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When will you think differently about programme delivery?

4th Global Portfolio and Programme Management Survey

September 2014

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Introduction

Welcome to the findings from the 4th PwC Global PPM Survey looking at the latest trends, challenges, opportunities and opinions relating to the management of portfolios, programmes and projects.

With the world moving at an ever faster pace, driven by innovation and collaboration, CEOs told us that to keep up with the world they will need to change – and fast. While most CEOs recognise the need for change many concede that their organisations need to be far more agile when executing their strategies in an ever changing environment.

Great execution depends on many factors but often boils down to getting the basics right such as having a strategy being underpinned by a really clear plan and a thorough understanding of how that plan can be delivered to specification, on time and to budget. But this is also where things often go wrong as demonstrated in many of the survey findings.

We commissioned this fourth global survey as our previous results have shown that there are many challenges to delivering change successfully and most organisations are not doing it well enough.

We particularly wanted to know:

'Do people who commission change get what they want?'

The results are both interesting and enlightening at the same time, especially when considered with the findings of our previous surveys, and also with the results that we find when we undertake maturity assessments around the world on our clients' programmes. These latest survey findings provide a fresh perspective for Executive Teams, and will give PPM professionals evidence from which to re-evaluate their priorities and approach to delivering successful change programmes.

Read, digest and consider how embracing the findings can help you deliver your portfolio of programmes and projects more effectively to support transformational change.

Thank you for taking the time to consider the results, but mostly thank you to the 3,025 respondents from 110 countries and numerous sectors – without whom this report would finish here!

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4th PwC Global PPM Survey

Foreword

It is not necessarily *what* organisations do but *how* they do it that makes them successful and establishes their competitive advantage. When it comes to projects, programmes and portfolios, the No. 1 differentiator is strategic initiative management. You can't produce better results without better execution.

As this report makes clear, many organisations need to look long and hard at how they are managing their most important strategic initiatives. This self-examination includes "the basics" — from planning and budgeting to prioritisation and risk management. But it also requires pushing the envelope and considering new ways to get things done faster and more efficiently.

Organisations must pave the way within their cultures to truly embrace the profound changes that all strategic endeavors bring. To accomplish this, organisations need to do several key things differently and better.

It starts at the top, with executive management. It is not enough for leaders to ask for change. They must invest in it. They can't just leave their ideas echoing at the declaration stage. They must meaningfully connect strategy to capability. They must foster an environment that not only encourages flexibility and innovation but rewards it. Ultimately, they must develop and support the project, programme and portfolio teams that will turn their ideas and vision into real results.

It continues with talent — the project and programme managers on the front lines who lead the people that deliver the strategy. These leaders need the latest training and tools, structures and processes. But of equal importance, they need to be able to adapt these tools and approaches, demonstrate confident leadership, and apply strategic business acumen to meet the unique challenges that they face on a day-to-day basis. They need to become project executives.

Change is happening everywhere, faster and fiercer than ever before. Markets and industries are changing overnight. Technology is evolving exponentially. New competitors are emerging every day and old ones are disappearing. Why does one organisation survive and the other slide into irrelevance? Why does another organisation not only survive but thrive? The answer, again and again, can be linked directly to how they implement their projects — the place where strategy lives and breathes. And the answer always seems to conclude with how they prepare for and manage the change that accompanies these initiatives.

This comprehensive report offers a number of insightful highlights that affirm a great deal of the recent research we have conducted at Project Management Institute. Read these recommendations and consider how they relate to your realities. But don't stop there. Do something with these findings. Do it now.

Mark A. Langley
President & CEO,
Project Management Institute

Summary findings

The case for doing things differently

CEOs believe that keeping up with the rapid pace of change is one of their most demanding challenges.

In times of rapid change there is a cost to standing still.

There is a need to develop new and innovative ways of delivering strategic outcomes, which means leading and delivering change programmes differently – faster, flexibly and more reliably.

The Global PPM Survey shows that some familiar issues have not been addressed.

Little has changed in the past 10 years in the way programmes are delivered, the issues faced and the results achieved.

As well as doing the basics more effectively something needs to be done differently to improve results.

The Executive Team and PMs need to act now to do things differently and learn from lessons of the past.

The Global PPM Survey illustrates that there is often a disconnect between the Executive Team and PMs.

Data would suggest that engagement is too often superficial – there is a disconnect between Executive Teams and those leading and delivering programmes.

An opportunity exists for PMs to play a bigger role in leading and delivering their services – to connect better with the Executive Team, and vice versa.

This report addresses how organisations can increase the times they can say 'Yes' to the question:

'Do people who commission change get what they want?'

So it is time to take a different approach to delivering effective programmes that help organisations cope with the rapidly changing world.

Five themes for doing things differently

Five themes emerge from the Global PPM Survey that could make a real difference to the success of programmes in terms of 'doing things differently':

1. Optimise your portfolio to maximise return

If you are not making decisions using objective criteria and quality data, then how are you doing it?

Using a clear methodology removes 'gaming' from the prioritisation process and selection of change programmes. A reduction in ambiguity would help ensure that the most important strategic programmes are prioritised.

2. Be flexible, change faster

As new business and programme challenges arise how can PMs help their organisations adapt quickly enough?

Be more flexible in approach – be brave, and well informed.

3. Enable your people to deliver success

Structure, process and planning help, but it is people that deliver programmes – why don't they do it really well, more often?

Enable your people to deliver for you by providing the right resources, training and tools.

4. Connect the Executive Team to programme delivery teams to get the change you want

Why aren't the Executive Teams more closely aligned with those delivering programmes?

Results will improve if there is a closer understanding and working arrangement.

5. Measure and address the harsh facts to maintain direction

If you aren't spotting the tricky problems as they arise how can you manage them?

Programmes must measure progress, identify risks and tackle the difficult issues, changing course where necessary.

The case for doing things differently

To remain effective PPM professionals need to drive and keep up with the pace of business change.

In the 2014 PwC CEO Survey CEOs state that keeping up with the rapid pace of change is one of their most demanding challenges.

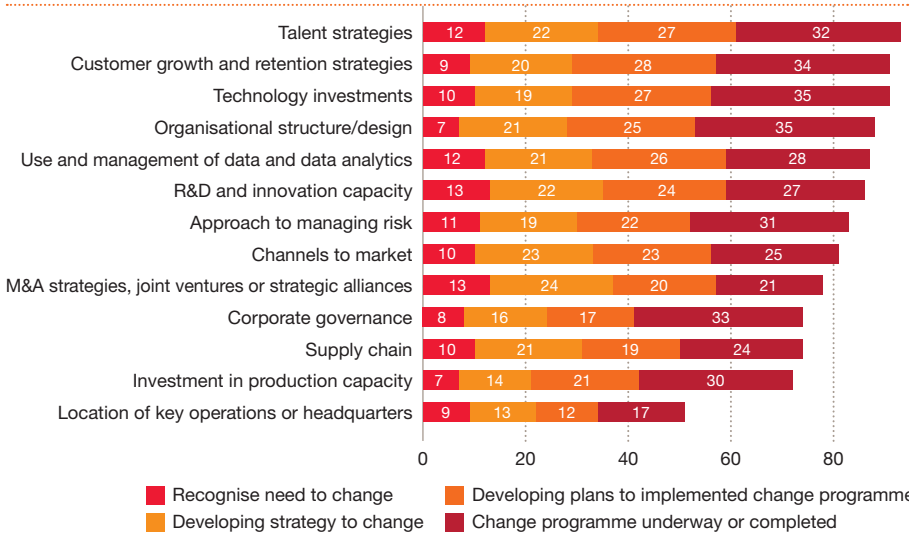
However you choose to look at the facts, the undeniable issue is that markets are becoming increasingly disrupted due to economic and demographic shifts, as well the growing digital economy and changes in the characteristics and expectations of customers. By 2020 there will be nearly 7 times more networked devices than people in the world.

CEOs told us that they are responding to these factors by rapidly transforming all aspects of their organisation.

CEOs also told us that to keep up with the world they will need to change their cost structures, organisational design, technological investments and supply chain rapidly. That will require organisational change and effective programme management.

At least 75% of the CEOs either recognise the need for change, have plans for change, or have already started making changes, in most areas of business.

Many organisations have plans for change across many areas of their business in response to the rapid changes happening globally.



Base: All respondents (1,344)
Source: PwC 17th Annual Global CEO Survey

However, with increasingly uniform access to market intelligence, customer insights and strategic advice, the difference between winners and losers comes down to their ability to execute. Those who execute faster and better are positioned to capitalise on the changes and thrive.

Most CEOs concede that their organisations are not well prepared to execute. So, if CEOs don't feel their organisations are ready for change what will they do about it – how can they prepare for the road ahead more effectively?

Organisations must embrace a shift in their organisational planning and execution processes in order to improve their overall 'adaptability' in order to satisfy rapidly changing customer needs.

The traditional ways of delivering programmes may not be fit for purpose in this fast paced world. Executive Teams need to develop new and innovative ways of delivering change programmes to more consistently get the change they commissioned which also means measuring their success so they can equate it to their desired strategic outcomes.

The five themes that have been identified for improving programme delivery rely on both the Executive Teams and PM community taking a different approach. Only by working together in partnership can improvements be made to the extent that they will be able to deal with the pace of change.

Portfolio management is about doing the right things. Programme and Project management is still about doing things right.

Some familiar issues have not changed in 10 years

Some important issues have not changed across the four surveys undertaken by PwC over the past 10 years. Most of them are basic project management elements – poor estimates, changes in scope and poorly defined goals and objectives have always been among the top reasons why projects overrun. Either scoping and estimating are not being carried out effectively or this is not being taken seriously enough across organisations. Something needs to be done differently to resolve this trend.

Essentially there are two things that PM professionals can do differently to encourage organisations to improve the success of programmes:

1. **Get the basics right on a more consistent basis. It is everyone's responsibility, to get these things right – without strong leadership and good teamwork programmes will continue to be blighted by frustrating failures that could be avoided.**
   - Portfolios, of programmes and projects, need to be more clearly aligned to the organisation's strategy.
   - Plan more effectively at the outset of programmes – scope and estimates should be experiential and metric driven, validated by subject matters experts, and subject to significant review cycles before being accepted.
   - Programmes must be resourced with properly skilled professionals – the right capacity and capability, and forming a team whereby the dynamics help successful delivery.
   - PPM is a profession – Training PMs effectively will improve delivery success.
   - Good communication is more than providing a top down briefing session.
   - Post project lessons learned should seriously examine where scope or estimates went wrong, and a feedback loop put in place to improve this aspect.
2. **Develop different ways of delivering programmes.**
   - **Optimise your portfolio to maximise return** – the Executive Team need to make decisions about their programme portfolio using objective criteria and quality data. We often see organisations using subjective information or making decisions based on political will and commencing programmes that should have never started in the first place – guessing is not a strategy for change.
   - **Be flexible, change faster** – organisations need to create plans that embrace change, deliver results faster and be ready to make brave decisions at short notice. That could even be to stop or pause the programme.
   - **Enable your people to deliver success** – it is acknowledged that people deliver programmes, not just processes, plans or systems. Yet supporting mechanisms are often designed with functional outcomes in mind. Organisations need to provide training that works, not just certifications. And they need to acquire the right tools to enhance programme deliverables, not just upward information flow. Finally organisations need to establish environments that allow people to focus, allow them to feel like a team and generate their best creative and innovative ideas.
   - **Connect the Executive Team to programme delivery teams to get the change you want –** improving the communication and interaction between those that sponsor change and those delivering it will reap benefits. However it must be done in the right way, at the right times and there must be collective responsibility for success.
   - **Measure and address the harsh facts –** organisations need to identify simple metrics that are hard to ignore in order to highlight the harsh facts of non-performance throughout delivery. Many go overboard at the start of programmes but eventually stop measuring any benefits at all. These then have to be tackled of course, not ignored.

Top three reasons for project failure – regular themes since 2004

2004	2007	2012	2014
Bad estimates/ missed deadlines	Bad estimates/ missed deadlines	Poor estimates in the planning phase	Poor estimates in the planning phase
Scope changes	Scope changes	Lack of executive sponsorship	Change(s) in scope mid-project
Changes in environment	Insufficient resources	Poorly defined goals and objectives	Insufficient resources

The case for doing things differently

The Global PPM Survey illustrates that there is often a disconnect between the Executive Team and PMs

The results of the survey indicate a difference of opinion and approach between the Executive Team and the staff responsible for delivering or engaging in programmes of change. Engagement is often superficial.

People across an organisation have a different perspective on events, including the delivery of programmes. The results of the survey suggest that too narrow a view is taken across organisations.

Differing perspectives

Of course we would expect different segments of a workforce to view change programmes differently – some are driving the programme and others are on the receiving end.

Results of the survey show a gap between what the Executive Team think about programme delivery and what staff and PMs believe.

The Executive Team have to bridge this gap to ensure PMs can successfully drive the change needed. Plus PMs have to bridge this gap and help the Executive Team drive programmes of change.

PMs have an opportunity to play a bigger role in leading and delivering their services – connecting better with the Executive Team.

The Global PPM Survey results show that many programmes don't deliver the change expected. If things are only going to get faster, how will organisations ever improve the delivery of programmes?

- Optimise your portfolio to maximise return.
- Be flexible, change faster.
- Enable your people to deliver success.
- Connect the Executive Team to programme delivery teams to get the change you want.
- Measure and address the harsh facts to maintain direction.

Theme 1
Optimise your portfolio to maximise returns

Creating an organisational portfolio of change programmes or projects requires a blend of experience and science. It requires the experience and knowledge of key individuals to set the direction and construct of the portfolio, together with the science behind portfolio management and optimisation to ensure that it delivers value, manages risk and maximises returns. Too often portfolios are left to chance and they are not developed and then managed in a methodical way.

"I plan for ten years (dream), focus on five years and execute for three years."

CEOs recognise the need to be more agile in planning and have multiple planning horizons. They recognise that they need to plan for the short, mid and long-term, and many are dissatisfied with their current planning horizons. They must now be able to run the business of today while creating the business of tomorrow. They must foster creativity and yet make sure that it's systematic.

To put it another way, today's CEOs must be hybrid leaders capable of managing dual horizons, combining the best of the old with the new and piloting their organisations through enormous changes to make them fit for the future.

But CEOs often don't have the time to stop and reflect on decisions they have previously made – are they still going in the right direction? Has their portfolio grown organically into something that doesn't fit with their strategy and deliver the desired returns?

"We need to become more agile and dynamic in the way we plan."

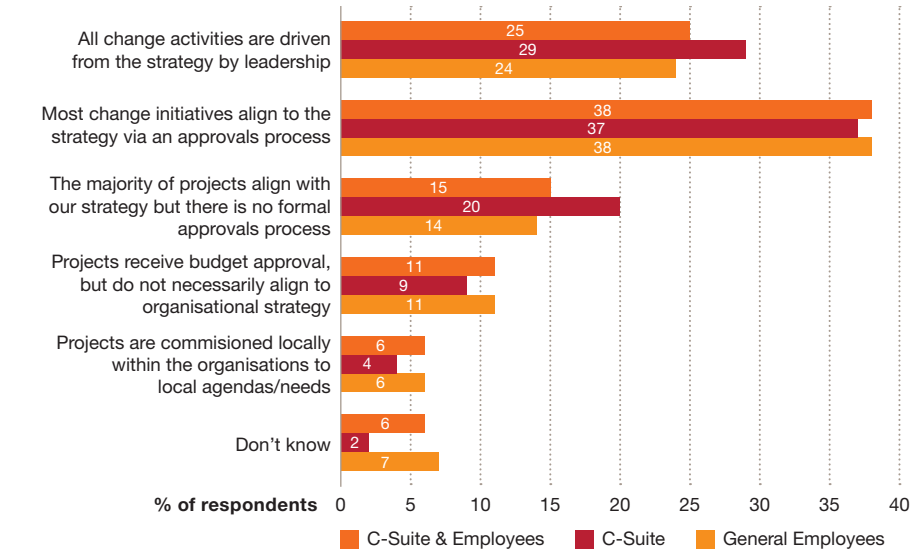
The Global PPM Survey indicates that too many programmes are not under the control of a well defined portfolio of strategic change that can be clearly linked back to the organisation's strategy. Portfolios have developed over time but without a methodical approach to forming that portfolio the organisation is effectively leaving the delivery of their strategy to luck.

Given these challenging times and shifting paradigms, many organisations often struggle with ensuring alignment between the capital that is being invested into the business and delivering against the organisation's strategic objectives. The survey suggests this is because the majority of Executive Teams believe that new initiatives are 'clearly defined, generally understood but difficult to measure'. It is this difficulty in measuring change that leads to issues in measuring portfolio success and value creation.

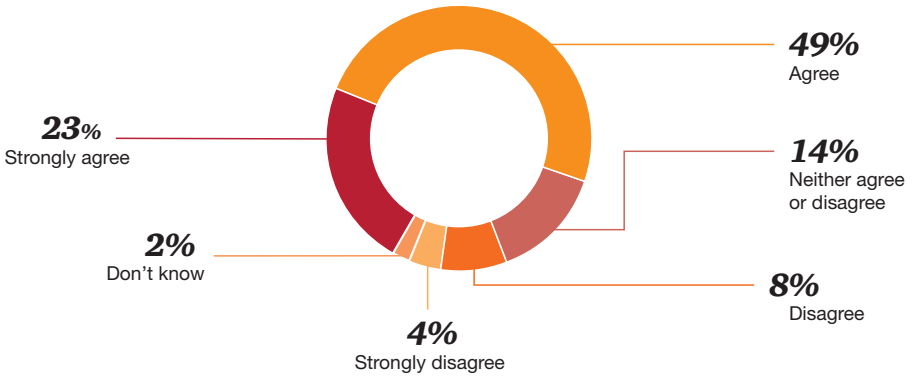
For example, less than a third of Executive Team respondents thought that all change activities are driven from the strategy by leadership, and only half of PMs felt that decision making across the portfolio is supported by objective criteria and quality data to ensure alignment to the organisational priorities.

The Global PPM Survey has produced some compelling evidence that when Executive Teams focus more effort on their portfolio, in the way it is conceived and managed they see better performance. We often see organisations using subjective information or making decisions based on political will and commencing programmes that should have never started in the first place – guessing is not a strategy for change.

How well is your organisational strategy delivered through change activities?



There is a coherent relationship between the programme's objectives and benefits and the organisational strategy and vision

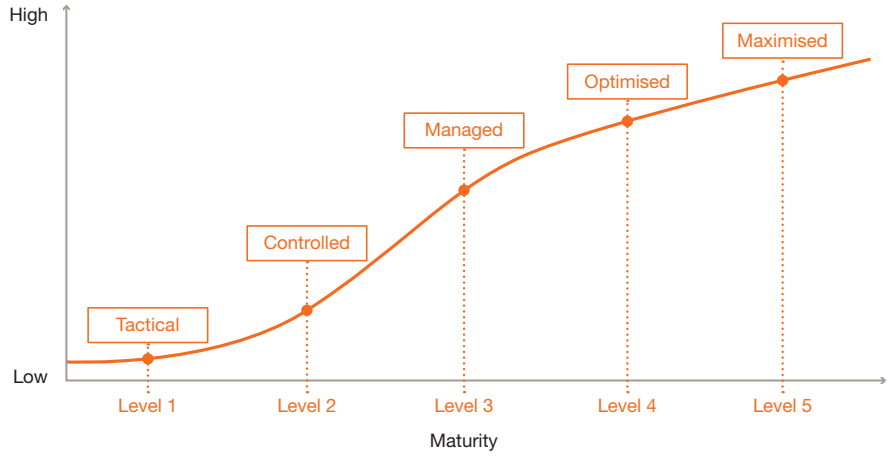


Base: 1,744 PMs

Both Executive Teams and PMs have to start getting the basics right, and the first step is to clearly align their portfolio of programmes to the organisation's strategy.

- It can be seen in the chart to the left that 86% of C-Suite feel that their projects are aligned to strategy.
- But of the PM professionals who deliver these programmes only 72% agreed that there is a coherent relationship between the programme's objectives and benefits and the organisational strategy and vision.
- Moreover, PwC's maturity assessments show that only 62% of programmes have an established or mature link between objectives and organisational strategy.
- Whilst these results are encouraging, organisations should strive for even more alignment with their strategy – if the investment in 14-38% of projects is not helping deliver strategy what is it doing?
- Organisations are encouraged to go the extra mile and make this 100%.

Portfolio Maturity Curve



Level 1 **Tactical**	• Investment decisions are typically made locally on a case-by-case basis • Resourcing and management is done at a business unit and departmental level • Capital expenditure procedures and policies are the main governance controls
Level 2 **Controlled**	• Investment decisions made through a defined project governance framework • Business cases and mandates produced to justify initial investment • A consolidated list of investments is maintained with all change initiatives
Level 3 **Managed**	• A standardised method for measuring the strategic alignment of investments • Central governance function established to manage the portfolio • Risk profiling done at the initiative level, allowing for improved prioritisation
Level 4 **Optimised**	• Initiative valuation is largely quantitative and standardised across investments • Prioritisation is conducted on enterprise risk/return metrics • Portfolio planning includes capacity, constraint and risk assessments
Level 5 **Maximised**	• Structured, consistent and integrated processes across portfolio management • Initiatives have multiple delivery versions including in-flight exit versions • Portfolio is quantitative and mapped against an enterprise efficiency frontier

In the past couple of years, there has been a marked improvement in terms of organisations seeing some alignment between programmes and strategy. This is a significant step in the right direction for PPM professionals, but there is still more to do.

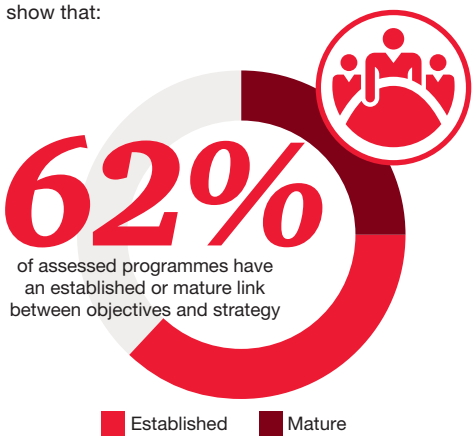
- In 2012, as many as 30% of an organisation's programmes were in some way conflicted with the overall business strategy, and 20% did not see a correlation between the project portfolio and business strategy.
- In the 2014 survey almost 80% feel that their projects are aligned in some way to strategy.

It is clear that whilst progress is being made, there is still a long way to go until all respondents will see alignment. We see in our engagements that many organisations would sit at level 2 and 3 of the portfolio maturity curve. It is imperative that all organisation move beyond level 1 to maximise their investments in change programmes.

Today, the main focus areas for PMOs are either simple reporting (63%) or monitoring (54%) services. To move up the maturity curve, the PMO will need to undertake more proactive portfolio optimisation services such as those outlined here.

What the 2014 Global PPM Survey also said:	Impact and comment
29% of the Executive Team reported that all change activities are driven from the strategy by leadership.	• Significant resources are being applied to change initiatives that are not driven by strategy. This is potentially a lost opportunity to ensure that all change is focussed on achieving the strategic goals of the organisation. Both Executive Teams and PMs should strive to increase this figure.
45% of respondents report that portfolio performance is not regularly reviewed by key stakeholders so that it aligns with the organisation's strategy.	• A methodical approach to selecting the portfolio can be wasted if it is not regularly reviewed to ensure the expected outcomes and benefits are still on track. Governance arrangements should include formal reviews at regular intervals through the full project life cycle.
Only **53%** said that decision making across the portfolio is supported by objective criteria and quality data to ensure alignment to the organisation's priorities.	• Only by taking a methodical approach to the optimisation of the portfolio can an organisation be sure that its investment in change programmes is being effective and remains aligned to deliver the necessary value.
43% of respondents said that their organisations successfully use software to enable project/portfolio management.	• Complex portfolios and those that have many interdependencies could benefit from a more structured approach using software and skilled practitioners suited to their needs.

PwC's maturity assessments show that:



Doing things differently

Executive Teams could ask themselves the question 'If I am not making decisions about how I invest in my change portfolio using objective criteria and quality fact based data, then how am I doing it? What is the cost to my business of getting it wrong?'

Organisations need to adopt a methodical approach to get the most out of the change initiatives, that removes 'gaming' from the process of prioritisation and selection. Given limited resources, a well conceived and managed portfolio will undoubtedly optimise an organisation's return on overall project investment.

Organisations should aim to:

- Optimise the selection of programmes within the portfolio using quality data and objective criteria to help the organisation more effectively achieve its change strategies;
- Take a look at the portfolio management capability with a view to ensuring both programme selection and reviews clearly support the organisation's strategic goals – being brave enough to stop projects or programmes that are not delivering;
- Create a portfolio management function from a business architecture perspective, ensuring the right people, process and tools are in place to effectively manage the portfolio of change programmes that consistently align to business goals; and
- Build a sustainable and effective 'ideas pipeline' to continually enter new projects and programmes into their portfolio.

Improving an organisation's ability to measure how it creates value, both in terms of financial and non-financial measures (e.g. sustainability, customer experience) enables it to more effectively deploy its key resources and capital. Developing a strong portfolio management and optimisation capability, that has Executive Team support and involvement, will help drive greater alignment and integration between strategy, change and business as usual.

'Guessing is not a strategy for change'

Using a clear methodology removes 'gaming' from the prioritisation process and selection of change programmes.

Theme 2
Be flexible, change faster

As the pace of change accelerates organisations are not adapting quickly enough as new challenges arise. The volume, complexity and urgency of change is increasing but programmes are not responding appropriately.

"Think big, start small, act fast."

There is an ongoing theme in the Global PPM Survey data suggesting that change is required to be happening faster but that programmes are not embracing this in terms of pace of delivery.

Both Executive Teams and PMs have to start getting the basics right – more effective planning and creation of a clear scope at the outset of programmes will help organisations be more agile.

Persistent trends for the past ten years, poor planning and scope changes, have been cited as two of the top three reasons for project delays.

PMs have a responsibility to ensure that their organisations plan more effectively at programme inception – better estimates and developing a tighter scope will undoubtedly help programme delivery. Not affording 'proper time' to these areas at the outset can lead to missed deadlines, unrealistic expectations, unclear objectives and general delay.

The trend also shows that scope changes are also recognised as a key factor that delay projects – perhaps reflecting a lack of clarity in the original objectives.

Without getting these issues right at the outset it is much more difficult to react quickly and appropriately when change occurs mid project.

Once programmes are up and running it is crucial that both Executive Teams and PMs are flexible and agile – able to react to the ever changing environment in which they operate – and it is more than simple change control or good phasing.

A different approach is needed – agile, yet grounded in good data.

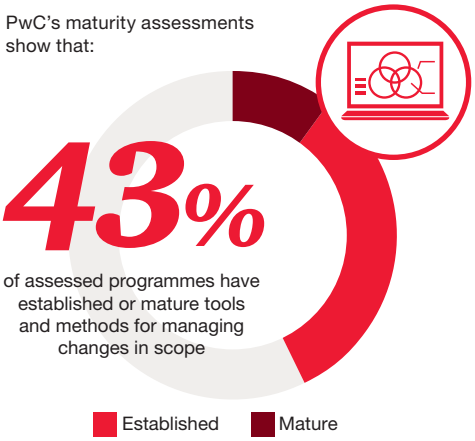
The need to engage with stakeholders in a more contemporary manner is increasingly important – the days of decisions being made on the 'last Thursday of the month' in regularly scheduled change control boards have gone.

A different mechanism needs to be in place to engage with stakeholders throughout the programme to ensure that as needs change scope can be revisited and delivered.

But anarchy can't ensue – there must still be process and rigour to support change programmes.

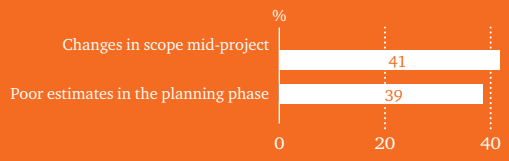
This is best enabled by project artefacts that may 'look and feel' different to the traditional, but still deliver the same level of comfort around delivery predictability. These newer, more modern approaches need not move away from 'getting the right information, to the right people, at the right time to make the right decisions'. Simply, the 'type' of information, and 'way' it is discussed needs to be different in order to address the more rapid pace of change. Undoubtedly this will involve the best use of technology to make the digestion of key information easier and more efficient.

PwC's maturity assessments show that:

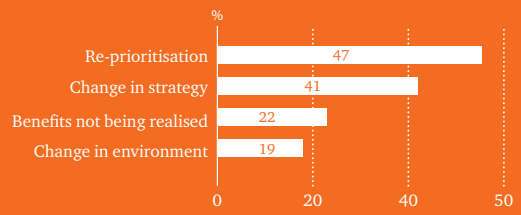


What the 2014 Global PPM Survey also said:

The top two reasons for project delays were:



The top four reasons for project failure include:



47% of CEOs in the CEO Survey are concerned about the speed of technological change as a potential threat to their organisation's growth prospects, up from 42% last year.

Impact and comment

- Organisations must set their programmes up for success by clearly defining scope at the outset – and test it rigorously as investment early on will reap rewards when things change going forward.
- Poor estimates keep being cited as key reasons for delay – 10 years of survey data tell us that. Often the planning phase is not given sufficient importance as the demands to 'get started' override the correct option of ensuring estimates are as good as they can be.
- As programmes progress rigorous change control can help keep them on track.
- Not everything is within the control of the PM, or indeed the Executive Team.
- Being flexible enables organisations to make the right decision about the future of a programme – sometimes closure is the right answer.
- However, we have a paradox in the results as 77% of PMs believe that a formal process is in place for managing change, and 76% say that changes in scope are approved by all stakeholders.
- This doesn't seem to fit with the finding that changes in scope are the most common reason for failure or delay.
- PwC's maturity assessments seem to present a more realistic view in that only 43% of organisations were found to have an established or mature set of tools and processes for managing changes in scope, and for communicating and governing those changes.
- These changes can be an opportunity as much as a threat, but organisations must set themselves up to realise these opportunities by structuring their programmes in a way that enables them to be flexible and fast to respond.

Doing things differently

Executive Teams should ask themselves the question 'How can we change our way of delivering programmes so that we are more flexible and agile, able to respond more quickly to the events that will inevitably occur during the lifetime of a project?'

Organisations need to be more flexible in their approach – be brave. Often that means having the courage of their conviction and stopping programmes. More likely it is to simply be flexible in their approach to change, having the right mix of resources that can adapt to different challenges.

Programmes require a fast but controlled process for defining, authorising, managing and communicating changes to an existing programme. Failure can be the result of uncontrolled changes or too rigid a regime that is resistant to programme change. Organisations need to identify a balanced path between these two extremes and allow an efficient, well-governed and responsive process.

'What' to do is about standard programme management process:

- More effective planning and agreement of a clear scope at the outset of programmes.
- Tailor and implement good practice change control to the specific programme needs.
- Minimise bureaucracy around change control to respond swiftly to dynamic environments.
- Establish a suitable level of governance to allow efficient and effective decision making.
- Assess the impact of changes on time, budget, quality and benefits.
- Control, approve and communicate changes and secure compliance with the process.

But it is the 'How' that can make the real difference for organisations:

- Ask when we will change our way of delivering? Stop and reflect.
- Confront the harsh facts when they arise.
- Study new ways of being faster and more flexible and how teams are enabled. Recognising some organisations are already doing this, and doing it well.
- Think big, start small, act fast – define what you want to achieve, pick the easiest goal to achieve and pick a project to trial a flexible approach to delivery – aim to do this in a month.

Organisations should:

- Plan for change from the outset – not doing so is unrealistic, and will take them longer to react when it does happen; and
- Create an environment where inevitable and expected change can be managed in a controlled manner for the benefit of all. This moves beyond traditional change (variation) control and impact assessment processes, rather defining a new operating rhythm for programme delivery where change is expected, embraced and harnessed for the power of delivering accelerated benefits. The key elements of this approach are shown opposite.

Being flexible to change faster requires a specific set of conditions to exist in a delivery environment. Creating these conditions is critical to enable programmes to be delivered with maximum pace and buy-in. Core to creating this environment are the following areas of focus:

- **Leadership** – actively supporting a different way of working; a greater appetite to innovate and try new things; creating the 'platform' for a flexible team to be assembled; mentoring others to embrace the new way of working; and challenging the organisation's ways of doing things.
- **Strategy** – continual alignment to strategic priorities; focus on the appropriate horizon of time; and piloting new ways of working.
- **Culture** – embracing a greater understanding of risk; fostering a truly business 'led' approach; maintaining an unwavering commitment to collaborative working; transparency and recognition of what isn't working well; embracing the concept of not letting perfect get in the way of progress; and deploying agile programme execution and governance capabilities and skills.
- **Behaviours** – Sharing successes and recognising the contributions of staff; working towards shared outcomes to solve common problems; view missed goals and shortcomings as opportunities to learn and improve not as failures; taking pride in work and having passion for the outcomes being delivered; having a 'how can we' attitude; and nourishing and growing people to reach their potential.

Be more flexible in approach – be brave, and well informed.

Theme 3
Enable your people to deliver success

People deliver change programmes and often they are not being effectively enabled to do so by their organisations – they frequently lack the training, tools and resources to deliver results. Without this, no amount of structure, process or planning will deliver change successfully.

Executive Teams may see the need to change, and have plans, but their organisations are often far from ready. Only a minority of CEOs feel that their organisations are well-prepared for delivering change programmes across most business functions.

Organisations should ensure that the PM community is enabled to deliver change by creating the right environment.

- Insufficient resource is allocated to change – people are still trying to deliver really important programmes 'off the side of their desk'. Organisations are resourcing programmes alongside their day to day activity – fitting it in with the day job indicating that they do not make sufficient differentiation between 'running' and 'changing' the business.

- There is a paradox regarding training as 73% of PPM professionals surveyed felt that PPM is recognised as a critical skill, and invested in… yet in most organisations less than 40% of people are certified in the organisation's methodology and 55% thought that their organisation did not provide enough programme management training. Certification in the organisation's preferred methodology is essential for professionals delivering any size of programme, and while not a proxy for capability, it can at least ensure that the organisation's programme management community have a common understanding of how the organisation expects them to deliver programmes, and how they communicate across the organisation using a common PPM language.

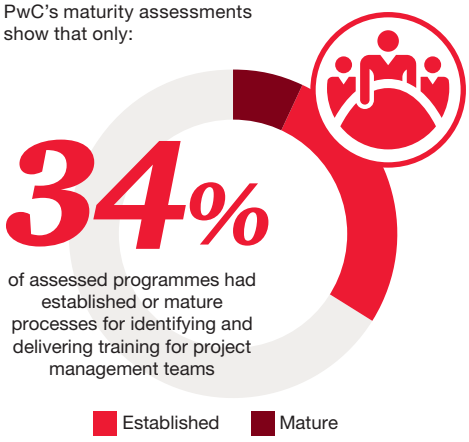
CEOs don't feel well prepared – most alarmingly is that even though talent strategies top the list of areas demanding change, they feel the HR department is only 34% ready for this

Source: PwC 2014 CEO Survey

Moreover the view that PPM is recognised as a critical resource is not supported by the results of PwC's maturity assessments.

We found that only 7% of programmes had a mature approach to identifying and providing training for project management staff, and while a further 27% had an established process this still means that less than half of the programmes assessed had the appropriate level of training available for the people delivering them.

PwC's maturity assessments show that only:



The 2014 Global PPM Survey also provided further evidence of the need to enable people to deliver, ranging from the strategic to tactical:	**Impact and comment**
40% of the Executive Teams and General Managers manage their change programme responsibilities on top of their full time core task responsibilities. Only 6% said they had been seconded full time.	• This increases delivery risk. PMs get to spend less time with the people in the business who are responsible for delivering the programme's benefits. Successful delivery needs everyone involved on a regular basis.
64% of CEOs say that enhancing their skilled workforce is a priority over the next three years.	• This is good news, as it is people that deliver change not processes or tools. A skilled workforce that can turn ideas into reality that allows organisations to leap ahead of the competition is essential. • Between 2010 and 2020 an estimated 16 million new project management jobs will be added globally – but organisations are already struggling to fill some positions due to a talent gap. • Do CEOs see professional PMs as an area they need to strengthen? If not, this could lead to large programmes being put at risk.
15% say they have delegated tasks so as to free up time to spend exclusively on the programme of change – 51% say that the additional workload caused by 'change the business' programmes is 'manageable'.	• 'Manageable' does not always equate to successful. • Could the small percentage of the Executive Team who are delegating tasks explain some of the other findings in the survey – including the low percentage of effective communications? • Not freeing up sufficient time to focus on change could also help explain the relatively low percentage who say they actually got the change they commissioned.
A third of the PM professionals indicated that only **20%** of individuals are certified in their organisation's preferred methodology.	• Whilst not a proxy for competence or capability, certification for PM professionals delivering large programmes can convey confidence and professionalism that helps with communication. • Methodologies provide the common framework and language for planning and executing programmes, as well as communicating status. In order to deliver complex programmes PPM professionals should be certified in their organisation's methodology of choice.
55% of PM professionals say that their organisations provide too little time for PPM training and development.	• Delivering programmes that help organisations meet their strategic goals is complex. Expecting PMs to deliver effectively is not an unrealistic expectation, but it might be if they are not receiving the training and development required to be successful in their role. • There is a clear desire in the PPM community to enhance their skills, but an element of frustration that such development is not readily available. • However, PM is a profession. Simply doing a one week course does not make you a PM professional. This takes years of experience and extensive relevant training coupled with the right personality attributes.
55% of PPM professionals get their project management training 'on the job' or by way of 'e-learning/self study'.	• 82% of PMs agree that bespoke PM training contributes significantly to enabling organisational business performance. • Does continual 'on the job' training enable PMs to keep up with the latest thinking and make the best use of appropriate tools and methods?
43% of PPM professionals say that their organisations successfully use software to enable programme/portfolio management.	• To get the change that organisations commission, it is not a surprise that the right combination of people, process, tools,and the environment they operate in is a prerequisite to success. With less than half of the respondents indicating that they are not entirely successful in using software to enable these functions, this is an obvious gap that needs to be addressed.

Doing things differently

Executive Teams need to be committed to the importance of programme management, and back this up by allocating resources and supporting training and development of PMs. The delivery of great strategies will be disrupted if change programmes are staffed part time, and continue to be managed by those without the commensurate skills and expertise.

Whilst it is acknowledged that people and not structure, processes or planning deliver successful programmes, it is important that the PM community be supported with the right resources, training and tools to deliver against their responsibilities. Doing so can increase the success rates of programmes, and improve the speed and agility of delivering change through programmes.

But this is not all about the Executive Teams' responsibilities – it is as much about PMs being more demanding of their organisations to ensure that the right resources are in place so that PMs can effectively lead the programmes of change.

Organisations should ensure that the PM community is enabled to deliver change by creating the right environment:

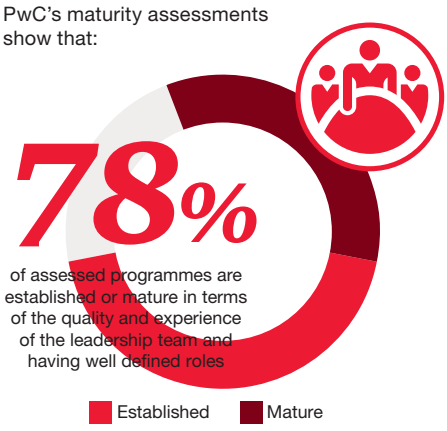
- Programmes must be properly resourced with properly skilled professionals – the right capability and capacity;
- Care should be taken to ensure that the team dynamics work so that a group of professionals work effectively together, both within the programme team and across the organisation;
- Training PMs effectively will improve delivery success. PPM is a profession – too few people are trained to deliver it; and
- Organisations need to invest the time to carefully examine their requirements for software that enables programme and portfolio management, and ensure the tools they select are fit for purpose and meet the needs of both PMs who plan and manage at very detailed levels, and the Executive Team for summary reporting at the portfolio level.

'Enabled people deliver change'

Enable your people to deliver for you by providing the right resources, training and tools.

Theme 4
Connect Executive Teams to delivery teams to get the change you want

There is a disconnect between those leading change and those delivering it – they have different perspectives on how change is delivered. If they were more obviously connected then results would improve. But leadership is not the sole responsibility of the Executive Team – PMs and programme sponsors can help leaders deliver more effective programmes of change.



The Global PPM Survey clearly demonstrates a disconnect between what the Executive Team and the PM community believe – results consistently show that they have a different view on various aspects of programme delivery.

The largest difference is when we asked if they felt their input added value to programmes – 63% of Executive Teams felt they did, as opposed to only 45% of General Managers (this is quite astounding in that we have over a third of Executive Teams effectively saying that they do not add value!)

However, we might expect different segments of a workforce to view change programmes differently as some are driving the change and others are on the receiving end. It is perhaps a reflection that people across an organisation have a different perspective on various elements of an organisation's activities as their focus is on different levels of the organisation's hierarchy.

PM professionals can bridge this gap and help the Executive Teams drive programmes of change. There is a need to consider different perspectives when developing new solutions or improving existing systems. Very few people see the whole picture, or indeed the same picture.

The most regular service carried out by PMs was 'status reporting' to upper management. 'Participate in strategic planning' was ranked 5th with only 28% of PMs identifying this as a service they are involved in.

PMs can step up and correct some basic issues themselves – not wait for the Executive Team to help them do so. Executive Teams should expect more of their professional PMs in this respect. If PMs are to be more recognised as a professional body they must be more forceful in helping Executive Teams lead and drive programmes using professional methods and tools.

Executive Teams tend to have a higher confidence that change activities directly influence the performance of the organisation – is this simply over confidence or do PMs overpromise?

Our survey found that only 19% of non PMs felt that the desired business outcomes were understood clearly by their staff. Less than 20%? Less than a fifth? That is quite alarming and demonstrates an urgent need for better and more sustained communications to convey the end goal to staff effectively.

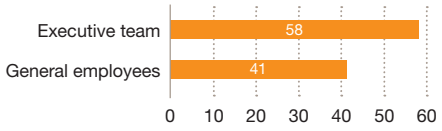
Communication is an area where the Executive Teams and General Managers differ in their views. 58% of Executive Teams feel that there is consultation and engagement with those impacted by change –that in itself is not great as it means that 40% of Executive Teams do not feel that the staff impacted are engaged with! But only 41% of General Managers feel that those impacted are engaged with – so we have the leadership team 'thinking' they do an average job, but those most likely to be affected by change think the communication is not that good.

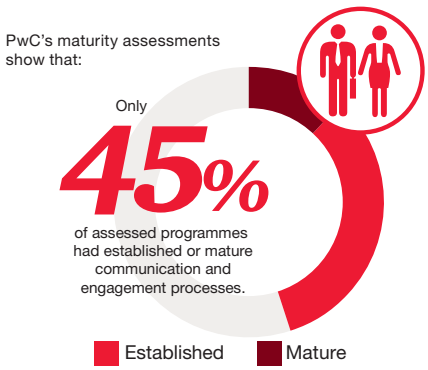
The survey results indicate that communications from those sponsoring change to those delivering it needs to be greatly improved. Good communication is more than providing a top down briefing session.

When PwC have assessed organisations' communications and engagement processes within programmes of change we have found that less than half have well established processes for managing the dissemination of information into the organisation. This is a critical element of any change programme so there is room for improvement.

'There is a need for improved consultation and engagement with those affected by change.'

% that agree there is consultation and engagement with affected staff





The Global PPM Survey presented a number of examples of where the perception of the Executive Teams and other staff, including PMs, was sufficiently different to warrant the view that this disconnect needs to be addressed.

What the 2014 Global PPM Survey also said:	Impact and comment
Engagement	
75% of Executive Teams said that when change is commissioned business outcomes are clearly defined and generally understood. However only 61% of General Managers agreed with this.	• Is this more hope than reality from the Executive Team? This difference points to the need to still do more to ensure that the whole organisation understands the business outcomes, and perhaps specifically what General Managers can do to help drive towards those goals.
Only **51%** of the Executive Teams said that change programmes are 'well communicated throughout the organisation' …yet strangely 69% of General Managers said they could 'explain the benefits of change programmes within the organisation'.	• In this case perhaps the Executive Teams are being a little pessimistic. However, the communication of such programmes is totally within their gift so they should be doing more to ensure a good communication plan is developed and implemented – should the bar not be higher than 51%?
Indeed **11%** of Executive Teams felt that business outcomes were not clearly understood, whereas 19% of all staff felt the same.	• Communicating is one thing, making it stick and counting it as successful is another matter.
Performance	
71% of Executive Teams see a strong link between change activities and the performance of the organisation, compared to only 61% of General Managers.	• While this could simply be down to the Executive Teams having a better awareness of the impact their change programmes can have on performance there is still good reason to want to improve the knowledge of this across the organisation.
30% of Executive Teams believe they perform better at change activities than their peers, while only 21% of staff think that's the case.	
Programme success was judged differently as 60% of Executive Teams thought that more than 60% of their programmes were a success, but only 36% of general managers felt that level of success.	
63% of Executive Teams say they feel that their input always adds value to the programme compared to 45% of general managers.	• 37% of the Executive Teams don't feel they always add value – and action should be taken to improve the value that general employees feel they can add to programmes, otherwise it will always be down to the PMs to drive value.
Only **6%** of staff felt that change programmes were co-designed with staff, customers / end users. Of course not all programmes are suitable for such co-design.	• It is acknowledged that programmes which have broad buy in are more likely to be successful. Co-designing the programme in the first place helps this, so only 6% is a low return that leaves plenty of room for improvement.

So, the PM community has to encourage better adherence to the basics of programme management, as well as offering more support to the Executive Team to improve practices and hence outcomes.

Doing things differently

Executive Teams need to resolve the ongoing issues with poor estimates, scope changes and insufficient resources if they are to get the change they want – something they have failed to do over the past 10 years. At the same time they must embrace new ways of delivering projects to keep pace with their environment.

There are actions both the Executive Team and PMs could take to improve co-ordination. They should aim to create a greater overlap between governance and communications within the programme structure. A deepened sharing and understanding are more likely to produce more effective results.

Executive Teams should:

- Show commitment to the importance of programme management and understand delivery issues. When programme outcomes are clearly defined, measurable and understood by all, results improve; and
- Be encouraged to make better use of the experience and value their professional PMs can offer. Often PMs are seen as providers of data, or worse still administrators – they need to be adept at technical reporting but can add far more value through working closely with leaders to shape and drive programmes.

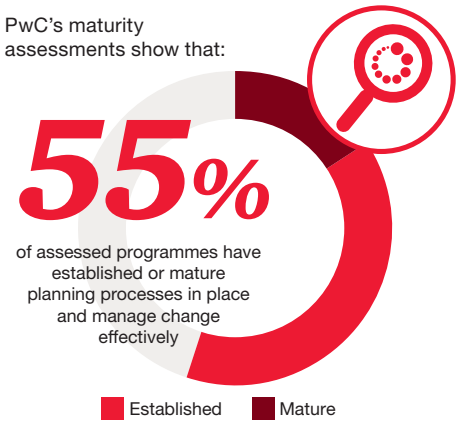
If PMs are to be more recognised as professionals they need to:

- Be more forceful in helping Executive Teams lead and drive programmes using professional methods and tools;
- Do more to drive the right behaviours guiding the Executive Team to improve on the basic improvements highlighted in this report;
- Bridge strategy formulation and delivery – and help the Executive Team to do the same; and
- Take responsibility for working more closely with the sponsors of major programmes – they need to be realistic with the Executive Team, tell it as it is and not be forced into agreeing unreasonable scope, estimates, delivery or resource plans – these are the basics that must be right but are often not agreed implicitly up front.

Results will improve if there is a closer understanding and working arrangement between the Executive Team and PMs.

Theme 5
Measure and address the harsh facts to maintain direction

In addition to not being clear about the objectives at initiation, the Global PPM Survey suggests that organisations are not measuring progress towards achieving the desired outcome and benefits on a regular basis, and therefore they are unable to tackle the tough issues that arise. By failing to maintain a line of sight to the end goal, programmes can lose their way and fail to deliver on their promises.



Some of the basics of programme management need to be carried out in a much more effective way – setting clear objectives and scope at the outset, as well as being clear on the intended outcomes and benefits to be realised help set the programme up for success. Maintaining this focus and discipline throughout delivery is equally important and evidently challenging.

There are a number of issues highlighted by the 2014 Global PPM Survey whereby the PM community can lead by example in improving their processes – a critical look at some of the survey results suggests that the PM community needs to brush up on the basics:

- Almost 40% of PMs do not believe there is clear decision accountabilities within programmes to enable delivery.
- Almost a third of PMs say they do not have integrated schedules – i.e. schedules at both programme and project level that align.
- The management of risks and issues – the most basic of PM functions – is not being carried out effectively. It could be expected that the following results from the Global PPM Survey should be much closer to 100%:
  - Risks are adequately identified and assessed in order to minimise the threat to programme objectives – 72%
  - Issues managed in a timely manner – 77%
  - Risk management arrangements continue through the life of the programme – 72%
- Only 72% of PMs agree that 'a structured approach has been adopted to determine business requirements to meet the objectives of the programme' – so how did the other 28% expect to deliver meaningful objectives?
- Only 59% of PMs feel that costs of the programme are truly aligned to outputs or benefits.

Maintaining the discipline to exercise programme management basics consistently throughout delivery is a common and recurring theme. The challenge for PM professionals is to consider how we can manage these basics differently to make them less of an overhead and more integral to what we do day to day.

Another feature is that the regular measurement of progress, both tactical and strategic, is not undertaken in all programmes. This measurement needs to extend beyond the parameters of time and cost to a regular and ongoing assessment of whether or not the programme is on track to deliver the outcomes and benefits it was intended to.

Benefits are the fundamental driver of any change an organisation invests in, yet whilst many will invest time and effort in defining and quantifying the benefit to justify the investment, few remain focused on realising them. Programmes start off with good intentions, but if Executive Teams don't show continuing interest they often stop measuring after 3-6 months. This unsurprisingly coincides with the project starting to fail.

These results are supported by PwC's maturity assessment findings that illustrate that almost half of programmes do not have established processes for managing change.

Often, the daily pressures of programme delivery become the primary focus and keeping the programme on track, to time and within budget whilst dealing with competing resource demands across the organisation as well as external influencing factors becomes the focus of management attention. Inevitably, once the change has been delivered the organisation has moved on to the next challenge and there is little time to revisit or review benefit forecasts to determine if the investment really did deliver on its promise.

Not only is there a need to drive Executive Team focus on the end goal and the monitoring and management of achievement against this, there is a need to drive their confidence to deal with the tough issues. They need to be well informed and advised on programme progress and willing to make tough calls to make sure the programme stays on track to deliver on its promise. Where this is no longer the case the Executive Team need to be confident in redefining or even stopping the programme to reinvest resources in areas that will drive a strategic outcome.

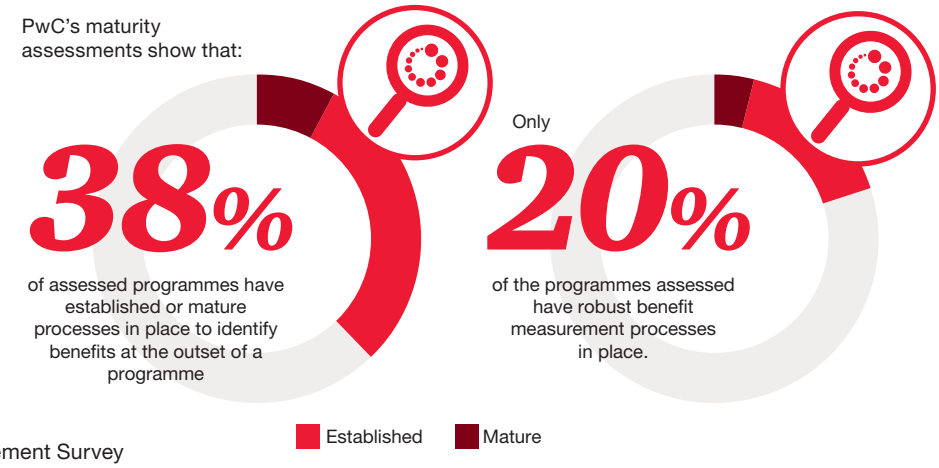
What the 2014 Global PPM Survey also said:	Impact and comment
24% of PMs say that costs are not clearly defined at the appropriate level within the lifecycle of delivery or scrutinised prior to approvals.	• Programmes going over budget are almost typical – without clear costs agreed at the outset it is little wonder that budgets go out of control – this is a basic that PMs must ensure are completed properly.
50% of PMs agree that an appropriate baseline exists to measure all benefits in their organisation.	• Only half say that a baseline exists, and of those only half are measured regularly – this could mean that only 25% of progress is being measured.
51% of PMs say that where benefits are set, their organisation always/often monitors and measures benefits.	• This result is not nearly high enough from any perspective. Constant measurement of a programme's ability to deliver the benefits is a must.
46% of PMs say that where benefits are set they are always/often realised.	• Given the issues above it is little wonder that less than half of the benefits expected are realised.

This is the area that the results of PwC's maturity assessment differ most from the PPM Global Survey results. As can be seen opposite we have identified a real gap in the way that benefits are initially identified and then tracked through to realisation. These results suggest that all organisations could challenge themselves to be more robust when assessing and measuring benefits.

PwC's maturity assessments show that:

38% of assessed programmes have established or mature processes in place to identify benefits at the outset of a programme

Only **20%** of the programmes assessed have robust benefit measurement processes in place.



Programmes must measure progress, identify risks and tackle the difficult issues, changing course where necessary.

Doing things differently

Well set objectives and milestones that can be measured will deliver improved results but organisations need to know where they are heading and what they need to achieve in order to effectively navigate the day-to-day challenges of programme delivery. They need to have the end goal in sight and be willing and able to address the harsh facts in order to get there.

Getting the basics right

PMs can improve their performance in getting the basics right and help Executive Teams deliver programmes of change. Many of the improvements that can be made are basic PPM processes and should be part and parcel of every programme but are frequently not done well or are not done consistently.

Recognising where traditional methods of programme management are not working effectively is important and seeking alternative means of reaching the same output is a critical first step. Whilst reviewing a risk register or ensuring a benefits tracker is up to date need to happen, what is most important is that the conversation around a particular risk is had with the right people to drive mitigating action.

The ability to change faster and respond more quickly to changing environments as discussed in Theme 2 is a critical enabler to programme success in today's environment and the same principles need to apply to how we execute our methodologies. Getting the right balance between process and execution is a critical challenge to get right.

Beyond the basics

In addition to getting the basics right, Executive Teams and PMs have to maintain a line of sight to the intended outcomes and benefits. Decisions on further funding, resourcing, direction and risk management should all be made with outcomes and benefits in mind.

Realisation of benefits should be closely integrated with delivery plans and execution.

Driving this benefits led mind-set requires a change in culture. With benefits focused leadership asking the right questions to drive a focus on the end goal rather than the day to day challenges of delivery programmes are more likely to succeed in delivering the right outcomes. Whilst this should be led from the top, PMs also have a role to play in encouraging this different focus.

Furthermore organisations should:

- Invest in their programme management resources – ensure they are well trained and able to consistently deliver the basic programme management elements so that progress is well planned and tracked;
- 'Stop and reflect' – taking a pause can often provide sufficient thinking time to regroup and set a new baseline and refocus effort; and
- Not be afraid of knowing when to stop programmes. Clear measuring of progress and decisive actions can help to save wasted investment in the long run, along with making sure the business case and benefits are still valid and being realised.

Measure, Review, Act

Conclusions

The results of the 4th Global PPM Survey repeat some consistent messages from our previous surveys as well as opening up new insights that can help organisations deliver better results from their programmes of change.

There are also consistencies with the data PwC collects from its maturity assessments, though some results demonstrate that the survey is sometimes more optimistic than the reality we observe when undertaking these assessments.

Organisations are **operating in an environment that is moving faster than ever before.** They are being challenged by regulators to operate ever more effectively, and traditional methods, thinking and action will not be sufficient in this fast paced world. **Organisations must do things differently.**

For **ten years** our survey has highlighted that some programme management basics are not being carried out effectively. As well as doing things differently organisations must improve their **delivery of programme management basics** such as scoping, planning and resourcing to get the change that will deliver their strategic outcomes.

The survey also identified a **gap between the Executive and PMs**– they must become better connected in order to **work effectively as one team** towards delivering organisational goals.

Our analysis of the results from the survey has led us to recommend five themes that will help organisations improve the outcomes they achieve from their change programmes:

1. ***Optimise your portfolio to maximise return.*** Use objective criteria and quality data to develop your portfolio. Guessing is not a strategy for change.

2. ***Be flexible, change faster.*** Embrace change and make brave decisions.

3. ***Enable your people to deliver success.*** Create the right environment and experience for your people to deliver.

4. ***Connect the Executive Team to programme delivery teams to get the change you want.*** Working more closely will generate pace and better results.

5. ***Measure and address the harsh facts to maintain direction.*** Tackle the big issues head on.

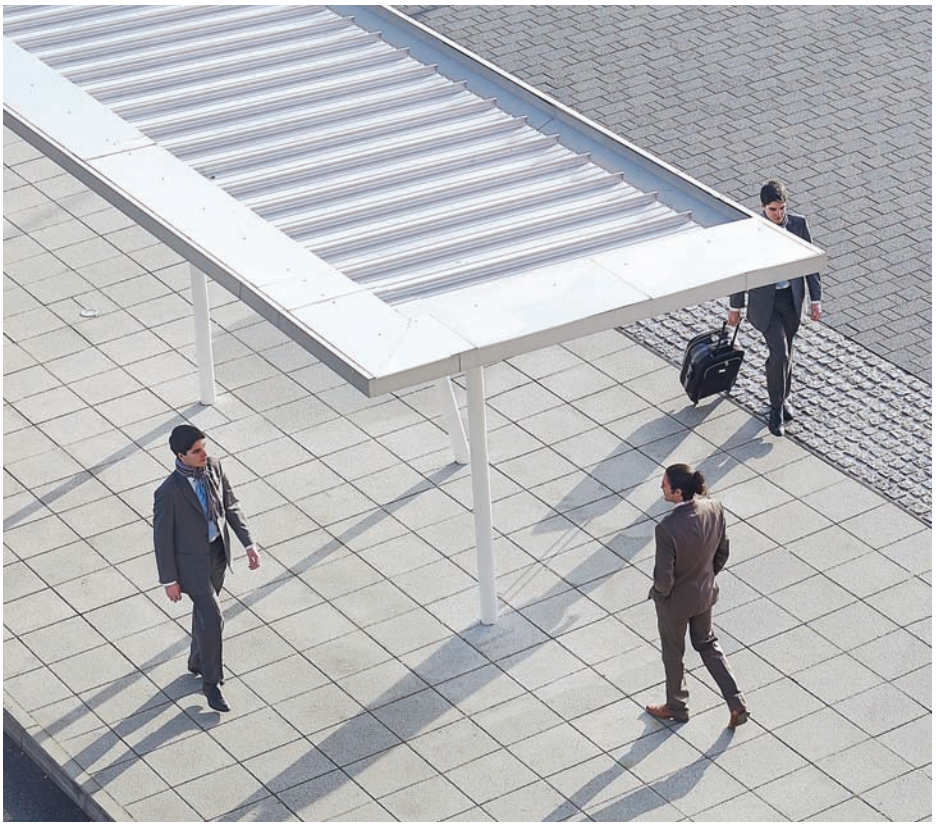
What next?

Adoption of these themes will only help organisations improve if they are tackled head on by both the Executive Teams and those responsible for delivery, whether that be general management or PPM professionals.

There must be closer co-operation between all parts of an organisation so that change programmes are able to deliver the benefits that were expected at the outset.

Executive Teams should challenge themselves to be more connected to the teams that deliver their change programmes. The effort spent developing innovative strategies can be wasted if equal effort is not given to the delivery of the key programmes of change that will deliver the strategy. Organisations should invest in professional programme management and then enable them to deliver the programmes by being realistic about the resources required and encouraging the development of new techniques and processes that will be required in the future.

Equally **Programme Management professionals** have to take responsibility in making changes to the way things are done. They should be lobbying Executive Teams and reminding them of the benefits of professional programme management and the role they can play in delivering programmes of change. They also need to take a look at their own activities and ask why some basics of programme management are still not being carried out even though our previous four surveys have highlighted the same issues.

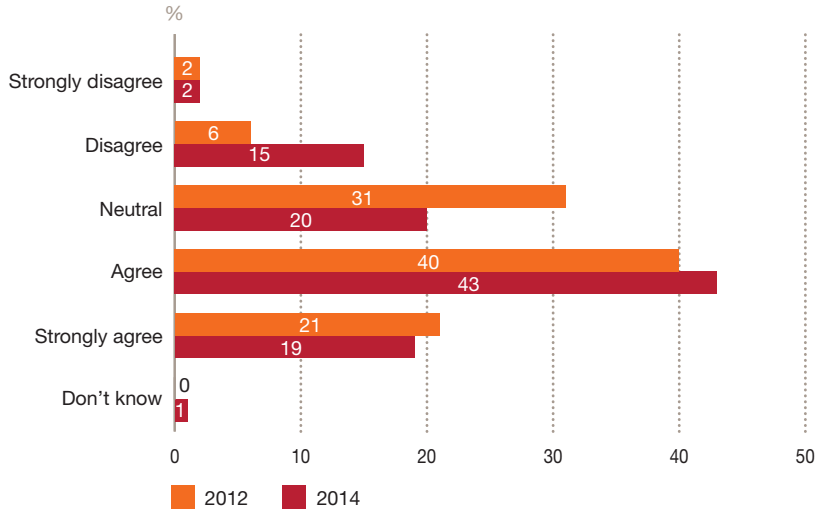


Appendices

So you want more data?

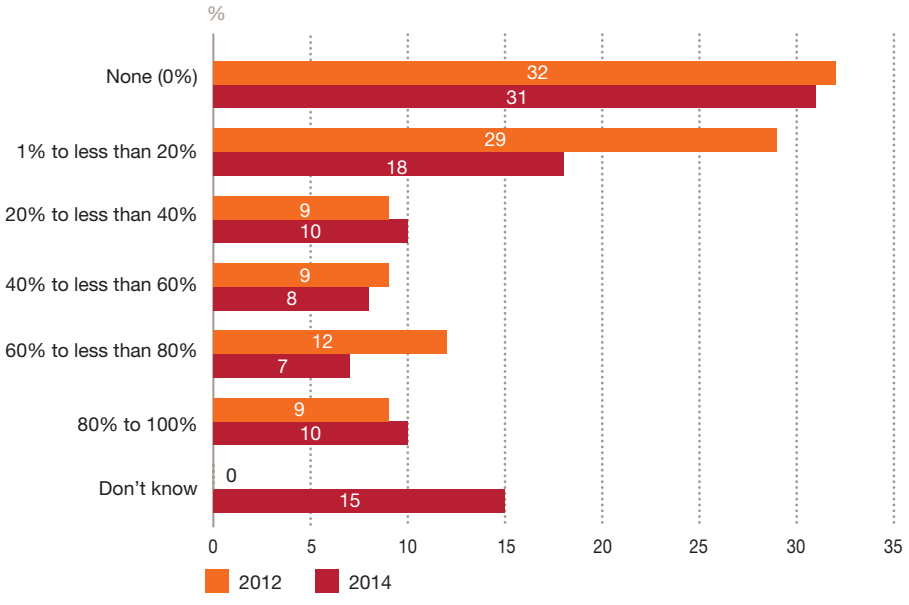
Earned Value Management (EVM) continues to play a critical role in project success especially in the United States' public sector. The percentage of respondents that agree and strongly agree that EVM plays an important role in their project success stayed the same from 2012 to 2014, while there has been a 12% decrease in the projects where EVM is used on less than 40% of projects as illustrated below.

Q: To what extent do you agree that EVM plays a strong role in the delivery of successful projects?



Base: 919
Source: PwC 4th Global PPM Survey

Q: Please indicate the proportion of projects you use EVM for?



Base: 1,700
Source: PwC 4th Global PPM Survey

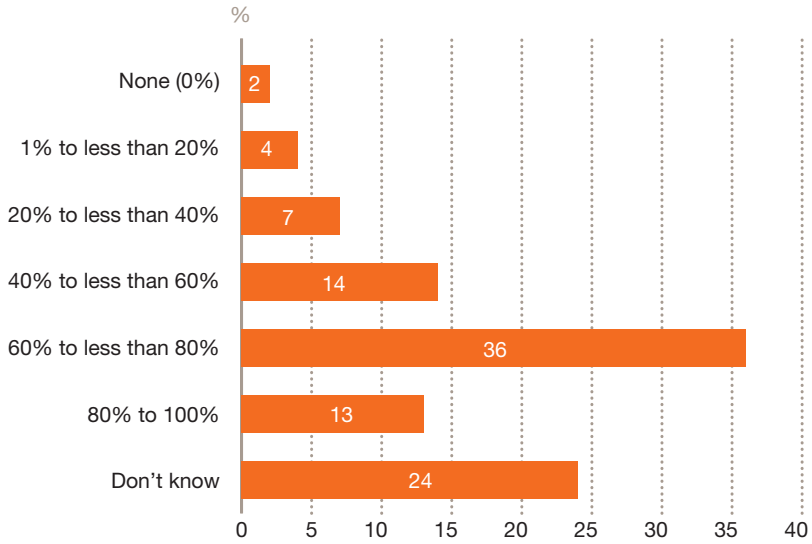
Agile Project Management, continues to be adopted in the Public Sector in the US and is supported by guidance from the Office of Management and Budget (OMB) to support 'modular development' for capital asset acquisitions.

Agile Project Management methodology use has increased by 11% since 2012, but organisations only have a small number of certified Agile Practitioners.

Q: Do you use Agile Project Management methodology within your organisation?

Base: 1,699
Source: PwC 4th Global PPM Survey

Q: What proportion of your organisation's Agile Project managers are certified Agile Practitioners?



Base: 761
Source: PwC 4th Global PPM Survey

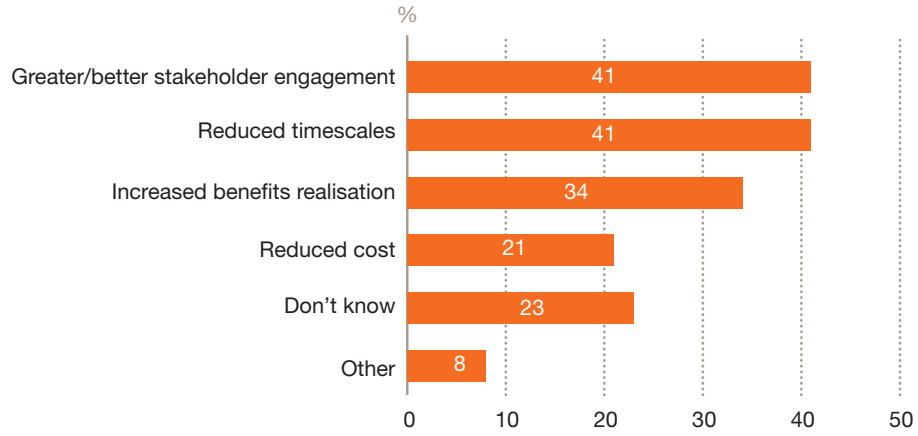
Agile Project Management

Speed to market (50%) and the extent to which the scope and approach lends itself to iterative development (43%) are the most significant criteria organisations use to choose Agile over Waterfall methodologies.

Q: What criteria does your organisation use to choose Agile over Waterfall methodologies?

Base: 761
Source: PwC 4th Global PPM Survey

Q: How, if at all, has Agile project management improved the success of your projects/ programmes?

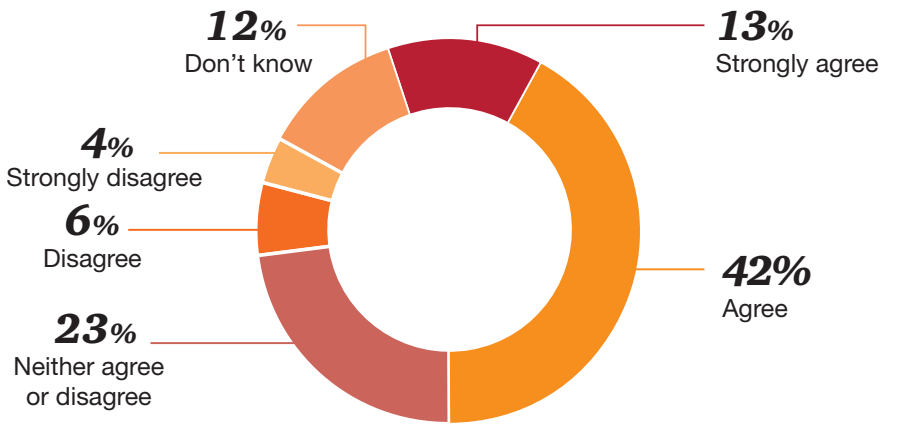


Base: 1,700
Source: PwC 4th Global PPM Survey

Agile project management

Over half of organisations believe that Agile provides a significant contribution to their performance goals.

Q: To what extent do you agree or disagree that Agile Project Management significantly contributes to enabling your organisation's business performance goals?



Base: 761
Source: PwC 4th Global PPM Survey

Survey methodology

Why?

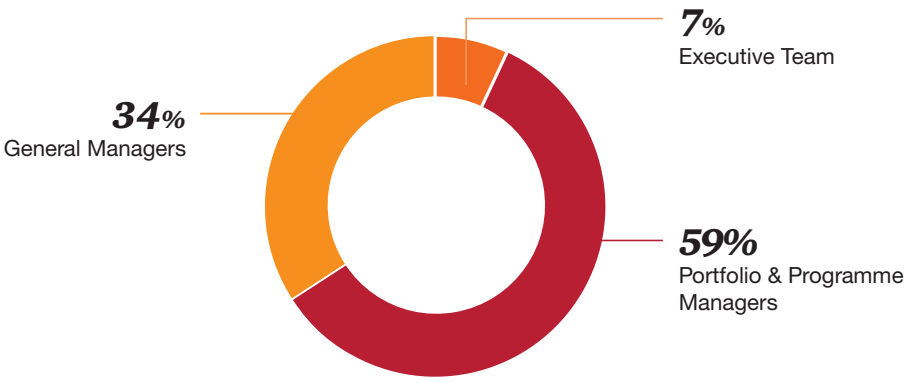
We conducted our fourth survey to help organisations answer a very specific question:

'Do people who commission change get what they want?'

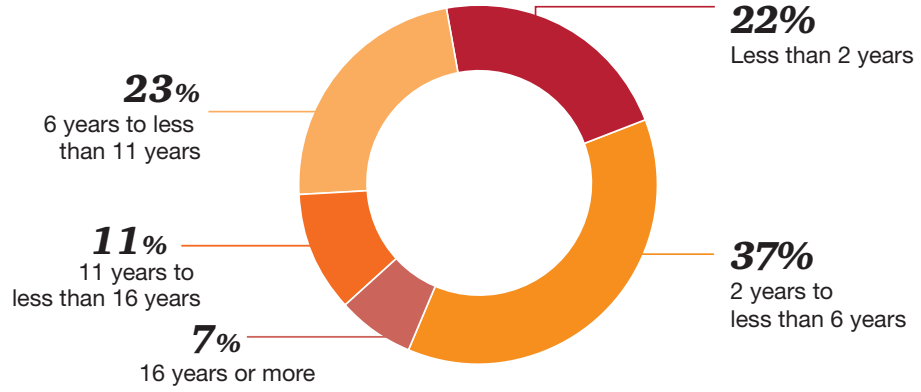
Who?

The survey was organised to seek the views of three specific segments; the C-Suite, or Executive Teams; General employees; and Portfolio/PMs. This enabled us to see if different groups of staff throughout an organisation had a different view on the way programmes are delivered.

The survey had responses from three segments

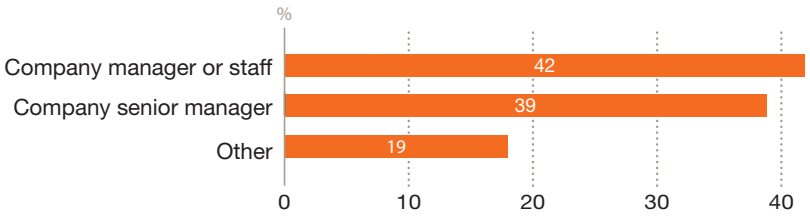


Length of time in role as Portfolio and Programme Manager



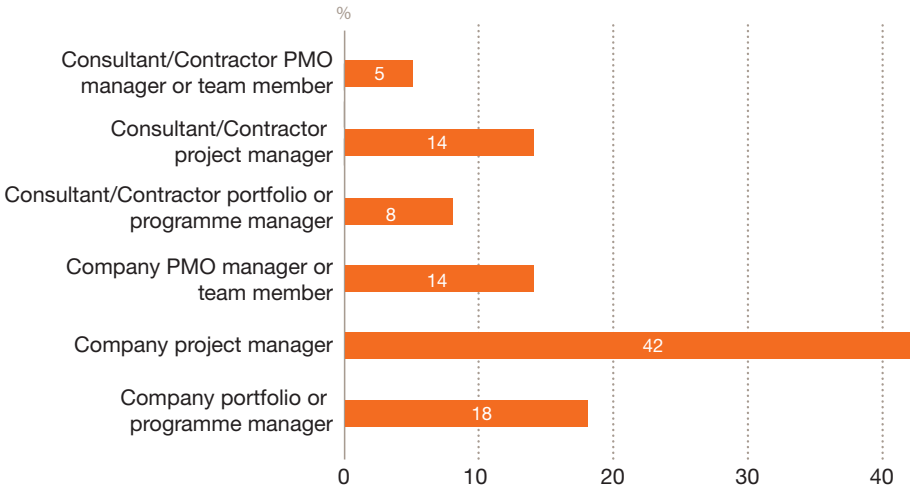
Base: 1,699
Source: PwC 4th Global PPM Survey

General Employee roles



Base: 1,051

Portfolio & Programme Manager roles



Base: 1,775

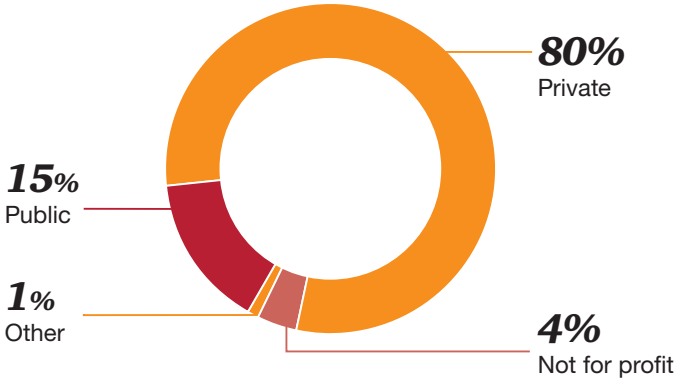
A record number of responses received:

3,025

people took part, from 110 countries, providing a truly global view.

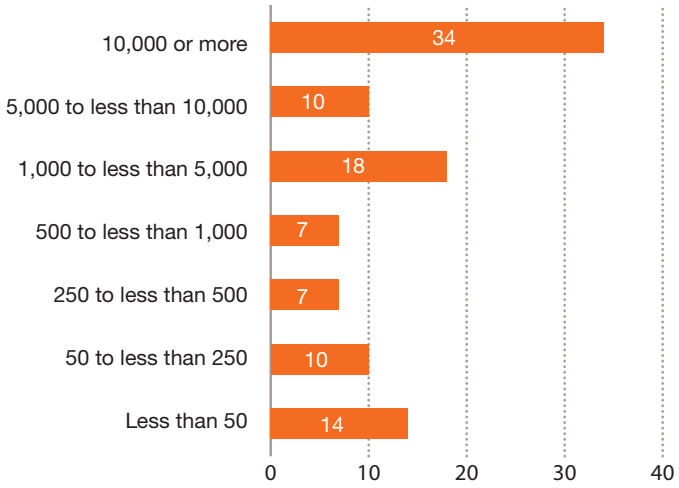
Which organisations?

Type of organisations (%)

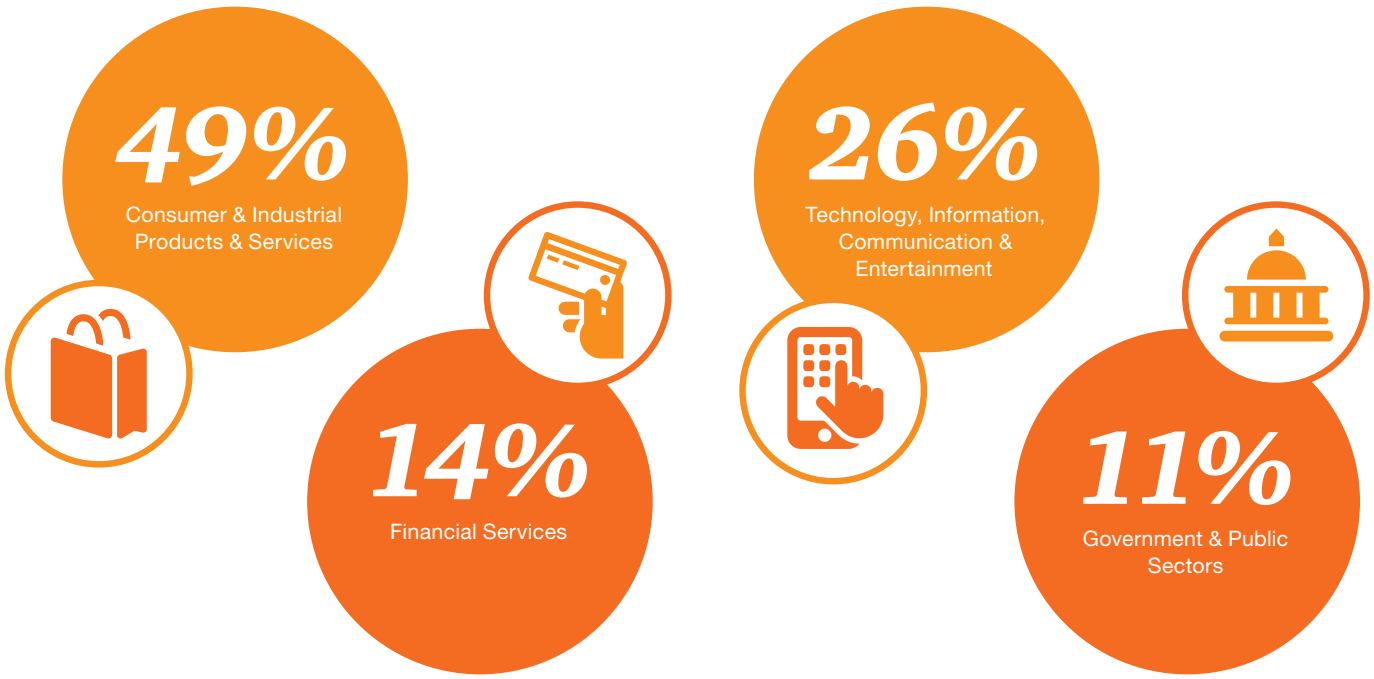


Base: 3,021

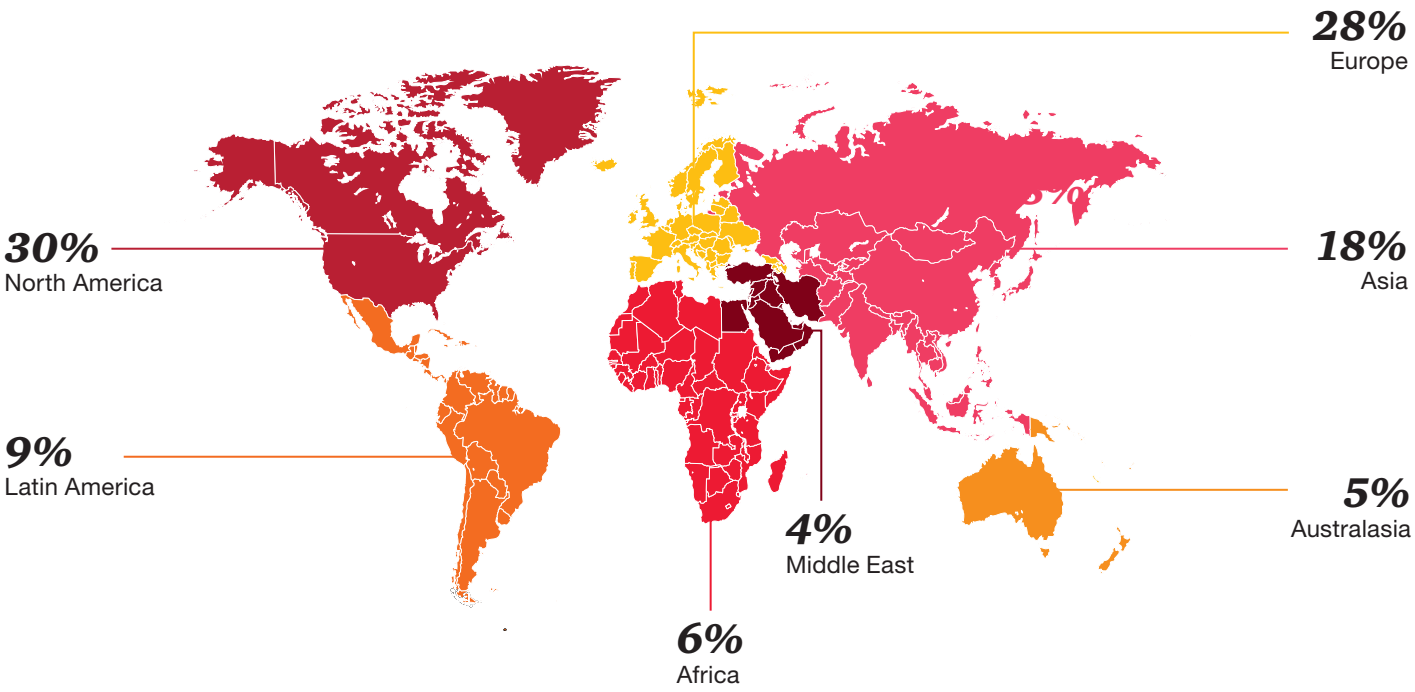
Number of employees (%)



Base: 3,019



Where?



Base: 3,025

Graphic shows the operating regions of those organisations participating in the survey. (e.g. 47% of organisations involved in the survey operate in North America). Full details of the 110 countries that participated are included in the Appendices.

When?

The survey was launched on: 12 *November 2013* **and, closed on:** 3 *March 2014*

Number of respondents by country

Europe	No.
Armenia	3
Austria	3
Belgium	7
Bulgaria	1
Croatia	1
Cyprus	4
Czech Republic	5
Denmark	3
France	21
Germany	42
Greece	9
Guernsey	1
Hungary	2
Ireland	15
Italy	25
Macedonia	1
Netherlands	9
Norway	2
Poland	10
Portugal	6
Romania	4
Russia	9
San Marino	1
Serbia	2
Spain	32
Sweden	16
Switzerland	18
Turkey	107
UK	471
Ukraine	3

Latin America	No.
Argentina	3
Barbados	3
Bolivia	7
Brazil	1
Chile	1
Colombia	4
Costa Rica	5
Dominica	3
Dominican Republic	21
Ecuador	42
Guatemala	9
Jamaica	3
Mexico	37
Panama	3
Paraguay	2
Peru	8
Puerto Rico	1
Saint Lucia	2
St Vincent and the Grenadines	1
Trinidad and Tobago	8
Uruguay	3
Venezuela	2

Middle East	No.
Bahrain	3
Iran	5
Israel	1
Jordan	5
Kuwait	6
Lebanon	6
Oman	5
Palestine	1
Qatar	18
Saudi Arabia	38
United Arab Emirates	47

North America	No
Canada	203
USA	684
North America	9

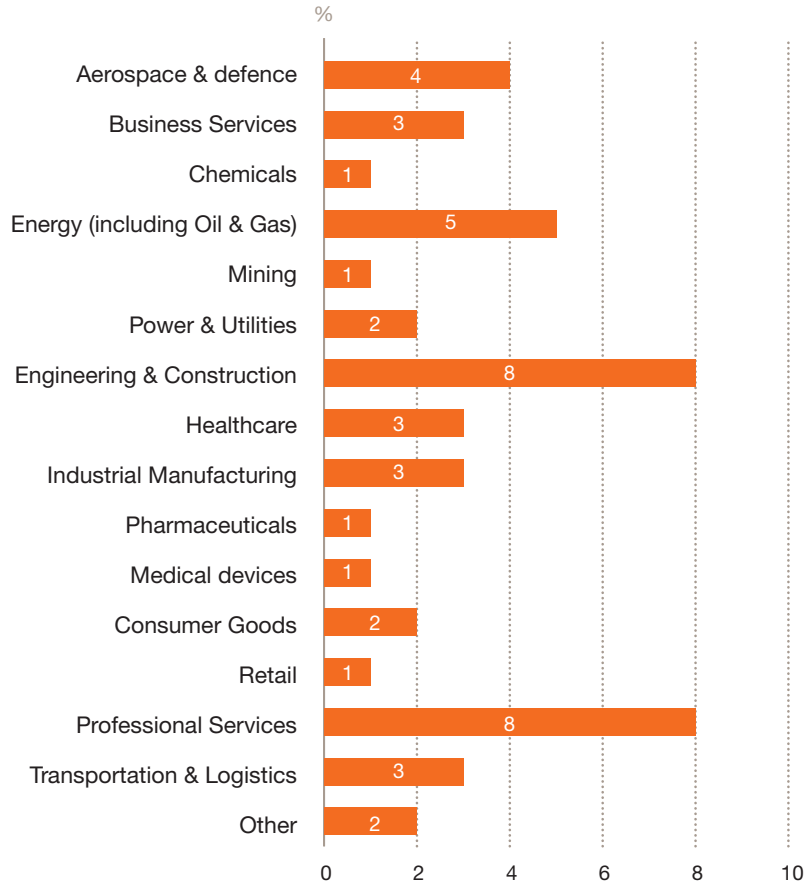
Asia	No.
Bhutan	2
Cambodia	1
China	62
Hong Kong	20
India	195
Indonesia	2
Japan	119
Kazakhstan	1
Macau	1
Malaysia	45
Nepal	1
Pakistan	10
Philippines	15
Singapore	15
South Korea	8
Sri Lanka	7
Taiwan	9
Thailand	5
Turkmenistan	1
Vietnam	4

Africa	No.
Angola	1
Botswana	1
Burkina Faso	1
Cameroon	2
Democratic Republic of Congo	2
Egypt	12
Ethiopia	1
Ghana	9
Kenya	9
Lesotho	1
Libya	3
Mauritius	2
Morocco	2
Niger	1
Nigeria	38
Rwanda	1
South Africa	72
Sudan	3
Tanzania	2
Uganda	3
Zambia	4

Australasia	No.
Australia	125
New Zealand	21
Papua New Guinea	1

Sector

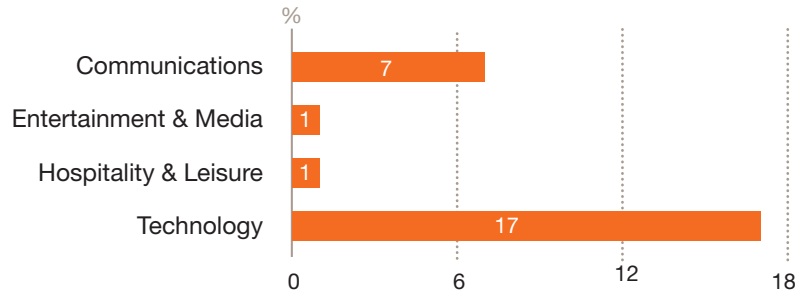
Consumer & Industrial Products & Services



Base: 3,014

N.B Figures may not add to 100% due to rounding

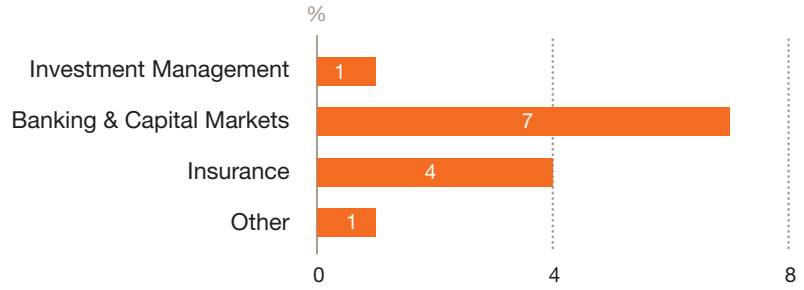
Technology, Information, Communication & Entertainment



Base: 3,014

N.B Figures may not add to 100% due to rounding

Financial Services



Base: 3,014

N.B Figures may not add to 100% due to rounding

Government & Public Sectors

Base: 3,014

N.B Figures may not add to 100% due to rounding

PwC's maturity assessment

Why

This diagnostic tool assesses the maturity of the delivery capability for a portfolio/programme and creates actionable recommendations, specific to the client business context.

What

PwC's maturity assessments assess the effectiveness of an organisation's delivery capability from three perspectives: ***insight, control and efficiency***. These are measured through five levels ranging from:

- **Level 0: Non-existent** – No identifiable management in place with no influence on project success; to
- **Level 5: Optimised** – A leading practice standard with appropriate stakeholder involvement, which plays a critical role in the success of portfolio/programme management.

Who

- The benchmark data in this report is based on the results of maturity assessments carried out by PwC teams around the world on 169 client programmes and projects over the last 2 years.
- Industry sectors: All, including public sector and charities.
- Programme and project types: All, from e.g. specific HR initiatives to complex business-wide transformation programmes.
- Budgets: £50k to over £1.5b.

How

Under each assessment, PwC programme management specialists have provided ratings against a set of 160 factors relating to programme governance and programme management.

When

Timescale: 24 months to July 2014.

Acknowledgments

This survey and the resulting analysis could not have happened without 3,025 busy people taking time out of their schedules to tell us what they think about portfolio and programme management – again our thanks go to each one of them and their organisations.

From inception to delivery we have relied on a great number of PwC employees to help us develop the survey, encourage participation and digest the results. Far too many to simply list here but they know who they are and as always we appreciate your excellent efforts.

A special thanks to Amanda Clack who sponsored the initial survey and has since moved on from PwC.

The following individuals have been hands on with the survey and we thank them for their contribution in preparing this fourth survey analysis:

Our sponsors

Allan Howe, PwC Germany

Gene Alfred Morales, PwC Phillipines

Isabella Woll, PwC US

Jennifer McCaffrey, Project Management Institute

John Ready, PwC US

Karl Reilly, PwC UK

Kevin Sandler, PwC Australia

Michael Cooch, PwC UK

Paul Rushton, PwC UK

Paul Mark Russell, PwC Australia

Scott Gorman, PwC Australia

Shamela Kylassum, PwC UK

Stuart J Harvey, PwC UK

Stephen Finestone, PwC Canada

Tim Stahl, PwC Canada

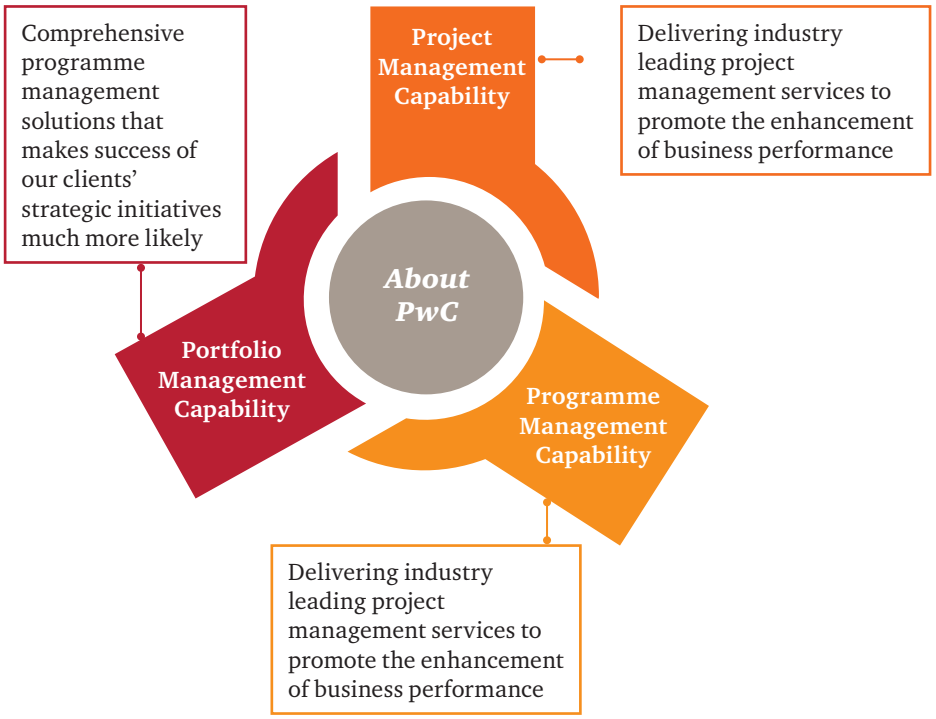
Tracy Pemberton, PwC Australia

Vivian Muniz, PwC Brazil

About PwC

PwC's Portfolio and Programme teams across the globe offer solutions for our clients who are looking to drive successful transformational programmes, more efficiently manage complex, enterprise programme portfolios and programmes, and improve overall execution and performance.

This includes:



Working with our clients our focus is to:

- Apply governance and financial discipline to improve implementation and maximise benefits.
- Drive strong **alignment** between business strategy and operational delivery.
- Create enhanced **visibility** into planning, budgeting, selection and performance of initiatives.
- **Inform** decision-making ensuring the optimal mix and execution of the right investments to fulfil business goals and objectives.
- **Optimise** constrained resources, actively balancing demand management and execution of initiatives.

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Glossary
Phrases and references made in this report

Perspectives

Throughout this study we refer to different groups of people having different perspectives as illustrated above. Clearly the views should not be seen as so set in stone to believe that no member of an Executive Team ever takes a view of delivery, or that PMs have no concern with Goals and strategy. But it does help to explain why some of the results from the survey look like they do.

CEOs/C-Suite/Executive Team

In 2014 PwC published its annual CEO Survey based on interviews with Chief Executive Officers across the world. Within this report we refer to this survey as it provides significant context and relevance to the issues faced by PMs all over the world. When referring to this survey we have generically called leaders the 'CEO'.

In the PPM Survey specific questions were asked of the 'C-Suite' by which we mean the executive leadership team of an organisation – the Board effectively. To avoid ambiguity we have referred to this group as the Executive Team'.

Portfolios, Programmes or Projects?

The majority of this report refers to issues faced when delivering both projects and programmes, and often when managing large portfolios of change programmes.

We refer throughout the report to 'PMs' meaning the professionals delivering change, be it through portfolios, programmes or projects.


17th Annual Global CEO Survey

Fit for the future
Capitalising on global trends

1,344

39%

86%

pwc

4th Global Portfolio and Programme Management Survey 45

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