

Project Management Capacity Assessment

in the
Western Balkans

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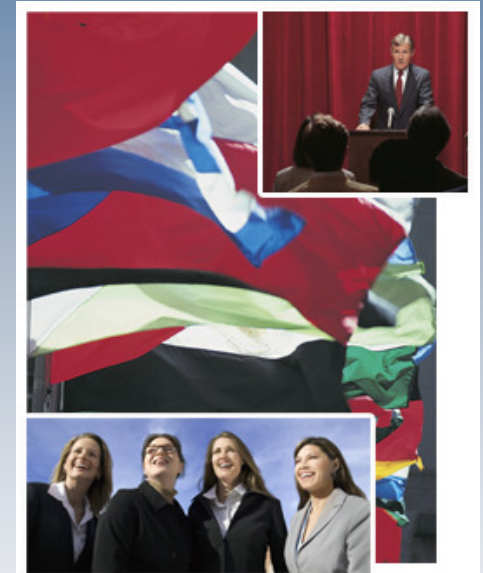
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Presentation Agenda

- Assessment background and goals, why is PM important
- Current state of workforce development in the region
- Assessment Scope, Methodology and Caveats
- PMI Capacity Index – description, scoring and summary of findings
- Key Issues and Opportunities identified
- Description of a Proposed PM Capacity Building Program
- Training Options for PM Capacity Building Program
- Mid-term recommendations to ensure sustainability

Assessment background and goals

- Study commissioned by the **USAID Regional Competitiveness Initiative (RCI)** to:
 - Understand the **current status** of the PM profession, including its **recognition** by the government, industry and other actors:
 - Evaluate the **future needs** and **interest** towards implementing or expanding on PM **training and certification** initiatives
- Modelled on the experience from the **USAID Serbian Competitiveness Project**, which successfully implemented a comprehensive PM training and certification program, training 300 professionals from ICT and Construction industry
- Encompassing the region of **Western Balkans**, including Albania, Bosnia and Herzegovina, Kosovo, Macedonia and Montenegro



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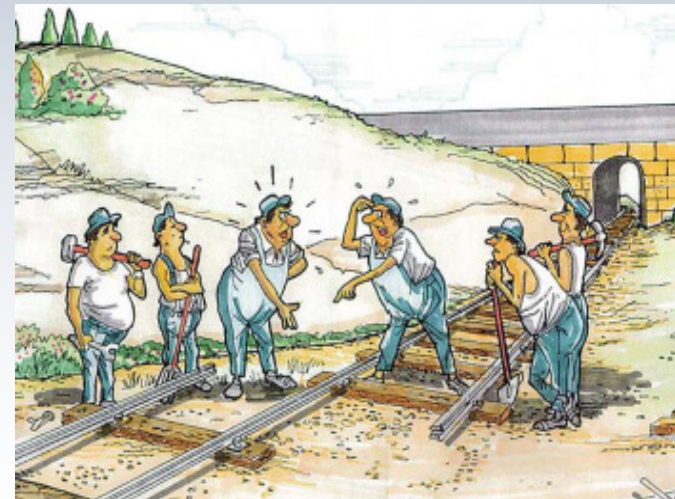
Why is training and certification in PM important?

- Economies of the Western Balkans are moving away from agriculture and heavy industry towards **service-oriented sectors**, such as ICT, construction, transport, tourism and trade, which are largely project-based and require PM competence to ensure success
- **Major infrastructure and technology upgrading projects** implemented by governments in the region need skilled and qualified Project Managers to ensure that public funds are spent transparently and projects executed in time and on budget
- EU funded projects in support of **EU accession** require conformity with the highest PM standards in project design, implementation and supervision
- To compete in global markets and increase exports, regional firms need **globally recognized standards and certifications** as proof of credibility and service quality
- **Global demand** for Project Managers is on the rise – 1/5 of the world's GDP is being spent on projects this year



Current state of the workforce development in the region

- World Bank`s Enterprise Surveys point out **inadequately educated workforce** as one of the top ten constraints for firm growth and investment in Western Balkans
- USAID Workforce Development Reports show that there is a pronounced **gap in skills** supplied by formal education system and those needed by the private sector. **Managerial, PM and soft skills** in general are lacking everywhere in the region
- Options for **continuing professional development** and life-long learning are still very limited. Global certifications and accreditations (except those technology-related) are not widely recognized
- WEF **Global Competitiveness Reports** from 2009-2010 give low scores to higher education and training component, in particular to local availability of resarch and training services and extent of staff training



Assessment Scope, Methodology and Caveats

- The study was conducted over three months, from **November 2009 to January 2010**, combining desk research with field trips around the region
- **Quantitative analysis** focused on the economic indicators, workforce development reports, industry and employment surveys – pronounced lack of data related to PM as a profession or focus area
- **Qualitative analysis** based on conclusions from interviews with focus groups (industry, public sector, training firms, academy and donors) – subjective opinions of major stakeholders
- **PM Capacity Index** developed as a proprietary tool to systematically measure and compare PM capacity



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PM Capacity Index

- Consists of **25 qualitative indicators** grouped into 5 categories, 5 indicators each
- The **five main categories** analyzed are:
 - Public sector capacity
 - Private sector capacity
 - Academic sector capacity
 - Training industry capacity
 - Enabling environment capacity
- Indicators are scored with **grades from 0 to 2**, ranging from absence of capacity, low/sporadic capacity to strong/readily available PM capacity
- The total score is then expressed as a percentage of the maximum score and transposed into an index



PM Capacity Index Score Sheet

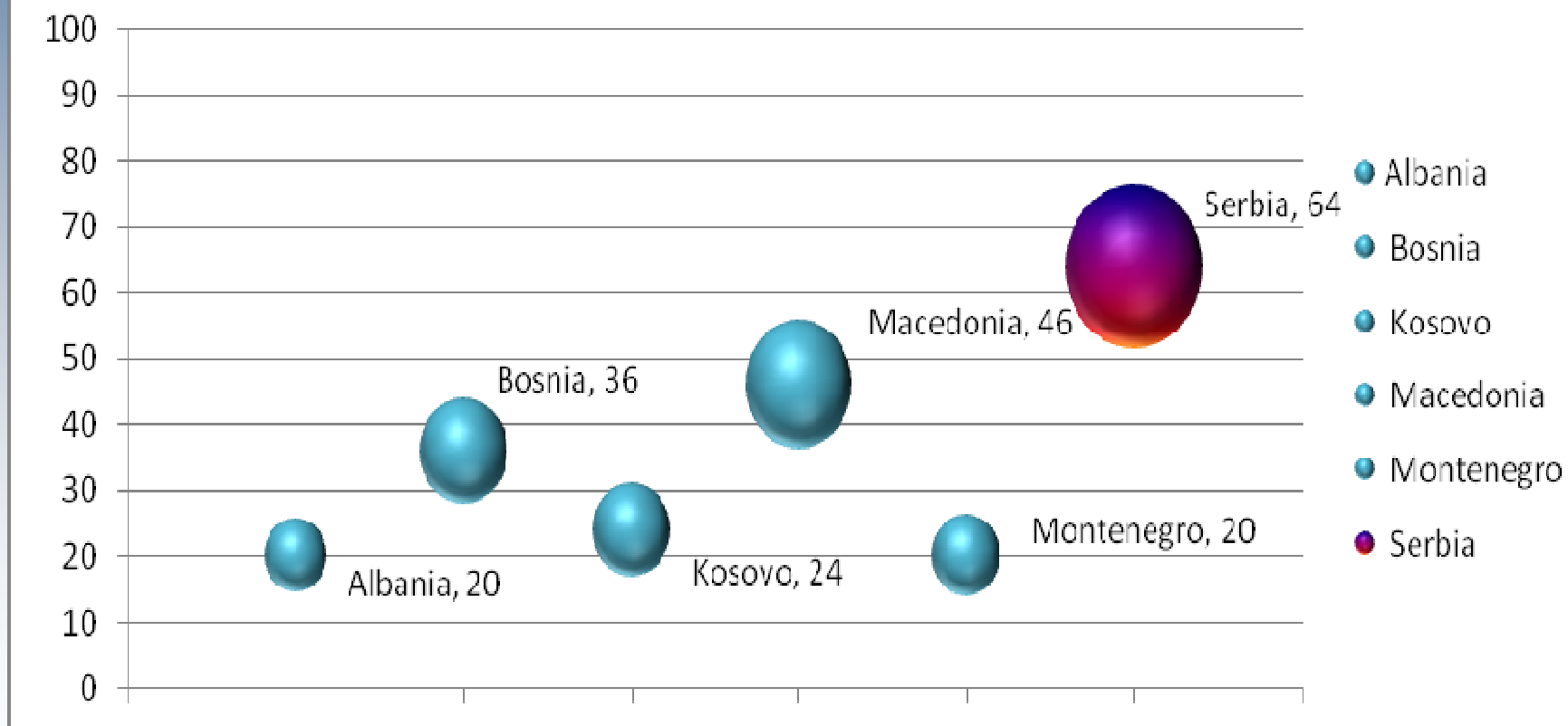
[PM Capacity Assessment Scoring Sheet Western Balkans.xls](#)



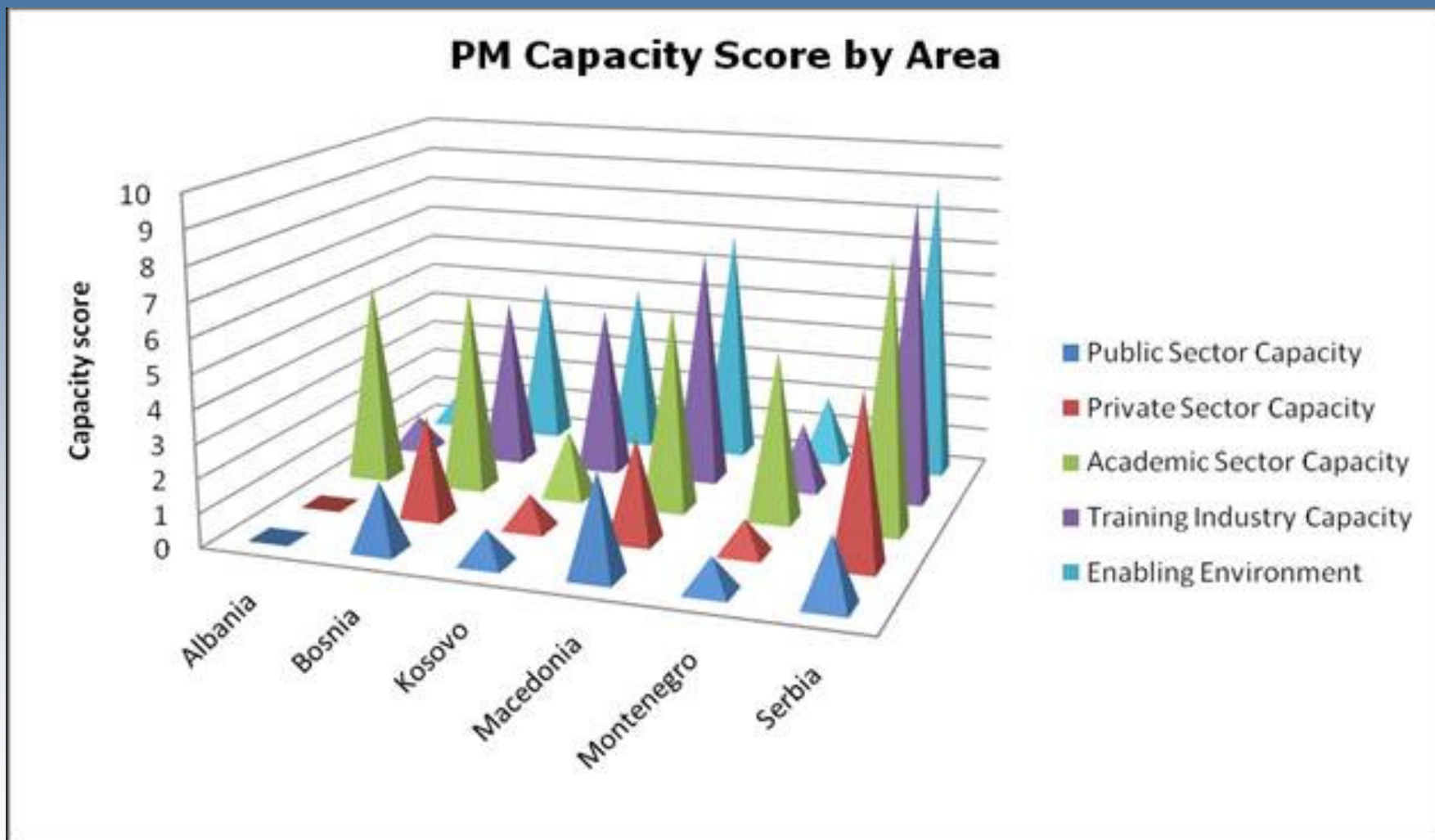
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Findings Summary

PM Capacity Index Western Balkans



PM Capacity Index by Area



Key Issues Identified

- PM Capacity indices range **from 20 to 46**, less than half of the maximum capacity, with region average index of 29.2
- This demonstrates a generally **low level of PM awareness and competence** in the private and public sector
- **Lack of funds and incentives** for continuing professional development, employers reluctant to invest into employee training and certification
- **Low level of PM training and educational capacity** in the training industry and academic sector, little knowledge of global T&C models and credentials
- Low recognition of the need to invest into PM capacity building on the side of donors, **weak organizational infrastructure** (no PM associations/chapters)

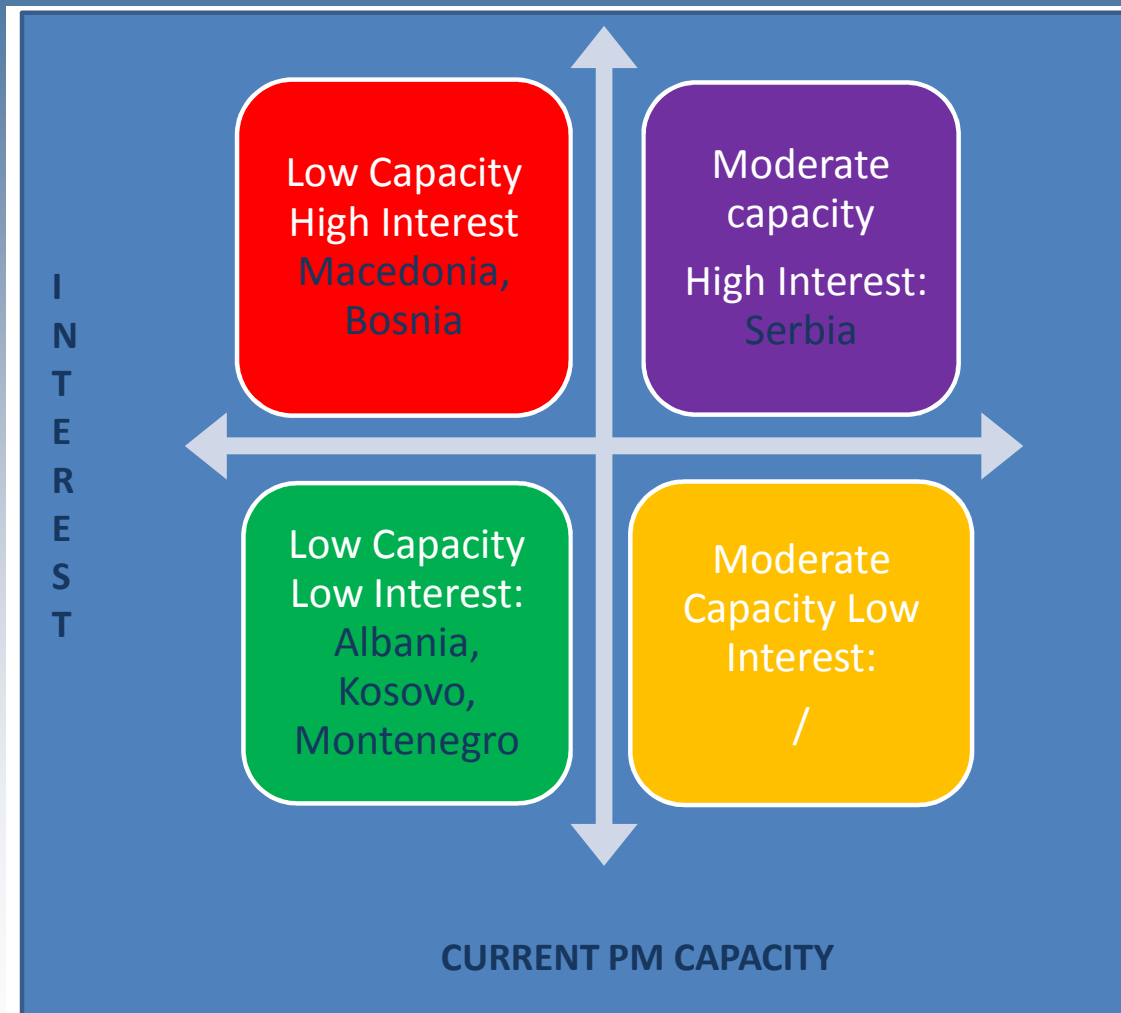


Key Opportunities Identified

- Prounounced interest from **commercial training providers** to add PM training to their regular offering and educate and certify staff; especially technology training companies (e.g. Microsoft and Cisco learning partners)
- Prounounced interest on the side of **academia** to model university courses against global PM methodologies and participate in TOT programs
- **ICT companies** aware of and interested in PM training and certification of their key employees as means to gain competitive advantage
- Local **chambers of commerce and development agencies** showing strong interest in adding PM training to their programs and open for cooperation
- Strong interest and a core group of supporters existing in certain entities for founding of **local PM associations**
- **Local donor projects** (USAID, UNDP, GTZ, EU, etc.) have available resources, allocation depends on current priorities



PM Capacity vs. Interest Matrix



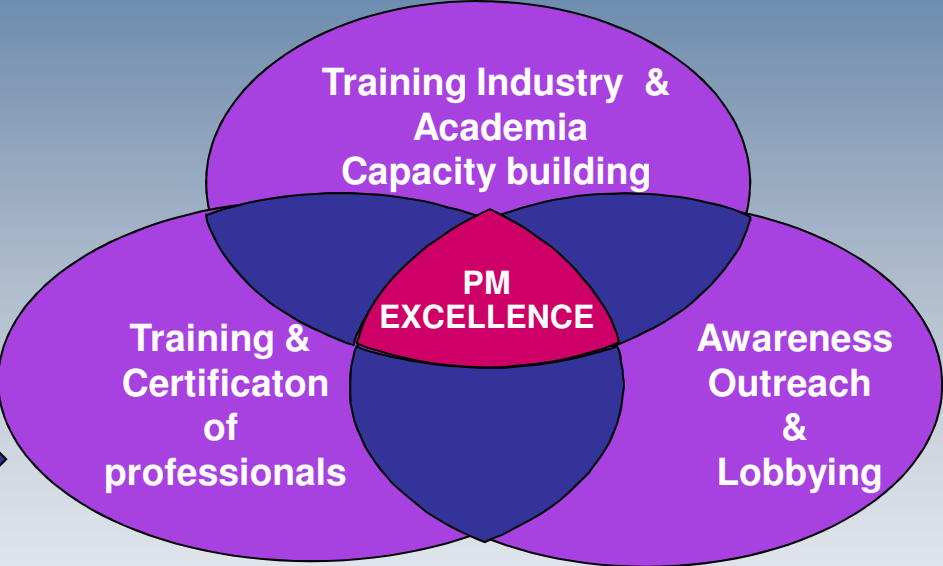
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Project Management Capacity Building Program Components

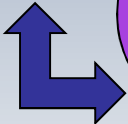
TOT Programs for Training Providers and University Lecturers



Private sector professionals
Public sector employees



Local PM Chapters
PM Conferences
PM Roadshows
Lobbying



OUTCOMES

1

Pool of certified PM experts in private and public sector

2

Local training capacity in PM based on global standards

3

Supporting exports, jobs and new business generation

4

Increased absorption capacity of EU funding

5

Increased credibility of firms and professionals

Goals of the regional PM Capacity Building Program

Educate

- Educate participants in modern project management methods and techniques based on PMI Body of Knowledge

Certify

- Support qualified candidates in obtaining globally recognized PMP certifications

Increase Awareness

- About importance of PM for achieving productivity and efficiency gains and improving competitiveness

Build Capacity

- Provide support to local training centres to ensure world-class PM education continues to be available in the region

Training Options for the regional PM Capacity Building Program

Alternative	Description
<p>1a) ON-SITE TRAINING with lecturers from Serbia</p>	<p>There are 6 training providers in Serbia delivering high quality PM training based on PMI standards. They are partnering with the USAID Competitiveness Project in Serbia to deliver training to professionals from the ICT, construction and public sector. The Competitiveness Project could provide recommendations for provider selection</p>
<p>1b) ON-SITE TRAINING with lecturers from the USA or EU</p>	<p>There is a large number of PM trainers and lecturers worldwide that provide world-class PM training based on PMI standards</p> <p>While these courses are highly professional, this would be a fly-in/fly-out alternative with limited or non-existing mentoring possibilities and no effect on regional cooperation and knowledge sharing. The cost is also three to four times higher than the cost of regional training providers.</p>
<p>2) BLENDED LEARNING combination of on-site and online training</p>	<p>Training provider from Serbia offers a blended learning approach combining a 2 day on-site tutorial with a 1-year long access to 56 hrs of PMI-accredited PM courses and PMP exam preparation materials.</p>

Mid-term recommendations

- To ensure sustainability of any PM training and certification initiative, drive demand and embed PM competence into commercial and university education, it is necessary to:
 - Complement training programs with a **promotional campaign** to raise awareness and recognition of global PM standards
 - Lobby for **formal recognition** of project management qualifications
 - Include PM certifications into **public procurement** requirements to drive demand for PM expertise and qualifications
 - Include **public sector employees** into training programs due to the size and importance of public projects
 - Continue to build capacity of **local training providers** to achieve world-class training quality and ensure trainees are certification-ready
 - Support founding of **local PM associations** to enable continuing professional development, networking and business linkages

**Thank you to all study participants
who contributed to this assessment
with their data, views and opinions!**

For additional information, comments and questions,
you can contact:

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