

Wellington

PROJECT MANAGEMENT



The State of Project Management

Annual Survey **2017**

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Foreword from Microsoft

Project management is very much at the heart of everything we do at Microsoft. Partnering with our customers to help them achieve their business goals by leveraging project management best practices is a top priority for our organization. At Microsoft, we walk the same path as our customers and partners; being a global organization in constant evolution, we also deal with internal projects such as software development, data center & infrastructure builds, marketing activities, and business changes. In order to maximize our chances of success and deliver on our own project goals, in addition to using our own tools (such as Microsoft Project Online), we leverage project management best practices.

This report provides a fascinating insight into the current state of project management across businesses in the UK. I highly recommend all of those involved in projects to read it.



Angela Byers Worldwide Product Marketing Lead;
Microsoft Project & Project Online
Microsoft

Foreword from the APM PMO SIG

According to our 2017 results, 14% more organisations than last year now have a PMO in place in some form or another. It is also great to see that almost half of respondents witness their PMO being respected as a value adding business partner.

Unfortunately the maturity of project management in organisations, along with the satisfaction of that level of maturity remains proportionally the same.

This is because of the changing nature of PMOs in today's world. The imperatives laid down by the Association for Project Management in 2015 have seen a rise in PMO involvement since last year almost across the board – the ones lagging behind? Predictably Project Prioritisation, Resource Management, and Capacity Planning along with supporting a career path for project management.

The latter, being quite new to the PMO party is not a concern, the ability to obtain the level of support from executive sponsorship to change into a capability driver is still hard-going for some organisations.

The real issue is with the remaining key pieces that could complete a lot of PMO jigsaws out there. This is potentially why the maturity has stalled, and a reason to change up the conferences and events that are aimed at challenging and developing these areas into something more practical for our project peers.

A third of PMOs are doing this internally by fostering a culture of project management and capitalising on strong sponsorship.

The future of the PMO? Uncertain for some, challenging for most with a prediction that responsibilities and scope will rise, but with circa 50% of staffing remaining the same. Can we really do more with the same? Sure, as long as it's more of the same...



Emma-Ruth Arnaz-Pemberton Chair
APM PMO SIG

Introduction

The State of Project Management is an annual report published by Wellingtone Project Management and the Association for Project Management (APM) Project Management Office (PMO) Specific Interest Group (SIG).

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 annual 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.

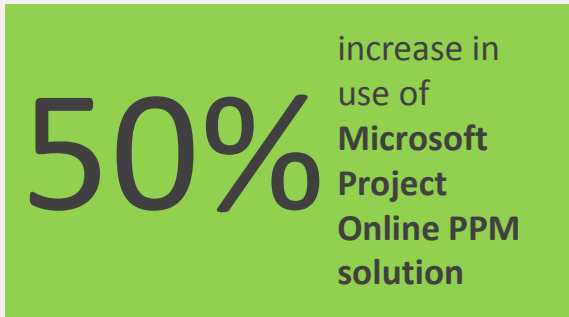
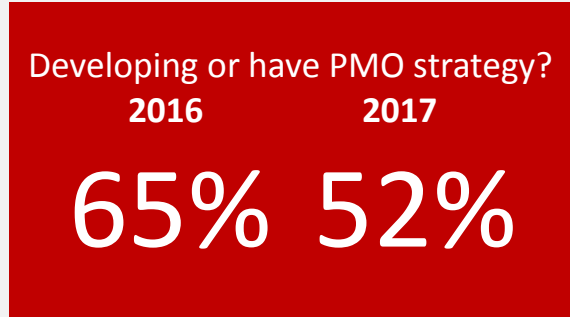
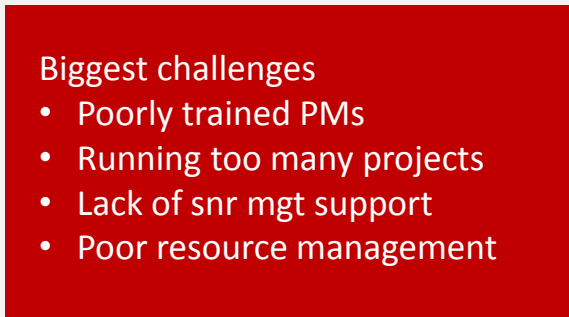
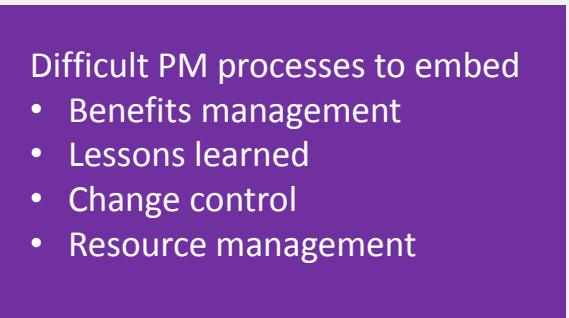
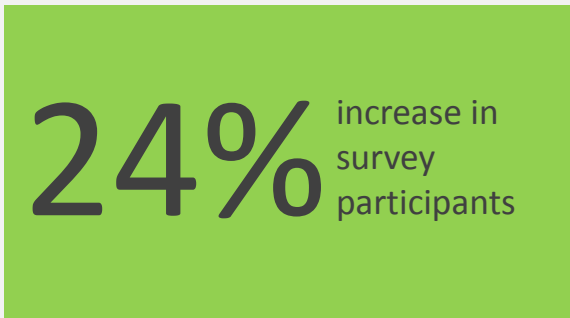
In writing this report I was keen to provide short focused commentary on the data rather than making you wade through pages of text. As a minor point of clarification where I have used the term "Project Management" I have done so as a generic catch all and am referring to project, programme & portfolio 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. 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

Headlines 2016 v 2017



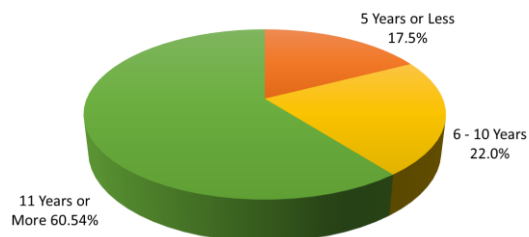
Project performance	2016	2017
Delivered on time	32%	37%
Delivered project benefits	31%	35%
Delivered on budget	31%	42%

Participants

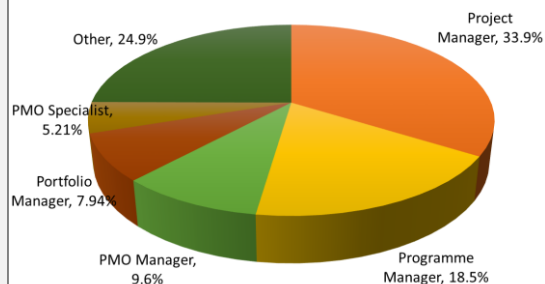
768 professionals participated representing
392 organisations



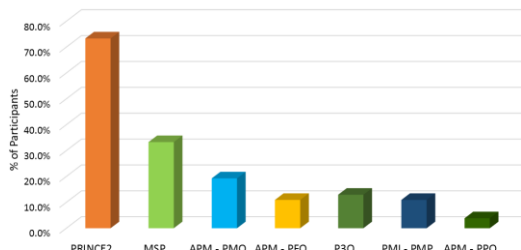
HOW MANY YEARS OF PM EXPERIENCE DO YOU HAVE?



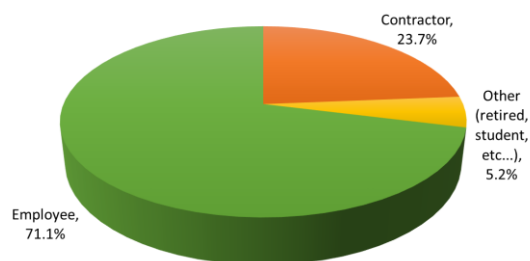
YOUR CURRENT ROLE?



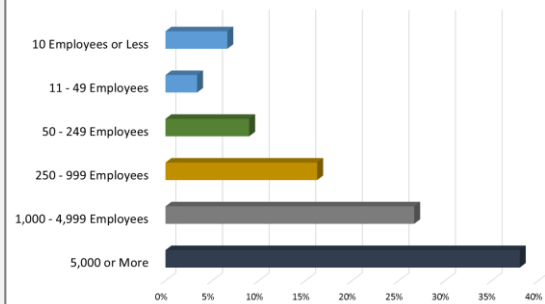
WHICH PROFESSIONAL QUALIFICATIONS HAVE YOU ACHIEVED?



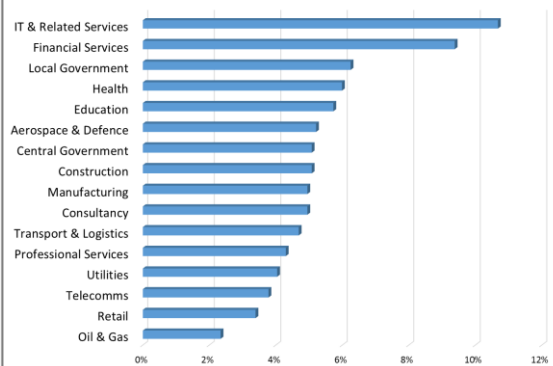
YOUR EMPLOYMENT STATUS



SIZE OF CURRENT ORGANISATION



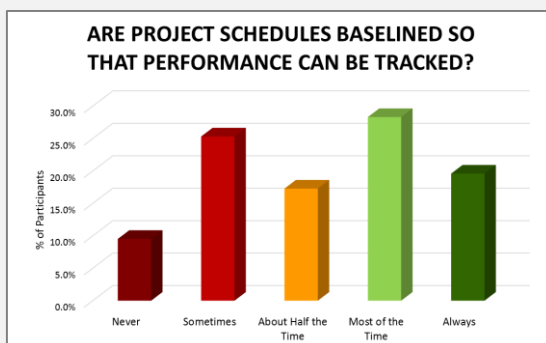
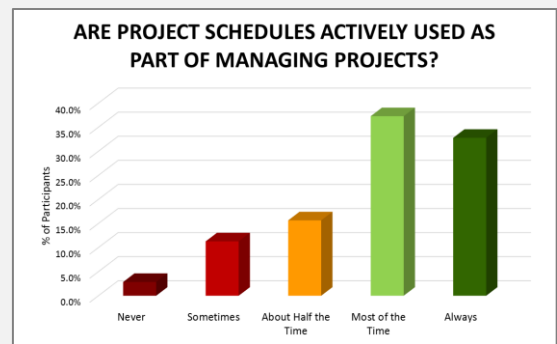
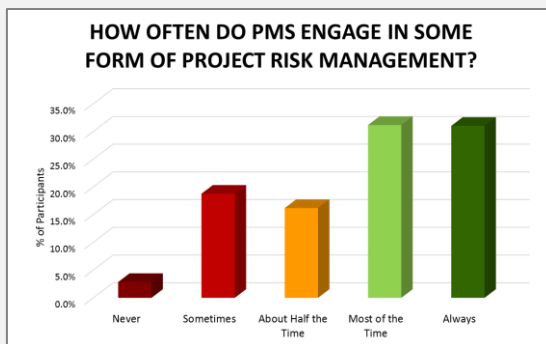
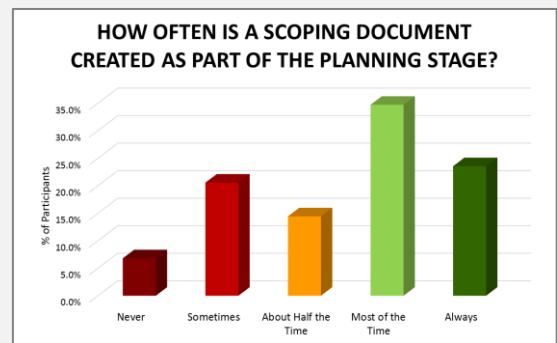
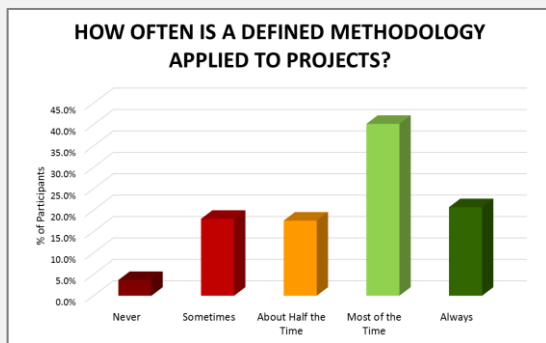
PARTICIPANTS MOST COMMON SECTORS



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

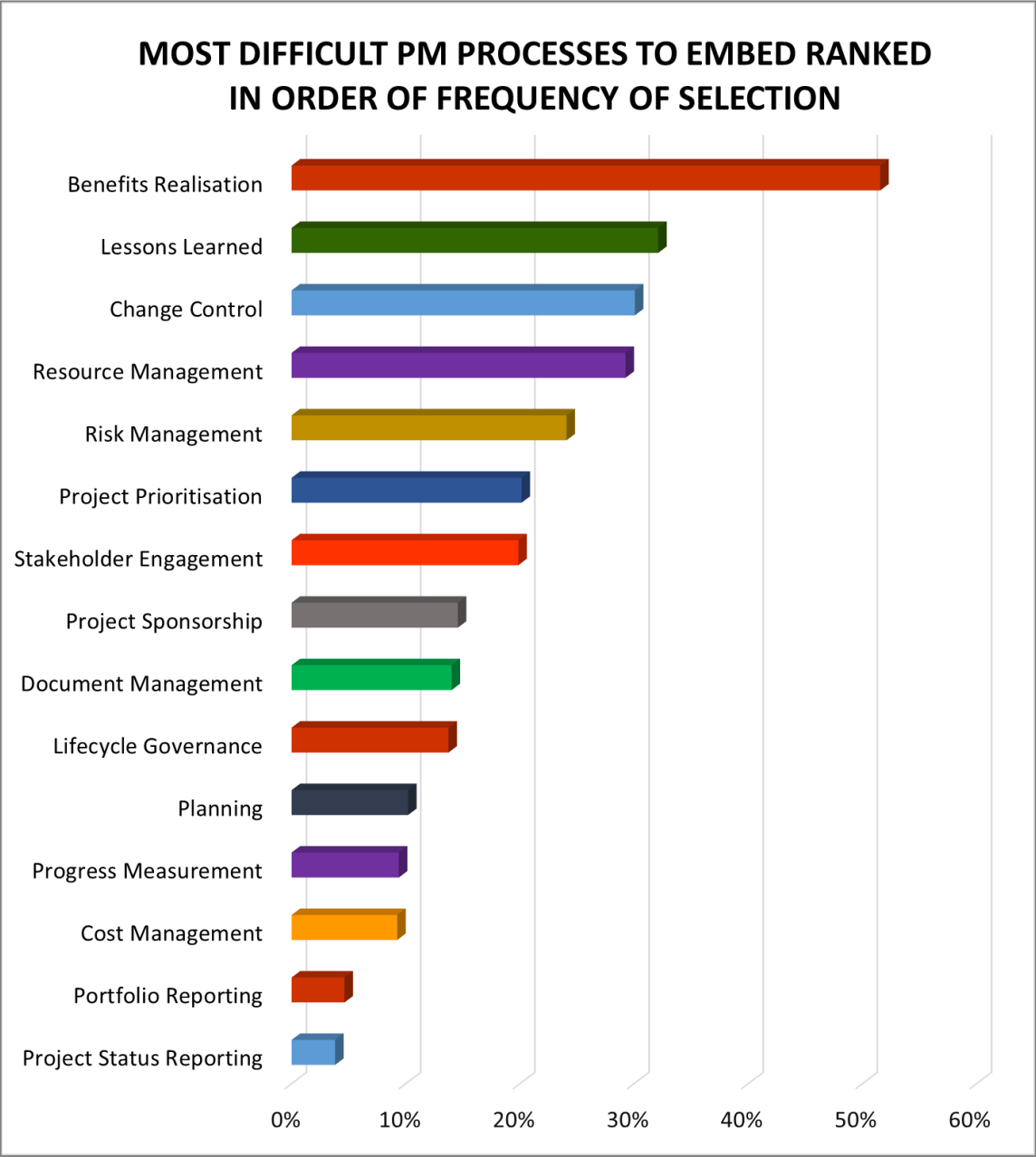


Exactly the same as 2016, approx. 34% of projects schedules are not baselined. Baselining should occur at the end of the Planning Stage. Actual progress can then be tracked against the baseline plan. PMs should not only know where they are in the plan, but also where they are **compared to where they should be!**

Approximately 60% of projects mostly or always have a scoping document, a defined methodology and undertake risk management. This represents a small improvement over 2016. There are however significant numbers of projects that do not benefit from these bread and butter principles with **27% sometimes or never creating a scoping document.** Even across professionally qualified experienced PMs there is therefore room for improvement

Project Management Processes

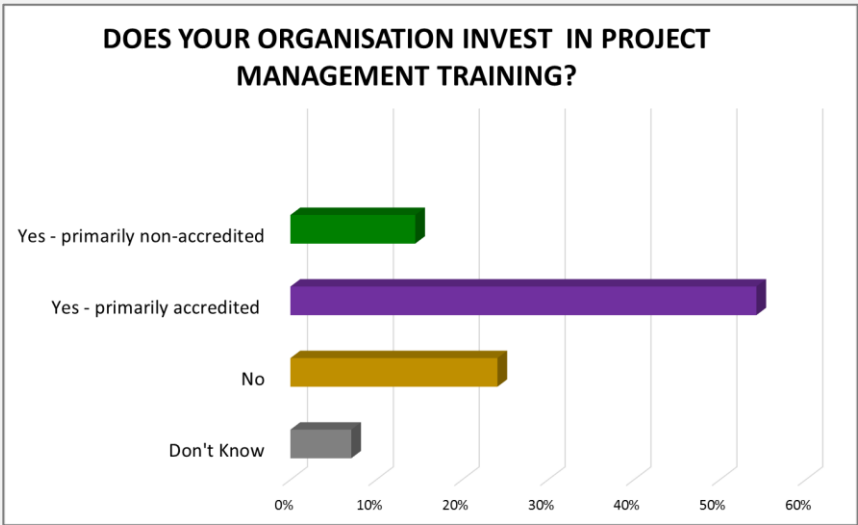
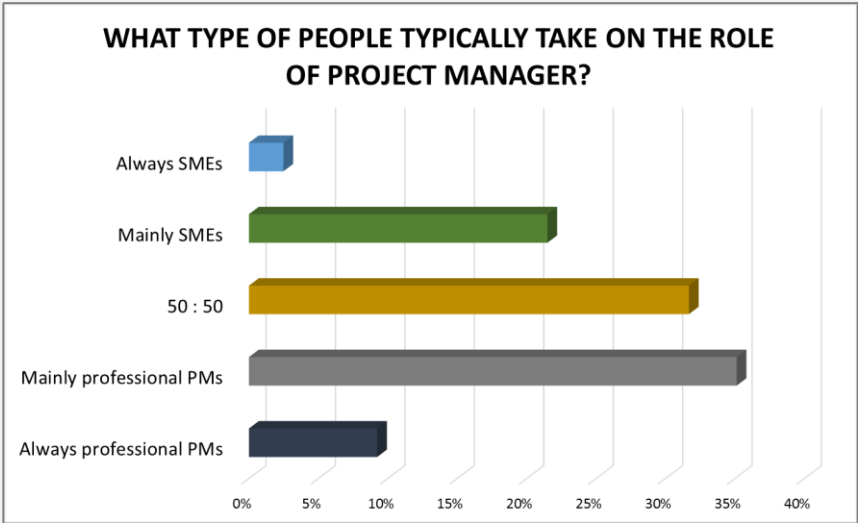
We asked the question; "in your experience what typical project management processes are the most troublesome to embed?" Respondents were asked to select their top 3



Benefits realisation has been a "hot" topic in project management for some time. **Over 51% of respondents highlighted this as troublesome to embed, an increase from the 45% stated in 2016.** We anticipated resource management would feature strongly but change control & lessons learned are also key challenges. Risk management also receiving a much higher score than in 2016

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

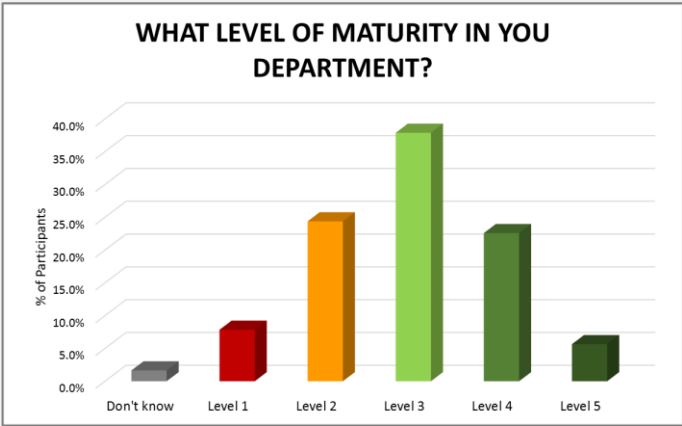


Not surprisingly, given our pool of respondents, there was a high percentage of “professional PMs” undertaking projects. Still, even within this pool 24% of projects are always or mainly undertaken by SMEs. This is fine if they receive appropriate training but significantly **approx. one third said “No” or “Don’t know” when asked about project management training**

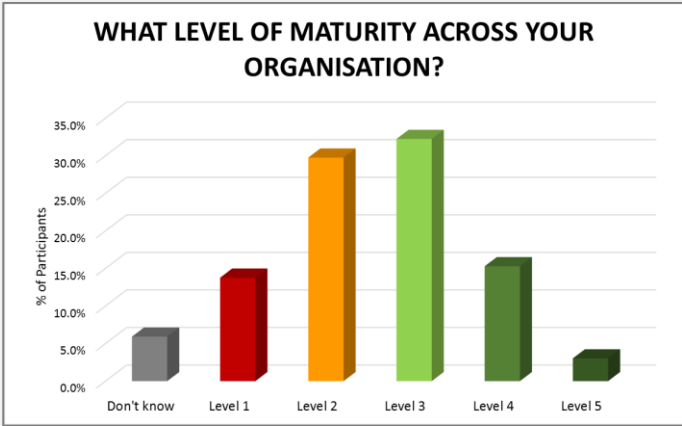
Project Management Maturity

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

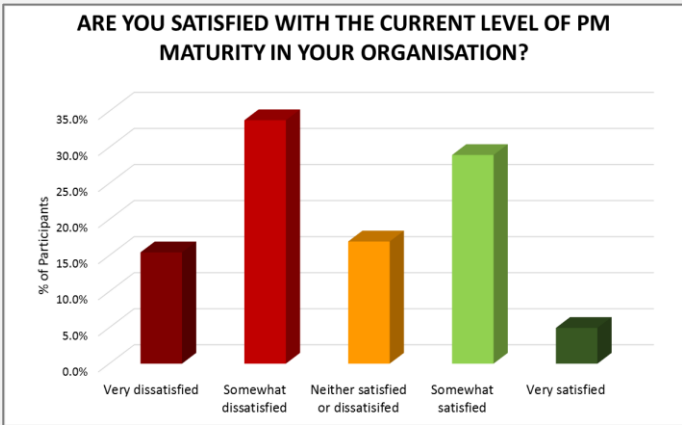
WHAT LEVEL OF MATURITY IN YOU DEPARTMENT?



WHAT LEVEL OF MATURITY ACROSS YOUR ORGANISATION?



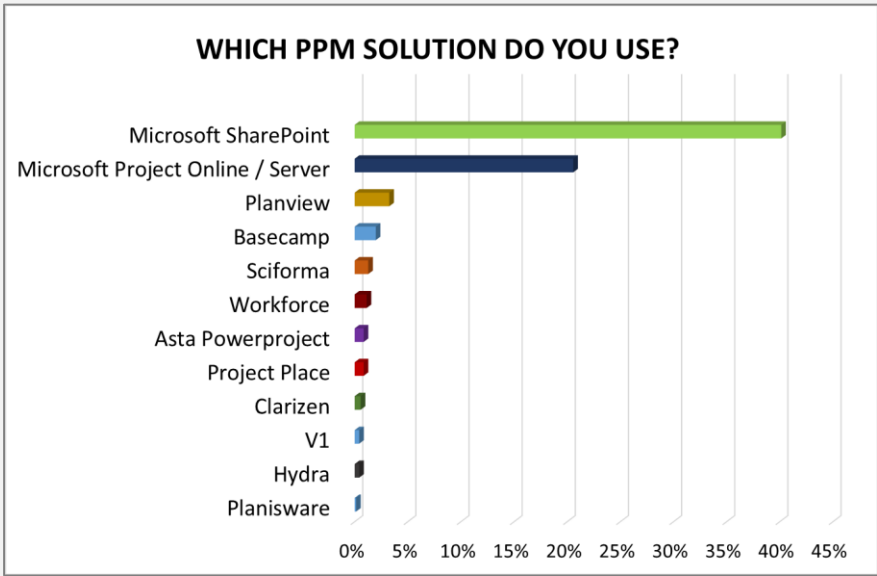
ARE YOU SATISFIED WITH THE CURRENT LEVEL OF PM MATURITY IN YOUR ORGANISATION?



50% of respondents are somewhat or very dissatisfied with the current level of PM maturity in their organisation. This represents a increase from the 45% recorded last year. This is a significant figure and demonstrates the scale of the opportunity for improvements. The majority of organisations should aim to achieve level 3 as a minimum so with 43% of organisations at a maturity level of 2 or below, it is no surprise that we find so many dissatisfied respondents

PPM Solutions

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 have, or are thinking about, deploying a Project & Portfolio Management (PPM) solutions



50%
more organisations have deployed **Microsoft Project Online / Server** compared to last year. No other PPM solution showed any significant usage growth

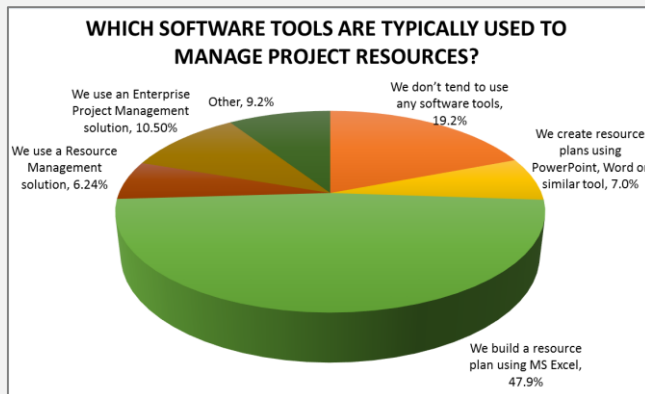


42%
receive **some, most or all benefits** from their software investment

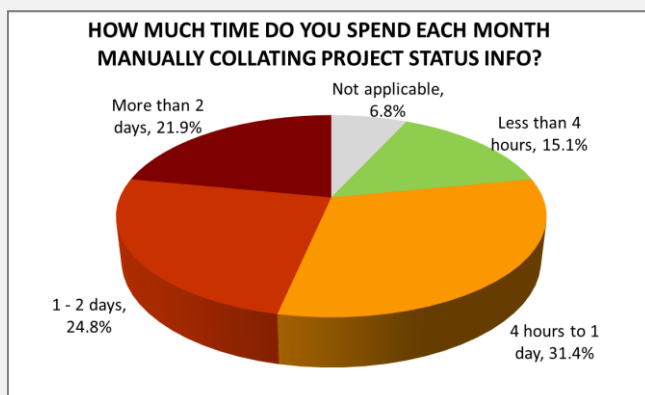
Over 1/3rd of organisations do not yet make use of a PPM solution. The PPM solution showing the most significant growth in usage is Microsoft Project Online with a 50% increase in adoption over 2016. This is no surprise given the success of Microsoft Office 365 and take up of cloud solutions. Microsoft Project Online can be quickly setup on its own or added to an existing Office 365 tenant.

PPM Information Sources

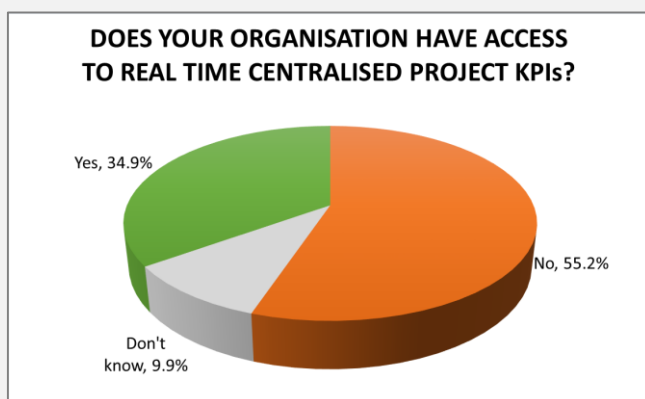
This year we have built on the original PPM software questions to understand more about how much time people spend collating project status reports, who has access to project KPI data and how organisations attempt resource management. Three key topics relating to PPM solutions



16% of organisations **use an appropriate** resource management solution



47% of people **spend 1 day or more** collating project reports each month



55% of organisations **do not have access** to real time KPIs

No wonder so many organisation struggle to get to grips with resource management with only 16% making use of an appropriate software solution. Also disappointing was the amount of time respondents spend collating manual project status reports with over 1/5th spending more than 2 days a month on this time consuming activity. Informed decision making is difficult when 55% of organisations do not have access to real time project KPIs. There is much room for improvement

Project Online



Planning & Scheduling



Project & Portfolio Management

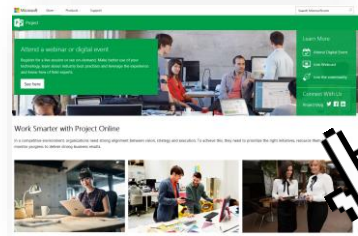


Resource Management

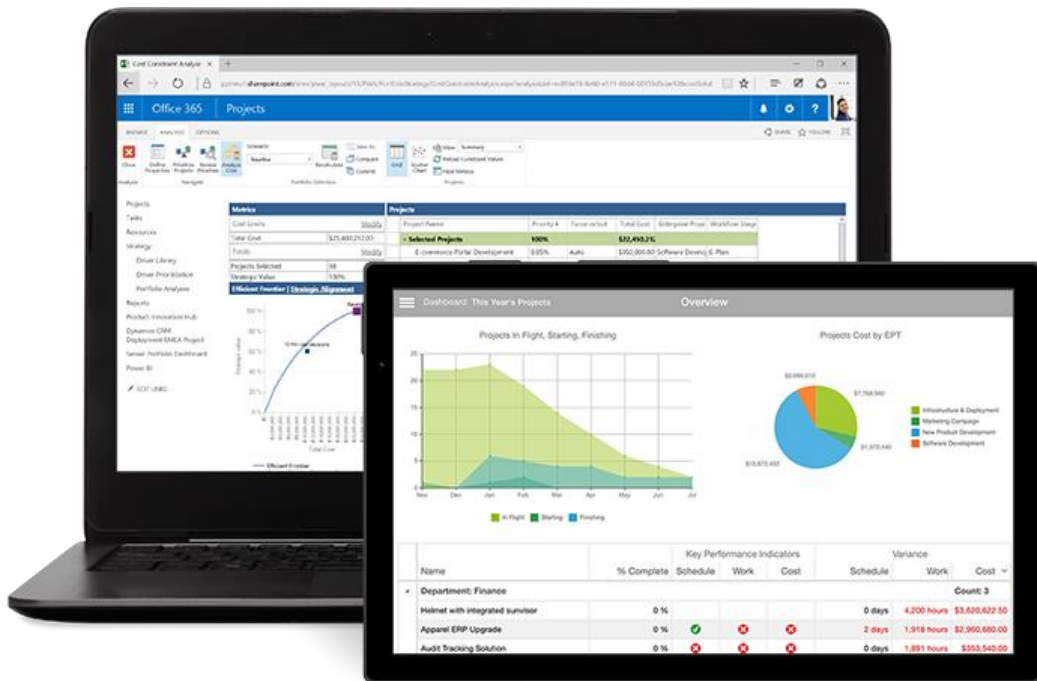


Agile Collaboration

www.microsoft.co.uk/project



Modernize the approach to Project Management across the entire organization!



Project Collaboration Work Management

Audience:
Team Members

Web-based interface for team members
Update tasks, issues, and risks
Submit timesheets
Share documents and collaborate with Skype for Business presence



Project Management Visibility and Control

Audience:
Resource and Project Managers

Rich user interface through desktop client (always latest version/ 5 installations per subscription)
Anytime/anywhere access through Web interface
Project scheduling and costing
Resource management
Publishing projects to the cloud



Portfolio Management Alignment with Business Objectives

Audience:
PMO, Executives and Portfolio Managers

Portfolio selection and optimization
Demand management
Enterprise resource management
Out-of-box portfolio reports



Project Online Essentials

Project Online Professional

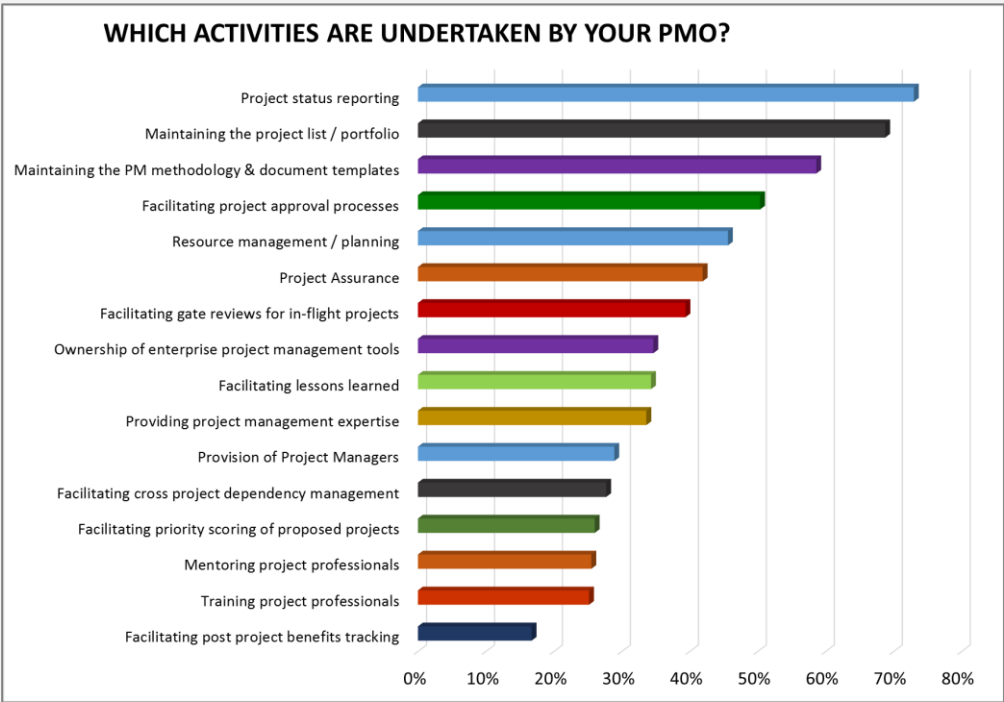
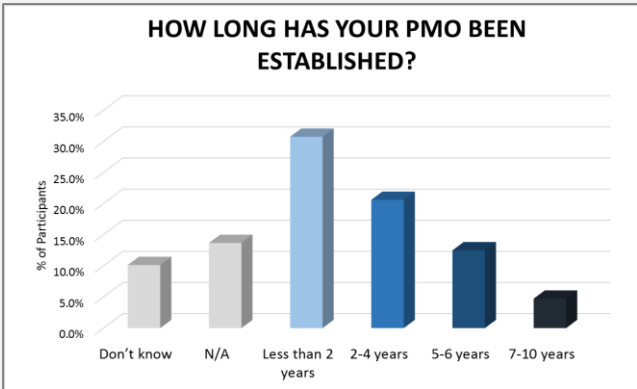
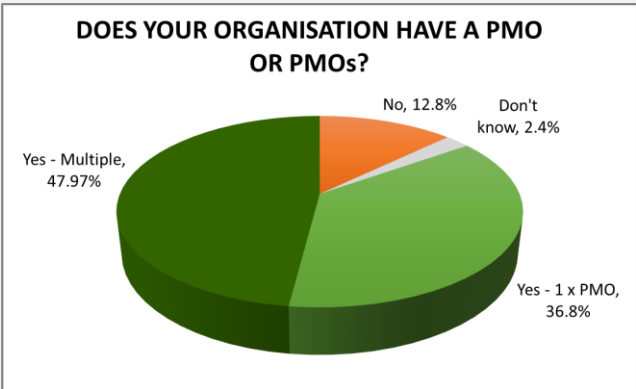
Project Online Premium

Join & Share the UK Project Community – www.microsoft.co.uk/project

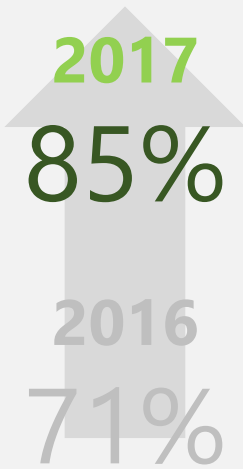
Free webinars and other resources to support the adoption of better Project Management tools and methodologies.

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



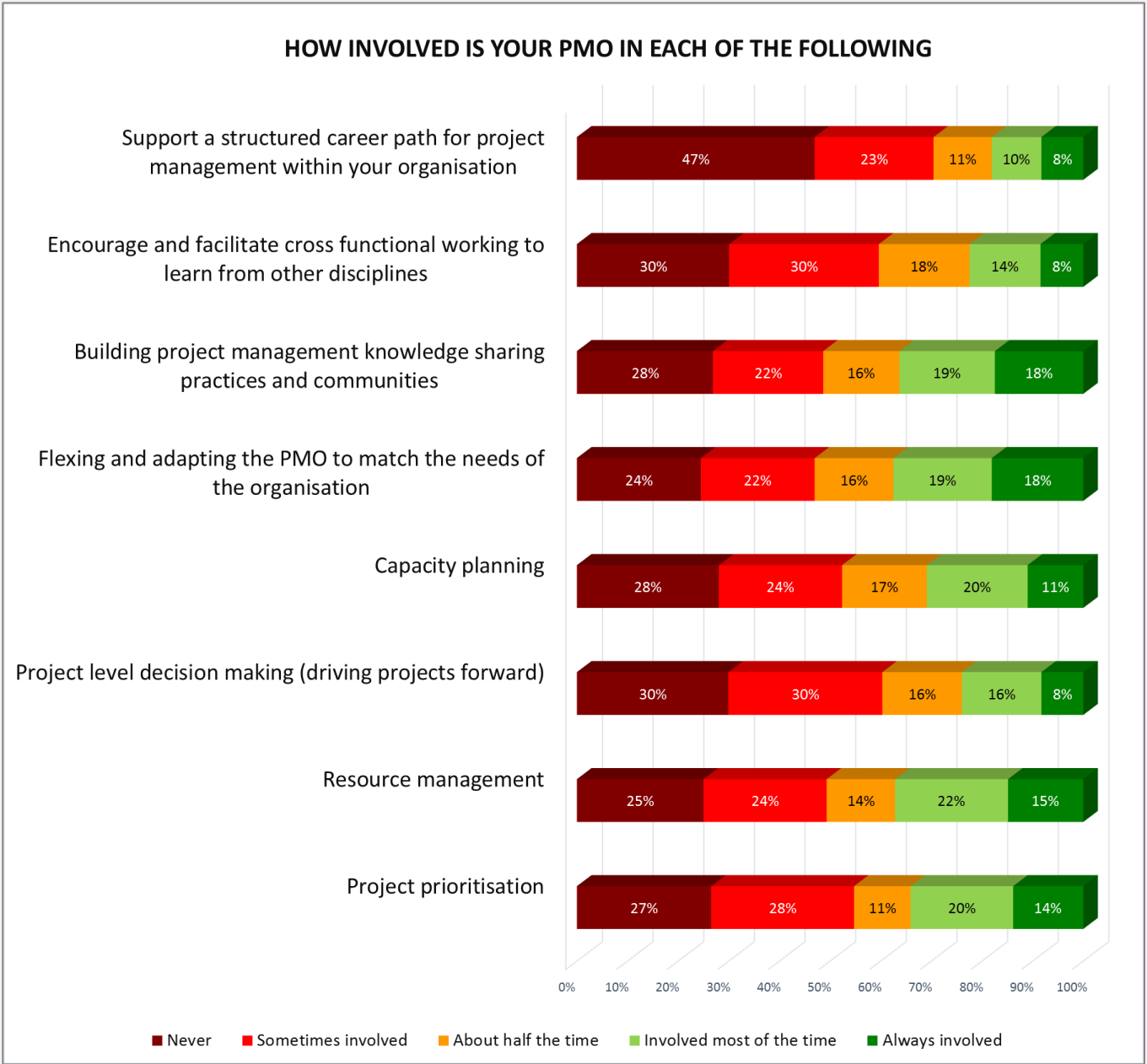
Got PMO?



We have seen strong growth in the setup of PMOs over recent years. **85% of organisations now have a single or multiple PMOs, compared with 71% just last year.** 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 with 16% saying it is part of scope, a fall from the 20% reported in 2016

The CEB Imperatives for the PMO

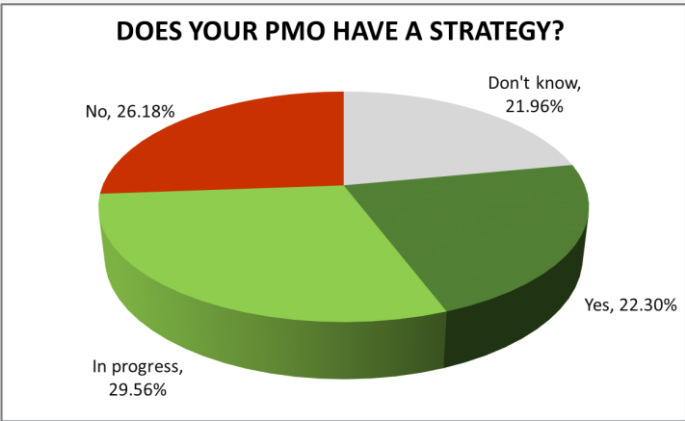
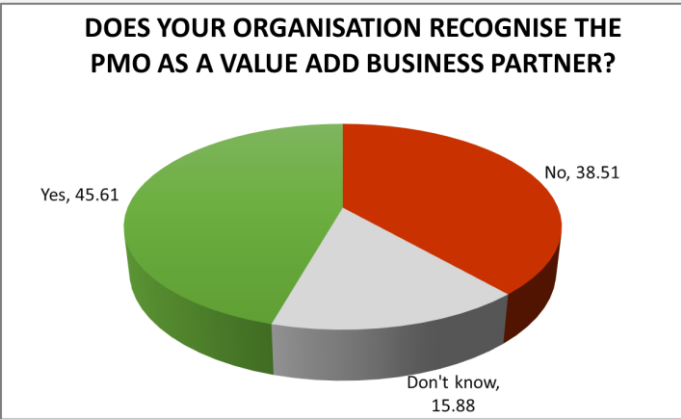
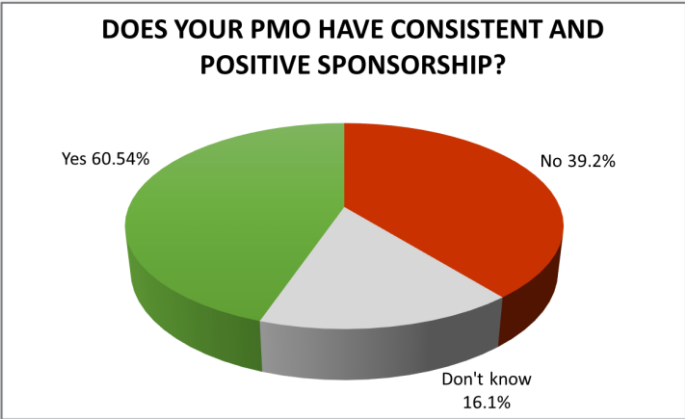
The CEB PMO Leadership Council published their 2015 PMO Outlook which detailed imperatives for the PMO function. We asked respondents how involved their PMO is in each of these



On average a third of PMOs are not involved in these imperatives at all. Results from other questions back this up and suggest 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, 60% of PMOs are never or only sometimes involved in supporting a PM career path.

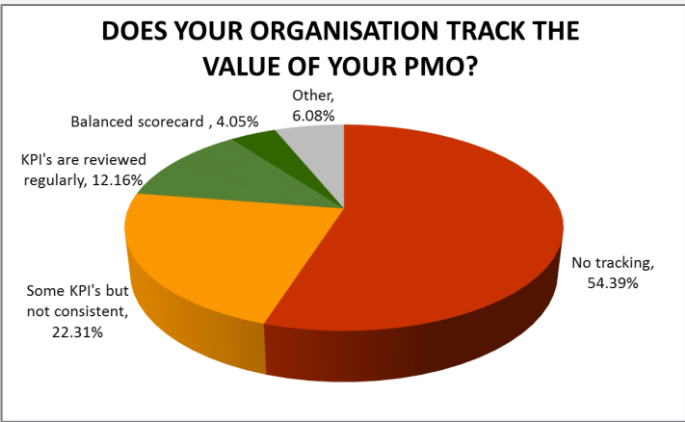
PMO Status and Value

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



Define a **strategy** for your PMO to ensure you **deliver value** for your organisation

Monitor progress against this strategy and **communicate progress** with stakeholders



Only 16% have regular consistent KPIs to demonstrate the value of their PMO

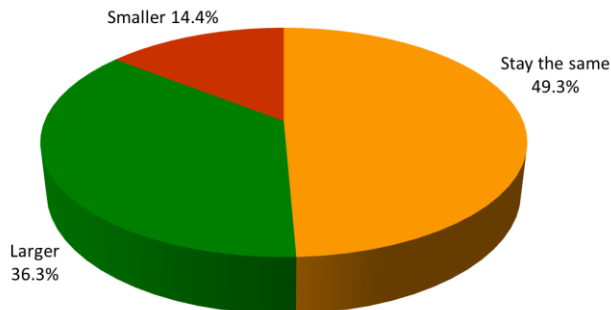
Around 40% of PMOs do not have consistent & positive sponsorship.

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 **54% do not track their own performance**. If something is not tracked, how can it be effectively managed?

The Future PMO

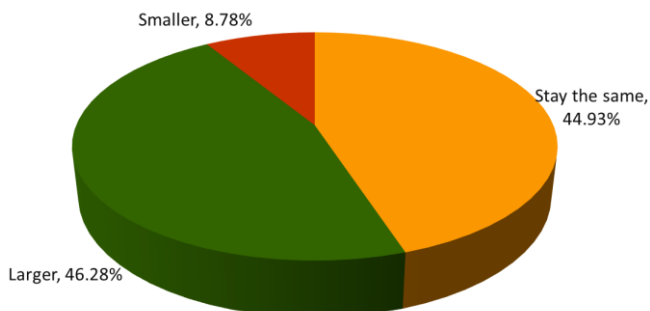
Following our key theme for 2017; The Future PMO, we asked for respondents predictions about the state of their future PMO

THE FUTURE PMO: SIZE (PEOPLE)



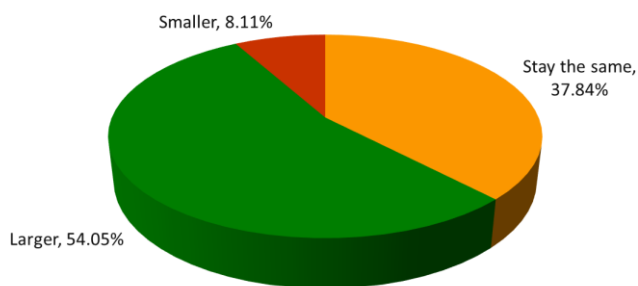
36%
Predict an increase
in staffing

THE FUTURE PMO: PERCEIVED VALUE



46%
Predict an increase
in value

THE FUTURE PMO: SCOPE & RESPONSIBILITIES



54%
Predict an increase
in scope &
responsibilities

The Future PMO is likely to have increased scope of work and responsibilities but is much less likely to be given an increase in staffing. If PMOs are to take on this challenge then they need to develop their capabilities, automate where possible and make a step change in their maturity. This is all possible provided PMOs set themselves up with **clear maturity improvement targets** and track progress against these targets

THE FUTURE PMO

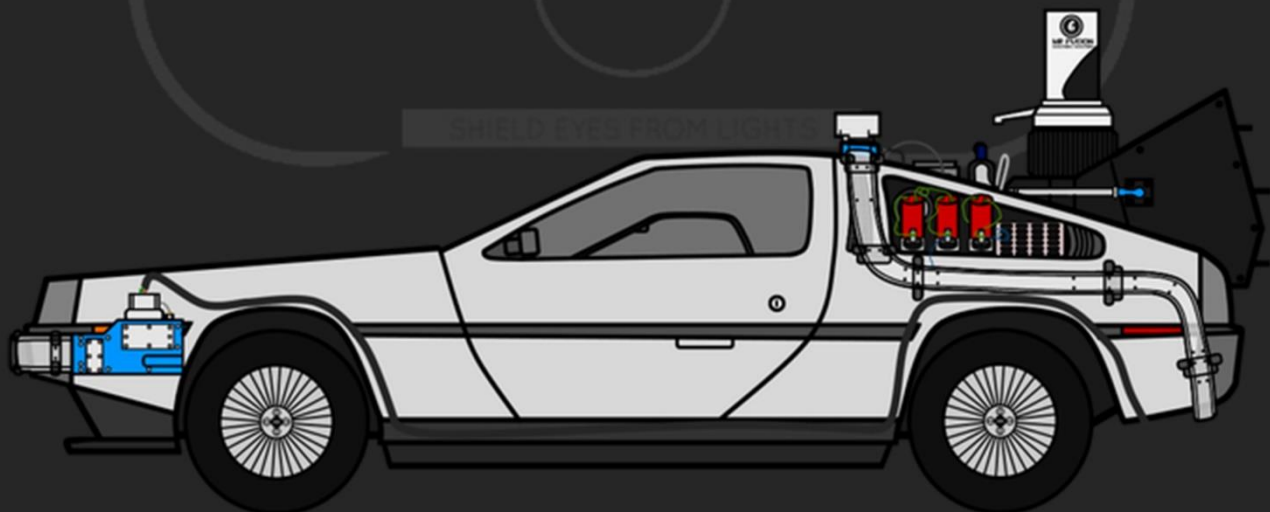
DATE: SEP 14 2017

LOCATION: LONDON

**"WHERE WE'RE GOING...
...WE DON'T NEED SPREADSHEETS"**

See presentations from keynote speakers from industry,
attend breakout sessions, network with your peers *and*
meet the *DeLorean Time Machine!

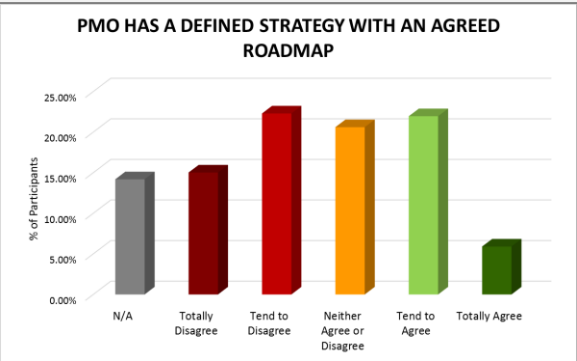
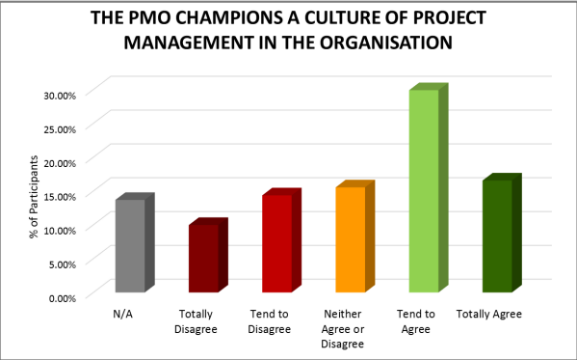
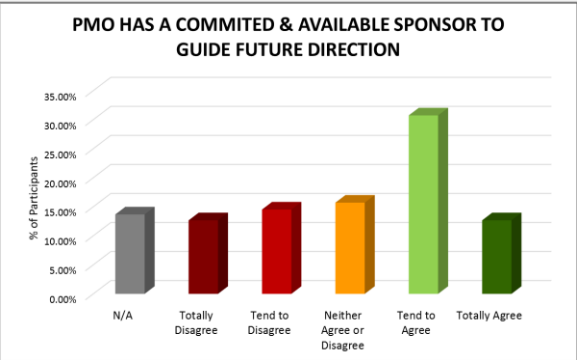
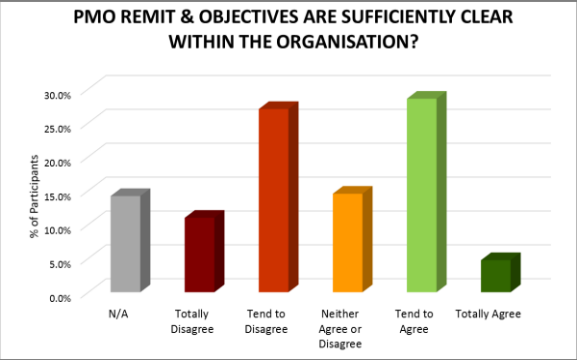
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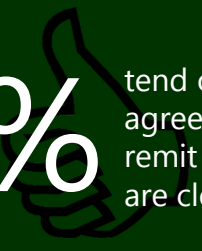


Further Details at: www.FuturePMO.com

PMO Maturity

The Wellington Project Management PMO Maturity Assessment Tool enables us to score any PMO for competency against a defined suite of capabilities. This provides a clear understanding of current capability and recommendations for future development. We asked 8 of our PMO Maturity Assessment questions as part of this survey. This provides a useful benchmark for all PMOs when considering their own maturity





33%

tend or totally agree the PMO remit & objectives are clear



43%

tend or totally agree they have committed sponsor



46%

tend or totally agree the PMO champions a culture of PM



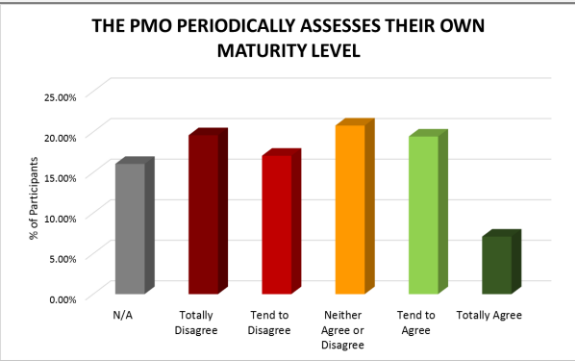
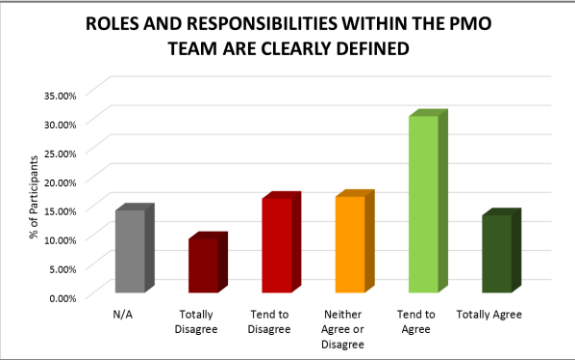
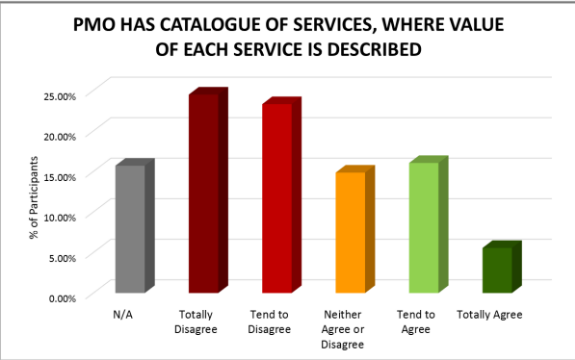
28%

tend or totally agree PMO has a defined strategy & roadmap

[20]

PMO Maturity

Increasing PMO maturity drives increased value for the wider organisation, more informed decision making, and improves probability of project success. Although a good portion of PMOs (43%) are clear on their own responsibilities only around ¼ are recognised as a strategic partner, have a clear defined catalogue of services or even assess their own project management maturity. There is much room for improvement



22% tend or totally agree the PMO has a catalogue of services

26% tend or totally agree PMO is recognised as a strategic partner

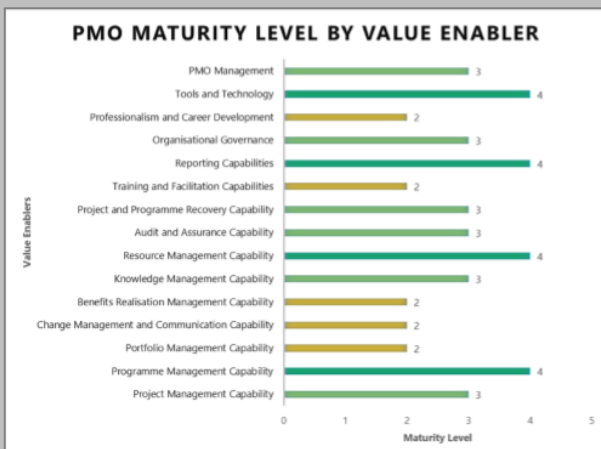
43% tend or totally agree roles & responsibilities within the PMO are clearly defined

26% tend or totally agree PMO assesses their own maturity

Is your PMO driving in the right direction?



The journey to achieving a step change in PMO maturity starts by understanding current PMO maturity, strengths and weaknesses. When you know where you are, you can drive to where you want to be



The **Wellington PMO Maturity Assessment** provides a clear score of current PMO maturity measured against 15 Value Enablers. Even more importantly the assessment provides a set of practical recommendations to increase your PMO maturity and value

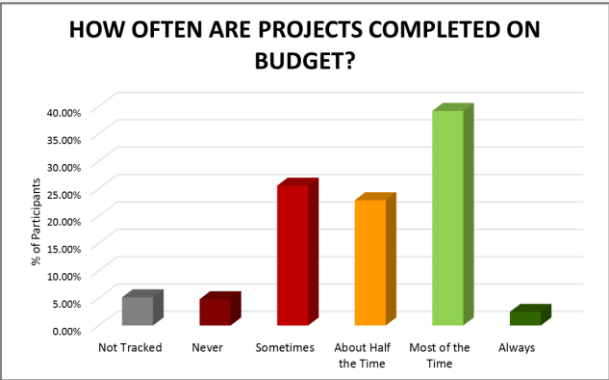
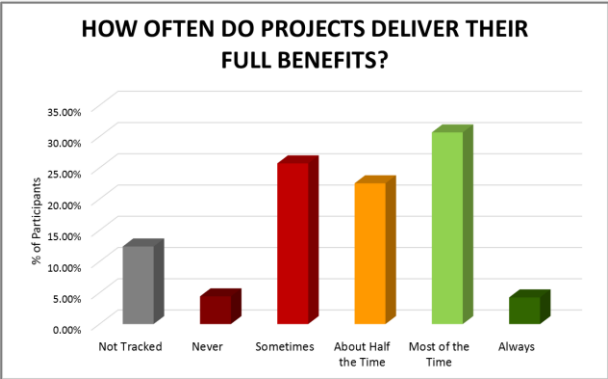
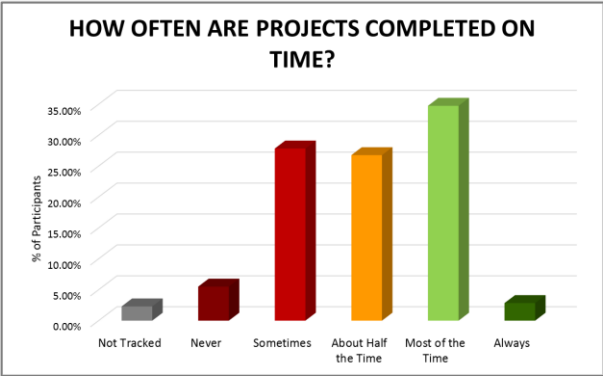
Completed in a few days, the **Wellington PMO Maturity Assessment** is the leading specialist PMO maturity scoring available, and provides benchmark data from over 400 organisations

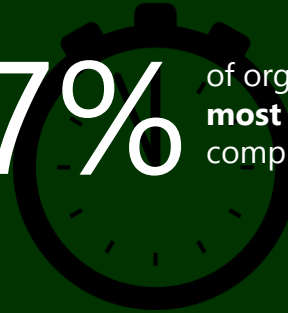
Talk to us today about how we can help you accelerate your PMO maturity

Wellington
PROJECT MANAGEMENT

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





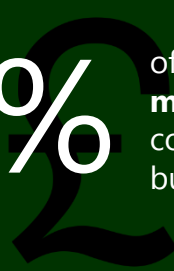
37%

of organisations **most or always** complete on time




35%

of organisations **most or always** deliver full benefits



42%

of organisations **most or always** complete on budget



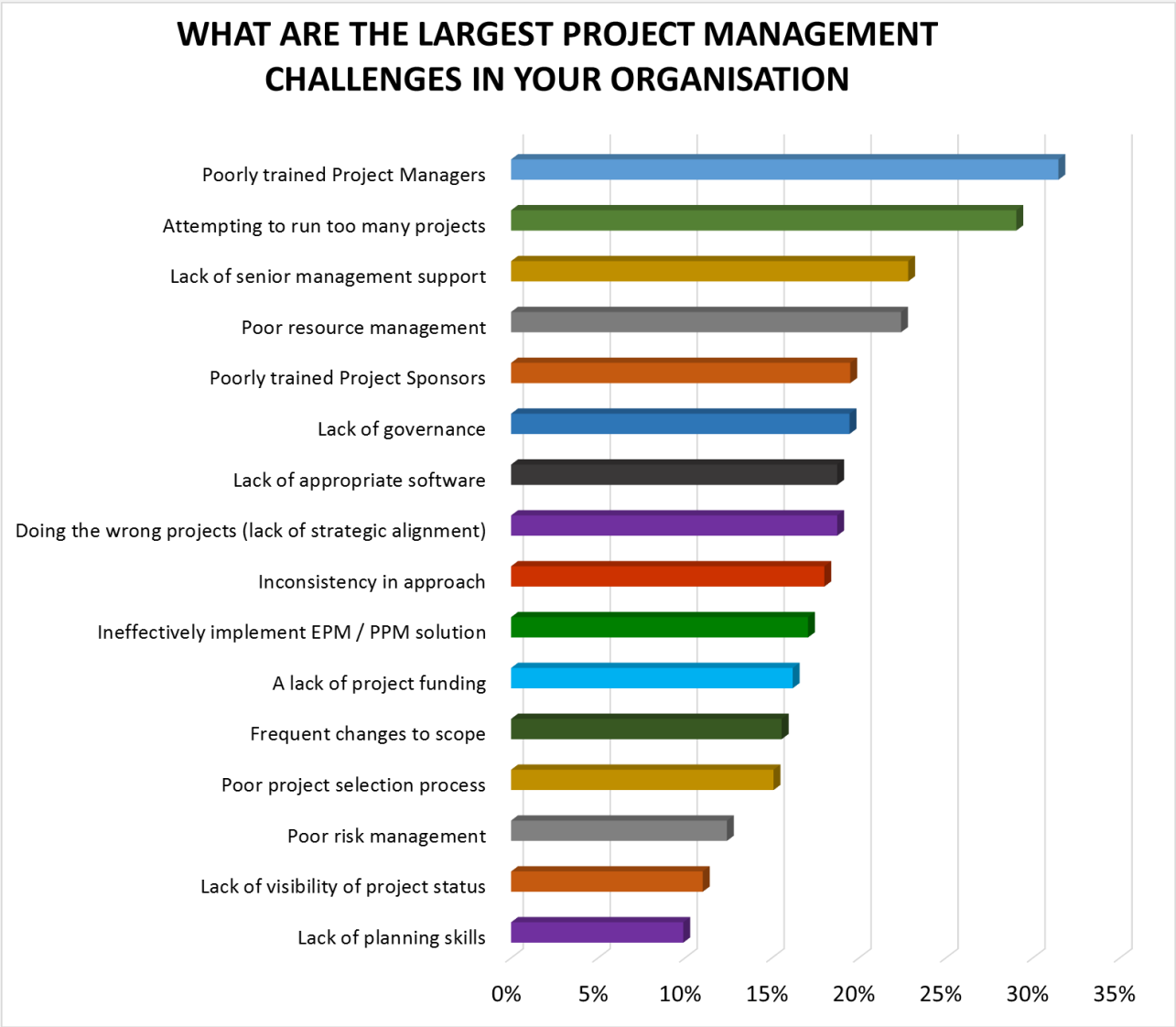
45%

of organisations **most or always** have a track record of success

[23]

Project Performance

The data on project performance provides much room for improvement. Roughly 1/3rd of organisations never or sometimes deliver on time, to budget and defined benefits. 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 5



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 or appropriate governance. **Consider your organisation and the challenges you face. What can you pro-actively do to tackle these challenges head-on?**

About the Survey

Wellington Project Management defined a series of 39 questions relating to project management in consultation with the APM PMO SIG.

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 1ST of December 2016 until the 31st of January 2017.

Vince Hines, Managing Director, Wellington 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 trends, averages and totals data. Wellington Project Management does not share respondent specific data and is identified as both the Data Controller and Data Processor. Wellington Project Management is registered in accordance with the Data Protection Act 1998: Z9727037.

Prize Draw

Acknowledging that project management professionals are busy people Wellington 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 Wellington Project Management.

The prize draw was conducted at the offices of Wellington Project Management on the 7th of February 2017. 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.



Congratulations to our Prize Draw Winners

£250 John Lewis Vouchers
G. Wilkins

Tablet
A. Walker
L. Hatzfeld
C. Lexa

PMO SIG Event Ticket of their Choice

J. Wearne
M. Proctor
K. Okpoyo

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

About Us

Wellington

PROJECT MANAGEMENT



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 increase their project management maturity and project 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 Online** or helping clients **recruit** project professionals, we can help. Our industry leading **PMO Maturity Assessment** is a frequent start point for many clients looking to benchmark current capability.

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**.

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 work closely with the APM and sponsor the APM **PMO of the Year Award** and the annual Salary & Market Trends Survey.

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

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