

“INDISPENSABLE FOR BUSINESS RESULTS” WHY DIRECTORS SHOULD BE ADVOCATES FOR PROJECT MANAGEMENT

Back in 1969, a small group of visionaries gathered over dinner at a restaurant in Philadelphia, USA and agreed to create an organisation to advocate for project management as a strategic competency in the business world, as well as to represent project managers and to address their educational and professional development needs.

At the time, project managers were a new breed and their numbers were meagre, to say the least. But these ‘Founders’ sensed a pressing need for a professional organisation to elevate project management in the eyes of business leaders and, at the same time, facilitate education, certification, knowledge-sharing and networking opportunities for project managers across disciplinary lines. From that dinner meeting, the Project Management Institute (PMI) was launched, although I would be surprised if any of the Founders ever imagined that 35 years later PMI would have evolved into the world’s leading advocacy association for the project management profession that it is today.

Today there are over 180,000 members in nearly 150 countries including New Zealand, and an annual growth rate approaching 25%.

Let’s face it, we all function in a highly competitive global economy where yesterday’s laggard is tomorrow’s market leader. Boards of directors and senior business managers globally are looking for ways to compete more effectively in this highly volatile environment. Some organisations strategise well, but their execution leaves something to be desired. Others execute well, but haven’t developed a strategic plan to drive the execution. I’m here to argue that project management is the very tool that bridges strategic planning and execution, resulting in better bottom line results on a far more predictable basis.

How?

The answer lies in the nine basic knowledge areas defined in *A Guide to the Project Management Body of Knowledge*. They include integration, scope, time, cost, quality, human resource, communications, risk and procurement, which apply universally to all projects in all disciplines. By sufficiently adhering to the requirements outlined in each of these knowledge components, organisations can go a long way toward ensuring that planning and execution are strategically aligned, significantly enhancing the prospect for more successful business results.

Along side global competitiveness, the need for corporate transparency has become far more demanding. As a result of corporate misdemeanors and subsequent collapses around the world and the ongoing investigations at other global organisations such as Volkswagen in Europe, regulatory oversight and corporate compliance have become more demanding as directors scramble for ways to comply with statutes such as the Sarbanes-Oxley Act.

Project management standards, such as PMI’s *Organisational Project Management Maturity Model*, can be a crucial tool in better assuring adequate corporate control measures by assessing an organisation’s project management maturity level against nearly 600 industry ‘best practices’. This tool is not a panacea for preventing the next major corporate scandal, but it can be a very useful element in a comprehensive portfolio of oversight measures to better ensure compliance.

Current situation

The profession has made great strides, particularly in the last 5 to 8 years, and individual practitioners are receiving more visibility as change agents within organizations. However, project managers have not historically had a direct line of communication and responsibility to senior management. Additionally, project managers have traditionally been viewed and assigned on a functional basis instead of being strategically assigned to a project from a Project Management Office with a direct reporting relationship to the CEO. Career-pathing, while increasingly being implemented in organisations to better prepare project managers for the future, is still not being maximised as a professional development tool. The key for the profession and for PMI as its chief advocate is to continue to preach the gospel of project management as a means of more deliberately and effectively managing change to business, government and the media alike.

The past 35 years have seen the profession mature a great deal and PMI has experienced phenomenal growth since that ‘Founders’ dinner. As professional project managers we take great pride in these achievements, but our excitement is tempered knowing that current studies estimate the project management population to be in the neighbourhood of 16.5 million practitioners. This puts our growth in perspective. It also demonstrates to us that while we’ve come a long way since 1969, there are still many project managers who could benefit from PMI’s programmes, products and services, but we have yet to reach them.

The future

That’s our challenge going forward, only to be made more acute as organisations in emerging economies of Eastern Europe and Asia Pacific demand the knowledge and skills of professional project managers. But I take heart from the vision and determination of those original ‘Founders’ and am convinced that the project management profession will meet those challenges in the future, thus making project management indispensable for business results.



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