

Good report about why organisations use project management to achieve their strat...

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



1. Introduction

In the current increasingly uncertain market environment, it is difficult for firms to maintain their competitiveness in the marketplace and to increase their market share. In this context, businesses recognise the importance of enhancing managerial efficiency in planning, organising, and controlling various organisational activities so as to achieve a competitive edge over market rivals. The concept of project management has gained great popularity over the last few decades as a result of growing complexity in the business landscape and mounting volume of business transactions (Webb, 2000, p. 69). Corporate managers believed that the idea of project management might assist the business to focus more in planning, executing, and monitoring various organisational tasks. The use of project management assisted firms to focus on a single primary task at a time and to direct the whole employee skills and capabilities toward the accomplishment of that task. In addition, the project management practices benefited organisations to meet their business goals within the specified time and cost parameters. Today, project management has become an integral part of the corporate business, and therefore managers and employees are well trained to improve their project management skills (Schwalbe, 2013, p. 385). This paper will critically review and reflect on the reasons that influence organisations to use project management to achieve their strategic objectives.

2. What is project management?

Project management refers to the systematic use of managerial tools such as planning, organising, controlling, and directing so as to achieve the stated

project goals and objectives. According to Westland (2003), project management is defined as “ the skills, tools, and management processes required to undertake a project successfully”. The author states that the concept of project management comprises a set of skills, a group of tools, and a series of processes (Westland, p. 1). While performing project management tasks, enhanced skills, specialist knowledge, and great experience are needed to reduce the level of uncertainty and to increase the probability of success. In addition, a group of tools including planning software, document templates, and modelling software are employed by project managers to improve the likelihood of positive outcomes (Westland, 2007, p. 3). Finally, a series of management processes and techniques such as time management, risk management, and quality management are vital to monitor and control various crucial aspects of the project such as time, cost, and quality. Westland tells that a project lifecycle includes mainly four phases such as project initiation, project planning, project execution, and project closure (Ibid, p. 2).

3. Advantages and disadvantages of project management

Project management is a potential technique to establish a healthy relationship between costs and business functions in an organisation (Benator & Thumann, 2003, p. vii). Typically, the project manager is charged with the responsibility of setting the parameters and the scope of the project, such as duration, budget, direction, key job requirements, and staff members involved. As any other business operational aspect, the project management has also its advantages and disadvantages.

3. 1 Advantages

Effective workflow management is one of the major advantages of project management (Weinstein & Jaques, 2010, p. na). In an organisational environment, the project management develops a system whereby the workflow is measured and accounted properly guaranteeing that the optimum utilisation of resources would be enhanced to accomplish the goals of the project. This type of workflow planning sets performance criteria for employees, and provides them with clear directives, and establishes specific procedures for addressing unexpected changes quickly. Cost containment is another key benefit of project management (Pries & Quigley, 2012, p. 78). When a project is managed properly from start to end, the project manager can enjoy greater control over the project budget and identify the problems or issues associated with the project before they turn into roadblocks (Newton, 1993, p. 14). Evidently, this situation would assist the business to ensure on-time delivery of the project and thereby enhance customer satisfaction and investor confidence. The productive utilisation of the workforce is also a notable merit of project management (Wingate, 2014, p. 374). An experienced project manager can thoughtfully determine staff requirements and team formation needs in the early phases of project planning. This practice may aid the organisation to ensure that right people with vital skills are assigned to right tasks.

3. 2 Disadvantages

Under project management, all staff members are required to focus on specific predefined tasks within strict parameters, and hence they do not obtain the opportunity to think creatively. In most of the projects, staffers are forced to perform monotonous job tasks that would ruin their innovative

thinking abilities (Kliem, Ludin & Robertson, 1997, p. 32). Miscommunication costs will be very high in project management because the project team will be forced to reverse the whole processes of the particular phase that was subjected to miscommunication. Finally, the project management cannot meet its stated objectives unless the project team collaboration is achieved.

4. Current significance of project management

Over the last few decades, corporate organisations have undergone significant structural and operational changes by developing a completely new way of doing business that replaced the traditional rigid and hierarchal organisational structure. As the project management activities are really team-oriented, modern organisations pay particular attention to team formation, collaboration, and development. It is important to note that the scope of project management is increasingly versatile so that it could be applied to any business or industry. One of the major reasons contributing the current significance of project management is that it is human focused (Sozuer & Spang, 2014). Since live communication and instant process changes may be crucial to successful project management, the involvement of human elements can contribute notably to the project flexibility. While project management is capable of adapting easily to the changing circumstances, it also remains to be well-structured, organised, and predictable. In a better managed project team, each member will be informed of their roles and responsibilities, and hence there will be no delay in task execution when requirements are due. Finally, project management guarantees greater efficiency because a project team, ' as a cohesive and dedicated unit', can focus more effectively on the task at hand (Malczyk, n.

d.). In the current context of unexpected and frequent shifts in the market scenarios, the discipline of project management can add value to the long-term sustainability of the organisation.

5. Importance of strategic objectives

Although strategic objectives are referred simply to business goals, they are not just goals but the ones that influence the long-term success of the company. Strategic objectives typically address areas such as market position, innovation, HR, productivity, profit margin, social responsibility, and financial and physical resources of the organisation. Setting strategic objectives is particularly important for organisations to gain competitive advantages in the market segments in which they operate. Strategic objectives can give a clear direction for the organisation and thereby facilitate smooth and efficient flow of the daily supply chain activities (Browne, 2001, p. 45). As management professionals point out, strategic objectives are crucial to the strategic planning process, which in turn is a key management technique influencing the operational outcomes of the business. Development of a set of clear strategic objectives can assist the organisation to distribute various job tasks among its workforce sensibly and effectively. In addition, a business house cannot perform short-term performance efficiency reviews unless it does not have strategic objectives. It would be difficult for an organisation to promote international market expansion or to increase its market share if it does not emphasis on developing strategic objectives. Furthermore, thoughtfully developed strategic objectives are vital for the organisational management to gain competitive advantages over the rivals in the marketplace.

6. Project management and strategic objectives

In the modern business context, project management has a significant role to play in achieving the strategic objectives of an organisation. As discussed already, a successful project team focuses on only one primary goal at a time, and hence the whole skills and abilities of the team are directed toward the accomplishment of that primary goal. For instance, if the firm's innovation objective is to develop a technologically advanced software product by the end of the next year, then the project team will focus specifically on planning and developing that product within the stipulated timeframe. Generally, the primary focus of the project is clearly stated in the scope statement as well as the project plan. The project team is not allowed to deviate from the project plan unless the top management asks to do so. The project manager is responsible for breaking the project into small chunks and allocating them among the project team (Devi & Reddy, 2012). The project manager closely monitors the progress of the project so as to ensure that each phase of the project is completed in accordance with the project plan. Hence, the focused efforts of the project team can assist the top management to meet the short-term as well as long-term strategic objectives of the organisation flawlessly (Kwak & Anbari, 2009). Evidences suggest that successful project management would produce potential deliverables that can contribute notably to the firm's efforts to meeting its strategic objectives.

A well-structured project management process can assist the organisation to take advantages of the optimum utilisation of resources (Patanakul & Srivannaboon, 2010, p. 487). To illustrate, as project management is

characterised with a systematic way of doing things, the resource requirements are estimated in the initial phases of the project. Since resource requirements are planned prior to the project implementation, excess resource utilisation is less likely, and this situation aids the business to conserve its valuable resources. Evidently, thoughtful utilisation of resources is the key to accomplishing strategic objectives in a timely manner. Before commencing project planning, the project manager takes the organisation's strategic objectives into account so as to ensure that the project goals and the organisational goals do not conflict each other. In addition, the project manager makes sure that the expected project outcomes would add to shareholder values by bringing the organisation closer to meeting its strategic objectives. Linking projects with corporate strategy, Jeffrey (2009) argues that effective project management is beneficial for the organisation to achieve its strategic objectives. The author states that " projects are the building blocks of strategy because they serve as the most basic tools by which firms can implement previously formulated objectives and strategies" (Jeffrey, 2009, p. 66). In other words, it would be a cumbersome task for businesses to achieve its strategic objectives effectively unless they rely on projects.

Wilson (2014) says that organisations following matrix type of organisational structure rely more on project-based group activities to accomplish strategic as well as tactical objectives. The author adds that a firm's operational efficiency may be linked to organising work activities regardless of the structure of the organisation. The writer also tells that the organisational structure of projects can determine the efficiency of the project

management, and it is the reason today more and more firms use project management to accomplish strategic objectives (Ibid, p. na). In some organisations, strategic planning may be vague and hence executives would focus on project management operations to meet the long-term goals of the business. The project management's simple organisational structure and ease of implementation makes it appealing to top management personnel, who in turn recommend the use of this management tool to achieve the strategic goals of the organisation. In addition, it is clear that a successful project would meet the expectations of the firm's stockholders, who are the ultimate beneficiaries of the business. Similarly, by keeping in constant contact with the project manager, the stakeholders can obtain reliable information about the project and ensure that the project is progressing as planned. When the project management is able to retain the interests of the stockholders/investors in the business, the situation would contribute to the financial stability of the organisation in the long term.

Currently, the project management technique is supported by the new technological landscape, and hence the chances of project success are high (Rosacker & Rosacker, 2010). For instance, today enhanced software support is available for planning the project and dealing with risk management. As a result, the project manager can eliminate the possibility of errors associated with human decision making and increase the accuracy of project planning.

Hence, technology-driven project management can assist the organisation to enhance the fruitfulness of project outcomes and thereby achieve the goals of the business. Referring to the view of Newell (2005, p. 7), an organisation's strategic objectives always emphasise on the cost-time

combination. More clearly, every organisation wants to meet its strategic objectives within the stipulated cost and time. The author says that this is what project management also tries to achieve. He explains that project budget and project time are two ingredient components of project management that every project team works to meet stakeholders' expectations in strict adherence to project cost and project time (Ibid, p. 7). Therefore, an organisation can come closer to achieving its strategic objectives timely and cost-effectively by promoting the techniques of project management.

Another reason that influences organisations to use project management to achieve their strategic objectives is that project management reduces the chances of project failures notably. For instance, if a corporation plans to install a new ERP (Enterprise Resource Planning) system, the tool of project management may be used to assess the characteristics of the new system, its cost requirements, and targeted audience. Since all necessary measures would be taken in the planning phase to address the unforeseen contingencies in the future, the proposed ERP system installation is most likely to meet its goals. Therefore, the project management can benefit organisations to ensure a minimum level of quality that is required to meet the stakeholders' expectations. When the project management requires the project team members to focus specifically on the project's primary goal, other staffers are allowed to go on with their area of work within the organisation thus increasing efficiency of the project tasks as well as other daily business operations. Since project management facilitates effective distribution of tasks among the project team, it is able to make things

simpler and easier for the staff thus enabling them to carry out their duties and responsibilities more effectively. In other words, project management is capable of simplifying the job tasks of employees and thereby enabling them to perform their roles with the greatest efficiency. It is obvious that enhanced workforce efficiency/productivity is a key factor influencing a firm's accomplishment of its strategic objectives.

Likewise, project management promotes open and consistent communication among the project team and suppliers. Obviously, effective communication among the project team and suppliers is inevitable to keep everyone involved in the project informed of the current status of the project. Such a communication is vital to enhance the efficiency of the project execution and project monitoring and to identify the pitfalls (if any) at earlier stages. Management professionals point that poor communication within the project team is often identified to be the primary reason leading to project failures or weak project outcomes. Since a well-structured project management process promotes effective communication, it can certainly benefit the organisation to meet its strategic objectives.

7. Conclusion

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