

Organizational change to a project management culture in an organization thesis

[Business](#), [Management](#)



1. introduction and OBJECTIVES OF THE PROJECT

Organizations in general and project management organizations in specific are facing immense competitive pressures from both internal and external environments (Harrison, & Huntington, 2001). Organizations in order to maintain the competitive advantage or even survive have to evolve strategically that provide business interconnected bonding between the environment as well as process; hence, social and technical bond (Van Marrewijk, 2007).

AGI being an International civil and electromechanical (EPC) contracting company has stake in the construction industry specifically in the mega project such as installation, commissioning, operation and power stations maintenance, oil and gas pipelines, refineries and desalination plants etc. With increased competition in the above mentioned businesses AGI has to adhere to developing the competitive advantage in technical as well as social related domains in order to achieve the competitive efficiency in business.

Combined and coordinated expertise in social and technical aspects has been identified critical as though the project is managed by technical expertise, values that drive human resource in the required direction is social (cultural) aspect. The complexities of the social and technical matters involved require business to take strategic initiatives to successfully meet the challenges of areas that have not been identified; hence, forming the aim of this project.

Thereby, the objective to be achieved from the underlying report is to understand the role of the organizational change in the process of

implementing project management culture to ensure effectiveness and efficiency in construction company process that has a competitive advantage of strong project management culture.

2. Literature Review

2. 1. Project Management and organizational culture

Project management and organizational culture are two separate domains of the management sciences (Ajmal, & Koskinen, 2008). Project management is the art and science of managing the projects (Bredillet, 2005). Cleland, and Gareis, (2006) have defined project management as the planning, organizing, leading and controlling in a project using the resources that the project manager has in order to accomplish the objectives of the project. The acknowledgement of complexities and technicalities of both domains have led to the development of various models and theories in respective areas to ensure success for their development. Since both domains have been identified and accepted as complex; therefore, combining the elements of both to establish an efficient and effective organizational culture that provides organization with competitive advantage in project management is a crucial task which is also objective of the project (Ajmal, & Koskinen, 2008).

Therefore, context that forms the basis of the report can be depicted from the given figure 1 below:

Figure 1: Project Success Model

(Kendra, & Taplin, 2004)

For organizational culture there have been different perspectives presented over a period of time such as elements of corporate culture including values,

organizational customs and communications etc (Jackson, Schuler, & Werner, 2009). Organizational cultures and its respective effectiveness are also affected by various horizontal as well vertical dimensions. Examples for former category include flexibilities, stability as well as control structure etc whereas examples for the latter dimension of vertical aspect include internal strengths and external competitions.

However, the element of commonality among all perspectives is the fact that all aspects of culture are finally driven by human resource and hence receives impact from individual's present and past experience. Therefore, successful organizational conduct in general and project management in specific is affected greatly by the values that drive organizational members (Hoffman & Klepper, 2000).

On the other hand project management also has its technical complications. For instances, the technical expertise to develop the planning, coordinating, executing, monitoring and controlling has micro and macro level factors that pose an impact (House et al., 2004). For instance, on the micro level the technical expertise is required to develop comprehensive project plan that successfully achieves objective of the project while on the macro level the expertise to develop the project support systems to align the success of individual project to the success of organization (Gareis, & Huemann, 2000). Hence, inculcating project management organizational culture requires organization to adhere to micro and macro aspects of the social as well technical spheres of influence (Kendra, & Taplin, 2004). Comprehensive yet concise identification of such factors is presented in figure 2 below:

Figure 2: Project management design

(Kendra, & Taplin, 2004)

All the dimensions identified in the above image also have set of further elements to be addressed. Therefore, organization upon developing mechanism that has addressed all such elements will equip itself to sustain the competitive advantage in competitive environments (Yazici, 2009).

2. 2. Critical dimensions for Project success

Organizations' project culture is being defined as combination of values followed and practiced by organizational member that develop strengthened link among the four dimensions crucial for project success (Weick, & Quinn, 1999). The four dimensions include performance management, process management, project manager's competencies and organization's design (Kendra, & Taplin, 2004). As depicted in image 1 all dimensions work within the broader boundary of organizational culture, it is important to mention that cultural elements, along with being guiding the organizational conduct in broader context, has to be effective within each of the dimension as well (Kendra, & Taplin, 2004).

Hence, key areas identified to be explored in the underlying report are presented as an elaborated version of figure 1 in the figure 3 below:

Figure 3: Project Management Values Framework

(Kendra, & Taplin, 2004)

The entire spectrum of the strategy will revolve around developing the mechanisms and initiatives for the areas mentioned in the image above; both directly and indirectly. Brief description of the each of the four dimensions with respective contribution and alignment requirement from values is conducted below:

- Project Manager Competencies

Project manager is the nexus around which the entire project is weaved.

Project manager is required to be competent enough to conduct the project process in close coordination with teams as well as top management of the organization (Lewis, 2006). Being nexus, the competencies level of the project manager is required to be technically sound along with being socially well knitted as he would have to face different situations throughout the project life (Harrison, and Lock, 2004). For instance, ensuring the completion of the project within given resources, project manager is required to have strong leadership abilities ensuring the continuous motivation among team members. The stated leadership, along with being the personal quality of the manager, is achieved within environment where continuous improvement is employed as core element of corporate culture and for the project success (Lewis, 2006). Further, motivation among team members can only be achieved with close coordination as well as communication. Hence, the plan is required to ensure hiring and training project manager with leadership and alignment capabilities (Biggs & Smith, 2003).

- Supporting System

Successful project management is dependent on the well defined policies and procedures for sub systems that form the constituting elements of the entire project as this allows the project to be completed without any conflicts (Jeston, and Nelis, 2008). For instance, well defined supplier management system, project process system and IT support system etc are all elementary for project in first stage. However, the success of the project is dependent on the developing culture of following the entire defined processes in required

manner (Bititci, Mendibil, Nudurupati, Turner, & Garengo, 2004).

- Structure Of The Project Team

Importance of defining the organizational structure is well addressed feature of organization. Similar is the importance for structure of project and team.

Successful project is merely dependent on the clearly defined roles, authorities, duties and accountabilities of each team member along with the project manager as each of the individual needs to know what he has to do and what is expected from him (Hamilton, 2004). Addressing the technical aspect of defining roles with the critical aspect of integrating the holistic culture that ensures self involvement of each member to follow the defined structure and attempts to incorporate improvement is part of cultural behavior; hence requires to be developed over a period of time (Bititci, Mendibil, Nudurupati, Turner, & Garengo, 2004).

- Performance Management System

Performance management is an important aspect as it not only analyses the performances of people involved in the project and it also gives them the motivation to perform well (Secord, 2003). Every improvement is dependent on the assessment. Therefore injecting the performance oriented project management culture is dependent on clearly defining performance systems for of all including individuals, projects as well as project alignment and contribution to organizational success (Bititci, Mendibil, Nudurupati, Turner, & Garengo, 2004).

- Sub -Cultural Values

While the dimensions defined above have their respective cultural and social distinction, collectively these dimensions are required to be on same page of

sub cultural values. Further, the reflection of corporate values such as integrity, individual respect and responsibility, team work orientation, innovation, continuous improvement and on a broader level customer and passionate employees result in successful project management culture (Bititci, Mendibil, Nudurupati, Turner, & Garengo, 2004).

- Organizational Culture and Changing Organizational Culture

According to Linnenluecke & Griffiths (2010) the organizational culture represents the values, norms, beliefs, and general workplace attitude of a particular organization. Organizational culture shapes different strategies and decisions of the organization. The success or failure of any decision or strategy is directly dependent on the organizational culture. Hence it is important for the organizations to carefully analyze and evaluate the overall culture and workplace attitudes in order to successfully implement the project management culture (O'Donnell and Boyle, 2008).

It is not easy for the organizations to change the overall culture and workplace attitudes. There can be increasing resistance on part of the employees which can influence the overall effectiveness and efficiency of the overall change (O'Donnell and Boyle, 2008). In order to implement the project management culture the organizations should make sure that proper channel is adopted for organizational change. Lewin theory of change, which is one of the widely used organizational change theories, can be used in order to unfreeze the existing culture, enforcing the change, and then refreezing the new culture (Alvesson & Sveningsson, 2008).

- Relationship of Organizational Culture and Project Management

The abovementioned factors and elements all highlight the relationship of

organizational culture with the project management. It is important for the organizations to make sure that the overall organizational culture is supportive for the effective and efficient project management. If the organizational culture would not support then this could hurt the organizational in the long run (Jones, 2010). According to Knutson (2002) the organizational culture has huge and considerable impact on the success of the overall project. The organizational culture is constituent of the overall behavior, beliefs, and values of the employees and hence shapes the overall value and practices of the workplace (Biggs & Smith, 2003). In the similar manner the organizational culture shapes the overall effectiveness of the project management. In order to make sure that the organization is able to implement effective project management techniques and strategies it is important to keep in consideration the organizational culture and amend it accordingly (Bititci, Mendibil, Nudurupati, Turner, & Garengo, 2004).

- BRIEF OUTLINE OF THE ORDER OF PRESENTATION OF CHAPTERS

3. 1. Introduction

As the name implies the chapter of introduction will provide the details about the project. Identification of the objectives of the project, provision the context of the report and identification of the key concepts employed are main sections addressed in this section.

- Literature review

The literature review section develops the brief collection of the research already conducted in the domain. Developing this chapter will provide the report with relevant insight pertaining to methodologies about key areas to be addressed for successful development of project management culture in

organization. In this section the researcher will highlight the change theories namely Lewin change theory involving the stages of unfreezing, changing, and refreezing. The literature review will highlight the theories related to organizational change in order to implement the project management culture.

- Methodology

Systemic approach is crucial to every research in order to successfully achieve the defined objectives. Under the chapter of methodology, the research will provide details regarding the methodology employed for the purpose including all technical aspects related to data collection and its assessment.

- Analysis

The analysis chapter will provide results derived from the data assessed in the previous chapter. This assessment will also explore the alignment of the underlying results with formerly conducted research in the domain.

- Conclusion and Recommendations

Final chapter of conclusion will provide the outcome extracted from the combined effort in the entire previous chapters. The conclusion will also address the details pertaining to accomplishment of the set objectives and limitations, if any explored. In addition to this, the chapter will also present recommendations pertaining to the underlying research as well as future research prospects.

- CONCLUSION

Organizational culture has a significant role in the success of the organization. With the increasing competition and increasing pressure to

ensure that the projects of the organizations are completed with high quality and within the cost and time, therefore organizations need to make sure that their organizational culture supports the overall organization in accomplishment of projects within the three objectives; cost, quality and time. Therefore this report analyses implementing project management culture in the organization.

References

- Ajmal, M. M., & Koskinen, K. U. (2008). Knowledge transfer in project-based organizations: An organizational culture perspective. *Project Management Journal*, vol. 39, no. 1, pp. 7-15.
- Alvesson, M., & Sveningsson, S. (2008). *Changing organizational culture: Cultural change work in progress*. Sweden: Taylor & Francis.
- Biggs, S., & Smith, S. (2003). A paradox of learning in project cycle management and the role of organizational culture. *World development*, vol. 31, no. 10, pp. 1743-1757.
- Bititci, U. S., Mendibil, K., Nudurupati, S., Turner, T., & Garengo, P. (2004). The interplay between performance measurement, organizational culture and management styles. *Measuring Business Excellence*, vol. 8, no. 3, pp. 28-41.
- Bredillet, C. (2005). " Understanding the very nature of Project Management: A Praxiological approach", In *Innovations : Project Management Research*, Project Management Institute, London, Available at <http://eprints.qut.edu.au/49501/1/49501.pdf> [Accessed 14 February 2013]
- Cleland, D., and Gareis, R. (2006). *Global Project Management Handbook*.

McGraw-Hill: London.

Gareis, R., & Huemann, M. (2000). Project management competences in the project-oriented organisation. *The Gower handbook of project management*. Gower: Aldershot, pp. 709-721.

Hamilton, A. (2004). *Handbook of Project Management Procedures*. TTL Publishing, Ltd: London.

Harrison, F., and Lock, D. (2004). *Advanced project management: a structured approach*. Gower Publishing, Ltd: Surrey.

Harrison, L. E., & Huntington, S. P. (2001). *Culture matters: How values shape human progress*. Basic Books.

Hoffman, N., & Klepper, R. (2000). Assimilating new technologies: The role of organizational culture. *Information Systems Management*, vol. 17, no. 3, pp. 1-7.

House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (2004). *Culture, leadership, and organizations*. London: Sage.

Jackson, S., Schuler, R., & Werner, S. (2009). *Managing Human Resources*. Mason, OH: South-Western Cengage Learning.

Jeston, J. and Nelis, J. (2008). *Management by process: A practical road-map to sustainable business process management*. Butterworth-Heinemann: London.

Jones, G. R. (2010). *Organizational theory, design, and change*. Upper Saddle River, NJ: Prentice Hall.

Kendra, K., & Taplin, L. J. (2004). Project success: A cultural framework. *Project Management Journal*, vol. 35, no. 1, pp. 30-45.

Knutson, J. (2002). Executive Session: building a culture for successful

project management. *ESI Horizons*, vol. 4, no. 6.

Lewis, R. (2006). *Project Management*. McGraw-Hill Professional: London.

Liebowitz, J., & Megbolugbe, I. (2003). A set of frameworks to aid the project manager in conceptualizing and implementing knowledge management initiatives. *International Journal of Project Management*, vol. 21, no. 3, pp. 189-198.

Linnenluecke, M. K., & Griffiths, A. (2010). Corporate sustainability and organizational culture. *Journal of World Business*, vol. 45, no. 4, pp. 357-366.

O'Donnell, O., and Boyle, R. (2008). *Understanding and Managing Organisational Culture*. Dublin: Institute of Public Administration.

Secord, H. (2003). *Implementing Best Practices in Human Resources Management*. Canada: CCH Canadian Limited.

Van Marrewijk, A. (2007). Managing project culture: The case of Environ Megaproject. *International Journal of project management*, vol. 25, no. 3, pp. 290-299.

Weick, K. E., & Quinn, R. E. (1999). Organizational change and development. *Annual review of psychology*, vol. 50, no. 1, pp. 361-386.

Yazici, H. J. (2009). The role of project management maturity and organizational culture in perceived performance. *Project Management Journal*, vol. 40, no. 3, pp. 14-33.