

STATE OF THE PROJECT MANAGEMENT PRACTICE IN THE CZECH REPUBLIC - THE RESEARCH METHODOLOGY FRAMEWORK

Karel Valenta, Kateřina Hrazdilová Bočková, Eva Vořechová

Abstract:

This paper presents the background and methodology of a large empirical study conducted jointly by researchers at the Czech Technical University in Prague, Czech Republic and Tomas Bata University in Zlín, Czech Republic, in conjunction with international partners. The authors believe that project management plays a pivotal role in conceptualising and delivering business creatively in a networked and knowledge-based economy. The authors are presently undergoing this empirical study to examine the state of play of organisational project management in the Czech Republic to test the relevance of the above-mentioned view in a real economy. In this paper the authors examine the literature relevant to organisational project management and detail the methodology used in the research.

Key words: project, project management, networked and knowledge-based economy, research study

1. Introduction

The environment in which organisations operate is becoming more and more complex and turbulent, with the level of competition reaching saturation point in many industries. To flourish in such an environment an organisation must devise a key competitive advantage. Wikstrom (2003) proposes a consistent use of Project Management (PM) as such competitive advantage. He suggests that project-based organisations are able to progress towards larger scopes through manageable value creation and increased human action. However, simultaneously he points out the absence of widely applicable theory or general framework while stating that „the old conformities of law do not apply anymore, and the new ones are still unclear“ (Wikstrom, 2003, p.51).

As a reaction to this recent development, many researchers have started to work on new and innovative frameworks. One example on an innovative framework is Hartman's (2001) work on Enterprise DNA (EDNA). There are some genetic codes among species that determine their survival and success. Hartman strives to define key „genetic“ codes of successful organisations using a method similar to Critical Success Factors (CSFs) approach. Jaafari (2002) has theorised a similar concept and describes the present

situation as being uncertain and at the edge of chaos. He pioneers a so-called creative-dynamic model of organisations (Jaafari, 2002). It provides a framework enabling organisations to operate in very complex and difficult settings that prevail in most economic segments today. His framework enables an organisation to master the situation and deliver highly complex projects in very complex environment through capabilities that include mastery of accepting and managing risks.

Most research is on a theoretical basis with few researchers approaching the topic from a different angle. Some researchers collect data through different surveys and using statistical, mathematical, and modelling tools (including neural networks), they strive to come up with frameworks supported by practical data not just on pure theory. While there have been surveys relating to individual parts of project practice, particularly relating to measures of project success, the change in PM from its traditional form to its present „modern“ strategic focus-based conceptions, is not that well documented. (For more information on the strategic focus of the modern PM conception please see the article „Suggested Framework for Performance Assessment of Project-Based Organisations by Karel Valenta, Nicole Hensman, and Ali Jaafari that has

also been published in this book.) Moreover, it is mainly only expressed in largely theoretical terms, with authors describing how PM ought to be rather than how it is. In addition, the empirical studies that have been carried out have focused on PM practice in generic terms or on the experiences of individual organisations (for example APCC, 1997; KPMG, 2003; Sauer et al., 2001). Therefore, there is a need to validate the changes described by academics, management consultants, and practising project managers and such results used to create new or support and further develop present frameworks and theories.

Thus, there is scope for further research in this field. The research needs to be broad and in-depth to encapsulate a true understanding of PM in organisations. One such research conducted in Germany (Volkswagen Coaching, 2002) tried to collect a snapshot perspective of the present situation and state of play of PM in Germany. The research provided insights and offered a broad base for research into PM models and frameworks. Volkswagen Coaching (2002) also concluded that an international set of data would be highly valuable and would provide an opportunity on a global level for international benchmarking. Thus, Volkswagen Coaching started to stimulate international cooperation among renowned research bodies and initiated a second wave of this real-life research in selected countries around the globe.

Our team took on the challenge for the Czech part of this research, and started to participate as a late member of the second wave as this empirical study fits well with the data gathering stage of individual research projects of participating authors.

2. The Methodology and Present Progress

The primary intention of the research is to ascertain the current status and application of PM in the Czech Republic and to determine its utilisation as a core capability and as a strategy to achieve business success.

As stated already, the research follows a similar study conducted in Germany by Volkswagen Coaching, Orbitak and University of Bremen, where the state of play of PM in Germany was scrutinised through an extensive study. The findings defi-

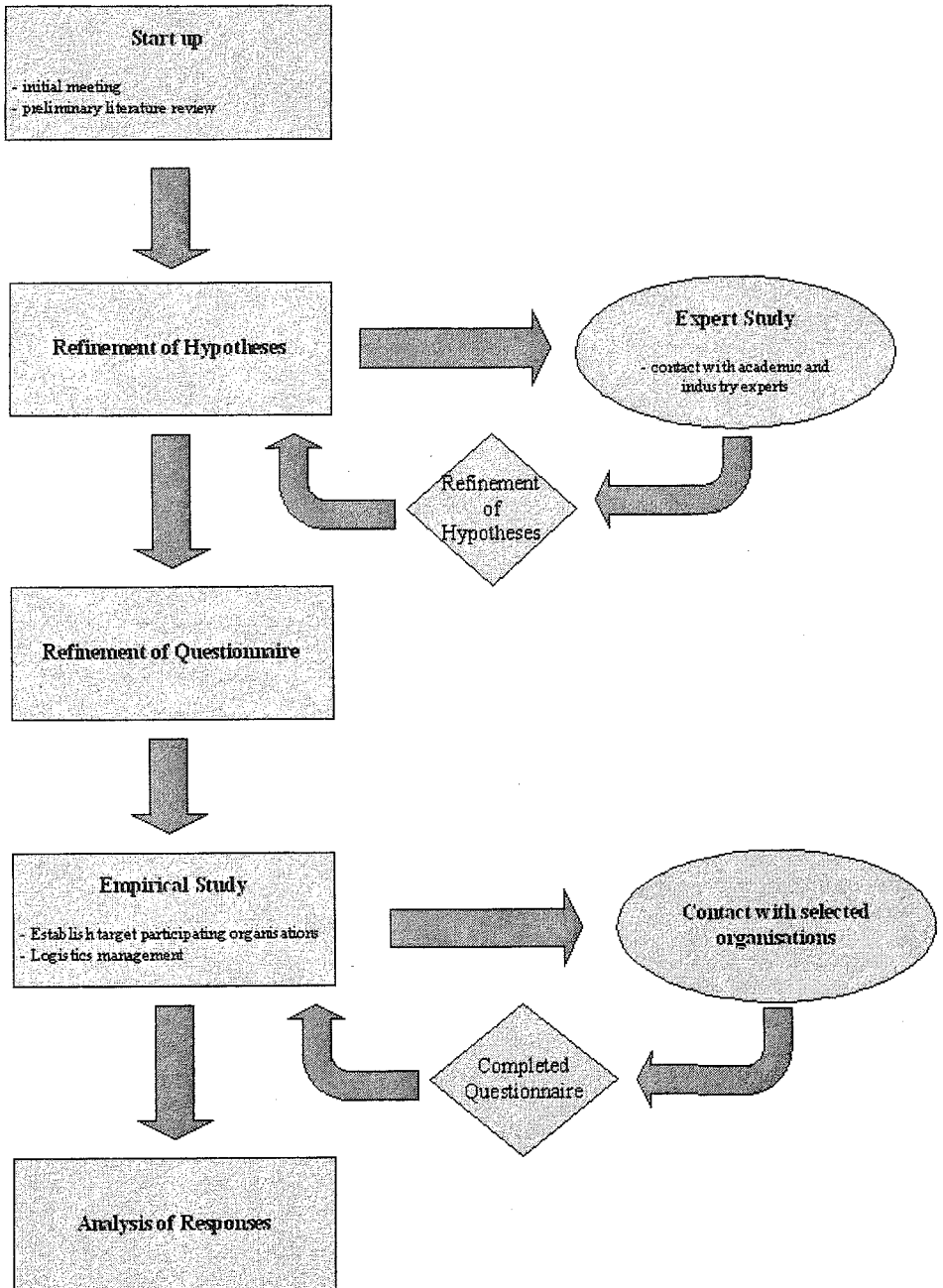
ned PM as a relatively new discipline with a strong growth anticipated (Volkswagen Coaching, 2002). The escalating importance of PM justified further investigation into organisations.

At the beginning of the year 2004, we were starting to prepare research into PM state of play and trends in the Czech Republic. While planning to describe the status quo of the PM and examining the use of PM as a strategic tool, our ideas were to produce a study which would attempt to also explore any similarities of the utilisation of PM. At the same time we were approached by the Volkswagen Coaching team who had conducted the above mentioned study of PM in Germany. Both parties expressed interest to stimulate multinational version of the research. Upon that, the cooperation was agreed upon with our team taking on the responsibility for Czech leg of the international research. The research methodology from the German pilot study was adopted to align our approach with other participating countries. Some extensions and refinements were made, as the focus of our research is not just to provide an empirical and consolidated summary of PM capabilities in the Czech Republic, but also to examine the utilisation of PM as a core capability and its level of entrenchment as a strategic advantage of target organisations.

This research is conducted in stages (as outlined in Figure 1) and plays a major role in the first stage of a greater research into PM capabilities, dynamic organisations, and Critical Success Factors. The underlying assumption for this research is that project management practice typologies can be defined in a manner that will be useful for both academics for furthering research and organisations for benchmarking and development purposes.

The research commenced with a dissection of the pilot research conducted in Germany. Based on the preliminary literature review and the work completed in Germany, we adopted a number of hypotheses, which were adjusted to suit the Czech environment, and will be validated using data we will collect. Based on these a questionnaire will be designed, and participant organisations will be selected. Invited participants will receive a letter of invitation and instructions for participation. The responses will be collated and analysed to establish the status of PM practices in Czech organisations with due emphasis on the utilisation of PM as a core capability.

Fig. 1: Research Methodology and Process



At present stage we are going to examine the relevance of the selected hypotheses within the Czech context. The hypotheses tested are listed below:

1. Project Management is only successful in those companies where it is supported by top management.
2. The knowledge of top management about the benefits of project management needs to be improved.
3. Project management is a method for controlling projects from a business point of view but is not recognised as such.
4. The majority of companies do not use project management strategically.
5. „Project Management Islands“ are dominant in Czech companies.
6. Compared to individual solutions, the benefits of standardised solutions are still not sufficiently recognised.
7. There are few career opportunities for project managers.
8. There is virtually no correlation between the amount of training and the quality of application of project management.
9. A company-wide project culture is the most important base aspect for successful project management.

These hypotheses will be tested for relevance and applicability to the Czech environment through an empirical study that will comprise a study of literature and interviews with PM experts in academia and business. These experts will be asked to rate each hypothesis, using a scale of 0 to 6 in terms of their agreement pertaining to the relevance of subject hypothesis to the Czech economy.

The next phase will consist of an empirical study. This involves a detailed questionnaire to be completed by professionals in the PM field. The questionnaire will be adopted from the German study to allow for cross national analysis of the status of PM practices as well as analysis of the use of PM as a core capability in realisation of the strategy of an organisation. The German questionnaire will be however extended with additional questions to obtain information on the organisation's business structures, capabilities and associated functional strengths. Such collected data are enabling our team to research into factors directly

facilitating organisations to become successful. The additional questions will enable us to further examine probable association of PM practices with corporate structure, business approach and other organisational factors, not just focusing on one part of an organisation that deals with PM.

3. Conclusion

As stated already, the research presented in this paper represents only the first stage of our broader research into PM capabilities, dynamic organisations and associated Critical Success Factors (CSFs). Results of this stage will be used as a broad foundation for further extensive analysis of the Czech results as well as international comparison through results gathered in other participating countries.

Our main research aim is to use our findings regarding the present state of PM practices at national and international levels as the foundation to develop a methodology for classification of organisations in terms of their state of application and strategic leveraging of PM, defined in terms of organisational capabilities. The intention is to develop a framework that enables assessment and ranking of organisations in terms of the relevant people factors, organisational factors, and environmental (market) factors.

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SHRNUTÍ**STAV APLIKACE PROJEKTOVÉHO ŘÍZENÍ V ČESKÉ REPUBLICE - RÁMEC VĚDECKÉHO ZKOUMÁNÍ****Karel Valenta, Kateřina Hrazdilová Bočková, Eva Vořechová**

Příspěvek prezentuje pozadí a metodologii provádění rozsáhlého empirického výzkumu, který je v současnosti v kompetenci mezinárodní a mezikontinentální spolupráce mladých vědeckých pracovníků Českého vysokého učení technického v Praze, Univerzity Tomáše Bati ve Zlíně a jiných mezinárodních partnerů. Autoři staví na základní platformě, kterou je hypotéza, že projektové řízení představuje primární roli v kreativním pojetí a podání konkurenceschopnosti v rámci globalizované a znalostně orientované ekonomiky. Autoři provádí empirický výzkum, jehož hlavním cílem a přínosem je určení relevantního stavu a role aplikace projektového managementu v České republice s tím, že je zde kladen neméně důležitý důraz na testování zjištěného stavu v závislosti na reálných podmínkách současné ekonomické situace a podnikatelského prostředí České republiky. V předkládaném příspěvku se autoři věnují kritické analýze literárních pramenů vztahující se k problematice projektového řízení v konsekvenci na metodologii daného mezinárodního výzkumu.

Výzkum prezentovaný v rámci daného příspěvku prezentuje námi prováděnou první fázi nadřazeného výzkumu „PM Capabilities, Dynamic and Associated Critical Success Factors (CSFs)“. Výsledky této hrubé fáze budou dále použity jako základní premisa rozsáhlých analytických prací prováděných v rámci České republiky stejně tak jako výchozí základna pro komparaci výsledků ostatních ve výzkumu participujících zemí.

Hlavním cílem je využití našich zjištění týkajících se současného stavu aplikace projektového řízení na národní i mezinárodní úrovni směrem k vytvoření metodologie pro klasifikaci firem a organizací ve vztahu k jejich stavu aplikace a vytvoření strategické páky projektového řízení. Účelem je tedy vytvoření rámce umožňujícího hodnocení a klasifikaci firem ve vztahu k relevantním faktorům.

Klíčová slova: projekt, projektový management, globalizovaná a znalostně orientovaná ekonomika, výzkumná studie