



Making project management indispensable for business results.®

PMI Pulse of the Profession® - Change Management

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2014 PMI Board of Directors

Presentation to PMI Adelaide Chapter

18 August 2014

PMI's 2014 *Pulse of the Profession*® Study

Annual global benchmark for organisation, project, program and portfolio management

Additional in-depth research on key topic areas throughout the year

Integrates our market research with other data

Ties together insights gained from global organisations and governments around the world

We Talk about the Hard Stuff

2011



Innovation

2012



Trends

2012



Organisational Agility

2013



Talent

2013



Complexity

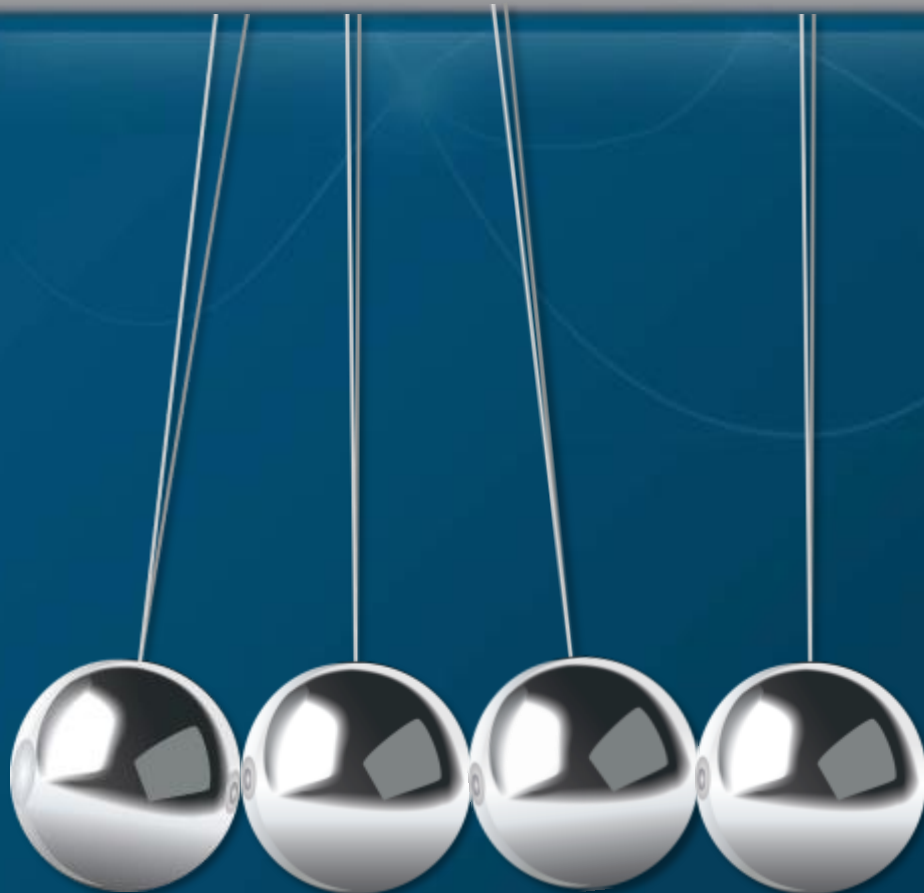


88%
of organisations
say strategy
implementation
is **important**

Source: *Why Good Strategies Fail*, Economist Intelligence Unit for PMI, 2013.

61% of organisations say
they **struggle**
with **strategy**
implementation

Source: *Why Good Strategies Fail*, Economist Intelligence Unit for PMI, 2013.



17%

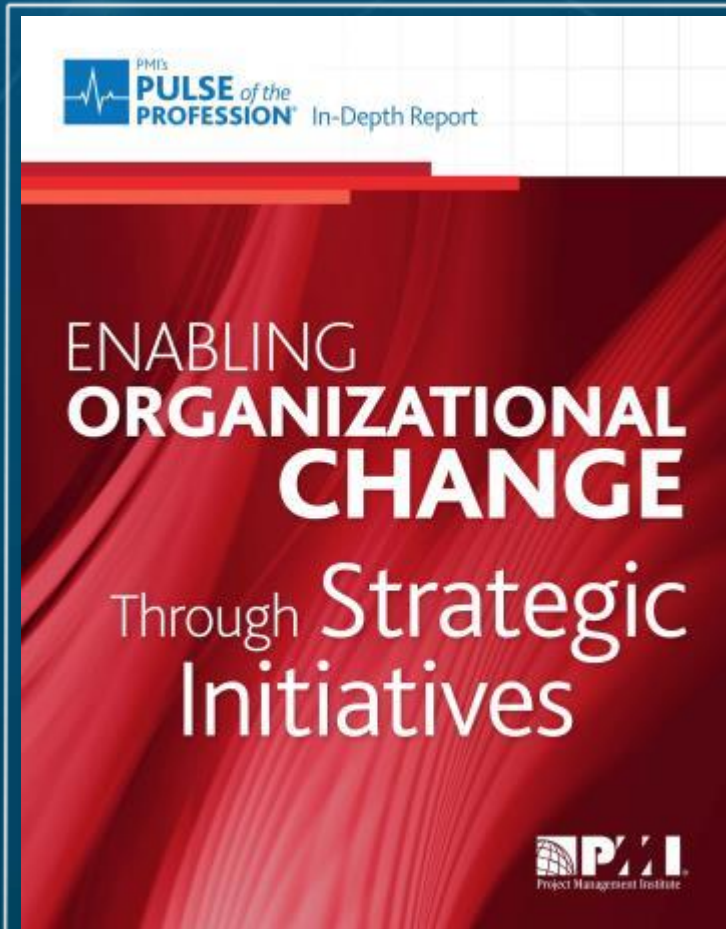
of organisations
say

**strategy
implementation**

.is strategic

Source: *Why Good Strategies Fail*, Economist Intelligence Unit for PMI, 2013.

PMI's 2014 *Pulse of the Profession*® Change Management In-Depth Study



Source: 2013 *Pulse of the Profession*® Change Management In-Depth Study

only
64%
of all **projects**
meet
their **goals**

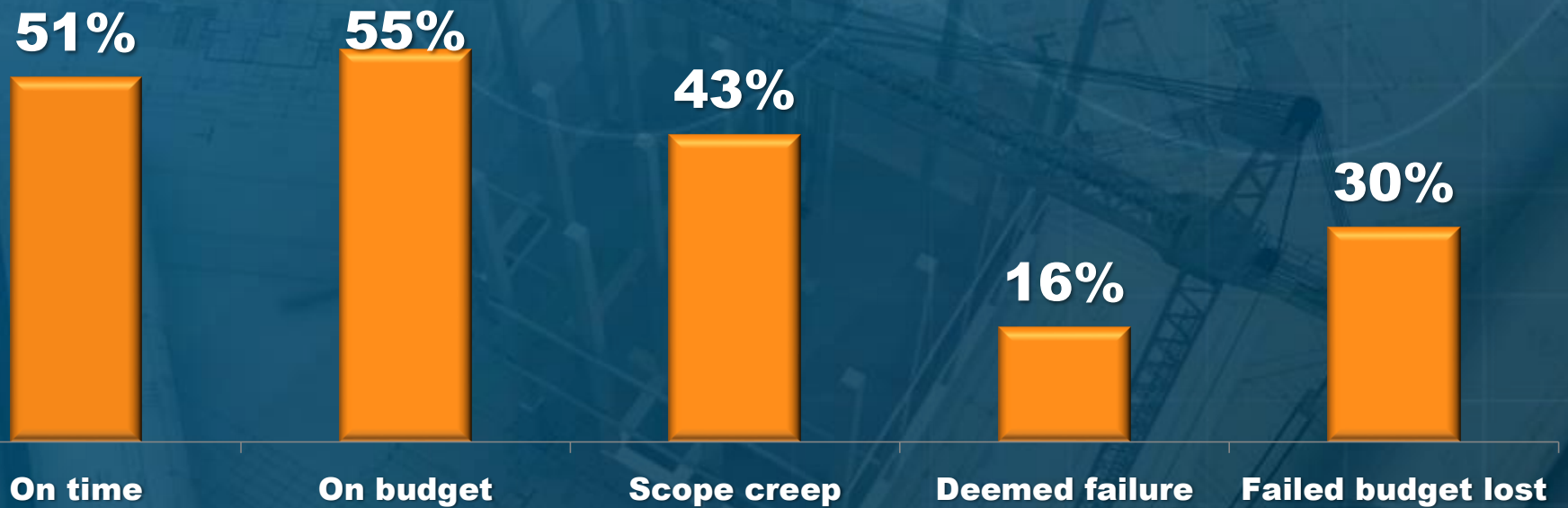


Source: 2014 PMI *Pulse of the Profession*®

only **51%** of **strategic**
initiatives
meet **their** **goals**

Source: 2014 PMI *Pulse of the Profession*®

Project Outcomes



\$120M lost
on \$1B projects
due to poor project
performance

\$149M
wasted
for every
\$1B invested



Source: 2014 PMI *Pulse of the Profession*®

Best Adapting Organisations Are More Successful



65%

of strategic initiatives in best adapting organisations meet original goals and business intent

31%

of strategic initiatives in organisations that are not adept at change management meet original goals and business intent

Best Adapters Have an Opportunity

**Best
Adapters**

\$91 million
Money wasted per \$1 billion

**Worst
Adapters**

\$231 million
Money wasted per \$1 billion

**2½x
better**

Focus on Strategic Practices for Success



Improved Alignment with Strategy

- **Process maturity**
- **Organisation culture**
- **Engaged executive sponsorship**



Improved Organisation Agility

Source: 2014 PMI *Pulse of the Profession*®

Strategic Alignment Is The First Step

Strategic Initiatives
are more successful when aligned
to organisational objectives

73%

of successful
strategic initiatives
with this in place

44%

of successful strategic
initiatives **without**
this in place

Source: 2014 PMI *Pulse of the Profession*®

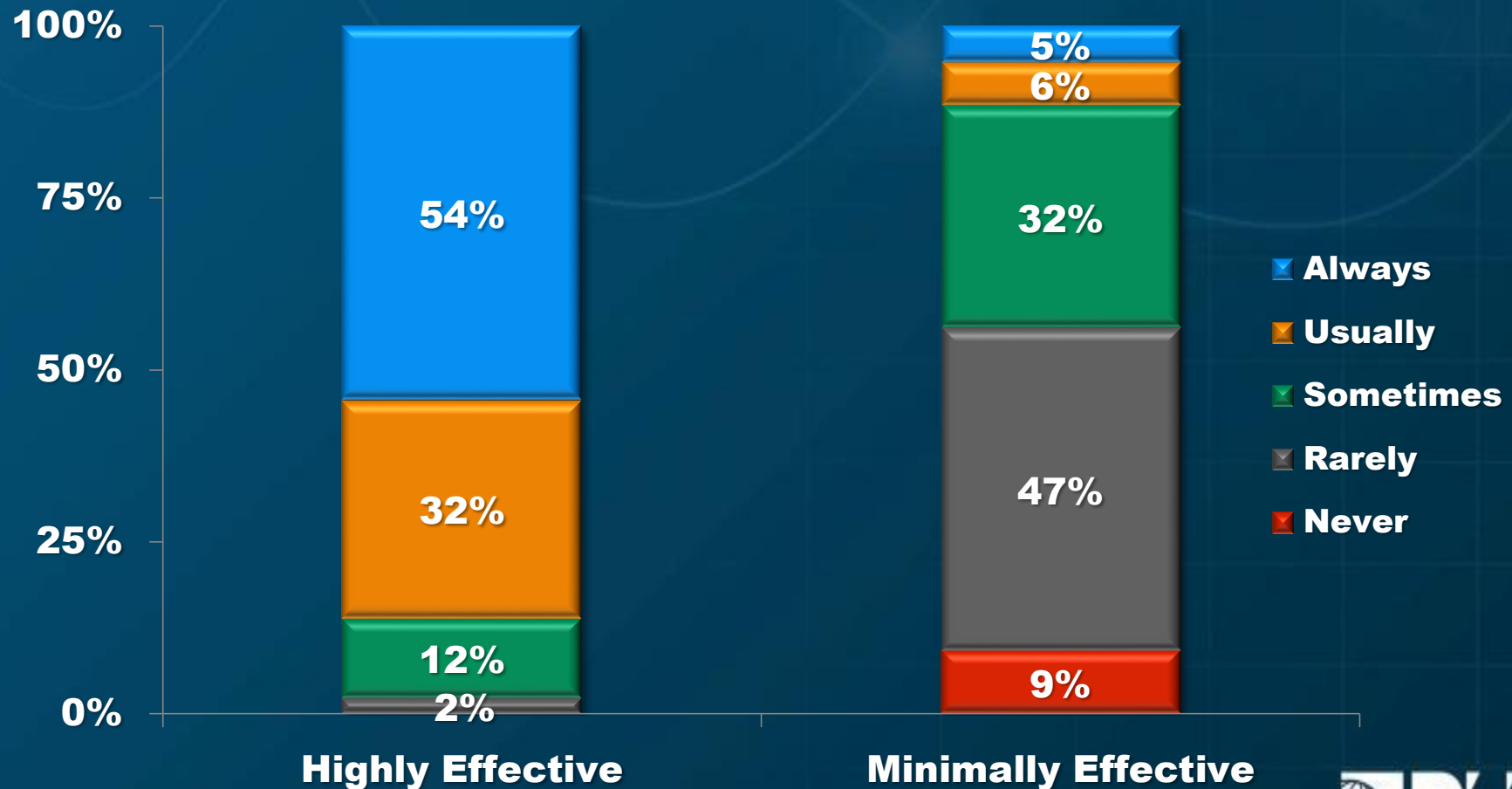
Focus on Process Maturity for Success

Process Maturity

- Use standardised practices
- Promote the value of project management
- Have a PMO in place

Best Adapters

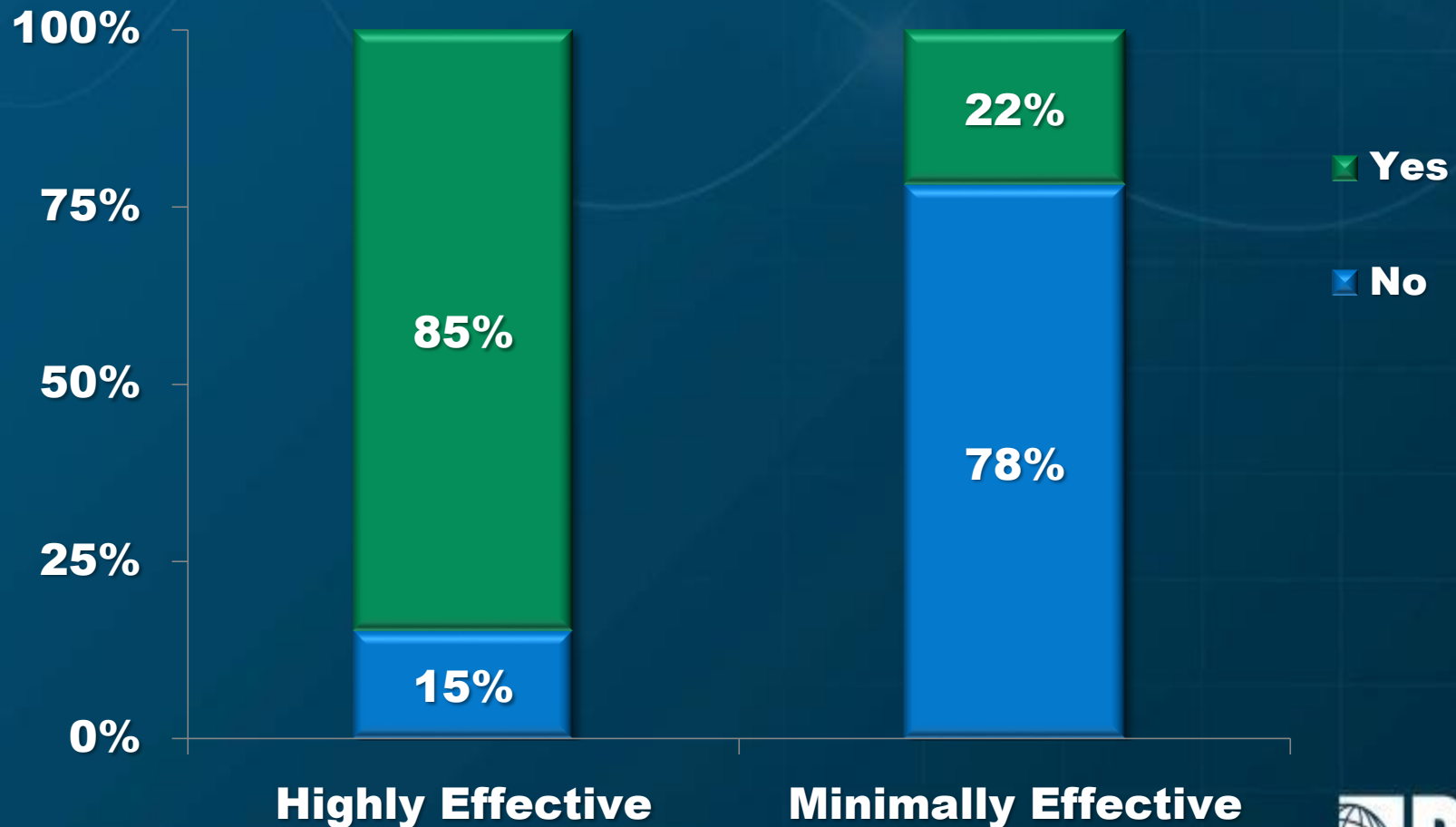
Best Adapters are 7x more likely to use standardised project management practices for strategic initiatives



Source: 2013 Pulse of the Profession® Change Management In-Depth Report

Best Adapters

Best Adapters are significantly more likely to fully understand the value of project management



Source: 2013 *Pulse of the Profession® Change Management In-Depth Report*

Focus on Organisation Culture for Success

- **Culture embraces change**
- **Leaders help staff navigate the change**
- **Change is sustainable**



Source: 2014 *Pulse of the Profession®*
Change Management In-Depth Report

Focus on Engaged Executive Sponsorship for Success

- **Communicate frequently, thoroughly and effectively**
- **Champion the change**



Source: 2013 Pulse of the Profession® Change Management In-Depth Report

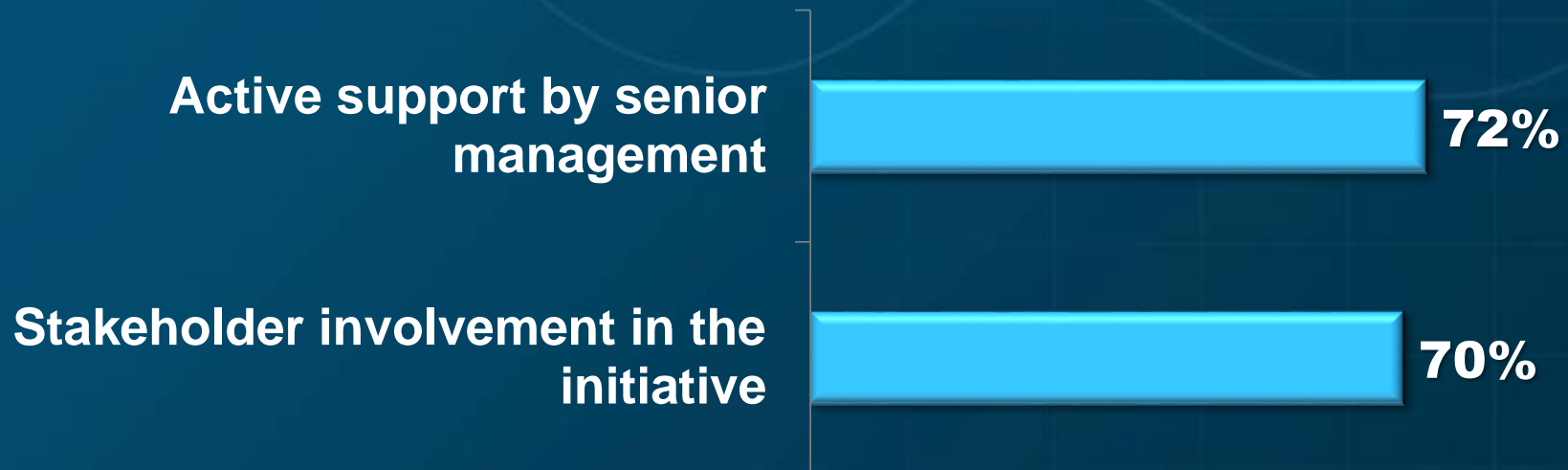
Engaged Sponsors Need to Lead and Communicate

Primary reasons initiatives fail



Engaged Sponsors Need to Be Advocates

Factors that improve initiative success



Engaged Sponsors Enable Change

only **63%**

of all **projects**
globally

have **active & engaged**
sponsors

Source: 2014 *Pulse of the Profession*®

Highly Agile Organizations Are More Successful



Source: 2014 PMI Pulse of the Profession®

Focus on Strategic Practices for Success



Improved Alignment with Strategy

- **Process maturity**
- **Organisation culture**
- **Engaged executive sponsorship**



Improved Organisation Agility

Source: 2014 PMI *Pulse of the Profession*®

Change Management

Source: 2014 PMI *Pulse of the Profession*®

The rate of change is not going to slow down anytime soon. If anything, competition in most industries will probably speed up even more in the next few decades.

John Kotter

Thank You!

<http://www.pmi.org/Knowledge-Center/Change-Management.aspx>