SOME INSIGHTS ON THE FUTURE OF PROJECT MANAGEMENT IN PUBLIC ADMINISTRATION

ALGUNS INSIGHTS SOBRE O FUTURO DA GESTÃO DE PROJETOS NA ADMINISTRAÇÃO PÚBLICA

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Abstract

Public project management, as in other sectors, will develop intensively due to the general tendency to projectification of many areas of the organization's activity. In deciding on the implementation of public sector projects, the influence of interested communities should increase to the detriment of politicians. The role of governments should change: from concluding contracts and enforcing their implementation on an arms-length basis, organizations will be created to support contractors in carrying out their work, and especially in solving the problems they encounter. Public projects will be implemented for ever smaller groups of recipients, even for individual citizens. Project management communities and associations will be more focused on the needs of public administration, which will result in the creation of specialized methodologies and standards for the public sector. The project management community will take a more significant account of cross-sectoral differences in its research. As a result, knowledge about project management will be popularized in the public administration environment, which in turn will contribute to more effective implementation of public projects for the benefit of their individuals, communities, and whole societies.

Keywords: Project management. Public administration. Citizens. Politics. Standard. Research

Resumo

A gestão de projetos públicos, tal como em outros setores, irá desenvolver-se intensamente devido à tendência geral de projetização de muitas áreas de atividade da organização. Ao decidir sobre a implementação de projetos do setor público, a influência dos stakeholders deverá aumentar em detrimento dos políticos. O papel dos governos deve mudar: desde a celebração de contratos até ao cumprimento da sua implementação em condições de plena concorrência, organizações serão criadas para apoiar os prestadores de serviços na realização de seus trabalhos, especialmente, na resolução dos problemas que encontrarem. Os projetos públicos serão implementados para grupos cada vez menores de beneficiários, mesmo para cidadãos individuais. As comunidades e associações de gestão de projetos estarão mais focadas nas necessidades da administração pública, o que resultará na criação de metodologias e padrões especializados para o setor público. A comunidade de gestão de projetos levará em conta de forma mais significativa as diferenças intersetoriais nas suas pesquisas. Como resultado, o conhecimento sobre a gestão de projetos será popularizado no ambiente da administração pública, o que por sua vez contribuirá para uma implementação mais eficaz de projetos públicos em benefício dos seus indivíduos, comunidades e da sociedade como um todo.


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1 Introduction

A public project is a project managed by a public administration institution.

Kerzner (2018) identified Public Sector Project Management as one of the future areas of project management. Pells (2018) believes that the implementation of project management in public administration is the fifth revolution in project management. Projectification of the public sector, i.e., the implementation of statutory tasks by projects (Midler, 1995), reaches 14% - 33% (Schoper et al., 2018). Projects are the main tool for the structural development of countries (Godenhjelm et al., 2015). So, it is worthwhile and necessary to address the future of project management in public administration.

Governments are responsible for everything that happens in public administration – more broadly, in the entire public sector. They are also accountable for public projects implemented in their jurisdictions. As a plethora of research has shown, the success of projects depends primarily on how they are managed. So, governments should also shape project management.

In many countries, history begins with the absolute power of monarchs so initially all significant projects were public. For instance, the construction of the Egyptian pyramids, the Great Wall of China, wars (likely the most frequently executed public projects), or major exploratory expeditions. The modern history of project management is believed to have commenced with the Manhattan Project, aimed at creating the atomic bomb (Gosling, 2010), a government-led (though highly classified) endeavor. Until the 1960s, project management primarily evolved within the public sector, particularly in the U.S. defense sector. In 1955, the first Project Management Office (PMO) was established there – the U.S. Navy Special Projects Office (Morris, 1994). Techniques like PERT, Work Breakdown Structure, or what is now referred to as Earned Value Analysis were also developed to cater to the needs of the U.S. military sector. Morris (1994) summarizes this period of management development by asserting that project management was the most significant child of the Cold War in the area of management.

The private sector recognized that project management is an incredibly useful tool for executing a variety of endeavors. Since around the '70s, it has taken the lead in developing and implementing project management knowledge. As a result, major project management associations have shifted their focus to projects within the private sector rather than the public sector. PMI published its governmental extension for the management of projects (PMI, 2006).
If PMI standards had a focus on the public sector, it would likely have released a private sector extension for the PMBOK.

This means that attention is shifting from public administration projects to private projects. At the same time, the public sector is implementing large-scale projects and programs. Most public programs include projects. It is, therefore, necessary to increase the focus on public projects again. And to consider how they should be managed in the future.

I will try to formulate and share with the readers some insights on the future of project management in public administration. In this article, I will deal only with issues specific to public sector projects. I will not deal with those issues that will probably affect the future of public sector project management but are not specific to it – for example, project agility, the introduction of AI techniques, or virtualization of work.

But remember: it is difficult to make predictions, especially about the future (Niels Bohr).

2 Depoliticization

The functioning of administrations undergoes constant change and improvement. One of the trends observed in several developed countries is their depoliticization, i.e., reducing the influence of politicians and politics in making decisions relevant to the functioning of societies. It concerns projects, too. The role of politicians is diminishing, while the role of the community in public projects is increasing, especially when it comes to the selection of projects to be implemented.

2.1 Depoliticization of public institutions

One of the important steps in this direction is the enactment of laws concerning particular areas of public life. The legal determination of procedures governing a specific area of public life reduces the direct influence of politicians on implementing these procedures. One of the first such attempts concerning public projects and programs was the enactment by the US Congress of the Government Performance and Result Act (GPRA, US Congress, 1993; modified US Congress, 2010). Under this act, public institutions must define their programs, their goals and are held responsible for their results. The law leaves the responsibility for determining the direction of the administration in the hands of elected politicians, but heads of institutions are responsible for their implementation.
Another U.S. law, the Program Management Improvement and Accountability Act (PMIAA, U.S. Congress, 2015), mandates that every public institution define and implement procedures and standards for implementing projects and programs. That is, these cannot be based on direct interference from politicians. The Foundations for Evidence-based Policymaking Act (US Congress, 2018) goes even further: it mandates that federal institutions identify public policy issues, collect data on them, and determine how to perform analyses that shape how public policies (and their projects and programs) are implemented.

In implementing strategies as well as public policies of other levels of aggregation, projects are very important. Looking from the other side: every public project should be a component of the implementation of some public policy. With the enactment of these acts, a kind of barrier has been created against pressure from politicians on the operation of public institutions and the implementation of projects by them. It does not exclude the influence of politicians on the operation of public institutions but narrows this influence to defining policies and strategies, leaving implementation decisions to the heads and staff of public institutions.

2.2 Empowering communities

Another way of reducing the influence of politicians is the direct selection of projects by representatives of the relevant communities. Several directions can be observed here, the most important of which are:

- Referendums
- Participatory budgeting
- Deliberations
- Unsolicited project proposals

Referendums

Referendums are a direct way of making decisions on project or programs implementation. A referendum is a public vote by the whole society or a certain community on a specific issue. A referendum may concern both entire programs (e.g., basing the energy sector on nuclear energy or the organization of the Olympic Games) or individual projects (e.g., construction of a nuclear power plant in a specific location). Referendums can be binding or
opinion-only. The country whose functioning is largely based on the organization and results of referendums is Switzerland.

**Participatory budgeting**

Participatory budgeting is where local governments allocate a certain amount of their budget to projects that are decided on by voting. The local government first indicates the amount that will be distributed in this way. Citizens then submit project proposals that may be useful to the local community. After a formal evaluation of the submitted proposals, a vote is held in which the most popular project proposals are selected for implementation. The process of participatory budgeting was implemented for the first time in the Brazilian city of Porto Alegre in 1989 (Wainwright, 2003).

**Deliberation**

A deliberation is a form of decision-making based on discussions between members of the communities involved (e.g., Susen, 2018). If there are too many candidates for deliberation, a drawing of discussion participants takes place. Deliberation participants should not be recruited from among politicians who may be interested in the success of the political groups to which they belong, rather than the community concerned. In the course of the discussions, which may or may not have a specific time frame, recommendations are developed on the issue under consideration. These recommendations are presented for information or implementation to the final decision-making bodies.

**Unsolicited project proposals**

An interesting solution in the area of depoliticization is the submission of project proposals directly by those willing to implement them. This approach is implemented, for example, in the Australian state of New South Wales (NSW Government, 2017) and in the United States (USA GSA et al., 2019). A company that has an idea for a project beneficial to the economic development of a particular entity or an innovative idea can directly submit it to the relevant government institution. In this mode, project ideas that could become part of already implemented public policies or programs cannot be submitted because they would constitute a kind of unfair competition for bidders submitting their bids in public tenders. Once
a project is submitted, it is preliminarily evaluated and, in the case of a positive opinion, negotiations take place to work out a contract for the project so implemented.

In the future, more project decisions will be made by the communities concerned and not by politicians. This is facilitated by remote virtual forms of communication between the community and the public administration – especially the first three mentioned above forms of depoliticization.

3 Support for projects

Public projects are predominantly undertaken by private companies selected through tenders. One of the primary aims of the tendering process is to ensure equitable access to contracts for the pool of potential contractors possessing suitable resources and qualifications. Public projects can be categorized into those necessitating active involvement from the contracting authority and those that can be executed independently by the contractor. The first category might encompass endeavors like organization restructuring projects or IT system implementations, where the contracting authority's ongoing engagement is crucial, such as in defining or specifying requirements and daily participation in project work. The second category could include infrastructure projects where, upon receiving documentation, the contractor is responsible for executing and delivering the requested product. However, projects seldom proceed exactly as planned. Unforeseen situations or risks can lead to shortages of personnel or equipment for the contractor's work. There's also the possibility that a subcontractor goes out of business or declares bankruptcy during the project, resulting in unattainable planned components. Furthermore, there's the risk that the contractor poorly designs a component that's essential for the final product's functionality, causing the ordering party to reject the entire delivery. The complexities of legal regulations are also often mentioned as obstacles to the implementation of public projects. There are myriad problems that can hinder or prevent the successful implementation of a project by an external supplier.

In some countries, there are legal solutions that prohibit the public contracting authority from taking any part in the implementation of the project – even if significant problems could cause the project to be interrupted. They are so-called arms-length contracts. In such a situation, an argument is given: the support of the public party for a private contractor would be unauthorized as is not included in the terms of the tender. But this is not an optimal solution for
anyone. After all, even with such legal and organizational solutions, government institutions are accountable for the projects they contract. But in this situation, the main task through which they can fulfill their responsibility is the selection of the contractor. After that, all that remains is to check whether the project is going according to plan. When the project goes wrong, you can terminate it or annex the contract. But it usually requires suspending the work, negotiations, formal actions, etc.

A more interesting and effective solution, when a contractor encounters a problem it might not be able to solve on its own, is to offer institutional support from the public administration. In a few countries, institutions are being established to consistently assist contractors in resolving difficult issues (for example, Australia DISER, 2021; India CSID, 2014). This support can encompass various aspects, such as legal guidance for contractors unfamiliar with the nuances of local laws. Another form of assistance involves maintaining a list of necessary subcontractors and identifying the top-performing ones. If contacting a specialized government employee becomes necessary, the contractor can step forward to pinpoint an appropriate individual. There are numerous ways in which the public sector can aid project contractors – even when the projects are not carried out under a strictly collaborative framework.

In the future, the public side should change its attitude: while retaining its tasks of supervision and control of commissioned projects, it should perform functions supporting contractors instead of the arms-length approach.

### 4 Individual public projects

According to the state development model (Rolland and Roness, 2009; Rose, 1976; Premfors, 1999), states go through three main phases of development: protection of existence, infrastructure development, and ensuring the well-being of citizens. The first two phases are based on project implementation. In the first phase, wars are fought with other states, the army and later the police are organized, and other institutions are established to ensure the functioning of the state (such as army, police, courts). In the second phase, power plants, railroads, airports, mines, etc. are built. The projects of the first two phases were collective in nature – their main products served society as a whole. Everyone can drive on the public roads that are built, power plants provide electricity to all households. Some served society indirectly – such as organizing
institutions of social coercion. In the third phase, which currently includes many countries that have already formed infrastructure, the attention of state institutions is focused on improving the quality of life of individual citizens. Health care, social welfare, education, and culture are developed. In this phase, the implementation of continuous processes begins to play a dominant role – this is the nature of the services of mentioned areas of public activity.

But individual citizens may have their own specific needs. For example, home ownership. Or help with organizing a business. Or educating particularly gifted young people. Treating particularly complex, unusual diseases may require special measures. As wealth increases, meeting such needs can occur with the state's decisive participation, financial and organizational. And these activities have the nature of projects. We will call such projects individual public projects to distinguish them from collective public projects.

The implementation of individual public projects may be the next wave of public administration's projectification. After operationalized sub-phase of the ensuring the well-being of citizens phase, we will have the projectified sub-phase of this phase.

5 Specialized project management standards for public administration

The low popularity of the Government Extension of PMBOK® (PMI, 2006) proves its low usefulness in the public sector. Evidence of its little usefulness is the lack of its periodic modifications – as PMI does with more useful documents. Therefore, we should consider whether the entire portfolio of PMI standardizing documents is appropriate for providing knowledge to management practitioners in the public sector.

Several models have been created to highlight differences between public sector and private sector organizations (e.g., Scott & Falcone, 1998). However, none of these models adequately address the unique nature of projects – a specific type of organization. Here, the layered model appears to be suitable (Gasik, 2023). This model proposes that similar functions and processes can be applied to the managerial/technical layer, while significant disparities exist at the business layer.

Portfolios and programs are components of the business layer. May they be managed the same way in the public and private sectors? The basic unit of public administration activity is public policy. The set of public policies is the totality of government actions in a given state (e.g., Dye, 2013). Policy programs are the executive part of public policies. They are composed
of projects and ongoing operations. Infrastructure programs usually consist of projects and welfare programs mostly consist of continuous operations of distributing benefits to selected social groups. The most important public policies and their programs are usually established at the level of parliaments or executive branches of government. Then, they are transferred for implementation to subordinate public institutions which, on their basis, create their action plans containing, in particular, sets of projects, i.e., project portfolios.

Therefore, programs influence the project portfolios of public institutions – not vice versa, as demanded by the (private) project management community. And programs encompass not only projects, as defined by PMI standards but also ongoing operations. These represent essential structural discrepancies between the fundamental principles of the project management community and the public administration sphere. Regrettably, the PMI documents do not address these foundational business differences in project management across different sectors. Consequently, this leads to a lower-than-anticipated usefulness for the standardization documents of project management associations – and indeed, all of this literature – within the public sector.

These issues should be fixed in the future.

The first possible way is, as PMI did in 2006, to develop additions or extensions to existing general (actually private sector) PMI documents. This may be appropriate for the managerial level described in documents such as the PMBOK® Guide, where differences in some areas of management (e.g., risk management, scope management, quality management) are not too great. However, we should not forget about empirically found large differences, for example in the areas of stakeholder management, procurement management or communication management (Gasik, 2016).

However, it seems that at the business level (portfolio, program) the structural discrepancies between the sectors are too great for such an approach to be effective. The second option is therefore to develop separate standardization documents for the public sector, especially at the business level, i.e., for portfolios and programs.

Anyhow, standards adequate for public project management should be developed.

One of the means leading to the development of adequate standards for the management of public sector projects is conducting research on public projects.
6 Integrated research

The problem related to the inadequacy of project management standards for public administration is the poor integration of public administration and political sciences research with project management research.

On the public side, in the Journal of Public Policy, from 2010 to 2018, out of 143 articles, only two were devoted to projects. In the International Journal of Public Management, only fifteen articles out of 300 were related to projects. Among researchers dealing with politics and public administration, it happens that the term “project” means something different than in the project management environment – e.g., continuous processes with no time limit (e.g., Climate Guide Project, https://climatedataguide.ucar.edu/climate-data/gpcp-monthly-global-precipitation-climatology-project or Government Performance Project, https://www.govexec.com/magazine/2000/03/about-the-government-performance-project/6316/). It cannot be said that such an understanding is "incorrect" or "wrong". However, it is sure that in such a situation the knowledge developed in the project management environment cannot be used because it was developed for other types of work. In recently published books and organized conferences on Public Governance, issues concerning such an important sub-area as Public Project Governance do not appear.

Perhaps the reason public administration researchers are not too much interested in projects is the development of public administration science in countries on the third phase of development (e.g., mentioned above Rolland and Roness, 2009) when operations rather than projects play a fundamental role.

It is no better on the side of project management researchers. Although research confirms significant differences between public projects and projects of other sectors, mainly at the business level (e.g., Gasik, 2016), many researchers do not notice these differences. Three streams can be distinguished on the issue of cross-sectoral differences in project management (Gasik, 2023). Representatives of the first stream believe that differences between sectors can be disregarded (the “denying differences” stream). Representatives of the second stream believe that there may be differences, but through the appropriate selection of the surveyed entities, the impact of the sector on the researched effects is averaged and blurred (the “averaging” stream). Only the third stream recognizes apriori or learns from its research that cross-sectoral differences exist and (sometimes) are significant (the “differences analyzing” stream). The failure to take into account the structure of concepts specific to the public sector described in
the previous chapter is another example of the discrepancy between public administration and project management researchers.

And something from the common area. Consider measures of public program progress consisting of both projects and continuous operations, i.e., “mixed programs” which are probably the most frequently implemented programs in public administration. If we are dealing with project programs, there are measures to answer the question: what is the status of our work? The metrics encompassed by the concept of Earned Value Analysis answer this question. If we are dealing with operations, we also have measures to assess their important parameters, for example, productivity, production cycle time, etc. But since public administration programs usually include both projects and continuous operations, it would be desirable to create measures to assess the status of the implementation of mixed programs holistically. This is one of the good topics for future research dealing with public administration projects and programs.

In general, researchers are faced with the task of developing a general project management model that meets the needs of public administration. Or at least a systematic examination of the extent to which generic models meet the needs of public administrations.

These discrepancies and omissions should be removed in the future. Due to progressing projectification of the public sector and the role of projects in the implementation of public policies public project management deserves more attention from the research community.

The efforts of researchers from two, recently developing separate, areas should be integrated. A common conceptual base should be developed for research taking place in the common area of public administration/political sciences and project management. This common part is public project management research. A scientific community dedicated primarily to the management of public projects should be established. Maybe a scientific periodical, cyclical conference devoted to public projects?
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