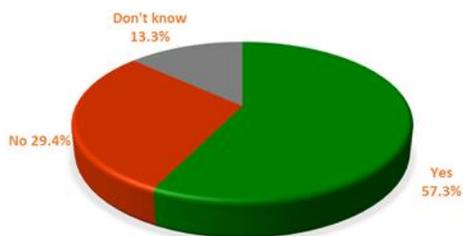
DOES YOUR PMO HAVE CONSISTENT AND POSITIVE SPONSORSHIP?



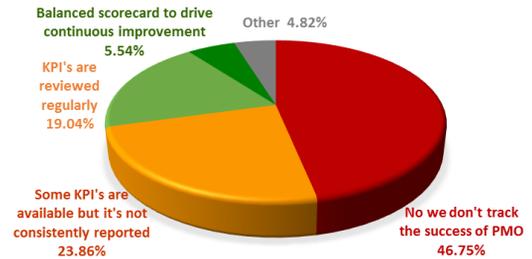
DOES YOUR PMO HAVE A CLEARLY DEFINED STRATEGY?



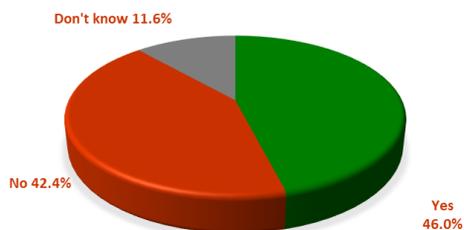
DOES YOUR ORGANISATION RECOGNISES PMO AS A VALUE ADD BUSINESS PARTNER?



DOES YOUR ORGANISATION TRACK THE VALUE OF YOUR PMO?



DO YOU HAVE A PROJECT COMMUNITY OF PRACTICE?



Those running projects often feel isolated, unaware others are walking the same path but in different departments & locations. Establishing a community of practitioners is an excellent way of sharing knowledge, experience and project lessons learned. **Less than half of respondents had this benefit**

Around 1/3 of all PMOs do not have consistent & positive sponsorship or a defined strategy. It's no wonder that a similar number feel they are not recognised as a value adding business partner. PMOs typically spend time measuring project KPIs so it is also somewhat ironic that **nearly 50% do not track their own performance.** If something is not tracked, how can it be effectively managed?

Project Performance

One of the most crucial areas of interest is the performance of projects. Success can be defined by a number of criteria and here we asked respondents about performance against time, budget and benefit. We also asked about the general track record of project performance



32% of organisations **never or some-times** complete on time

31% of organisations **never or some-times** deliver full benefits

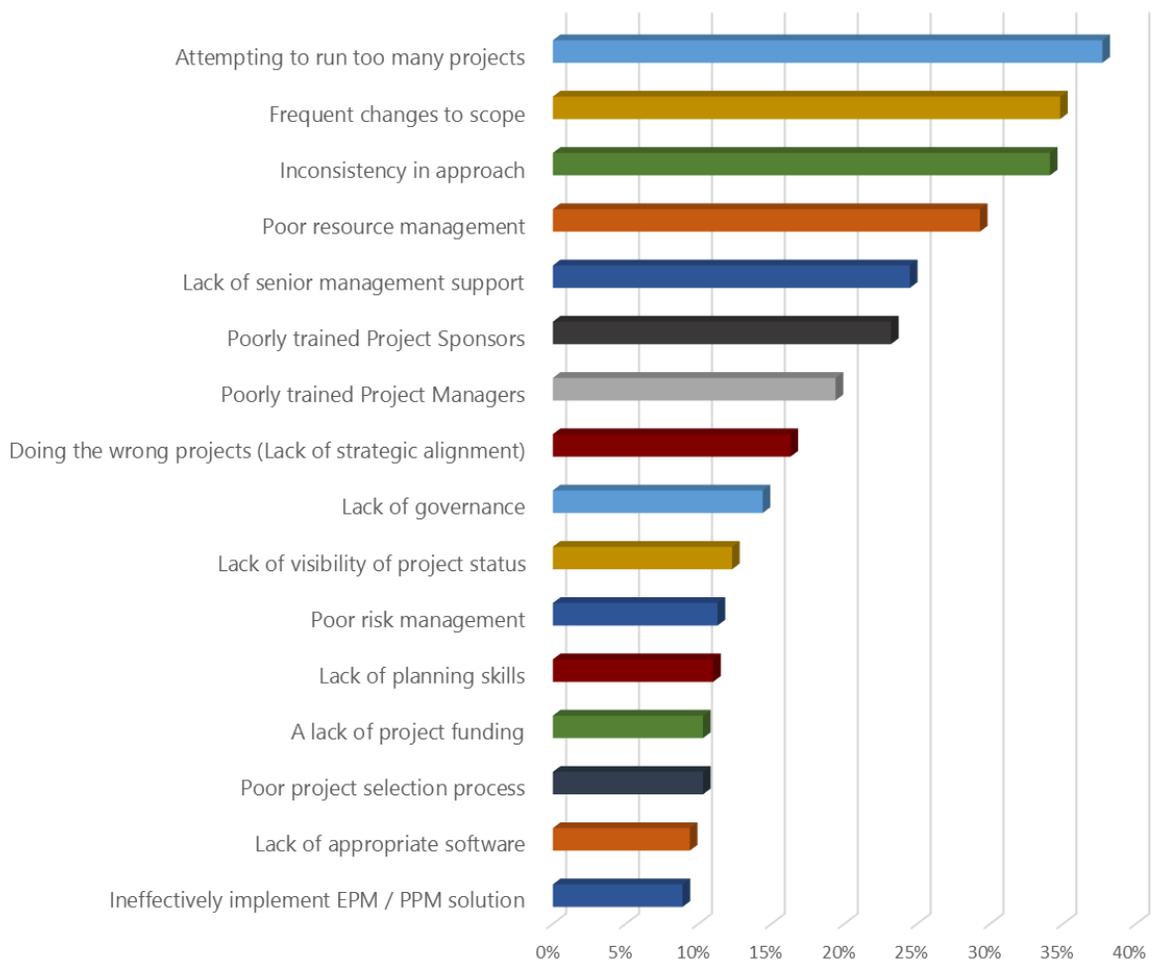
31% of organisations **never or some-times** complete on budget

46% of organisations **never or some-times** have a track record of success

Project Performance

The data on project performance is startling. Such a significant portion of projects do not deliver on benefits, time or cost. The next question is therefore key; what are the largest challenges your organisation faces when it comes to project, programme & portfolio management? We asked respondents to select their top 3

WHAT ARE THE LARGEST CHALLENGES YOUR ORGANISATION FACES ON A REGULAR BASIS WHEN IT COMES TO PROJECT, PROGRAMME & PORTFOLIO MANAGEMENT?



No huge surprises in these answers. We see these issues time and time again. Some of these are often closely related. For example, poorly trained Sponsors often change their minds and keep “tinkering” with the scope or even stop / start projects with little thought for the impact. **Consider your organisation and the challenges you face. What can you pro-actively do to tackle these challenges head-on?**



Project

STRUCTURED COLLABORATION IN THE CLOUD



office.com/project

Project Management

Visibility and Control

Audience:

PMO, Resource and Project Managers

Create project plans, and update them to accommodate change

Control scope, timeline, resources and cost

Create meaningful project status reports and presentations



Project Collaboration

Work Management

Audience:

Team Members

Share plan with team members and allow them to report task progress and timesheets.



Portfolio Management

Alignment with Business Objectives

Audience:

Executives and Portfolio Managers

Align project investment with strategy

Get cross company visibility on project performance and resource availability

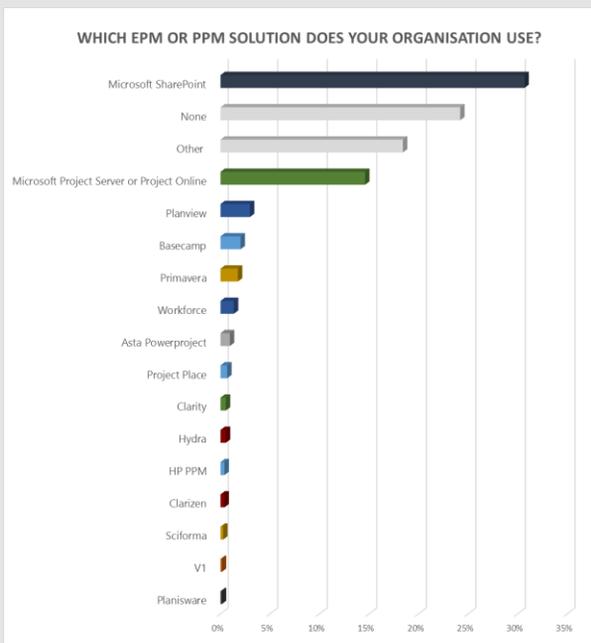
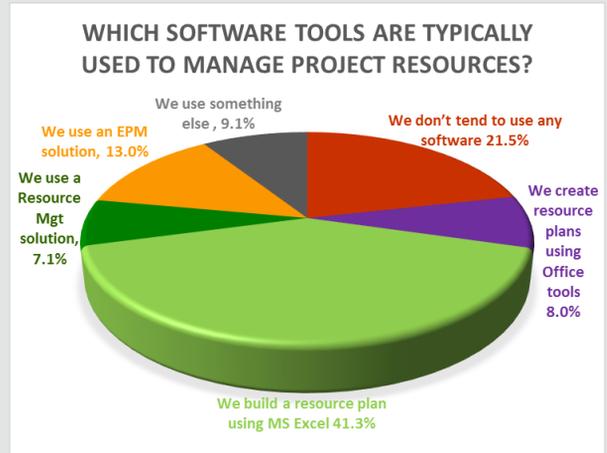
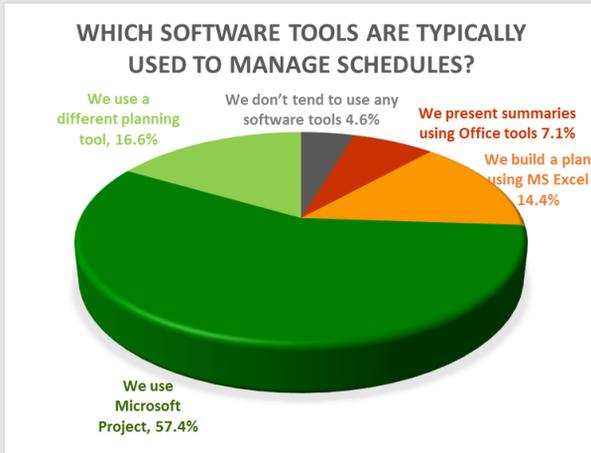
Enable cross team collaboration and improve cross company budget allocations

Enforce company Project Management standards and normalize best practices



Software Tools

Those involved in projects, as with all business functions, can benefit from having the right software tools. We asked questions about which tools respondents use and the benefits they derived from these tools. Many organisations are now looking to implement Enterprise Project Management (EPM) solutions, also referred to as Project & Portfolio Management (PPM) solutions

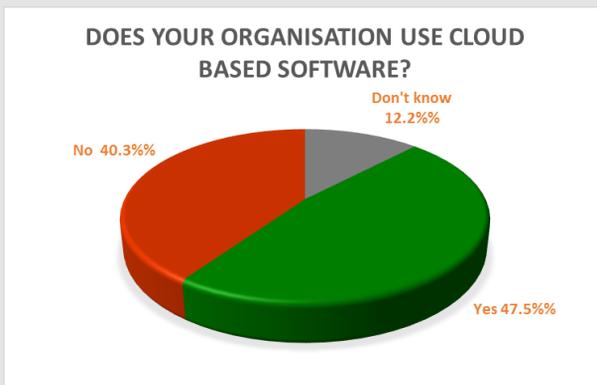
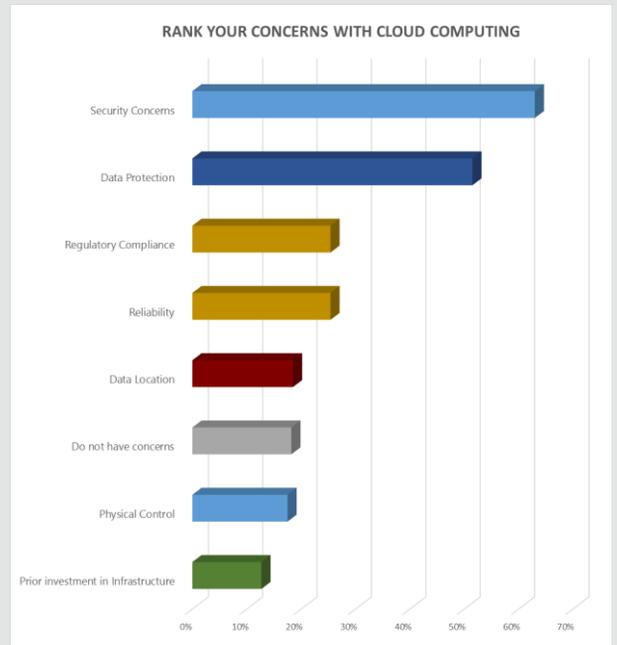
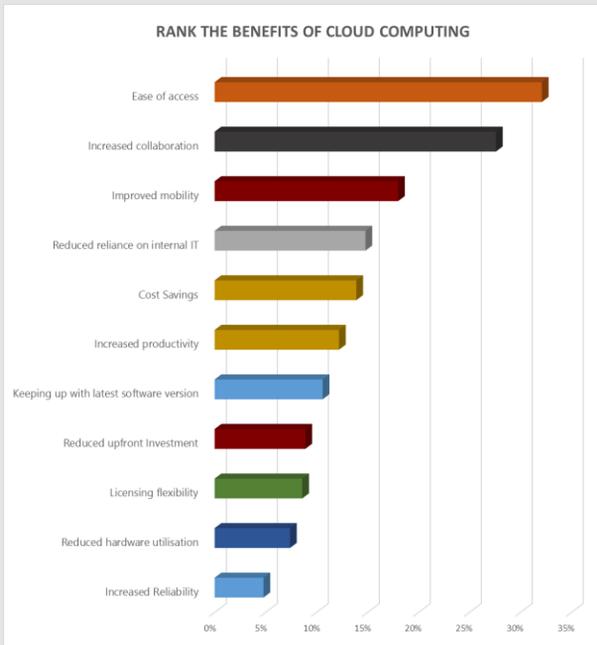


35% receive **no or limited benefits** from their software investment

Resource management is the 4th most difficult to embed and also ranks 4th for greatest challenge. It's no wonder. **Only 20% of organisations use a sophisticated PPM or resource management software solution.** We see so many organisations attempt to manage the complex problem of resource with Microsoft Excel. Similarly **25% of respondents use the simplest of tools (or none!) to attempt to manage their schedules**

Cloud Computing

Moving to the cloud is a key driver for software vendors and therefore their customers. Many organisations have implemented cloud solutions such as Microsoft Office365 and now other line of business systems, including PPM / EPM tools are on the agenda. There are many benefits but also considerations regarding the adoption of a cloud solution. We asked a few questions regarding cloud usage, benefits and concerns



Only 20%

Do **NOT** expect to increase the usage of cloud computing over the next 12 months

Our respondents are project management professionals, some of whom will be experts in the cloud whereas others will be viewing this very much from a users perspective. It is interesting that **ease of access, increased collaboration and improved mobility were identified as the greatest benefits**. All very useful for those involved in projects

About Us

Wellington
PROJECT MANAGEMENT



Your Project Management Partner

CONSULTING : TRAINING : RECRUITMENT

We are a specialist Project Management company based in Windsor, Berkshire working with clients across the UK and internationally. Established since 1995, our clients come from all industries, both public and private sectors and range from household names to SME's. The one thing all our clients have in common is they all run projects.

Project success is therefore critical to most organisations. Our goal is to work as a partner with our clients to maximise their likelihood of project, programme and portfolio success. Whether this is helping to define a fit for purpose & practical **project methodology**, training people in best practice project management, implementing Project & Portfolio Management solutions such as **Microsoft Project Server** and **SharePoint** or helping clients **recruit** project professionals, we can help.

We have a long track record of success providing practical and cost effective solutions with a very wide range of organisations. Please view our client testimonials within each section of our website or read our client **case studies**. Please do **contact us** to discuss your project management goals and to see how we can help.

We are leaders in project management in the UK. This is demonstrated by our track record of success with our clients but also supported by our professional status:

- **Corporate Member of the Association for Project Management (APM)**
- **Accredited APM Training Provider**
- **Microsoft Gold Partner with Project & Portfolio Management Specialism**
- **Corporate Member of the Recruitment & Employment Confederation (REC)**

Wellington also has a unique alliance with the APM to provide a career development service to the project management profession.

About Us



The Association of Project Management (APM) PMO Specific Interest Group (SIG) is one of several volunteer organisations with a particular focus on Portfolio, Programme, and Project Offices (in all their guises).

The PMO SIG is made up of ten (10) APM members with different levels of experience in both the industry, and in volunteer organisations.

During 2015, the SIG was restructured to provide a better strategic focus on four (4) key areas; Marketing, Research, Events, and Knowledge Management. These strategic focus points support the SIG's objectives to:

- Facilitate collaborative learning that fully engages the APM membership, and helps members grow their PMO skills and competencies
- Reach out to other disciplines (audit, finance, procurement, quality; amongst others) that collaborate routinely with PMOs to create value for organisations
- Provide an open source of unbiased advice and guidance to those who can benefit from putting PMO practice(s) to work
- Have a bias towards action, understanding the latest thinking, and quickly digest it into ways that can be shared as digestible knowledge with those the SIG seeks to help

The PMO SIG community includes APM members (and non-members via LinkedIn and Twitter). The SIG prides itself in supporting:

- PMO practitioners; defined as people who enable, support, and ensure the management of change in organisations
- Those who need to know more about PMO and its benefits, practices, tools, and techniques
- People in leadership positions who need to understand the potential benefits of the PMO approach
- People in organisations tasked with performing the 'bridge' function between strategy and delivery, either in a portfolio setting, or in various dispersed units throughout an organisation
- Other APM Specific Interest Groups in the form of support, assurance, guidance, and collaboration

The PMO SIG hosts and collaborates on events that support its members; but with a view always to drive the PMO industry forward. Its' 2015 conference 'Socialising the PMO' focused on PMOs as builders of communities within the Portfolio, Programme, and Project environment; it's goal was to bring PMO people into the modern social world of working and to inspire them to bring their own enterprises on the journey.

Over the last two years, the PMO SIG has contributed to the newest Portfolio, Programme, and Project Offices guidance (Axelos), and the refreshed APM Competency Framework. The PMO SIG believe that the State of Project Management 2016 survey is a key enabler in continuing the work that has been started by the team.

If you want to find out more, you can find all information on:

APM website: <https://www.apm.org.uk/group/apm-pmo-specific-interest-group>

On Twitter: @PMOSIGUK

On LinkedIn: APM PMO SIG

About the Survey

Wellingtone Project Management defined a series of 28 questions relating to project management and invited the APM PMO SIG to include a further 13 questions relating to their particular area of interest, the PMO.

These questions were then used to build an online survey. Project Management professionals from across all industries were invited to participate by completing the online survey. The survey was publicised solely in the UK and was open for participation from the 5th of November 2015 until the 5th of December 2015.

Vince Hines, Managing Director, Wellingtone Project Management is the author of this report, created based on the data collected from the survey. Respondent specific survey data is kept in strictest confidence. This report has been anonymised and includes only trends, averages and totals data. Wellingtone Project Management does not share respondent specific data and is identified as both the Data Controller and Data Processor. Wellingtone Project Management is registered in accordance with the Data Protection Act 1998: Z9727037.

Prize Draw

Acknowledging that project management professionals are busy people Wellingtone Project Management provided additional incentive to complete the survey with a prize draw. The APM PMO SIG kindly contributed 3 tickets to an APM PMO SIG event of choice as part of the prize draw, all other prizes were provided by Wellingtone Project Management.

The prize draw was conducted at the offices of Wellingtone Project Management on the 8th of December 2015. The draw was completed by André Pereira da Silva, Product Marketing Manager, Microsoft UK with oversight by Nathaniel Morosoli, Media and Sponsorship Manager, Association for Project Management.



André Pereira da Silva, Microsoft (left) & Nathaniel Morosoli, APM

Congratulations to our Prize Draw Winners

£250 John Lewis vouchers
R. Baker

Dell Tablet
T. Unwin
P. Fitzmaurice
N. Williamson

PMO SIG Event Ticket of their Choice
P. Hind
H. Roberts
R. Khalil

All trademarks are acknowledged as the property of their respective owners.

Copyright 2016 Wellingtone Limited. Reproduction of data from this report is permitted provided the source "The State of Project Management 2016 Survey by Wellingtone Project Management and the APM PMO SIG" is clearly referenced.

Please refer questions or comments regarding this report to Wellingtone Project Management.

Contact information

Wellingtone Limited
St Stephen's House
Arthur Road
Windsor
Berkshire
SL4 1RY

+44 (0) 1753 621 200 | www.wellingtone.co.uk

Follow us



<http://www.youtube.com/WellingtonePPM>



<http://www.linkedin.com/company/wellingtone>



<http://www.twitter.com/WellingtoneLtd>



<http://plus.google.com/+WellingtoneCoUk>