

Challenges in managing global project business

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<http://pb.hut.fi/>

Objectives of the presentation

- To clarify the two central concepts and their practical relevance for companies:
 - "global project business"
 - "large global projects"
- To increase awareness of the concept of 'project strategy' in the meaning of 'the strategy of a single project'

The two concepts

Global project business

“Project business is the part of business that relates directly or indirectly to projects, with a purpose to achieve objectives of a firm or several firms.”

(Artto & Wikström 2005)



“The firm”

Large global project

“Large project is a significant undertaking characterized by

- a) multiple organizations seeking success with different objectives,
- b) changing priorities of project objectives, and
- c) the project being subject to the impacts of a wider socio-political environment.”

(adopted from several sources: Morris & Hough 1987, Williams 2002, Grün 2004)



“The project”

Firms and projects

		Firm	
		One firm	Many firms
Project	One project	PROJECT MANAGEMENT	PROJECT NETWORKS
	Many projects	PROJECT BUSINESS	BUSINESS NETWORKS

Project strategies

Global project business

I Projects for production / delivery to customer:

The strategy of the project is to align to the concrete business objectives that are basically accepted by the whole organization.

II Projects for development:

The strategy of the project is to seek alignment with some part of the organization for its support; however, the project has to fight in the internal organizational environment against some parts of the organization, as there are controversial thoughts, competition, resistance and politics.

Large global project

The strategy of the project is to compromise in fulfilling the various stakeholders' needs and objectives, to affect the expectations of the stakeholders, to make difficult decisions to finally accomplish 'the thing', and to fight in a complex and even hostile environment.

Conclusions

- The importance of:
 - defining the 'project strategy' concept by theoretical research
 - Finding out what different 'project strategies' are, by empirical research
 - Applying different 'project strategies' for different environments for successful results in projects and in business



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