

**Strategy and Project Management:
The Theoretical Approach to Conceptualisation**

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Abstract

The paper critically discusses the alignment of project management with strategy. It uses the form of fundamental exploration of a real phenomenon embedded in project management. Starting points are that according to research firstly many projects fail to meet their target and secondly that researched managerial strategic weakness is assumed as one frequent and essential root for such failure.

Through contrast of key factors being defined by two influential sources, the Project Management Institute and Johnson et al., the paper compares and aligns project management as a strategic effort with strategy and explores, whether it may find additional advantages through making it an own strategic level with flexible connectivity to an organisation's strategic framework.

Increasingly condensing arguments, the discussion offers insights into advantages and disadvantages of such approach depending on organisational size, available resources and the scope of organisational activities as well. The paper also addresses the disadvantages of such approach, which are seen, but are not limited to increasing complexity and the risk of overstressing existing resources.

Understood is that this is an approach only, due to the absence of empirical research. Therefore this cannot lead to valid and reliable conclusions. Instead the intention is to invite to critical and extended discussion and research for finding valid and reliable solutions improving project management through sound strategic understanding and implementation.

Key Words: Project Management, strategy, functional strategy, operational strategy, project success

1 Introduction

The discourse has the objective to critically and conceptually analyse the relationships between project management and strategy. The underlying main question, which forms the (research) question of this paper is investigating, whether project management can constitute an own strategy on one of the levels of an organisation's strategic hierarchy or whether strategy only is an effective tool for operational fulfilment of organisational objectives here.

For this purpose two influential definitions on strategy and project management are building the baseline for the argumentation:

- Strategy (Johnson et al. 2011):

Strategy is the direction and scope of an organisation over the long-term: which achieves advantage for the organisation through its configuration of resources within a challenging environment to meet the needs of markets and to fulfil stakeholder expectations.

- Project Management (Project Management Institute. n.d.):

“It [i]s a temporary endeavor undertaken to create a unique product, service or result. A project is temporary in that it has a defined beginning and end in time, and therefore defined scope and resources. And a project is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. So a project team often includes people who don't usually work together – sometimes from different organizations and across multiple geographies. The development of software for an improved business process, the construction of a building or bridge, the relief effort after a natural disaster, the expansion of sales into a new geographic market – all are projects. And all must be expertly managed to deliver the on-time, on-budget results, learning and integration that organizations need. Project management, then, is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements.”

It certainly is in no way sufficient reducing the many understandings and definitions of both to just two, since there is much more literature available, which has to be respected. While various relevant literature will be part of an analytical discussion in the following chapters, these two definitions are suggested as a profound starting point for understanding the essence of this paper's topic.

The purpose of this paper also is: If project management can be considered as a strategic element on its own, then on which level can it be placed? Johnson et al. suggest three strategic levels, corporate, business and operational (2011). Again, this is not enough for an academic discussion, since just being one example. In contrast Steyn et al. more finely differentiate five levels: enterprise, corporate, business unit, functional and operational strategy levels (2002). That may look like a marginal difference only, however it may have its implications needing consideration in this context.

The justification for undertaking such theory-dependent discussion is the frequently stated and self-observed long-term problematic that managers demonstrate serious weaknesses in their strategic understanding and capabilities (Niven. 2005, 2002). In addition, an underlying question for this discussion is, whether making – if a justifiable suggestion – project management a strategy could reduce the reported high failure rate of projects leading to substantial losses of resources (Monterroso. 2013, Anderson. 2010, Mustafa. 2012)?

Regarding purpose and extent of this paper, this constellation of complexities and underlying factors demonstrates that investigating this topic further may offer some contributing arguments in the effort of making project management more successful and sustainable.

2 The Equation of Strategy and Project Management

If these two fields can be brought into an equation, which may also be an unequation, then they need some brief, but in-depth analysis. This chapter therefore investigates in more details what makes strategy and what constitutes project management.

On Strategy

Firstly the discussion should start with an essential differentiation. Looking through university curriculae, e.g. Oxford Brookes University, University of Cumbria or University of Salford (personal involvement), demonstrates that much of the older school of thought around Mintzberg, Porter and cf. Johnson et al. is still emphasised (1994, 1985, 2011). These influential forces in strategy are rather popular still today, while serious criticism on relevance and actuality of their concepts has emerged (Walton, 2012, Walton et al. 2011, Oestreicher. 2012).

The younger school of thought can be exemplary addressed through Iansiti et al. (2004). Their newer thinking has the contemporary changes in mind relating the strategic field to ecosystems as successor of industry-thinking and involves concepts like double-sided markets. The idea of keystone, dominator and niche strategy has many advantages, which become more evident, when the famous examples of Amazon, Apple, Facebook and Google, the famous Gang of Four, is related to these (Walton. 2012, Oestreicher. 2012). Another more contemporary and future-oriented approach to adapting strategy to the new contexts is presented by Keidel (2010). His strategic framework is related to mathematics, explicitly strategy. It is suggested that Keidel's relationship to triangles, which are explained as geometry's most stable construct, have impact through three- instead of more simplistic two-dimensional managerial thinking [cf. graphic 5] (Keidel. 2010).

Strategy is also considered by other authors, including Johnson et al., as one of an organisation's major instruments for creating stability in a turbulent environment (2011). This leads to the question, whether that may already be a link to project management as the effort of improving stability by implementing change through projects? That is no evidence and does not justify speaking about projects and their management as a strategy. However it may be seen as an initial bonding argument.

A major work of Kaplan et al., the Balanced Scorecard, is evaluated as 'in between', since it develops new and extended ways in the field of strategy without widely ignoring the traditional thinking (2004, 2001). The Balanced Scorecard is far too complex to be discussed in detail here. Nevertheless two aspects seem striking for this discussion. Firstly the Balanced Scorecard's perspectives to which especially counts, but is not limited to the process perspective, is a further and at least indirect link of strategy to project management. But consequentially more important for connecting project management to this framework is the direct derivative of the Balanced Scorecard, the Project Scorecard (Keyes. 2010). That recommends to think slightly different on strategy in project management, than it may often been done by practitioners and consultants.

Synthesising the argumentation brought forward suggests that more than a link between project management and strategy exists. But that does not make projects a strategy in their own right yet. Nevertheless this implies that managing projects would benefit from managers having good understanding of strategy, since it may contribute to making projects successful.

A further aspect needing to be taken in consideration are the hierarchic levels of strategy. Two scaffoldings were introduced: Johnson et al.'s three and Steyn et al.'s five levels (2011, 2002). Addressing the needs of research, these two frameworks do not suffice as empirical evidence justifying any conclusion to be made. But within this paper's extent they are suggested as being typical and not too distant from other such constructs. Adopting the three levels would then mean that projects either need to be at the business level or the operational level of the strategic scaffolding. But that seems rather artificial or constructed. With reference to the presented definition of projects, the business level appears inappropriate (Project Management Institute. n.d.). A main argument is that projects are by that definition unique, first time and even more, they are timely limited. Of course business units are a first time effort at a specific time, too, can be unique and rarely they last 'forever'. But in contrast business units are not necessarily intended to be so, especially when contrasting the time horizons of many projects, which, depending on size, can be a mid-term or even long-term endeavours by planning as well. Building an atomic plant or a reservoir like in China is no short-term project and involves huge resources. The main argument against such allocation is in the introduced definition of strategy defining the business level as the way an individual

business competes in their particular market making the exclusion of this level rather definite (Johnson et al. 2011). That argument is also supported by Steyn et al. (2002).

This then leads to the operation level. For this speaks that fundamentally project management is operational itself. Steyn et al. introduce this level as translating strategy into action, develops functional tactics and is being oriented towards cost-effective outputs (2002). Johnson et al. consider operational strategies in terms of effectively delivering the corporate and business level strategies regarding resources, processes and people (2011). It immediately becomes clear that this level has much more alignment with the definition formulated by the Project Management Institute (n.d.): Project management is about resources, people and processes, it supports delivering better contributions, especially when it makes cost effective outputs itself. Therefore the argument is that locating project management on the level of operational strategy is an option.

With reference to Steyn et al.'s more refined framework there might be another option with their level of functional strategy. They define it as coordination of functions, synergies and competitive advantages being oriented towards efficiency (2002). At this point of the discussion this level may be applicable, too, since much commonality with projects' intentions and purpose can be identified. If there is an argument against it, it is seen in managers' weaknesses of being strategic or understanding strategy (Niven 2005, 2002). The more refined the strategic scaffolding becomes, argued through consequential logical, the higher such managerial skills generally need to be. Thus, if there are managerial weaknesses, it is unlikely that managers can deal with more sophisticated constructs, because they may already struggle with properly managing a more simple hierarchic strategic organisation of their organisation. Thus, at this moment no direction can be suggested, whether functional or operational level should be recommended, before more details are investigated.

The conclusion of this brief discussion on strategy is that there are good indicators that project management should be considered within strategic organisational decision-making processes; for now either on the functional or operational level.

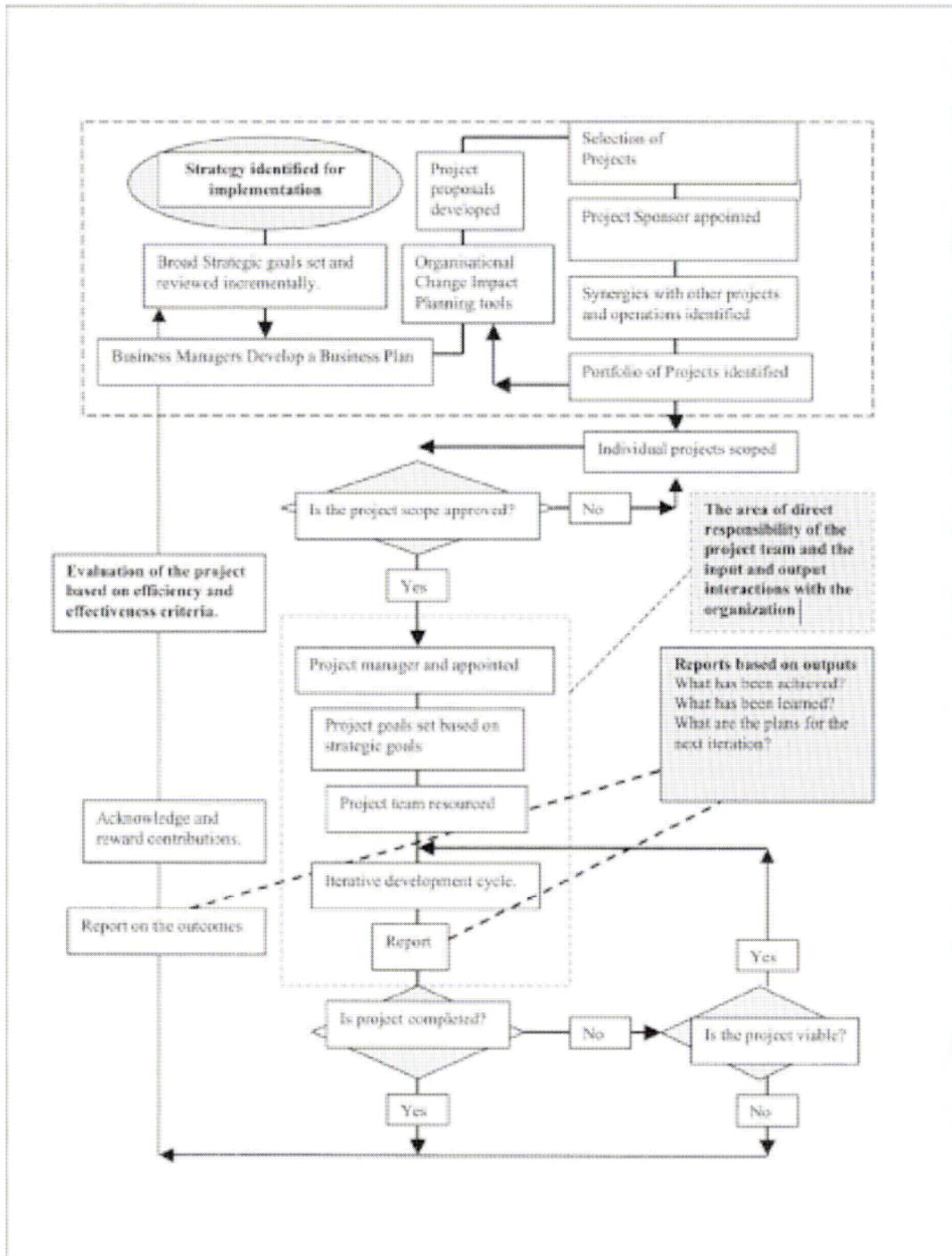
On Project Management

Project Management has been defined through the globally influential Project Management Institute (n.d.). Empirically considered that is a trusted and influential expression of what makes projects ones and indicates, how they can be managed. However in this same vein such singular lens is insufficient. Hobbs defines a project in a similar form as a piece of work bringing advantageous change to an organisation for beneficial improvements through coordinated work, runs during a defined length, uses resources, causes change and often has elements of risk (2015). That is no very different definition. Despite its age, Kenny's paper is of interest, since it involves the strategic implication of project management. His definition is much shorter in suggesting project management as the disciplined application of specific knowledge. In the strategic consideration Kenny addresses change, too, but also adds innovation (2003). The criterion of innovation within project management also is part of Hooley et al.'s suggestion. They address more, how project management techniques can support mechanisms for improving products, but by a marketing perspective (2008).

Most important is that Kenny contributes the strategic aspect. He contributes that projects frequently are the result to fight periods of uncertainty (2003). Origins of uncertainty may be different. As the Gang of Four was addressed earlier, reference is made to, e.g., Apple's iPhone introduction causing high levels of uncertainty in the competitive field through shifting the market (Walton 2012). But innovation is just one source, another one is developing the national economy. The German Government has launched its project Industry 4.0. (Federal Ministry of Education and Research. 2012). Such discussion can be extended much further and the suggestion is that this either involves or leads to new projects.

Considering the various sides projects and their management imply, it may be concluded that a common point of projects is improvement. Just one causal example is the suggestion that when aforesaid uncertainty is reduced that this already is an improvement and with reference to the discussion on strategic levels, this may improve efficiencies and/or cost effective outputs at the same time.

Returning to Kenny, essential in this discussion is that his graphic display clearly puts the strategic component on top of his outline offering some form of synthesising the discussion before (2003):



Graphic 1: Process Flow Chart for the Organizational Change Impact Planning (Kenny. 2003, p. 51)

What was neglected so far is one major aspect, people. They are placed on two sides, those managing and fulfilling the project and those being affected by it. Being affected can be

positive and negative. It can reduce workload and make jobs more stable through increasing the competitive standing. But it also may result in the opposite of the prior argumentation: a project may increase uncertainties. Either by not knowing what will happen through bad communication or for the individual, when their job is at risk or simply lost through such improvements. By a general perspective improvement may then be an ambiguous word. But it leads back to the other constituting elements of cost effectiveness, efficiency and improvement of the competitiveness of an organisation. The argumentation seems logic. While for an individual the outcome may result in high(er) levels of uncertainty, if a job is on stake and a personal risk then, for the collective such change may be beneficial, since stabilising their jobs. That is understood as risk management as well and it is clearly meeting a number of those criteria Johnson et al. have emphasised as components of strategy (2011).

A further strategic approach is delivered by Cleland et al. putting strategy at the centre of project management (2007):



Graphic 2 : ‘The Strategic Project Management Circle’ (Cleland et al. 2007, p. 2)

Graphic 2 demonstrates that and how the individual components making project management are circling around its strategic management. Even more significant is the interaction and mutual influence these authors highlight (Cleland et al. 2007). Hence the assumption condenses that good project management needs to be strategically organised and that there may be further evidence, in reverse conclusion, if that is not the case, an explanation may be found for the costly abundance of project failures. The model additionally adds the suggestion

that each individual component of managing projects has to be strategic. This leads to the next reverse conclusion that if one such component is not strategic or not planned or implemented accordingly, it becomes the weak link of the project management chain – a risk then.

One last argument in this discussion on project management is contributed by Venzin et al. recommending organisations in their strategic decision-making processes to apply a project portfolio based on prioritisation (2003). While this only is a secondary consideration here, it has its reason nevertheless. Strategy is about priorities, since they support direction and scope of the organisation and define resource allocation (Johnson et al. 2011).

This short argumentation on project management provides essential contributions linking project management to strategy. The evaluation of the adopted literature recommends that projects not being strategic are a risky endeavour for organisations. However there is no support making project management a strategy of its own, despite that a number of indicators may implicitly direct towards such conclusion.

Synthesis

After discussing project management and strategy separately the final discussion of this chapter is the comparative synthesis of project management and strategy. For this synthesis the definitions of Johnson et al. and the Project Management Institute are used (2011, n.d.). The table carefully follows what Miles et al. posit as categorisation within qualitative research (1994).

Table 1: Comparative Analysis of Definitions: Project Management / Strategy

Project Management	Strategy	Close similarity (cs) Similarity (s) No similarity (ns)
defined scope	direction and scope	cs
- temporary - defined beginning and end	long-term	s ns
- on-time delivery - within budget	advantage for the organisation	s s
defined resources	configuration of resources	cs
people, who often did not collaborate before	challenging environment	s
unique product, service or result	needs of markets	s
- [people] sometimes from different organisations	stakeholder expectations	s

- sometimes across multiple geographies		s
the application of knowledge, skills, tools and techniques	[suggested as implicit part only]	[ns]

This table only forms a direct comparison between the two major definitions emphasised in and for this paper. For empirical understanding this limits its value, since other definitions are (consciously) taken out of the equation for sharpening the focus of this particular discussion. However, there are suggested similarities and even a few close similarities outnumbering dissimilarities. They especially offer an indication, which could be leading forward. At least at this point it can be argued that project management is a strategic effort.

As result of this synthesis this now means that organisations should consider that project management benefits, when its planning and implementation into organisational processes is strategically done. This is – as discussed before – not a question of a higher hierarchical strategic level, but an assumption at this point of exploration. I initially tend to argue that the many projects done as ad hoc endeavour or being strategically badly planned and embedded then have reduced chances for successful outcomes. This only is an interim result yet, but one emphasising that good project management is needing strategic components and strategically thinking managers. Hence the final evaluation is according to the chapter's beginning that project management and strategy are an equation.

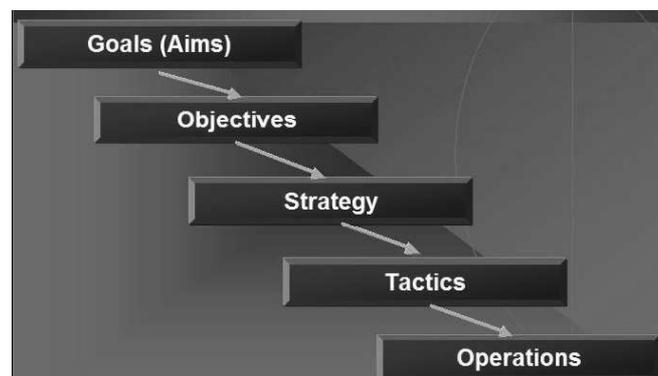
3 The Alignment of Project Management with Strategy

Returning to table 1 by an approach to categorisation allows to suggest three categories as clusters (cf. Miles et al. 1994):

- Space (scope and direction)
- Time
- Resources including stakeholders as existing and potential human resources

Considering the argument that strategy is long-term qualitative, tactics is mid-term qualitative and operations short-term quantitative, then for project management space and time may find an adequate place in organisational tactics (Fink et al. 2002). This is no contradiction to strategy and long-term qualitative, since lower level strategies, such as functional and operational may be mid- or short-term only. As reinforcing addition they are suggested to be tactics of the next higher ranking strategy level. That qualitative stands against quantitative may be explained through the nature of such strategic orientation resolving such contradiction to some extent. The third category people encompasses all categories. That may find an easy explanation, since organisations are made and run by people on which level ever. Furthermore people are directly or indirectly involved with an organisation. They become stakeholders then meeting stakeholder theory (Oestreicher. 2010).

Space and time now lead to a model, the hierarchical order, also finding support with Kaplan et al. and Johnson et al (2004, 2011):



Graphic 3: The Hierarchical Order of Strategy (Steyn et al. 2002)

It seems rather logic that project management is very linked to this model: According to the Project Management Institute's definition, a project follows a goal through unique product,

service or result and has objectives through on-time delivery and within budget (n.d.). For strategy speaks, e.g., the defined scope and the view on resources, while tactics and operations may be found in the details of the application of knowledge, skills, tools and techniques also including the categorisation clusters of space, time and resources. That definitely is nothing more than a wider grid, but it reinforces the view in the direction of strategic project management further.

Even more common issues linking project management and strategy can be added. Revisiting the initial argument that many projects fail due to bad implementation, the same counts for strategy (Johnson et al. 2011, Kaplan et al. 2004, Norton 2002). This demands a logical and consequential implementation process for both, which Steyn et al. design as:



Graphic 4: Process of (Strategy) Implementation

It may be debatable and some sceptical perspective is regarding the above demonstrated equivalence of operations and tactics. That argument is challenged, but no core element and part of this debate. One aspect needs to be repeated: strategy on a subsequent level is suggested as the tactics of the higher level. Graphic 4 developed from Steyn et al. supports such definition (2002).

Again the close similarities between strategy and project management or making project management strategic become evident. Strategy formulation is thus understood in this context as “[a] project [being] temporary in that it has a defined beginning and end in time, and therefore defined scope and resources. And a project is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal” (Project

Management Institute, n.d.). Digging deeper into project management essentials allows, e.g., respecting Earned Value Management as part of the strategic planning and to allocate work-breakdown plans as operational planning or setting milestones as part of functional tactics.

Finally a last factor in this condensing argumentation then is reflecting again on the previous question raised, whether project management should or could be functional or operational strategy? Steyn et al. define their two differentiating levels, represented by key factors in table 2, as (2002):

Table 2: Differentiation between Functional and Operational Strategy

Functional Strategy	Operational Strategy
Relates the enterprise, corporate, business strategies to the function	Translates organisational strategy into action
Co-ordination with other functions	Manages operating units
Oriented towards capitalising on synergies, or competitive advantages	Develops functional tactics (activities unique to function)
Supports business, corporate, enterprise level strategy	Oriented towards cost-effective performance outputs

By this extent of discussion no conclusion seems possible in valid and reliable terms. Both these strategy levels show advantageous arguments, but limitations as well. Therefore an approach to research or better argumentation by abduction is made (Anadón et al. 2007). Abduction excludes options until a probable or evident conclusion can be made. That will not be possible here, since the proximities are too close and vague yet. However, the abductive method may help to approach a logic, which may lead forward.

Table 3: Assessed Differentiation between Functional and Operational Strategy

Functional Strategy by Definition	Operational Strategy by Definition	Assessment According to Definition
Relates the enterprise, corporate, business strategies to the function	Translates organisational strategy into action	Functional: Project Management is not necessarily an own function Operational: Project Management translates objectives into action
Coordination with other functions	Manages operating units	Functional: Project Management frequently coordinates or collaborates with other functions Operational: Project

		Management may timely operate other functions, but may also tend to change functional activities
Oriented towards capitalising on synergies, or competitive advantages	Develops functional tactics (activities unique to function)	Functional: This is suggested as being key to Project Management Operational: Such tactics may be integrated in the project, but more essentially this forms part of project management itself
Supports business, corporate, enterprise level strategy	Oriented towards cost-effective performance outputs	Functional: This is another key argument for Project Management Operational: The same can be applied here, but may be more directly quantitative

It seems that the intended differentiation becomes very difficult, since no argument can be fully excluded. The conclusion hence is that there is no clear abductive exclusion possible. But this is not necessarily negative. The assumption is that much depends on size and nature of a project itself. Bigger projects may be more on the functional, while smaller ones could benefit from the operational level. Consequentially that leads to a new argument or better question: Could very big projects then be at a higher strategic level, e.g., even on that of the business unit? At least that should not be excluded. Clear instead becomes that such considerations need in-depth further research.

One additional argument as critique on this approach should be added, too, Johnson et al., like a number of other authors, do not differentiate between functional and operational strategy (2011). From the practical side, additional attention is drawn to what was expressed before, that managers (especially in smaller organisations) may be overcharged with such fine-tuning as well. For approaching project management strategically a simpler framework then is likely more successful than the refined one based on Steyn et al. (2002).

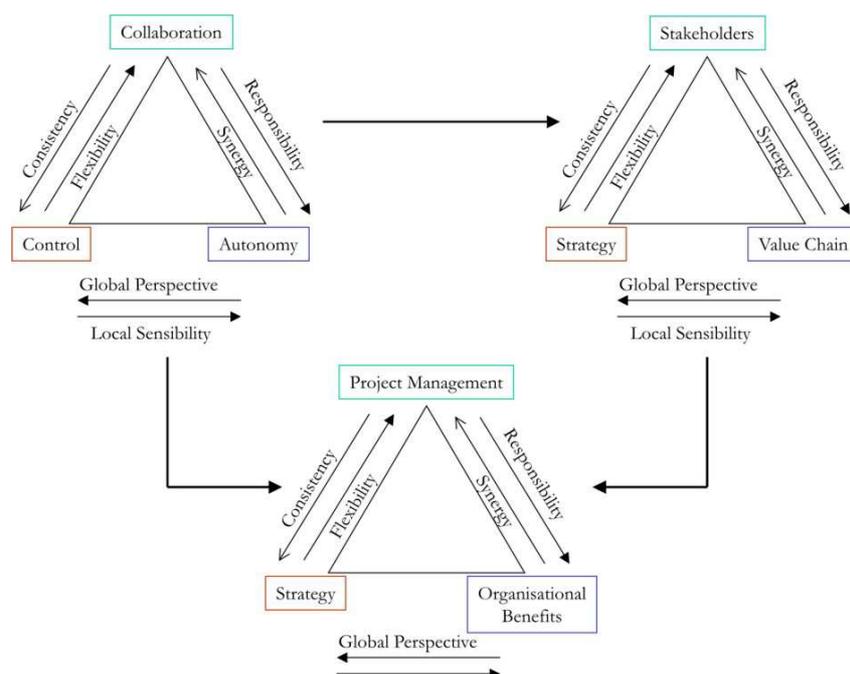
I tend to hold that the discussion in this chapter delivered a number of arguments that project management is profiting from being strategically understood and should be strategically implemented for advantageous outcomes. On which strategic level project management should be placed could not find a convincing and definite answer yet. This then causally

means, does it make sense to consider project management as an independent strategic level for better project results?

4 The Conceptualisation of Project Management with Strategy

At the beginning of this argumentation the differentiation is repeated, which at first sight may look marginal: Is it ‘sufficient’ making project management strategic or is it really important making project management an own strategy? Which would be the advantages, the real benefits of the latter? So far the discussion has found good literature support holding that project management should be strategic. For some this may read like a typical academic reflection only and not having any value in real terms. But for the strategist that difference is all, but marginal.

This reflection should go one step back. In today’s management literature two concepts, even theories can be found, the resource- and the value-based management (cf. Davenport et al. 2006). As the project definition highlights market orientation, too, a view on value based marketing is added as well (n.d., cf. Doyle. 2008). What initially reads as two separate approaches is suggested to be set into a direct, but causal relationship reading as ‘the advantageous configuration of resources creates values for the organisation and its stakeholders’. This way it aligns key elements of Johnson et al.’s strategy definition and key factors of the Project Management Institute’s definition with Porter’s Value Chain (2011, n.d., 1998). This three-fold linkage leads back to Keidel’s argument of the triangle as geometry’s most stable form (2010):

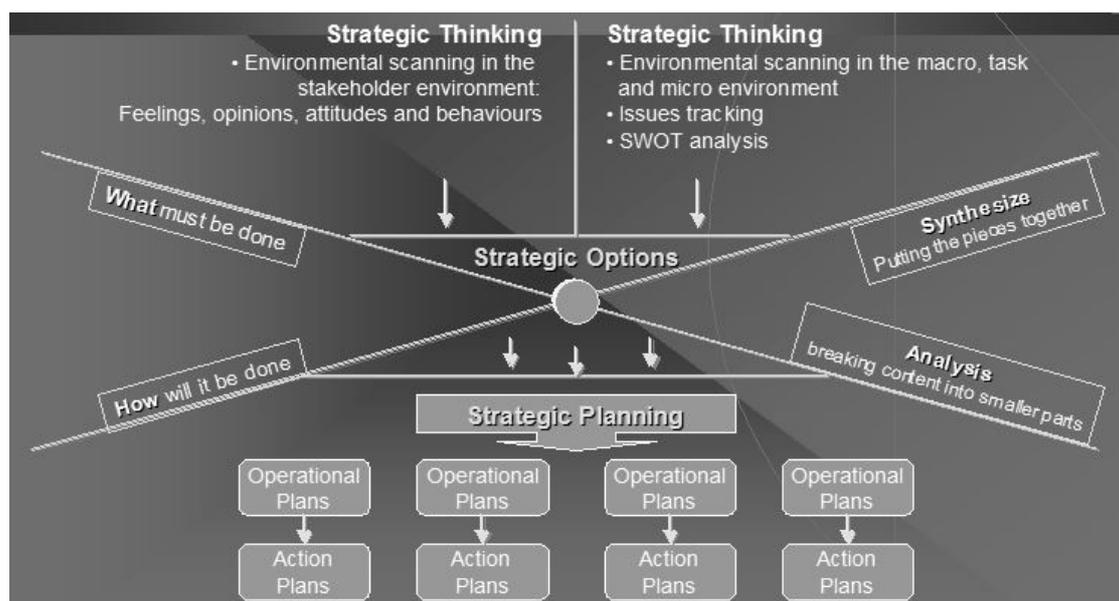


Graphic 5: Geometric Linkage of Project Management and Strategy (after Keidel. 2010)

It becomes obvious that an organisation has control over its strategy and is autonomous to define its objectives. However that needs support from stakeholders, the corner of collaboration, to become successful. By a Project Management perspective consistency and flexibility mutually reinforce strategy through collaboration, while the project managers have strategic responsibilities oriented towards organisational benefits, which create synergies for the project itself. This, e.g., through better acceptance and quicker delivery of the project. That makes this interdependent configuration(s) not only a success-oriented effort, but also very strategic in their own rights.

Nevertheless for this argumentation there should be further critique applied and more in-depth explanation. On the other hand, for the purpose of this conceptual development it is not primarily about such concept, the point is logically constructing a condensing grid of arguments, which may support project management more effectively.

Therefore the discussion is consequentially extended by a formalised view on the process of decision-making in terms of strategy – tactics – operations to which the additional conceptual approach to strategy as long-term qualitative, tactics as mid-term qualitative and operations as short-term quantitative is implicitly added, too (cf. Fink et al. 2002). Steyn et al. have suggested their model as displayed in graphic 6:



Graphic 6: Conceptual Approach to Strategic Decision-making (after Steyn et al. 2002)

Once more this approach to formalised strategic decision-making offers good proximity to what makes by definition good project management. Project management embeds questions on

- What must be done by project planning
- How will it be done embedding in such planning, space, time and all other sorts of resources, including budgeting
- Analysis recalling , e.g., work-breakdown planning
- Synthesis by forming each single step, e.g. expressed through milestones, into the bigger picture

All these then should lead to strategic-oriented execution by sound implementation, which uses effectively made tactical choices being translated into efficient operational execution. Work-breakdown plans, budget plans, the use of space, time and resources are clearly elaborated and defined, and allocated resources are part of the operational plans for execution in form of real action. One step more suggested as being very strategic.

That has already been discussed to some good extent before, but this argumentation is demonstrating a first form of synthesised evidence directing towards project management as having embedded essential and necessary constituents allowing it to become an own strategy.

The Meaning for Organisational Practice: Advantages and Disadvantages

If so, what would this then mean for organisational practice?

A first consequence would be that Project Management experiences an even more independent status as it already frequently has or should have. One point needs to be addressed in this context: Those companies having their strategic understanding as being a project-led organisation are not directly part of this argumentation, since for these project management is some specific form of their corporate strategy and *raison d'être*.

Secondly it could provide project management teams with a more functional status on its own. This may sound just formal, but considering that projects can find significant levels of resistance and also can face significant other internal difficulties, since people having not worked together before, may be supported through such formalised own identity and standing

in an organisational hierarchy. That may also lead to organisational resource effectiveness and consequentially lead then to better cost-effective outputs through reduced use of valuable resources. This consequentially is in the interest of fulfilling higher strategic objectives and meets the understanding of the resource- and value-based perspectives at the same time.

But one argument is especially emphasised. Project Management understood as strategic management function should not be directed by persons, who may only have good knowledge on projects. This suggestion of making project management an own strategy demands that project leaders should have profound knowledge on and the understanding of strategy. Appointing somebody without such qualifications then is consequentially considered as insufficient.

These arguments are considered as main consequences. That extent and size of projects may already embed these to some or even to good extent is understood. However a parallel is drawn to implicit and explicit knowledge (cf. Choo. 1998). What an organisation may implicitly know already, is not necessarily explicit. The same may be said about resources, what organisations implicitly own as resources is often not explicitly known (cf. van Laethem. 2005). There is a number of more such considerations, which can also lead to negative impact, if not carefully respected.

One major counter argument is repeated. This own strategic standing of project management increases complexities. Considering the problematic in the context of the many failed projects and/or the frequently mentioned strategic weakness in organisations, such additional and own strategic level could overstress what many organisations are capable of. This point cannot be neglected. As it was also discussed that a resource-based view is of importance, such conceptual complexity may easily overstress existing resources, when it comes to SMEs. It is assumed that these may be serious practical limitations for such development.

Moderation

A moderated approach should start with the essential understanding that strategy is advantageous and not having one is disadvantageous (Johnson et al. 2011, Davenport et al. 2006, Cleland et al. 2007, Fink et al. 2002, Iansiti et al. 2004, Hooley et al. 2008, Kaplan et al. 2004). This is suggested as a dominant starting point, which has nothing to do with the size of

an organisation or its resources. As an outcome strategy creates – if well implemented – value(s) (Porter. 1998, Johnson et a. 2011, Doyle. 2008). That synthesises the resource- and value-based orientation.

What then is more delicate, is the consideration of how many strategic layers does an organisation (really) need? This likely depends on the size of an organisation, its extent of activities and its available resources. A simple dependency seems logic: The bigger an organisation is and the more extensive its activities are, the more advantages it will likely gain from a more refined strategic scaffolding. To this adds that their resource base is larger, while it may count as well that big/ger organisations need such refinement to create better values across their different business units.

This translated to project management seems to find synchronisation in the form that smaller organisations will not easily have projects in the size and extent of a big organisation. They may be part of it or involved in these as external contributors, but will not necessarily organise them for themselves.

That way the three layer model corporate – business unit – operational strategy, which among others, too, Johnson et al. recommend certainly is a robust ground for any organisation on which strategy itself can stand (2011). Projects can address any level in an organisational hierarchy. These can be improvements, changes, innovation, etc. from the top management down to job floor efficiencies. Lower hierarchical levels do not make them less strategic, they only change extent, likely complexity, and aims and objectives.

Considering the aforesaid argumentation guides reflections that, when project management is attributed the status of an own strategy, it then should not be fixedly embedded in a rigid framework. Projects and their management may find a more advantageous position through increased flexibility in the allocation of strategic layers. Well understood, this does not make project management a fully flexible variable in itself and its strategic orientation overly changeable or without clearly fixed orientation. It only takes into consideration that projects address different beneficiaries on the hierarchical organisational ladder.

The suggestion then is that this moderated conceptual outcome can find advantages, when it is understood as a level of functional-like strategy. With reference to the question before,

whether project management is better placed on the functional or operational strategic level, projects and their management then are much more than what operational strategy implies and applies. But more importantly it profits from all the key elements of

Table 4: Project Management as Strategy

Functional Strategy – Key Factors	Suggested Key Advantages
Being related to the enterprise, corporate, business strategies on a functional level depending on its objectives	Finds flexibility of adaptation through own explicit strategy, which is expected to better connect with that of the beneficiary level in the intention of synergising strategic effectiveness towards cost-effective results
Finding coordination with other functions	Can develop connecting interfaces supporting the business, corporate, enterprise level strategies (as appropriate regarding objectives) more precisely through understanding itself as a strategy by defining precise functional connecting points
Oriented towards capitalising on synergies, or competitive advantages	Which supports business, corporate, enterprise level strategy through better consideration of those individual key components Johnson et al. recommend (2011)

That may read rather simplistic and obvious. The counter argument is, why then do projects often not fulfil such obvious and logic requirements negatively affecting organisational values and resources through failure?

One further argument brought forward is that “[i]n this process, executives will broadly outline the strategic directions for an organization, but delay committing to detail until as late as possible” (Kenny. 2003, p. 46). This may be interpreted that project managers will receive a brief on the more general, but may be left without precise and strategic details regarding the achievements for the intended project. Are they understanding themselves as an own strategy and are implemented as the project ‘function’, they could find better ways through own application of fulfilling strategy’s key expectations. To these especially count scope, direction, advantages for the organisation and finally stakeholder satisfaction (Johnson et al. 2011). Cost- and resource-effectiveness can even more become a key point of orientation regarding monitoring and evaluation, but especially they may overcome the frequently reported weaknesses of implementation leading to failure. At the same time these suggestions do not contradict the uniqueness making a project by definition. In addition they do not contradict that project teams are often a specific organisation of persons for a particular

project depending on the project's purpose and expertise needed for it. If a project delivers the fulfilment on the strategic level it is based and supports the next higher level strategy this way and through this the eventual delivery of the corporate strategy, then it is a tactical component of explicit choice in the consequential and interdependent organisational scaffolding of strategy. This makes it mid-term and qualitative as well (cf. Fink et al. 2002). The function project then is constituted for its specific purpose and dissolved or reorganised after its delivery. Such activity is not too much different to many comparable other organisational functions and is considered as strategic towards improved project management.

In this vein, with all the lacking empirical details in mind, project management as an own functional form of strategy may be a way of making project management more strategic itself and additionally enable it to contribute more effectively to the fulfilment of the corporate strategy.

5 Conclusion

This paper discussed the option of making projects and their management an own strategy. Through contrasting and comparing argumentation a number of continuously synthesising arguments are suggested reflecting that project management conceptually could find a more sophisticated standing this way.

There should be no doubt that this argumentation here is not more yet than fundamental discussion. Its intention is to invite to empirical research, whether such approach validly and reliably holds. This will need some refined investigation, since size and available resources of an organisation are expected to play an important role. To this adds that the extent of organisational activities and the size of an organisation will influence the results of such research.

On the more negative side the increase of complexity is a major concern. This may overstress what especially SMEs can bear and fulfil. However, considered as an initial consensus, not having projects and their management understood as a major strategic effort, will likely lead to many more failed projects wasting resources and are expected to lead to the opposite result of stakeholder satisfaction being understood as ultimate organisational goal.

It also is expected that this paper leads to much controversial discussion. But that is seen as advantage, since controversial discussion frequently leads to improvements, since dealing with an existing real-life phenomenon was triggered. For such controversial discussion the repeated recommendation is what makes research objective: starting with a blank sheet of paper and see to which results such empirical research will lead.

A bad strategy has always been considered as better, than no strategy at all. That is not different for project management.

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