



PM Status Report: Poor

Karen Klein (February 21, 2006)

A national project management survey released this month reports that most projects are not meeting goals, and team members are often not trained properly. While most projects are eventually completed, only one-third of them come in on time and on budget. Several factors are culpable.

In a national survey conducted last fall, almost 2,000 project managers and contributors reported that less than half (47 percent) of their organization's projects always or often meet their goals. While most projects (82 percent) are eventually completed, only one-third (33 percent) of respondents said their projects are always or often completed on time and on budget.

Nearly 46 percent of respondents said their project teams aren't often given clear, attainable goals. Nearly 69 percent of respondents said project teams aren't usually given enough resources to accomplish their goals. And nearly 55 percent of respondents said the right people aren't usually selected to lead or serve on project teams.

"I expected to see poor performance, but I didn't expect it to be at the levels we found, or across such a wide industry base," said Andrew Longman, partner and vice president, marketing for Kepner-Tregoe, one of two consulting firms that collaborated on the survey with *Quality Progress* magazine.

The survey was sent to the readership of *Quality Progress* in September 2005 by the magazine, Kepner-Tregoe, and Guttman Development Strategies. A total of 1,905 responses were received from managers and individual contributors across a cross-section of industries. Questions aimed to discover how projects are generally managed in organizations; how well individual projects are led, planned and executed; and what causes projects to veer off track.

The news was not uniformly bad: Nearly 70 percent of respondents said their organization's projects are always or often aligned with its strategy; nearly two-thirds said that projects are usually viewed as ways to contribute to quality and productivity improvements; and of those who served on a project team whose project was completed, 89 percent said goals were met.

Still, the survey pointed up the need for improvement in several areas, said Howard Guttman, principal of Guttman Development Strategies and an expert on creating high-performance teams. He was particularly troubled, but not surprised, he said, by the fact that 70 percent of respondents reported that senior managers are not always the best role models for project excellence. "The behavior of senior executives has a multiplier effect down through the organization," Guttman said. "If senior executives aren't aligned and clear on goals, roles, and accountabilities, how can others be?"

Guttman noted that a high number of respondents indicated that internal conflict was a problem for their project team: 51 percent said their team dealt with conflict in a healthy, open manner, but the remaining 49 percent said conflicts were suppressed on their team. "The inability to transform conflict into healthy confrontation is a key reason why projects fail to deliver against their objectives," Guttman said.

Longman, co-author of *The Rational Project Manager: A Thinking Team's Guide to Getting Work Done* (John Wiley & Sons, 2005), said the survey's disappointing results are rooted in a lack of common processes for managing projects and making decisions. "That lack has a cascading effect on all sorts of things: More conflicts arise in the course of a project; the conflicts are more difficult to resolve; it's very hard for the organization to govern its portfolio of projects because they're being done in a variety of ways; and it's harder to get started," Longman said. "Projects that stumble out of the gate tend to stumble all the way along."

Particularly troublesome, Longman said, is the lack of a common language that project managers and contributors can use to talk about evaluating performance. Some 62 percent of survey respondents said that it isn't customary for project teams throughout the organization to follow a standard methodology to define, plan and implement projects. "There's no common plain-speak. There is a lot of jargon, but that's not the way people talk on a daily basis," he said.

The survey data showed that 80 percent of respondents said employees don't often receive training in project management methodology before serving on a project team. Without that preparation, project participants typically do not feel personal commitment to and ownership of a project, Longman noted. "Too often, people get an email saying, 'Come to a meeting, you're on this project.' If you're laying brick, you can give people the tools and tell them how to do it. But in business today, things aren't that simple. We're not working with brick-and-mortar projects. It's a lot squishier than that."

Additional factors that may contribute to the poor performance reflected in the survey are lack of time and resources devoted to projects. More than 84 percent said that, when serving on a project team, employees aren't freed up from their routine responsibilities in order to focus on the project. "Given the survey results, it's not surprising that less than half of respondents said that their organization's financial performance was in the top third of its industry," Longman said.

Bringing clarity on issues such as accountability, protocols and interdependability, from top management down to the project manager level, would go a long way to improving things, Guttman said. "I spend 70 percent of my time working with company presidents and senior teams. What I find is that their business priorities and strategy are sort of clear. They tend to be best at the big picture. But when it gets down to how to operate, manage conflict and communicate, that's the stuff that tends to break down. If there's no explicit plan filtering down from the top, people just make it up as they go along. That's what we're seeing in this survey."

Detailed survey findings will appear in the February 2006 issue of Quality Progress. Readers interested in getting an executive summary of the survey can request one via email from Andrew Longman (alongman@kepner-tregoe.com) or Howard Guttman (hmguttman@guttmandev.com).