
Project Management In The Service Sector

Defining a project

A project can be defined as a preliminary venture to produce a unique, service, product or outcome. Projects tend to have a definite beginning and ending with particular methodologies to follow. Once objectives have been achieved then the project can be closed out or ended (PMI, 2016).

Public and private Sector projects

“A public sector project (in the American system, although not limited to) can consist of Federal, State or Local Government agencies. Federal owners include the Department of Defense or Department of States while state owners are composed of any state public works department or governmental office. Local agencies are from cities, counties, and special districts such as schools, water treatment or transportation agencies” (Gasik, 2016).

‘Profit’ is a key aspect separating public and private projects. Private project prioritize monetary value and gain having an extra emphasis on the control of cost. However, public projects need a lot more transparency due to accountability needed on behalf of taxpayers’ money. Scrutiny around the duration and turnaround time of public projects are often a factor due to its vast hierarchical nature. The term “lots of red tapes” is often associated with public projects due to its slowness and resistance to change with private projects being much more admirable due to cost-effective process systems and leaner innovative methodologies.

Some differences between private and public projects?

Public or Government projects are considered to have more unique attributes compared to the private sector. In order to manage these projects more efficient project management teams must recognize the following characteristic:

More extensive legal requirements on government projects

Generally, public projects are implicitly aligned to extensive legal requirements in comparison to private sector projects. Government bodies create regulations and laws that arguably restrict leadership. In overcoming these restrictions leadership needs to opt for clearances from an administrative or government body that has the authority to change or suppress these restrictions. If successful clearances will waive these legal requirements however this is usually a very timely process (PMI, 2016).

Liability to the public

[bookmark: _ebxmhh1b6oui]Project managers in the private sector are usually only liable to the client and limited to a small group of stakeholders such as employees and shareholders. However, in relation to the public sector project managers can be liable to numerous amounts of stakeholders indirect of the client being both internal and external influencers. Internal

influencers can include various members of the government body including representatives from ministries, agencies, departments, and employees, with external influencers including special focal groups, members of the public, the press, and other levels of the government. All of these subsequent groups have the power to challenge or oppose decisions made by the project manager, thus making the public sector a more timely and difficult process to manage (PMI, 2016).

Public Resources

Public resources such as bonds and taxes usually fund government budgets, due to this project managers are obligated to comply with government criteria and applicable laws and regulations when leading a public project. This is important to show that the funds are being utilized to better provide for the public and citizens pockets it came from. Approvals and budgeting processes along with financial and scope mechanisms are put in place to monitor these budgetary standards. BCA "Benefits Cost Analysis" and ROI "Return on Investment" are very important in private projects however less of a focal point in public projects, is due to the measures being aimed more towards "how beneficial the project will be to the public?" rather than the revenue or costs accrued (Gasik, 2016).

Why do projects fail in the UAE?

There are many projects that are commissioned in UAE that fail. Almost 51 construction projects have been cancelled in 2017. After researching, "why projects fail in the UAE?" the following reasons can be drawn to:

Lack of standard project management methodology

Many organizations are not disciplined enough to embrace and follow a methodology correctly. Success rates of projects increase dramatically just by implementing proper project management best practices (Elbaz, 2015).

Poor communication

Many issues can derive from miscommunication between key stakeholders, especially when they are misinformed or uninformed about significant timings, deliverables, or problems related to the project. Without correct communication and mechanisms to streamline these updates, stakeholder expectations may not be achieved or properly interpreted. It is key that project managers are well trained in non-verbal, verbal, and written communication in order to avoid these issues (Elbaz, 2015).

Over-allocation

Over-allocation due to project schedules being generated with unaccountable resources can also hugely affect projects. By implementing software management programs or using a responsibility matrix (like RACI) project managers can allocate and level resources a lot easier essentially producing more accurate project plans giving their team members a better perspective of roles and jobs to be done (Elbaz, 2015).

Unorganised documentation

Documentation is vital in any project. Due to the overwhelming amounts of information and tasks to monitor, disasters can emerge if human memory is solely relied on. Project managers must embrace the often monotonous task of documenting issues, risks and challenges, meetings, and even telephone conversations. By not doing so information can be lost resulting in issues not being resolved accordingly or effectively (Elbaz, 2015).

Avoiding the use of logs

All projects will have their own set of risks, challenges, problems, and issues. In order to keep track of these issues consistent logs should be kept for every project. Keeping these logs will allow for ease of access to information stored in one place avoiding confusion and redundancy (Elbaz, 2015).

Lack of teamwork in planning

In order to better estimate and plan a project, project managers must promote teamwork with project specific or subject matter experts. Working through Work Breakdown Structures (WBS) or encouraging team-building exercises including project milestone gatherings can be crucial for the cohesion and functionality of a project team (Elbaz, 2015).

Poor risk management

Risk management can mean being proactive. However, in this region risk management is known to be sometimes overlooked and re-active. In order to prepare properly for risks, aspects of risk identification, assessment, and response planning are essential (Elbaz, 2015).

Too broad of a scope

Inexperienced project managers allow their project scopes to broaden sometimes without realizing it. A way to limit this problem is through proper planning and the hiring process essentially avoiding instances of “panic hire” whilst also offering training, coaching, and mentoring to junior project managers.

Lack of executive commitment

Ownership, responsibility, discipline, documentation, and many other aspects mentioned above are all big topics in project management. However, this is all sidelined if executives and senior managers are not showing commitment and support towards the cause. Project managers and project teams need to know that upper management will provide them with the support they need to apply their best efforts and abide by top notch project management practices.

Conclusion

Whether it be public or private based, a project can be subject to failure for many reasons being: lack of understanding of methodology or poor risk management, communication, resource allocation, and documentation. Even having a vague scope of roles and

responsibilities, along with general lack of planning can have adverse effects on projects and the people involved in them. In order to avoid these pitfalls being disciplined, organized and thorough in assigning methodologies, allocating resources and logging important information can all be beneficial. Using tools such as the WBS and RACI with project teams and subject matter experts involved is also advised along with team building exercises and regular meet ups.

Reference

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