



Imperatives of Professionalising Project Management

A Presentation by
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Infrastructure growth in India

- Substantive push required to infrastructure to maintain 9 % GDP growth
- 11th Plan– Rs.20.5 lakh crore investment required by Central and State Governments and Private sector including PPP in key infrastructure (power, road, bridges, telecom, railways, urban transport, irrigation, water supply and sanitation, ports, airports, storage, petroleum and natural gas)
- Investment in infrastructure in the 11th Plan includes Central Government share of Rs. 7.66 lakh crore, State Government share of Rs. 6.71 lakh crore and Private Sector Rs. 6.20 lakh crore

Need for Professionalisation of Project Management

- In Modern India, projects cannot be handled by traditional management practices as besides being complex, the projects have to be delivered within a time and cost frame to remain financially and commercially viable and quality of output also needs to be ensured.
- The deployment of professionally trained and certified project managers is the key element to achieve this.
- Project managers in Government need an understanding of latest project management tools and project management software, application of best contract management practices, best cost and time control techniques.

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- These practices are equally applicable to private sector projects.
- Even the large programmes launched by the Government of India require use of professional management practices.
- The huge investment envisaged in 11th Plan, underscores the need for better project management in all sectors to steer timely delivery within approved cost



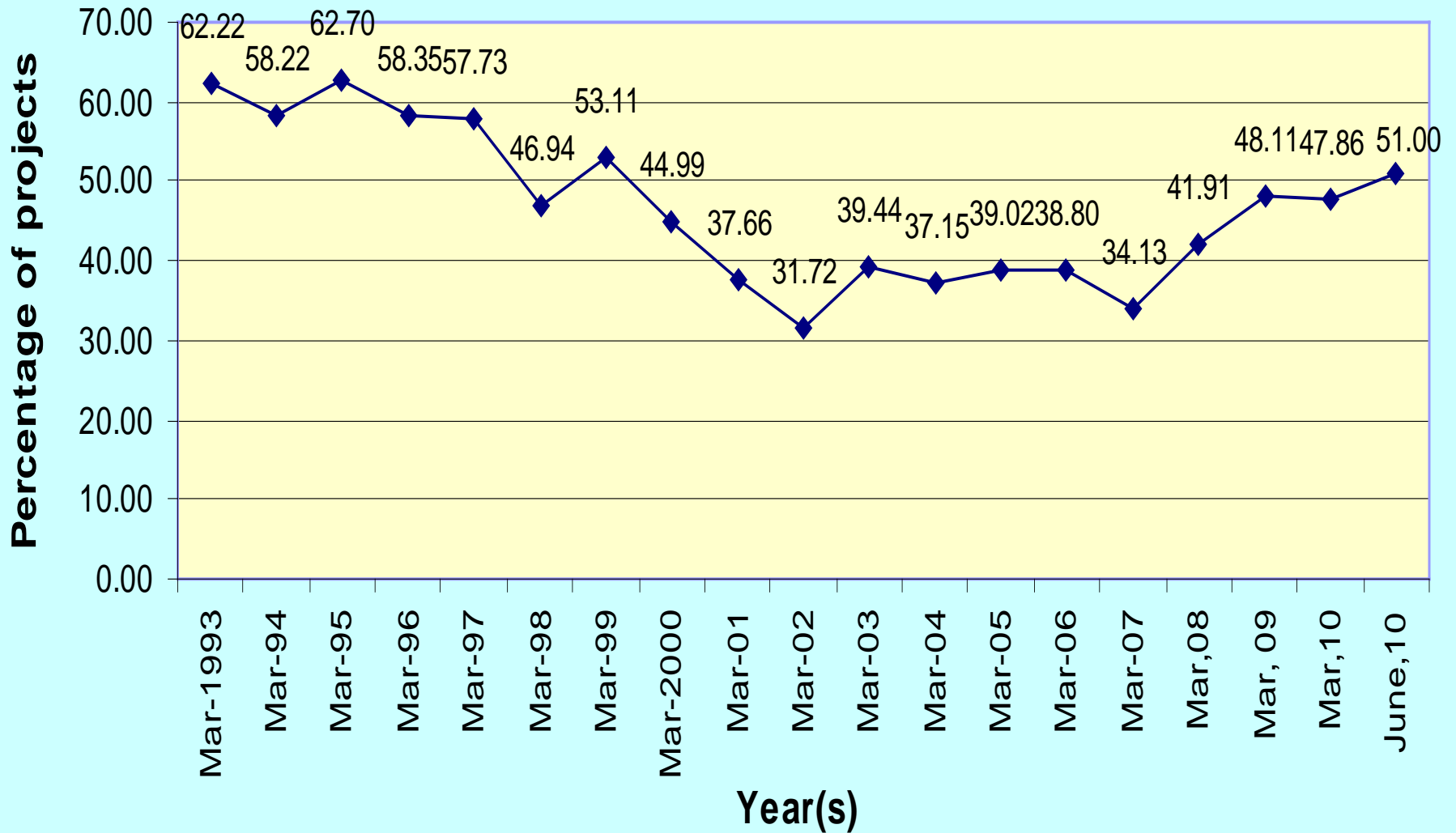
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- At present, project managers in Government and private sectors may have good domain engineering knowledge and experience, but many of them lack formal training/ certification in project management

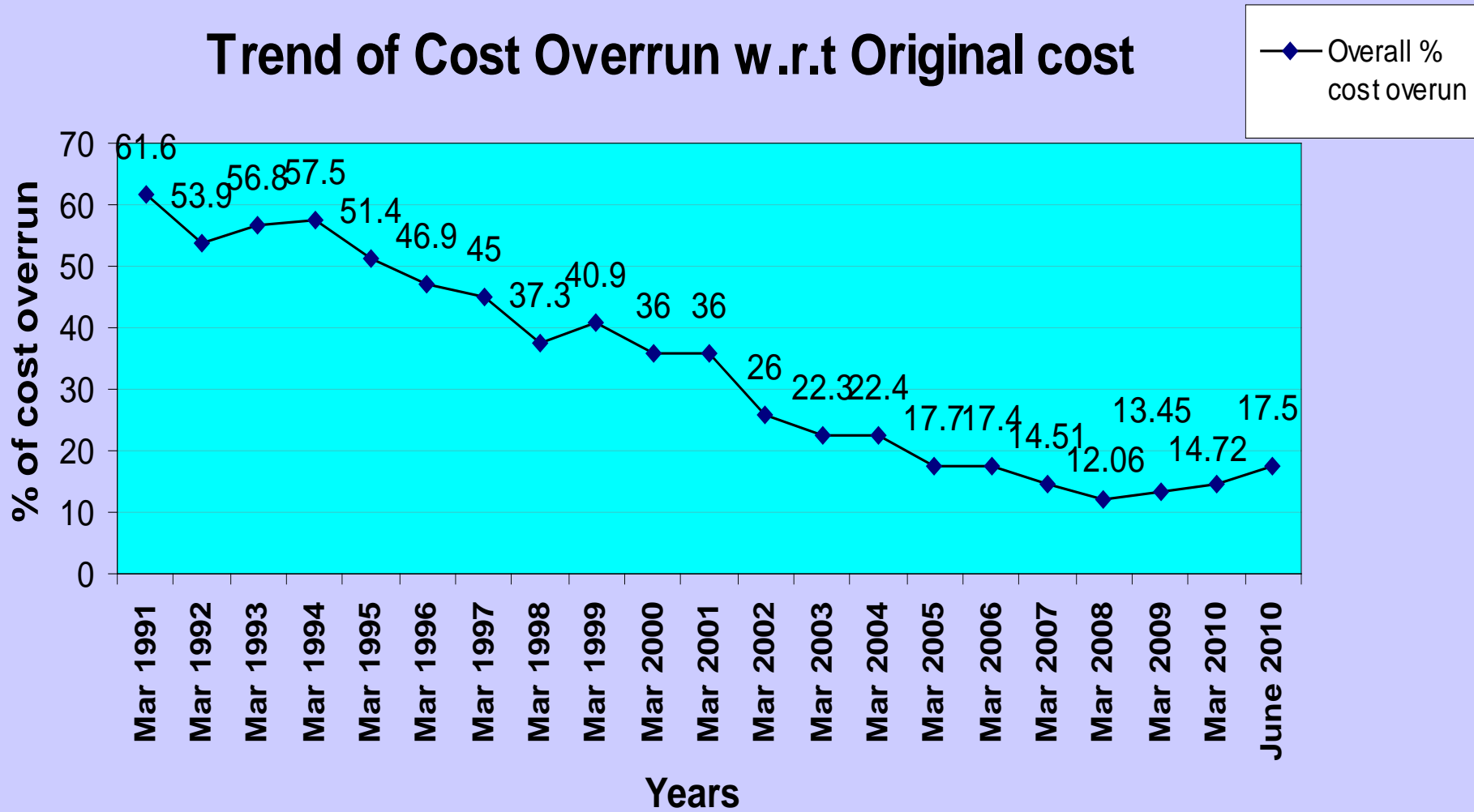
Implementation Scenario – Public Sector Undertakings

- Out of 600 projects in public sector above Rs 150 crores, presently on the monitor of the Ministry, 306 projects have time overrun and 203 projects have cost overrun. In these 203 projects, the cost overrun is of the order of 68%.
- The overall cost overrun is of the order of 17.5% and the time overrun varies from 1 month to 225 months. In fact, about 32 projects are having a delay of more than 5 years

Trend of projects running behind schedule w.r.t original schedule



Trend of Cost Overrun w.r.t Original cost



Imperatives of Professionalizing Project Management

- Professionalisation of project management is absolutely necessary if we want to ensure effective utilisation of scarce financial and other resources.
- One school of thought is for Government to create and support the necessary environment and organisational arrangements e.g in B Schools or through PMA/PMI courses, to ensure availability of infrastructure for professionally training and certifying project managers
- The second school of thought is that this is a demand driven need and therefore industry and the academics will react and make arrangements to fill the requirement.

- In both cases after professional training, certification would be necessary
- The Ministry of Statistics and Programme Implementation is of the view that there is a need for giving a push from the Government with supportive policies and institutional arrangements for providing training & certification in project management by coordinating the efforts of professional institutes and industry.

Way forward

- Professional management Institutions may start dedicated Project Management courses leading to Degree, Post Graduation and Fellowship. Project management should be an elective subject in general MBA programmes.
- Project Management Institutes and Associations in Government & Private Sector should organize courses & trainings to infuse Project Management knowledge & promote skill development through Modules and Case Studies. These Modules should cover sector specific experiences and learning's.

New Frontiers and Future Trends in Project Management

- Government of India and Indian Industry is quite forward looking in adopting sound project management practices.
- This is an opportune time to deploy best project management practices through trained and certified project managers.
- We have shining examples of best project management practice in India leading to success both in public & private sectors (Delhi Metro, International Airport at Delhi and Hyderabad, Brahmos missile programme , Landing on moon etc.)



THANK YOU