

International Journal of Agile Systems and Management

ISSN online: 1741-9182 - ISSN print: 1741-9174

<https://www.inderscience.com/ijasm>

Corporate agility: from functional to project-based organisations

Nuno Vasques, Leandro F. Pereira, Álvaro L. Dias, Raquel S. Martinho, Ana Harfunche

DOI: [10.1504/IJASM.2024.10062953](https://doi.org/10.1504/IJASM.2024.10062953)

Article History:

Received:	23 November 2023
Last revised:	12 January 2024
Accepted:	12 January 2024
Published online:	07 August 2024

Corporate agility: from functional to project-based organisations

Nuno Vasques

ISCTE – Instituto Universitário de Lisboa,
Av. das Forças Armadas,
1649-026, Lisboa, Portugal
Email: navso@iscte-iul.pt

Leandro F. Pereira and Álvaro L. Dias

BRU-Business Research Unit,
ISCTE – Instituto Universitário de Lisboa,
Av. das Forças Armadas,
1649-026, Lisboa, Portugal
Email: leandro.pereira@iscte-iul.pt
Email: alvaro.dias@iscte-iul.pt

Raquel S. Martinho*

WINNING Lab,
Alameda das Linhas de Torres,
N.º 152 – Escritório 14, 1750-149, Lisbon, Portugal
Email: raquel.silva.martinho@winning.pt

*Corresponding author

Ana Harfunché

ARSLVT
Av. dos Estados Unidos da América 77,
1700-179, Lisboa, Portugal
Email: ana.harfouche@arslvt.min-saude.pt

Abstract: The number of project-based organisations (PBOs) is increasing, as is the number of organisations trying to make the transition from functional to PBOs. The lack of information about this transformation is a problem for the organisations trying to change. This research demonstrates the importance of information for organisations to be able to analyse and make a conscious decision to transition to a PBO. Twenty interviews were conducted with professionals from different companies, with different roles and working in different fields of action, to better understand the relevance of the problem. Through a qualitative analysis, it was possible to conclude that most organisations are affected in their project efficiency, depending on the field of action in which they work and on their staff. To solve this problem, organisations should work on their characteristics to potentiate the cooperation and collaboration between the different areas in the organisation.

Keywords: corporate agility; PBOs; project-based organisations; functional organisations; agile; Pereira problem-solving; qualitative analysis.

Reference to this paper should be made as follows: Vasques, N., Pereira, L.F., Dias, Á.L., Martinho, R.S. and Harfunche, A. (2024) 'Corporate agility: from functional to project-based organisations', *Int. J. Agile Systems and Management*, Vol. 17, No. 3, pp.292–314.

Biographical notes: Nuno Vasques received his Master degree from ISCTE. He also holds a degree in Public Administration and a postgraduate degree in Sports Management and Marketing. He is also a skilled football player, having competed in various regional, national, and international competitions for clubs such as Sport Lisboa e Benfica, Foot 21, CAC da Pontinha, Sporting Clube Linda-a-Velha, and currently SF Damaiense. In addition to his academic and athletic achievements, He has gained professional experience as a scout and intern in sports events. He is a proactive and dynamic individual with excellent leadership, organisational, and teamwork skills. He is also committed to social responsibility and has volunteered for organisations such as the Banco Alimentar and the "Há sempre lugar para mais um" project.

Leandro F. Pereira is an Associate Professor at ISCTE-IUL and the CEO of WINNING Consulting. With over 20 years in academia and senior management in consulting, he holds a degree in Management Informatics from the University of Minho and a PhD in Management from the Pontifical University of Salamanca. Recognised with numerous awards, including Best National Manager by Best Team Leaders, he has an extensive publication record with over 200 indexed scientific papers and 10 edited books. He has also contributed to leading journals like the *European Journal of International Management*. He has mentored over 120 master's and 15 doctoral students and coordinates two international scientific projects.

Álvaro L. Dias is a Professor of Tourism, marketing and Entrepreneurship at ISCTE-IUL, Lisbon, Portugal. He holds two PhDs one in Management and Marketing and another in Tourism, and is a Researcher at BRU-Business Research Unit/ISCTE-IUL. Postdoctoral studies in Management, MSc in Strategy, and MBA in International Business. He has over 28 years of teaching experience. He has had several visiting positions in different countries and institutions including Brazil, Angola, Spain, Saudi Arabia, Poland, and Finland. He has produced extensive research in the field of Tourism and Marketing. His work has published *Int. J. of Contemporary Hospitality Management*, *Current Issues in Tourism*, *J. Sustainable Tourism*, *J. Brand Management* or *Bus. Process Management J.*

Raquel S. Martinho has a PhD in Biomedical Sciences from ICBAS – University of Porto in Portugal and an MSc. in Cell and Molecular Biology from the Faculty of Sciences – University of Porto, Portugal. She is a Senior Researcher and Consultant at WINNING Consulting in Lisbon, Portugal. Having several papers published in renowned journals, she is the main responsible for the scientific review and production at WINNING Lab.

Ana Harfunche is a prominent figure in health and innovation, serving since 2019 at the Administration of Regional Health and Vale do Tejo. As a hospital administrator, she has extensive academic qualifications, including a PhD in Social Sciences, and specialised training in health management and finance from renowned institutions like Harvard and Université de Lausanne.

Professionally, she led the Centro Hospitalar do Oeste, establishing a research center and transforming the institution's legal status. She played a significant role at the Instituto Português de Oncologia de Lisboa and served as an advisor in the Ministry of Health. Additionally, she is a guest professor at NOVA Medical School and has a substantial record as an educator and author in her field.

1 Introduction

Project-based organisations (PBOs) are organisations that are structured to work by projects. Projects have an associated period with a beginning and an end in opposition to the traditional companies. This is a new challenge for companies that are structured in a traditional format (Ekstedt, 2019).

In the management literature, PBOs are a well-known topic. The study papers on this topic examine how they are organised, how they operate, as well as the advantages and disadvantages of this methodology. To help people to better understand how it works in practice there are also case studies on the use of this approach in several industries where businesses work by projects (Söderlund and Sydow, 2019; Ekstedt, 2019; Dias et al., 2023). The majority of studies that already exists in this area are focus on engineering and consultancy companies where it is usual to work by projects because of how they are organised, the purpose of their business and the end product that they have to deliver (Wang et al., 2022; Barbosa et al., 2022; Löwstedt et al., 2018; Pemsel et al., 2018; De Toni and Pessot, 2021; de Rooij et al., 2019).

The research problem is the missing information about the transformation from the traditional organisations to the PBOs and the missing studies regarding PBOs in different industries other than consulting and engineering industries.

The number of PBOs is growing and the number of companies with a traditional structure that wants to change to a project-oriented business is growing as well (Auschra et al., 2019). The traditional organisations are starting to understand the benefits of working with projects and some of them are already transforming without information to understand if it works in their industry, the advantages, and the disadvantages of this method. For this type of companies, it could be a problem because they may not adopt, it can be a problem for the result of their productions or services delivery, it may affect their workers and the organisation of the company (Dias et al., 2023). With this information it could be possible for the organisations to understand and predict if a transformation is feasible or not, what is necessary to do in order to complete this transformation, what they can achieve with this information and what they may lose with it.

In this study we are going to try to understand what's the impact of the small amount of information regarding the transition from functional organisations is to PBOs. For this to happen we need to decompose the complexity of the PBOs and everything that can cause an effect on this organisations. First, in the literature review the understanding of four key topics in the PBOs are going to be studied. These four themes are: the PBOs, the organisational design, the organisational learning and leadership. With these four topics studied it is possible to understand the most common information abroad the PBOs. After

the literature review, information regarding the research and the methodology is shared. Finally, the discussion and findings will be presented using the analysis carried out during the study.

2 Literature review

2.1 Project-based organisations

The main characteristic of PBOs are the projects. Research by Söderlund and Sydow (2019) has shown that projects have deliberately limited time periods that make it possible for businesses and other people to flexibly manage their operations. This is the opposite of the traditional organisations that have channels with unlimited time (Gonçalves et al., 2023).

Projects are part of our private life, we use them in our daily basis without even notice and inside the organisations we register the same thing (Gemünden et al., 2018), in the case of PBOs we are looking for companies that uses projects as their principal method of work.

Inside this organisations it can be easier to achieve innovation because of the cross-functional teams with different people from different departments of the company with different mindsets and knowledge working together in order to solve problems and to create new things. In this case the organisation needs to be very agile, flexible and they need to have the project objectives aligned to the long-term goals of the company (Gemünden et al., 2018).

Löwstedt et al. (2018) identify project managers, top management, and middle management as key actors in the strategy development process. The top management team is important to define the strategic objectives of the organisation providing support and resources for the rest of the organisation in order to achieve these goals (Gustavsson, 2023). The middle management team have to transform these strategic objectives in actions and in several projects where the output contributes to the organisational objectives previously established by the top management. These actions and projects are delivered to the project managers where they gather a team with the resources available to complete the projects.

Project managers have a very important position in these organisations and the main function it is to coordinate the transfer of project information since projects usually include different people from diverse departments and areas in every team that at the end return to their positions on the organisation or move on to other projects (Barbosa et al., 2022).

In their research Wiewiora et al. (2020) they found that the knowledge and the learning about the new skills and the organisation in general is achieve with more accuracy in the PBOs. The collaboration and the communication between colleagues in projects give a better understanding of the whole organisation was also a very important factor in the study of Löwstedt et al. (2018) to achieve strategy development. The authors also find out that project complexity is a factor in the learning process by the workers that develop more skills and knowledge as the project becomes more complex. Technology became very useful to the companies to transfer knowledge and facilitate the learning between all the projects, teams and workers inside and outside the organisations (Motwani and Kataria, 2023).

The projects are utilised as instruments to achieve both internal and external ends, such as restructuring the internal structure or creating new goods. An increasing number of PBOs are supporting or substituting permanent organisations from the outside. These are businesses that focus on delivering projects across a range of industries (Lundin et al., 2015; Ekstedt, 2019). Auschra et al. (2019) and Pires et al. (2023) highlight some business areas where the PBOs are more common like the consulting business, the engineering business. They refer that these types of organisations are growing and expanding to other business areas (Batista et al., 2023).

The organisations want efficiency Wang et al. (2022) identify, in the PBOs, there are some factors that influence the organisations. The greatest challenges of this type of companies are how to produce the best products or deliver the best services possible with low costs, meeting the reduce deadlines that they promise to their clients creating another challenge that is to gain the confidence of their stakeholders (da Costa et al., 2020). They highlight the cultural, political, and social factors as possible problems to achieve this efficiency. In this case as solution, they propose several strategies inside the organisation to better use their resources like the utilisation of technologies and create network strategies between the organisation and the stakeholders. Improve contracts can be the key factor in these organisations to achieve the efficiency that the organisations are looking for, the fact that employees work in temporary projects gives the opportunity for the organisations to change the contracts from project to project to deliver the best depending on the type of project and from what the company pretends to achieve with it.

It is possible for everyone to see and study the positive aspects of the PBOs between the money that can be saved in the employees, the capacity to innovate, solve problems and achieve the corporate goals by the teams working in different projects. It is more difficult to understand the worst part of this organisations and that was the study of Locatelli et al. (2022) where the authors choose several real-life examples to prove it. The corruption inside the projects is one of the most important problems inside the project-based organisations. The authors gave as an example the Olympic games in Rio, one of the biggest scandals of corruption in the last years. The abusive behaviour from FIFA in the 2022 world cup in Qatar was another bad image for the PBOs that for a lower price had people dying to build the stadiums in the worst labour conditions imaginable. For these authors the complexity, uncertainty and ambiguity are some of the dimensions that organisations, with a special focus from the project managers, have to take into account.

2.2 Organisational design

Organisational design examines the causes, interactions, and effects of different organisational aspects, which are sometimes known as organisational design components or dimensions. The stream implicitly presupposes that management can, at least in part, influence these components toward accomplishing certain objectives (Turner and Mitrev, 2019).

The research of Aubry and Lavoie-Tremblay (2018) define organisational design as the organisation of resources and people with the main goal of achieve the expected results. They also draw some conclusions from their research as the importance of the information about the internal and external context of the organisation, the fact of the organisational design is always changing, and the continuation of the previous two conclusions that is the duration of the perfect organisational design that it is always

changing because it depends on several factors, and it is different for each company because it does not exist the ideal model.

For the organisational design evolve, the authors that work and study this theme often make references to the capacity of the organisations to learn with the experiences. Pemsel et al. (2018) gave special attention to the knowledge mechanisms and how they influence the organisations. In this study was a major focus in knowledge mechanisms for shifting, leveraging, and adapting. The shifting process normally occurs when exists a big alteration made by the top management team due to internal or external reasons. This provokes a shifting process along all the organisation like a reconfiguration of the structure, this can happen due to a change of the strategic objectives of the organisation or because of a new entry for the top management team as a CEO or a director. This alteration to the configuration of the organisation can bring new motivations for the employees as they see it as an opportunity to develop new skills and new ways of working.

For the leveraging the authors highlighted the project manager as the most important position to take into consideration, this type of knowledge mechanisms affects the learning thru the projects where is important to complete the project and get valuable innovative ideas for future projects. The learnings in this case are that the leaders are having some difficulties to find a balance between these two topics, this should be search proactively or reactively depending of the outcome of the project whether it was important to innovate in order to achieve the completion of the project or the incompleteness of the project led the project managers to find the problems to make sure that this does not happen again, in this second case is important that the project managers transfer this knowledge to the rest of the organisation to create an evolution. The organisations need to adapt, they must possess the flexibility to modify their knowledge governance processes to suit the particular requirements of each project. This can assist to guarantee that the methods and procedures for knowledge management are efficient in each unique setting.

The organisational structure of a company can have a big impact in the decision-making process (Joseph and Gaba, 2020), Turner (2020) identifies as key factors the culture of the organisation, the level of stakeholder involvement, and the degree of centralisation or decentralisation. A good governance can lead to a reduction of the impact of these factors to achieve good solutions for the projects and for the organisation's interests. For this to happen it is important for the project managers, the top managers, and other possible stakeholders in action to have a good knowledge regarding the organisation's governance structure, ensure that processes are transparent and accountable, try to achieve an involvement from several decision makers to get more perspectives about the existing questions leading to a collaborative organisation that can facilitate decision-making problems.

de Rooij et al. (2019) highlight as factors to make an impact in the organisational design of the organisations the uncertainty of the external environment of the company, the increment of the organisations and their complexity, an innovation strategy can also change the structure in order to search and take risks to find innovation and an opportunity strategy that is more reactive when comparing with the innovation strategy. In the study conducted by the authors it was possible to take some conclusions like some correlation with the performance management system of the organisations and the environment uncertainty.

Exists differences between the PBOs and the traditional organisations, Ekstedt (2019) concludes that the major difference is the time of work of the employees. In the traditional organisations the structure is more rigid so the daily basis it is very similar in terms of working hours, entrance and departure of the company and the daily tasks. Regarding the PBOs they are more flexible, exists organisation but it is different for every company, exists working hours but it is more flexible because there is a deadline to finish the project and the personnel can organised their own time.

2.3 Organisational learning

For the study of PBOs we need to consider the organisational learning of the companies. In terms of process first comes the acquisition, then the retention and in the end the memory retrieval (Barbosa et al., 2022).

Barbosa et al. (2022) refer in their paper that organisational learning is based on previous experiences, actions, and results and this depends on the structure that a company use and how it responds to their market. In this type of companies is more difficult to use the experience because it is easier to innovate and participate in new experiences. On the opposite side we have the companies with traditional functional structures that work on a long-term purpose with the same specific activities during the years, so it is easier to retain new useful information and used them in a long-term.

De Toni and Pessot (2021) highlighted the importance of organisational learning responding to the very complex projects. Organisational learning brings knowledge, experience, and culture to the organisations. We must understand that PBO's work with short-term temporary projects in every part of the organisation made by specific people that work together to reach a common goal (the efficiency of the project). The rate of turnover from one project to another is very high so it's difficult to retain some specific learnings (Barbosa et al., 2022). In companies that achieve the organisational learning find it easier to respond to complex projects, to innovate and to be more efficient (De Toni and Pessot, 2021).

The learnings can be achieved individually, from teams and projects, and from an organisational level as whole. The motivation from the employees, the communication from the top management teams and an easy access to information from technology or other platforms available inside the organisations as departments with all the learning materials from the company are important to a successful organisational learning (Wiewiora et al., 2020). In these organisations, new knowledge could be acquired from friends, from college, books, from experiences of other persons in the company, in the same industry (Barbosa et al., 2022).

2.4 Leadership

Scott-Young et al. (2019) says that project-centric organisations are increasing and with this the leadership and the management of the companies have to change. The fact that exists multiple projects with different objectives and in different scopes, with different people working in the company from the office, home, or the other part of the world origins a difficult task for the leaders to work without innovate. In this paper they refer the term shared leadership and give it a major importance in these types of organisations. With this shared leadership they are assigning more responsibility to all the workers evolved in the projects and withdrawing some responsibility from the leaders. They also

highlight the fact that are increasing practices and behaviours for team members instead of creating a centralised specific position with all the leadership roles.

Most scholars define leadership as a method of persuasion that one or several persons uses deliberate influence to shape the behaviour and interactions of others within a team or organisation. Some of them (see Table 1) also point out the fact the leadership should be spread across the organisation by the departments or the teams and by the persons who work on the daily basis for the companies (Daniëls et al., 2019).

Table 1 Identification of main topics and main issues

<i>Author, Year</i>	<i>Main topics (actual research)</i>	<i>Main issues (Future Research)</i>
Wang et al. (2022)	Efficient production and Legitimate power	Project goals and stakeholder satisfaction
Barbosa et al. (2022)	Corporate memory in PBOs	Analysis conducted in engineering companies
Löwstedt et al. (2018)	Strategy inside PBOs organisation	Analysis conducted in an engineering company
Pemsel et al. (2018)	Knowledge governance mechanisms in PBOs	Analysis conducted in typical PBO industries
De Toni and Pessot (2021)	Organisational learning from complex projects	Analysis conducted in a typical PBO industry
de Rooij et al. (2019)	Configurational approach to performance management in PBO	Analysis conducted in a consulting company
Wiewiora et al. (2020)	Organisational learning in PBOs	Limited feedback learning in one industry
Löwstedt et al. (2018)	Strategy in PBOs	Analysis limited to one industry
Daniëls et al. (2019)	Leadership	Leadership development
Scott-Young et al. (2019)	Leadership in PBOs	Not tested theoretical model
Ekstedt (2019)	Projects and challenges to traditional institutions	Transformation from traditional organisations to PBOs
Söderlund and Sydow (2019)	Challenges and opportunities in the use of projects in institutions	Fundamental issues were studied
Turner and Mitrev (2019)	Organisational Design of PBOs	Small sample of PBOs
Aubry and Lavoie-Tremblay (2018)	Organisational Design of PBOs	The reasons for the companies are organised in certain way

Source: Author

Zaman et al. (2020) brings the topic of the transformational leadership as a style of leadership towards the innovation. They highlighted this topic as way of leadership which provides a better environment to the organisation, to their employees and with the main goal of innovation and a good adaptation to the constant change of the internal and external factors of the organisations. With the transformational leaders bringing focus to their objectives, the desire to get the best performance possible out of them and from their employees, the motivation, and the inspiration to change and to create something new, they are creating space to a better work environment with good satisfaction from the people and with this a better performance outcome from the entire organisation.

Project managers are the leaders of the projects, but has they said they are actually the doers because they do not have time to think, create or innovate, they gathered a team to do what the clients want inside the company's expectations created by the top and middle management. In here the leadership focus is to motivate the team to achieve the goal of the project inside the specifications of the clients (Löwstedt et al., 2018).

3 Research methodology

3.1 Research context

The main problem identified in the literature review was the small amount of information regarding the transition from a company with a functional organisation to a PBO. It is possible to understand some of the advantages of the transition between both type of organisations, but it is not clear how to do it and if it is possible in every industry. To understand the main problems and impacts from this transition the problem-solving methodology will be used. This methodology gives an overall understanding of the problem, their impacts, the causes, a solution for the problem and the benefits brought by this solution (see Table 2).

Table 2 Identification of research questions and objectives

<i>Key Research Question:</i>		<i>What is the best solution to solve the problem</i>
<i>Main Issues (Author, Year)</i>	<i>Research Question</i>	<i>Research Objective</i>
1 Stakeholder satisfaction and Leadership development (Wang et al., 2022)	RQ1: What are the evidences of the problem existence	RO1: Understand the problem in detail/framing the problem
2 Small sample or study conducted in a typical PBO industry (Barbosa et al., 2022; De Toni and Pessot, 2021)	RQ2: What are the main impacts of the problem? RQ3: What is the problem trend?	RO2: Understand the main impacts of the problem. RO3: Understand the problem trend over the past-present.
3 Transformation from traditional organisations to PBOs (Ekstedt, 2019)	RQ4: What are the main causes?	RO4: Understand the real causes of the problem.
4 Companies and organisations issues (Söderlund and Sydow, 2019; Aubry and Lavoie-Tremblay, 2018)	RQ5: What are best solutions? RQ6: What are the main benefits of solving the problem?	RO5: Discover the best solution to solve the problem. RO6: Understand the main benefits of solving the problem.

Source: Author

For this research is going to be used the qualitative methodology in order to better understand the difference between the two types of organisations in the several industries. In order for this to happen it will be conducted in-depth interviews to answer the research questions.

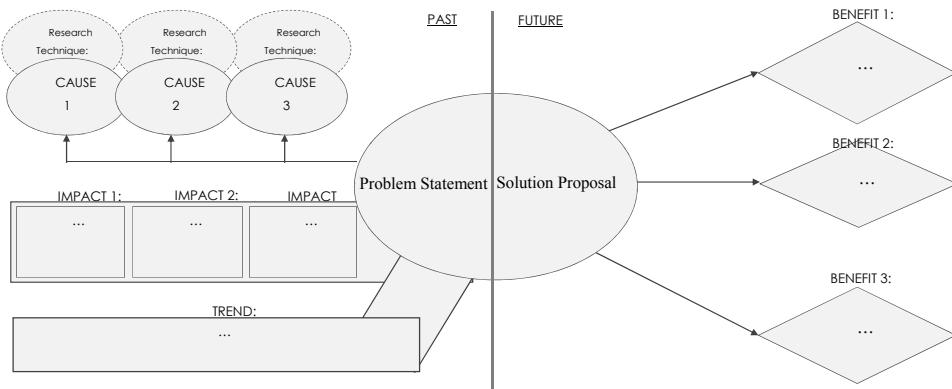
3.2 Research design

To understand the best solution for the problem, the 'Pereira Problem-Solving Research Methodology' was used (Figure 1). This model was complemented with a literature review based on documents following these criteria:

- i *Relevance to the research topic*: We selected sources that directly addressed the specific research questions and objectives of the paper. The literature should provide evidence and support for the claims made in the paper.
- ii *Currency*: We prioritised recent and up-to-date literature to ensure that the information presented is relevant and reflects the current state of knowledge in the field.
- iii *Credibility of the sources*: We selected sources from reputable journals or books that are recognised for their high quality and rigour.
- iv *Synthesis and integration*: We carefully reviewed the selected literature to identify key themes, findings, and arguments.

We then integrated these findings into my own analysis and discussion, demonstrating how our research contributes to the existing body of knowledge.

Figure 1 Pereira problem-solving research methodology



Source: Pereira et al. (2021)

Pereira Problem-Solving Research Methodology demonstrates the impacts, the causes, and the trends of this problem in the organisations and lead us to a possible solution and its benefits. The answers were given from managers from companies that are doing this transition or already done this transition. The answers were collected by scripted interviews.

These interviews were conducted with 20 different people from different companies and organisations to collect different opinions in order to achieve the best solution possible for this problem. The researchers used data saturation as the criterion for determining the sample size. Data saturation is the point in a qualitative research process where enough data has been collected to draw necessary conclusions, and any further data collection will not produce value-added insights (Guest et al., 2020). Therefore, the researchers did not specify an initial number of respondents, but continued to collect responses until they reached saturation, i.e., when the information from the interviews became redundant and no new insights emerged.

The interviews had the duration of 20 min each and were conducted online via Teams, digitally recorded with the consent of the participants to analyse the answers after the conversation. These interviews were carried out from August 3rd to September 18th. The questions were prepared before the beginning of the interviews to conduct the conversation to objective results. The script has 8 questions (see Table 3).

The first two are to understand the experience and the role in the organisation, the following question is to get to know the existence of the problem and the next five questions are to collect knowledge for the study. In the table above is presented the script of the interviews.

Table 3 Interview questions

<i>Projectification of the organisations</i>	
<i>Small amount of information regarding the transition from functional organisations to project-based organisations</i>	
Question 1	How many years of experience do you have?
Question 2	What is your role in the organisation?
Question 3	What are the evidences of the problem existence?
Question 4	What are the main impacts of the problem?
Question 5	What is the problem trend?
Question 6	What are the main causes?
Question 7	What are the best solutions?
Question 8	What are the main benefits of solving the problem?

Source: Author

4 Data analysis

In this chapter it will be presented all the qualitative analysis carried out regarding the questions made in the interviews. These analyses were made using the KH Coder 3 software and Excel and were presented in graphs created by me in different visualisation platforms.

4.1 Sample characterisation

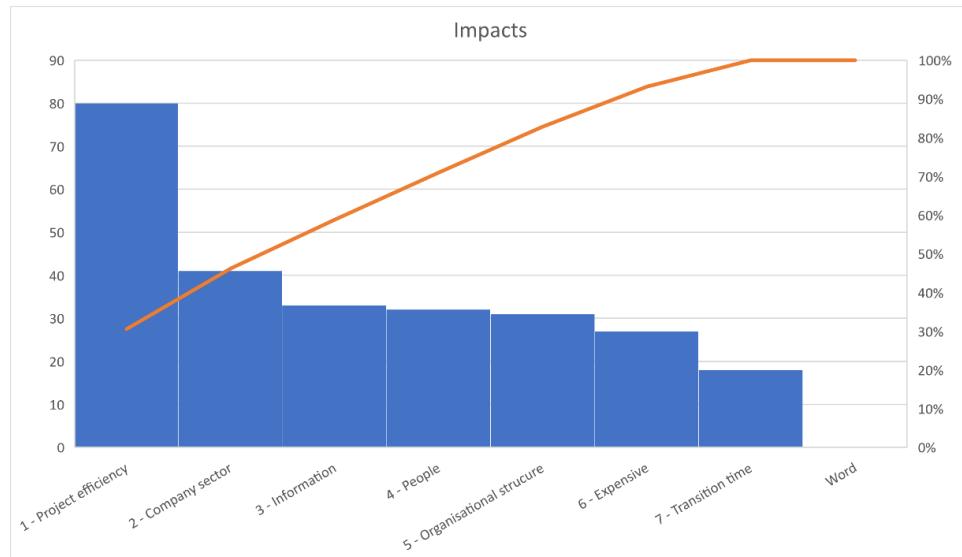
For this study 20 people were picked to be interviewed. They have different backgrounds, different roles in their organisations, different years of experience and the working model

(project oriented or business as usual) is different as well. This sample with various personalities and opinions is important to get more accurate conclusions where the answers are not equal or biased for having the same experiences and jobs.

4.2 Analysis of the impact of lack of information on organisations

The analysis of the impact of lack of information on organisations with a functional structure that want to do the transition to a PBO was made through a Pareto Chart.

Graph 1 Pareto chart (see online version for colours)



Source: Author

With this analysis we can observed that the biggest impact of not having information about the transition is the project efficiency where the major focus is the quality, the costs and the time that projects are made in the companies that are trying to do the transition. This first topic also includes the projects made to achieve the transformation of the organisation.

We can also understand the importance in the company's sector or industry, in here the lack of information have a direct impact on the viability of the organisations to do this transition depending on their area of working.

Lack of information impacts the information in general as predicted, impacts the people knowledge regarding their work, role and mission that can translate in people's happiness.

The organisational structure also suffers an impact because there's no information to do a transition.

The analysis shows us the impact of the small amount of information that exists on the costs (6 – Expensive) and in the transition time.

4.3 Analysis of the trend of lack of information on organisations

The trend of lack of information on organisations with a functional structure was analysed using a word cloud. This was made with an analysis of the word frequency through KH Coder 3.

Figure 2 Word cloud



Source: Author

As we can see from the word cloud analysis (see Figure 2) the words with more frequency are 'company' and 'project' which is not surprising because they are the major topics in this study. For this question in particular the meaning of this words is that it will exist more projects inside the organisations in the future.

The word ‘people’ is highlighted as well because it depends on them to create information for the future, to make this type of transitions and because the people in the future as we can see in the new generations want to work in high paced environments and by projects, so it is predictable that this is going to increase in the future.

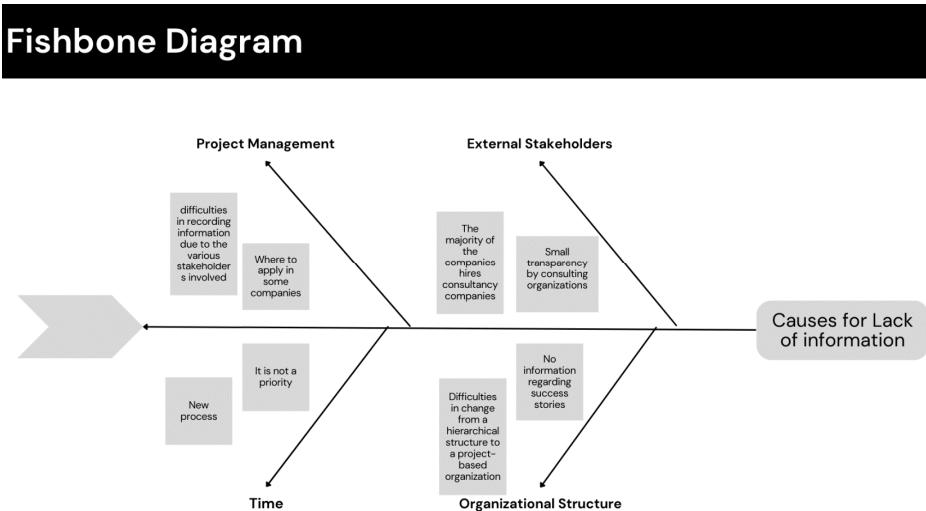
4.4 Analysis of the causes of lack of information on organisations

To analyse the causes of lack of information on organisations with a functional structure that want to do the transition to a PBO an *Ishikawa Diagram* was made (see Figure 3).

To understand this *Ishikawa Diagram* or *Fishbone Diagram* we must take into account the different positions of the main topics where time is the cause with smaller importance and the External Stakeholder are the topic with biggest importance to this theme.

This was calculated with the frequency of mentions using the KH Coder 3 software.

Time is one of the causes for the lack of information because this is a new process that the companies are trying to integrate in their organisations, so it is easily understandable that there is not a large enough sample on the market nor time to record this type of transformation. The registration of this information is not a priority as well and this contributes to the lack of information.

Figure 3 Ishikawa diagram

Source: Author

Project management is also one of the causes because the companies are including this type of working in their organisations. The contact with several stakeholders is something that difficult the recording of information, the small amount of people tailored to do these projects and the areas of the organisation where they can apply it is something that the organisations are trying to discover.

The organisational structure of the companies causes lack of information because organisations are having difficulties in losing this hierarchical organisation to transform into a PBO. This aligned to the lack of success stories makes impossible to register information until they create a good organisational method.

In this study the major cause to the lack of information was the External Stakeholders because they are owners of the information. Companies that try to do these transitions turn to consulting firms in order to achieve the expected goals. What we can conclude from this analysis is low transparency from this consulting firms and the small amount of studies made by the universities regarding this theme origins lack of information.

4.5 Analysis of the best solutions to the lack of information on organisations

To analyse the best solutions to solve this problem a Mindmap Diagram was created from several analysis made in the KH Coder 3 software that originate conclusions to create this diagram.

In this Mindmap Diagram we can observe the best solutions taken from the interviews carried out (see Figure 4).

These four main solutions are divided in two types of solution. In the left side the main solutions are from the organisations and from the people and they are the solution for companies that want to do the transformation without information, so this two does not solve the problem of lack of information directly but it gives an alternative solution for when the information does not exist. On the right side we have solutions from stakeholders and organisations that solve the problem directly.

Figure 4 Mindmap diagram

Source: Author

Starting from the left we have the people and to achieve this transformation without information the organisations need people with different backgrounds, with different and specific soft skills and with an open-minded thinking towards the change.

For the success of the transformation organisations need flexibility, communication, and transparency of the information and the objectives that they want to achieve.

In order to solve directly the problem, the most common solution was from the stakeholders like the universities and consulting companies that should create several studies regarding this topic.

Information sharing by the companies was another solution given by our interviewees where they should share success stories, failure cases and register all the information regarding this topic to share it afterwards.

4.6 Analysis of the benefits of solving the lack of information on organisations

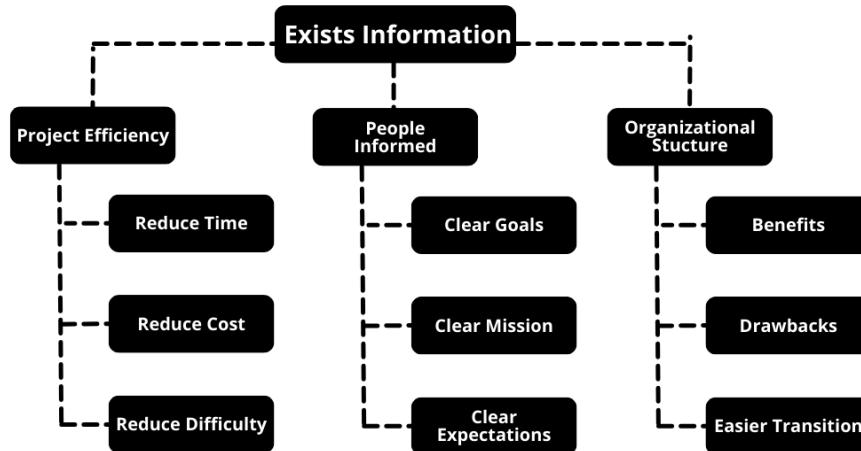
To understand the major benefits of solving this problem an analysis to the answers was conducted through the KH Coder 3 software and organised in a breakdown structure diagram.

In this Figure 5 we can see the three major benefits of solving the problem and why.

The first major benefit of solving this problem is the project efficiency. With information it is possible that the organisations can reduce time, cost and the difficulty to do the projects that they want to because they have access to the information of how to do it and what they need to achieve the expected goals.

The second benefit is the information in people. With information the organisations can give a clear vision to their workers of their expected goals and missions giving them a clear expectation of they have to do contributing to a better wellbeing and less surprises in the future.

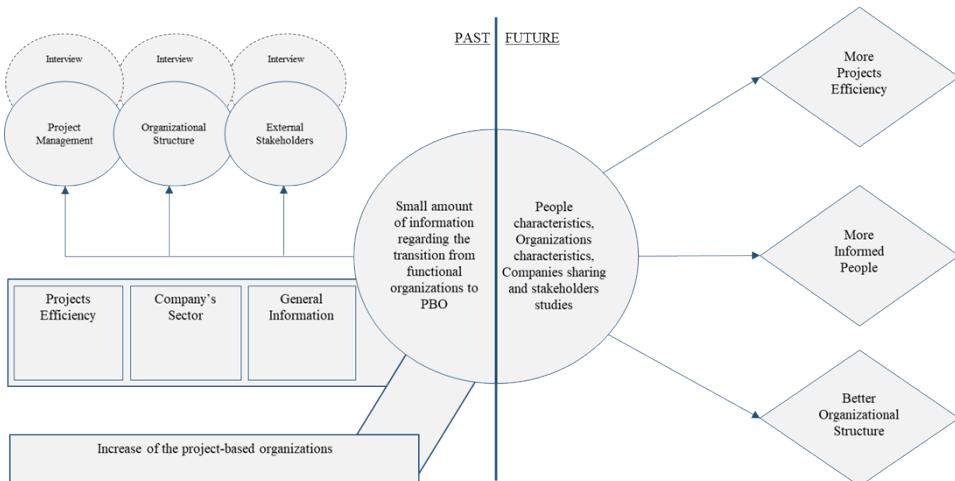
The last benefit is regarding the organisational structure where it is possible for the organisations to understand the benefits and the drawbacks of making this transformation contributing to a better a smoother transition.

Figure 5 Benefits breakdown structure diagram

Source: Author

5 Discussion and findings

In this section, it will be possible to understand the connection between the results of the conducted study and the literature shared in the second chapter (Literature Review) (see Figure 6).

Figure 6 Pereira problem solving “Findings” (see online version for colours)

Source: Adapted from Pereira et al. (2021)

In the first question that was analysed, “What are the main impacts of the problem?”, we conclude that project efficiency is the biggest impact that exists. This conclusion is evident because the small amount of information that exists difficult the best actions to take and the predictions regarding positive and negative outcomes in the future forcing

people to resort to trial-and-error actions to achieve the intended objectives. These actions will force the organisations to spend more money and more time to achieve their expected goals. As the research of Wiewiora et al. (2020) showed us that the knowledge and learning new skills is very important to achieve more accuracy and more efficiency but for this to happen, information regarding this topic is needed.

The second major impact is the company sector. This can be linked to the fact of all the information that exists regarding PBOs are in specific industries where the core business of the organisations is to work by projects (Wang et al., 2022; Barbosa et al., 2022; Löwstedt et al., 2018; Pemsel et al., 2018; De Toni and Pessot, 2021; de Rooij et al., 2019).

One of the biggest impacts are the persons, the lack of information is something that directly harms employees' daily lives because they do not have a concrete vision of their work, their responsibilities, their future, or the organisation's future. In here we can observe that communication, transparency, and knowledge is very important for the employees as Löwstedt et al. (2018) shared in their research.

“What is the problem trend?” was the following question where it was clear that the future involves more projects in companies as well as the people want to work by projects. This conclusion is in agreement with studies of Lundin et al. (2015), Ekstedt (2019), Auschra et al. (2019) that have shared that the PBO's are increasing in every sectors.

The next question analysed was “What are the main causes?”. The main causes found were the time, the project management, the organisational structure and the external stakeholders. Here the definition of time refers to the novelty and the recent wave of transformations in companies for this type of organisations, such as the fact that it is not a priority for companies to record this type of information.

Other main cause was the project management where translates in the difficulty to apply projects in certain industries and the difficulty to register information due to the high turnover of employees from project to project and the amount of information lost between them as we could understand in Barbosa et al. (2022) study.

Organisational structure is also a main cause of the lack of information because some organisations have difficulties to lose the hierarchical structure because of the loss of power by top management or due to some cultural or historical questions as it was possible to conclude from the interviews conducted. These conclusions are also explained in the studies of Joseph and Gaba (2020) and Turner (2020) where the change of the organisational design develops impacts in decision making processes and in the level of involvement of different stakeholders. The fact that does not exist success stories is something that also impacts directly in the information topic.

The main cause considered by the interviewees was the external stakeholders. Consulting firms are one of the types of organisations that work by projects (Lundin et al., 2015; Ekstedt, 2019) and help other organisations to achieve these transformations so they have the knowledge to document and publish but their small transparency does not allow other organisations to understand the work made by them and contributes directly to this lack of information.

For the question “What are the best solutions?” the conclusions were split in two. The first conclusions were made to respond to the need of organisations carry out this transformation without the necessary information to do so and the second conclusions were made to directly impact the inexistence of information creating it.

These first conclusions have a focus on the organisations and in the people. The organisations need to be flexible, transparent and with a clear and fluid communication between all the organisation in order to have success to achieve this transformation and work with quality by projects as was published by the following authors Gemünden et al. (2018), Löwstedt et al. (2018) and Turner (2020).

People working in these organisations need to be open-minded to the future, have different backgrounds with different experiences and develop soft skills to achieve a good transformation to a PBO as we can observe by the literature of Wiewiora et al. (2020), Löwstedt et al. (2018) and Pemsel et al. (2018).

Towards the conclusions that directly impact the lack of information we have as possible solutions the information sharing by the companies or by other stakeholders. The organisations should share success stories, failure cases and all the registered information regarding this topic and other stakeholders as universities or consulting organisations should create and share information regarding the transformations of organisations.

To answer the final question “What are the main benefits of solving the problem?” three benefits have emerged from the analysis and the first one is the project efficiency, where it is possible to conclude that exists a reduction of the costs, the time and the difficulty to achieve the expected goals. The second benefit is more information for the people of the organisation to give a clear mission, goals and what to expect contributing directly to employee’s happiness and satisfaction. The third and last benefit is for the organisational structure where it will be possible to understand the benefits and the drawbacks of the transformation. This is important for the organisations to evaluate their future and to understand whether the transformation makes sense. This also contributes to an easier and smoother transition.

Based on these results the proposed model contributes to organisational agility as follows. According to the proposed model, organisational agility can be enhanced by transforming the organisation into a PBO, which organises its activities around temporary, goal-oriented, and cross-functional projects, rather than permanent, function-based, and hierarchical units. This suggests that there are three main aspects that influence the success of this transformation: the organisational culture, the people, and the information sharing. The organisational culture needs to be flexible, transparent, and communicative, as these are the key elements of agile organisations. The people need to be open-minded, diverse, and skilled, as these are the characteristics of agile teams. The information sharing needs to be frequent, honest, and collaborative, as this is the way to learn from successes and failures, and to create and disseminate knowledge about the transformation.

The model also indicates that there are three main benefits of solving the problem of transforming the organisation into a PBO: the project efficiency, the employee satisfaction, and the organisational structure. The project efficiency refers to the improvement of the performance indicators of the projects, such as cost, time, and quality. The employee satisfaction refers to the enhancement of the motivation, engagement, and happiness of the project members and managers. The organisational structure refers to the understanding of the advantages and disadvantages of the PBO model, and the ability to evaluate and adjust it according to the changing needs and opportunities of the organisation.

Table 4 Contributions from the research

Author, Year	Main topics	Main theoretical/practical contributions
Barbosa et al. (2022)	Corporate memory in PBOs	The areas of action of organisations have an impact to work by projects
Löwstedt et al. (2018)	Strategy inside PBOs organisation	Communication and transparency are important for the employees
Wiewiora et al. (2020)	Organisational learning in PBOs	Information and knowledge increase efficiency
Löwstedt et al. (2018)	Strategy in PBOs	The number of PBOs will increase
Ekstedt (2019)	Projects and challenges to traditional institutions	The importance of information to transform

Source: Author

In the table presented (see Table 4) it is possible to understand the main contributions from the research made towards the studies from other authors in the management field. The fact that this study is related to the lack of information about this theme, the contributions made were more related to some equal conclusions from both studies.

Based on these results a link between PBO and agile organisations can be established. As mentioned, corporate agility refers to the ability of an organisation to quickly adapt to changing market conditions, customer demands, and technological innovations. It is a key source of competitive advantage in today's dynamic and uncertain business environment. One way that organisations can achieve corporate agility is by adopting a project-based approach to their work. PBOs can contribute to corporate agility in several ways. First, PBOs can foster innovation and creativity, as projects allow for more autonomy, experimentation, and learning among project teams. Second, PBOs can enhance responsiveness and flexibility, as projects can be initiated, scaled, or terminated according to the changing needs and opportunities of the organisation. Third, PBOs can facilitate collaboration and integration, as projects enable the sharing of knowledge, resources, and expertise across different functions, disciplines, and locations.

6 Conclusion

This study was created to understand the impact of the small amount of information regarding the transition from functional organisations to PBOs. This lack of information as well as the impacts of them in the organisations was showed in this study. The inexistence of information was found in the literature review where the gap of information regarding this topic is clear. To comprehend this subject 20 interviews were conducted with people with different years of experience, working in different organisations, in different sectors and with different roles inside their companies.

The impacts of this problem are evident in the efficiency of the projects carried out by the organisations as well as in the transition to PBO's. The sector of action of the organisation is also impacted if they work in other industries than IT, consultancy, and engineering. Lastly the general information between the organisations and their employees has a big impact because the uncertainty created around them.

The trend of this problem is the increase of PBOs.

The main causes of this problem are the current project management in the organisations, their organisational structure, and the small contributions of external stakeholders.

There were four solutions offered in this study and they were split in two. The first two are towards the organisations that make the transition without information and the other two solutions are to solve the inexistence of information regarding this topic. This first two solutions have a major focus on people and organisation's characteristics. The second pair of solutions have a bigger focus on shared information by companies and other stakeholders.

The benefits of solving the problem are the increase of projects efficiency, the increase of information of the employees and a better understanding of the best solution for the organisational structure of the companies that are trying to do this transformation.

With this study was possible to understand the gap in the literature, the impacts of this gap in organisations, possible solutions to solve this issue and the benefits of solving the problem.

For the future is important to follow the increase of information published regarding this topic, to do some business cases in organisations that are doing or trying to do these types of transitions, work together with several organisations from different sectors of action to register their transition, and to better understand the viability of the PBO's in every sector.

7 Limitations

This study has presented some limitations during the elaboration process. Firstly, regarding to the problem, this was not a subject for some people that does not work with projects, in an organisation that do not want to make this transition or if they are not in a strategic position of their organisation.

Next, the small number of interviews carried out in this study gave an expected conclusion for this work but with a bigger sample maybe the results would have been different.

This is a difficult subject to talk about, so it was very difficult to clearly explained the questions and the purpose of the study. This had a direct impact on some of the interviews made.

The data analysis was made with KH Coder 3 software and some of the questions were difficult to analyse and to take relevant conclusions because of the different words used by the interviewees that wanted to say the same information.

Finally, 19 out of 20 interviewees work in Portugal so the answers given were based on Portugal's reality.

References

- Aubry, M. and Lavoie-Tremblay, M. (2018) 'Rethinking organizational design for managing multiple projects', *Project Management Journal*, Vol. 36, No. 1, pp.12–26.
- Auschra, C., Braun, T., Schmidt, T. and Sydow, J. (2019) 'Patterns of project-based organizing in new venture creation: projectification of an entrepreneurial ecosystem', *International Journal of Managing Projects in Business*, Vol. 12, No. 1, pp.48–70.

- Barbosa, L.C.M., Carvalho, R.B., Choo, C.W., Versiani, Â.F. and Pedron, C.D. (2022) 'Corporate memory dynamics in project-based organizations (PBOs): multiple case study in Brazilian engineering design firms and a framework proposal', *The Learning Organization*, Vol. 29, No. 4, pp.297–316.
- Batista, F., Pereira, L. and da Costa, R.L. (2023) 'Enterprise agile transformation', *International Journal of Agile Systems and Management*, Vol. 16, No. 2, pp.179–204.
- da Costa, R.L., Pereira, L.F., Dias, A.L. and Gonçalves, R. (2020) 'Engage customers in co-creation: is critical for projects success', *Journal of Modern Project Management*, Vol. 8, No. 2, pp.65–73.
- Daniëls, E., Hondeghem, A. and Dochy, F. (2019) 'A review on leadership and leadership development in educational settings', *Educational Research Review*, Vol. 27, pp.110–125.
- de Rooij, M.M.G., Janowicz-Panjaitan, M. and Mannak, R.S. (2019) 'A configurational explanation for performance management systems' design in project-based organizations', *International Journal of Project Management*, Vol. 37, No. 5, pp.616–630.
- De Toni, A.F. and Pessot, E. (2021) 'Investigating organisational learning to master project complexity: an embedded case study', *Journal of Business Research*, Vol. 129, pp.541–554.
- Dias, Á., Patão, C., Pereira, L., Costa, R. and Gonçalves, R. (2023) 'Workforce agility: how to manage knowledge and innovation in a remote work environment', *International Journal of Agile Systems and Management*, Vol. 16, No. 2, pp.145–178.
- Dias, Á., Patão, C., Pereira, L., Costa, R. and Gonçalves, R. (2023) 'Workforce agility: how to manage knowledge and innovation in a remote work environment', *International Journal of Agile Systems and Management*, Vol. 16, No. 2, pp.145–178.
- Ekstedt, E. (2019) 'Project work, a challenge to traditional work life institutions', *International Journal of Managing Projects in Business*, Vol. 12, No. 2, pp.267–281.
- Gemünden, H.G., Lehner, P. and Kocke, A. (2018) 'The project-oriented organization and its contribution to innovation', *International Journal of Project Management*, Vol. 36, No. 1, pp.147–160, <https://doi.org/10.1016/j.ijproman.2017.07.009>
- Gonçalves, R., da Costa, R.L., Pereira, L., da Silva, R.V. and Teixeira, N. (2023) 'Agile applications of artificial intelligence to apparel industry', *International Journal of Agile Systems and Management*, Vol. 16, No. 4, pp.429–457.
- Guest, G., Namey, E. and Chen, M. (2020) 'A simple method to assess and report thematic saturation in qualitative research', *PloS One*, Vol. 15, No. 5, p.e0232076.
- Gustavsson, T. (2023) 'The impact of agile coordination practices on conditions for successful coordination', *International Journal of Agile Systems and Management*, Vol. 16, No. 3, pp.347–367.
- Joseph, J. and Gaba, V. (2020) 'Organizational structure, information processing, and decision-making: a retrospective and road map for research', *Academy of Management Annals*, Vol. 14, No. 1, pp.267–302, <https://doi.org/10.5465/annals.2017.0103>
- Locatelli, G., Konstantinou, E., Gerald, J. and Sainati, T. (2022) 'The dark side of projects: dimensionality, research methods, and agenda', *Project Management Journal*, Vol. 53, No. 4, pp.367–381.
- Löwstedt, M., Räisänen, C. and Leiringer, R. (2018) 'Doing strategy in project-based organizations: actors and patterns of action', *International Journal of Project Management*, Vol. 36, No. 6, pp.889–898.
- Lundin, R.A., Arvidsson, N., Brady, T., Ekstedt, E., Midler, C. and Sydow, J. (2015) *Managing and Working in Project Society: Institutional Challenges of Temporary Organizations*, Cambridge University Press, UK.
- Motwani, J. and Kataria, A. (2023) 'Organisation agility: a literature review and proposed conceptual framework', *International Journal of Agile Systems and Management*, Vol. 16, No. 1, pp.82–123.

- Pemsel, S., Söderlund, J. and Wiewiora, A. (2018) 'Contextualising capability development: configurations of knowledge governance mechanisms in project-based organizations', *Technology Analysis and Strategic Management*, Vol. 30, No. 10, pp.1226–1245.
- Pereira, L., Santos, R., Sempiterno, M., Costa, R.L.d., Dias, Á. and António, N. (2021) 'Pereira problem solving: business research methodology to explore open innovation', *Journal of Open Innovation: Technology, Market, and Complexity*, Vol. 7, p.84.
- Pires, R., Pereira, L., Dias, Á., Gonçalves, R., Costa, R. and Silva, R. (2023) 'The agility challenge during organic growth', *International Journal of Learning and Intellectual Capital*, Vol. 20, No. 3, pp.310–333.
- Scott-Young, C.M., Georgy, M. and Grisinger, A. (2019) 'Shared leadership in project teams: an integrative multi-level conceptual model and research agenda', *International Journal of Project Management*, Vol. 37, No. 4, pp.565–581.
- Söderlund, J. and Sydow, J. (2019) 'Projects and institutions: towards understanding their mutual constitution and dynamics', *International Journal of Project Management*, Vol. 37, No. 2, pp.259–268.
- Turner, R. (2020) 'How does governance influence decision making on projects and in project-based organizations?', *Project Management Journal*, Vol. 51, No. 6, pp.670–684, <https://doi.org/10.1177/8756972820939769>
- Turner, R. and Miterev, M. (2019) 'The organizational design of the project-based organization', *Project Management Journal*, Vol. 50, No. 4, pp.487–498.
- Wang, R., Lu, W. and Wei, Y. (2022) 'Project-based organizations' pursuit of production efficiency and legitimate power: an institutional perspective', *Project Management Journal*, Vol. 53, No. 3, pp.295–308.
- Wiewiora, A., Chang, A. and Smidt, M. (2020) 'Individual, project and organizational learning flows within a global project-based organization: exploring what, how and who', *International Journal of Project Management*, Vol. 38, No. 4, pp.201–214.
- Zaman, U., Nawaz, S. and Nadeem, R.D. (2020) 'Navigating innovation success through projects. role of CEO transformational leadership, project management best practices, and project management technology quotient', *Journal of Open Innovation: Technology, Market, and Complexity*, Vol. 6, No. 4, p.168.

Websites

- <https://doi.org/10.1016/j.edurev.2019.02.003>
<https://doi.org/10.1016/j.ijproman.2017.05.012>
<https://doi.org/10.1016/j.ijproman.2018.05.002>
<https://doi.org/10.1016/j.ijproman.2019.01.001>
<https://doi.org/10.1016/j.ijproman.2019.02.002>
<https://doi.org/10.1016/j.ijproman.2019.03.002>
<https://doi.org/10.1016/j.ijproman.2020.03.005>
<https://doi.org/10.1016/j.jbusres.2020.03.027>
<https://doi.org/10.1017/CBO9781139939454>
<https://doi.org/10.1080/09537325.2018.1459538>
<https://doi.org/10.1108/IJMPB-01-2018-0007>
<https://doi.org/10.1108/IJMPB-02-2018-0033>
<https://doi.org/10.1108/TLO-12-2020-0226>

<https://doi.org/10.1177/8756972819859746>
<https://doi.org/10.1177/87569728221087156>
<https://doi.org/10.1177/87569728221103911>
<https://doi.org/10.3390/joitmc6040168>
<https://doi.org/10.3390/joitmc7010084>