

The State of Project Management Training

» A PM SOLUTIONS RESEARCH REPORT

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TRAINING IMPACT:

Organizations saw a 26% improvement, on average, in eight measures of business and project management performance because of their project management training initiatives.

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About the Survey

What is the value of project management training? How much project management training do organizations engage in? What training methods do organizations use? How effective is the training? What is the cost? And what are organizations trying to accomplish, exactly, by training their employees? These and other issues are addressed in this benchmark of current project management training practices.

About the Respondents

- » **Number of Respondents:** 262 representing 247 organizations
- » **Roles of Respondents:** C-Level (8%), VP or Director-Level Business Management (6%), VP or Director-Level Program/Project Management (10%), Head of PMO (23%), Program/Project Manager (40%), Other (13%)
- » **Size of Organization:** Large-Revenue >\$1B (39%), Mid-sized-Revenue \$100M-\$1B (25%), Small-Revenue <\$100M (36%)
- » **Industries:** Professional & Technical Services (26%), Manufacturing (14%), Information (13%), Finance & Insurance (12%), Utilities (9%), Public Administration (8%), Healthcare & Social Services (7%), Other (11%)

The State of Project Management Training

ORGANIZATIONS ENGAGE IN PROJECT MANAGEMENT TRAINING for a variety of reasons (see chart to the right). In fact, our survey respondents cited, on average, five different business needs that they addressed by implementing PM training initiatives. Clearly, PM training is important to firms. But is it successful? And what methods of training are most effective? At what cost?

Our research shows that project management training *is* successful and cost-effective. When training is targeted to meet specific business needs, the results can be impressive: firms reported an average 26% improvement across eight measures of project and business performance because of training initiatives.

Firms used a variety of training methods to achieve these business results, including instructor-led classroom training, instructor-led virtual learning, self-directed e-learning, technology-delivered, and blended learning (using a combination of methods).

While training in basic project management skills is the most often cited type of training offered, a significant number of employees are receiving intermediate and advanced project management skills training as well as training to improve leadership, communications, and teamwork skills.

Fast Facts

- » Instructor-led classroom training is by far the most used and most effective method of project management training.
- » Firms invest US\$2,211 per year per employee for project management training.
- » Employees receive six days of project management training per year, on average.
- » More than half (56%) of the project management training provided by firms is delivered by external training vendors.

We hope you will use the results of this benchmark of current project management training practices to help you design training strategies to meet your own business and project management needs.

PM Training in Organizations

Most (three-quarters) of the firms surveyed offer employees project management training.

- » Large organizations are most likely to offer PM training (84%), followed by mid-size organizations (79%), and then small organizations (62%).



Business Results Due to PM Training

29%
Improved stakeholder satisfaction

27%
Improved schedule performance

26%
Decrease in project failures

25%
Improved budget performance

25%
Improved requirements performance

25%
Improved quality

25%
Improved productivity

24%
Improved time to market

Organizations use project management training to address a variety of needs—some focused on improving project managers' skills, some on improving project management capability, and some on improving project success. Specifically, these include:

- » Avoiding missed project deadlines (65%)
- » Providing basic project management skills (63%)
- » Developing professional project managers (61%)
- » Improving quality (57%)
- » Reducing project failures (57%)
- » Minimizing scope creep (55%)
- » Minimizing cost overruns (53%)
- » Increasing productivity (48%)
- » Onboarding new employees (24%)
- » Responding to competitive pressures (21%)
- » Adhering to executive mandates (21%).

Who decides what and how much project management training is needed? Most often, the decision is made by the head of a PMO (43%), a business management vice-president or director (36%), a business owner/president/C-level executive (31%), or a vice-president or director of project management (24%).

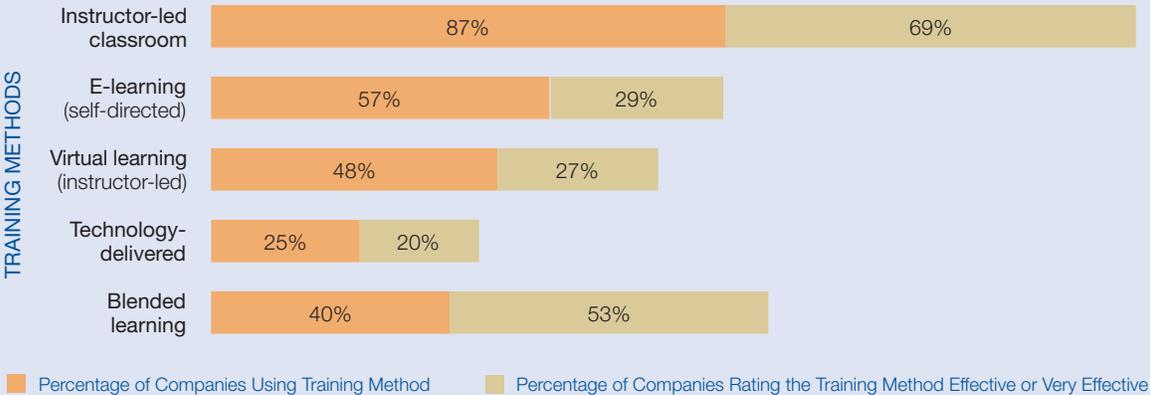
Not surprisingly, project management training is offered primarily to project managers and project team members. Almost all (94%) firms surveyed provide PM training to project managers, 58% to project team members. Others receiving PM training include business analysts (34%), technical professionals (33%), business line managers (29%), and executives (22%).

Organizations provide six days of project management training per person per year, on average. These organizations invest, on average, US\$2,211 per year per person for PM training.

- » Large organizations provide five days of training, and small and mid-size organizations provide seven days per person per year, on average.
- » Small (\$2,435) and mid-size (\$2,421) firms invest significantly more per person per year for training than large firms (\$1,854). We expect this is because large firms can achieve economies of scale in negotiating training costs.
- » Professional and technical services and information organizations had the largest training budgets (\$2,661 per year per person).

Firms often rely on training vendors to provide their project management training. More than three-quarters (78%) of firms use external training vendors. And more than half (56%) of the project management training that organizations offer is provided by these external vendors.

Project Management Training Methods Used and Their Effectiveness



Instructor-led classroom training is by far the most often used and most effective method of delivering project management training.

PM Training Methods and Types

The most requested type of training by employees is for improving basic (67%) and intermediate (61%) project management skills. Other types of training requested are aimed at improving leadership skills (52%), communication and interpersonal skills (45%), teamwork skills (42%), and advanced project management skills (41%).

- » Only 38% of organizations have employees requesting training to prepare for the Project Management Professional (PMP®) certification examination.
- » Employees at small organizations (28%) were less likely to request PMP prep training than those at mid-size (44%) and large (41%) organizations. They were also less likely to request project management software training (27%-small, 44%-midsize, 38%-large).

For the average organization, more than half (55%) of the project management training offered is instructor-led classroom training. Self-directed e-learning (17%) is a distant second, followed by instructor-led virtual learning (13%), technology-delivered training (5%), and other (9%—e.g. one-on-one, conferences, publications).

Most organizations that offer training offer instructor-led classroom training (87%), followed by self-directed e-learning (57%), instructor-led virtual learning (48%), blended learning—using multiple methods (40%) and technology-delivered training (25%).

A third of organizations surveyed have a formal professional development program for their project managers. This type of program was more likely to be seen in large organizations and firms with a centralized project management function like a PMO.

More than half (56%) of the training that organizations offer is provided by external training organizations.

Project Management Training Forecast

Percentage of organizations that intend to purchase the following types of training products and services in the next 12 months (by size of organization).

	SMALL	MID-SIZE	LARGE	TOTAL
» Instructor-led classroom training	39%	44%	19%	48%
» Project management basics training	32%	33%	16%	40%
» Advanced project management skills training	39%	51%	10%	40%
» Intermediate project management skills training	27%	42%	13%	36%
» E-learning (self-directed)	31%	27%	4%	30%
» Project manager competency assessments	29%	22%	24%	26%
» Virtual learning (instructor-led; Webex, GoToMeeting ...)	23%	22%	8%	23%
» Customized course development	13%	20%	8%	19%
» Project management career path development	11%	20%	9%	19%
» Mentoring	15%	13%	6%	16%
» Technology-delivered training (CD-ROM ...)	16%	13%	4%	14%
» Business analyst skills training	11%	18%	4%	14%
» Consulting	13%	9%	4%	12%
» Business skills training	8%	9%	6%	11%
» Training program administration	3%	2%	3%	4%
» Mobile learning (using smart phones, tablets, pads ...)	5%	0%	1%	3%

Organizations report mixed opinions on the value of project management certification (PMP, PgMP, etc.): a third find getting their employees certified to be important or very important, another third find it to be unimportant or not at all important, and the final third are neutral.

PM Training Effectiveness and Value

Instructor-led classroom training is the most effective method of training by far (69% of respondents found instructor-led classroom training effective or very effective). Instructor-led virtual learning, self-directed e-learning and technology-delivered training were all only moderately effective on average. Using multiple learning methods (blended learning) was effective, but not nearly as effective as instructor-led classroom training.

Measurement continues to be critical in being able to show the value and benefit of training. A majority (82%) of organizations measure their training effectiveness using post-training participant evaluation or observance of behavior changes on the job; 30% assess knowledge gained. A significant number of organizations (28%) now measure business results due to the training and can clearly

demonstrate the effectiveness of training (see chart on page 4). But there are also a significant number of organizations (19%) who still don't measure training effectiveness at all.

Those firms that do measure the effectiveness of their project management training show significant business results. These results make it clear that business needs are indeed being met by project management training initiatives. Organizations saw an average 26% improvement in eight measures of performance: stakeholder satisfaction (29% improvement), schedule performance (27%), project failures (26%), quality (25%), budget performance (25%), requirements performance (25%), productivity (24%), and time (speed) to market (24%).

PM Training Forecast

Organizations intend to purchase multiple training products and services in the next 12 months, including instructor-led classroom training (expected to be purchased by 48% of firms), project management basics training (40%), advanced project management skills training (40%), intermediate project management skills training (36%), self-directed e-learning (30%), and project manager competency assessments (26%).

- » Across the board, small and mid-size organizations are more likely to purchase training products and services in the next 12 months than large organizations. The only exception is for project manager competency assessments (expected to be purchased by about a quarter of all size organizations).

Instructor-led classroom training is by far the most used and most effective method of project management training.

Summary Findings

- » Firms saw an average 26% improvement in eight measures of performance due to their project management training initiatives.
- » Instructor-led classroom training is the most used and most effective method of project management training.
- » A third of organizations surveyed have a formal professional development program for their project managers.
- » Firms invest \$2,211 on project management training per person per year, on average.
- » Employees receive six days of project management training per year, on average.
- » More than half of the training that organizations offer is provided by external training vendors.
- » The most requested types of training by employees are directed at improving basic and intermediate project management skills. Other types of training requested are aimed at improving leadership skills, communication and interpersonal skills, teamwork skills, and advanced project management skills.
- » Organizations intend to purchase a wide variety of training products and services in the next 12 months. In particular, they intend to continue their focus of building their employee's project management skills with instructor-led classroom training.
- » Firms invest in project management training to meet a variety of needs. The top five are: avoiding missed project deadlines, providing basic project management skills, developing professional project managers, improving quality, and reducing project failures.

About PM Solutions

PM Solutions is a project management firm helping organizations execute, govern, and measure their portfolios to improve business performance. We are the leader in applying project and portfolio management processes and practices to drive operational efficiency for our clients.

Founded in 1996 by J. Kent Crawford, PMP, the former president and chair of the Project Management Institute (PMI®), PM Solutions delivers expert project management services to help organizations and their people perform to maximum potential. Our targeted offerings address business needs in the following areas:

- » Organizational Improvement
- » Project Execution
- » Learning & Development

As an inaugural member of the Project Management Institute (PMI®) Registered Consultant Program, PM Solutions is recognized as a global provider of project, program, and portfolio management consultation.



About PM College®

PM College provides corporate project management training and competency development programs for clients around the world. We partner with you to identify your organizational learning objectives, deliver relevant training content, and achieve measurable behavior changes that lead to improved performance. Course offerings cover all learning needs — from basic to advanced — including both technical project management skills and relationship-driven soft skills. PM College's unparalleled customer service, top-rated instructors, modular course content, and robust learning management system (LMS) make us the provider of choice for many global companies in the finance and insurance, manufacturing, consumer goods, technology services, and government sectors.

As a division of a project management consultancy PM Solutions, PM College is recognized as a Charter Global Registered Education Provider (REP®) by the Project Management Institute (PMI).



For More Information

PM Solutions & PM College
1788 Wilmington Pike
Glen Mills, PA 19342 USA
Phone: +1-484-450-0100
www.pmsolutions.com
www.pmcollege.com