

# **PROJECT MANAGEMENT: MATURITY OF PROJECT ORIENTED COMPANIES IN SOUTH AFRICA**

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## **1. Matters for consideration**

A selected group of firms and companies who are seen as project oriented businesses were used to capture the data and profile of their project management maturity.

The research was based on a comprehensive questionnaire designed by the Project Management Group, Vienna University of Economics and Business Administration, Vienna, Austria (PROJEKTMANAGEMENT GROUP. 2006. *Results of Maturity of the Project-Oriented Company, Groups and South Africa*), as well as interviews by involved researchers of the University of the Free State with all firms or companies taking part in the research project in South Africa.

## **2. Data Collection**

Selected South African companies and firms participated in the questionnaire. The companies were carefully selected for optimum results. The companies range from private, to commercial, to government institutions.

According to the business and nature of the companies and organizations the selected companies were divided into four groups, namely:

- Building and civil construction
- Building consulting
- Engineering consulting
- Education, government and non-profit

## **3. Evaluation**

The following evaluations have been used to analyse the results:

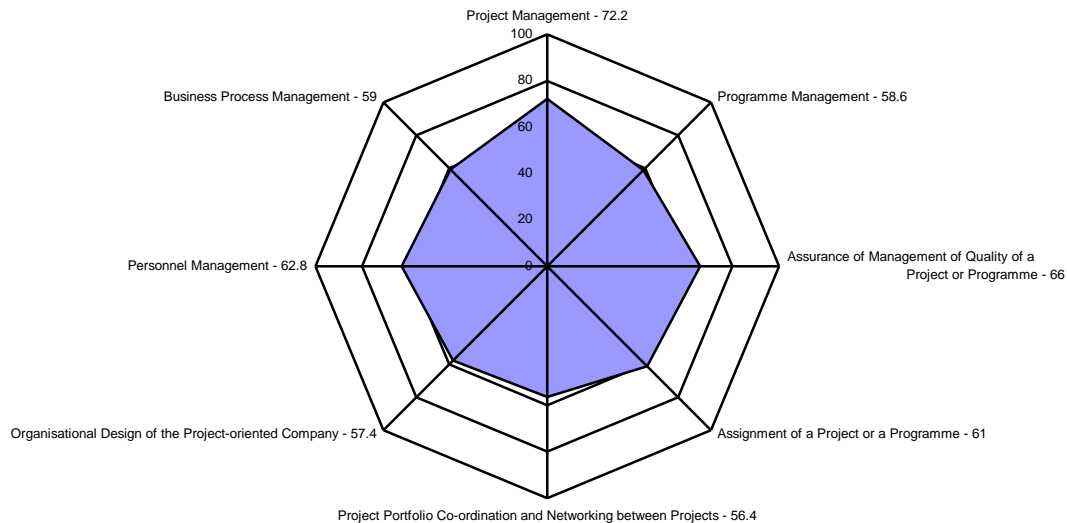
- Tables for each question group to compare several companies.
- Project-oriented company competence spider web to illustrate competence per process, as well as of the total competence of the project-oriented company as determined by the surface area.
- Project-oriented company competence rating to illustrate the total competence of the project-oriented company. The maximum project-oriented company competence is 100 points.

#### 4. Average maturities of respondent companies / firms in South Africa

**Table 1: Average Maturities of Respondent Companies / Firms in South Africa**

CATAGORIES	Average
<b>Maturity Ratio</b>	<b>3.12</b>
Project Management	3.61
Programme Management	2.93
Assurance of Management Quality of a Project or Programme	3.30
Assignment of a Project or Programme	3.05
Project Portfolio Co-ordination and Networking Between Projects	2.82
Organisational Design of the Project-oriented Company	2.87
Personnel Management in the Project-oriented Company	3.14
Process Management in the Project-oriented Company	2.95

Source: (Oosthuizen, 2007)



**Figure 1: Average Maturities of Respondent Companies / Firms in South Africa**

Source: (PROJEKTMANAGEMENT GROUP. 2006. *Results of Maturity of the Project-Oriented Company, Groups and South Africa*)

The average maturity ratio for the analysed project orientated companies in South Africa is 3.12 or 62.4%. These South African companies / firms show a high maturity ratio in project

management with 3.61 points or 72.2%. Organisational design of the project-oriented company / firm shows the lowest results with 2.87 points or 57.4% maturity ratio.

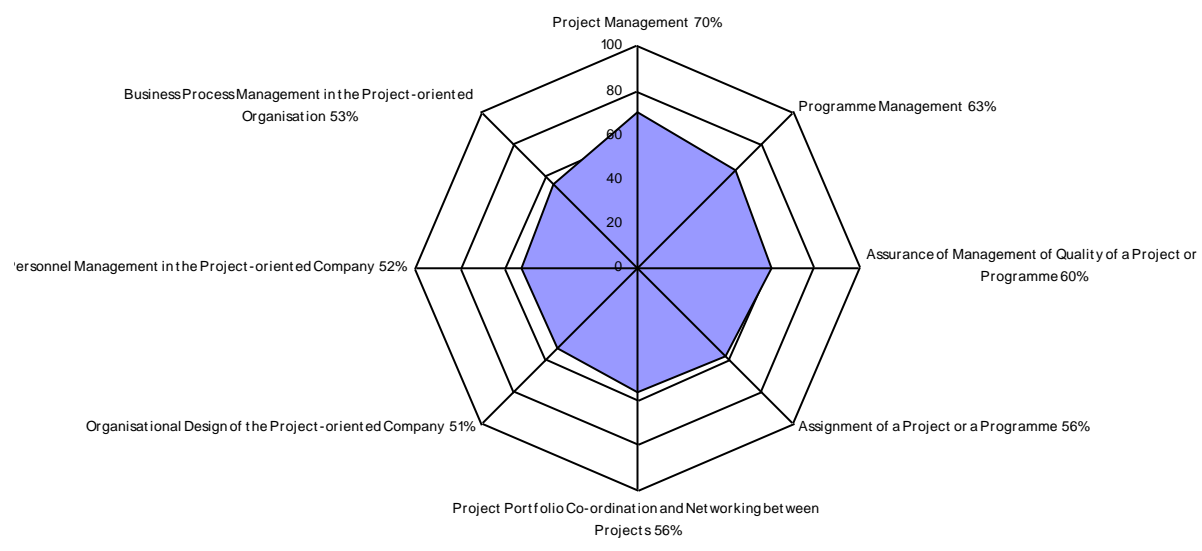
### 5. Maturity of South African building and consulting (Quantity Surveying) companies / firms in South Africa

Table 2 gives a summary of the maturities of selected quantity surveying companies / firms grouped under building and consulting.

**Table 2: Average Maturities of the Building and Consulting (Quantity Surveying) Companies / Firms in South Africa**

CATAGORIES	AVERAGE OF QS FIRMS
<b>Maturity Ratio</b>	<b>2.93</b>
Project Management	3.52
Programme Management	3.14
Assurance of Management Quality of a Project or Programme	2.98
Assignment of a Project or Programme	2.81
Project Portfolio Co-ordination and Networking Between Projects	2.80
Organisational Design of the Project-oriented Company	2.57
Personnel Management in the Project-oriented Company	2.60
Process Management in the Project-oriented Company	2.66

Source: (Oosthuizen, 2007)



**Figure 2: Average Maturities of the Building and Consulting (Quantity Surveying) Companies / Firms in South Africa**

Source: (PROJEKTMANAGEMENT GROUP. 2006. *Results of Maturity of the Project-Oriented Company, Groups and South Africa*)

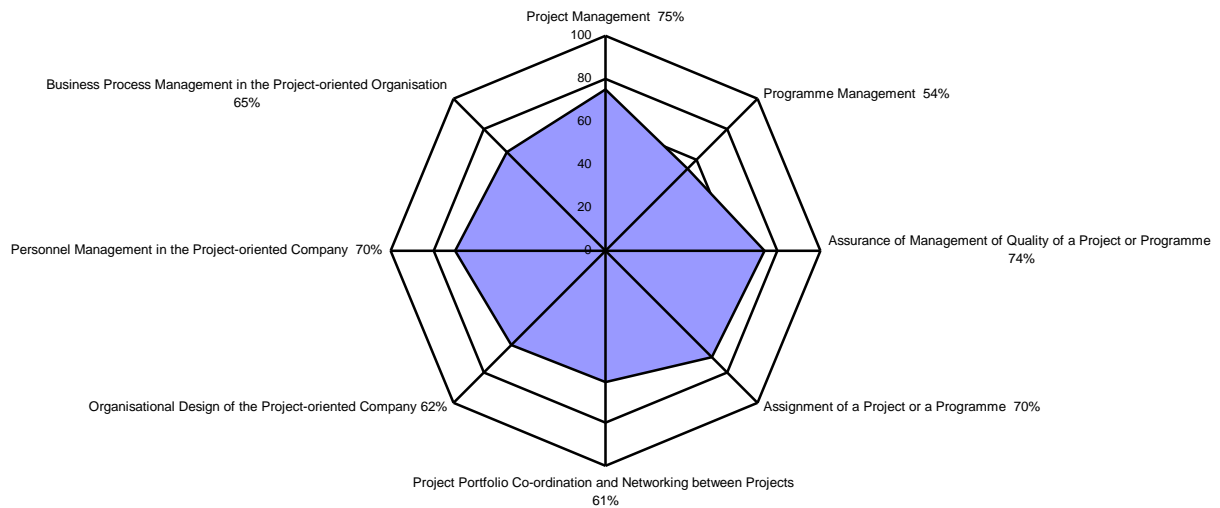
The maturity ratio of the selected Building and Consulting (Quantity Surveying) Companies is 55.80%, which is average. Although this is not a good maturity ratio it is not unexpected. The questionnaire was compiled to test the maturity in project management. Quantity surveyors are responsible for financial management and seldom take part in project management. Therefore, the 42.6% result for programme management characteristics of Building and Consulting (quantity surveying) companies was expected. Project portfolio co-ordination and networking between projects showed only 42.40%.

In Table 3 a summary of the maturities of selected construction companies are given and grouped under building and civil construction.

**Table 3: Average Maturities of Building and Civil Construction Companies in South Africa**

CATAGORIES	AVERAGE OF CONSTRUCTION COMPANIES
<b>Maturity Ratio</b>	<b>3.37</b>
Project Management	3.77
Programme Management	2.73
Assurance of Management Quality of a Project or Programme	3.71
Assignment of a Project or Programme	3.50
Project Portfolio Co-ordination and Networking Between Projects	3.07
Organisational Design of the Project-oriented Company	3.10
Personnel Management in the Project-oriented Company	3.51
Process Management in the Project-oriented Company	3.25

Source: (Oosthuizen, 2007)



**Figure 3: Average Maturities of Building and Civil Construction Companies in South Africa**

Source: (PROJEKTMANAGEMENT GROUP. 2006. *Results of Maturity of the Project-Oriented Company, Groups and South Africa*)

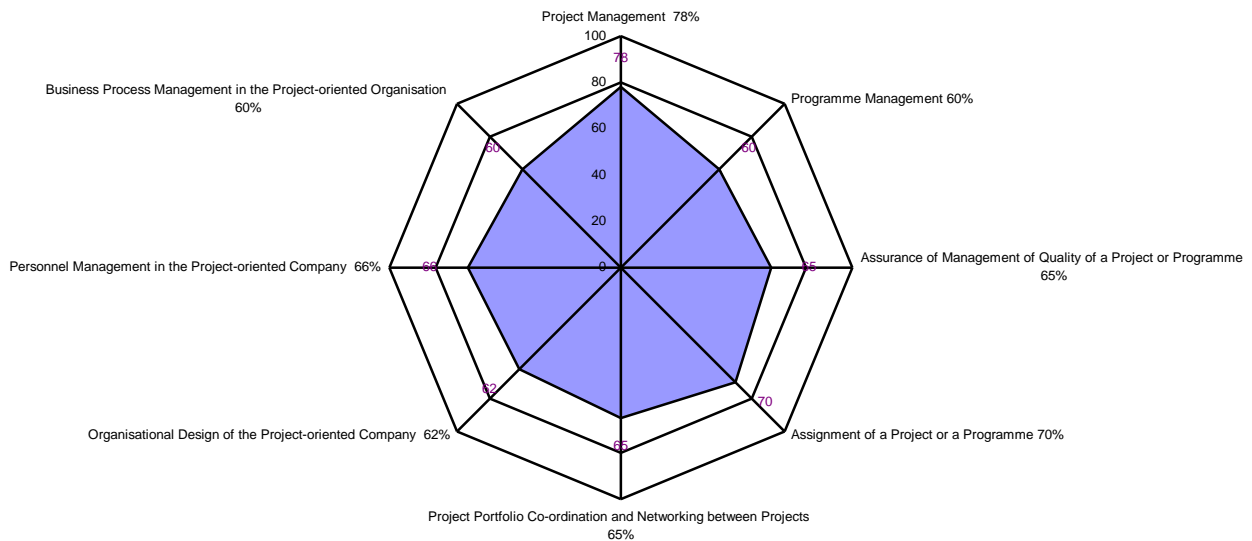
The average maturity ratio of Building and Civil construction companies in South Africa show high results. The major strength of this group lies in project management with an average of 77.2%, assignment of projects and or programmes 71.8%, and management quality 71.6%. Process management showed an average maturity of 62%.

Table 4 shows the maturities of selected Engineering Consulting Companies in South Africa

**Table 4: Average Maturities of Engineering Consulting Companies in South Africa**

CATAGORIES	AVERAGE OF ENGINEERING COMPANIES
<b>Maturity Ratio</b>	<b>3.35</b>
Project Management	3.90
Programme Management	3.02
Assurance of Management Quality of a Project or Programme	3.25
Assignment of a Project or Programme	3.48
Project Portfolio Co-ordination and Networking Between Projects	3.24
Organisational Design of the Project-oriented Company	3.10
Personnel Management in the Project-oriented Company	3.29
Process Management in the Project-oriented Company	3.02

Source: (Oosthuizen, 2007)



**Figure 4: Average Maturities of Engineering Consulting Companies in South Africa**

Source: (PROJEKTMANAGEMENT GROUP. 2006. *Results of Maturity of the Project-Oriented Company, Groups and South Africa*)

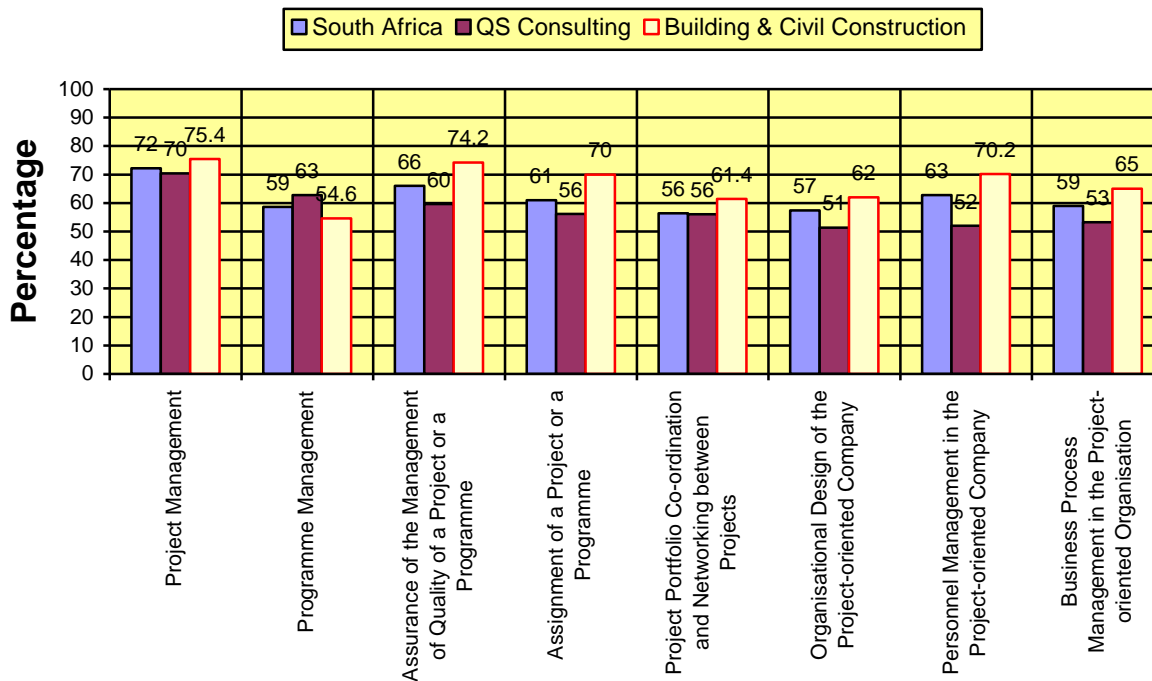
The average maturity ratio of the Engineering Consulting companies in South Africa are the second highest of the four groups analysed. The strength of this group also lies in project management with 79.8%, followed by 70% for project management. Organizational design showed an average maturity of 55.6%.

Table 5 gives the average maturities of all four South African groups analysed. The sum of the four averages gives the average for the 21 project oriented companies in South Africa.

**Table 5: Average Maturities of the South African Project-Orientated Groups combined**

CATEGORIES	POC IN SOUTH AFRICA	POG BUILDING & CIVIL CONSTRUCTION	POG QS CONSULTING	POG ENGINEERING CONSULTING	POG EDUCATION & GOVERNMENT & NON PROFIT
<b>Maturity Ratio</b>	<b>3.12</b>	<b>3.37</b>	<b>2.93</b>	<b>3.35</b>	<b>2.82</b>
Project Management	3.61	3.77	3.52	3.90	3.30
Programme Management	2.93	2.73	3.14	3.02	2.93
Assurance of Management Quality of a Project or Programme	3.30	3.71	2.98	3.25	3.12
Assignment of a Project or Programme	3.05	3.50	2.81	3.48	2.38
Project Portfolio Co-ordination and Networking Between Projects	2.82	3.07	2.80	3.24	2.29
Organisational Design of the Project-oriented Company	2.87	3.10	2.57	3.10	2.66
Personnel Management in the Project-oriented Company	3.14	3.51	2.60	3.29	2.95
Process Management in the Project-oriented Company	2.95	3.25	2.66	3.02	2.74

Source: (Oosthuizen, 2007)





**Figure 5: Comparison between Project-Orientated Groups combined and the Building and Consulting (Quantity Surveying) Companies / Firms in South Africa**

Source: (Oosthuizen, 2007)

## 5. CONCLUSION

The provisional results of the research show that the quantity surveying profession in South Africa is very competitive with regard to project management. It was seen that the building and civil construction – and engineering consulting groups are much more focussed on construction/project management and assurance of quality management than quantity surveying companies. Although South African quantity surveyors are capable of managing projects, it is regarded as exceptional for quantity surveyors to manage projects. It is commonly known that quantity surveyors are responsible for the financial management of construction projects rather than the construction management/project management of such projects.

It was found that respondent quantity surveying firms maturity profiles are similar to the South African profile in terms of project management, programme management, assignment of projects and project portfolio co-ordination while a slightly lower maturity ratio is evident in assurance of quality and organisational design. Quantity surveyors are less involved in personnel management and business process management than other project oriented businesses and this may be the reason for less favourable ratios in respect of these elements.

It is recommended that a research project be launched to measure the maturity of quantity surveying competencies evident in quantity surveying firms or companies. These competencies should first be established and the weighting of each competency adjudicated to ensure that the correct analysis can be made and benchmarking be done. The design of a maturity model however can be based on work performed for the Project Management Maturity Model.

Maturity models may be very helpful tools for companies to keep developing and maintaining a competitive edge in their environment. Companies, enterprises, organisations and nations can benchmark themselves against other companies, enterprises, organisations and nations in the same field.

Benchmarking is the continuing process of measuring products, services and methods and procedures in which results are confronted with those of the toughest competitors, or of companies acknowledged as sector leaders. This process of measuring and comparing has to be continuous and systematic in order to be able to identify “best practice” and methods in the sector or line of business and to be able to discover how these performance levels can be realised (Keuning, 1998: 511)

Knowing the maturity of a project-oriented system forms the basis for further development (Garies, 2005: 32).

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