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## ANNUAL REPORT THE STATE OF PROJECT MANAGEMENT





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## Introduction

**The State of Project Management** is an annual report created, owned and published by Wellingtone with contribution from hundreds of project & portfolio practitioners from the UK and internationally.

Now in its sixth year, we invited colleagues from across our project management industry to participate and share their insight into our industry. The response was amazing with hundreds of participants from 214 organisations.

We asked questions across a number of important topics including; project management maturity, tools & techniques, project success rates and 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. Most importantly we hope this report provides food for thought. Efficient & effective project & portfolio management (PPM) has a significant positive impact on any organisation. As work becomes more project-centric, with distributed teams, the benefits of PPM become more and more valuable.

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. There remains a significant opportunity for improvement. I hope this report provides the catalyst for you to consider how you can increase your PPM maturity and therefore project successes.

Thank you to all those professionals who contributed to this important and invaluable research data. Please do contact me with your thoughts on the survey and this report.

## Vince Hines Managing Director

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## Wellingtone





# Headlines

The tools and techniques of best practice project management are a critical contributor to project and therefore organisational success.

Work takes many forms and now many locations. It is becoming more project-centric, whether this is organised around formal or informal teams. The tools and techniques of best practice project management are a critical contributor to project and therefore organisational success. Many people will perform the role of project manager during their career, whatever their job title. Respondents said they worked on average 68% of their time on formal projects, 23% informal. These averages increase each year (2019: 47% & 20% respectively).

**47% stated projects were mostly or always run by professional project managers**, which means more than half are not. Project management should be a core competence, championed by the PMO (82% of organisations have at least one) and L&D. We found that **only 45% of respondents said their organisation provided Accredited training**. If projects are critical to organisational success, why is there no formal training or a defined PPM methodology to lean on? There is much room for improvement with significant productivity gains a realistic ambition for those organisations that get this right.

Those organisations looking to make a transformational change to their project management maturity should reflect on the PPM Process Value vs. Difficulty chart later in this report. Stakeholder engagement, risk management and planning are seen to add the most value, with the least amount of difficulty to embed. Benefits management, resource management and project prioritisation are the perennial tough nuts to crack. Start with the easier processes, and work your way up.

One-third of respondents cited being satisfied with the current level of project maturity in their organisation. With so many people, therefore, recognising their organisation could be better there will be an appetite for change, with fewer obstacles than you might perhaps expect. Approximately 50% of respondents cited they did not have access to real-time project KPIs, yet spent 1 day or more each month generating reports. This represents another significant opportunity for improvement. Organisations should embrace the latest PPM technology to automate reporting and enable informed decision making, at any time, from anywhere, using any device.



## **PMO Academy**

Dedicated to the needs of PMO practitioners at every level, our exclusive **PMO Academy** delivers a pick and mix of learning opportunities. Globally, our groundbreaking core courses are the only PMO professional courses independently Accredited by APM, The Chartered Body for the Project Profession.

The **PMO Academy** supports your journey through the PMO career ladder which is aligned to the Wellingtone Competence Framework. It provides an opportunity to select training courses to get the most out of you and your PMO's development. Be inspired and create a practical toolbox to support your organisation. These courses can be delivered as live remote training for both public and client-specific.



## **PMO Practitioner**

Designed for Practitioners of all levels who are delivering, managing, implementing or transforming a PMO. It will develop skills and help you to bring your unique & best-in-class PMO to the forefront of the organisation.





## **PMO Leader**

Groundbreaking course for those leading the PMO in their organisation. It will push the boundaries of PMO learning with Project Based Learning at its core supported by regular mentoring sessions with our PMO Specialists.



## **Assurance Practitioner**

Specialist course provides a comprehensive and practical view of the strategies, competencies required, and tools & techniques available to design, set up and deliver effective and integrated project assurance.

#### #WORKSMARTER



# About the participants 214 organisations



**Over 11% of participants** have undertaken at least one of our unique training courses.

**Wellingtone has** authored more courses that have been Accredited by the **APM than any other** organisation.



student, etc) 13%



Respondents tended to be highly experienced, professionally qualified project management practitioners from across a wide spread of industries and geographic regions. The average participant is a Project Manager employed by a large organisation with at least one professional qualification.



# The Project Management Basics



a defined project methodology



baseline their project schedules



**52**%

Mostly or always create a scoping document as part of planning



**64**%

of Project Managers always or mostly engage in risk management



52% of projects mostly or always have a scoping document with 58% following a defined methodology. This leaves many projects being run in potentially a very ad-hoc fashion, reducing the chances of success significantly.

One-third of Project Managers do not regularly engage in risk management. There is much room for improvement.





# PPM Processes Value vs. Difficulty to Embed





Respondents were asked which PPM Processes added the most value when undertaken properly, and which were most difficult to embed.

This chart combines difficulty versus benefit data. Those PPM processes in the top left quadrant should be tackled first. Build consensus & deliver these before then taking on those with higher difficulty ratings.

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# PPM Maturity





or more



**70%** believe the current level of maturity in their department is 3 or more

**45% of respondents are somewhat or very dissatisfied with the current level of PM maturity.** This is a significant figure and demonstrates the growing recognition of what "good" PPM looks like.

An organisation should recognise stakeholders have an appetite for change if this brings about improved PPM methods, processes, tools & training.

## Enabling YOU to make a step-change in your PPM Maturity



## PMO & P3M3 & Project Management Maturity Assessment

To achieve a new vision for Project, Portfolio and Work Management you first need to understand where you are. Our PPM and PMO Maturity Assessment combines our expertise as an <u>Axelos P3M3</u> Consulting Partner with our in-depth data analysis and expertise.

#### **3. STANDARDISED**

All processes are detailed, educated and repeatable; there is a PMO in place providing guidance and limited education; there is some measurement of high-level KPIs which are communicated to direct management.

### **5. OPTIMISING**

Processes are continuously reviewed and improved; the PMO is respected as a centre of excellence and provides a career path to project professional: the performance of both projects and the PMO is measured and informs decision-making.

**1. INITIAL** 

There are no defined processes; there is no PMO team in place or any measures.

### 2. DEFINED

There are pockets of excellence and some processes but the application is largely down to the individual. There are defined skills xxx within the organisation, not necessarily within a dedicated PMO function; there are no measures in place.

### 4. MANAGED

All processes are embedded and utilised consistently: there is a dedicated PMO function that enables communication, learning and a culture of change; there is a consistent method to measure both projects and the PMO to senior management.

### Our independent maturity assessment and benchmarking provides:

- Data informed by best practice
- Comparison against extensive benchmark data
- Areas of strength
- Areas to develop
- Practical recommendations and a
- PPM/PMO Maturity Roadmap
- A case for change
- A baseline from which to assess improvements over time





## **PPM Software Tools**



do not have access to real-time project KPIs with 50% spending 1 or more days manually collating project reports.

	TIME DO YOU SPEND EACH MONTH COLLATING PROJECT STATUS INFO?
4 hours to 1 day	25%
Less than 4 hours	25.3%
More than 2 days	25.8%
1 - 2 days	17.4%
N/A (6.	4%



Decision-makers need access to accurate and up to date project KPIs they can rely on. Project Managers and PMO's need to eliminate reporting burdens.

One of the most significant benefits of deploying a PPM solution is the automation of reporting. Data is also available at any time, not just at the end of a monthly manual reporting cycle. This alone can often provide the business case for the implementation of Microsoft Project Online or Microsoft Project for the Web.

PPM dashboard reporting with Microsoft Project and Power BI



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# We Transform...

YOUR PRACTICE VOUR PEOPLE VOUR TECHNOLOGY



## Our core mission is to help clients to improve their PPM maturity and to achieve more.

We work with clients across all sectors, industries and geographies. Client success is our goal and is best demonstrated through tangible real-world benefits as illustrated by our customer stories.



Through our joined-up specialist services, we can help you determine where you are, define where you should be and help you to get there.





# Project Performance





# Project Performance

These challenges might look familiar. Is your organisation running the right projects in the right way?

Poorly trained Project Managers and poorly trained Project Sponsors as well as defining a consistency approach are challenges that can be easily corrected.

WHAT ARE	THE LARGEST PROJECT MANAGEMENT CHALLENGES IN YOUR ORGANISATION?
Poorly trained Project Managers	
Attempting to run too many projects	
Poor resource management	
Inconsistency in approach	
A lack of project funding	
Frecuent changes to scope	
Doing the wrong projects (lack of strategic alignment)	
Ineffectively implement PPM Solution	
Poorly trained Project Sponsors	
Lack of appropriate software	
Lack of planning skills	
Lack of governance	
Lack of senior management support	
Poor risk management	
Poor project selection process	
Lack of visibility of project status	



"Let's focus on the priority projects. We're trying to do too many!"



"Let's train our PMs & Sponsors to give them a fighting chance!"



*"Let's implement a PPM* solution properly to enable resource management!"



## The PMO



### WHICH ACTIVITIES ARE UNDERTAKEN BY YOUR PMO?

Project Status reporting	
Maintaining the project list / portfolio	
Maintaining the PM methodology & document templates	
Facilitating project approval processes	
Project Assurance	
Ownership of enterprise project management tools	
Resource management / planning	
Facilitating gate reviews for in-flight projects	
Providing Project Management expertise	
Facilitating Lessons Learned	
Provision of Project Managers	
Facilitating cross-project dependency management	
Facilitating priority scoring of proposed projects	
Mentoring project porfessionals	
Training Project Professionals	
Facilitating post project beneficts tracking	

Which of these activities are in your PMO Service Catalogue?

### 86% of organisations now report having one or more PMO's, increasing steadily from 71% reported in 2016.

Once again we see benefits tracking as the least likely to form part of PMO scope and status reporting once again claiming the top spot.



## PMO activities that have increased the most in last 5 years:

- Project Assurance
- Ownership of an enterprise PPM solution
- Cross-project dependency management

15



# Benchmark your PMO



Totally Disagree Tend to Disagree

PMO HAS A COMMITED & AVAILABLE SPONSOR TO GUIDE FUTURE DIRECTION

> Neither Agree or Disagree

Tend to Agree Totally Agree

Tend to Agree

Neither Agree or Disagree

Totally Disagree Tend to Disagree

Totally Disagree Tend to Disagree ROLES AND RESPONSABILITIES WITHIN THE PMO TEAM ARE CLEARLY DEFINED

Tend to Agree Totally Agree

Neither Agree or Disagree





Totally Agree

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# THE FUTURE PMO

THE	E FUTURE PI	MO: SIZE (	PEOPLE)	
SMALLER				
	17%			
STAY THE SA	ME			
		46%		
LARGER				
	38	%		

PMO will increase in headcount, a significant drop from last year at 57%

## Views on the future PMO reflect a much more cautious outlook in comparison to last year.

Unsurprising given the impact of COVID-19. Only 38% see a headcount increase, but 57% seeing greater scope & responsibilities. This suggests a real need to increase productivity. Automation through PPM technology can play a key role in bridging this productivity gap.

SMALLER			
8%			
STAY THE SAME			
	34%		
LARGER			
		57%	

57%

PMO will increase in scope & responsibilities, a significant drop from the 72% reported last year



54%

PMO will increase in perceived value, a significant drop from 71% reported last year



# THE FUTURE OF WORK



Percent of respondents that believe people will need more project management skills

Percent of respondents that believe that more work will be organised around small informal teams



Percent of respondents that believe the use of team collaboration tools will increase



**Respondents believe the future of work is much more projectbased,** whether that is large formal projects or small informal teams.

71% believe people will need more project management skills and a similar number see increases in the use of collaboration tools.



## **About this Report**

We asked a series of 46 questions relating to project and work management.

Project Management professionals from across all industries were invited to participate by completing the online questionnaire. This was publicised internationally and was open for participation through the end of Q4 2020.

#### Vince Hines, Managing Director,

Wellingtone is the author of this report, created based on the data collected from the questionnaire. Respondent specific survey data is kept in the strictest confidence. This report has been anonymised and includes trends, averages and totals data.

Wellingtone does not share respondent specific data with any third parties. Wellingtone Limited is registered in accordance with the Data Protection Act 1998: Z9727037.



## Wellingtone

# Taking you to the Future of Work Management

wellingtone.co.uk
wellingtone.es



Established in 2001, we work with organisations of all sizes and industries enabling them to make a step-change in PPM maturity.

Globally we are the only organisation that is both a Microsoft Gold Partner with the PPM specialisation and an Accredited Training Provider with the Chartered Body for Project Management, the Association for Project Management.

We have developed more specialist PPM training courses that have been independently Accredited by the APM than any other organisation

Our groundbreaking courses, industry-leading publications and reputation set us apart. Contact us, we would love to hear from you.



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Wellingtone

### **Our Locations**

Our corporate head office is in the historic Royal town of Windsor.

Our clients are global; beyond our European home, as far afield as Dubai, Hong Kong & Costa Rica. We are a multi-cultural, multi-language consultancy with native speakers in English, Spanish and Portuguese.

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at checkout to save 10% on your tickets

## Why should you attend FuturePMO?

**Spending time with your PMO peers** is always valuable. Spending that time in an environment tailored to the challenges and opportunities you not only face today but tomorrow; will **enable** both your personal development and that of your PMO. You will return to your day job focused on your PMO future, **empowered with tools and techniques**, and passionate about your journey.



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