

Project Management Culture and Its Effect on Project-Oriented Company (POC) Performance: Literature Review

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Abstract:- One of the few things that will be able to determine the victory or letdown of project management in an organizations apart from what is normally known being finances, other organizational communication issues in companies etc. are culture. The aim of this review is demonstrate the relationship between project management culture and its impact on project - oriented literary companies. Some of the dimensions that were looked at are: Project Management culture and culture of an organization, organizational culture, Project-Oriented Organization and Project Performance. According to the results obtained, Organizational culture must be considered if project management will be accepted in an organization. It was also noticed that if an organization has a positive project management culture, it helps project oriented companies to improve performance of cost, scope, schedule and completing on time

Keywords:- Culture, Project Management, Organizational Culture and Project Oriented Organization.

I. CULTURE DEFINITION

Kroeber and Kluckhohn (1952) according to their research define culture as a pattern of behavior acquired and transmitted through symbols, explicitly and incriminate, which are distinguishable accomplishments for human groups, including their artifact embodiments. Culture is made up of the various interest of people, the interest could further have expatiated as the ideologies, and beliefs shared values of people as well as attitudes and not forgetting customs that a group of people is described (Hoecklin, 1995; Schneider and Barsoux, 2003).

It could also be said that people who believe to be part of a particular group of people have a relation to culture (Alvesson, 2012). This can be said to be the cultural identity of people or when a person is accepted one way or the other into a group where they share some things in common like values and symbols etc. (Jandt, 2004).

When the culture of a person is identified, it makes it easy to group such people into a particular mold (Daft, 2012). It is also possible that someone may have a culture that is distinct from the one such a person has been put into (Daft, 2012). When the cultural identity of an individual is known, it helps to easily identify some problems he or she may be facing (Fullan, 2014). Culture has so many benefits

which do not stop in an anthropocentric perspective, but it is known that no change can be possible in any organization without looking at the various interests of the people involved (Wheelen and Hunger, 2006). The culture was used as an administration function for years; this has been used, however, for the first time as an illustration by what means an organization will be able to support value systems which is used to represent a unifying instrument for team members (Holt and Wigginton, 2002), this was a constructive dichotomy. Thompson and Martin, (2005) opine that any industry's business strategy must not ignore the culture of individuals. The industry, however, would face serious difficulties if they eventually did (Morton and Ross, 2008).

II. ORGANIZATIONAL CULTURE

Gilley and Maycunish (2003) opined in his research what culture is made up of, he insisted it is made up of "Patterns of convictions, values and expectations that monitor the way people act and the ways in which they practice within an organization is defined by the employees (p. 149)."

Organizational culture upon further research has been known also to consist of the norms that have advent effect on the way workers think in every organization, how they feel, the various behaviors of employees and the shared values (Schein, 2011). It has been noticed by known researchers that organizational culture is made of four important functions: in summary we can say that one of the functions is that it increases the commitment level of employees, it helps to ensure that organizational values are reinforced and finally it is a pivot or control measures that ensure that behaviors in every organization are shaped (Nelson & Quick, 2011).

The culture of every organization is very important in that, it helps to ensure solutions which have been accepted to problems which are known and are learned by the employees and further helps in setting the principles, behavior patterns as well as the norms to help in the achievement at the highest level (Marcoulides & Heck, 1993; Schein, 1992). Furthermore, organizational culture has been defined by Buchanan and Huczynski, (2010) to be the accepted way an organization does things. The structure of an organization goes further to affect culture of an organization (Anderson, 2010). As structure affects the culture of an organization, it must be noted that, the leaders

have the main responsibility to set it up strategically to help the organization to achieve its goals as well as objectives (Abrell-Vogel and Rowold, 2014).

Glendon and Litherland (2001) opined that organizations which have made it a point to ensure that the practice of policy-orientated culture is effective are often times seen to be instructive. Ahmad and Gibb, (2003) stated that the ideas about policy-orientated culture are that it involves the documentation of data basically known to be measure and action plans which are to be taken in the organization by the employees. Even though there are various benefits of the policy-orientated culture, however, it is seen to be very rigid to change even if such change are very important and will help the management of an organization (Kotter and Heskett, 2012). This culture based on policy is seen to be very difficult or rigid because it has to through a lot of various administrative processes before changes will be accepted in an organization (Bruno and Lay, 2008).

There are factors associated with organizational culture in that, it should involve a common understanding of whoever involved, beliefs, how people think, various assumptions, attitudes as well as the traditions of people in an organization (Davidson 2000; Yazici 2009; Kuo and Kuo 2010; Hooijberg and Petrock in Fong and Kwok 2009), and which may also be subjective to ethnic cultures (Lewis 1995).

III. DEFINITION OF PROJECT

Tuman (1983), said that a project is a group of people dedicated to a particular purpose or goal. In general, large, expensive, unique or high - risk projects have to be carried out at an expected level of performance for a certain amount of money and in order to carry out all necessary tasks, every project must have at least clearly defined targets and sufficient resources. Gittinger (1982) said that projects help organizations such that, it provides an essential means and clarification of some plans such as expenses for development to be achieved or realized. Turner (1999) also said that, a project will be organized in a new way to undertake a unique and specific work scope with human, financial and material resources, within time constraints, in order to achieve beneficial changes that are defined by quantitative and qualitative aims.

Project management guides know - how (PMI, PMBOK® Guide, 2000) also defined a project to be something which is provisional in nature and always embarked on to create product or services which are unique. Gittinger (1972) defines projects as an entire complicated activity concerned in the use of assets to obtain benefits. Gittinger (1982) further said that, generally, projects structure is an explicit and special portion of a larger, much less accurately recognized program. Declerck et al., (1983, 1997), defined project from the political point of view and said that, a project is a whole series of actions limited in space and time, integrated into and interacting with a socio - political

environment that is aimed at a dialectic between thinking and reality, gradually redefining and tends towards this goal. Lock (2003) Also gave an explanation and said that projects are made up of various activities which are different in nature but must always gear towards the final point of completion. Plan and schedules are idiosyncratically capabilities of projects (Nilsson & Söderholm, 2005). The relevance of it is to provide some guidance to the members who form the project team and their duty is to work and achieve project goals as given to them by leaders.

A project is also explained as an impermanent effort that involves a related series of actions and a variety of assets to arrive at an exclusive result that works on limitations in time, cost and quality, frequently used implement changes (Elearn, 2007). The project management institute (PMI) which is a professional body of knowledge also defines a project as “*A temporary endeavor undertaken to create a unique product or service*” (2013, p.3). This is an indication of the facts that, projects have time within which to finish and not just that but to lay emphasis on delivering the product as indicated in business case and project scope (Murray, 2009). There are a lot of people who may be part of a project as a project team or even just a single person, projects may take only a day to complete or can also last for years for completion (Schwalbe, 2009).

Further research by Lock (2013) introduced types of projects: according to him, the first type of project is made of civil engineering, construction oil, and gas, etc. the second type he said consists of the manufacturing, the third as stated by him also consist of the IT project which often times is linked with business change and lastly he said the projects which are linked to scientific research. Often time some researchers also argue that projects usually come about when there is the need for a particular solution to a problem to either save money or in another aspect, make money to help the organization (Heerkens, 2002).

IV. PROJECT MANAGEMENT

Seymour et al. (1992) made a very important statement by way of suggestion that project management is a vital management tool used by organization once they develop the mindset to change strategy as it is often times adapted from stable as well as a machine like model to an advanced one even though there could still be challenges facing the organization. PMI in 1994 came up with a definition of project management, according to them, it involved the use of tools and techniques, skill and most importantly knowledge to the project activity so that if not all, the expectations of various stakeholders will be met after the project is completed. Kerzner (2003) after research also said that project management is defined as ways through which the resources of a company can be managed for a shorter period established for the completion of goals and objectives through planning, organizing, directing and finally controlling.

Bredillet, (2004 a&b) also opined that as a knowledge field, project management is an art and a science. The process of defining, planning, monitoring, controlling and delivering projects in order to achieve the agreed benefits (APM, 2006). Plan, organize, monitor and monitor all the project aspects and manage and manage all involved in achieving the project goals safely and according to the agreed criteria of time, cost, scope and performance / quality (IPMA, 2006). The rigorous management methods are formalized and structured. In order to achieve the required results of the project, it requires the use of knowledge, skills, tools and techniques (AIPM, 2008).

V. PROJECT MANAGEMENT CULTURE AND ORGANIZATIONAL CULTURE

Skarabot (1998) explained that an important things that should be considered as far as the successful execution of a project in an organization is concern is project culture, and there is no doubt that this forms mainly part of the entire Culture of organizations. Culture of project is ordinary mindset to initiatives inside the business. It is very necessary to note that projects do not work as a separate entity however, they often work best in a corporate organization that is ready to accept and encourage project management, this is to say that, the culture which will be adopted is going to go a long way affect strategic planning and its implementation as well as project management and every other thing that could be involved (Cleland 1999). For project management to be accepted every organization, the attitudes of top management, as well as line managers, are very key in that, they must monitor, ensure prioritization and roles of project staff are known (Kerzner 2009; Andersen et al. 2009; Young and Jordan 2008; Kearns 2007; Tinnirello 2001; Doll 1985); as according to the policies and procedures as well as the formal and informal roles of the organization (Cleland 1999). Guides to the project objectives for the departments, employee commitment to the task goals in order to balance them with others, which probably competes with other targets, project planning – how work is estimated, how project assets are allocated, how project teams perform – how managers view this and how they can see the impact of the projects (Pinto 2010).

Pinto (2010) in his study postulated that project management in an organization can be affected by organizational culture in four ways. First, he said it affects communication or interaction that exist between departments to assist each other as they embark on the project goal. The second way project management can be affected is that culture has the capacity to affect the commitment levels of employees to goals of the project by way of balancing them o other equally competing goals. The third important point raised is the culture can also influence the planning of projects in every organization, for example, the way resources are assigned to project activities and finally, culture affect various perspectives of management with regards to the way they evaluate project team performance as well as how they view project results.

Of all these, the most important thing is getting the support of top management (Kerzner 2001; Tinnirello, 2001). Project managers often say that one thing that was always lacked was the support of top management and realized that it is the most important thing (Simonsen 2007). Young and Jordan (2008) in their research gave a definition to support provided by top management as a situation where the chief executive officer and other senior members give their time in reviewing of plans as well as do a follow-up on work is done and solve management problems.

Management must be supportive at all levels if cooperative culture is expected and not just that, but there should also be a relationship among the line managers and project management, this is to say that the matrix organization is very important in that the responsibilities are shared between the line managers and the project managers (Levine 2002). Another necessary difficulty of project culture is the organizational policies, procedures, rules, and strategies; the tools and principles of project work in the corporation (Cleland 1999; Kerzner 2001); because people often do not want to accept processes that are standardized (Tinnirello 2001). According to Skarabot (1994), to actually demonstrate the project management culture of an organization, it is very important to note that the position of the project manager in the organization counts and tells a lot, not only that but also the readiness or the attitude the employees develop towards the project. It is often times noticed that the authority of the project manager depends on the level the project has gotten to; the project manager who has been given a high priority has the same level of authority as the line managers and therefore requires that they be paid as managers, it should also be observed that the informal project manager's duties could be more important than expected (Cleland 1999).

VI. PROJECT-ORIENTED ORGANIZATION

Gareis and Huemann (2000) claim that the Project - Oriented Company (POC) is defining "project management" as an organization's strategy and uses provisional organizations to conduct complicated processes, manages a The various portfolios of projects, have specific, permanent organizations that provide integration functions, have a ' new management paradigm ' and an explicit project management culture. When POOs are mentioned, it often applies to organizations where the project is the principal organization of production, innovation and competition unit (Hobday, 2000), sometimes also called project - based companies (e.g. Cacciatori, 2008; Prencipe & Tell, 2001) or enterprises (e.g. DeFillippi & Arthur, 1998).

The definition of Turner and Keegan (2000) in Pemsel and Müller (2012, p. 866) is applicable whereby the POO is defined as an organizations where most goods or services are produced by internal or external customer projects. The POO can be an independent company or subsidiary of a larger company. Contemporary companies are being oriented more and more towards projects. Gareis and Huemann (2003) refer to this as project - oriented

organization (POO) of these organizations which recognizes the management of projects as an organizational strategy, manages the project portfolio of the various types of project and is organized for integrative tasks.

VII. PROJECT ORIENTED ORGANIZATION AND PROJECT PERFORMANCE

Webster (1999), Hobday (2000), Mihić (2011), and others have noted that organizations are beginning to use the concept of management of the project because of the need for flexibility, decentralization, and improvements in performance. Kerzner (2001) notes that in most successful organizations the project management no longer constitutes an operating tool or method used internally by organizations, but a strategic framework to improve performance in the business surroundings in which they are today. Gan and Salter (2000) in his research opined that one of these organizations' most common problems is the alignment of projects with the company's strategic direction. Since each of the projects has its own independence and can be initiated by various parties involved, there is a danger that the organization will mutually isolate itself and create a series of unrelated projects (Hobday, 2000).

VIII. CONCLUSION

Organizational culture must be considered if project management will be accepted in an organization. It was also noticed that if an organization has a positive project management culture, it helps project oriented companies to improve performance of cost, scope, schedule and completing on time

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