Abstract:
Many organizations who deal with a variety of projects have the problem to compare the efficiency and effectiveness of all the projects in the organization and to learn from this experience. The PEM (Project Excellence Model) from IPMA (International Project Management Association) is an open, very flexible model for assessing different projects. It is used by IPMA each year to find the best project of the year. This model is being adopted for the Croatian PM Award. The model itself and the project for implementing it in Croatia are described as well as the benefits from this kind of benchmarking projects for the project teams as well as for the other involved parties.

JEL classification: L16, P17

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1 Introduction
For the last few years the number of projects has been increased constantly. Most of the companies generate higher rate for revenues and profits due to the implementation of projects. In many cases, the revenue from projects exceeds the revenue that is achieved through the implementation of routine processes. Predic-
tions for the future indicate that this trend will continue. This leads to the fact that significantly more importance is attached to the implementation of projects than was done in the past (cf. GRAU&GRAU, 2010, 86). The increasing number and diversity of projects of an organization make it necessary to compare the efficiency and effectiveness of all the projects in the organization and to learn from this experience. In such a situation, benchmarking could be an effective method.

2 Benchmarking and project management

At first glance it appears to be quite difficult to compare projects with each other, because they are unique endeavors by definition. On the other hand, there is a project as a complex system made up of elements that can be compared with each other very well. Here the model for evaluation of projects is presented, which is used by the IPMA (International Project Management Association) to evaluate projects and to find worldwide the best project of the year. The project team gets the IPMA Project Management Award. The model is related to the model of EFQM (European Foundation for Quality Management), a model in the field of TQM (Total Quality management).

The two areas that are seen to be largely equal in the evaluation are the areas of the project results and project processes. In each of the two areas more criteria and sub-criteria are identified (see chapter 3). Originally the model was developed in Germany by the GPM (Deutsche Gesellschaft für Projektmanagement e.V. - German Association for Project Management) (cf. GRAU&HUTTERER, 1999) and was handed over the IPMA on occasion of the World Congress in Berlin in 2002. Since, it has been used each year to determine the best projects. In the last ten years, the model has been adopted partially in modified form by several national MAs (Member Association), as the basis for national benchmarking projects (see fig. 1).
3 The project of implementing a benchmarking process in Croatia

Once in 2012 the decision was made to implement a Croatian Award for Project Excellence a small team was formed, which performs the adaptation of the method, which is used by IPMA. It was very helpful that all the documents were made available by IPMA. The essential elements have been presented to the Croatian team by an experienced project manager, who knows the process from its beginnings in Germany as well as the international level. After that the model and the process have been slimmed down as far as it seems to be useful in the national context. The project of implementation will have the following phases:

3.1 Translation of documents

During the translation of documents there were always decisions to be made, which documents are absolutely necessary. We noticed that the translation from English into Croatian is actually a translation of the previously translated German documents into English. After several reviews, it is ensured that the philosophy of the model and the process has been conserved.

3.2 Training of trainers and assessors

Parallel to the translation of the documents Croatian coaches were sought, who will train the first team of Croatian assessors together with an experienced IPMA
trainer as a lead trainer. With the Croatian trainer and the core team a “train the trainer” event will be implemented. Then the Croatian training staff will train Croatian assessors in the following years.

The training of the Croatian assessors will take place over two days and deal with all elements that are represented in the Croatian model.

As a result there will be a group of trainers and assessors that will be active not only in the Croatian national award but also to spread the idea of benchmarking in companies and other organizations that work on projects. Thus, the project teams of these organizations are enabled to identify the success factors of their respective project.

A key element of the model is the continuous improvement during the project. The application of the model for self-assessment will also support this aspect. In addition, the model requires a reasonable (not bureaucratic nonsense) documentation of the processes. This documentation can be also used during the project to benchmark individual elements and with very little additional effort for learning in the learning organization.

3.3 Implementation of the evaluation of projects

The evaluation of the projects for the first Croatian project management award is conducted in accordance with the IPMA standard. In doing so the application forms, which are in form of a self-assessment, will be evaluated by a team of experienced assessors, who in the first step evaluate independently. Afterwards, results are compared and in a consensus meeting a consensual evaluation is found in the assessor team. After these assessment steps there is site visit where the project members are interviewed and any further documents be consulted.

3.4 Benchmarking report

Once the review is done, applicants will receive a detailed benchmarking report from the assessors. This report, prepared by experienced assessors, represents the value of several days of consulting from senior level consultants in the field of project management. It encompasses both the strengths and the potential for improvement of the project and can be used both for training of project staff as well as to back up the experience for the learning organization (cf. OTTMANN & SCHELLE, 2011).
3.5 Benefits for project teams and their organizations who participate in the benchmarking process

Apart from the above benefits, both for the project and for the organization, there are other potential benefits from participation in this benchmarking.

All finalists will have the opportunity to receive attention at a gala ceremony and in 2013 as part of the IMPA world congress on project management to present their experience, exchange ideas with colleagues and get opportunities for networking with members of other excellent teams. It is suggested to find an organizational format that corresponds to the “IPMA winners club”.

The organizations, whose project teams have achieved the status of a finalist, receive the permission to point out their project excellence in their writings and other marketing materials. In addition they will get public attention at the award presentation (press release, IPMA and HUUP home page, invitations to give presentations in the professional community, etc.

Past experience on both the IPMA level and in the implementation of national benchmarking shows that participation in such a benchmarking usually attracts the attention of senior management in the company. This facilitates access to important resources and motivates the project team already during the project. Participation in the award process (including the gala dinner and the congress) is used by some organizations as an additional incentive for the project team.
4 The Croatian benchmarking model

The IPMA model for Excellence was adjusted accordingly as a model for the Croatian Award. Five out of nine elements were adopted (see fig2).

Figure 2: Croatian Project Excellence Model

Reasons for the adaptation were that the model should be kept as simple as possible to encourage a wide distribution. The following considerations should help:

1. For applicants the lean award process seems to be a manageable effort. In any case, the idea is to avoid too much bureaucracy.
2. During a pilot project in 2013 there is a good opportunity for the assessors to get to know the essential elements of the model and the process.
3. For the organizer HUUP (Hrvatsko Udruženje za Upravljanje Projektima – Croatian Association for Project Management) there is a good chance with the simplified model to start making this benchmarking model popular.
It was ensured that the contents of the individual elements were not changed. Thus Croatian projects can either perform a benchmarking with international projects only based on the presented criteria or they can work on the four missing criteria if they want to go for an international benchmarking.

The selected five criteria cover more than 70% of all points to be awarded according to the IPMA model. This ensures that the main focal points are covered and the consideration of the remaining four criteria would only contribute to a refinement.

An example (criterion No. 1 “Project Objectives”) will be shown here as one of the five criteria for assessing the project, applies.

It has to be proved „How the project formulates, develops, checks and realizes its objectives based on extensive information about the demands of the stakeholders involved

1.1 It has to demonstrate how the expectations and demands of parties involved are identified.

1.2 It has to demonstrate how the project objectives are developed, as well as how competing interests are integrated on the basis of extensive and relevant information.

Each subcriterion has a checklist with examples of expected questions to ask. Here is the checklist for the subcriterion 1.1.

„The checklist could include how the project:

• guarantees to identify systematically all stakeholders involved (e.g. interviews);
• gathers, analyses, condenses and systematically uses necessary and sufficient information;
• uses the following sources to gather information;
  - initiator, users, sponsors and suppliers of the members of the project team;
  - associations and other external organisations;
  - internal achievement indicators;
  - benchmarking-studies (internal/external);
  - achievements of competitors and “best in class:}
- projects/comparisons with other projects;
- studies and information about specific social, legal and environmental aspects;
- economic and demographic indicators;
- new technologies.

• How is/was the procedure for identifying stakeholders defined. i.e. to find out about groups that are potentially interested or concerned with the project

• Which stakeholders were determined?

• What is/was the procedure for defining interests, requests, needs and fears of these stakeholders?

• What is/was the result of this analysis- which needs etc. were determined’

• Has it been observed If the stakeholders’ interests have changed during the project?

• Which changes have been noticed?”

• (cf. different IPMA promotion materials, partly changed by the author).

• The expression “could include” makes sure that nobody should think that this is the only one right way to manage projects.

The benchmark model of IPMA is an open model (cf. GRAU, 2013, p.16ff), which means that only the basic structure, criteria and sub criteria are given by the model. The evaluation of used methods and processes will be done by the team of experienced assessors. This is the reason why it is possible to compare projects from different types (internal and external projects, product development projects, investment projects, organization projects, etc.) with this model.

The model can also be used in various industries and also for projects of different size and complexity. Even projects in the social or the “non profit” area can be compared with this model.

5 Conclusions

The importance to benchmark projects seems to be self-evident. In 2012 the Croatian Association for Project Management decided to start a project of implementing a benchmarking procedure at the national level. As a MA (member Association of IPMA it was clear that IPMA standard model for project excellence and
the corresponding standard process will be the basis for this national benchmarking tool. In this paper it was important to show that it is possible to start such a national process with a limited amount of resources by adapting the very mature IPMA model and process to the national needs in this first beginning. For this reason the model and the process were described and the project for implementation was explained. It is important too to start this pilot project quickly not to lose the momentum. On the other side it is important to show that care was taken of possibilities for future improvement and refinement. The Croatian National Award will be introduced to the international audience during the IPMA World congress in Dubrovnik/Croatia in October 2013.

6 References

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