

Triggers for a flexible approach to project management within UK financial services

Mariano Gallo ^{a,*}, Paul D. Gardiner ^{b,2}

^a *Gestform, European Projects Development, 87100, Cosenza, Italy*

^b *School of Management and Languages, Heriot-Watt University, EH14 4AS, Edinburgh, UK*

Abstract

Hyper-competition, the presence of unpredictability, increased complexity and a rapid pace of change are some of the reasons why the UK financial sector has been labelled as a “turbulent field” [e Cunha MP, da Cunha JV, Kamoche K. Organizational improvisation: what, when, how and why. *Int J Manage Rev* 1999; 1: 299–341].

It is becoming increasingly common to manage these organizations, and in particular strategic change, through projects and programmes. However, there is evidence that in the financial sector it is not always possible to follow a tight approach to project management. The issues relevant to this study are related to the hypothesis that in certain circumstances project managers seek a flexible approach to project management, and within this approach the use of improvisational behaviours is commonly accepted: a number of circumstances (“triggers”) which might generate such behaviours have been selected and analysed.

© 2007 Elsevier Ltd and IPMA. All rights reserved.

Keywords: Managing projects; Managing programmes; Implementation; Value and benefit; Team

1. Introduction to the UK financial sector: a turbulent field

Events at the beginning of this century, such as the internet bubble and consequent stock market slow down, September the 11th and others, accelerated a change that began in the late nineties and continues today to shape the financial industry. Financial markets have become more volatile in the last three years, reflecting the increasing volatility of the “internal environment of organizations and the external environment in which they operate” [2]. A metamorphosis is taking place in the marketplace, linked to

a transformation in the areas of technology progress, globalisation and regulation [3].

Current challenges to the sector include risk management, capital requirements, collapsing equity markets, non-traditional entrants, new channels, aging population and product innovation. A period of major consolidation is also underway [4].

The UK financial sector is now a field where a high degree of uncertainty influences the decision process: the pressure of competition does affect the timing aspect of the decision process itself, and it often is not possible to wait acting until the uncertainty is resolved. According to Deloitte Consulting [5, pp. 1–5], the presence of turbulence and unpredictability calls for flexibility. In the case of the UK’s financial sector this means resource flexibility, structural flexibility and a need to acquire improvisational capabilities.

It is also becoming common in the UK’s financial sector to manage the organization, and in particular strategic change, through projects or project portfolios.

* Corresponding author. Tel.: +39 349 2549171.

E-mail addresses: m.gallo@gestform.it (M. Gallo), p.d.gardiner@hw.ac.uk (P.D. Gardiner).

URLs: <http://www.gestform.it> (M. Gallo), <http://www.sml.hw.ac.uk/buspdg> (P.D. Gardiner).

¹ Address: Corso Umberto 30, 87100, Cosenza, Italy. Tel./Fax: +39 0984 73576.

² Tel.: +44 131 451 3843; fax: +44 131 451 3498.

According to Steyn [2], this has the advantage of integrating “and coordinating current chaotic strategic business and operational dimensions... focusing on... improving the product, services and processes of the organization, and creating a learning organization that stimulates human creativity”.

There is, however, a paradox here given that project management methodologies have been conceived to gain control of complex but still reasonably predictable future events, and are typically used in environments where a particular outcome is very probable given a corresponding particular action.

The remaining part of this paper is concerned about the complex relations that exist between the need for control and flexibility; it lists the existing definitions for the concepts of Improvisation and flexibility, and states the results of a field research carried out in three large UK companies operating in the financial sector: an investment company, a bank, and an insurance company. The aim of the research is to identify the elements (environmental or internal) which have an impact on the possibility of applying flexible project management procedures. Those elements have been listed under the name of “triggers to a flexible approach”; the ten triggers identified are listed in the section “Comparative findings”.

2. “Improvisation, flexibility” and “triggers”

This paper is concerned with the constructs of improvisation and flexibility rather than the many additional related constructs that have been identified. For example, Moorman and Miner [6] analysed the construct of improvisation, and identified related constructs: bricolage, creativity and intuition. Later, Leybourne added adaptation and innovation to the list along with temporal compression, where he sees “compression of timescale as a component of improvisation” and “adaptation, learning and innovation” as positive outcomes of improvisational activity [7, p. 10]. Chelariu et al. [8, p. 141] suggest that “novelty, speed and coherence” are also “dimensions of improvisation”. Gallo and Gardiner made an in-depth analysis of these related constructs [9].

According to Leybourne [7], from the organizational point of view, improvisation has often been seen as a negative concept: defined as an “unintended outcome” by March in 1958 [10], and as “organization design failure” by Mackenzie in 1986 [11]. By the late nineties, however, researchers began discussing improvisation in a different light, one with positive qualities. Thus, in 1999 e Cunha et al. refer to improvisation as “the conception of action as it unfolds, by an organization and/or its members, drawing on available material, cognitive, affective and social resources” [1, p. 302].

Earlier ideas about improvisation quoted by e Cunha et al. and worth mentioning, include one by Pasmore with references to: “created in real time”; “. . . emergent synergy”; “. . . behave in a flexible fashion, but only within

the bounds of control provided by a [set of agreements]” [12, pp. 6–8] and another by Eisenhardt et al. “. . . rapidly building intuition and flexible options so as to cope with an unclear and changing environment” [13, p. 88].

Leybourne [7, p. 2] later suggested the following integrated definition for improvisation: “a combination of intuition, creativity, and bricolage that is driven by time-paced pressures, and in a project context, it involves moving away from an agreed plan in order to accelerate the implementation of actions [and includes, in its scope,] elements of adaptation, compression of timescale, and innovation”.

During the nineties, the literature developed a link between improvisation and another construct, flexibility, itself often regarded as a positive quality of the organization [14,15]. “Improvisation contributes to, and is an outcome of, organizational absorptive capacity for . . . structural flexibility, market flexibility, [and] operational flexibility . . .” [3, p. 539]. The field studies conducted as part of this research shares this finding.

An alternative view of flexibility is given by e Cunha et al., who regard it as a positive outcome of improvisation, which “aims at maintaining a certain degree of fit with the environment by changing the organization to respond to changes in it”; and in this respect “flexibility” is seen as a construct very close to “adaptation”. But when further defining the construct, e Cunha et al. write: “flexibility, then, puts together adaptation to changes in the environment with high speed . . . maintaining the convergence between the fast and the unexpected, characteristics of its triggers” [1, p. 327].

Other views of flexibility include those of Suarez et al., who regard it as a success factor in its own right [16]. However, flexibility is also considered a disadvantage [17] because it can increase costs, “stress on employees and [can bring a] lack of organizational focus” [18, p. 337]. Bolwijn et al. [19] and Monteiro et al. [20] define flexibility as an “ability”, while de Leeuw et al. [21] and Eppink [22] see it as a “capability which an organization possesses to change” [18, p. 378]. Improvisation has been defined as a skill on its own [23] and one which “cannot be transmitted explicitly through formal knowledge [sharing]” [1, p. 328]; then again, flexibility is also a skill.

According to Golden and Powell [18, p. 378], the literature to date does not adequately define the terms improvisation and flexibility, and the concept of flexibility is often linked to different meanings that vary with the context. So, the difference between the construct of “improvisation” and its outcome “flexibility” remains blurred at best.

As we saw above, the relation between flexibility and improvisation is far from straightforward. The two terms are often confused, the former being a desired outcome of the latter, and the latter being one of the most used ways to achieve the former.

Resolving this academic puzzle is too ambitious a target for this paper, therefore we shall refer in the following paragraphs, to “flexible approach” as something that summarizes both the broader concepts of “need for organiza-

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات