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Modern Method Applied to Reach The Organisation's Objectives – Mixed Project Based Management

The paper presents the procedure, the technique and the working instrument, which do not confine only to applying a management principle, but they also contribute to the management's organisational strengthening. Promoting this system based on the mixed project management can significantly contribute to the acceleration of introducing new products in the Romanian economy, to the retechnologisation of trade companies and autonomous administration companies on the basis of economical criteria, capitalising on the market economy's specific mechanisms.

1. Introduction

Defining the notion of management method is called for due to the fact that in the speciality literature sometimes a series of theories, systems or branches, such as: theory of decision, theory of information, cybernetics, ergonomics and others, are included in the notion of management method, and in other cases, the equal sign is put between the management methods and some management principles, such as delegation of authority [1].

Method, in general, is the procedure used to attain an objective.

In the management activity, method is the means by which the functions of management are performed in optimal conditions, with the purpose of achieving the best results through the rational use of human, material and financial resources, available to the economical unit.

The management method implies procedures, techniques and working instruments and cannot confine to applying a single leadership principle only, as it is not mistaken for the science branch that provides a certain technique, procedure or tool used within the management method.

The management principle represents the basic idea which synthetically expresses an aggregate of coordinates and criteria the leadership activity relies on and which lends the scientific characteristic to it. The leadership method is

significantly influenced by the management principle and the same principle is more or less taken into consideration by several leadership methods.

The main criteria justifying a classification of the leadership methods are the following: 1) the sphere of applicability; 2) the field of application; 3) the pursued objective; 4) the discipline whose theory it mainly uses.

According to the sphere of applicability, the management methods divide into: a) general and b) specific.

The general management methods are the methods that can be applied both at the level of the entire organisation and at the level of departments, in all fields of activity and at all command levels. The most modern method in this sphere proved to be the method of project based management.

Partial applications of this method were carried out over a decade ago, especially in the electronic and electrotechnical industries. The possibility and the necessity to use project based management is obvious especially in big enterprises, mainly in top industry branches, such as: machinery construction, electronics. There is also a wide range of action within the research and design institutions, where actually the first steps were made.

2. Mixed project based management method

Defining the *project based management* implies the establishing in this context of the contents of the project notion. By project, an aggregate of labour processes, most part of innovational feature and of different nature, is designated, processes whose achievement targets the successful accomplishment of a complex mission, with a high level of specificity. *The essential characteristics of a project* are:

- the final result of a project is a unit or a small number of units, in opposition with the mass production or high series;
- generally, there is only one buyer and a final beneficiary for the product whose materialisation is targeted by the project, a radically different situation as compared to the one existing in the mass-production, high, medium or small series;
- materials and products used are highly diversified, hence the necessity for applicative researches, conducted frequently along the project, researches whose results are integrated in the project that is underway;
- diversification and complexity of problems imply the contribution of a number of specialists of various trainings, who, normally, perform their work in several departments;
- unlike the current production, the development of a project is temporary, with the reducing to the maximum of the duration of materialisation being the major objective itself;
- given the importance of human, material and financial resources, it comes as necessary to establish in advance and in detail the operations and deadlines;

- building temporary organisational forms that functions in parallel with the enterprise's basic organisational structure.

Project based management can be defined as a management system with limited duration of action, most often, a few years, conceived with the view to solve complex, nevertheless, clearly defined problems, with a strong innovational characteristic, involving a wide range of specialists from various organisational subdivisions, temporarily integrated in an autonomous organisational network.

The organisational methods with which the project based management is turned operational depend highly of a series of variables, such as: the amplitude of the project, its novelty, the period of implementation, the number and potential of the organisation's staff, the distribution of specialists in the organisational subdivisions characteristic of the working environment, the project manager's personality, etc.

The reflection of the multiple conditioning of the organisation of the project based management is represented by the diverse adaptable organisational methods.

According the characteristics of the main organisation, they can be divided into three categories: project based management with individual responsibility, project based management with major status, mixed project based management.

In order to achieve organisational strengthening of project based management some specialists mention *the procedure presented as follows* [2]:

- *General definition of the project* , which includes the indication of the targeted objectives, the establishing of the project's amplitude and the organisational subdivisions involved in its performance, the outlining of delicate areas where prudent action must be taken and the formulation of the final results' evaluation criteria;

- *Appointing the project manager*, designating the responsibilities of the component sub-staff as well as the other people who will participate in project's performance;

- *Organisational definition of the project*, implying the establishing of the type of organisation used, drafting of the list with the main tasks, competencies and responsibilities for the project manager and the staff components;

- *Preparing the environment for the implementation of the project based management*, by presenting the new system and its advantages to all members of the involved departments;

- *Setting out the control procedures* to be used differently along the project's implementation, for the monitoring of the execution schedules, expenses, as well as partial and final results;

- *Implementing the project based management* by pursuing the achievement of the targeted objectives and the execution of tasks, competencies and responsibilities afferent to the participants in the project;

- *Periodical evaluation of the project's implementation stage*, by adopting the necessary corrective and prophylactic measures and appealing to the positive and negative motivations, according to necessities.

The mixed project based management represents the combination of some characteristics as presented in the following diagram:

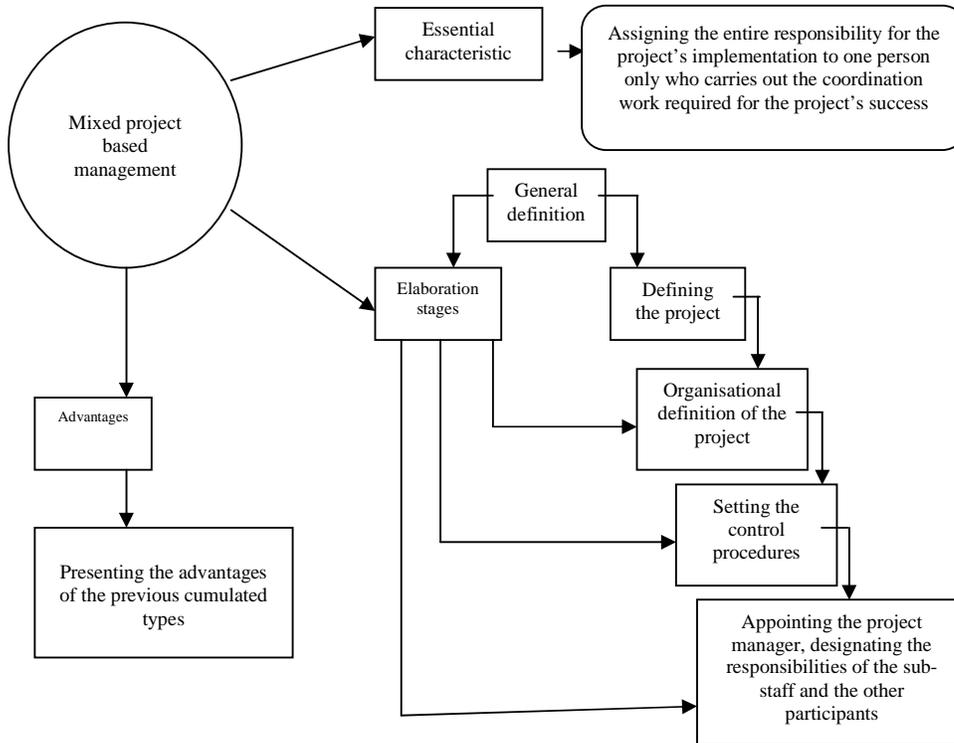


Figure 1. Mixed project based management [3]

For the succesful use of the project based management, a highly important role, often decisive, is played by the manager of the project based management. The foundation of this statement is the high level of knowledge, expertise, leader and specialist skills that the manager should possess.

More specifically, the leader of the project based management system faces the following *more delicate situations*: organisational instability, fast rhythm of decision making processes, the immediate impact of decisions, tense states.

Hence, the necessity for the person who is the project manager to possess a special decision making capability, doubled by the high ability to create and maintain good human relations and to effectively work in a *team*.

The conducted analysis have shown that there are two major risks a project manager should assume: the risk of the project, referring to the possibility of fully non-achieving the targeted objectives; the "professional" risk, regarding the moral wear of his professional *knowledge* following the relatively long duration of project implementation, during which period the accomplishment of the management tasks take up a large part of his time budget.

3. Conclusions

Project based management is a management system with limited duration of action, conceived with the view to solve complex, nevertheless, clearly defined problems, with a strong innovational characteristic, involving a wide range of specialists from various organisational sub-divisions, temporarily integrated into an autonomous organisational network.

Using the method of mixed project based management:

- encourages the experience exchanges between the organisational subdivisions of the respective organisation and, often, between these and other organisations;
- represents one of the most favourable frame for the discovering and training of dynamic, daring and competent managers;
- presents the best conditions for solving the specific problems;
- during its implementation corrections on the participants and deadlines can be made;
- stimulates the managers to be more daring and, at the same time, more responsible.

Of course the advantages listed are not exhaustive, nevertheless they provide enough arguments to understand the spreading this system has among the modern organisations in the developed countries, and to advocate its use with the purpose of impelling the *retechnologisation of Romanian enterprises*.

The main limits of the project based management are: difficulty in harmonising the organisational network afferent to the project with the organisational structure, increasing the frequency and intensity of the conflictual situations within the unit, the difficulty in identifying good project managers and in convincing them to assume the implied risks.

References

- [1] Dănăiață I., Bibu N.A., Predișcan M., Management – *Theoretical Basis*, Mirton Publishing House, Timișoara, 2002, p.249;

[2] Nicolescu O., Verboncu I., *Management*, Economical Publishing House, Bucharest, 1999, P.352

[3] Andreş S., *Participative management, the way to increase the effectiveness of management and organisation's activity*, Mirton Publishing House, Timișoara, 2006, p. 166

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