
BUILDING THE PROJECT TEAM AND PROJECT ORGANIZATION – CHALLENGES AND OBSTACLES

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Abstract:

The building of a project team can be one of the first hurdles the future team manager faces. The blame for this can be constraints in terms of resources to fund salaries, lack of adequate or properly trained personnel, unavailability of specialists the manager needs within the project in the period this is scheduled, but also other causes.

The building of a project team process must also correlated with its future structure, the two components influencing each other in both directions. Choosing an appropriate structure for the project to be implemented is not only necessary, but, moreover, may prove fatal to the extent that is not obtained.

Keywords: projects, project management, project team, classical structures, matrix organization

1. Introduction

A successful project is invariably linked to a well made, balanced project team, able to carry out all tasks related to project activities. When chooses his team the project manager must take into account the fact that the term "team" would include not only those who actually work on the project, but also those who, at some point will be directly or indirectly involved in activities related to the project. His role as project manager is to get them to work together to achieve its purpose, so that after completion of activities to satisfy as much as possible the project sponsor wishes.

2. Building the project team

Some authors, including Alan D'Orr (2004), consider that for a good management of the project team, the project manager must have in mind four elements:

- correct designing of the project team;
- motivating the team;
- listening the team, its members points of view;
- winning the team respect.

Making a list of all persons involved in the project can be the starting point in building the team process. Analysis of different roles people within it play in their organization, could lead us to an initial group of individuals to constitute a basis for selection for the project team.

As previously analysis mentioned usually results a diagram containing many names and a minimum of information about each of the persons who are found in it. Also, this chart could establish relations of cooperation, respectively the subordination between these people.

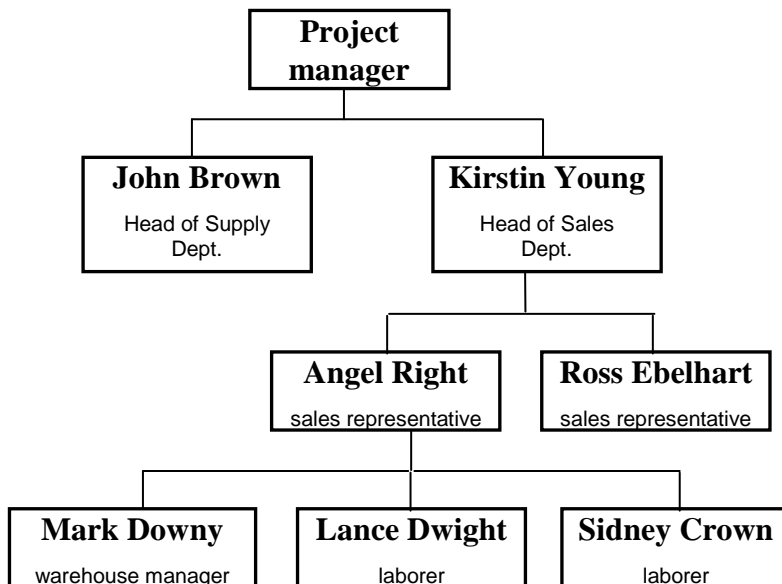


Figure 1. Simplified chart of the project team

Unfortunately, such a chart can be used only when talking about small projects. Larger projects automatically assume larger project teams, that can be very difficult to be "represented" by such a diagram. A solution to this problem could be to build a chart for each set of work activities, or even for each sequence.

Once all these diagrams are done, the manager has the pieces underlying at an organizational chart basis of a more complex project. He should also consider at this time, also other people which are not included yet in this structure, but whose skills, knowledge and experience may be necessary during the project. It is often a task for which managers spend more time than necessary, making it difficult to decide who should include in the team and who should not. In some cases, wishing not to

offend anyone, we get in position to include in the project team almost all people that come to our mind and that we believe they may have a role in the team. Unfortunately, such a decision leads to unnecessary loading of organizational charts, with consequences in difficulties of finding the right person in the team for a specific task.

To take a correct decision on the people to be included in the team, a good method of analysis could be related by the analysis of preliminary meetings for the project, in which some people shows, very probably more interested than others of the activities involved in the project. This interest can come from the connection between those activities and current activities undertaken by that individual, or that person just wish to broaden their business horizons, covering a different area in that has not activated before.

This interest manifests itself closely to motivation, and that's why so many managers prefer to include in the team highly motivated people who have a medium set of skills instead of those with special skills but who are not interested in the activities involved in the project.

In an article published in the electronic edition of Săptămâna Financiară (www.sfin.ro), Adriana Huncă, professional recruiter, believes that a manager cannot require its employees to be motivated, but he can create in the company a climate which is motivating. Although it is difficult to measure organizational climate, observing his symptoms (staff turnover, work attendance, labour relations) indicates the emergence of problems that are both signs of low motivation of staff. This principle is valid in our opinion not only in organizations but also in project teams. Motivation consist in the linking of needs, aspirations and interests of team members with the objectives and carry out the duties, powers and responsibilities assigned.

According to the author cited above, there are several types of motivation:

a) **positive** (pay increases, bonuses, share of profit, thanks, praise, giving titles, promotion) or **negative** (lower wages, fines, demotions, verbal threats, reprimands);

b) **cognitive** (takes into account the intellectual dimension of the employee) or **emotional** (is envisaged that the employee feel good at work and in-house, to be appreciated and liked by colleagues, bosses, subordinates, to manifest sympathy and consideration for him);

c) **intrinsic** (determination of employee involvement, to make effort and get results in the company, since he obtains satisfaction from these processes related to his personality) or **extrinsic** (determination of employee involvement, to make effort and get results the company because they will generate some reactions from formal and informal organization, economic and moral-spiritual, which will produce satisfaction);

d) **economic** (salaries, bonuses, gratuities, penalty wages, financial imputations in case of errors) or **moral-spiritual** (the manifestation of managers trust in employees, expressing thanks and praise, the granting of honorary titles, launch warnings, reprimands and invectives).

Authors who have treated motivation process in projects (D'Orr, 2004), simplifies the problem, considering that project teams can be motivated by different incentives or by delegation of authority.

Incentives may be granted after a predetermined pattern or ad hoc. If there is a predetermined pattern, it will link a particular set of goals to be achieved with a stimulant, and is usually found as the bonus scheme. Ad-hoc incentives assume that when someone completes a task successfully, that person effort should be appreciated and manager should thank him on the spot, in front of all those present.

Despite evidence of incentive motivational advantages, they are not always sufficient. The manager must seek ways to delegate authority in certain situations to team members, in order to create them the feeling that they add value to the project through their work, and they aren't just mere performers.

After establishing a formal structure and also the ways in which motivation can be achieved, the manager will have to manage to go from being a person who imposes his views in a discussion on the individual who is able to hear the team opinion. A stately attitude, the project team manager pressure, can induce a constructive attitude, but on the other hand, to a pressing manager, it will be very difficult to determine the team to tell what problems they have when something goes wrong .

A good project manager will have to be very well aware of what kind of personality have and what type of behaviour characterizes his relationships with team members. Moreover, he have to learn using behavioral aspects and make it selective.

Two techniques can be used for this purpose:

1. the first involves forming an opinion on a particular process, continued by attempting to convince others with arguments that this is the right version;
2. second assume to find the others opinion on that process. It is wrong to believe that we can do this only by asking questions; rather this technique requires to form an opinion and then, by well-formulated questions, induced by the answers received, to drive team members step by step towards result that we want.

Obviously, the second technique requires a longer time for a decision, but, used properly and combined with the first technique can lead to a relationship with team members that can generate maximum results.

Such an attitude in the relation with team members can be the first step towards winning their respect. There are other conditions to be met, related to the adoption of consistency in decisions, respecting the promises made and especially accepting criticism from the team and use them in a constructive spirit.

Once established aspects of how the team should be compiled, how to motivate its members and which should be the relationship between manager and them, the next problem that emerges is that of choosing the right organization for the project.

3. Organizing the project team

Baguley (1995) proposed three categories of organizing projects:

- customer oriented organization;
- project oriented organization;
- matrix organization.

To ensure that we make the right choice for a specific project, the advantages and disadvantages of each type of organization should be considered.

Customer oriented organization

It is a type of organization that integrates the project in the existing organizational structure of the client organization. This means that, usually, the project is run by people who work for the client organization and in most cases is carried out only on part-time.

Among *the advantages* of such an organization, we find:

- ✓ compatibility with organization procedures and systems
- ✓ compatibility with organization objectives.

However, this type of project organization has some *disadvantages*:

- ❖ daily needs of the organization often dominate resource allocation decisions;
- ❖ the project has a reduced ability to induce change, especially with regard to attitudes, norms or standards;
- ❖ client-project contact is often indirect, and is not always uses the normal channels;
- ❖ project team loyalty is directed rather to the client organization and less to the project;
- ❖ project manager's authority is, under these conditions, limited.

Project oriented organization

The project team appears, in that form of organization, as an autonomous unit, with own staff and resources. This team is separate from the rest of the client organization and communicates with it through reports. Much of this will take place through a top management positions in the organization which is important enough to eliminate functional conflicts.

The advantages that project-oriented organization presumes are:

- ✓ team has a strong identity and its members are fully committed to the project;
- ✓ the team is led by a project manager that has a full control over the project;
- ✓ communication is direct, it's made through normal channels;
- ✓ making decisions and solving problems can be quickly and simple.

The disadvantages that arise include:

- ❖ incompatibilities between the procedures, systems and objectives of the project related with those of the organization;
- ❖ loss experience and skills of the team members after completion of the project;
- ❖ "duplication" of staff working for several projects in the same time.

Matrix organization

It is often seen as a compromise - a middle position - between the two extremes outlined above - project-oriented organization and customer-oriented organization.

This form of organization includes the following *advantages*:

- ✓ ability to attract resources of the client organization according to the team needs;
- ✓ compatibility between the procedures, systems and project objectives and those of the organization.

Disadvantages of matrix organization come from the following:

- ❖ team members have two bosses - one functional and one of the project;
- ❖ balance of power between the client organization and project manager is often delicately to set;
- ❖ project manager takes administrative decisions on the project and functional managers of the organization take technical decisions on the project activities.

Most authors who have dealt with various types of project organization - Gobeli and Larson (1987), McCollum (2005), D'Orr (2004), Kerzner (2009) - considered pyramidal organization structures to be classical ones, traditional, while the matrix type organization is considered to be the one who made the transition to modernity. However, Baguley (1995), while recognizing that matrix organization as a form of project management was seen as an efficient and effective way of managing organizational project, however, consider that its popularity is hampered by its high potential to degenerate into disorganized chaos and by the fact that members of such teams consider difficult to work at the same time for two bosses.

Any manager will ask the beneficiary of the project for a project team to work only for him, and in which he can bring the operational specialists, within the organization or outside, needed for the project activities. It's hard to believe that these demands of the project managers can be met (or whatever will not happen so too often), because the client organization needs those experts also for current activity or for other projects carried out simultaneously. This situation created by the relative limitation of resources has led to more frequent occurrence and use of a matrix organizational structure, which involves the use of specialized personnel in various projects and current activity.

Kerzner (2003) and McCollum (1995 and 2005) made an interesting comparison, at a general level, between the structures of classical, traditional organizations on one hand, and matrix organizations type on the other, presenting in detail the advantages and disadvantages of each. Some of these are summarized below.

Classical traditional structures

Many organizations use the classic, traditional way to organize projects, in order to avoid as much conflict, but also to benefit from relatively simple way of carrying out of the activities.

Here are some advantages of this type of structure:

- ✓ simplified procedures for budgeting and cost control project;
- ✓ opportunity to achieve better technical control;
- ✓ staff can be used in several projects to achieve flexibility in the use of labor;
- ✓ an advanced technology can be provided for all the projects the organization run;
- ✓ it ensure continuity of activities, policies, procedures and lines of responsibility;
- ✓ it ensure an effective control of each employee, each of them being subordinated to a single superior.

Among the disadvantages posed by traditional organizational structure can be founded:

- ❖ no individual has direct responsibility for the whole project;
- ❖ it didn't create the general framework necessary to achieve the final result easy;
- ❖ coordination can be complex, because it takes time for approvals and decisions;
- ❖ customer responsiveness is quite slow;
- ❖ motivation and innovation are falling;
- ❖ ideas tend to be predominantly oriented towards current issues, and less to the project.

Matrix structures

Matrix structures are those that can make the connection between functional project management and project team.

Some of the advantages posed by matrix organizations are:

- ✓ project manager have full control over the project through line managers;
- ✓ through line managers, project manager controls all resources, including staff costs and personnel

- ✓ policies and procedures can be implemented independently on each project, thereby avoiding contradictions between company policies and procedures;
- ✓ it can achieve rapid responses to changes, thus facilitating conflict resolution;
- ✓ costs are minimized by the fact that specialists can be divided into functional projects and activities simultaneously;
- ✓ there are fewer conflicts, they are more easily resolved;
- ✓ authority and responsibility are shared.

Here are some disadvantages of this type of structure:

- ❖ workflow and information are multidimensional;
- ❖ reporting is dual, which induces a lack of control of the team;
- ❖ priorities are constantly changing;
- ❖ discrepancies may occur between management and project objectives;
- ❖ difficulty in tracking and control;
- ❖ defining policies and procedures requires a long time and a great effort;
- ❖ conflicts and their resolution can be turned into a continuous process;

Regarded with suspicion by many organizations, matrix organization was even criticized by some authors, such as management professor Thomas Peters (1988). It is, however, used by quite firms operating in Hi-tech and constructions. After studying the matrix organization, McCollum and Sherman have discovered a novel, namely that the experts which are currently working on two projects produce better results for their organizations than those working on one single project (such as those persons that are part of traditional project teams).

Gobeli and Larson (1987) conducted among two years a study whose purpose was to determine the organization of different organizations that were using project managers. Data was collected from 1654 members of the Project Management Institute (PMI), after they initially have contacted 2,500 members. Of those who responded, 78 people were project managers for more than 7 years. Following the completion of the initial study, the two have synthesized five project management structures:

1. Structure A (functional) - means a project divided into sections dedicated to the relevant functional groups, in which the head of each functional group is responsible for a segment of the project;

2. Structure B (the functional matrix) - means appointing someone to coordinate the project from the interdisciplinary positions. Authority of such person on permanent employees (functional) is limited, and it has tasks related with responsibility for planning and coordination;

3. Structure C (the balanced matrix) - a person will coordinate the project and will interact from an equal level with functional managers. This person and operational manager lead together the employees and approve technical and operational decisions;

4. Structure D (the matrix project) - a manager is assigned to coordinate the project and take responsibility for doing so. Only some of the functional managers will be involved in project activities, and only for providing assistance and advice;

5. Structure E (the project team) - a manager receives the task of leading a team of specialists from several designated component functional areas, which have permanent responsibilities within the team. Functional managers are not involved in the project activity, not even formal.

It can be noted that the project manager authority structure increases from Structure A to Structure E. From the sample studied, 85% of respondents have used the matrix project form of organization, 70% have used a balanced matrix, 60% have used a functional matrix, 58% have used the project team and only 45% have used an operational structure.

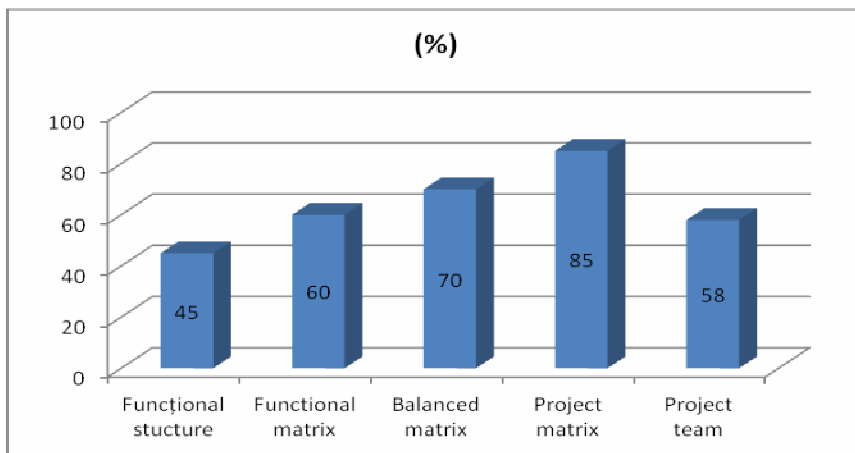


Figure 2. Degrees in which were used the identified organizational structures

The analysis results showed that the matrix organization was the most popular, followed by the balanced matrix and the functional hierarchical structure. In terms of efficiency of the five structures, the highest rate belongs to the matrix project (effective to very effective), followed by the project team (effective), balanced matrix (slightly below the efficiency), the functional matrix (between efficient and inefficient) and, on the last place, the functional structure (deemed ineffective).

We conclude from this study that matrix structure is most suitable for project management. However, although many studies over the past 20 years tend to consider the matrix form of organization as a modern, we believe that there not should be assumed unconditionally that this form of organization is required to be taken into account as the one version that can bring the best results. The specific conditions of each project, the organizational environment, also the general economic environment may lead to the necessity of using other forms of organization, classical or modern, and hence to the possibility that it brings better results in the given context.

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