PMI's
PULSE *of the* PROFESSION®

CAPTURING THE VALUE OF
PROJECT MANAGEMENT

2015

PMI
Project Management Institute

VALUING PROJECT, PROGRAM, AND PORTFOLIO MANAGEMENT

All change in an organization happens through projects and programs—by many different names. When a project and program management mindset is embedded into an organization's DNA, performance improves and competitive advantage accelerates. In fact, according to our 2015 *Pulse of the Profession®* study, the projects of high-performing organizations successfully meet goals two–and–a–half times more often, and these organizations waste 13 times less money than their low-performing counterparts.

This reality, reported annually by our *Pulse* study, demonstrates the value project management delivers—and is fully understood by more than half of all organizations (55 percent) in this year's findings. While that would seem to be good news, the number of organizations recognizing and capturing this value remains unchanged since 2012, so there is more work to be done.

As the global advocate for the project, program, and portfolio management profession, we have conducted our *Pulse* study since 2006 to provide evidence that implementing strategy successfully is inextricably linked to an organization's capability to deliver successful projects and programs.

Throughout this report, you will discover what high-performing organizations do differently—and how they are creating competitive advantage by embedding a project management mindset in their organization's culture. These organizations have adopted global standards. They understand the importance of a highly trained, professionally certified workforce. And, they are reaping the rewards of this disciplined approach to strategy implementation.

In this report, we will explore the *Pulse* findings in greater detail and demonstrate a clear path forward through a focus on the following fundamentals, which essentially take us back to the basics.

- **Culture:** High-performing organizations fully understand the value of project management and are creating a project management mindset.

- **Talent:** High-performing organizations are significantly more likely to focus on talent management, establishing ongoing training, and formal, effective knowledge transfer. This is especially important in project management, where technical skills are enhanced by the leadership and strategic and business management capabilities that are nurtured through experience.

- **Process:** High-performing organizations support project, program, and portfolio management though standardized practices and by aligning projects and programs to the organization's strategy.

The 2015 *Pulse* finds that organizations continue wasting US$109 million for every US$1 billion invested in projects and programs. But organizations that embrace, value, and utilize project management—and both recognize and attribute their success to it—report more success, less waste and achieve greater competitive advantage.

Spread the word—and let's do great things together.
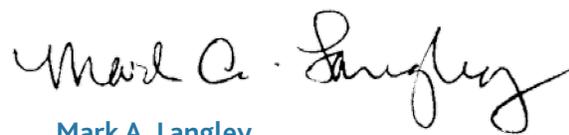
Mark A. Langley
President and CEO
Project Management Institute

EXECUTIVE SUMMARY: 2015 TRENDS

As we look at the state of project, program, and portfolio management in 2015, we see that a number of global dynamics are forcing organizations to take a more critical look at how they operate. Sluggish economic growth continues, putting additional emphasis on how well organizations execute their strategic initiatives. This, in turn, requires more rigorous project, program, and portfolio management. Yet over the past few years, many of our *Pulse* findings about how well organizations are delivering on their strategic initiatives have remained largely unchanged. That leads us to ask "why," but also suggests it's time for organizations to revisit the fundamentals of project management and, essentially, go back to the basics.

Those basics include:

- Fully understanding the **value** of **project management**

- Having actively **engaged executive sponsors**

- Aligning **projects** to **strategy**

- Developing and maintaining **project management talent**

- Establishing a **well-aligned and effective PMO** (project management office)

- **Using standardized** project management **practices throughout the organization**

We also see opportunity for greater attention to a number of foundational practices, which our research shows high performers[1] are more likely to focus on compared to their lower-performing[2] counterparts, including:

- Greater **knowledge transfer** effectiveness: The number of organizations that have high effectiveness has increased by 20 percent since last year.

- More rigorous **risk management**: This year, 83 percent of high performers report frequent use of risk management practices, compared to only 49 percent of low performers.

- More frequent use of **agile**/incremental/iterative practices in project management: The use of these practices continues to rise, with 38 percent of organizations reporting frequent use, up 8 percentage points since 2013.

- Higher **benefits realization** maturity: Though only one in five organizations reports having a high level of benefits realization maturity, we've seen an increase of 63 percent compared to the level in 2013.

As the world's largest project management association, we know that even the best organizations—maybe especially the best—are always looking to improve. The following pages explore the 2015 *Pulse* findings in greater detail, with an additional focus on how organizations can build and sustain their capabilities and create greater competitive advantage.

DELIVERING VALUE IN A DEMANDING ENVIRONMENT

The economic and business environments continue to be challenging. Global GDP growth did not improve to the levels economists had hoped to see at the start of 2014: In January, The Economist Intelligence Unit (EIU) projected the global economy would grow by 3.6 percent; however, in December, they revised the 2014 projected growth rate down to 3.1 percent. For 2015, the EIU projects a 3.8 percent global growth rate (Figure 1).[3]

"To me [change] will come from management and influencing behavior."

—Philippe Guitton, Michelin

Figure 1: Global GDP Growth
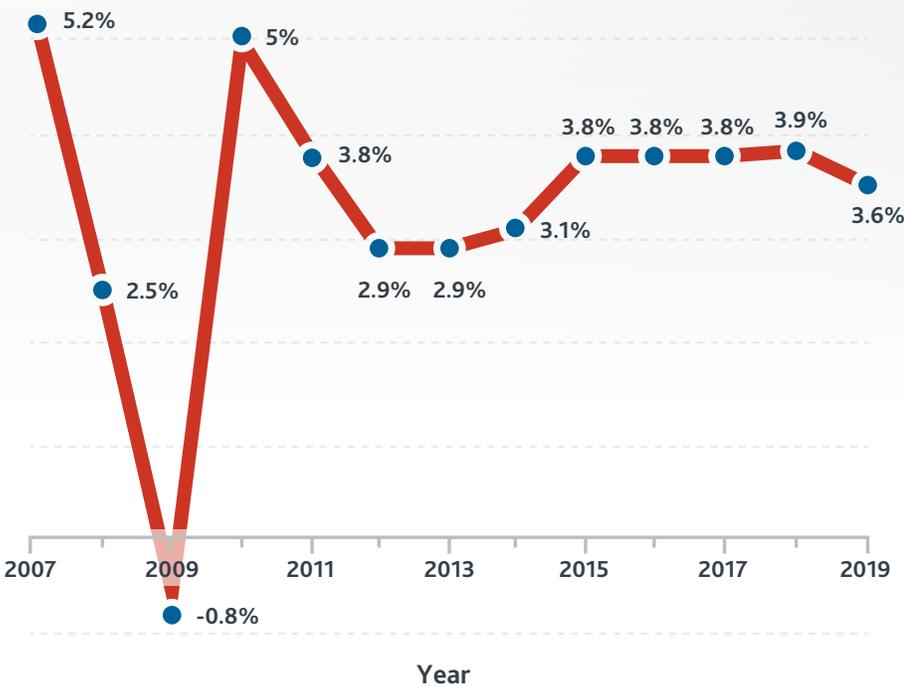
1. Source: EIU Global Forecasting Service
2. 2015 – 2019 are forecasts

Similarly, many of our *Pulse* findings have remained stable for the past four years, not showing significant decreases—or increases. Why aren't these numbers moving? What will cause noticeable change?

"To me it will come from management and influencing behavior," said Philippe Guitton, IT Quality and P. Office Director, Michelin. "It's imperative to hire the right project managers who have sufficient skill and education to convince their teams about the methods: what is not negotiable, what is optional. They need to make a strong case because it's never possible to impose methods and expect people to comply."

> *"I believe more focus on selling the concept of OPM and its value to the C-suite is essential to cause a noticeable change."*
>
> —Laila MT Faridoon, Roads and Transport Authority

Progress will also come as perception changes. "… no matter how far we progress, maturity or OPM type assessments will always show us as mid-level, not because we're not improving, but because I think our understanding and expectations are also increasing, so we keep seeing our flaws," said Chris Lawler, PfMP, Manager, Project Portfolio Office, Mater Health Services. "It may be that our inner gauge is faulty. We kind of keep shifting our own benchmark."

"The main reason is the perception of project management concept by the C-suite, it is very much limited to the execution phase of project management, they lack awareness of the concept of organizational project management [OPM] and its role and contribution to strategy execution and value added to driving business success," said Laila MT Faridoon, Director of the Chairman's Office, Head of the Enterprise Programme Management Office (EPMO), Roads and Transport Authority (RTA). "I believe a more focus on selling the concept of OPM and its value to the C-suite is essential to cause a noticeable change."

BACK TO BASICS: IMPROVING PROJECT MANAGEMENT

High-performing organizations are demonstrating that adhering to proven project, program, and portfolio management practices reduces risks, cuts costs, and improves success rates of projects and programs. This focus emphasizes the need for all organizations to get back to basics: By embedding a project management mindset in their culture, they will be better able to create a sustainable competitive advantage.

High-performing organizations drive project management and deploy related competencies with a goal of maximizing organizational value. Our *Pulse* study shows that projects within these organizations meet original goals and business intent two-and-a-half times more often than those in low-performing organizations (90 percent vs. 36 percent).

High-performing organizations also waste about 13 times less money than low performers. But we have not seen an increase in the number of high-performing organizations since 2012. This number remains steady at 12 percent.

What helps an organization build and sustain its growth capacity and become a high performer?

Our *Pulse* research shows a number of factors contribute to this success, including a focus on what we consider the basics:

- Fully understanding the value of project management

- Having actively engaged executive sponsors

- Aligning projects to strategy

- Developing and maintaining project management talent

- Establishing a well-aligned and effective PMO

- Using standardized project management practices throughout the organization

"Many people talk about the value of project management without knowing what it really means," said Mr. Guitton. "Everyone agrees about the value for doing the projects, but interest is different from opportunity—and we need to collect the benefits. The devil is in the details and organizations should focus there."

BUSINESS IMPERATIVES: GETTING THE FUNDAMENTALS RIGHT

Organizations are more likely to nurture a culture of project management when they fully understand the value it brings and how projects and programs drive change. They also understand that when projects fail, so do profits, because organizations are less likely to achieve strategic goals.

Our *Pulse* study shows that these organizations are focusing on the fundamental aspects of **culture, talent, and process** that support excellence in project, program, and portfolio management. As a result, significantly more of these organizations' projects, including those focused on their highest priorities—strategic initiatives—are meeting their goals.

> *"Many people talk about the value of project management without knowing what it really means … interest is different from opportunity–and we need to collect the benefits."*
>
> *—Philippe Guitton, Michelin*

But the percentage of projects meeting their goals—our measure of success—has remained flat over the past four years, as outlined in the chart below (Figure 2). We suspect that until more organizations address these fundamentals—and get better at managing them—overall project success rates will not improve. Keep in mind that high performers have these basic principles in place and are experiencing two-and-a-half times more successful projects.

Figure 2: Percentage of Projects Meeting Goals

Year
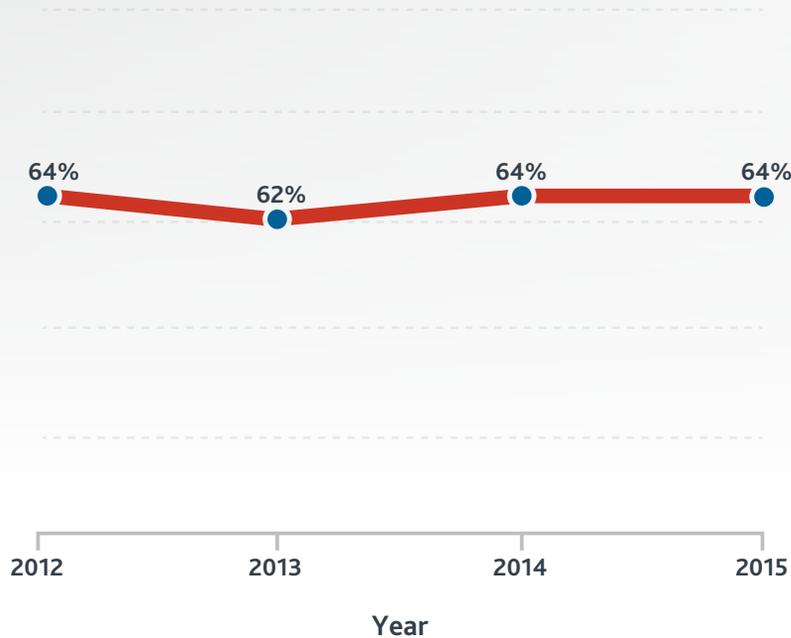
Culture

The most effective organizations recognize the need for formal project and program management in their "change the business" initiatives. Creating a culture that embraces project management and increases the business value it delivers involves:

- Fully understanding the value of project management

- Requiring actively engaged executive sponsors on projects and programs

- Aligning projects and programs to the organization's strategy

- Having highly mature project, program, and portfolio management

Our 2015 *Pulse* study indicates high performers are significantly more likely to reflect the characteristics listed in the chart below (Figures 3, 4 & 5). In fact, organizations that share these qualities have, on average, more successful projects.

Figure 3: High-Performing Organizations Create a Culture of Project Management

	High performers	Low performers
Organizations fully understand value of project management	80%	36%
Actively engaged sponsors	81%	45%
High alignment of projects to strategy	57%	29%
High project management maturity	36%	9%
High program management maturity	40%	8%
High portfolio management maturity	35%	8%

■ High performers   ■ Low performers
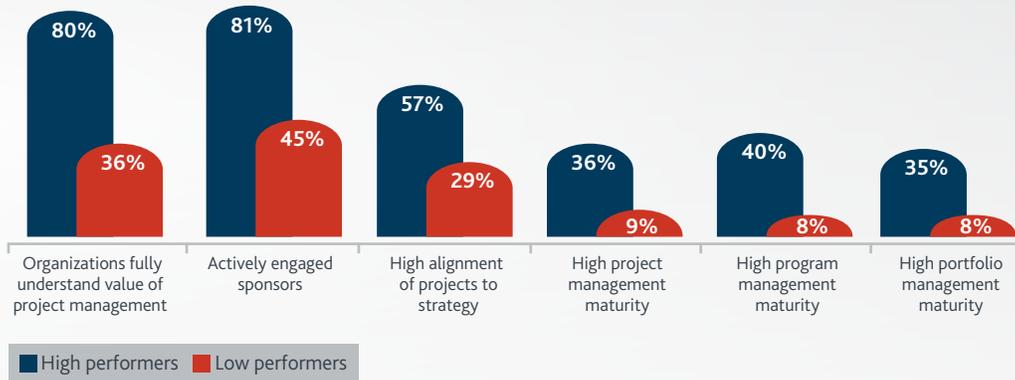
Figure 4: The 2015 *Pulse* study finds that, on average 64% of projects are successful.

64%
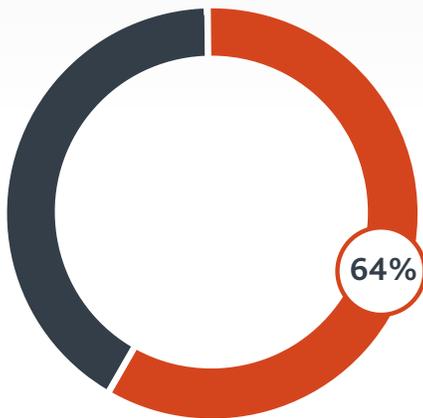
Figure 5: Components of Successful Projects

	% successful projects with item in place	% successful projects without item in place
Organizations fully understand value of project management	70%	56%
Actively engaged sponsors	77%	46%
High alignment of projects to strategy	71%	46%
High project management maturity	74%	54%
High program management maturity	76%	54%
High portfolio management maturity	76%	56%

■ % successful projects with item in place   ■ % successful projects without item in place

> *"Culture starts with how employees see themselves in the company, how they see themselves in the projects they work on…"*
>
> —Bob Bulger, WH Pacific

Organizational culture sets the tone, that ultimately shapes the common experiences of employees. Most organizations have developed unique cultures over time by practice and common usage. Common experiences identified in *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)* include, but are not limited to:

- Shared visions, mission values, beliefs, and expectations

- Regulations, policies, methods, and procedures

- Motivation and reward systems

- Risk tolerance

- Views on leadership, hierarchy, and authority relationships

- Code of conduct, work ethic, and work hours

- Operating environments

These characteristics indicate that culture and style are learned and can be shared—and have a strong influence on a project's ability to meet objectives.[4]

"Culture starts with how employees see themselves in the company, how they see themselves in the projects they work on—the programs. And then ultimately how they align into the company," said Bob Bulger, PMP, PgMP, PfMP, Chief Project Officer and Vice President of Operations of WH Pacific, part of Nana Development Corporation.

Talent

A key factor in fostering a culture that values project management is understanding the importance of skilled talent. According to the 2014 PMI and EIU global survey, *Rally the Talent to Win: Transforming Strategy into Reality*, only 17 percent of respondents say their talent management strategies are quick to react to changing business conditions, whereas for one-third, effective response takes several years or longer. Such widespread weakness takes its toll: On average, for all companies surveyed, talent deficiencies significantly hamper 40 percent of strategy implementation efforts.[5]

"Talent management to me is very important because without it the right people in project and program and portfolio management, we won't succeed," said Wanda Curlee, PMI-RMP, PMP, PgMP, PfMP, Director, Project, Program, Portfolios at Hewlett-Packard.

Our research continues to show that when organizations invest in development and training for professional project managers, they achieve superior project performance, execute strategic initiatives more successfully and become high performers. High-performing organizations are significantly more likely to focus on talent management, establishing ongoing training, and formal and effective knowledge transfer, as outlined in the charts below (Figures 4, 6 & 7).

Figure 6: High-Performing Organizations Focus on Talent Management

	Ongoing training for project managers	Formal process to develop project manager competency	Formal knowledge transfer process	Defined career path for project managers	Highly effective knowledge transfer process
High performers	80%	65%	75%	62%	32%
Low performers	51%	36%	35%	33%	6%

■ High performers ■ Low performers
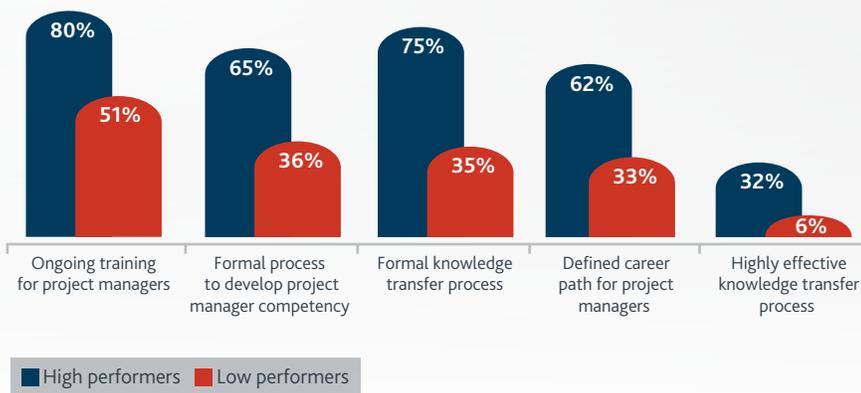
Figure 7: Components of Successful Projects

	Ongoing training for project managers	Formal process to develop project manager competency	Formal knowledge transfer process	Defined career path for project managers	Highly effective knowledge transfer process
% successful projects with item in place	68%	68%	70%	69%	76%
% successful projects without item in place	58%	60%	57%	60%	55%

■ % successful projects with item in place ■ % successful projects without item in place

Process

For the past several years, our *Pulse* research has confirmed that organizations can clearly benefit from maturing their project, program, and portfolio management processes, and that process maturity leads to success.

Our latest *Pulse* findings reveal high-performing organizations are supporting project, program, and portfolio management through the use of standardized project management practices throughout the organization. In addition, their projects are highly aligned to the strategy of the organization.

> *"I do not differentiate strategy implementation and project success."*
>
> —*Daniel Svoboda, Key Bank*

> *"The one-size-fits-all project management approach does not work across the board."*
>
> —*Alex Koenig, Cubic Defense*

"I do not differentiate strategy implementation and project success," said Daniel Svoboda, PMP, Program Manager, Key Bank. "Every project that a company does should align with the strategy in some way."

Our 2015 *Pulse* study indicates high performers are significantly more likely to focus on the items listed in the chart below–leading to more successful projects (Figures 4, 8 & 9).

Figure 8: High-Performing Organizations Focus on Process

	PMO	Formal process to mature existing project management practices	Standardized project management practices	Enterprise-wide PMO is highly aligned to strategy	Department-specific, regional or divisional PMO(s) is highly aligned to strategy
High performers	76%	71%	51%	67%	56%
Low performers	64%	31%	14%	33%	27%

■ High performers ■ Low performers
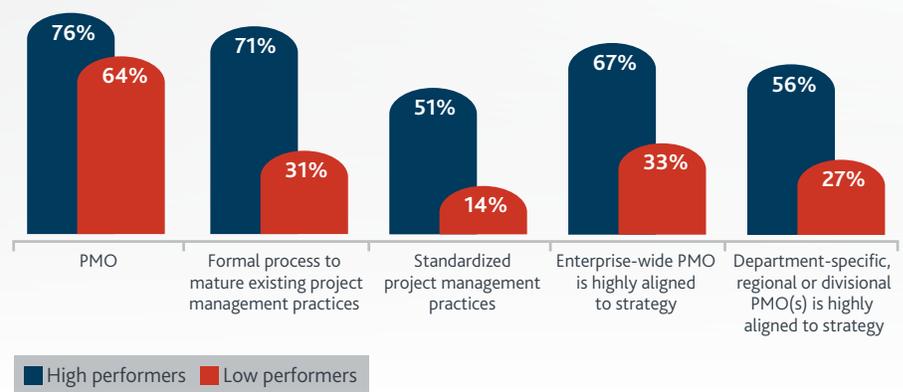
Figure 9: Components of Successful Projects

	PMO	Formal process to mature existing project management practices	Standardized project management practices	Enterprise-wide PMO is highly aligned to strategy	Department-specific, regional or divisional PMO(s) is highly aligned to strategy
% successful projects with item in place	65%	70%	73%	72%	71%
% successful projects without item in place	60%	58%	50%	55%	50%

■ % successful projects with item in place ■ % successful projects without item in place
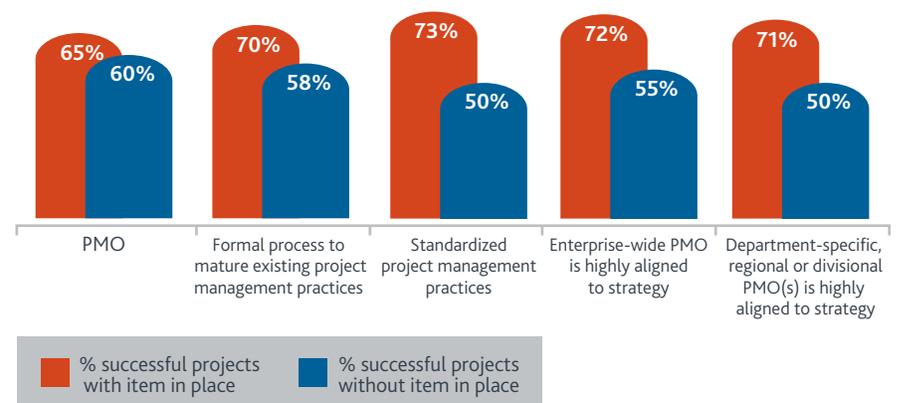
"The one-size-fits-all project management approach does not work across the board, but using tailored standardized practices—documented procedures that are universal across the entire company—allows the project manager to implement the appropriate management plan," said Alex Koenig, PMP, Director of Combat Training Systems at Cubic Defense.

FOUNDATIONAL PRACTICES

What sets successful organizations apart is how they define and differentiate themselves. How can organizations become high performers? Year after year we see changes in some foundational practices, including:

- Greater **knowledge transfer** effectiveness

- More rigorous use of **risk management** practices

- More frequent use of **agile**/incremental/iterative project management practices

- Higher **benefits realization** maturity

Knowledge Transfer

From capturing and sharing lessons learned to easing the impact of losing experienced staff, knowledge transfer represents a critical—but often undervalued—organizational competence. Our 2015 *Pulse* study finds few organizations are highly effective with knowledge transfer. For knowledge transfer to become routine but effective, it must be culturally imbedded. The PMO, as well as practitioners themselves, can help achieve this organization-wide goal by demonstrating the value of transferring knowledge and how it leads to an improved project delivery process.

Our 2015 *Pulse* research also shows that high-performing organizations recognize the need to focus on talent development and training to achieve superior project performance and execute strategic initiatives. Knowledge transfer is a learning tool that can strengthen team performance by emphasizing collaboration, innovation, and coaching, yet only 14 percent of all organizations report being highly effective with the practice.

Organizations that are successful have unique ways of capturing and sharing lessons learned, and integrating them into talent development programs. They use diverse channels to communicate that knowledge and insight, including formal classroom training and other forums; case studies, white papers, and articles; and videos.

"We need to have people who capture the stories of what works and what doesn't … because people learn through content," said Dr. Ed Hoffman, Chief Knowledge Officer, NASA. "We need people who are skilled at capturing essential knowledge and putting it into a context that's appealing."

What are the risks of not transferring knowledge? Number one is wasting money, according to Cubic Defense's Alex Koenig. "We would find on similar projects that we repeated the same mistakes," he said. "Analyzing these lessons learned on a periodic basis catches your attention and causes the organization to implement changes where necessary."

Our *Pulse* study confirms that having a formal knowledge transfer process in place significantly improves project outcomes, and that high performers are twice as likely as others to have a formal knowledge transfer process: 75 percent compared to 35 percent of low performers.

The following chart provides more insight into what the *Pulse* has revealed about knowledge transfer and project management performance (Figure 10).

Figure 10: Knowledge Transfer and Project Management Performance

	Has a formal knowledge transfer process in place	Does not have a formal knowledge transfer process in place
Met original goals/business intent	70%	57%
Finished on time	59%	41%
Finished within budget	62%	48%
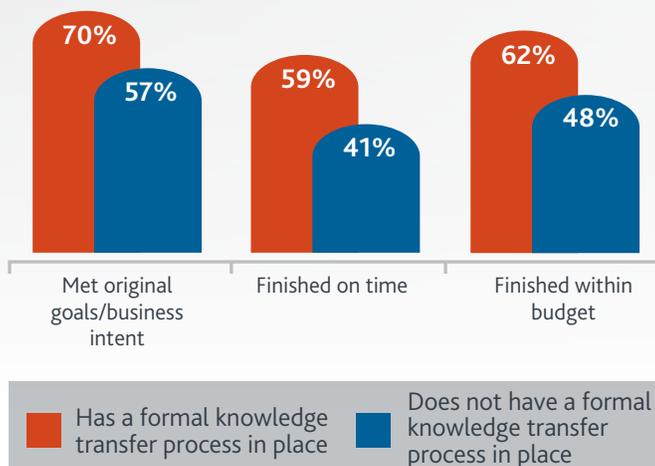
Knowledge transfer as an effective learning and development tool might also be hampered by the fact that nearly two-thirds of organizations report using outsourced or contract project managers. The challenge then is to identify not only internal, but also external knowledge transfer practices that can impart valuable insight and knowledge from one project to another, regardless of where the practitioners reside.

Risk Management

Risk management is at the heart of project management. Any number of risks can befall a project and drive it off course, often through no fault of the project team. From hurricanes and political unrest to supplier conflicts and labor shortages, internal and external events can have a significant impact on a project's progress and ultimate performance. Such risks are not fully predictable, but with effective risk management practices, potential damage can be mitigated.

The 2015 *Pulse* research reveals that 64 percent of organizations report the frequent use of risk management practices, down from a high of 71 percent in 2012. While this number has declined and is something we will continue to monitor, the study does find that 83 percent of high performers report frequent use of risk management practices, compared to only 49 percent of low performers.

Hatch, Ltd., a recipient of PMI's 2014 Project of the Year Award for Rio Tinto Alcan's AP60, credits its risk management approach with enabling the project to finish with an injury rate 99 percent lower than the local average. "We had a management approach where we asked people to stop every time there's something new and think about the risks, and take whatever action, sometimes very simple, to remove the risk," said Project Manager Andre Noel.

Hatch's focus was on finishing the project by reducing injury. "You need to reach the culture where you don't accept accidents," said Mr. Noel. "You don't accept that you will get injured doing your job. You will take every step to avoid accidents. And often it's a very simple thing. It's just taking five minutes."

A risk management competency helps organizations assess and identify project risks, mitigate threats and capitalize on opportunities. In fact, organizations that report they always use risk management practices have significantly better project outcomes compared to organizations that do not (Figure 11).

"… the heart and soul of managing a project really is centered on managing the risk."

—Mark Childers, FLUOR Government Group

Figure 11: Risk Management and Project Outcomes

73% / **60%** — Met original goals/business intent
61% / **46%** — Finished on time
64% / **51%** — Finished within budget

% among organizations that always use risk management practices

% among organizations that do not always use risk management practices

"My company understands that risk management is the heart and soul of how you manage your project," said Mark Childers, PMI-ACP, PMP, Project Manager III, DOD & State, FLUOR Government Group. "They also offer classes like aligning profit with risk. You obviously want to make your project as profitable as possible. To me, the heart and soul of managing a project really is centered on managing the risk."

The repercussions of not managing risk come down to profit. "A customer expects us to be good stewards of their financial investment in the project, and poor risk management erodes customer confidence," said Mr. Koenig.

Organizational Agility

Organizational agility is the ability of a business to respond and adapt quickly in response to changes in the market or other parts of its external environment. These include the emergence of new competitors, disruptive technologies, or sudden shifts in overall conditions. The use of the agile/incremental/iterative tools and techniques of project management is vitally important in such scenarios as they impact projects and programs, and the use of these tools and techniques is on the rise, according to our 2015 *Pulse* report.

But organizational agility is about so many more cultural and structural issues and business practices that can impact project and program success. In PMI's *Pulse of the Profession In-Depth Report on Organizational Agility* in 2012, we identified the characteristics most indicative of organizational agility as the ability to:

- Respond quickly to opportunities
- Shorten decision/production/review cycles
- Manage change
- Integrate the voice of the customer
- Manage risk
- Assign interdisciplinary project teams
- Eliminate organization silos
- Implement contingency planning
- Use iterative project management practices
- Leverage technology[6]

It should come as no surprise that highly agile organizations have significantly better project outcomes compared to their counterparts with low agility, as shown in the chart below (Figure 12).

Figure 12: Agility and Project Outcomes

Legend:
- Organizations with high organizational agility
- Organizations with low organizational agility

	Met original goals/business intent	Finished on time	Finished within budget
Organizations with high organizational agility	75%	65%	67%
Organizations with low organizational agility	56%	40%	45%
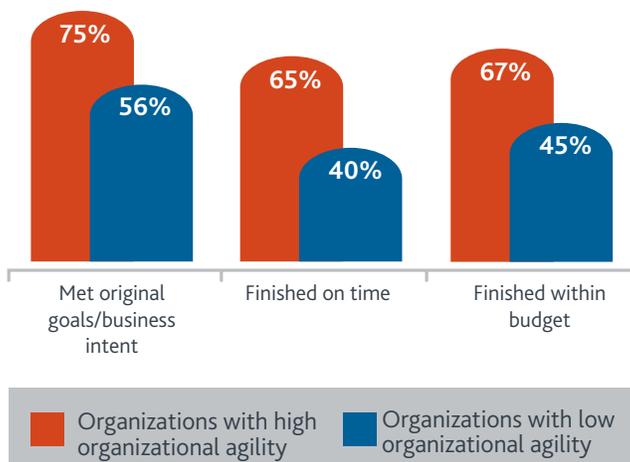
Agility may also be linked to profitable growth: Research conducted at the Massachusetts Institute of Technology suggests that agile firms grow revenue 37 percent faster and generate 30 percent higher profits than non-agile companies.

Our 2015 *Pulse* study indicates the use of agile/incremental/iterative project management practices continues to rise, with 38 percent of organizations reporting its frequent use—up 8 percentage points since 2013. So how do agile/incremental/iterative project management practices help an organization be or become more agile? "From my experience, project managers that have developed a level of business acumen help our project teams move faster through decisions and issue resolution," said Key Bank's Daniel Svoboda.

Benefits Realization

Benefits realization illustrates—and measures—precisely how projects and programs add true value to the enterprise. Organizations that implement benefits realization programs understand this value, because they are capturing the hard facts needed to showcase the return on their project management investments. But far too few organizations have effective benefits realization programs in place—in fact, many have no program at all—so they are missing an opportunity to understand what would help them increase the rate of project success. We need to continue studying the challenges of benefits realization to gain insight into ways organizations can meet those challenges.

Our 2015 *Pulse* research indicates that only one in five organizations reports having a high level of benefits realization maturity. While low, this still represents an increase of 63 percent since 2013, indicating a high level of interest in this topic, even while organizations struggle to become adept at it. High performers are over four times more likely to report high benefits realization maturity (39 percent compared to 9 percent of low performers), because they recognize it as a business imperative.

In addition, organizations that report high benefits-realization maturity have significantly better project outcomes, as noted in the chart below (Figure 13).

Figure 13: Benefits Realization and Project Outcomes

- 76% / 54% — Met original goals/business intent
- 66% / 38% — Finished on time
- 67% / 43% — Finished within budget

% among organizations that have high benefits realization maturity

% among organizations that have low benefits realization maturity
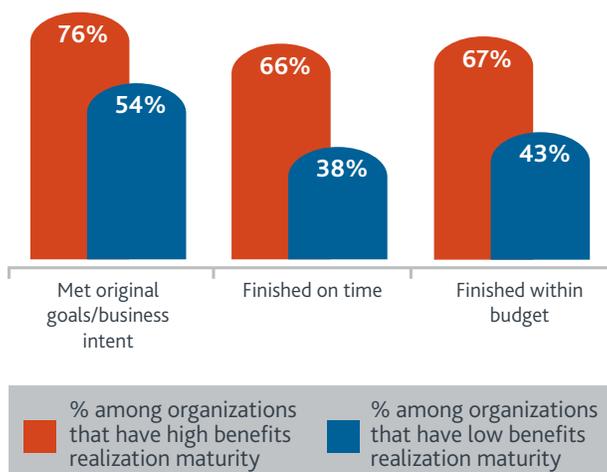
Benefits realization is challenging, but when executed well, it helps ensure that the outcome of a project produces the desired benefits, as projected in the business case. This is achieved by establishing, measuring, and communicating the results of an organization's initiatives. Such insight into performance is also an essential planning tool for future projects and resource allocation, including talent.

"What we are realizing now is your performance in the job today is what is actually going to dictate work that you get tomorrow," said Mr. Childers.

While we have seen a significant increase in the number of organizations that are highly mature with this competency, we still see a lower-than-ideal percentage of organizations investing in benefits realization, considering the return.

Organizations with mature benefits realization processes can benefit from:

- Clearly identifying the strategic rewards prior to starting a project

- Effectively assessing and monitoring risks to project success

- Proactively planning for making necessary changes in the organization

- Explicitly defining accountability for project success

- Routinely extending responsibility for integration to the project team

CONCLUSION

The results of the 2015 *Pulse of the Profession* study repeat some consistent messages from previous years' results, but also provide new insights that can help organizations gain competitive advantage. Of important note, we see the following:

- The dynamic, rapidly changing, complex business environment continues to emphasize the need for excellence in project, program, and portfolio management.

- A culture of project management that fully understands the value the profession delivers, while supporting strategic competencies, creates competitive advantage.

- A return to basics, embedding the project management mindset in organizational culture, could create sustainable competitive advantage.

- An organization's ability to build and sustain its growth capacity depends on a number of critical factors, including having active executive sponsors on projects, establishing a well-aligned and effective PMO, and using consistent and standardized project management practices throughout the organization.

- Organizations continue to recognize the value of people who are versatile, have deep strategic insight, and who champion knowledge development and knowledge transfer as essential to performance improvement and competitive strength.

- Organizations need to embrace, value and utilize project management—and both recognize and attribute their success to it.

REFERENCES

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2. Low performers are organizations that achieve 60 percent or fewer projects on time, on budget and meeting original goals.

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5. Economist Intelligence Unit and Project Management Institute. *Rally the Talent to Win: Transforming Strategy into Reality*. Project Management Institute. November 2014.

6. Project Management Institute. *Pulse of the Profession® In-Depth Report: Organizational Agility*. Project Management Institute. 2012.

ABOUT PMI'S *PULSE OF THE PROFESSION®*

Conducted since 2006, PMI's *Pulse of the Profession®* is the annual global survey of project management practitioners. The *Pulse of the Profession®* charts the major trends for project management now and in the future. It features original market research that reports feedback and insights from project, program and portfolio managers, along with an analysis of third-party data.

The newest edition of the *Pulse* features feedback and insights from over 2,800 project management leaders and practitioners across North America; Asia Pacific; Europe, the Middle East, and Africa (EMEA); and the Latin America and Caribbean regions.

APPENDIX: SURVEY QUESTIONS

The following pages highlight the *Pulse of the Profession* select survey questions and answers.

1. Does your organization have a Project Management Office (PMO)?

Yes	69%
No	31%

0% 20% 40% 60% 80%
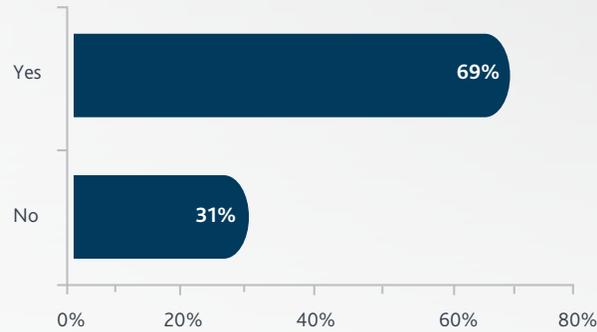
2. What type(s) of PMO does your organization have?

Department-specific, regional or divisional PMO(s)	66%
Enterprise-wide PMO	48%

0% 20% 40% 60% 80%
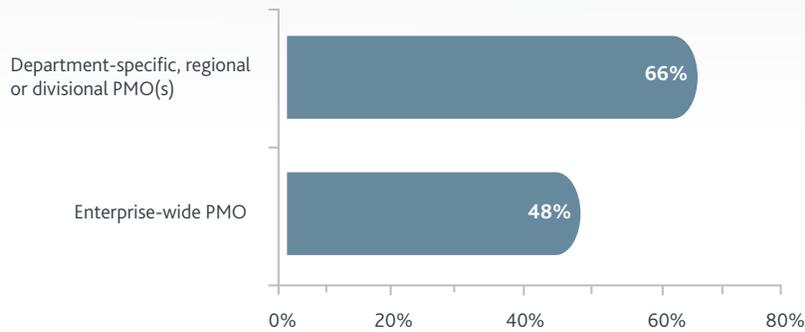
3. To what extent does your organization use standardized project management practices?

Standardized practices are used throughout the entire organization	27%
Standardized practices are used by most, but not all, departments	32%
Standardized practices are used by some departments	35%
Standardized practices are not used	6%

0% 10% 20% 30% 40%
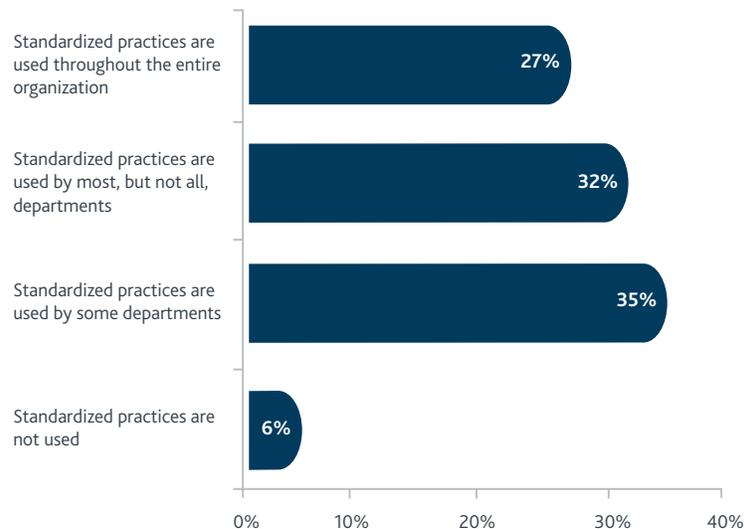
Note: Numbers may not sum to 100% due to rounding

APPENDIX

4. How often does your organization use each of the following?

	Always	Often	Sometimes	Rarely	Never
Project performance measures	31%	35%	22%	9%	3%
Resource management to estimate and allocate resources	31%	35%	21%	9%	4%
Change management practices	30%	35%	23%	9%	3%
Risk management practices	30%	34%	24%	9%	3%
Program management	27%	33%	24%	10%	6%
Internal/proprietary methodologies	24%	38%	22%	7%	8%
Project portfolio management	21%	31%	26%	13%	9%
Earned value management	12%	24%	24%	21%	19%
Critical chain project management practices	12%	25%	28%	21%	14%
Waterfall project management practices	11%	34%	28%	14%	13%
Lean project management practices	9%	25%	33%	19%	15%
Agile/Incremental/Iterative project management practices	9%	29%	30%	17%	15%
Agile/Incremental/Iterative program management practices	7%	22%	28%	21%	22%
Agile/Incremental/Iterative portfolio management practices	6%	19%	26%	23%	25%
Extreme project management practices	6%	14%	28%	28%	24%
Six Sigma	6%	18%	26%	20%	31%
Scrum	6%	19%	26%	22%	28%
Event chain methodology	3%	13%	24%	22%	38%
PRINCE2	2%	6%	14%	20%	58%

5. Do you believe that your organization fully understands the value of project management?

Yes	55%
No	45%
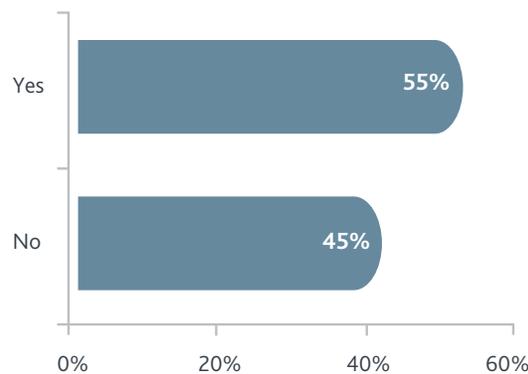
Note: Numbers may not sum to 100% due to rounding

APPENDIX

6. Does your organization currently have...

Question	% Yes
Ongoing training for staff on the use of project management tools and techniques	61%
A formal process for transferring knowledge from one part of the organization to another (known as "Knowledge Transfer")	50%
A formal process to mature existing project/portfolio management practices	48%
A formal process for developing project manager competency	47%
A defined career path for those engaged in project or program management	45%

% Yes

7. How would you characterize the project/program/portfolio management maturity of your organization?

	High	Medium	Low
Project managment maturity	18%	47%	35%
Program managment maturity	18%	45%	38%
Portfolio managment maturity	16%	41%	43%

□ High   ■ Medium   ■ Low

8. How would you characterize...

	High	Medium	Low
The alignment of the projects you manage to the strategy of your organization	43%	47%	11%
Your organization's benefits realization process maturity level	19%	45%	36%
The agility of your organization	15%	46%	39%

□ High   ■ Medium   ■ Low
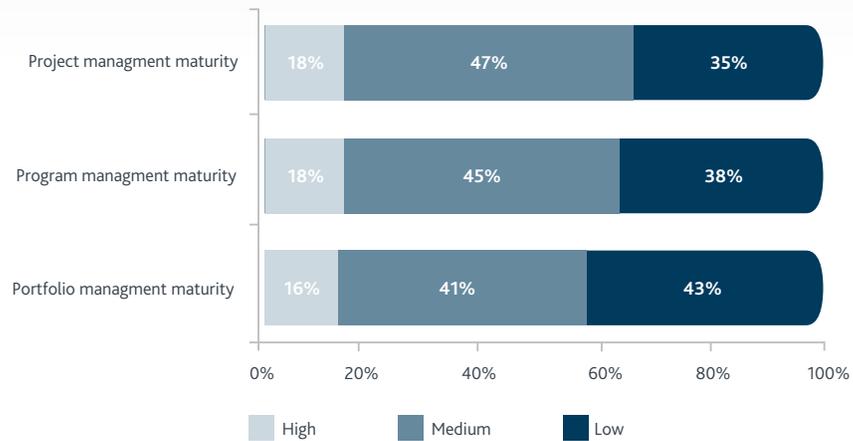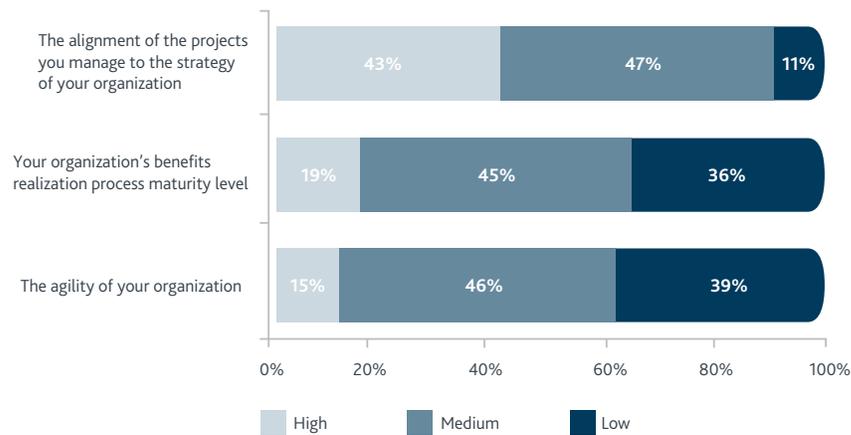
Note: Numbers may not sum to 100% due to rounding

APPENDIX

9. How effective is...

	Highly effective	Moderately effective	Minimally effective
Your organization at innovation	20%	52%	29%
Knowledge transfer in your organization	14%	48%	38%
The agility of your organization	19%	58%	23%

Legend: Highly effective · Moderately effective · Minimally effective
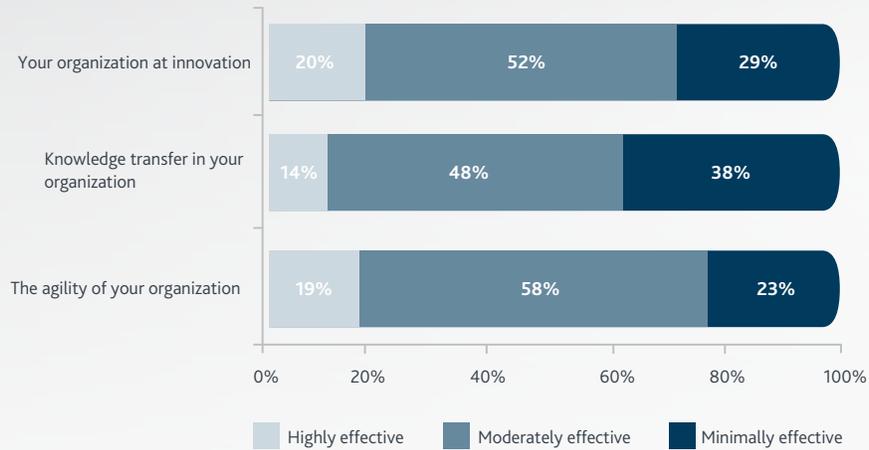
10. In your estimation, what percentage of the projects completed with in your organization in the past 12 months...

	Mean %
Successfully met the orginal goals and business intent of the project	64%
Finished within their initially scheduled times	50%
Finished within their initial budgets	55%
Experienced scope creep or uncontrolled changes to the project's scope	44%
Were deemed failures	15%
Included project sponsors who were actively supportive of the project	62%
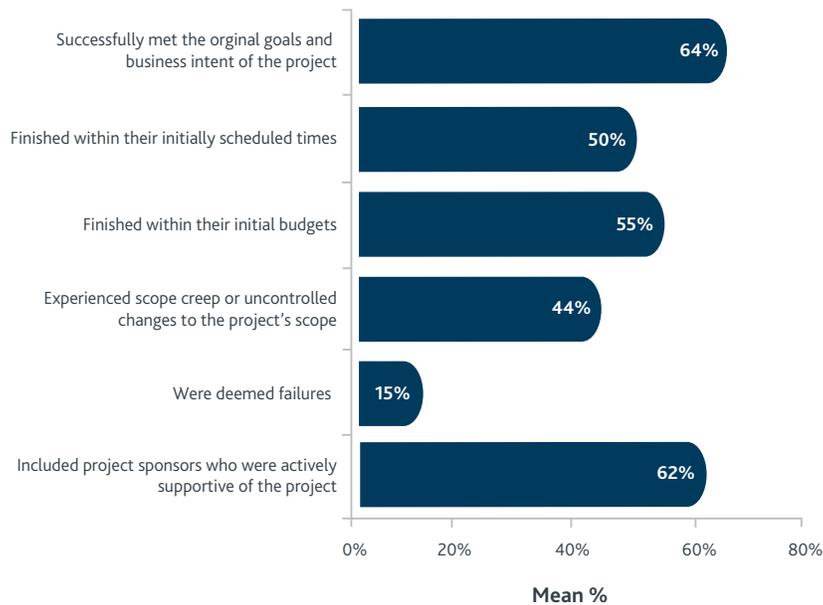
Note: Numbers may not sum to 100% due to rounding

APPENDIX

11. Of the projects started in your organization in the past 12 months that were deemed failures, what were the primary causes of those failures?

| Cause	%
Change in organization's priorities	40%
Inaccurate requirements gathering	38%
Change in project objectives	35%
Opportunities and risks were not defined	30%
Inadequate/poor communication	30%
Inadequate vision or goal for the project	30%
Inadequate sponsor support	29%
Inadequate cost estimates	29%
Inaccurate task time estimate	27%
Resource dependency	25%
Poor change management	25%
Inadequate resource forecasting	23%
Inexperienced project manager	20%
Limited/taxed resources	20%
Team member procrastination	13%
Task dependency	11%
Other	9%

Region

Region	%
North America	46%
EMEA	23%
Asia Pacific	21%
Latin Pacific	11%

Note: Numbers may not sum to 100% due to rounding

APPENDIX

Industry

Industry	Percentage
Information Technology	19%
Financial Services	11%
Energy	9%
Manufacturing	8%
Government	7%
Construction	7%
Telecom	6%
Healthcare	6%
Consulting	3%
Aerospace	3%
Transportation/Logistics/Distribution	3%
Training/Education	2%
Pharmaceutical	2%
Automotive	2%
Food and Beverage	2%
Mining	2%
Retail	1%
Legal	<1%
Other	7%

Annual Revenue (US$)

Annual Revenue (US$)	Percentage
$5 billion or more	30%
$1 - $4.999 billion	19%
$500 - $999 million	9%
$250 - $499 million	9%
$50 - $249 million	16%
Less than $50 million	18%

Note: Numbers may not sum to 100% due to rounding

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