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Integration between project management and strategic approach theoretical

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Abstract

The researcher believes that developing countries, still face problems of their origin which is linked to the existence of a distinct lack of projects and its dimensions and its role for companies in those countries to be an incentive to rush towards the disclosure of benchmarks that can be used by industrial companies. The contents of this effort aimed at establishing a new understanding of the meaning regarding the principles of fit project management to the approach of strategic project management and scientific content of the variables and their own to achieve good performance and competitiveness. Based on the above we can determine the objectives of the study as follow: "Identify the trends and qualitative dimensions of the project management principles and the possibility to support and integration with the strategic applications".

Introduction

The concept of using a standard methodology to perform project management functions is the same concept used by F. Taylor in his philosophy of "One best way".

Managing projects require management of skills and techniques in a way that's different from managing the manufacturing process, this view arose in the late 1950s when the cold war required that the USA develop large, complex weapons system.

These new weapons systems development activities involved integrating the work of several companies from many discipline to develop one product. Most of the modern project management principles and practices evolved from the lessons learned in managing early weapon systems development.

The project management body of knowledge was initially documented in 1996 by the project management institute (PMI).

1. Define the Problem and Importance of Study and Objectives

1.1 Define the Study Problem

It is necessary to look at the relationship between strategy and project in the light of theoretical models that link the relationship and the method of promotion, as an integrated vision of the problem is subject to the nature of the model

adopted in the study.

The researcher believes that developing countries, still face problems of their origin which is linked to the existence of a distinct lack of projects and its dimensions and its role for companies in those countries to be an incentive to rush towards the disclosure of benchmarks that can be used by industrial companies and service organizations in order to find its place in the midst of competition.

Based on the above, we address the extent of influence that can be caused by appropriate strategies to project management over the entrance to the competitiveness.

According to the above we can determine the objectives of the study as follow:

- Identify the trends and qualitative dimensions of the project management principles and the possibility to support and assign the application process.
- An attempt to explore the scientific bases for the concerns of the projects theoretical subject, project and strategies, as well as qualitative dimensions of the entrance to the project management, so as to devise and develop ideas we have tried to find points similarities or difference with the view of the researchers and specialists through what we have established of a clear methodology and what we have done of the theoretical analysis , the contents of this effort aimed at establishing a new understanding of the meaning regarding the principles of fit project management to the approach of strategic project management and scientific content of the variables and their own to achieve good performance and competitiveness.
- The Diagnosis of projects principles and qualitative dimensions which influence in improving the competitiveness towards "The Fit".

1.2. The Importance of Study Project Management

Project management is rapidly becoming a standard way of doing business. There are several reasons behind the demands and importance for project management:

1.2.1. Compression and Shortening of Product Life Cycle

Nowadays, speed becomes a competitive advantage; more and more organizations are relying on cross-functional project teams to get new products and services to the market as soon as possible. (Zawde, 2007 :78).

1.2.2. Global Competition

Quality Management and improvement due to competition invariably involve project management. In many organizations the first exposure to project management techniques has been in quality workshops.

1.2.3. Knowledge Explosion

The growth in new knowledge has increased the complexity of projects because projects encompass the latest advances.

1.2.4. Corporate Downsizing

Today, Flatter and leaner organizations appear and project management replaces the middle management as a way to ensure that things get done.

1.2.5. Increased Customers Focus

Increased competition lead to increase concern about customer satisfaction. Customers nowadays want customized products and services that cater to their specific needs. This require a much closer working relationship between the provider and receiver, so the project managers work to satisfy the unique needs and requests of clients,(Pinto,2007).

2. Project Management Today – An Integrative Approach

2.1. What Are a Project and Its Definition ?

2.1.1. Project Definition

A project is a unique venture with a beginning and end, conducted by people to meet established goals with parameters of cost, schedule and quality. (Buchanan & Boddy, 1992:8).

A project is a set of people and other resources temporarily assembled to reach a specified objective, normally with a fixed budget and with a fixed time period. Projects are generally associated with products or procedures that are being done for the first time or with known procedures that are being altered. (Graham ,1985: 1-2).

So the project is an organized work towards a predefined goals or objectives like financial, social, economic goals, ect. That requires resources, efforts, time, budget, and performance specification designed to meet customers' needs. It is a unique and risky venture having budget, resources and schedule.(Field, 2006 : 5).

2.1.2. Project Management Definition

Project management defined as the application of management functions, knowledge, skills, tools and techniques to project activities in order to meet or exceed stakeholder needs and expectations from a project. (Haugan ,2006: 6).

2.1.3. Project Characteristics

There are several as follow

- Specific time, cost and performance requirements.
- A project is a unique undertaking; each one will differ from other in some respect.
- A project is a defined life span with a beginning and end.
- Projects have specific objectives or goals to achieve, and require resources.
- Projects have budgets, schedules and its require the efforts of people.

- Measures of quality will apply.
- Impermanence: Once a project completes, it ceases.
- Usually the involvement of several departments and professionals.
- Typically, done something that has never been done.

2.1.4. Identify the Success of a Project

According this Questions :

- Did the project achieve time, cost and quality objectives?
- Does the project meet the customers' perceived objectives?
- Does the project outcomes make the client wants to come back to do further business?
- Has the project been completed leaving the project organization fit and able to continue further work?

2.2. Basic Project Management Stages

According to figure no (1) ,(Field,M . Keller,L. 2006)the basic project management stages are:

2.2.1. Initiation: Projects starts with defining SMART objectives, project requirements and charter.

2.2.2. Planning: Define steps toward achieving objectives, develop WBS, schedules, and plan the activities and activities duration in order to develop the work plan.

2.2.3. Executing: Add staff resources in order to perform activities and ensure communication and coordination between project team members.

2.2.4. Controlling: Measure the actual performance and outcomes and compare it with planned objectives and make corrective actions and replanting as needed (feedback).

2.2.5. Closeout: Close the plan and archive all project data and best practices to assist in other project.

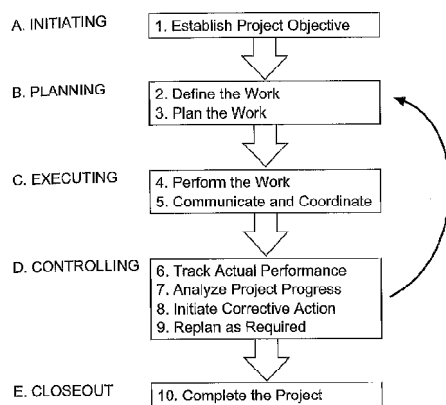


Figure 1. Basic project management stages

2.3. Project Management Structure

A project management system provides a framework for launching and implementing project activities within the parent organization.

A good system balances the needs of both the parent organization and the project by defining the interface between the project and the parent organization in terms of authority, allocations of resources, and eventual integration of the project outcomes into main stream operations.

2.3.1. Organizing Projects within the Functional Organization

One approach to organizing projects is to simply manage them within the existing functional hierarchy of organization by delegating the different segments of the project to the respective functional units with each unit responsible for completing its segment of the project, and coordination with other departments will occur through normal channels.(Gary: 2006, 55-58).

2.3.2. Advantages

- No change in the design and operation of the parent organization.
- Flexibility in the use of the original staff then returns them to their normal work.
- In-depth expertise

2.3.3. Disadvantages

- Lack of focus: In doing the project job and their own functional duties.
- Poor integration across functional units.
- Slow work
- Lack of ownership: Lead to discourage commitment to project-related activities.

Figure 2: (Field,M. and Keller,L. 2006). A way of organizing projects within the original functional structure of the organization. It can be effective and efficient in organization with small projects and limited resources.

2.3.4. Organizing Projects as Dedicated Teams

By creation of independent project teams, these teams operate as separate units from the rest of parent organization.

Usually a full-time project manager is designated to pull together a core group of specialists who work full time on the project.

The project manager recruits necessary personnel from both within and outside the parent company. The subsequent team is physically separated from the parent organization and given marching orders to complete the project.

The interface between the parent organization and the project team will vary. In some cases, the parent organization prescribes administrative and financial control procedures over the project. In other cases, firms give the project manager the maximum freedom to get the project done given the resources originally assigned to the project.

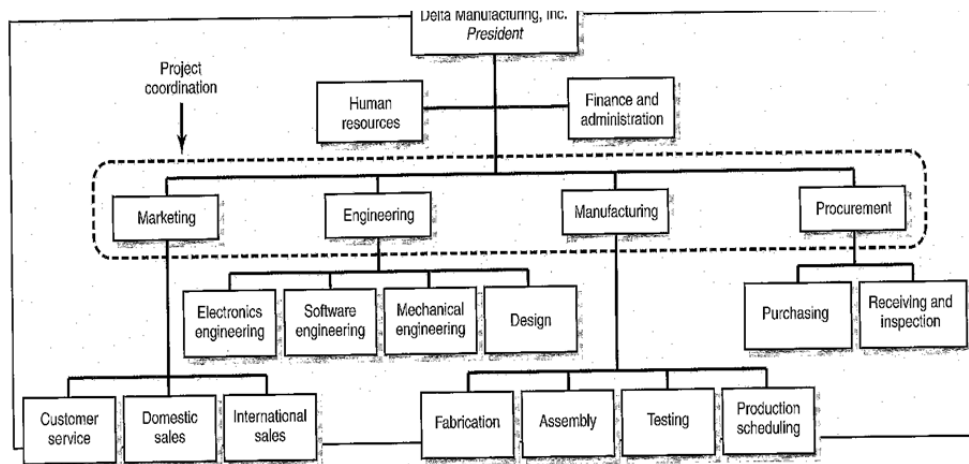


Figure 2. Functional structure

2.3.5. Strengths of the Dedicated Project Team

- Simple: The project team operates independently from the functional department.
- Fast: The project team has no other obligations and duties. -
- Cohesive: High level of motivation and cohesiveness emerge within the project team because participants share a common goal and personnel responsibility toward the project and the team.- Cross-functional integration: Specialists from different areas work closely together.

2.3.6. Weaknesses of Dedicated Project Team

- Expensive: Duplications of efforts and resources across projects.
- Internal strife: Between the project team and the parent organization.
- Limited technological expertise: Technological expertise is limited to the talent , experience of the specialists assigned to the project.(Gary: 2006, 58-63) .

Figure 3, (Gary: 2006), The ideal way of organizing and implementing projects is through independent project team consists of project manager and a team of specialists for completing the project. It seems that this structure is the most effective way of managing projects.

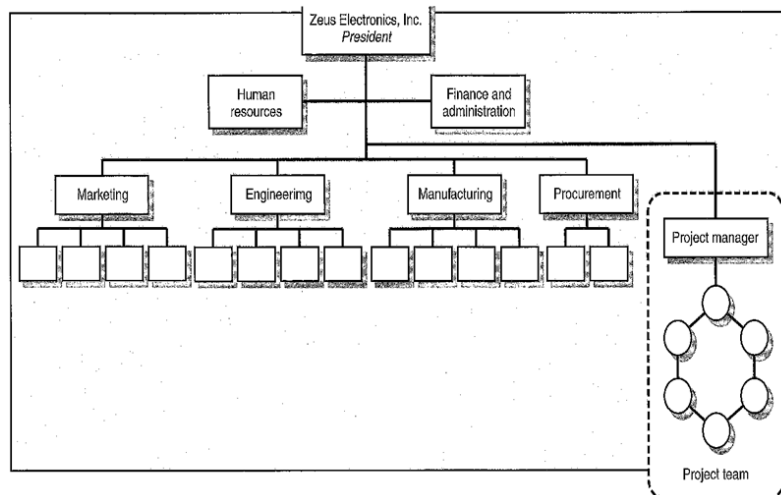


Figure 3. Dedicated project team

2.4. Choosing the Appropriate Project Management Structure

There is growing evidence that project success is directly linked to the amount of autonomy and authority project managers have over their projects.

The most important point is that the best system balances the needs of the project with those of the parent organization.

There are seven factors that should influence the choice of project management structure:

- Size of project
- Strategic importance

- Novelty and need for innovation
- Need for integration (number of departments involved)
- Environmental complexity (number of external interfaces)
- Budget and time constraints
- Stability of resource requirement. (Kerzner, 2001:344).

The higher the level of these seven factors, the more autonomy and authority the project manager and project team need to be successful. This translates into using a dedicated project team. (Gary, 2006: 71).

3. The Project Manager

Management decides and implements the ways and means to effectively and efficiently utilize human and nonhuman resources to reach predetermined objectives.

Project managers perform the same functions as other managers, they plan, schedule, motivate and control.

The project manager is unique because he/she manages temporary, non repetitive activities and frequently acts independently of the formal organization.

Project managers are expected to organize resources to complete a fixed-life project on time, on budget, and within specifications.

Project managers are the direct link to the customers and must manage the interface between customer specifications and what is feasible and reasonable. They provide direction, coordination and integration to the project team, which is often made up of part-time participants loyal to their functional departments.

So project managers orchestrate the completion of the project by inducing the right people, at the right time to address the right issues and make the right decision in

order to achieve the project objectives clearly.

3.1. Organization Strategy and Project Selection

Strategy is implemented through projects. Every project should have a clear link to the organization strategy. (Phillips, 2010).

There are many organizations in which managers can't identify a project priority and link it with the strategic plan; this is not a good management.

There are two main reasons why project managers need to understand their organization mission and strategy. The first reason is they can make appropriate decisions and adjustments. For example, how a project manager respond to a suggestion of modify the design of a product to enhance performance will vary depend upon whether his company strives to be a product leader through innovation or achieve operational excellence through low cost solution.

The second reason is that they can be effective project advocates. Project managers should explain how their project contributes to the firm's mission.

3.2. Organization Strategy and Project Selection

Figure 5: The strategic management starts with scanning both external environment for opportunities and threats, and internal environment for strengths and weaknesses in order to identify the organization mission and objectives. In order to achieve objectives, the management formulates different strategic alternatives. Then choosing the project that best implements the strategies and achieving the strategic objectives of organization.

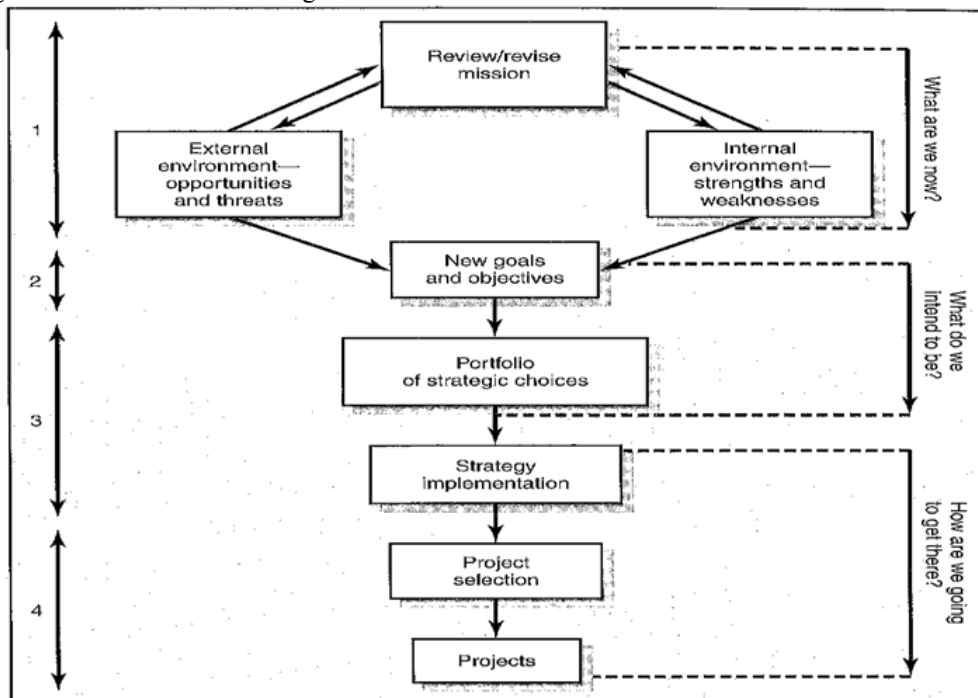


Figure 5. project selection

4. Integrated Project Management with Strategic

As the world become more competitive, there is a great need for managing the process of project management and "getting it right the right time" in a new ways.

Today, emphasis is on the development of an integrated project management process that focuses all project efforts toward the strategic plan of the organization.(Thompson, 2005).

For some professionals to become effective project managers will require augmenting their leadership skills and team-building skills with modern project planning and control methods.

Integration in project management direct attention to two key areas:

4.1. Integration of the Projects with the Strategic Plan of the Organization

In some organizations, selection and management of projects often fail to support the strategic plan of the organization. Strategic plans are written by one group of managers, project selected by another group, and implemented by another. These independent decision lead to conflict, confusion, unsatisfied customers, and organization resources are wasted in non-value added activities/projects.(Thompson, 2003).

In integrated project management system all the parts are interrelated. A change in any part will influence the whole. In any organization there's a customers to satisfy. Mission, objectives and strategies are set to meet customers' needs. Development of a mission, objectives and strategies depend on analysis of internal and external environment. The outcome of environmental analysis is a set of strategies designed to meet the needs of customers.

Implementing strategies is the most difficult step. Strategies are typically implemented through projects. The key is to select those projects that make the largest and most balance contribution to the objectives and strategies of the organization.(Gary : 2006, 12).

Figure (6), (pinto,2007).Customers satisfaction is the main purpose of business organization. This can be achieved by strategic planning which consist of scanning internal and external environment in order to set the firm mission, objectives and strategies. Strategy implementation is done by selecting the appropriate projects that best support and implement strategies and achieve objectives.(Roman, 1988).

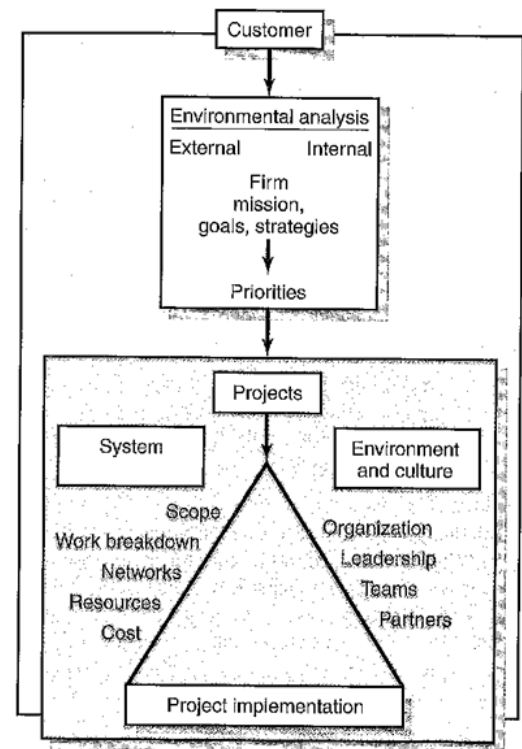


Figure 6. Integration of the projects with the strategic plan of the organization

Project management should relies on both the technical (system) side and theSocio-cultural side of management. The technical side involves defining the scope, resources, schedules, planning, controlling...ect. The socio-cultural side of management is focusing on the organization culture which is a set of values, assumptions, behaviors that share by organizational members.(Kerzner, 2001) . The project manager should encourage team work and problem solving and other aspects of the social and cultural system within the organization.

The good manager should integrate and balance the two dimensions of management in order to achieve objectives and success.

4.2. Integration within the Process of Managing Actual Projects

There are two dimensions within the project management process. The first dimension is the technical side of the management process which consists of the formal, disciplined, pure logic parts of the process. This dimension includes planning, scheduling, and controlling projects.

The second dimension is the socio-cultural side of the project management process. Project managers have to shape customers expectations, sustain the political support of top management, negotiate with their functional counterparts, and monitor subcontractors, and so on.

Good project managers balance their attention to both

the technical and socio-cultural dimension of project management.

Figure 7: Integration and overlapping of technical and socio-cultural dimension of management in project management is best exemplified in The Ying-Yang symbol which is a Chinese symbol indicate that there is a two parts interconnected and interdependent on each other, no one without the other. And this is the same for the project to succeed; it should balance both the technical and socio-cultural sides of management.(Field and Keller, 2006).

Yin: The black area which is slow, soft, diffuse, night.... which is the technical area

Yang: The white area which is fast, hard, solid, day.....which is the socio-cultural area

It indicates the flowing of each area into another.

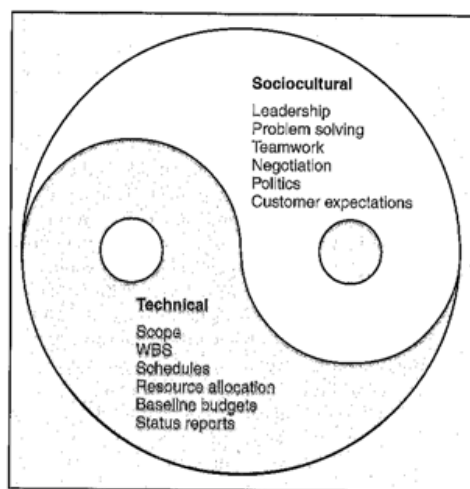


Figure 7. Integration between technical and socio-cultural

- The dots indicate that each part has the seed of other to generate again before it dies, and this the same for projects. Before declining, the projects regenerate again and continue by strategic planning.

- The curve line indicates the interfacing and

overlapping between the two parts.

- The small circles indicate that each part is converting to the other because at end they are complementary, no one without the other.

5. Strategic Approach in the Management Project Study

Professional management project study should include in the recommendations a brief description of the strategic orientation of the project that will be derived from the initial strategy of the project in order to maintain a strategic advantage of the project in a competitive economy.

There are four "Strategic Thrusts" that must be considered before the project management turn the project into a sustained competitive advantage.

The strategic thrusts must be identified during the project management methodology is being designed and developed, not later.

Figure (8) Explain us this points:

5.1. The first strategic thrust is the core values/purpose which is the heart of the company and the basic reason for existence, it includes the vision and mission of the company

5.2. The second strategic thrust is the strategic focus: it identifies:

- Where will the organization compete? (The market and products)

- The competition and by which strategy the organization will compete like functional strategy, leadership or low cost strategy

5.3. The third strategic thrust is the competitive focus: The differences between your organization and major competitors

5.4. The fourth strategic thrust is synergy: The organizational ability to perform more work in less time and resources like cooperation between employees, or integration of business processes.

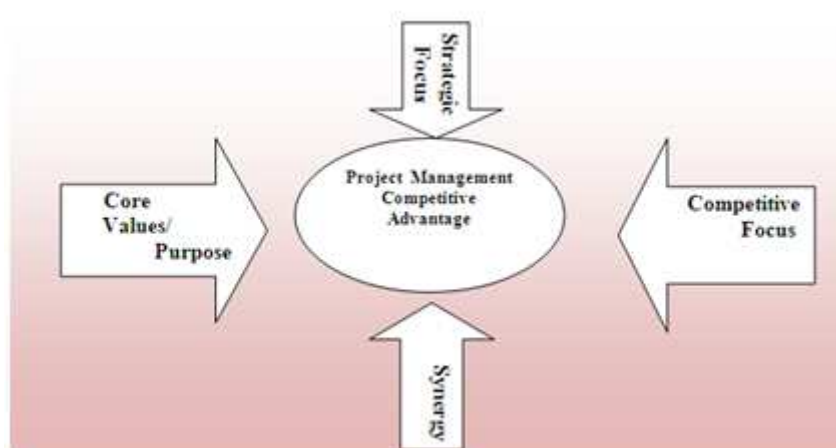


Figure 8. Strategic Thrusts

6. Conclusions

There are a number of conclusion reached from this study

6.1. There are many ways to organize projects: wholly in-house, partly in-house and partly contracted out, entirely contracted out. Parts can be subcontracted or a contract can be given to a consortium of organizations where financial or other resource constraints can only be met by a group of organizations. Where the objective is uncertain of achievement, a project may involve only initial explorations of the technology or other factors, with subsequent projects to develop from these initial findings.

6.2. Nowadays, there are a variety of environmental forces interacting in today's business world that contribute to the increased demand for good project management across all industries and sectors.

6.3. Project management appears to be suited and required for a business environment requiring accountability, flexibility, innovation, speed and continuous improvement.

It is the style of doing business in order to organize and manage activities toward achieving objectives.

6.4. Effective project management should select projects that best support the organization mission and strategy in order to achieve project objectives and strategic goals of organization.

So the strategy is the umbrella that covers all business activities. Every project should be under this umbrella to be in the right way toward objectives. The strategy is the weapon for projects to prevent decline, so the project can persist and continue by strategic planning.

6.5. The successful project manager and his work team should balance both the technical and socio-cultural dimensions of management in order to perform the management functions within the organization culture in a complementary and balancing manner. So the organization can achieve the project objectives within the right time by using the right resources and efforts to achieve the strategic goals of organization.

6.6. To develop something totally new or significantly different from all that has preceded it, one or more projects are specified at the beginning to explore the feasibility of a technology.

Subsequent projects follow in order to develop the technology to the state where a prototype of the main objective is possible.

6.7. A strategy to change is required. This strategy needs to consider not only technologies and customers, but also the broader mission of the project function.

Our approach to project organizing start with some broad business goal – grow this company to a larger size

started with the question “how can we provide more with less?”

Since we live in a project based operation, the second question was “how can we better deliver our projects to meet the strategic needs of our Customers?”

6.8. When someone uses the term “project management” they usually mean the planning of cost and schedule for the activities to deliver a product or service. But there are many other connections between projects and strategy. But first let's look at the connections between the processes of managing a project. Many activities are taking place besides cost and schedule, all influencing the outcome of the project and its support of a strategy something you do then go off to execute the plan. It is a continuous feedback process.

6.9. Always testing the strategy with metrics derived from projects Asking questions about what, how, where, who, when, and why is critical to focusing the discussion on strategy.

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