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FROM CRISIS TO CONTROL
A NEW ERA IN STRATEGIC PROJECT MANAGEMENT

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PRESIDENT'S MESSAGE

In our consulting practice with many organizations around the world, we have observed corporations as they struggle to overcome their challenges to justify, implement and maintain Project Management Offices (PMO). Many corporations launched a Project Management Office, which was then dismantled within a year or two. Organizations did not realize the intrinsic value of the Project Management Office, and regarded them as overhead.

The questions we originally set out to answer with our research were:

- Why were some organizations able to demonstrate bottom line results in time, money, and increased productivity?
- What are the lessons learned to share with other organizations?
- What specific strategies could organizations implement to improve their project management success?

We discovered through the research that implementing and managing a Project Management Office was not the answer. It was the organization's approach to project management that was identified as the root cause of the problem. We found that organizations were not aligning their projects with corporate strategies, nor were they creating a culture with best project management practices or managing total performance.

The research includes the participation of over 750 organizations from around the globe, which have either successfully or unsuccessfully implemented Project Management Offices. The methodology included a combination of surveys and in-depth interviews conducted between 2004 and 2005.

Those top executives who are looking for a roadmap to gain a competitive edge will be interested in our profound insights and significant findings. We are pleased to present the results of our research study, "From Crisis to Control: A New Era in Strategic Project Management".

Business Improvement Architects has been providing strategic consulting services to global clients since 1988. Our mission is to make a difference by increasing the effectiveness in the way in which organizations and their people work. We achieve this by working with our customers to meet their specialized needs.

I would like to thank the Project Management Institute for providing us with a link on their web site for our on-line survey, The Sheridan Institute of Technology and Advanced Learning for their support and my dedicated team of associates at Business Improvement Architects.

Sincerely,



Michael Stanleigh, President
Business Improvement Architects

EXECUTIVE SUMMARY

Successful organizations rely on projects that are strategically aligned to increase revenue or decrease costs. These organizations understand that projects are a part of “what they do” and to achieve their corporate goals, they create a culture of Best Project Management Practices and measure total performance. We found four major themes for success:

- Recognition of the strategic role of projects in organizational success.
- The need to build project management into the corporate culture.
- The requirement for organizations to develop a “Total Performance Management System™.”
- Use of project management best practices.

Our research indicates that organizations are missing an opportunity to align projects with organizational strategies and do not effectively manage their capacity to undertake and complete projects successfully. To overcome these deficiencies many organizations set up Project Management Offices. Despite this investment, many of these Project Management Offices have failed to deliver on the promise of measurable impacts on the bottom line.

The research shows that successful project management systems require that the organization undertake a significant cultural change because project management systems have a profound effect on: reporting structures, performance systems, communication systems and resources. Employees need to be prepared for the changes that will be necessary and to understand the benefits of the change.

It is evident from the research findings that current performance management systems are out of touch with how work is being done today. Matrix Management systems require staff to be involved in projects as part of their job function yet existing performance management systems fail to properly reward and recognize employees assigned to project teams. Performance management systems must therefore incorporate the overall performance of an employee according to their job description in combination with their performance on projects.

Organizations that do not follow best practices are at a competitive disadvantage to those who apply a structured process to each project. Project Management Best Practises include a disciplined approach to planning, executing and learning from projects and applies quality management principles. A quality-based approach to the management of projects gives corporations the ability to successfully execute projects time after time.

This report reveals:

- What organization you need to set up today to position your projects for future success.
- How to make sure the organization you set up shows bottom-line results within the first two years.
- How to ensure every project is strategically aligned so the benefit is obvious to other executives.
- How to create a corporate environment that nurtures and grows successful projects.
- How to stop fighting over resources so that projects and daily tasks are both fully supported and recognized.
- What type of training is most effective in building competent project managers and project teams.
- How to learn from each project in a way that allows your organization to continually stay one step ahead of the competition.

The following twenty research-based recommendations will help your organization to create a road map for a strategically aligned evolutionary project management culture that will maximize your bottom-line impact.



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