

Objective Assessment of a Project Manager's performance & capability

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The thesis in this paper is that certification standards such as PRINCE2 Practitioner are often mistakenly used as a measure of the capability of Project Managers and that a much deeper objective (i.e. evidence based) measurement approach from actual performance on a project is much superior if properly defined & executed.

Many organisations wish to understand the capability of their Project Management community and drive up performance. A solution of sending the whole team through PRINCE2 certification and seeing who gets Practitioner status may have benefits but it is a very poor indicator of a Project Manager's capabilities. Two very simple reasons for this are:

- "The driving test syndrome" – just because someone passes the test doesn't mean they apply it afterwards
- Good Project Management is far more than the Technical Disciplines and processes defined in a method such as PRINCE2. Equally important are behaviour & personal qualities.

An objective measurement strategy

To effectively improve the Project Management capability of an organisation, an evidence based objective measurement strategy should be introduced as part of the annual Performance Management processes. Rather than simply being measurement against objectives e.g. delivery to Time, Cost and Quality, each Project Manager should be measured against a number of pre-set Key Performance Indicators (KPIs) covering Behaviour, Personal Qualities as well as Technical Disciplines.

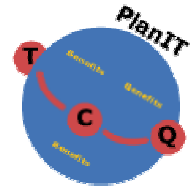
Establishing the measurement KPIs

Step 1 - The KPIs are defined along with typical evidence. Two examples could be:

| KPI Type | KPI Definition | Evidence |
|---------------|-------------------------------------|--|
| People skills | An effective communicator | 1. Clear and concise Highlight reports 2. Presents well in meetings 3. Listens well |
| Technical | Applies effective Change Management | 1. Understands scope position 2. Process in place to log, assess and make decision on changes |

Step 2 – A rating scale is developed to simply apply to each KPI based on the evidence. This might be:

| 1 | 2 | 3 | 4 | 5 |
|-----------------------------|----------------|-----------|-----------------------|--|
| Seriously weak in this area | Below expected | Competent | Better than Competent | Outstanding, should be coaching others |



Step 3 – Consideration should be given to whether KPIs should have some weighting due to particular importance or not. A simple multiplier to apply to the ratings is suggested:

| | | | |
|----------------|--------|-----------------|----------------|
| x0.5 | x1.0 | x1.5 | x2.0 |
| Less important | Normal | Quite important | Very important |

Step 4 – The outcome is reviewed with Project Managers being involved and once agreed, the framework is published.

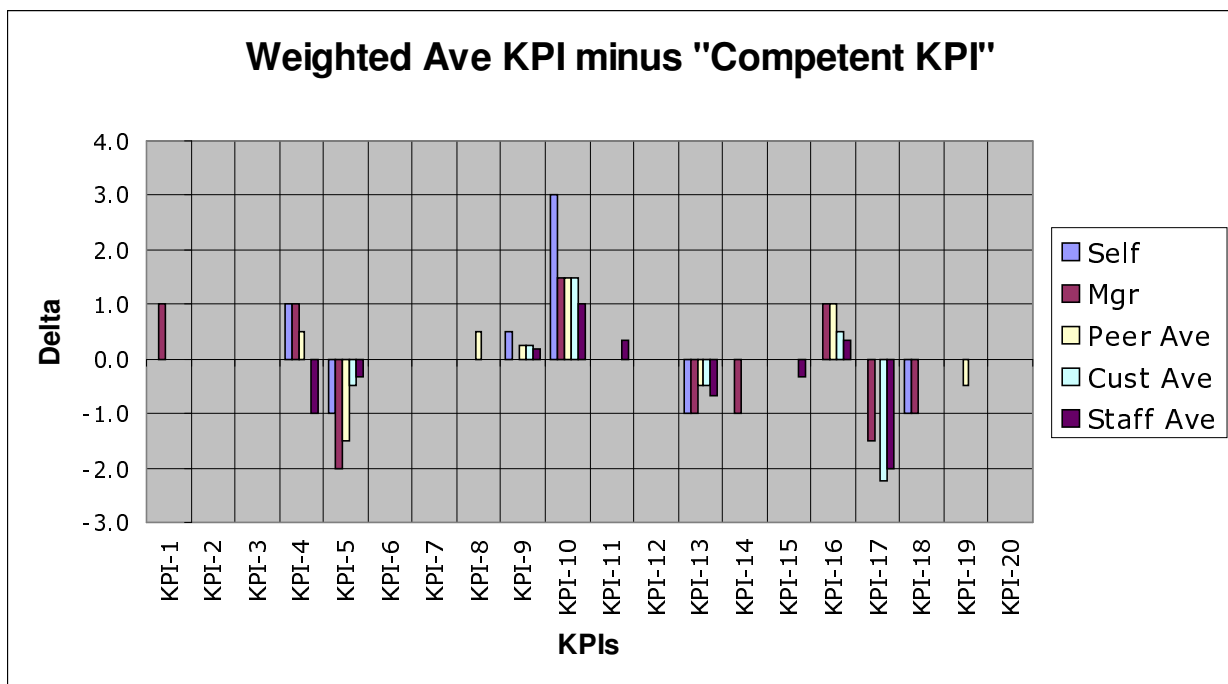
The measurement process

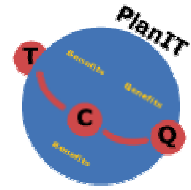
Each Project Manager should be measured from as many viewpoints as possible. Ideally this should include:

- Self rating
- Rating by a peer (fellow Project Manager who has been working alongside e.g. in the same Programme)
- Rating by a manager, ideally someone with good Project Management expertise such as a Programme manager
- Rating by customers e.g. Project Board members
- Rating by project team members managed by the Project Manager

Analysis of results

The weighted KPIs can be analysed in a number of ways using statistical techniques but values relative to the "Competent rating" plotting on a bar graph can be very effective.





Of particular interest on the graph is:

- KPIs where there is a commonality of rating. In the example, KPI-2 Competent and KPI-13 Below expected.
- KPIs where the rating is radically different between group. In the example for KPI-5, the Project Manager rates himself as "Below Average" while his manager and peers rate him lower than this.
- Absolute values in respect of values above & below the "Competent" line

Clearly data can be analysed in a number of other ways. Absolute average ratings by type of KPI are of interest and it is also worth analysing the data across the Project Management community.

Use of data

For each Project Manager, the analysed KPIs can be used to set Development plans for targeted improvement.

For the organisation, analysis can show whether there are general competency gaps (e.g. application of risk management principles) which can be addressed by actions across the whole PM community.