

## **Results from Major Study: Project Management Delivers Value**

On 14 July at the 2008 PMI Research Conference held in Warsaw, Poland, Janice L. Thomas, PhD and Mark Mullaly, PMP, presented the preliminary findings of their landmark study, *Researching the Value of Project Management*.

The study was commissioned by PMI and conducted through Athabasca University in Alberta, Canada. The eagerly anticipated presentation was a featured event of the conference.

Although the results are still preliminary, Dr. Thomas was able to state an essential conclusion, "I can stand here today and unequivocally state that project management does deliver value."

The elements that create value were described as: satisfaction; project and organizational alignment; consistent use of good practices; better results of processes and projects; better business outcomes; and realization of tangible and intangible benefits.

Until now, information about the value of project management was primarily anecdotal. As a result of this study, extensive and high quality statistical information was collected and is still being analyzed.

The study comprises an amazing amount of data generated through 65 case studies, 447 interviews and 418 project summaries conducted by a team of 48 researchers from 15 countries during the last three years.

Organizations studied include those that are privately held, publicly traded, state owned, joint ventures, partnerships, sole proprietorships and government agencies. Geographically, 29 percent were in Europe, 22 percent in North America and there was good representation from China, Russia, Australia, the Middle East and South America.

Dr. Thomas and Mr. Mullaly emphasized that an organization's perception of "fit" is important to the creation of value. Fit refers to how well the implementation of project management meets the needs of the organization.

Other factors important to the creation and retention of value are the continuous investment in, focus on and commitment to project management.

Certain conditions decrease the value of project management. These are:

- Changes in personnel who drive or lead implementation
- Lack of attention, focus, maintenance or will
- Over-implementation or over-bureaucratization, and
- Inconsistent alignment of needs, particularly between management and project managers

While many forms of data were collected by the researchers, the interviews with managers, sponsors and other stakeholders provided rich statements of satisfaction with project management. Here are some examples.

- From a sponsor: "Project management has a positive influence on creative thinking and enhances the organization's innovation capacity."
- From a senior manager: "The feeling of control that comes from the project management processes is significant – there is less overhead, less time needed/wasted, and a greater focus on the benefits."

- From another sponsor: "If there is a common format then you have consistency and there is a smaller amount of time and effort required on the part of each senior manager to try and understand what is happening."
- From a human resources manager: "Project management improved customer satisfaction. Regular project implementation impressed the owners in a positive way, so that there would be several opportunities for further cooperation."

Source: PMI