

# How to Achieve Project Success in Disruptive Times



Did someone  
mention  
Disruptions?

Digital disruptions

Covid !!



Inflation is  
coming to a  
store near you!



# Cause

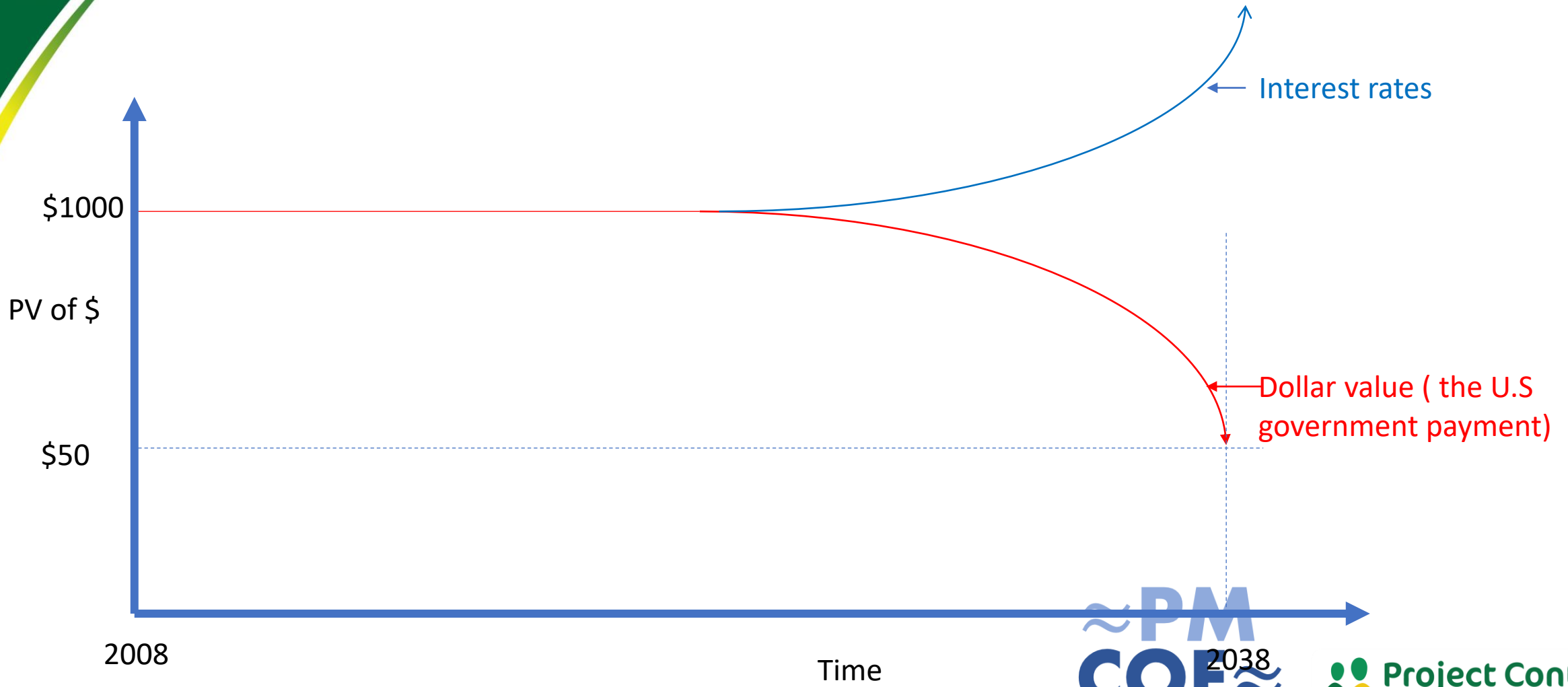
- Governments (specifically the U.S government) need to reduce their debt payment
  - How does this work?
- Hence the monetary policies have been expansionary (i.e trillion dollars of economic stimulus)
  - Covid payments for example

# Effect

- Governments, through their central banks increase interest rates, and this is passed down to the rest of the economy
- Bad news : Price of goods go up, debt repayments go up, economies contract (decrease in demand)
- Goods news (sort of) : Wages increase!!



# How higher interest rates impact the dollar



# Present Value of Dollar

Interest rate = 6% (In this example)

Assumption : interest rate doesn't change

## Present Value (PV) Calculation

The PV formula is:

$$PV = \frac{FV}{(1 + r)^n}$$


Present Value (PV) Calculation

If you need \$USD 3,000 in three years and can invest your money at 8 percent (8%) interest, the present value of your initial investment is calculated:

$$\$2,381.50 = \frac{\$3,000.00}{(1 + 0.08)^3}$$

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
Building cost	\$20	\$20	\$20	\$20	\$20	\$20
PV of revenue	\$60	\$57	\$50	\$42	\$34	\$25
Interest rate	6%					
Profit	\$40	\$37	\$30	\$22	\$14	\$5






Cash party is  
over!

‘Capital’  
becomes a  
costly word

Tighten the belt





Doing projects  
will cost a lot  
more!

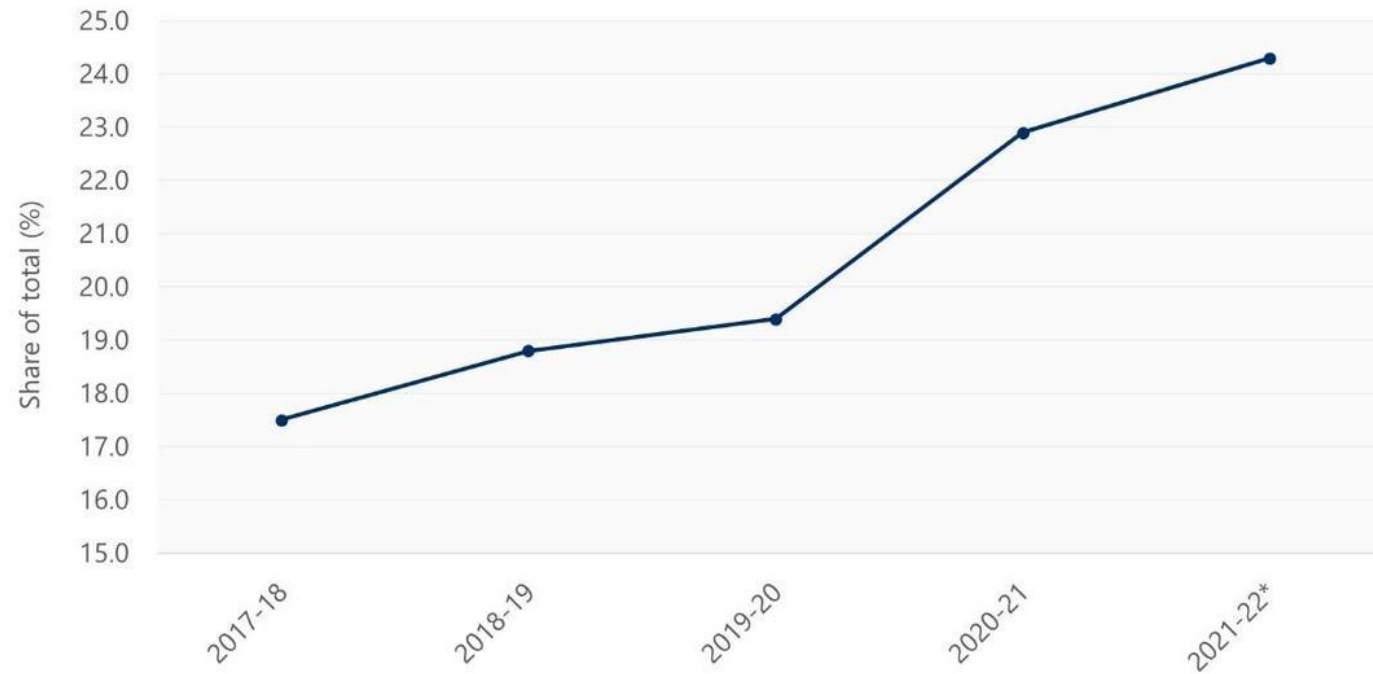
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# Construction industry is being hit hard

## Construction insolvencies trending up

Construction companies have increased as a share of all external administration and controller appointments over the four years through 2021-22



Source: ASIC Australian insolvency statistics  
\*Latest data available up to 30 April 2022

# Solution?

1. For organisations
2. For yourself



# 1. Organisations

- Improve efficiency
- Introduce digital technology
- Better communication
- Measure performance



# 2. Invest in yourself



# Be more marketable

- Gain new skills & knowledge
- Be more marketable
- Grow network
- Have excellence references



# PMI's published figures

 **32% higher**

The median salary for PMP holders is 32% higher in the U.S. (and 16% higher globally) than those without certification, according to *Earning Power: Project Management Salary Survey - Twelfth Edition*.



# How?

- Look for training courses (free and paid)
- Get certified – PMP<sup>®</sup>, CAPM<sup>®</sup>, Agile
- Develop soft skills – EQ, Leadership
- Always keep your ears to the ground





# THANK YOU

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