

Researching the value of project management

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In 2004, the Project Management Institute (PMI) requested proposals for research designed to quantify the value of project management. The successful team was led by Janice Thomas of the Centre for Innovation Management, Anthabasca University, Canada, and Mark Mullaly of Interthink Consulting Inc. As a result, intensive fieldwork and cross-disciplinary analyses were done on the topic from May 2005 to June 2008.

The question of measuring the value of managerial actions has always been contentious. In order to contextualise their research, Thomas and Mullaly provided an in-depth review of the three main conceptual approaches to the value question: return on investment (ROI), the balanced scorecard and organisational competency.

The review concluded that the various attempts to quantify the value of any organisational function have not resulted in a satisfactorily and generally accepted model. The team then decided to follow a more fundamental approach by formulating the following research questions:

- What are the practices implemented in organisations that represent their approach to project management?
- To what extent are these practices appropriate in managing projects within the context of the organisation?
- What is the value that organisations have realised as a result of adopting these practices?

The research included 48 research team members who qualitatively and quantitatively analysed 440 interview transcripts and 60 case reports. The results failed to derive or define a formula for ROI that could be used to allocate a monetary value to the project management effort. Instead, the research acknowledged the fact that there does not seem to be a particular value component that is recognised from one project management implementation or context to another for the case organisations. Eventually it became clear that the fit between the context (internal and external) in which the organisation operates and the nature of the project management implementation can be combined to deliver value for investments in project management.

Researching the value of project management makes a very important contribution to the field of project management. The management discipline of project management has thus far suffered from definition and justification, except when projects go wrong. Organisations agree that there should be value when investing in project management, but how to leverage the investment often seems problematic. Even though abstract at first, the research succeeds in establishing the importance of 'fit' between the context, implementation and drivers of the value of project management.

It is a complex and at times difficult read for practitioners. However, academics and those interested in improving project management in organisations will gain much food for thought. ➔

