

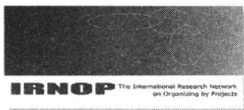


国际项目管理研究联盟
(英文版)
第七届项目管理研究学术会议论文集
Proceedings of IRNOP VII
Project Research Conference

欧立雄 (Lixiong Ou)
(英) 罗德尼·特纳 (Rodney Turner) 编



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ABSTRACT

This is the Proceedings of IRNOP VII Project Research Conference. IRNOP — the International Research Network on Organizing by Projects — was founded in 1993 as a loosely coupled network of researchers in countries all over the world. The IRNOP network connects scholars with a background in business, economics, engineering and other fields, with a common interest in projects, project organizations and temporary systems. IRNOP VII publish research papers addressing issues within the broad project management and project organization field. This includes both narrow analysis of project management practices as well as broader reflections on the impact of projects on for example corporate management or corporate networks. Topics as Enterprise Project Management, Managing mega-projects and Project dynamics are more focused on for IRNOP VII.

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PREFACE

Welcome to the proceedings of the seventh biennial conference of the International Research Network for Organizing by Projects, IRNOP VII.

The IRNOP network was created in Sweden in 1993, and the first conference held in 1994. The founding fathers included Prof Rolf Lundin and Prof Anders Söderholm. Prior to that Project Management had been a discipline for practitioners. The congresses held around the world had been for practitioners, for them to share their project experiences and improve their project performance. That is an important element of the development of the discipline, but another essential element is academic research to find new ways of doing projects to radically improve performance. The practitioner approach will generally lead to better ways of implementing existing methodologies. But it is only pure and fundamental; research that will lead to the new perspectives from which radically new methodologies

The development of project management as an academic discipline is an important element of its maturity as a profession. To take its position on the world stage as a serious academic subject it must receive recognition within the academic community as a subject worthy of study and investigation. We are making progress in that area. But ironically, project management is not receiving full recognition from the academic management community. As recently as forty years ago, Oxford and Cambridge Universities in the UK said management was not a subject of serious academic study and so refused government money to establish business schools. Manchester and London Business Schools got established instead. Over the subsequent forty years, management has fought for recognition as an academic subject, and now Oxford and Cambridge Universities have business schools. Project Management is now fighting for recognition as a serious academic subject, and fighting for recognition by management schools who so recently fought for recognition themselves.

However, we are making progress, and one element of the recognition is serious research conferences. Academics in Project Management must have vehicles to share their research, and those vehicles must conform to the highest academic standards. There are now at least three major research conferences in project management:

1. the biennial IRNOP conferences
2. the project management stream in annual European Academy of Management Conference
3. the biennial PMI research conference

Personally I look forward to the day when Project Management also becomes recognized by the American Academy of Management, perhaps achieving the status of a division of AoM.

Other important vehicles for the publication of Project Management research are of course the two journals, the International Journal of Project management and the Project Management Journal. However, I think that there are still only just two journals is a measure of how far we have to go as a subject. In the field of Human Resource Management there are about 30 journals.

As I said the vehicles must meet the highest academic standards. Hence the need for the papers to be properly

refereed. For IRNOP this year, as I did when I organized IRNOP V four years ago, I have followed strict processes of double blind refereeing. That means almost all the papers appearing in these proceedings meet the highest standards of rigour. It is a measure of the progress we are making as a subject that the proceedings contain over sixty papers of the highest quality.

This is the seventh IRNOP conference, and over the years the conference has steadily improved, reflecting the steady growth of project management as a subject. The seven conferences to date have been as follows:

1994, IRNOP 1, Lycksele, Sweden

1996, IRNOP 2, Paris, France

1998, IRNOP 3, Calgary, Canada

2000, IRNOP 4, Sydney, Australia

2002, IRNOP 5, Renesse, The Netherlands

2004, IRNOP 6, Turku, Finland

2006, IRNOP 7, Xi'an, China

The plan is to hold IRNOP VIII in Brighton, England in 2007. Even numbered years have become rather crowded with conferences in Project Management. So the proposal is that from now on IRNOP will be held in odd numbered years, starting next year.

Welcome to Xi'an. Welcome to a successful conference.

Rodney Turner
Professor of Project Management
ESC Lille & Kemmy Business School, Limerick
on behalf of Technical Committee of IRNOP7



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PART



ONE

ORGANIZATION

Recent Developments in Project-Based Organisations

By

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Abstract Project-based organizations (PBO) refer to a variety of organizational forms that involve the creation of temporary systems for the performance of project tasks. Recently, project-based organizations have received increasing attention in recent years as an emerging organizational form.

Recent studies have demonstrated that mature project-based organizations need to adopt integrative approaches that will enable consistent structures, delivery of strategy and uniformisation of knowledge. However, it is generally recognized that project-based organizations are struggling to integrate knowledge and structures and that projects are often viewed as “singular ventures”.

It is the purpose of this paper to further investigate and understand how the widespread adoption of a project management approach within organizations has come to gradually influence their strategy and governance approaches.

This paper concludes that an important aspect of PBOs is yet unexplored and lies in the development of a collaborative relationship between the fields of Project and General Management and the importance of developing a common language that fosters dialogue. It also emphasises a two way relationship which recognises that project management practice can and will influence organizational practices as well as the obvious reverse.

1 - Introduction

The purpose of this paper is to investigate and understand the double loop effect of strategy, governance

and structure on project management and vice-versa. To do so, the paper provides an overview of the different terms and definitions pertaining to “project-based organisations” (PBOs) highlighting how they aim, but not always succeed, to adopt consistent structures to facilitate delivery of strategy (Hobday, 2000; Bresnen et al., 2004; Lindkvist, 2004). It is many authors' claim that the positivist paradigm's legacy has continued to rationalise strategies even if this has led to mitigated success and that, still today, strategy implementation does not go much beyond planning (Johnson & Scholes, 1997; De Wit & Meyer, 2004; Morris & Jamieson, 2004). Recently models such as the Balanced Scorecard (Kaplan and Norton, 2002) or the Business Excellence Model (EFQM, 2000), which were developed to assist the implementation of strategies have in fact intensified the problem by further increasing controls rather than facilitate implementation.

It is also well documented that the actual strategy process, in contrast to project processes, is often not planned, linear and rational, but rather ongoing, emergent and enacted (De Wit & Meyer, 2004; Morris & Jamieson, 2004; Bredillet, Thiry & Deguire, 2005). If anything, PBOs should stimulate the potential for projects to shape or reshape strategies (see Figure 3). However, it is generally recognized that PBOs are struggling to integrate knowledge and structures when projects are viewed as “singular ventures” (Grabher, 2004) and that, taken individually, these typically do not reflect the organisation's strategic intent.

Recent management literature puts forward new perspectives of corporate governance that promote a shift from strictly shareholder to stakeholder and value creation approaches, hence, indirectly supporting the movement of organisations towards a more project-based approach. Theoretical frameworks consistently point to the importance of a paradigm shift for projects to become vectors of an organisation's strategy (Grundy, 1998). Consequently, it is surprising that a consistent review of the general management literature demonstrates that Project, Project Management (PM) and Project Based Organisation (PBO) do not appear as keywords or in the titles of the *Management Consulting* or *Strategic Management* literature. Project management papers are often confined to either the *Project Management Journal* (PMJ) or the *International Project Management Journal* (IJPM); these are seldom read by the larger management community. Similarly, when questioned, few project managers seem to see themselves as "Managers" as demonstrated with the abundance of presentations at both the PMI (Project Management Institute) and IPMA (International Project Management Association) conferences and the publications in the PMJ and IJPM. When these issues arise, they focus mainly on the difficulties and the importance, for project managers, to communicate with upper management levels. These considerations have led the authors to question the concept of professional identity and the subsequent elaboration of vocabulary as at least partly responsible for the CXO/PM dichotomy as outlined by such dialectic approaches as Foucault (Gutting, G., 1994). In this sense, an 'identity' is communicated to others in our interactions with them. But this is not a fixed thing within a person, it is a shifting, temporary construction. The identity issue would support findings from Keegan and Turner (2001) that language itself appears to be a strong barrier to acceptance of more intuitive and emergent forms of managing in general and even more so for project managers.

The authors conclude that an important aspect of PBOs is yet unexplored and lies in the development of a collaborative relationship between the fields of Project and General Management and emphasises the importance of developing an overlapping zone of common identity

and language between Project Managers and Managers 'at large' that fosters dialogue. It also underlines the importance of establishing this two way relationship which recognises that project management practice can and will influence organisational practices as well as the obvious reverse.

2 Context: Project-Based Organisations (PBO)

PBOs have received increasing attention in recent years as an emerging organisational form to integrate diverse and specialized intellectual resources and expertise (DeFillippi and Arthur 1998; Hobday 2000; Gann and Salter 2000; Keegan and Turner 2002; Lindkvist 2004; in Sydow, Lindqvist & DeFilippi, 2004, p. 1475).

We first provide an overview of the different terms and definitions pertaining to "project-based organisations" since the concept first started becoming more popular in the late 90s. "Firms in all types of industries are undertaking projects as a growing part of their operations" Hobday (2000) refers to these as *project-led organisations* and distinguishes them from *project-based organisations*. DeFillippi and Arthur (1998) refer to similar yet different *project-based enterprises* and more recent definitions such as those provided by Lindkvist (2004) are discussed.

DeFillippi and Arthur (1998) have identified *project-based enterprises* as organisations that manage production functions within a temporary project organisation setting; for example: cultural industries (film production and theatre) and professional services (public relations and events management). For firms that conduct the majority of their activities in project mode and/or privilege the project dimensions over functional dimensions in their structure and processes, Lindkvist (2004) talks about *project-based firms*. Expanding on Clark and Wheelwright's (1992) four organisational structures for New Product Development organisations, Hobday (2000) distinguishes six types of organisational forms from *functional* to *project-based*. He identifies two types of project organisations: *project-led organisations*, "in which the needs of projects outweigh the functional influence on decision-making and

representation to senior management, but some coordination across project lines occurs" (p.878) and project-based organisations, where "the project is the primary business mechanism for coordinating and integrating all the main business functions of the firm [with] no formal functional coordination across project lines" (p.874).

In this paper, we will use the term project-based organisations (PBO), which seems to be the most accepted, and concentrate on this type of organisation. Hobday (2000) describes PBOs as pure projectized organisations with no functional links. For the purpose of this paper, project-led organisations will be considered as included in the PBO concept since the pure PBO is a relatively specialised type of organisation. Additionally, PBOs can refer to either entire firms (as in construction, consultancy and professional services) or multi-firm consortia or networks (Hobday 1998); it is also possible that some large project based organisations have functional support areas or that the PBO is nested within subsidiaries or divisions of larger corporations (Sydow et al., 2004).

Many PBOs, as they move from single to multiple project management, have adopted enterprise level IT systems that aim to manage the data produced at project level and collate it at management level. Many have developed PMOs (Programme or Project Management Offices) which can have many functions, but are mostly used to generate data and develop standardised project management practices (BIA, 2005, Hobbs & Aubry, 2005). Others still, have implemented portfolio management practices, which have been described as the coordinated management of a collection of projects that may be related or independent of each other (Martinsuo and Dietrich, 2002) or "the process of analysing and allocating organisational resources to programmes and projects across the organisation on an ongoing basis to achieve corporate objectives and maximise value for the stakeholders." (Thiry, 2006a). In all these examples, the focus is on the management of single projects, with enterprise level control focusing on traditional project level measures (scope, quality, time and cost) and resource allocation.

In the last few years, a number of project-based

organisations have shifted from a "contained" project management model to a more strategic perspective. This shift has generated a greater interest in stakeholder management and the relatively new discipline of Programme management (PgM) has stemmed from the need to manage benefits from multiple interrelated projects (Morris & Jamieson, 2004; Thiry, 2004a). This has created new challenges for PBOs:

In the last few years, many PBOs have matured and project managers are more and more often sought to exercise organisational management roles. For example, a recent issue of the PMNetwork (PMI, 2005) contains a whole 32-page section on new career challenges and career development for project managers and especially focuses on "moving up". Concurrently, individual project managers and organisations have progressively explored new knowledge and practices such as strategic management, value management, portfolio management, value chain management and others, to evolve beyond the traditional scope of project management as defined, for example, by the PMBOK Guide® (PMI, 2004) and other systematic approaches.

It is now well established that the growing popularity of programme/portfolio management and the emergence of PMOs as an organisational form have prompted an accelerated movement towards project-based organisational structures (Hodgson 2002; Jamieson & Morris, 2004; Bredillet, 2004). Most organisations have implemented PMOs and portfolio management structures that have evolved from the traditional pyramidal organisational structure (see). In this model, PMOs are playing a similar role to the quality department by monitoring and controlling project performance and developing project management (PM) competencies and methodologies (BIA, 2005, Hobbs & Aubry, 2005; PMI, 2004) ; portfolio and some PMOs are playing the role of finance by allocating resources across the organisation (PMI, 2004). In this perspective, project-based structures simply mimic traditional organisational structures, replacing management rhetoric with project rhetoric and may therefore be losing some of the dynamism and flexibility attributes that characterise project and programme management.

Recently, a number of project-based organisations have shifted from a “contained” project management model to a more strategic perspective. This shift has generated a greater interest in stakeholder management^① and the relatively new discipline of *Programme(me) management* (PgM) has stemmed from the need to manage benefits from multiple interrelated projects (Morris & Jamieson, 2004; Thiry, 2004a).

Probably because the management of single projects is well documented and its practice well understood in principle (though actual results still often disappoint), most current research on organisational project management still concentrates on singular aspects of the project approach. The dichotomy between managing single versus multiple projects has only just started producing empirical evidence or theoretical debates, like the need to link strategy to projects and vice-versa (Morris & Jamieson, 2004); or the focus on social sciences theories as opposed to engineering or systems analysis (Winch, 2004; Cooke Davies, 2004; Jaafari, 2004); or still, the management of human resource in traditional and project-oriented organisations (Huemann, Turner & Keegan, 2004); and finally, the dichotomy between the project approach’s potential flexibility and the desire of firms’ managers to exercise control (Bresnen et al., 2004; Lindkvist, 2004; Dovey & Fenech, 2006). Additionally, projects, as well as complex projects and programmes, which are generally of a more strategic nature, are social constructs on which there is currently substantial disagreement about how to translate the individual project knowledge to multiple project management and then to the management of strategic organisational goals.

These disagreements, as well as the general inaccessibility of research to practitioners, seem to entrench practitioners and practice writers in simple, easy to understand mechanistic models of which the Project Management Institute’s *A Guide to the Project Management Body of Knowledge* (PMI, 2004) is a good example. For example recent project management literature promotes the use of PBO models based on the

extension of project management tools and grounded in linear relationships (Crawford, 2001; EDS, 2004; Kendall & Rollins, 2003; Kwak & Dai, 2000; Moore, 2000; Richards, 2001; Thiry & Matthey, 2005). These views are exemplified in, which shows that these models are very hierarchical in nature and foster compartmentalisation and vertical control.

In recent years, a number of management authors have claimed that these linear models are not adequate to manage the complex situations that are the essence of modern organisations (Senge, 1994; Weick, 2001; Kurtz & Snowden, 2003). Reality is also quite different from these simple models; based on their survey of 255 PMOs Brian Hobbs and Monique Aubry from UQAM (2005) recently reported that “*The organisational reality surrounding PMOs is complex and varied. Organisations establish a great variety of different PMOs to deal with their reality*” (p.7).

Hobday (2000) has identified this situation in very clear terms: “[T]he PBO is an intrinsically innovative form as it creates and recreates new organisational structures around the demands of each [...] project and each major customer” (p.871). Other authors (Bredillet, Thiry & Deguire, 2005; Bresnen et al., 2005; Lindkvist, 2004; Thiry & Deguire, 2004) have also reported that the widespread practice of project and programme management in organisations generate both *emergent* strategies and behaviours and *enacted* business and corporate strategies. On the other hand, if standard governance models are used, the main strength of project-based organisations, which lies in coping with emerging situations and responding quickly to changing client needs, can also work against the wider interests of corporate strategy and business coordination (Bresnen et al., 2005; Hobday, 2000; Huemann et al., 2004; Lindkvist, 2004; Thiry & Deguire, 2004).

All this points to the fact that there is a need to widen the perspective of PBOs and adopt more appropriate organisational models for PBOs (Dovey & Fenech, 2006; Zuboff & Maxmin, 2002).

① 144 instances of the word “stakeholder” can be found in the PMBOK Guide® 3rd Ed. (PMI 2004) versus 108 in the PMBOK Guide® 2000 (PMI 2000).

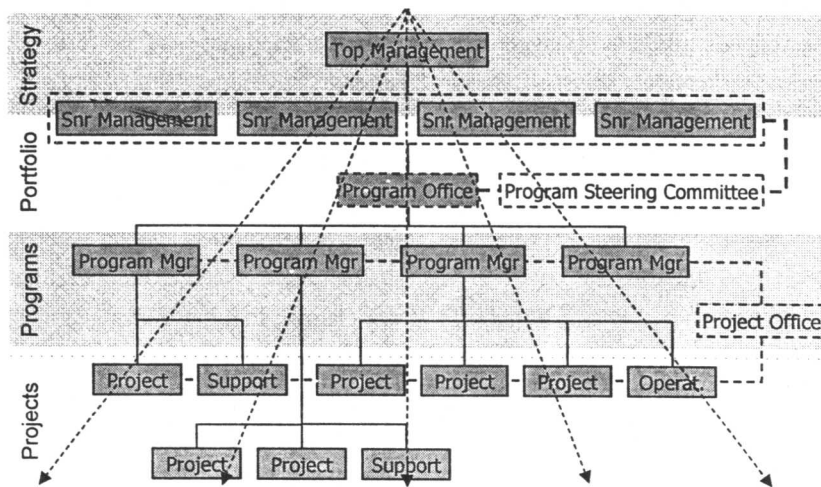


Figure 1 Typical mechanistic PBO model as described in recent PM literature

3 Evolving structures

In the organisational literature one of the current key debates centres around two main perspectives of organisational purpose: some authors argue that it is the business of business to make money and therefore to pursue shareholders' interests; others believe that companies exist to serve the interests of multiple stakeholders (O'Sullivan, 2000; Jensen, 2001; Clarke, 2004; Blair, 2005).

Stakeholders' interests and value creation are two major issues that affect the make-up of organisations and, by consequence, PBOs. The need for more integrated PBOs could be provided by a coherent project governance approach. A particular problem, which is poorly understood, is how to create real added value for the organisation through the interaction of the project portfolio, programmes and the PMO, as well as the double loop effect of strategy on projects and programmes and their ongoing consequences on strategy. This iterative to and from process between implemented strategy through projects and the irreversibility of the effect of completed projects on the organisation is yet to be fully appreciated, researched and understood.

As shown in Figure 1, a well integrated PBO would be expected to display strong interrelationships between its projects and both its business and corporate strategies; in such an organisation project managers would be expected to be appointed in senior management roles, or senior managers would be expected to view project

management as an integrative process. A less integrated PBO should reveal a focus on single project and multi-project management would focus on resource allocation and data gathering; project managers would be expected to play a purely product delivery roles.

Based on the literature review, research and experience, the authors have identified three major issues to improve PBO implementation and the perception of project management at organisational level:

1. A horizontal integration process of projects across the product life-cycle, from formulation of the business strategy to delivery of business benefits.
2. A vertical integration approach of projects across the project portfolio, to link it to the corporate strategy.
3. Integrative project governance structures that close the gap between corporate goals and product delivery.

Figure 2 graphically displays these relationships.

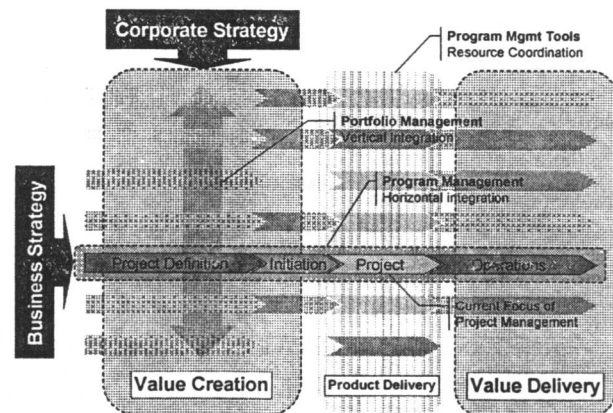


Figure 2 Vertical and Horizontal Integration in PBOs