The Project Handbook: A working tool for daily operations in a political environment

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Thesis of 12 ECTS credits
Master of Project Management (MPM)

May 2014
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Thesis of 12 ECTS credits submitted to the School of Science and Engineering at Reykjavik University in partial fulfillment of the requirements for the degree of Master of Project Management

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THE PROJECT HANDBOOK: A WORKING TOOL FOR DAILY OPERATIONS IN A POLITICAL ENVIRONMENT

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Paper presented as part of requirements for the degree of Master of Project Management (MPM) at the School of Science and Engineering, Reykjavík University – May 2014

ABSTRACT

The quality of the project handbooks in the Nordic Council of Ministers (NCM) and other institutions in Scandinavia and the EU was examined and compared to the ISO21500 guidance on project management. Project management maturity in the NCM was also investigated and the following research question was answered: Is the project handbook of the Nordic Council of Ministers and other public institutions in accordance with the guidance of project management? The hypothesis is that maturity of project management in the NCM is lacking and project handbooks are underrated tools in project management. The prime methodology was a case study involving the uncovering of both explicit and implicit uses of project attributes in management. The research methodology adopted was dialectical and exploratory research through gap analyzing, interviews, and discussion. The evaluation indicated that the project handbooks fulfill approximately 60% of the guidance of the ISO21500 standard but lack emphasis on quality, procurement, lessons learned and sudden aspects of controlling. Interviews with key senior advisors from different managements in the NCM indicated that executive management has neither the understanding of project management, nor the support and commitment in line management. Basically, the NCM is still in the first maturity phase. Indications for future research are discussed and advice is provided for future developments. Finally, conclusions and insight are offered for future project management handbooks.

Keywords: Project management, project handbooks, ISO21500, project maturity.

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1. INTRODUCTION

This paper examines the quality of the project handbooks in the Nordic Council of Ministers (NCM) and other institutions in Scandinavia and the EU compared to the ISO21500 guidance on project management.

Project handbooks/guidance and templates can be effective tools for project managers. Kerzner (2009) stated that there is a danger in providing templates as a replacement for the more formalized standards. He argues that a template is not meant to tell the project manager how to carry out his job, but to offer him a starting point for his own project initiation. He can then tailor the templates to suit the needs of the project by focusing on key critical areas.

It can be argued that a project handbook which includes templates and guidance on how to approach projects in an organization can be critical in the success of projects and project management. The presumption regarding standards such as ISO21500 and PMBOK is that they might be bureaucratic and complicated and therefore not very practical. This could result in a project manager and his team possessing too much freedom with less effectiveness and results. Perhaps organizations have not given handbooks enough attention. They are a tool for daily operations in projects, especially in the political environment, and can therefore not be underestimated. Organizations differ and therefore implement different methods and practices for project management. A simple quality project handbook based on international standards could be a key tool in project management as it could stimulate proactive thinking.

The project management approach in general is relatively modern, using methods of restructuring management and adapting special management techniques to obtain better control and use of existing resources. The changing environment replaces highly bureaucratic traditional structure with project management that is highly organic and
can respond very rapidly. Project management is improving profitability and using the Project Office (PO) concept, now changing the name to the Center of Excellence (COE) in project management, and emphasis is now placed upon achieving professionalism in project management (Kerzner, 2009).

ISO21500 and PMBOK standards are guidances on project management. They are standards for processes and concepts and knowledge areas. Organizations and public institutions that want to master the COE in project management can develop their own templates/handbooks. The projects are driven by those templates/handbooks, so it is important that they include key performance indicators.

Project management has grown into a big business. In 2006, over 24.4 million employees were participating in projects in 11 major economies. By 2016, this demand will exist to support 32.6 million employees in the same countries (ISO 2012).

NCM’s team of project managers, which is publicly funded, oversees multiple large-scale projects annually. Using a case study and interviews, an attempt was made to shed light on the following strategic research question:

*Is the project handbook for the Nordic Council of Ministers and other public institutions in accordance with the guidance of project management?*
2. LITERATURE REVIEW

In the literary review the major components of the research question will be examined.

In general, project management is planning, organizing, directing and controlling of company resources to complete specific goals and objectives. Executive understanding is the driving force, and organizations are quite resistant to change unless driven by the executives (Kerzner, 2009).

Executive understanding is key in the life cycle for project management maturity, which has five maturity phases for an organization to be project driven:

<table>
<thead>
<tr>
<th>Embryonic Phase</th>
<th>Executive Management Acceptance Phase</th>
<th>Line Management Acceptance Phase</th>
<th>Growth Phase</th>
<th>Maturity Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognize need, benefits, applications</td>
<td>Visible support and understanding of project management</td>
<td>Support, commitment, education, training</td>
<td>Use of life cycle phases, development of project management methodology, commitment to planning</td>
<td>Development of management cost/schedule control system and educational program to enhance project management skills</td>
</tr>
</tbody>
</table>

Figure 1. *Life cycle phases for project management. Based on Kerzner (2009).*

Once the organization enters the Embryonic Phase with recognition of the need for project management, it then enters the Acceptance Phase where project management can’t be implemented without executive support. In the Line Management Acceptance Phase, it is unlikely that any line manager would support implementation of project management without support from the top. The Growth Phase underlines where the organization becomes committed to the development of the corporate tools for project management, and the fifth and final phase is the Maturity Phase. It is here that the organization begins using the tools and is completely dedicated to project management. In addition, it must develop a reasonable curriculum to provide appropriate training and education in support of the tools (Kerzner, 2009).
A quality project management handbook is a part of the Maturity Phase. Various tools are used to run projects. Handbooks and templates are some of these common tools used by project managers in different areas. It can be argued that by creating a common language in standards, with guidelines for templates or project handbooks in the profession ‘project management’, it fosters better teamwork and quality projects. Although project management in the last decades has progressed and improved, it seems as though the need for quality project handbooks is still there.

Shenhar and Dvir (2007) designed a new vision in project management, the diamond model, when they said that instead of setting time, budget, and requirements goals as the major driver of project success, a decision needs to be made in the end as to how a project will be judged. But it is interesting that Shenar and Dvir recommend developing a handbook of project management that outlines the relevant models and dimensions, for classifying the projects.

The handbook should also outline the related managerial implications for each project type, and contain different models for smaller and larger projects. The handbook could outline the life cycle, major milestones, and approval gates along with required documentation. It should also include specific tools, templates and documents for planning, reporting, monitoring, and coordinating projects (Shenhar and Dvir, 2007).

Kerzner (2009) writes that forms and checklists can be prepared in a template format such that the information can be used for a multitude of projects. They should be custom designed for a specific organization, and after the organization has completed several projects, lessons learned information can be used for the development of these templates. They should not be meant to tell a team how to do a job, but to give the project manager a starting point. The templates should stimulate proactive thinking and be viewed as the key to keepings things simple and tailored to suit the needs of the project.
In this research, the focus is on project management in a political environment, and more specifically, within the NCM as well as other public institutions in the Nordic countries and EU that work with implementing policies.

An examination of expectations and realization of value from investment in project management in four Australian public sector organizations provides an interesting spectrum for considering the value of project management through the lens of public sector governance. The studies show that they have primarily invested in the PMBOK Guide OGC’s PRINCE2 and Managing Successful Programmes (Crawford and Helm, 2009).

The organizations clearly benefited from project management implementations, resulting in improvement in staff morale and satisfaction. The organizations are working more and more in complex networks that span organizational and sector boundaries and involve a wider range of stakeholders than in the past. It is necessary for the boundaries between politics and administration to be flexible and responsive to ministerial direction and public consultation throughout the projects. Project, program, and portfolio management in organizations is evolving and remains committed to continuing improvement and seeing value in project management (Crawford and Helm, 2009).

Godenhjelm (2011) stated that projects in general could be a convenient way for the political machinery to control implementation of decisions and push a particular project approach. Then the politicians can stay in control having an advantage over the administrative levels. The magnitude of project activities in the EU is overwhelming in terms of the financial resources involved and projectification has, in other words, become a strategy measure for the EU to get things accomplished.
The EU project system can, as a whole, be viewed as bringing forth a new way of implementing public policy that affects all member states. The impact that the EU has had in terms of projectification can therefore be regarded as extensive. During the 2000-2006 programming period, over 40,000 projects were implemented and partially funded by various structural funds (Godenhjelm 2011).

It can be said that public institutions like the NCM, EU and ministries are project-based organizations (PBO). Turner and Keegan (2000) define PBOs as organizations in which the majority of products or services are produced through projects for either internal or external customers. The organization is therefore capable of handling many projects.

Political environments can be unstable which does project financing critical. Macroeconomics such as inflation, currency conversion, and transferability of funding can influence financing, as can terrorism and war, labour availability, and trade restrictions (Kerzner, 2009).

Many companies have a project management office (PMO) which is a formal layer of control between top management and project management within a PBO (Kerzner, 2003). The NCM and Nordic ministries have no PMOs, but PBOs and PMOs do not truly understand PMs' knowledge sharing needs and expectations, and that might explain why knowledge sharing endeavours are often ineffective in PBOs (Pemsel and Wiewiora, 2012).

A wide range of standards is currently available for project management, and in a perfect world, project handbooks would be built on those standards. ISO 21500 is used in gap analysing in this paper because ISO is the world’s largest developer of voluntary international standards.
A standard is a document approved by a recognized body that provides for common and repeated use, rules, guidelines, or characteristics for products, processes or services with which compliance is not mandatory. The ISO21500 provides guidance for project management and can be used by any type of organization and for any type of project, irrespective of complexity, size or duration (Gasiorowski-Denis, 2012).

Future research can determine whether or not companies and organizations which use ISO21500 will have higher profits. Research in Iceland from 2012 showed that there is a significant positive correlation between ISO9001 certified companies in Iceland and company profits. The certified companies had significantly higher gross profit margins and return on sales ratio as well as lower debt ratio than companies that were not certified (Hróbjartsson, 2012). This indicates the importance of quality handbooks in project management based on those standards, and that companies and institutions probably underestimate the benefit of quality project handbooks.

The ISO21500 guidance on project management was established in 2012 because of a recognised need for standardization. The guidance does not describe how projects shall be run, which indicates the importance of making standardized and professional handbooks from the guidance within each company or organization. It also shows recognition of a growing profession.

But how widespread is the diffusion of standards? An empirical study in Germany and Switzerland based on statements by 234 participants in an online survey conducted in 2006 (before the implementation of ISO21500) found that in total, 38.9% of the respondents used a project management standard. The leading standard was PMBOK with 19.2%, followed by International Competence Baseline (ICB) with 12% (Ahlemanna, Teuteberg and Vogelsangb, 2009).
3. RESEARCH PROJECT

A case study of project handbooks in the NCM, Nordic ministries and EU, and interviews with project managers in the NCM was conducted to determine whether or not the handbooks are in accordance with the guidelines of project management. A gap analysis with ISO21500 was conducted. In order to address the strategic research question further, questions were developed to address the two major components of the original question:

a) What is the maturity of project management in the NCM?

b) How can the NCM improve project management in its organizations?

The hypothesis is that maturity of project management in the NCM is lacking and project handbooks are underrated tools in project management.

3.1 Background information and case selection

The NCM is the forum for Nordic governmental cooperation, where the prime ministers have the overall responsibility. The NCM was founded in 1971 and currently consists of 10 councils of ministers. Decisions in any of the Nordic councils of ministers must be unanimous. The Nordic countries work toward joint Nordic political solutions that have tangible positive effects for the citizens of the individual Nordic countries. Denmark, Finland, Iceland, Norway and Sweden have been members of the Nordic Council of Ministers since 1971. In addition, Greenland, the Faroe Islands and Åland have also increased their representation and position (M. Rinder, personal communication, February 19th 2014).
Projects are run in all departments of the Secretariat and there is no PMO. According to Michael Rinder, the senior advisor who is in charge of project management, the NCM has a flat structure. Senior advisors are in fact working as project managers, although they don’t consider themselves as such. They look at themselves as specialists, not project managers, because project management in their eyes is only part of the knowledge they need for their job.

The NCM has a project handbook for internal and external projects. It is published in the Scandinavian languages and in English. Every advisor goes to a three-day seminar conducted by a senior advisor, and studies project management. The senior advisor has no formal education in project management (M. Rinder, personal communication, February 19th 2014). The advisors gain the skills to use the handbook in praxis. The only follow-up is that once a year the secretariat meets to discuss lists of projects that have been finished and important results for the future.
The quality of the project handbook is a part of analyzing the maturity of project management in the NCM. A gap analysis of the project handbooks of the NCM, institutions in the Nordic and EU also gives an interesting and valuable comparison.

### 3.2 Research methodology

With a contemporary case study involving both explicit and implicit use of project attributes in management, the research methodology adopted was a dialectical and exploratory research method using gap analysis, interviews and discussion.

In order to answer the research question, a gap analysis was carried out comparing the project handbooks of the NCM, the Nordic ministries and the EU to the new ISO 21500 International Standard. The standard is identical to the PM BOK but the ISO21500 was chosen because of the international recognition of ISO standards in general.

The 10 subject groups of the ISO21500 International Standard were used in a gap analysis of the project handbooks. Each process group consisted of processes that are applicable to any project phase or project. Key questions based on the standard were put forward in each group. The project handbooks were analysed in detail and mapped with the subject groups. Every group was graded based on how well it fulfilled the recommendation of the standard, from 1-5. There were several categories in every group, and the handbooks could get up to 195 points.

As the main focus of the research was on project handbooks and management in the NCM, four senior advisors from different managements in the NCM were interviewed on the process of evaluating strategic category and project characteristics, in order to get their view on project management maturity and the utility of a project handbook inside the NCM. The project managers were individually interviewed at the NCM headquarters in Copenhagen, with the intention of getting more quality information and
personal contact with the people working on projects on a daily basis instead of using questionnaire surveys that lack the personal contact. To encourage a critical and fruitful discussion, a question list was sent to the project managers in advance. The senior advisor for finance and project management selected the advisors for the interviews and he himself was one of the interviewees.
4. RESULTS AND IMPACT

Comparing results from different handbook evaluations, there are a few important points to consider. First, the project handbooks are structured differently which makes evaluation difficult. For instance, the handbook from the Swedish institutions has no indexes. Second, the handbooks vary substantially in size and scope. Third, the handbooks can be used in different types of internal and/or external projects.

4.1 Project handbooks

A case study of five project handbooks from the NCM, EU, and public institutions of Iceland, Sweden and Denmark, in comparing them to the ISO21500 standard, exposed several assumptions about their characteristics. The results from the gap analysis are presented in Appendix A, but the overall results are as follows:

<table>
<thead>
<tr>
<th>ISO21500</th>
<th>Nordic Council of Ministers</th>
<th>EU</th>
<th>Iceland</th>
<th>Sweden</th>
<th>Denmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total points (max 195)</td>
<td>118</td>
<td>120</td>
<td>120</td>
<td>108</td>
<td>121</td>
</tr>
<tr>
<td>% of fulfilment</td>
<td>61%</td>
<td>62%</td>
<td>62%</td>
<td>55%</td>
<td>62%</td>
</tr>
</tbody>
</table>

Figure 3: Results of gap analysis of five project handbooks.

The evaluation indicates that the project handbooks fulfill approximately 60% of the guidance of the ISO21500 standard. This gap analysis shows common strengths and weaknesses of the handbooks. The handbook from the Swedish ministries fulfills 55% of the guidance while the others fulfill 61-62%. The evaluation shows that weaknesses are mainly in quality and procurement but also in collecting lessons learned and controlling project changes, which are part of integration. Developing a project team, controlling
resources, and managing a project team are also weak points, as is a controlling schedule. Although estimating costs scores high, controlling costs seems to be somewhat unclear and the same can be said about developing a budget in some of the handbooks. Identifying and assessing risks seems to be in order, but controlling risks seems to be somewhat overlooked with the exception of one handbook.

The handbooks put some of the focus on the concepts and processes of project management in the organizations and raise questions about communication, which is one of the categories in the ISO21500 standard. The evaluation shows that planning communications and distributing information score high in some of the handbooks. In general though, managing communications scores low which indicates, not surprisingly, that controlling is a weakness in all subject groups. This therefore raises the question as to how it affects the quality of the project life cycle. It also implies a weakness of the project team that it is not monitored, supported, or controlled and of quality control, which is the main purpose of the international standard.

The biggest concern in the handbooks applies to procurement, which doesn’t seem to be in the documented process at all. Planning procurements and strategy, selecting suppliers, constant evaluation of proposals, submitting information and suppliers, monitoring and reviewing the suppliers’ performance, and gathering regular progress reports are important contexts of project management, according to the ISO21500 standard, but are largely overlooked by the institutions.

Collecting data regarding lessons learned and ways to capture, compile, formalize, store, disseminate, and use the information throughout the projects have the lowest scores in the integration subject group, which raises questions concerning quality control and updated project plans. One of the strengths of the project handbooks, however, is identifying stakeholders, and in some cases, managing them. Identifying, assessing, and
treat risks are some of the key factors for project success but controlling the risks seems to lack attention.

As for other strengths, the evaluation of the handbooks ranks subject groups as integrations, scope, resources, time, and cost on the same level as the handbooks in general, with around 2/3 of the standard guidance and subject groups being fulfilled. As an observation of the results in general, the total score is similar, which indicates that the prevailing characteristics of the handbooks relating to classical project management include the following: time, cost and performance. There is, however, a lack of emphasis on quality, procurement, lessons learned, and sudden aspects of controlling.

4.2 Interviews

The following interviews with four key senior advisors from different managements in the NCM show that they all went to a three-day seminar where they learned about project management. They gained the skills to use the project handbook in praxis, but they agree that the NCM has not yet succeeded in project management in general, and that the reason is threefold.

First, the number of projects are too few for the advisors to become well trained in PM skills and be able to use those skills in a practical manner. They therefore have to start all over again when they begin a new project.

In an interview with Nils Stern, head of Publishing of the NCM, he stated:

To improve the project model of the Nordic Council of Ministers, I think, it would be useful to focus on lessons learned, e.g. through regular evaluation of the model. This could be done in small forums consisting of project leaders from the organization moderated by project management professionals. It is also important that the senior management at some point is
Second, the projects are decided upon and developed by a political board, which makes it difficult for the advisors to secure and ask the right questions for the board in the beginning. Sometimes the purpose and the goals of the project are not clear when the political board decides to start a project.

Asked how the NCM could change this culture, the senior advisors emphasize the importance of educating the political board on project management. When projects are initiated, they are sometimes unclear. The attitude is that a decision is made by the political board and then the secretariat takes care of it. A good advisor will ask for clarification because he does not understand the purpose or main goal of the project or he could prepare a paper for the political board to try to clear the picture and suggest a solution or execution method. It is difficult though, for the politicians to work that way according to the senior advisors. It is not enough to create a project handbook and ensure that project management skills will be established on an advisor level. The senior advisors agree that the NCM also needs similar knowledge on the political side where the main decisions are made.

Third, different methods are used for project management between sectors in the NCM. The advisors use the handbook in some ways but they need to work together to form a strong body. The advisors are basically project managers, although they don’t acknowledge that in the interviews. They work with political issues which need to be defined as projects to improve project management. Ane Kofod Petersen, senior advisor in International Cooperation, stated that the NCM handbook and seminars have improved projects although there are still many gaps.

Since we started using the project handbook the quality of the projects with the neighbouring countries has progressed. Project development and implementation have improved, but we
have no system for quality control or interviews. We had in some cases used external consultants
to development the project. This has worked well in some cases and in other cases been more
difficult. Earlier the foreign offices have been working with a task of managing application
schemes, and had – when the financing instruments where changed – limited experience of
developing projects. The project handbook has helped us in this process. If we start a project in
Russia we go through the project handbook. If appendix 2 is approved then the office starts
working with appendix 3. We need to approve appendix 3 which is also proposed for the senior
management. We use most of the project handbook, f.ex. Gaant chart. For the projects that are
carried out by the foreign offices we use a detailed budget plan for our projects which is much
more detailed than in the project handbook (A.K. Pedersen, personal communication, February
19th, 2014).

It seems that the project handbook is not anchored in the NCM culture, although many
know it and use it in their work. Every new employee is allowed a three-day project
management seminar to obtain common ground and knowledge, but there is no follow
up. Those in senior management do not attend the project management seminars, so
they don’t have the knowledge about the handbook or project management methods.
Employees are encouraged in some departments to use the handbook, while in others
they are not. One of the advisors said the reason might be that the handbook is
comprehensive, extensive and has too many guidelines. It works for bigger projects but
not for the smaller ones. The advisors say they have busy schedules and there has to be
a clear sense of internal investment. The handbook has to have a benefit somewhere
and be timesaving. Perhaps the handbook needs to be reviewed and a new one made
for smaller projects.

With one exception, the interviewed advisors are not members of any project
management associations. They have no knowledge of the IMPA ‘Eye of Competence’
(EOC), introduced by the IPMA in 2006. The EOC is a four-level certification program of
the IPMA which is designed as an ongoing competence development process (ICP,
2014). The advisors have not studied standards like ISO21500 or PMBOK but they know
Prince2 which they say does not fit in the NCM organization. This underscores the idea
that the project management maturity is modest. Mia Rahunen, senior advisor on sustainable development, reflects the opinion of the advisor regarding project management in general.

Do we need more education in project management? No, it is not our role. We are not responsible for projects. I have experience in project management but I don’t need any more education. It was good to have the seminar in the beginning. It would also benefit to have a couple of smaller seminars to catch up (M. Rahunen, personal communication, February 19th, 2014).

Although Rahunen says she has no need for more education in project management, the advisors agree that there is room for considerable improvements in project management in the NCM. Even with the handbook and three days of a project management course, the NCM can be more professional in project management, which is needed to strengthen the knowledge of the advisors on a daily basis. Communication is a big part of that work with the project handbook.

Most importantly, the senior advisors discussed the value of project management knowledge to help them go higher in their organization. In addition, a better anchoring of a project model within a senior management group would encourage a project management culture way of thinking.

All four senior advisors also emphasized the importance of more comprehensive project management education and mentioned a follow up of the starting seminar with smaller ones to “catch up”. Taking part in courses to brush up on skills would be beneficial, along with support units, for those who are working for the first time as project managers. Improvements to the handbook, increased education for project management, and the encouragement to take external courses would all be steps toward more professional project management. There is mainly one person with experience in project management who comes with input to the main seminar, and the
advisors don’t get feedback or a chance for professional discussion. There is also a lack of brainstorming regarding lessons learned and challenging the model, which are needed to educate employees in project management and introduce them to standards such as ISO21500. Another important factor is to anchor the senior management better.

Most projects in the NCM come to the advisors from a higher level with an allocated budget. If the project comes from the advisors or other directions, the higher levels are reported. There does not seem to be much quality control or external evaluation to allow others to give feedback and thus improve projects. The advisors know when projects are over or under budget, and are on time or not, but little else. The plan is to launch a platform in the NCM where supervisors evaluate the projects. No research has been done though to determine whether or not NCM projects have improved in the organization after implementing the project handbook.

The evaluation of the project handbook showed weaknesses in some subject groups. When asked about lessons learned, the majority of the advisors admit that collecting lessons learned is a weak point in their work. The processes of gathering lessons learned is not very well structured or done systematically. The advisors see the need to change the culture regarding lessons learned in the workshops and seminars, and try to meet and discuss the best way to become better project managers.

To collect lessons learned is our weak point. It is not very well structured and not done systematically. It has not gone smooth in our system. But we need to formalize the process and find out how to collect lessons learned and use the information effectively for future projects. We need to change the culture regarding lessons learned in our workshops and seminars. We need to meet and discuss the best way to do it to be better project managers (M. Rinder, personal communication, February 19th 2014).

The advisors also admit that there is no quality control, and no dashboard to have a good overview of projects. In addition, their project portal is out of date and is linked to
an old application system and not to the project handbook. The IT systems don’t communicate and no unified rules exist regarding how to monitor a project. There is of course a need for more formal procedures regarding controlling project work and increasing professional standards.

4.3 Implementation and exploitation

In reviewing the case study, interviews, and the literature, a comprehensive way for the NCM to take advantage of the results might be to restructure the organizational chart by implementing a dynamic PMO with perhaps a project facilitator, educating the political board on project management, reconstructing the project handbook according to the guidance of ISO21500, and scheduling the retraining of employees. These actions would increase the project management maturity and culture in the organization but require dedication to project management. A standardization in operational practices improves financial results for companies as research by Hróbjartsson indicates, and the same could apply for projects in a political environment.

By restructuring the organizational chart and determining project position and relationship to the parent structure, the NCM could become more project-oriented. Kerzner (2009) stated that PMO is an organization developed to support the project manager in carrying out his duties, act as the focal point of information, control time, cost and performance, and ensure that all work required is documented and distributed to all key personnel. Aubry, Hobbs and Thuillier (2007) discussed the idea that PMO should no longer be considered an isolated island within an organization but rather a part of a network of complex relations that links strategy, projects, and structures. That is why the NCM would benefit with a PMO where projects may be organized within programs and project portfolios.
Using a three-day course in project management related to a project handbook like the NCM does, is, according to the senior advisors, not sufficient enough and underlines the biggest problem facing project managers: training employees. Kerzner (2009) states that the training process for PMO requires nine to twelve months. The problem for the NCM lies in the fact that the advisors do not think of themselves as project managers; they think they are above that title. The advisors basically deny in the interviews that they are project managers, although they work with projects. A part of the training could be an introduction to the use of a qualitative measure of competence factors of the IPMA ‘Eye of Competence’ (EOC).

The project handbooks for political institutions such as the NCM, EU and the Nordic institutions are important tools for PMOs. The institutions are creating their own project handbooks in political environments which can influence the quality as the evaluation indicates. A PMO with a more professional project management in a political environment could be beneficial.

The Kersner’s (2009) Life cycle phases for project management indicate that the NCM is a long way from the fifth maturity phase. The interviews with the advisors indicate that the executive management has neither the understanding of project management, nor the support and commitment in line management. Basically, the NCM is still in the first maturity phase.

An obvious opportunity for further research arising from this study is the comparison of results of usefulness of project handbooks in the everyday work of project managers and results of projects done with quality handbooks.
5. CONCLUSIONS

Project management in the NCM and other public institutions has been examined. It is apparent that project handbooks are not based on international standards on project management and the NCM project maturity is weak. But are handbooks a useful mechanism? Handbooks are well known in many sectors and in daily life. They can contain vital information that can influence important decisions, as well as work habits, rescue operations, security service, and routines in critical technical areas. In daily life, handbooks are used to make our lives easier, whether they be for cooking, assembling furniture, or repairing almost anything. Handbooks for project management are no exception, although it can be argued that they are underestimated in the profession of project management. The international standards are available but the quality of the handbooks examined is questionable. The better the preparation of handbooks, the higher the quality of projects and the better the results.

There are countless ways to manage a project, but project handbooks that allow too much flexibility for a project manager could result in ineffectiveness or even worse results. They should be a summary of best practises in international standards. They are the working tool for daily operations in projects, not the least in the political environment, and can therefore not be underestimated. Organizations differ and they implement different methods and practices for project management. A simple quality project handbook based on international standards could be a key tool in improving project management as it could stimulate proactive thinking. Online standard project handbooks must be the future of project management, considering today’s technology and where it is headed.
6. ACKNOWLEDGEMENTS

The author gratefully acknowledges the support and trust of the Northern Council of Ministers in allowing access to people, projects and portfolio data needed for the case study. The author also expresses sincere gratitude to the four senior managers in the NCM for participating in the study. Appreciation goes to Thröstur Guðmundsson for guidance, valuable insight and comments, and to Amy Kohnen Arnason for editing and proofreading.

And finally, I extend my deepest gratitude to my family for all of their support, advice, and encouragement over the last two years.
7. REFERENCES


APPENDIX A: Competence scoring of case study comparing project handbooks with ISO21500.

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