

Achieving the optimum business strategy – project management alignment in ICT projects in New Zealand.

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ABSTRACT

This proposal represents a research aimed to develop an empirical framework for assessing and achieving optimum level of alignment between business strategy and project management in ICT projects in New Zealand. The study will be undertaken to develop a framework to assess and achieve the business strategy-project management alignment by studying the impact of various business strategy typologies on the competing attributes of project management and vice versa. The second aim of the research is to develop a set of guidelines for project managers and business leaders to help them select most appropriate project management tools to achieve the optimum level of business strategy-project management alignment. The scope of research will be restricted to ICT projects in New Zealand with the focus on innovation projects.

Categories and Subject Descriptors

K.6.1 [Project and People Management]: Management techniques, Strategic information systems planning.

General Terms

Management, Measurement, Experimentation, Standardization, Verification.

Keywords

Project management, Strategic management, ICT projects.

1. INTRODUCTION

The problem of misalignment between project management and business strategy and its implications on project and business success is illustrated by quite a few researchers (Shenhar (2004), Srivannaboon (2006), Jamieson and Morris (2004)). Researchers in the past have studied the impact of the misalignment and have proposed a series of frameworks and guidelines to quantitatively measure the degree of alignment (Srivannaboon, 2006). However, there is no evidence of business strategy-project management alignment study in New Zealand. Also, none of these scholars have studied the business strategy-project management alignment in specific project operating conditions such as the innovation projects.

As part of this study, it will be demonstrated that the understanding of the experimental methods and results can be packaged in a way that allows others to learn from and extend our findings to all ICT projects in New Zealand and not just limited to the innovation projects.

2. LITERATURE REVIEW

Jamieson and Morris (2004) proposed a framework for the business strategy - project management alignment by linking corporate strategy to project strategy via portfolio and program management. Turner and Simister (2000) suggested that the portfolio management or pipeline management is the way to link business strategy with project management. However others (such as Bard, Balachandra & Kaufmann, 1988; Englund & Graham, 1999; Hartman, 2000) proposed that the project selection is the way to link the business strategy with project management. Some of the critical project management practices such as risk management, value management and supply change management should be considered as part of business strategy (Jamieson & Morris, 2004). Srivannaboon (2006) proposed the existence of a two way influence between project management and business strategy as against the traditional one way influence suggested by previous researchers. In his research, Srivannaboon (2006) used Porter's (1980) business strategy typologies and Shenhar's SPL (2004) framework to align business strategy with project management. Srivannaboon (2006) suggested six propositions which highlight the influence of competitive attributes of business strategy (best cost, differentiation and focus) on project management elements (project strategy, spirit, organization, processes and tools). Further based on the results of data analysis, Srivannaboon (2006) suggested the seventh proposition which highlights the reverse impact of project management elements on business strategy, which he finds consistent with Mintzberg's (1994) emergent strategy approach.

3. CONCEPTUAL FRAMEWORK

This research will develop a framework on the basis of seven propositions made by Srivannaboon (2006) in his work to establish a two way influence between project management and business strategy. The seven propositions were derived on the

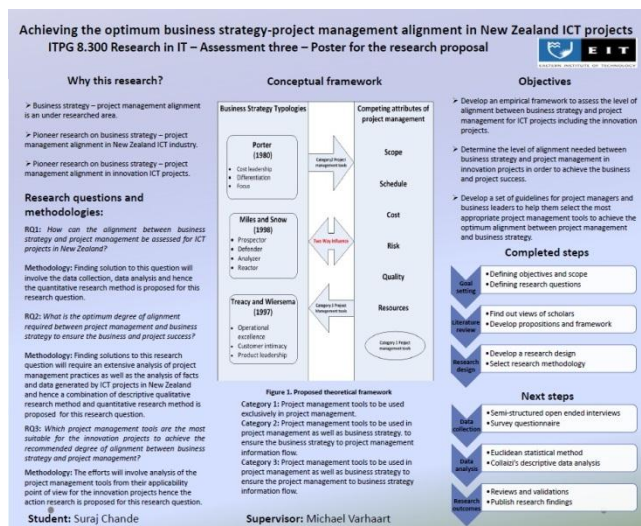


Figure 1 - Poster

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basis of the Porter's (1980) business strategy typologies and Shenhar's SPL (2004) framework. Srivannaboon (2006) in his research has proposed that the competitive attributes of the business strategy (cost, quality and differentiation) drive the focus and content of the project management elements (strategy, spirit, organization, processes and tools).

As part of this research, a framework will be developed which will help to assess the alignment between the business strategy and project management. The alignment will be assessed by determining the priorities of attributes of business strategy from the project management perspectives and conversely determining the priorities of competing attributes of project management (Scope, quality, cost, schedule, resources, risk) (PMI, 2008) from the senior leadership point of view

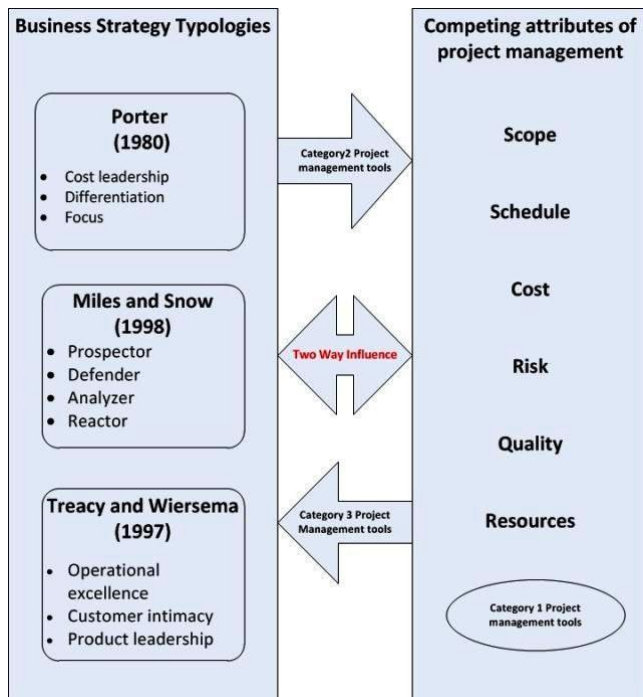


Figure 2 - Conceptual framework

Category 1: Project management tools to be used exclusively in project management.

Category 2: Project management tools to be used in project management as well as business strategy to ensure the business strategy to project management information flow.

Category 3: Project management tools to be used in project management as well as business strategy to ensure the project management to business strategy information flow.

4. METHODS

A combination of research methods will be used as the research questions for this study require the study of the subject matter from the qualitative as well as the quantitative perspectives. Experimentation will be a part of this study; hence the action research method will also be used.

RQ1: How can the alignment between business strategy and project management be assessed for ICT projects in New Zealand?

Methods: Finding solution to this question will involve the data collection, data analysis and hence the quantitative research method is proposed for this research question.

RQ2: What is the optimum degree of alignment required between project management and business strategy to ensure the business and project success?

Methods: Finding solutions to this research question will require an extensive analysis of project management practices as well as the analysis of facts and data generated by ICT projects in New Zealand and hence a combination of descriptive qualitative research method and quantitative research method is proposed for this research question.

RQ3: Which project management tools are the most suitable for the innovation projects to achieve the recommended degree of alignment between business strategy and project management?

Methods: The efforts will involve analysis of the project management tools from their applicability point of view for the innovation projects hence the action research is proposed for this research question.

5. CONCLUSION

It is envisaged that the findings of this study will encourage the overall use of project management methodology and encourage the ICT project in New Zealand to implement processes and procedures to maintain the business strategy-project management alignment. The proposed output of this research is set of guidelines on the use of specific project management tools to achieve the optimum alignment in ICT projects with special considerations for innovation projects. The set of guidelines can be used by project managers and business leaders to achieve and maintain the business strategy-project management alignment in their projects.

6. REFERENCES

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