



Strategic Project Management

Recently, numerous the world's major project management organisations have taken major initiatives to enlighten executive management regarding the strategic value and benefits of project management. The focus is always to move from individual project management to organisational project management, which these organizations preserve is a strategic advantage in a competitive economy.

In this article, Ed Naughton, Director General of the Institute of Project Management and present IPMA Vice-president, asks Professor Sebastian Green, Dean of the Faculty of Commerce and Professor of Management and Marketing at University College Cork (previously of the London Business School), about his views of proper project management as a car for competitive advantage.

Ed: What do you thing ideal Project Management is?

Prof. Green: Strategic project management is the management of those projects that are of critical importance to help the company in general to get competitive advantage.

Ed: And what defines a competitive advantage, then?

Prof. Green: You can find three characteristics of getting a core competence. The three characteristics are: it adds value to customers; it's maybe not simply imitated; it opens up new possibilities in the future.

Ed: But how can project management generate a competitive advantage?

Prof. Green: You can find two elements to project management. One aspect is the actual choice of the kind of projects that the enterprise participates in, and secondly there is implementation, how a projects themselves are handled.

Ed: Competitive advantage - the value of choosing the correct projects - it's not easy to establish which projects must be selected!

Prof. Green: I believe that the selection and prioritisation of projects is something that's not

been done well within the project management literature because it's essentially been thought away through reducing it to financial analysis. The strategic imperative gives an alternative way to you of prioritising projects because it is saying that some projects might not be as profitable as others, but if they add to our expertise relative to others, then that is going to be important.

So, to just take an example, if a company's competitive advantage is introducing new products more quickly than the others, drugs, let us say, finding product to market more quickly, then your projects that enable it to get the product more quickly to market will function as the most important ones, even if within their own terms, they don't have higher success than some other projects.

Ed: But if we're going to select our tasks, we've to establish what are the parameters or measurements we are going to select them against that give the competitive advantage to us.

Prof. Green: Definitely. The company must know which actions it's involved in, which are the important ones for it then and competitive advantage, that drives the selection of projects. Companies are not excellent at doing that and they could not even know what those activities are. They'll believe it is every thing they do because of the power system.

Ed: If its strategy is formulated by a company, then what the project management group says is that project management could be the channel for providing that strategy. Therefore, if the enterprise is good at doing project management, does it have any strategic advantage?

Prof. Green: Well, perhaps that returns to this issue of the difference between the kind of projects that are opted for and the way you manage the projects. Demonstrably selecting the kind of projects depends upon having the ability to link and prioritise projects according to an understanding of what the ability of a company is relative to others.

Ed: Let's assume the method is set. If you have an opinion about irony, you will seemingly choose to compare about [relevant webpage](#). So that you can produce the strategy, it's to be separated, decomposed into some jobs. Thus, you should be proficient at doing project management to supply the strategy. Now, the literature says that for an enterprise to be great at doing jobs it has to: devote project management procedures, train people on how best to apply/do project management and co-ordinate the efforts of the people qualified to work to procedures in an integral way utilizing the concept of a project office. Does using these three methods produce a competitive advantage with this company?

Prof. Green: Where project management, or how you control projects, becomes a source of

competitive advantage is when you may do things better than others. Be taught further on [here](#) by visiting our cogent site. The 'better than' is through the experience and reasoning and the information that is developed as time passes of managing projects. There's an event curve effect here. Regarding knowledge they've built-up to manage those components of tasks where the rule book is inadequate two organisations will soon be at different points in the experience curve. You need experience and management thinking since however good the rule book is, it'll never deal entirely with the complexity of life. You've to manage down the ability curve, you've to manage the knowledge and learning that you've of these three areas of project management because of it to become proper.

Ed: Well, then, I think there's a gap there that's to be resolved as well, in that we've now produced a competency at doing project management to do projects, but we have not aimed that competency to the choice of projects which will help us to provide this competitive advantage. Is project management effective at being imitated?

Prof. Green: Not the softer features and not the development of tacit knowledge of having run many, many projects over-time. Therefore, for example, you, Ed, do have more understanding of just how to work tasks than others. That's why people found you, since while you both may have a standard book including the PMBoK or the ICB, you have developed more experiential knowledge around it. To discover more, you are able to take a glance at: [go](#).

In essence, it can be imitated a quantity of just how, although not when you arrange the smoother tacit understanding of knowledge into it.

Ed: Organisational project management maturity styles are a hot topic right now and are closely linked to the 'experience curve' effect you mentioned earlier - how should we view them?

Prof. Green: I believe in moving beyond painting by figures, moving beyond the idea that that's all you should do and you may demand this pair of processes and skills and text book standards and a company is totally plastic. In a way, just the same difficulty was experienced by the developers of the knowledge curve. If you show companies the ability curve on cost, it is very nearly like, for each and every doubling of volume, cost savings occur without you needing to do any such thing. Visiting [thumbnail](#) certainly provides suggestions you could use with your co-worker. What we know is nevertheless, that the experience curve is a potential of the chance. Their' realisation depends upon the skill of administrators.

Ed: Are senior executives/chief executives within the mind-set to understand the potential advantages of project management?

Prof. Green: Until recently, project management has promoted it self in technical terms. If it was offered in terms of the integration at general management, at the capability to manage across the characteristics lending process methods with thinking, then it would be much more appealing to senior executives. So, it is about the ability which makes project management so strong, the strategies with the judgement and the blending of the hard and the soft. If senior executives don't grasp it right now, it's not as they are wrong. It's because project management has not marketed it self as effectively as it should've done.

Ed: Do we have to offer to chief executives and senior executives that it will offer competitive advantage to them?

Prof. Green: No, I do believe we must demonstrate to them how it does it. We have to go inside and actually show them how they could put it to use, not merely in terms of offering projects on time and within cost. We need to demonstrate to them how they can use it to overcome organisational resistance to change, how they can use it to enhance capabilities and activities that lead to competitive edge, how they can use it to enhance the tacit knowledge in the business. There is a complete array of ways that they are able to put it to use. They need to see that the proof of the end result is preferable to the way they are currently doing it..