Value-Driven Approach for Project Success and Change Management in Malaysian Institutions of Higher Learning (IHL)

Ammy Amelia Faisal[1], Cutifa Safitri[2], Abdul Rahman Ahmad Dahlan[3]

[1]Kulliyyah of Information and Communication Technology, International Islamic University Malaysia
Gombak, Malaysia

[2]Kulliyyah of Information and Communication Technology, International Islamic University Malaysia
Gombak, Malaysia

[3]Office of Corporate Strategy and Quality Assurance, International Islamic University Malaysia
Gombak, Malaysia

Abstract: *As a project is a lifeline and strategic asset to any organization, identifying the critical success factors (CSFs) for the success of projects is vital in project management. This conceptual paper provides the literatures which have been made by various researchers regarding the project success factors and change management. The CSFs which have been applied and brought success to different organizations will be elaborated in order to identify the success factors that are relevant in Malaysian Institutions of Higher Learning (IHL context). Furthermore, the value-driven relationship which consider the three project elements, namely Business, Project Management Office (PMO), and Project Team have to be well understood. Lastly, the proposed framework involving the 3 project elements can lead to the success of project development, implementation and deployment which create value and competitive advantage, will be discussed as for the next step is to conduct the empirical study.*

Keywords: Project Success, CSFs, Change Management, Project Management, IHL

1. Introduction

There are many factors that contribute in the development of the project. Projects have become a core activity in most of the organizations which investing in the process of increasing the resources in projects such as new product development, process improvement or building new services [1]. Project management involves a multidisciplinary set of activities. Although the theory of project management is rather simple, but the art of practically succeeding with a project is exceedingly difficult. This paper will be covering about the literatures from previous researchers about the critical success factors (CSFs) and change management in various organizations, which can be based for data collection and analysis in Malaysian Institutions of Higher Learning (IHL). Malaysian IHL are important in preparing Malaysia as an educational hub in the Asian region [17].

This study is conducted in order to identify the processes, people, tools and environment factors in the relation with business, project management office and project team in IS project. The use of project management methodologies and techniques will be able to help organizations to face with the challenges [3]. Therefore, this paper aims to investigate on key success factors of project management in the organization and it is believed that recognizing the important factors which contribute to successful project will help the Malaysian IHL to increase the overall profitability. The research questionnaire was designed to have a view of the IS project implementation in the Malaysian IHL.

2. Objective of Study

The objective of this study is to identify what are the critical success factors of the project implementation in

organizations and how organizations optimize the of change management to enhance the effectiveness of the project management based on the literature reviews. This study also being conducted in order to prove that the relationship between the business, the PMO and project team and the commitment among each element of the project could affect the success of project development and implementation in organizations including the Malaysian IHL.

3. Literature Review

According to "A Guide to the project Management Body of Knowledge" (PMBOK Guide), "project management is the application of knowledge, skills, tools and techniques to project activities in order to meet or exceed stakeholder needs and expectations from a project. Meeting or exceeding stakeholder needs and expectations invariably involves balancing competing demands among: 1. Scope, time, cost and quality, 2. Stakeholders with differing needs and expectations, 3. Identified requirement (needs) and unidentified requirements (expectations)" [2]. The project management is using the Project Life Cycle to fulfil the integration of project management processes which is responsible by the project manager. In general, the criteria of the project success relate to the project methodology, knowledge areas of project management and software development methodologies which organizations use. In addition, the factors that could influence the project success could be from the status of an organization whether public or private and how long it has been established [18].

The definition of success and the understanding of project-related relationships or value-driven relationships among

three primary project elements which consist of the business, the PMO and the project team will help foster long-term commitment and mutual success that could impact the project success [4]. Project success is a strategic management concept where project efforts must be aligned with both short and long-term goals of the company [31]. In addition, the organizations and people affect the success and failure of projects. In a nutshell, the value-driven relationships are based on consistent inputs and outputs and predictable interactions between the three primary project elements are mentioned above. According to [32] change management is the process, tools and techniques to manage the people-side of change to achieve the required business outcome and it have to incorporate with the organizational tools to help individuals make successful personal transitions resulting in the adoption and realization of change.

From a business perspective, the project success can be defined for the service, products and knowledge. Most of the organization's projects are successful when their business case for the system was documented for public knowledge [5]. There are at least two broad categories of key success factors that are common in virtually in all organizations: business processes and human processes [6]. In order to deliver better services and products, it is important for the organization to ensure that the technology, markets, trends and business environment related to the projects are able to deliver effective solutions and technological innovations [7]. In addition, the more experienced academic staffs, the higher academic success in higher learning. According to [26], the project managers should take responsibility for a more sustainable development of organizations and business. The project manager as the person most intimately connected with projects and therefore the one best situated to promote the principles of sustainability.In addition, [26] said, "The further development of project management as a profession therefore requires project managers to take responsibility for sustainability".

The business value can be monitored by measuring project outcome. The achievement resulted from project outcomes can be seen by how the system completed and implemented helped in line with the business, improve teaching/learning and improve the innovation [8]. The capabilities to drive changes from strategic goals, invest in the most valuable projects, execute projects optimally to achieve business benefits from the new solutions as quickly as possible are scope of project success and change management within the organizations [9]. Quantify project time, cost over run and PMO are some of the best measurements of project success and change management practices. In terms of lead the change, [19] said it is better to take the right actions at each stage-and avoid common pitfalls in order to give the transformation effort the best chance of succeeding. In order to minimize project risks in change management, there are at least 3 stages that must be focused on; analysis (change risk analysis, change strategy), engagement (change leadership, stakeholder management, involvement strategies), delivery (organizational integration) [9]. In order to endure change results, there are guidelines to guide what to do after the

change. These guidelines created to solve the issues and problems that might arise. Indeed, the communication is a core element in all change management activities [10]. Open communication has also been well established within the literature as an important area in which leaders need to pay close attention. For decades, management scholars have expressed the importance of leader's open communication within organizations [25]. This also extends to the project management literature, where there are several calls to improve open communication between project leaders and members in an effort to improve project outcomes [27], and in which open communication is considered to be a critical success factor.

For the PMO which include tools, standards and process, the strategic level of the PMO must work with executive management to implement a governance framework that manages the strategic spend by implementing processes to select, prioritize and monitor strategic business investments (projects) [11]. The 7 Fundamental factors that can influence the IT Project Success according to [12] are Business case, Stakeholder and user engagement, Executive sponsorship, Third-party relationships, Project management, Change management and Resource availability. A consistent set of tools and processes for projects provides a basis for measuring performance and can act as a communication and training vehicle for developing project skills [13]. Effective IT governance and performance helps organizations to ensure that business systems will deliver value to the business and the unique risk which inherent in technology are monitored in an appropriate governance framework. The governance framework influences each project and includes consolidated project performance reporting which is delivered to the executives [14].

The project life cycle includes phases of conceptualize and initialize project, develop project plans and charter, execute and control the project, close project, and evaluate projects [15]. Business case provides the first analysis of the organizational value, costs, benefits and also project alternatives / options [16]. All project deliverables must get management approval before going to the next phase [5]. The organization's vision is used to guide all teams to develop clear, simple, compelling project strategies to achieve the vision [5]. Wins create enthusiasm and momentum; plan the implementation to achieve early successes and Project professionals are those who can handle user involvement with extreme caution to reduce the negative effect on project progression [5].

The project team has to consider about the trust, time, budget, scope and people. Effective project manager leadership is an important success factor on projects. The more experienced project manager, the higher project success and projects with mainly autocratic project leadership tend to be more successful [20]. Project manager whom displaying flexibility behaviors towards the individual team members will show more leadership [23].
It is important for the project manager to have a customer-centric and perspective rather than technical-centric only

[21]. Furthermore, the stakeholders and users could take part in the active involvement of the project by modifying / adding / deleting specifications, until the product is the way that they want it and they have to understand and commit to their roles and responsibilities such as defined problems, solutions, and action plans to take advantage of positive influences and neutralize negative one [22]. Project team members have a combination of IT technical and subject matter experts. In addition, the team understands the technology and expertise required to accomplish the specific technical action steps [8].

The budgetary constraints may influence staff workloads because of dramatically losing sources. This may cause moral issues, low support and assistance, thus impact on project success [11]. Moreover, the challenge of global competition, the fast growth of knowledge and the constant changes of technology make it hard to predict what kind of skilled people will be needed [8].

4. Finding from Literature Review

The commitment and relationship among the business (service, products and knowledge), the PMO (tools, standard, process) and the project team (trust, time, budget, scope and people) are three important project elements which could affect the success of project development and implementation in most of the organizations and implementing the change management is also needed to be determined to enhance the effectiveness and the sustainability of the project success.
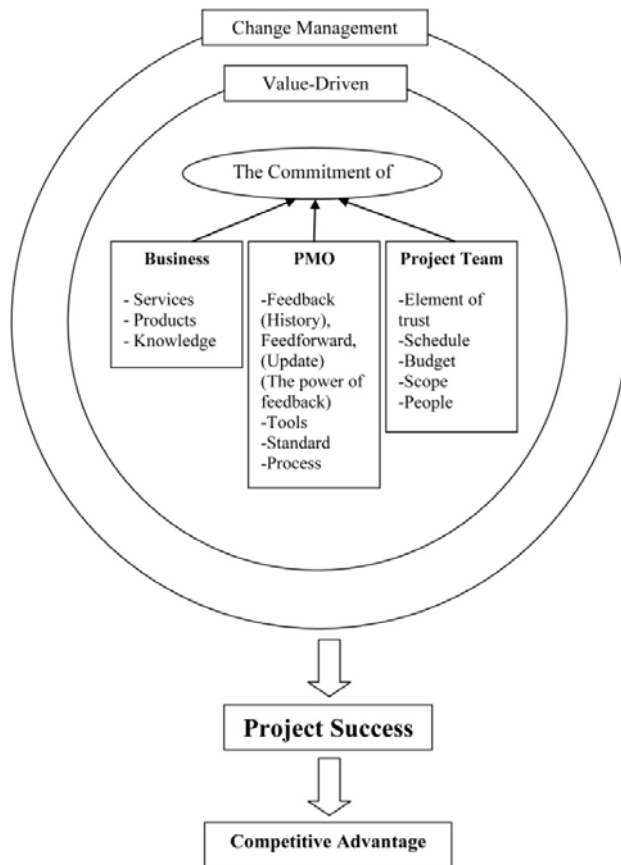
Figure 1: The Framework of the value-driven relationship between 3 project elements and change management will lead to competitive advantage

The Project Management Office in Malaysian IHL needs the power of feedback which can get the feedback from the history and do feedfoward by updating, the tools such as hardware and software (with its own specifications) and the stationeries to implement the project. We intend to know whether the value of tools can provide value in performance which leads to values in success factor as the result or outcome. For the standard in the PMO, it includes the policies, rules and regulations of project governance. Lastly is the several processes that PMO do to achieve success.

The third element that influence project success is the Project Team. Firstly, the element of trust is the first important in a team, firstly the leader must build the trust because he could not lead people who did not trust him. The Leaders can influence the behavior of other people and display their abilities in work groups to accomplish group goals. In addition, communication has been recognized as an important intervention for organizational goals, innovation, and performance [28] [29]. Within the team context, leaders have influence on communication styles [30]. Secondly in a project team, the schedule has managed. The schedule is about time management, discipline and flexibility. The project team has to concern about the budget or the resource, for IHL whether it is from government or private. The next is the scope which uses to make sure that the area of business did not exist the vision and mission as the IHL. Lastly, the most important in the project team is people. The project team needs people with skills and experiences who can handle the constant changes of the technology. It is because the changes of the technology make it hard to predict what kind of skilled people will be needed. The project and the team, they need each other.

5. Future Work

The purpose of this study is to determine whether critical success factors (CSFs) in most organizations and open communication on the part of a project leader impacts the outcomes of that project. The study is based on the known critical success factors of project management. Furthermore, the implementation of change management is also needed to be determined to enhance the effectiveness and the sustainability of the project success in project management.

Data will be collected by distributing questionnaires based on the literature reviews to IT staff of IT departments involved with project management in the Malaysian IHL.

6. Conclusion

It is hoped that the proposed framework related with 3 key elements of the project provided in this paper will provide appropriate judgment for measuring project success from several organizations to be measured in Malaysian Institutions of Higher Learning (IHL). In addition, this framework will provide some basis for further research in Malaysian IHL. This will help Malaysian IHL to enhance

their understandings and knowledge about project success and support the development of measuring performance of building projects which implementing change management to sustain their project success.

References

[1] B. Sauser and A. P. Eigbe, "A systems approach to achieving world-class system integration and test capability," International Test and Evaluation Association Journal, vol. 30,2009, pp. 91 - 98.

[2] PMBOK GUIDE (A Guide to the Project Management Body of Knowledge). 2004

[3] David. I. Cleland & Roland Gareis (2006). Global Project Management Handbook. Planning Organizing and Controlling International Projects. 2nd edition, McGraw-Hill Companies, pg xiii. Viewed on 2013-04-25.

[4] Philip W. McDowell (2011). Value-Driven Relationships: An Approach to Project Allignment. PMI Virtual Library.

[5] Kathleen B. Hass, Program Management Center of Excellence, the Cornerstone of Business Transformation, PMI Global Congress Proceedings, Colorado, USA. Visioning and Concept definition.

[6] Mathi, K. Master thesis MBA: International Business Management & Consulting. Title: Key success factors for Knowledge Management, pg : 9.

[7] Kandelousi, N., Sh. & A., Abdollahi, O., J. "Key Success Factors for Managing Projects". World Academy of Science, Engineering and Technology 59. 2011.

[8] Al-Ahmad, W., Al-Fagih, K., Khanfar, K., Alsamara, K., Abuleil, S., Abu-Salem, H. "A Taxonomy of an IT Project Failure: Root Causes. International Management Review. Vol.5 No.1 2009.

[9] Handayani, D., Abdullah, R., Abdulgani, M., A., Dahlan, A., R., A. "Critical Success Factors for IS Project Implementation in Malaysian Institutions of Higher Learning". Information and Communication Technology for the Muslim World (ICT4M), 2010 International Conference on, vol., pp.E40,E47, 13-14 Dec. 2010.

[10] The Malaysian Public Sector ICT Strategic Plan 2011-2015, Powering Public Sector Digital Transformation. 2011. MAMPU.

[11] Cockrell, C., McBurnett, D., Ellinger, A., D. "Transformational Organizational Changes as Projects: Exploring the Actions Taken by Project Managers when Leading and Implementing Change". University of Texas.

[12] Krigsman, M. (2009). Beyond IT Failure. http://www.zdnet.com/blog/projectfailures/7-fundamentals-of-it-project-success/5934

[13] Wideman, R., M."Total Project Management of Complex Projects Improving Performance with Modern Techniques". 1990.

[14] Mueller, L., Magee, M., Marounek, P., Phillipson, A. IBM IT Governance Approach Business Performance through IT Execution. www.ibm.com/redbooks

[15] IPMA (International Project Management Association). "Project Perspectives". The annual publication of International Project Management Association. 2011.

[16] Marchewka, J., T. Information Technology Project Management. 3rd edition. Pg 42

[17] Arokiasamy, L., Ismail, M., Ahmad, A., Othman, J. "Background of Malaysian Private ss of Higher Learning and Challenges Faced by Academics".Uluslararası Sosyal Aratırmalar Dergisi The Journal of International Social Research Volume 2 / 8 Summer 2009

[18] Spears & Barki/User Participation in IS Security Risk Management. MIS Quarterly Vol.34 No.3-Appendices/ September 2010.

[19] John P. Kotter. (2007). Leading Change: Why Transformation Efforts Fail. Harvard Business Review.

[20] Casse, P., Claudel, P. "Leadership styles: a powerful model. 2011.

[21] Customer Experience: From Strategy to Execution. EMC Corporation. 2012. www.EMC.com

[22] The AMA handbook of Project Management, 3rd edition. American Management Association. www.amanet.org

[23] Prabakhar, P. "Switch Leadership in Project: An Empirical Study Reflecting the Importance of Transformational leadership on project success across Twenty Eight Nations. PMI Press.

[24] Pinto, J., K. & Slevin, D., P."Critical Success Factors in Effective Project implementation".

[25] Samson, D., & Terziovski, M. (1999). The relationship between total quality management practices and operational performance. Journal of Operations Management, 17(4), 393–409.

[26] Silvius, G., Schipper, R., Panko, J., Brink, J.V.D., Köhler, A. "Sustainability in Project Management". Reviewed by William A. Scaly, Project Management Journal, Vol. 44, No. 2, 101.Project Management Institute Published online in Wiley Online Library (wileyonlinelibrary.com). 2013.

[27] Belassi,W., & Tukel, O. I. (1996). A new framework for determining critical success/failure factors in projects. International Journal of Project Management, 14(3), 141–151.

[28] Kivimaki, M., Lansisalmi, H., Elovainio, M.,Heikkila, A., Lindstrom, K.,Harisalo, R., Puolimatka, L. (2000). Communication as a determinant of organizational innovation. R&D Management, 30(1), 33–42.

[29] Swenson, J. (1999). Communication. In D. G. Langdon, K. S. Whiteside, & M. M. McKenna (Eds.), Intervention resource guide: 50 performance improvement tools (pp. 91–97). San Francisco, CA: Jossey-Bass.

[30] Hirst, G., & Mann, L. (2004). A model of R&D leadership and team communication: The relationship with project performance. R&D Management, 34(2), 147–160.

[31] Al-Tmeemy, S., M., H., Abdul-Rahman, H., Harun, Z. "Future criteria for success of building projects in Malaysia. 2010. ScienceDirect. International Journal of Project Management 29 (2011) 337-348.

[32] Creasey, T. Definition of change management: Helping others understand change management in relation to project management and organizational change.Prosci Research.

Author Profile

Ammy Amelia Faisal received her B.MM. (Honors) from Universiti Utara Malaysia in 2010 and currently she is doing M.IT. at Kulliyyah of Information and Communication Technology, International Islamic University Malaysia.

Cutifa Safitri received her B.CS (honoured) from International Islamic University Malaysia in 2011 and currently enrolled in M.IT at Kulliyyah of Information and Communication Technology, International Islamic University Malaysia.

Abdul Rahman Ahmad Dahlan is a Senior Academic Fellow at the Kulliyah of of Information and Communication Technology, International Islamic University Malaysia. Currently, he is the Deputy Dean, Corporate Strategy and Quality Assurance, International Islamic University Malaysia.