




# ITAPA Conference 2013

## Project Management Differences in the Public and Private Sector

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# Agenda

- ✓ Introduction
- ✓ The hard facts about project success
- ✓ Differences between it-projects in the private and the public sector
- ✓ What are the reasons for the differences
- ✓ Some real-life experiences
- ✓ 5 tips for immediate improvement

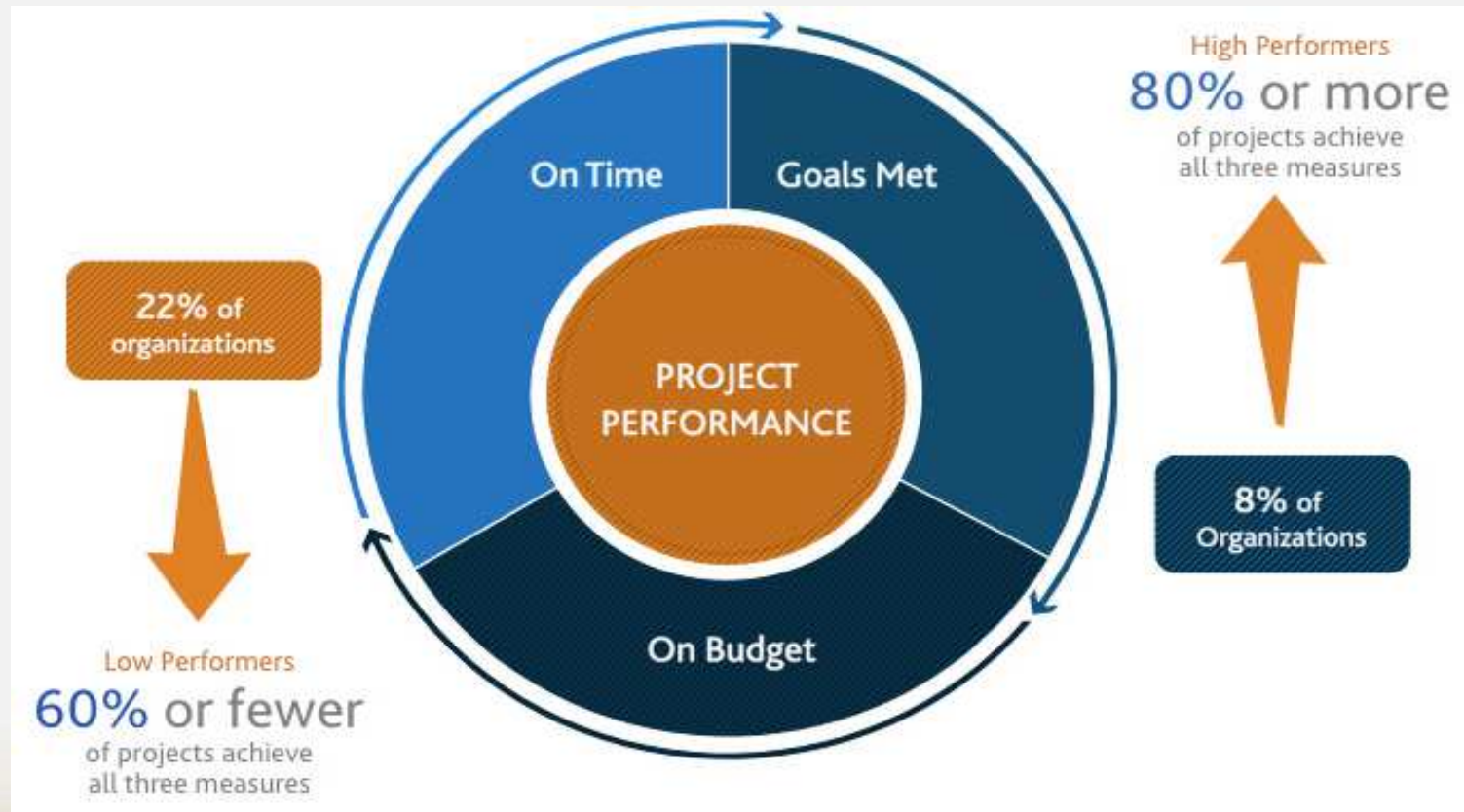


# Introduction

- ✓ President of PMI Denmark Chapter
- ✓ Own my own consultancy company Xvoto
- ✓ +25 years experience in project management and general management from big international it companies
- ✓ Project methodology made simple and processes that work is my main field of interest
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# The Hard Facts...

Project execution in high and low performance organizations



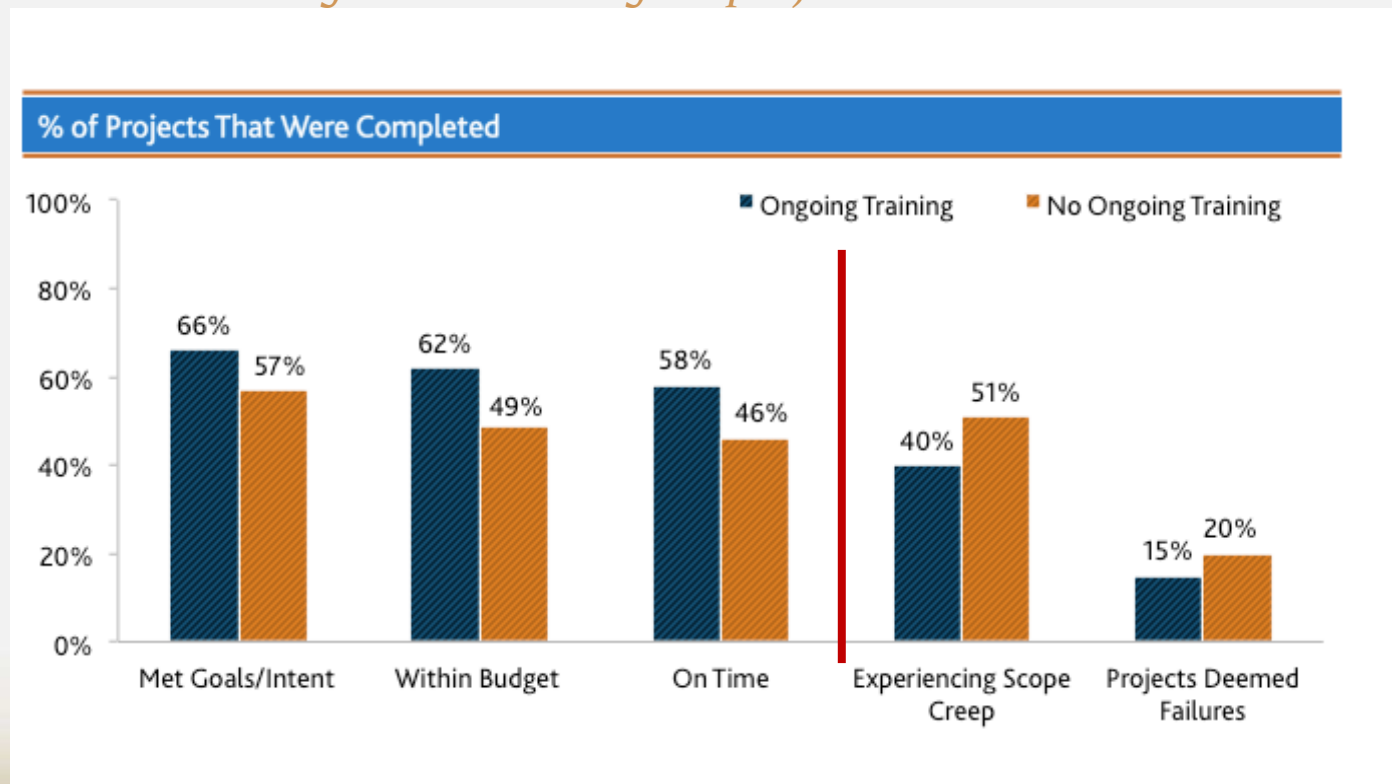
Source: PMI Pulse of the Profession 2013

2 out of 5 projects do not deliver to business goals

Low performance organizations  
has 28% of their budget at risk

# The Connection between PM Training and Project Success

*“Having a clearly defined career path for project managers leads to higher project success.”*

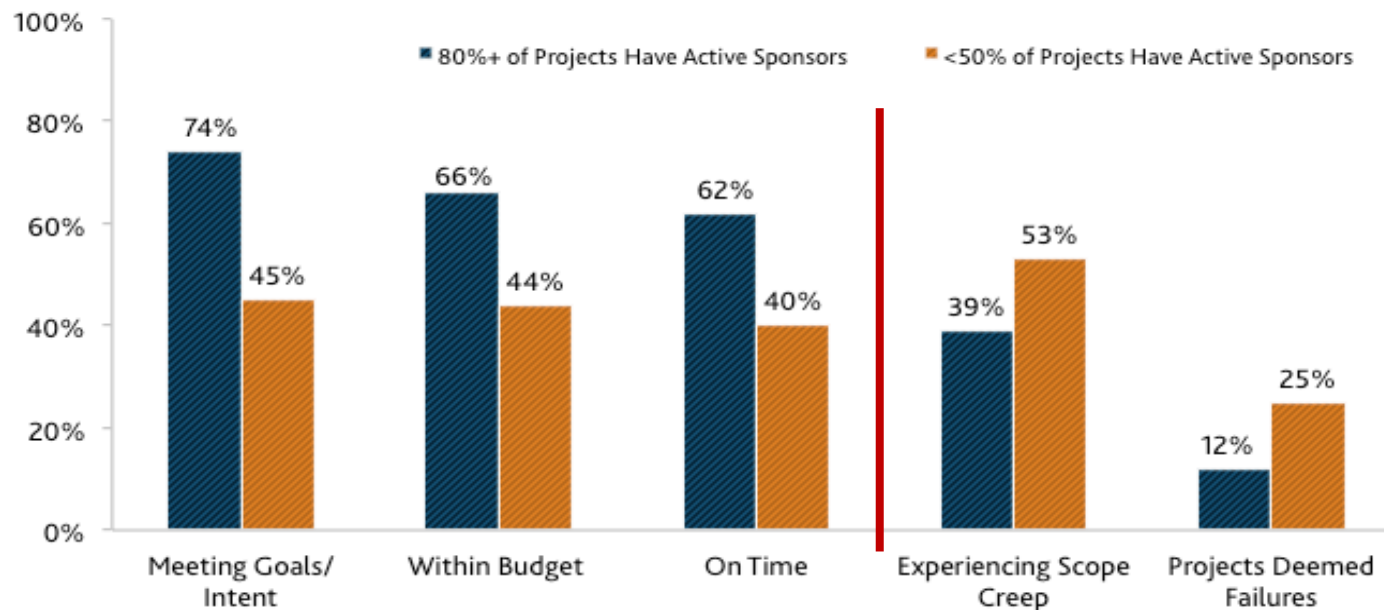


Source PMI Pulse of the Profession 2013

# The Connection between Active Sponsorship and Project Success

*“The difference between success and failure is the difference between head nodding and verbal support from the top and getting real action from the top”*

% of Projects That Were Completed



Source: PMI Pulse of the Profession™



# Differences between it-projects in the Public and the Private Sector (1/2)

## Private Sector

1. Higher organizational project maturity from the management layer and down
2. Widespread use of standardized PM practices to reduce risk and increase success
3. Defined PM career path
4. High organization agility

## Public Sector

1. Project and program management is under-valued and lacks maturity. No focus on PM training
2. Standardized PM practices are rarely used throughout the entire organization
3. No PM career path
4. Low organization agility



## Differences between it-projects in the Public and the Private Sector (2/2)

### Private Sector

5. High availability of project sponsors or upper management = timely decision making
6. Funding of projects is value driven. Inefficient/failing projects influences revenues, and waste is avoided
7. Ownership is clearly defined
8. PM tools and collaboration systems widely used

### Public Sector

5. Lack of management sponsors and responsibilities are ambiguous = slow decision making
6. Organizations are often very heavy and hierarchical, funding of projects is static and hard to change
7. Ambiguous ownership = nobody feels responsible
8. Lack of efficient, up-to-date tools for PMs



# How to Improve the Situation - A Real Story from the Public Sector

## The Problem:

- ✓ Projects were failing. They were late and cost was out of control
- ✓ There were no overview of the project portfolio
- ✓ No common method - everybody managed projects their own way
- ✓ Management did not think that projects were their business
- ✓ Random results and expected benefits were not realized
- ✓ Project managers as well as the management were frustrated!



# How We Solved the Problem

We analyzed the project maturity and prioritized the different problems. We started small and focussed on:

- ✓ Getting management buy-in up front
- ✓ Status reporting, but used a very simple report
- ✓ Creating a simple overview of the portfolio
- ✓ Appointing a project sponsor from upper management for each (healthy) project facilitating effective decision making
- ✓ Stopping the projects where the business value was unclear
- ✓ Building a simple project method and simple processes based on PMI and Scrum that the organization could absorb
- ✓ Knowledge sharing, collaboration, teamwork, continuous improvement etc. were thought into the PM processes



Once the new ways have become habits and project maturity has increased, we will take the method to the next level!

## 5 Tips to Immediately Improve Project Success

1. Acknowledge that good project management is vital to optimizing business results
2. Support standardization
3. **Educate** your project managers
4. Ensure active management / project **sponsorship**
5. Keep it simple! Avoid "big-bang" method implementation



# Questions?

