PROJECT PLAN

Project title:	**Governance and Ethics**		
Author(s):	**Erling S. Andersen** **Ralf Müller** **Rodney Turner**	Date of submission:	**February 5, 2010**

KEY FIGURES CONCERNING THE PROJECT PROPOSAL

The key figures are a short extract of the project proposal

Start-up date: 1 Feb 2010	Total cost: 580.000 NOK
Estimated duration: 18 months	Contribution from NSP: 250.000 NOK
	Contribution from NSP members 300.000 NOK
Project managers: Ralf Müller	Number of involved NSP members: 3
Erling S. Andersen	▪ Statoil
	▪ Gassco
	▪ Norwegian Defence

1. PROJECT DEFINITION

Give a short introduction to background and context

Research in *Governance of Project-based Organizations* started in 1999 with the identification of
- different organizational structures, contingent on project size and number of customers (Turner & Keegan 1999)
- associated roles such as the broker and steward (Turner & Keegan 2001)
- the relationship between governance type and organizational success by Blomquist and Müller (2006) who showed significantly better success for organizations governed by balancing program and portfolio management

Different governance paradigms for different organizations, taking into account the stakeholder versus shareholder orientation, and the process versus outcome orientation organizations were developed by Müller (2009) to explain the organizational contingency of different governance approaches. Other research in Governance focused on industry and project type, with the aim of developing governance frameworks for:
- Olympics projects (Clegg et al 2002)
- Large capital projects (Miller & Hobbs 2005)
- NASA projects (Shenhar et al. 2005)
- Construction projects (Pryke 2005)
- Public projects (Williams et al. 2008)

These studies showed the variety of depth in the governance of processes, methods and tools in these project types. Other research investigated the relationship of governance and trust in projects, showing that too much governance reduces trust, which impacts project results negatively (Turner & Müller 2004, Müller & Turner 2005). Further analysis of this relationship by Puranam and Vanneste (2009) showed different relationships between governance and trust, which may coexist: a) trust may enhance the impact of governance on performance, b) governance may reduce the level of trust between exchange-partners, c) ex-ante trust in projects may influence the level of governance complexity. These studies also show the crucial role of ethical behavior for the development of trust. Müller (2008) summarizes these ethical issues at the project, program and portfolio level and relates it to the two principal schools of ethics, as outlined by Godbold (2000), which are the rule based school (i.e. fairness and justice to people) and the utilitarian school (i.e. sum of total utilities produced by an action). Similarly, other authors identify the need for ethics guidelines in risk management (Shepherd 2008, Jonasson 2008), general project management (Godbold 2008), and the management of resources in project-based organizations (Turner, Huemann & Keegan 2008). Professional associations such as the Project Management Institute and the International Project Management Association and many of its member associations have codes of ethics which may affect governance structures.

Describe the problem(s) to be addressed by project

This brief literature review shows the need to identify the interrelationship between governance structures with trust and ethics in projects. We therefore propose to address the following research questions:
1. What are the ethical dilemmas that projects are experiencing today?
2. What are the ethical implications of different project governance structures?

3. How can they be used to build trust within the project team, and between the project team and other stakeholders?
4. How are project governance structures influenced by corporate governance structures and what is their influence on ethics and trust?
5. What differences are there by type of project, type of industry and national culture?

In what way(s) is the project related to ongoing/finished research projects in NSP?

This is a new area of study for NSP.

In what way(s) is the project related to other known research activities?

To date there has been little research into ethics and trust in project management. As shown in our literature review there has been substantial work over the last ten years into governance of projects and project-based organizations. There has also bee substantial research into ethics and trust in a general management context and some research into the link between governance structures and ethics and trust in a general management context. Thus this research is the first to bring current research themes in this area into the context of projects and the project-based organization.

2. PROJECT SCOPE

Which effects or gains does the project address?

To make people aware that there are ethical dilemmas to be addressed on projects and within project-based organizations
To make companies aware of the impact of governance structures on the ethical behaviour of people working on projects and within project-based organizations
To make people aware of the implications of the impact of governance structures and ethical bechaviou of the trust between projects and their stakeholders.

Concretize the project goals and/or deliverables

There will be three sets of deliverables:

D1:   Following the literature review and the interviews:
    1. a set of propositions on the impact of corporate governance structures on project governance and the associated ethical issues
    2. an article in a research conference or relevant journal.

D2:   Following completion of the case studies:
    1. a set of hypotheses on factors for governance structures and ethical issues
    2. an article in a research conference or relevant journal

D3:   Following completion of the final questionnaire:
    1. a model for project management governance and ethics in different industries
    2. an article in a relevant journal, covering the entire study

D4:   Following completion of the case studies and the overall project:
    1. guidelines for managers on the implications of governance structures on trust and ethics, and on structures that can be adopted
    2. seminars for managers in the case study companies and member organizations of NSP

Give an assessment of how the project is aligned with NPS's strategic objectives

NSP has strategic objectives for research, education and knowledge dissemination. On the research side the ambition of NSP is to be on the forefront internationally on research and this research in to a new topic will keep NSP at the forefront of research. On the educational side the results will be of benefit to the training of the future managers of projects and within project-based organizations. The project has the ambition to spread the knowledge of this topi through articles, conferences and seminars, and thereby enhance NSP's reputation as a leading institution in this important subject. The project objectives wilbe achieved through the interaction of practitioners and academics which is in a vital part of the strategy of NSP.

Describe the projects target group
Thus the target groups are both academics and practitioners. On the practical side we like to raise the awareness into these important issues of project owners, project steering groups, project managers, project team members and other people involved in the governance of projects.

3. RESEARCH APPROACH / RESEARCH METHODS

Give a short description of intended research methods

We would understand governance as situational contingent (Bredillet 2008) and adopt an mixed method approach, using 20 interviews in different geographies and industries to build a grounded theory (Corbin & Strauss 1990), followed by an in-depth assessment of the findings through at least 6 case studies (drawn from some of the companies that were used for the initial interviews, following Yin 2003). Generalization of the theory will be achieved through a subsequent global, web-based questionnaire. This will provide for:

- Identification of the presence of corporate governance structures at the project level
- Identification of ethical issues and trust, plus their appearance at the project level
- A model for project management governance, trust and ethics in different industries

There are four steps to our research:

M1: Literature search. We will primarily focus on literature in corporate governance, project governance, ethics and trust. We will also review case studies and other related literature that helps identifying governance structures and ethical issues at the project level. At this stage propositions are developed.

M2: Interviews: Twenty interviews spread over Europe and the Asia Pacific region, targeting organizations industries including oil and gas, process, construction, ICT and consulting. The aim is to identify the factors that lead to different governance structures and the related ethical issues.

M3: Case studies: At least six case studies (from some of the companies interviewed at M2) to validate the findings from the interviews and collect further data for inductive hypothesis building. We aim to conduct case across Europe. We will also aim to conduct at least one in the Asia-Pacific region.

M4: Web-based questionnaire: Deductive hypothesis testing through a global, web-based questionnaire, sent to members of professional project management organizations.

M5: Knowledge dissemination: Through research papers published in journals and presented at conferences, guidelines for practitioners and managers, and seminars for NSP and its member organizations.

Describe how NSP member organisations are/will be involved in the project

The project will conduct interviews and case studies in all three sponsoring organizations. We might also do interviews and case studies in other NSP member organizations. The results will be presented in writing and on seminars for the member organizations, both in company and open seminars.

4. PROJECT PLAN

The project plan should include the following:
- A WBS or other project breakdown structure (optional)
- A short description of work packages (compulsory)
- A time plan (compulsory)
- Suggested budget (compulsory)
- Suggested organisation (compulsory)

Work Breakdown Structure

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Description of work packages

Work package	Description
1. Literature search	Review journal articles in the fields of ▪ governance, trust and ethics ▪ project governance Development of propositions Write research paper
2. Interviews	Conduct at least 20 interviews from at least ten companies Revise propositions Develop instructions for the case studies Write research paper
3. Case studies	Conduct at least six cases studies ▪ interviews ▪ study of written materials Develop hypotheses Write research paper
4. Web-based questionnaire	Develop questionnaire Post on the web Analyze results Write research paper
5. Knowledge dissemination	Write guidelines for practitioners Develop and hold seminars in-house seminars with sponsoring organizations open seminars through NSP Make presentations at practitioner and research conferences Publish research papers in peer reviewed journals
6. Project management and administration	Monthly virtual meetings Meetings on completion of each work package to review progress, and revise the research model Circulation of monthly progress reports against plan ▪ using Projectplace.no Reporting according to NSP policy

Time plan

Work package	2010						2011					
	2	4	6	8	10	12	2	4	6	8	10	12
1. Literature search	▓	▓	▓									
2. Interviews			▓	▓	▓	▓						
3. Case studies					▓	▓	▓	▓				
4. Web-based questionnaire						░	▓	▓				
5. Knowledge dissemination					░	░	░	░	░	░	░	░
6. Project management	▓	▓	▓	▓	▓	▓	▓	▓				

Suggested budget

Work package	Cost per unit	Units	Total cost	Travel expenses	Cost per work package
1. Literature search			60.000		60.000
2. Interviews	5.000	20	100.000	20.000	120.000
3. Case studies	20.000	6	120.000	60.000	180.000

4.	Web-based questionnaire		50.000		50.000
5.	Knowledge dissemination		20.000	30.000	50.000
6.	Project management				20.000
7.	Administrative fee to BI		100.000		100.000
				Total cost:	**580.000**

Suggested organisation

Project Manager(s):

Ralf Müller, Erling S Andersen

Contractual partner (this organisation will be responsible for project execution and be the contractual partner to NSP)

Norwegian School of Management, BI

Project organisation (name resources and organisations involved, and define roles and responsibilities in the project)
Norwegian School of Management, BI: Erling S Andersen, Ralf Müller
Umeå School of Business: Ralf Müller
SKEMA Business School, Lille: Rodney Turner
NTNU: Bjørn Andersen

5. SOURCES OF FINANCE

Describe the sources of finance and how much the project requests from each source. If the project runs over several years, state how the financing will be distributed over time.

Source of finance	2010	2011	200x	Total contribution per source
NSP and sponsors	NOK 550.000	?		NOK 550.000
Umeå	NOK 30.000			NOK 30.000
			Total finance:	**NOK 580.000**

6. UNCERTAINTY MANAGEMENT

Which stakeholders have been identified and how will they affect the project?
Sponsoring companies, who have had a very positive attitude to the project and may help us to achieve our objectives
Academic institutions we work for, who have had a very positive attitude to the project and may help us to achieve our objectives
Non sponsoring members of NSP who may be interested in the end results and who may also help in the project

Which possibilities have been identified?
We have a lot of contacts with companies in Europe, China and Australia and we want to explore the possibilities of engaging them on the project.

What risks have been identified?
Main challenge is having companies willing to participate in the interviews and case studies.
Achieving sufficient responses to the web-based questionnaire

How will uncertainty management be exercised throughout the project?
We will work to have more companies involved in the project. We will look for alternative companies for potential interviewees and case studies.
We will use our networks to identify potential companies for interviews and case studies and to obtain potential respondents to the web-based questionnaire on a snow-ball basis.

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7. COMMUNICATION AND COMPETENCE PROLIFERATION
Describe how the results will be documented See research approach above with descriptions knowledge dissemination.
Describe how the project will ensure co operation and communication internally (meeting plan, Projectplace, etc) Monthly virtual meetings Use of projectplace.no End of work-package meetings for proposition and research model development and planning next stage.
Describe how the project's results will be distributed and implemented (to participating organisations and NSPs network) As described above   - guidelines for practicing managers   - in-house seminars   - open seminars through NSP   A special report for NSP for distribution to NSP members
Describe how often the sources of finance will receive progress reports and how communication with the sources of finance will be handled (who is responsible, how often, which channels will be used, etc) We will follow NSP policy on reporting.