

PROJECT MANAGEMENT – A GROWING PROFESSION. THE ROMANIAN CASE

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Abstract. *The paper analyses the status of professionalization of project management in Romania and worldwide. The relevance of the topic is grasped in the context in which project management has been confronted with various shifts: from a technical/ engineering function to a macro-economic organizational concern, from a tools-and-techniques view to an innovation-driven approach, from widespread adoption by the industrialized world to an accelerated growth in developing nations, too. The explosion of practice has raised the issue of theoretical foundations and professionalization. The current status of professionalization of project management is discussed against a series of standards found in the sociology of professions literature, with a special focus on the issue of education in project management – education models, trends, global reach. The paper also assesses the Romanian educational offer in the field of project management in relation to the larger issue of professionalization, with a view to signalling possible areas of growth and improvement: ensuring accuracy of term usage, refining the educational curricula, initiating large-scale research programs on Romanian realities, publishing research results, building awareness around the benefits of the profession, increasing strength and visibility of professional associations, lobbying to require certification for key project management positions.*

1. Innovation and project management – beyond a tool and technique view of project management

The practice of project management (PM) has continuously evolved since the end of the Second World War. Nowadays, PM is widely applied to the operation of private and public enterprises, as well as non-profit, research and development organizations. One of the reasons accounting for this explosion is that „the more traditional, well-established industrial age principles and methods for managing classical functional organizations (involving ongoing, repetitive operations) do not work well for planning, controlling, and managing projects, seen as unique, complex undertaking to create new products, facilities, services” (Wideman, 2006).

There is empirical proof that the models and methods of modern PM are a premise and a catalyst for both economic and social benefits. Some of the best performing corporations have achieved some degree of excellence in project management, including Hewlett-Packard, Star Alliance, Intel, Motorola, Ericsson, Nortel, General Motors, Walt Disney, Boeing (Kerzner, 2006). A study of 300 companies conducted by *CIO* magazine and PMI revealed that establishment of a standard PM methodology is critical to the achievement of both financial and strategic

goals (Foti, 2002). According to the same author, research by the Software Engineering Institute from the Carnegie Mellon University (Pittsburgh) on six organizations revealed that those who displayed project management maturity achieved a 35% increase in productivity, 10% decrease in time to market, and 39% reduction of post-release defects.

A cross-sectorial survey of 200 firms from thirty countries carried out by Price Waterhouse Coopers consultants examined how companies were using projects in their business (www.pwc.be). These 200 companies were running a total of 10,640 projects a year worth in excess of US\$ 4.5 billion. Over a quarter of this sample were running more than 100 projects every year. Moreover, the survey revealed great diversity in the usage of projects as an organizational form, both in revenue-earning work and in organizational change. 73% of the firms had projects to implement IT change initiatives. 57% of firms had performance improvement projects; 49% were conducting software development projects. 45% had projects for new product development, 43% for strategy deployment, 31% for construction and 15% for research.

The last mentioned research shows that these types of projects – no matter how varied – all relate to innovation in some way, either technological, business or organizational. This is why, concern has grown around the link between projects and innovation, the role of projects in innovation, taken broadly to include not simply technological innovation, but organizational and other forms of innovation as well.

Management by projects is becoming “an organizational strategy of society in order to better handle the increasing complexity and dynamics of society and its environments” (Gareis, 2005: p. 33). Therefore, projects and project management are not just a micro-economic concern, but also a macro-economic one. Project management is no longer an engineering function, but an organizational methodology that enables organizations – be they small or large, private or public – to implement their development vision. These shifts – from a purely technical or engineering function to an organizational strategy, from a tools-and-techniques view to an innovation-driven approach highlight not the only the importance of PM as a field of study, but the acknowledgement of PM as a critical component to organizational success.

2. Project management in developing countries

Initially adopted by industrialized nations, project management has grown rapidly in many developing countries as well. So, beside the shift from the tools and techniques, technical or engineering function to an organizational, innovation-driven concern, we are also dealing with a shift from widespread use in developed nations solely to accelerated adoption by developing countries as well. The main idea driving this process of rapid adoption is the conceptualisation and understanding of project

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management as a macro-economic, large-scale approach, a means of enabling development, of making it happen.

For example, it is estimated that there are currently 1.7 million project managers in China. Since 2000, PM practices have been adopted by numerous public, private and academic institutions, the need for strong PM skills being driven by China's robust economic growth. Today, China is home to some of the world's largest projects: the Three Gorges Dam Project (world's largest dam), the Hangzhou Bay Bridge (world's largest sea bridge), and the 2008 Olympic Games Projects in Beijing. Recently, China hosted the first international conference on project management. China's State Administration of Foreign Expert Affairs estimated that at least 35,000 people have taken PM training in China since 2005. This institute also estimates that the number of certified project managers in China would double by the end of 2006 (Ryan and Gioia, 2006). At the same time, the Chinese government places great emphasis on industrial sectors that are considered to have a strategic importance for the development of the economy: construction industry, IT, aerospace, biochemical, mining and environment.

There is a similar explosion of interest in Project Management in India, too, mainly as a result of the beginning of advanced research and development in India. Although in its early stages, the movement of global research and development into India is already a fact and is expected to expand over time (knowledge@wharton, November 21, 2005). This major movement, which accurately followed the movement of information technology work to India, triggered an interest in adopting project management both as macro-economic and micro-economic concern, at the level of separate enterprises, be they public or private, and at the level of the country as a whole. Based on an understanding of the role of project management in implementing the "strategic intent" (Prahalad and Hamel, 2002) of the nation, India's development plan is formulated and implemented in project management terms (Rao, 2006).

The rapid growth of developing countries such as China has raised once more the issue of sustainability in conjunction with new product and service development projects. Such concerns are further emphasized by the issues of shortened product life cycles, globalization, more frequent product and service development projects, product updates and re-launches, innovation and technology management.

3. Project management and the sociology of professions

The explosion of PM practice throughout the world has triggered a similar explosion of interest in the theoretical foundations of the respective practice, its disciplinary status and the level of professionalization. One of the classical authors in the sociology of professions, E. Greenwood (1957) underlines that professions are distinguished from occupations in that they typically involve an esoteric body of knowledge, a culture sustained by a professional association, code of ethics,

recognized authority, and community sanction. Beside theoretical disputes, the issue of professionalization has many practical consequences – hence the high temperature of the debate.

Acknowledgement as a profession – which is true for any profession – is an issue of power, too. In the 1960s, T. Johnson introduced the now largely accepted idea that professions and occupations aspiring to be professions are fighting battles in the contested terrain of the work world. In more practical terms, recognition of a professional status has to do, among other things, with career opportunities/ career paths for practitioners, salary level, access to resources (research funds, education funds), access to the academia, social prestige, perceived social relevance.

According to Zwerman *et al* (2004), the literature offers a comprehensive grid of criteria against which to judge the status of a profession. A profession exerts exclusive control and command of an esoteric and systematic body of knowledge, basically a monopoly on understanding and application. It benefits from education and research, which means that the body of knowledge is constantly reviewed and extended within the educational and research institutes of the profession. It is regulated by a code of ethics, adopted by the occupational associations and this code guides practice. A profession is characterized by autonomy of practice, its incumbents are the only ones capable of understanding and practicing, and believe they should be free to control their own work. The practitioners also adhere to the norm altruism, they are imbued with a sense of service to their clients and the community.

The profession exerts control of the name, meaning that the professional associations gain, and retain control of the name of the occupations. Professionals have authority over clients, the former should control the client/ practitioner relationship, based on the idea that the quality of service is compromised if clients challenge the authority of the professional practitioner. There is a distinctive occupational culture, a distinctive set of norms, values and symbols, which set a particular professional occupation apart from others. Finally, a profession enjoys widespread recognition. There is an explicit acknowledgement by both the community and the law that the occupation is special and its members deserve special privileges. The profession is recognized by a governmental authority as requiring specific training and preparation. At the same time, there is general acceptance that the tasks of this profession cannot be done without such preparation (Zwerman *et al*, 2004: p.12).

4. Professionalization of project management – pro and against arguments

The different answers to the question of whether we are dealing with a true profession or a true discipline of project management may be summarized as follows:

- PM is a separate discipline and a truly global profession (Carter 2000);

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- PM is more than a discipline, its principles and practices are an important part of every manager's responsibilities and a premise for organizational success; just as individuals benefit from achieving personal maturity, organizations can similarly benefit from organizational project management maturity; this accounts for the emergence of project-driven or project dependent companies and, on a larger scale, of project-driven or project-oriented societies:

- PM is a sub-speciality of recognized, well-established knowledge areas, professions, disciplines such as (organizational) management, economic science, engineering science;

- PM is a rigid formulaic practice of applying best practices to control projects (Thomas and Tjaeder 2000); the extreme version of the "best practice" approach is that PM is the latest fancy of industrialized nations, eagerly adopted by developing countries as well in the absence of any pay-off effects.

Project management is notably absent in the sociological study of professions, despite claims formulated by some of the most enthusiastic practitioners. Virgil Carter, the above-mentioned author, was then the Executive Director of Project Management Institute, the leading PM professional association. What are the main arguments in favor of the idea that professionalization of project management is at the beginning, even in project-oriented countries, where project-driven organizations are rather common?

The practice of project management is not predicated on an exclusive body of knowledge. The PMBOK® Guide, which is the practice standard issued by PMI and is the most widely adopted PM standard, is a start to the claims regarding knowledge. Yet, the distinguishing claim is built around processes, rather than content. Besides, there is no claim that this knowledge is not available to anyone who wants to take the time to read the materials.

Anyone can call himself or herself project manager and there is no unified terminology. Even in project mature societies or companies, concerns over a unified language are still apparent. Certification is not mandatory, just as membership in professional associations is not mandatory. Since membership is not mandatory, adherence to code of ethics is not mandatory either. Practitioners do not enjoy autonomy of practice. They are almost always employees (regular or contract-based) of companies. There is no norm of altruism, project management being defined in functional or economic terms. The client has control over the project manager and not the other way around. There is no defined occupational culture characteristic of project managers, with notable exceptions, such as the initiative to celebrate the International Project Management Day every 1st of November. Formal education programs are growing, but the research process has lagged behind the development of the educational system. The focus of professional associations has been on the practice of project management, rather than research into the practice. There is no legal recognition of exclusive claims to practice. There are various forms of voluntary certification, which constitute initial steps toward formal certification and licensing (Zwerman *et al*, 2004: p. 156).

At the same time, there are enough arguments favoring the idea that project management is on the right track toward professionalization. *A Guide to the Project Management Body of Knowledge* (PMBOK® Guide) has been recognized by some American corporations and some government departments as an official standard in the United States. For example, out of 3500 formerly assigned project managers at the Hewlett Packard American Corporation, 3300 are formerly certified (hold the international certification Project Management Professional). And the Project Management Institute issued *The Government Extension to the PMBOK® Guide*, which is the practice standard for government projects in the United States. PMBOK® Guide is used by the Auditor's Office of Canada as a standard to evaluate the practice of project managers. Even if certification remains voluntary, more and more individuals are judged against the standards written down in this document.

Other arguments have to do with the increasing number of both professional and research journals (Project Management Journal, PM Boulevard). There are enough relevant research results steering practice, which explains the current upsurge of interest in research. The number of participants attending the research workshop at the latest conference organized by PMI (Seattle, October 2006) was an all time record. There are formal communication channels between members of the community of practice, in the form of conferences, congresses, research networks. There are huge resources dedicated to training and research. And, most importantly perhaps, the number of practitioners is still growing, in the developed as well the developing world (see the case of China depicted above).

5. The issue of education in project management – some global trends

Coming back to the issue of what makes a profession, Webster's dictionary of the term underlines that a profession is a calling requiring specialized knowledge and often long and intensive academic preparation. In general, there is a strong correlation between the number and quality of academic curricula and programmes, the strength and visibility of professional associations, interest and level of research, the number and quality of publications, both research and professional, the requirement for certification. So, the issue of education is of utmost importance when discussing the level of professionalization in a field.

The perspectives on project management – whether it is a separate profession or a management or engineering sub-specialty – is reflected in the educational models currently in place. The most agreed upon perspective on project management is that it is a cross discipline or a cross profession. Seen in this perspective, it requires *technical* competence (master of the field in which a project is implemented), *management* knowledge (human resources management, organization management, business administration), *MP-specific* competence, knowledge of certain tools and techniques such as Critical Path Method, Earned Value Analysis, network diagram, Work

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Breakdown Structure, and *social* skills (communication, negotiation, leadership, facilitation).

As already mentioned, this widely agreed perspective has consequences upon the PM educational models currently in place. The weight of each competence area – technical, managerial, PM-related, social – underlies these various educational models.

Thus, project management education programs are affiliated with:

- a school/ faculty/ chair of (business) management (the dominant model in the United States) – representative for this kind of affiliation is George Washington University;

- a school/ faculty/ chair of engineering (see, for example, New Jersey Institute of Technology, University of Technology, Sydney);

- a combination of the two (Projekt Management Group, which is organized under a consortium between Vienna University of Economics and Business Administration and Vienna University of Technology);

- school/ faculty/ chair of computer science (University of Houston);

- school/ faculty/ chair of development and urban planning (the most infrequent affiliation, mostly found in Europe) – Bradford University in the United Kingdom.

The most frequent educational programs are graduate programs, at the end of which students get a MA diploma, a MSc Diploma or a graduate diploma. This focus on graduate studies implies the idea that the practice of project management is premised on a strong technical knowledge of the field in which a project is implemented. The undergraduate programs are quite rare, an exception being the undergraduate program offered by the City University. This University offers a bachelor degree in Business Administration, with a specialization in Project Management. It is to be noted that the Ivy League universities do not offer distinct PM graduate programs (Harvard Business School) or offer them at certification level (Stanford University, Boston University).

Judging by the global reach of the academic programs, Project Management is, indeed, a global profession. One can find them in Mongolia, Kazakhstan, Malaysia, India, Brasil, South Africa. Masters programs are on the increase in China, too. The first program was launched in 2000, whereas in 2005, more than 70 such programs were already in place.

Despite rapid growth, doctoral programs in project management are still at the beginning. The first PhD degree in project management was awarded in 2005, by the Royal Melbourne Institute of Technology. Interestingly, the PhD programs are not entirely research programs, but rather a combination between research and professional development programs. Driven by the need to refine practice and ground it into strong foundations, the number of PhD programs is on the rise and more and more universities worldwide start to award them: Australian Defence Force Academy, Lille Graduate School of Management (France), University of Southern Queensland (Australia).

The study of the educational offer in project management reveals the gap between the PM practice – widely embraced as a distinct organizational methodology

by private and public enterprise, big and small alike, and the focus placed by universities on operation and functional management, conceiving and teaching project management as a management sub-discipline. At the same time, more and more universities rely on partnerships with corporate training providers, a tendency so strong that it prompted the concept of corporate university. The clearest example is offered by George Washington University, which offers its PM programs in cooperation with ESI, an internationally recognized training provider.

6. Project management education in Romania

Project management appears to be very popular in Romania, at least as far as the usage of the term is implied. This has happened as a result of two phenomena. First, the increasing number of multinational corporations opening business in Romania and relying on project management as a vital organizational concern and strategy. Second, the level of European funds granted to Romania in view of its accession to the European Union. Yet, research on Romania's maturity as a project-oriented society has indicated a low level of maturity/ competence both in terms of practice and in terms of PM-related services: education, research, marketing services such as PM events, level of certification, strength and visibility of the professional associations. Depending on the time of the research, Romania occupied the last place, in 2001 or last but one, followed only by Latvia, in 2003 (Gareis 2005).

Regarding PM education, some characteristics can be depicted, which may lead to a more comprehensive assessment of the current level of professionalization.

First, there are many separate project management courses that are offered either at graduate or undergraduate level. Such separate courses are affiliated with departments of European integration, engineering, IT, management and economic science. They are not organized into a fully academic program and have various names in the curriculum: Project Management, Management of Environmental Projects, Management of Structural Funds, Project Financial Management, Risk Management in Projects, Management by Projects.

Second, there are just as many fully educational programs offered at masters' level. Currently, there are approximately 23 masters' programmes in project management throughout the country (www.postuniversitar.ro). Given the short history and practice of project management in Romania, one can talk about a gap between the huge number of academic programs and the realist number of specialists who are able to teach project management at university level (especially at graduate level).

Third, the growing tendency that we have seen in relation to the concept of "corporate university" is notably absent. Educational programmes are not offered in partnership with recognized training providers, with representatives of the field and of the professional associations. Moreover, the strict criteria for acceding to higher

education make it close to impossible to attract specialists in the academia, in a context when academia is already an uninviting place for practitioners.

The level of research is quite low. No formal PhD degree in project management is currently awarded. There is no project management research institute and the existing professional associations do not offer research grants. This is reflected in the number and relevance of Romanian PM publications. The already small number of PM books written in Romanian does not have a strong research foundation and do not offer case studies taken from the Romanian market. There is no Romanian journal – be it professional or research focused – dedicated to Project Management.

7. Professionalization of project management in Romania – areas for growth

The analysis outlined above may be the starting point for a thorough inquiry into the level of professionalization of project management in Romania. It already shows that despite popularity and usage, project management may be said to be at the beginning. Here are some further arguments in favor of this idea, which suggest as many areas for growth and improvement. There is no accuracy in using the word project, which is the source for many ambiguities. The Romanian word for “projects” is used to refer to projects as such, to application forms, to drafts, to technical drawings, to plans and ideas alike. A Glossary of Terms was issued by the Romanian Chapter of the International Project Management Association (IPMA), but this has not permeated regular usage.

Research on Romanian realities is notably absent, which correlates with the level and relevance of publication and the quality of education. The educational offer is quite rich, even excessive, in the context in which one can encounter phenomena such as duplication of programs inside the same university.

The two project management associations – the Romanian Chapter of PMI and the Romanian Chapter of IPMA are still on the way to acquiring strength and visibility. In this context, it is to be noted that the most important Project Management event in Romania – PM Forum – is not organized by any of the two associations, but by a private training provider. The strength of the associations – or its lack thereof – is reflected in the fact that there is no national lobbying to require certification for key project management positions. There is no national standard providing a generic baseline for managing EU-funded projects or for managing projects in the public sectors generally. No formal project management requirements are asked in tendering

for EU contracts or for public tenders in general. The career paths for project managers are not always so clear. Even in project-oriented companies or in companies striving to become so, project managers do not work full time, but are assigned project-management responsibilities beside their regular job. The process of project management professionalization in Romania also needs to take into account some worldwide challenges. These relate to the emergence of project-friendly executives and project friendly business environment, the diffusion of project management as an organizational strategy and a macro-economic concern, the awareness and visibility of the profession and its perceived relevance both in economic and social terms.

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