

The Chaos Theory



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Executive summary



Managing projects has never been so tough. Project managers are working longer hours as their bosses and stakeholders want to maximize productivity. They are armed with technology and communications that make them accessible 24/7. There's an expectation for project managers and their teams to be more accountable, productive, and collaborative. The combination often results in chaos.

Today most of us are project managers. While the job title might be reserved for professional project managers, the majority of us manage projects – whether that's leading a team in a manufacturing plant or acting as an account director in a marketing agency.

Projectplace, an online collaboration technology pioneer whose customers include thousands of SMEs around Europe as well as global brands such as BSkyB and Carlsberg, has formulated a 'chaos theory': as the rapid evolution of technology continues, and as people's working habits change, there is a need to rethink how they take ideas from inception to completion – in other words, how they manage projects. If they fail to adapt by working smarter and equipping their always connected, global teams with the right tools, they won't be able to reach their goals, and their business will be taken over by chaos.

To better understand the factors that contribute to this chaos and its impact on productivity and business success, Projectplace commissioned an independent study that looks at the views and attitudes of over 1,200 project managers, i.e. people who manage projects on a regular basis. The survey covered six European countries.



SWEDEN



NORWAY



DENMARK




UK



GERMANY



NETHERLANDS


An illustration of a man with a beard, wearing a green sweater and dark pants, pushing a large, round clock with an orange frame up a green hill. The clock face is white with black hands and dots for hour markers. The background is a light blue sky with three yellow clouds. The hill is a solid green color that slopes upwards from the bottom left towards the top right.

The research reveals that project managers never have enough time, always have too much on, and increasingly feel out of their comfort zone. Inefficient collaboration and project management cost organizations 20 working days a year and put sensitive data at risk, jeopardizing businesses' revenue and reputation.

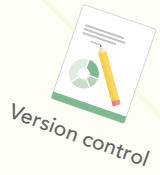
Getting rid of the chaos and achieving project success requires a balance of effective collaboration, getting things done on time and within budget, harnessing the right technologies, and building a motivated team. When balance is achieved, project managers don't experience undue stress, and teams are happy and productive. However, it just takes one of those elements to slip and the balance is disrupted.

If the project team misses a single email, the knock-on effect can be considerable, such as a dissatisfied customer and lost revenues. The interwoven nature of the project management web means that tension in one area can quickly create tension in another area. If this is not quickly addressed, chaos ensues.

Technological advancements such as mobile and cloud can have a disruptive impact on how organizations operate. But it's also clear that technology and the IT department will play a central role in helping organizations get rid of the chaos.



“ The right technologies will play a central role helping organizations get rid of the chaos ”



Version control



Project budget



Project schedule



Team and delegation



Data security



Communication



Team morale



Tasks

Chaos theory of collaboration

Foreword from the Project Management Institute, UK Chapter

In a bid to maximize productivity, organizations are placing huge pressure on project managers to deliver on complex business initiatives with smaller budgets and tighter timelines. Many project managers are working longer hours, and on more and more increasingly complex projects.

The pain points that the Chaos Theory research identifies are the same as those highlighted by our members. Common challenges include managing geographically dispersed teams, ensuring projects are completed within the desired timeframe and

to budget, as well as making sure that data security and version control are kept in check. Communication remains one of the biggest hurdles and email often exacerbates the situation. It's increasingly difficult for project managers to ensure that all team members are motivated and engaged, working effectively towards a common goal.

Inefficient business practices can result in poor productivity levels, as highlighted by the Chaos Theory study. This ultimately has a knock-on effect on the bottom line, as projects overrun. A brand's reputation also hangs in the balance if best practices for sharing sensitive company data aren't adhered to.

This complex environment poses new challenges that cannot be addressed with traditional project management tools. Organizations need to equip project managers with new technologies that address

their pain points and foster a collaborative working culture. IT departments should support more effective communication methods and BYOD and BYOX.

Technology should not be seen as the enemy. It is key to empowering people to work smarter, and to successful project delivery. More effective project management and collaboration practices support businesses' competitiveness in the digital economy.

Yohan Abrahams, President

Collaboration chaos

Project managers face an increasingly complex work environment. Advances in cloud and mobile technologies and anywhere connectivity are changing our working habits.

Technology should make communication easier, but over a third (37%) of project managers cite the lack of communication between team members as one of the main challenges of collaborating with others on a project.

Spoilt for choice, 31% say it is becoming harder to know exactly which communication method to use day-to-day.

Team members now rely on a variety of tools from mobile messaging to video calls. The British in particular feel confused, with 41% agreeing that it is hard to decide which method to use.

37%

of project managers cite the lack of communication between team members as the main collaboration challenge

35%

say the number of emails they receive at work often makes them feel stressed

31%

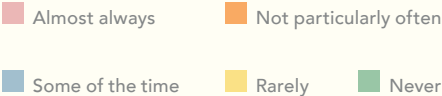
say it's harder to know which communication method to use day-to-day



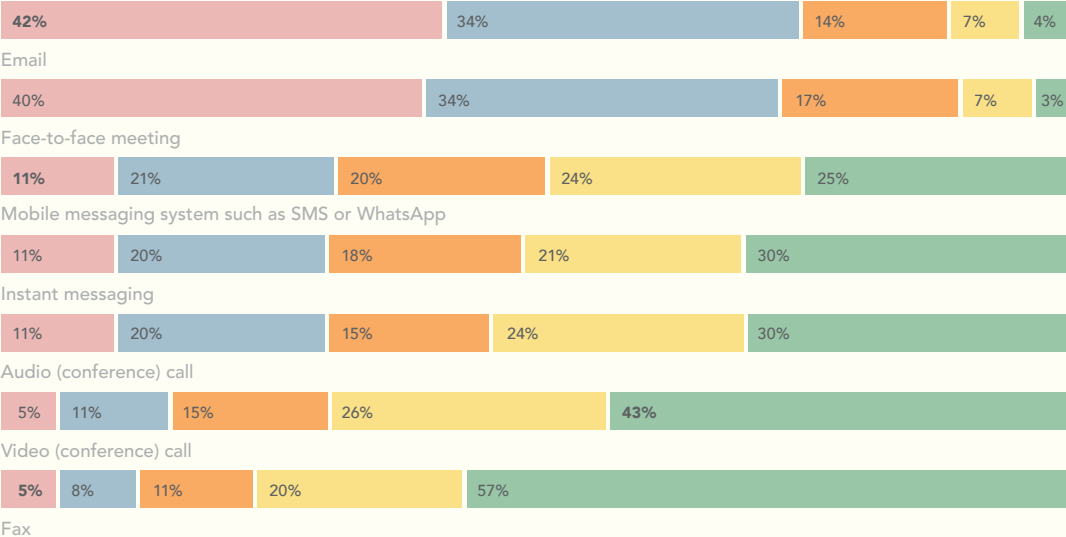
Despite this, email (76%) and face-to-face meetings (74%) remain the top communication methods. Dispersed teams are finding it difficult to find the time to meet in-person or jump on a conference call (22%).

At the same time, as the number of projects grows, the size of a project manager’s email inbox balloons. Once project managers cross the threshold into managing eight projects or more at any one time, the number of emails they receive tends to increase by 134%. This leaves one in three (35%) feeling stressed.

The Germans in particular feel stressed by the size of their inboxes (43%).

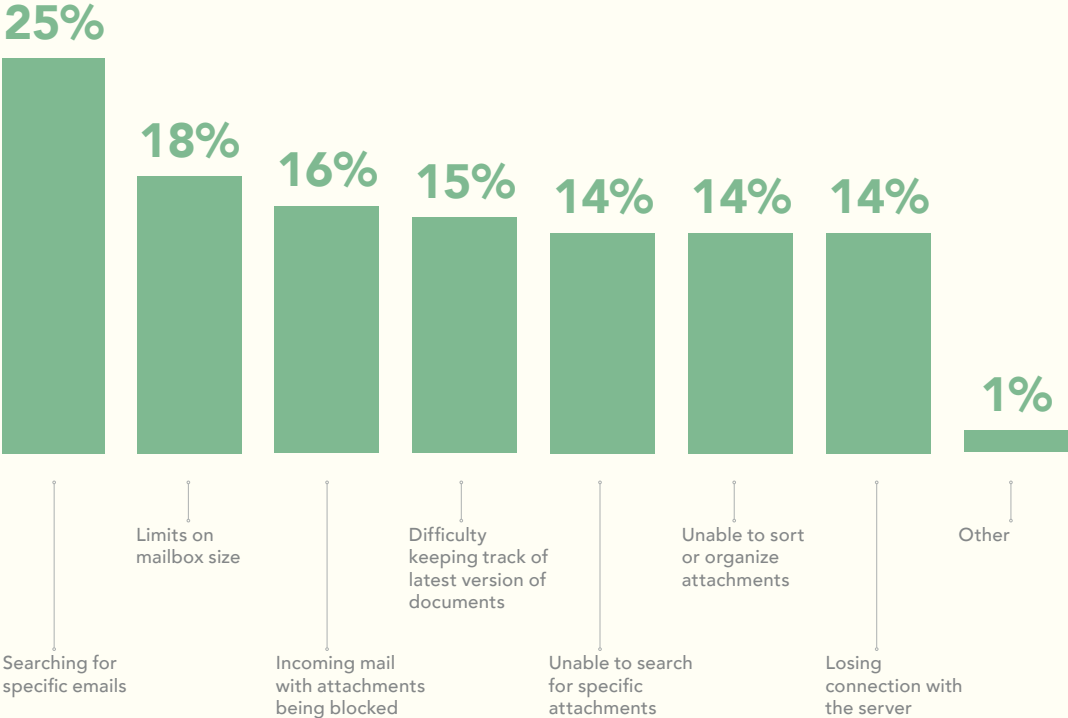


{Figure 1} Frequency of using communication methods



The situation is made worse by email challenges, including limits on mailbox sizes (18%) and incoming mail with attachments being blocked (16%). Crucially, those who find working with email challenging, cited searching for specific emails (38%) and for specific attachments (21%) as the main pain points.

With communication chaos taking over and stress levels rising, it's easy for inefficient practices to quickly turn into bad habits if not dealt with swiftly. These can have a catastrophic effect, not only on productivity, but also on the quality of work and the company's bottom line: miscommunication leads to mistakes, giving the business a bad reputation.



{Figure 2} Challenges of using email

Time and money matter

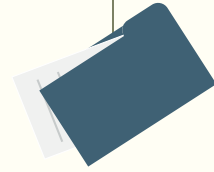
While making sure that the team is working effectively towards a common goal, project managers also have to contend with strict deadlines and tight budgets. They admit that one in five (19%) of all projects tend to run late and an average of 14% run over budget. This scenario is more common in the Netherlands, where 22% of all projects run late and 15% are over budget. Norway closely follows with 21% running late and 15% completing over budget.

When project managers have to deal with eight or more projects, projects can quickly spiral out of control. In this scenario as many as one in three (32%) projects aren't

completed on time and over a quarter (26%) end up costing more than the agreed budget.

Half (50%) of project managers also reported that they are taking on tasks outside of their main role, meaning they have less time to spend on actually managing projects. Old habits die hard and impact on productivity.

Project managers admit to wasting an average of 2 hours and 45 minutes a week due to inefficient practices, which equals more than 20 working days a year. This is a huge time waster, costing businesses approximately 8% in project managers' time and salary. In Sweden, project managers waste as much as 2 hours and 57 minutes each week, closely followed by the Netherlands (2 hours and 52 minutes). Wasted time also leads to stressed project managers who then feel they have to make up for lost time by working outside of normal business hours.



Project managers are struggling to cope with their current workloads. By taking on even more responsibilities, they are forced to let project deadlines and budgets slip. On top of this, they waste time through inefficiencies, creating even further delays and costing businesses dear.



2h 45m

a week are wasted due to inefficient practices

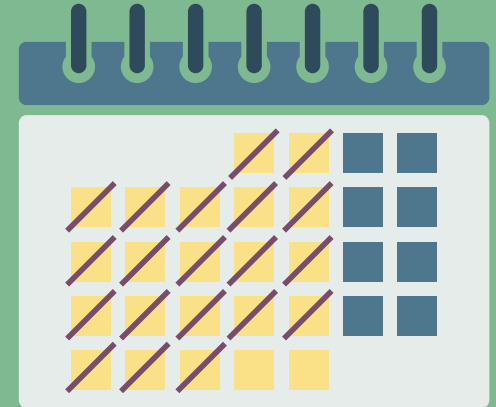
20 days

that's how long it equates to in a year



8%

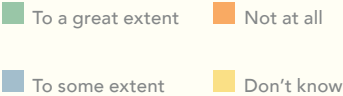
is how much it approximately costs businesses in project managers' time and salary



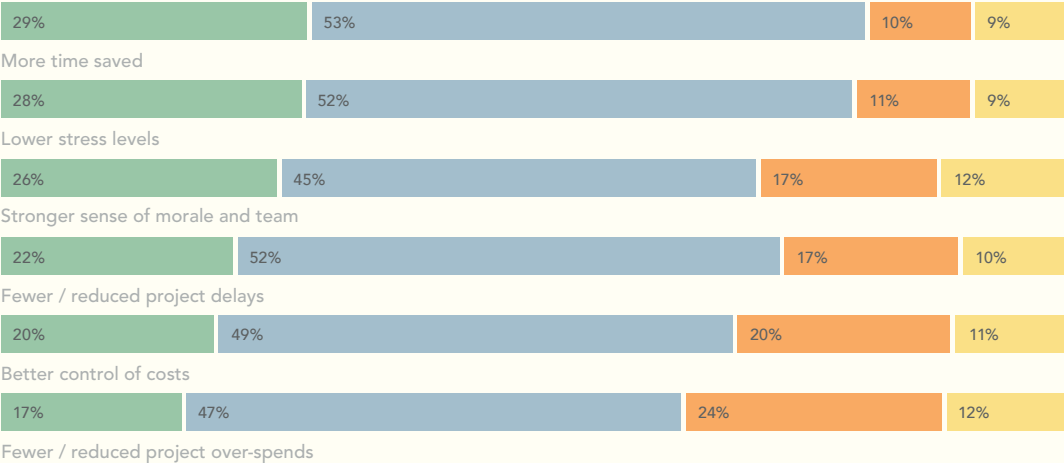
Technology – help or obstacle?

Technology has the potential to transform businesses. It enhances communications, streamlines processes, enables smoother delivery of customer services, and empowers staff to work more efficiently – boosting profitability.

Project managers are starting to realize that traditional RAG tools or Gantt wall charts are no longer fit for purpose. They need new tools that help them do their job better. In response, half (52%) have adopted project management tools – Microsoft Office and notes on paper simply don't cut it anymore.



{Figure 3} Consequences of better project management tools



Those who are holding on to paper or desktop-based project management approaches, find that creating the right structure (36%), sharing knowledge with others (31%), and accessing information on the move (28%) are the biggest headaches.

On the other hand, most respondents feel that tapping into project management tools would yield significant benefits when it comes to efficient project delivery and employee well-being. They would expect to see less time wasted (82%), lower stress levels (81%), fewer project delays (74%), stronger sense of team (71%), better control of costs (69%) and reduced project over-spend (64%).

The traditional 'project room' that project managers have grown accustomed to, where they can bring together team members and draw out project plans, no longer exists. New technologies are needed to not only

enable project managers to keep up with the changing nature of the work environment, but also communicate effectively with a scattered workforce. It's crucial that they can create a 'virtual project room' with a strong community feel, where team members can collaborate and share project progress, ideas and feedback. More and more project managers are realizing the benefits of cloud-based tools that enable them to create a project room online.

In spite of the overwhelming demand for tools that enable project managers to do their job better, only 52% say their organization's IT department supports employees' use of new technologies such as cloud-based collaboration platforms.

While technology can drive productivity, it can cause chaos too. Two-thirds (64%) of project managers say they can access sensitive data in their organization. Yet only half can easily see

who has actually read, changed or downloaded a shared document (54%) or has a solution enabling version control (57%). This has the potential to jeopardize the integrity and security of sensitive data.

The use of multiple tools across the business also leads to inefficiencies and can be a nightmare for the IT department. From the project manager's point of view, the pressure to work on different platforms and to be available 24/7 leads to stress.



Only **54%**

can easily see who has read,
changed or downloaded a
shared document and 57%
have a solution enabling
version control



Only **19%**

say their organization's IT
department supports employees
to use new technology such as
cloud-based collaboration tools



Only **52%**

use project management tools
beyond Microsoft Office and
notes on paper

Project managers expect new tools to yield big benefits:



82%

less time wasted



74%

fewer project delays



71%

stronger sense of team



69%

better control of costs



Stressed & overworked

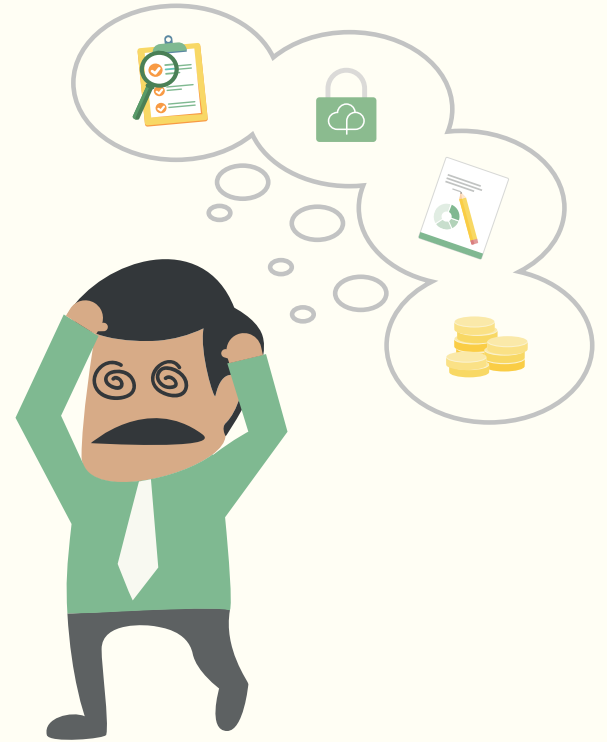
As businesses strive to move faster into new markets and to introduce quickly innovative services to meet the demands of their customers, project managers are under pressure to deliver more projects to tighter deadlines. They are finding it increasingly difficult to switch off after work. As taking work home on your laptop, tablet or smartphone becomes commonplace, many struggle to separate their work life from their personal life.

Despite 79% stating that maintaining a work-life balance is very important to them, almost two-thirds (63%) regularly work on their days off or weekends to keep on top of their to-do list. One in three (31%) project managers admit to not being able to complete their work during working hours, and two-thirds (67%)

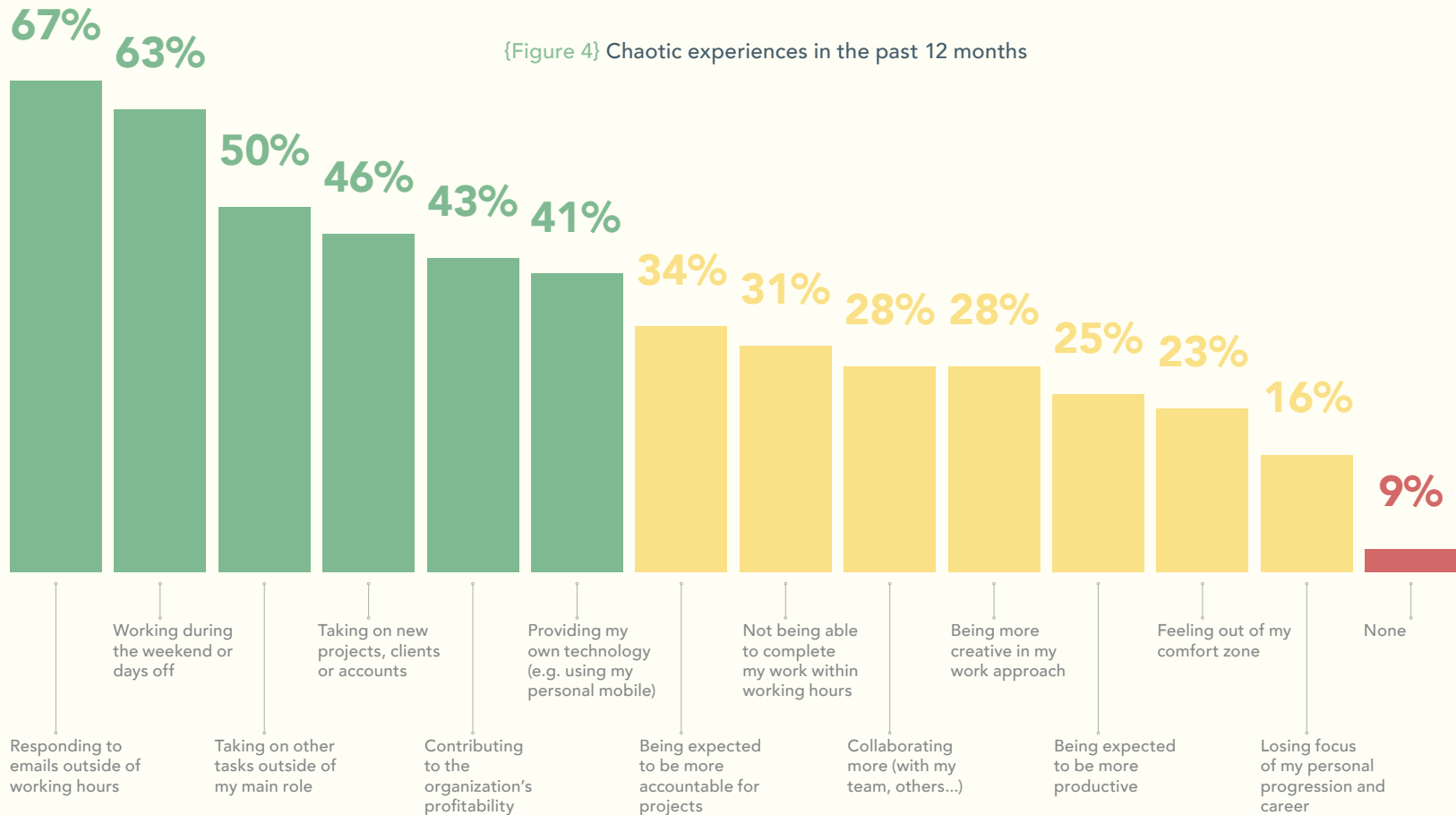
respond to emails outside of working hours. This number jumps to a staggering 86% in Sweden, where as many as 68% take on tasks outside of their main role, compared to the 50% average.

While work-life balance is hard to achieve, over half (58%) say that their employer expects more from them every year, and a quarter (25%) feel that they are expected to be more productive. Project managers in the UK in particular feel under pressure, with 67% thinking that their employer expects more and more from them. Project managers across Europe also feel that their role is under threat, as others in the company are increasingly using project management skills and processes (24%).

With these pressures, it's easy for project managers to get tangled in the web of chaos, and 38% say they feel more out of their comfort



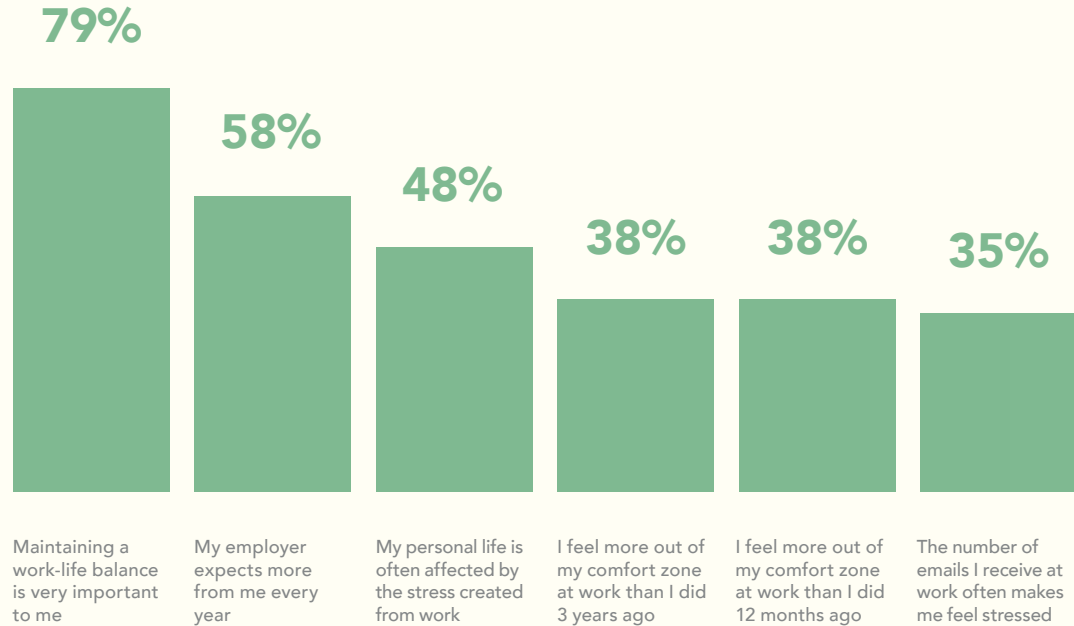
{Figure 4} Chaotic experiences in the past 12 months



zone than they did 12 months ago. Around half (48%) feel that their personal life is affected by work-related stress. Project managers in Germany are especially stressed out, with 55% reporting it is having a negative effect on their personal life.

Project managers are feeling over-worked and under pressure as more is expected of them every day. Stress sets in as business and personal lives become blurred and project managers struggle to cope with their workload. With little time left to relax and unwind, cracks appear. Mistakes are made, projects take longer to complete and budgets are trampled on – leading to chaos.

{Figure 5} How project managers feel



How to get rid of chaos?

The increasingly global nature of business and rapid advances in technology mean that if businesses don't change how they manage projects and how teams work together, chaos will come calling.

The consequences can be devastating. Productivity levels decrease, projects overrun, budgets are overspent, mistakes happen and staff feel stressed. A company's reputation and revenues will be jeopardized.

To eliminate chaos, businesses should take these simple steps. This will enable organizations to bring out the best in people, make them more productive, and help them reach their goals.





[1] Create an online project room where project managers and teams can collaborate together more effectively and share ideas



[2] Split responsibilities for those managing more than 8 projects to reduce stress



[3] Don't let your IT department be a technology police. Adopt BYOD and other BYOX policies



[4] Use collaboration tools that allow senior management, project managers and team members to keep track of actions and project milestones more easily



[5] Roll out a flexible working policy to ensure project managers and teams can strike a healthy balance between their work and personal lives



[6] Embrace more effective communication methods to stop email addiction and keep people connected



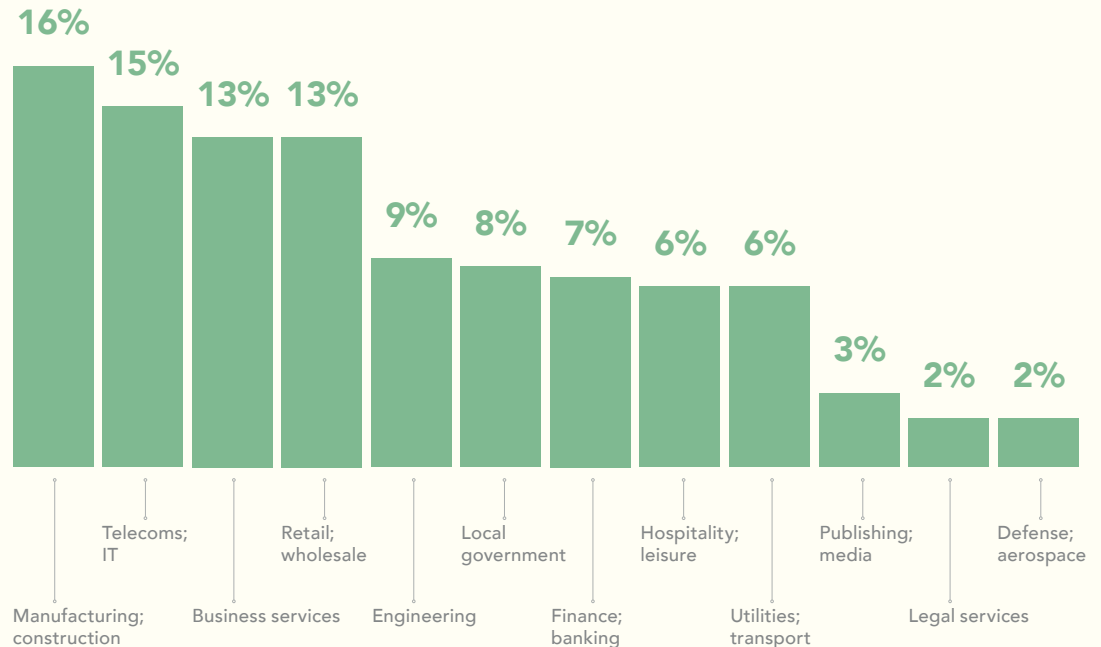
[7] Safeguard sensitive data to protect the organization's reputation and bottom line

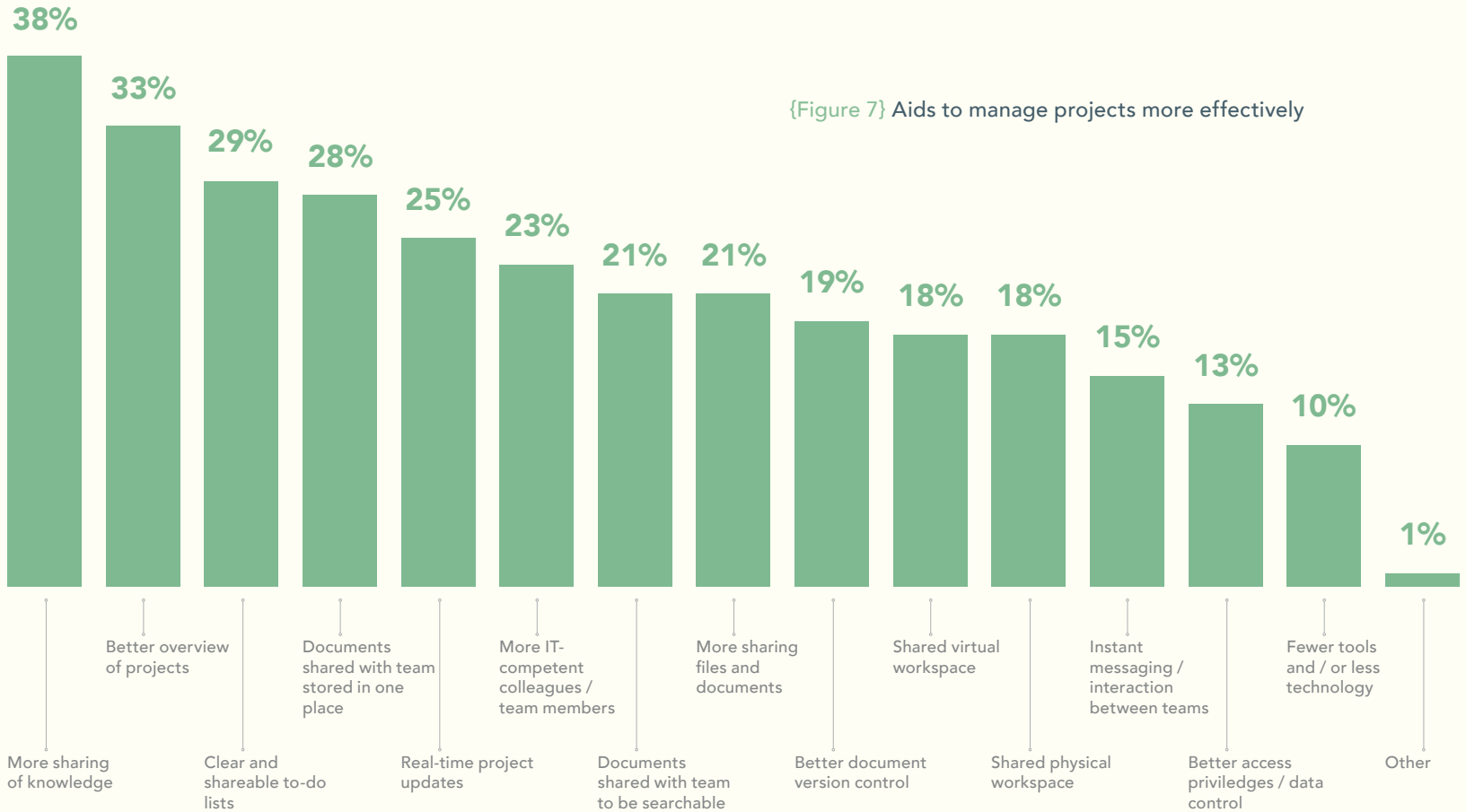
How to get rid of chaos

Appendix: Methodology







1,240 Europeans across 6 countries who manage projects completed an online survey in April and May 2014. Over 200 respondents (who class themselves as partly working on 'projects' in their workplace, working together with other people to solve pre-defined tasks with a set goal) from Sweden, Norway, Denmark, the UK, Germany and the Netherlands were surveyed across a broad spread of verticals. The research was conducted as a collaborative effort by Loudhouse, an independent research agency based in London and Cint, a global online market research firm.

{Figure 6} Project management verticals





{Figure 8} Stats per country

	TOTAL						
Agree "My employer expects more from me every year"	58%	63%	56%	59%	67%	57%	47%
Agree "My personal life is often affected by the stress created from work"	48%	51%	43%	48%	52%	55%	40%
Average percentage of projects that run late	19%	19%	21%	19%	20%	16%	22%
In the last 12 months:							
• Responded to emails outside of working hours	67%	86%	64%	67%	65%	56%	65%
• Taken on tasks outside of my main role	50%	68%	43%	52%	46%	56%	36%
Average percentage of projects that run over budget	14%	14%	15%	14%	13%	12%	15%
Can access sensitive data in my organization:							
• Can easily see who has read, changed or downloaded a shared document	64%	77%	73%	36%	79%	87%	33%
• My organization has a solution to enable version control of documents	54%	43%	45%	50%	62%	65%	60%
	57%	53%	52%	45%	67%	64%	60%
Agree "It's becoming harder to know which communication method (e.g. email, phone) to use for day to day activities with colleagues and team members"	31%	26%	28%	28%	41%	38%	26%
Agree "The number of emails I receive at work often makes me feel stressed"	35%	40%	32%	30%	36%	43%	31%
Average time wasted each week	2h45m	2h57m	2h41m	2h48m	2h25m	2h46m	2h52m
Better project management tools could result in:							
• More time saved	82%	85%	72%	82%	86%	80%	85%
• Lower stress levels	81%	80%	77%	76%	86%	86%	80%
• Fewer / reduced project delays	74%	66%	68%	73%	82%	75%	77%
• Stronger sense of morale / team	71%	70%	62%	73%	74%	71%	75%
• Better control of costs	69%	67%	63%	64%	73%	71%	76%
• Fewer / reduced project over-spends	64%	56%	53%	61%	76%	67%	71%

About Projectplace

Projectplace creates collaborative tools that enable people and organizations to reach their goals. From the free ToDo collaboration tool to the complete project management platform, Projectplace brings secure and scalable collaboration to individuals, small businesses and large enterprises. For more information, visit projectplace.com

Projectplace, now part of Planview

Planview is a global leader in portfolio management and project collaboration. From small teams to large enterprises, leaders in every industry rely on the company's cloud solutions to empower organizations to reach their goals and drive results by optimizing the capacity of their people and financial resources. Planview's singular focus fuels a deep commitment to innovation and customer success. For more information, visit www.planview.com

