
Book Review

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**Organizational Project Management, Theory and Implementation,
Elgar Introduction to Management and Organizational Theory
by: Ralf Müller, Nathalie Drouin and Shankar Sankaran
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Organisational project management (OPM) is the integration of the primarily project: (management) related activities of an organisation into a cohesive network of activities which, by themselves and in their interactions, can be understood, planned and managed for the benefit of the organisation and its stakeholders (Müller et al., p.11). The integration includes various layers such as strategic decisions, business decisions, their management and their implementation. OPM addressed the systematisation in the selection process of the best projects for the organisation and using the appropriate ways of managing these projects to maximise benefits through theories and philosophy. The book starts with describing the development of OPM and the onion model to develop the fundamental knowledge that are go through the whole content of the book.

The existing and smooth integration of OPM is important for organisations aiming for efficient and economic delivery of their products or service. This book is an introduction to main theories in management, organisational behaviour and organisation studies. This book is broken into three parts which includes the OPM model, theories and the OPM model, and the implementation and applications of the OPM model. The book encloses 15 chapters with detailed explanations of models and definitions.

The OPM model

Chapter 2 describes various forms of organisations based on their organisational philosophy. The chapter is structured by first introducing the concepts of organisational philosophy, organisational design and stakeholder theory, then discussing the three elements of the organisational philosophy layer of the onion model. Organisational philosophy might result in three types of organisations, and those are process-oriented organisation, project-oriented organisation and project-based organisation.

Chapter 3 introduces the OPM approach layer which describes implementation decisions that involve in whether an OPM office should be established to manage the way project management (PM) is conducted within an organisation. It begins by introducing the multi-project approach utilising the multi-product strategy. It addresses strategy based on a PM to balance efficiency and effectiveness.

Chapter 4 presents the OPM governance. OPM governance is a subset of corporate governance defined as process through which organisations are directed, controlled and made responsible for the rights and wishes of their stakeholders. A good governance is based on four principles: transparency, accountability, responsibility and fairness. These principles link all governance levels from the corporate to the individual. The OPM governance layer is located between the OPM approach layer and the OPM governance layer of the onion model.

Business integration

Chapter 5 concentrates on the business integration layer and is structured by first discussing the portfolio strategy, portfolio management, portfolio optimisation (3Ps), and the benefits. It explains the link between an organisation's strategy and its projects to illustrate how 3Ps contribute to the delivery of the organisation's strategy. In this layer, decisions are made to deliver organisational objectives. In addition, it is concerned with the benefits realisation by creating a process for managing these potential benefits. The elements discussed in the business layer play an important role that connects with elements in other layers discussed before and after.

Chapter 6 brings forth the organisational integration element, and discusses specific forms such as projects, programs, megaprojects, and their integration into an organisation. These organisational elements bring together resources from across the organisation to focus efforts to deliver positive benefits for the organisation. The chapter describes rules, standards and procedures within these elements to successfully deliver these organisational objectives. Projects are tools for organisations to deliver value and gain competitive advantage. Programs are temporary organisations that are integrated into organisational activities. Megaprojects are large-scale, typically complex ventures that are high in costs and involve a large amount of people.

Project governance and PM

Chapter 7 outlines project governance, the chapter begins by pointing out the connections between corporate governance and project governance, then details management theories such as the agency theory which deals with the principle and agent relationships. The chapter briefly explains the relations between parties in a project of all three types of the organisations. The second theory is stewardship that emphasises collective, pro-organisational, contractual behaviour where a higher value is placed on goals as oppose to self-interest. The final theory of interest within this outline is transaction cost economics which applies when dealing with a contract between a project owner and a project manager. It briefly ties everything together by recalling key aspects from Chapter 4, such as governance models and governance paradigms.

Chapter 8 discusses the PM layer located in the centre of the model, within project governance. PM is both management and leadership, and the chapter discusses standard techniques and practices within PM as well as leadership styles in project life cycle.

Resource-based theory and OPM

Chapter 9 deals with resource-based theory and OPM. The resource-based view (RBV) is important resources and capabilities for understanding the source of sustained competitive advantage. This chapter portrays OPM as an organisational resource and process created to build a competitive advantage, whose value is determined through the interactions and relationships of the project. The chapter also discusses RBV, and

provides a connection between OPM and RBV to point out a sustainable competitive advantage by coordinating and fostering collaborations between the OPM elements.

Institutional theory and OPM make up Chapter 10. Institutional theory is useful to understand how organisations are established in the environment and how well they can adapt to change and grow at the same time. Institutional theory helps to understand how permanent organisations achieve their objectives through a functional structure, so that it is closely related to the process-based organisations and project-oriented organisations. It begins with explaining three different types of isomorphism and three elements of institutional theories. This theory sheds light on issues faced in PM from a cognitive aspect in which projects are carried out, and provides an additional understanding of stakeholders and their great deal of influence.

A theory of the OPM model

Chapter 11 describes the theories of the OPM model. The onion layers of the model are characterised by the relationships between their elements. They are mutual, each set of elements forms the governance of the next layer. According to the book, *The OPM Theory is Based on a Governmentality Perspective and has Identified the Nature of the Relationships within Layers* (Müller, p.237). The governmentality connects governance layers in the OPM model. It also describes the relationships between the OPM elements those within the layer. *The Interaction between Layers used the Existing Constructs of Visibility, Episteme, Identification and Precept to Explain the Internal Functioning of the Model* (Müller et al., p.238). The chapter explains building blocks of visibility, technique, episteme, identification and precept from the governmentality theory, and then connects with the development of a theory of communication and synchronisation of elements and layers of the OPM model.

Applications of the OPM model

The following two chapters are two separate case studies in relation to the OPM model. The first case study described in Chapter 12 is about the application of the OPM model to an energy company. The company is located in Canada, and its projects are mostly megaprojects. This case identifies OPM and the management of megaprojects, and illustrates how each layer and its specific elements interact to structure the OPM. This case shows how the initial philosophy of all three types of organisations is connected to the setup of each of the OPM model layers and elements.

The second case study described in Chapter 13 is about the application of the OPM model to a government department for a public service. To be specific, it is OPM in an organisation for public good which emphasises the bundling of similar projects with a program that can help in managing interrelationships, risks, and changes across projects. It shows the value of using a systematic approach which utilises the layers of the OPM model to successfully achieve projects even though there are some difficulties with decision making process. Also, the chapter suggests a simpler version of OPM elements, and then adds more elements from the higher layers of OPM to deal with current issues that are closely related to the OPM model.

OPM assessment and designing OPM systems

Chapter 14 is about OPM assessment. This chapter describes the development of the OPM model and its layers. It also discusses the role of theory within the model and the

role it plays for existing organisational theories. It looks into ways to apply the OPM model to existing organisations and what can be learned by implementing these theories. The OPM model helps us understand how organisations run project functions internally when they identify, select, authorise and run their projects efficiently and effectively through their organisational system (Müller et al., p.260). The result of the OPM assessment allows theorising implementation which can be applied to various types of organisations worldwide.

Chapter 15 describes the designing of OPM system. Similar to the model, the system provides layers, and each layer governs the next lower layer and so on. The OPM system consists of five sub-systems that include operations, coordination, audit, control, intelligence, and policy. The chapter goes on to outline these sub-systems in detail. The chapter explains system thinking from a systems theory perspective, and the relationship between Value stream mapping and the OPM model layers. This eventually leads to the guideline of designing the characteristics of individual OPM layers and the OPM system as well.

Overall this book contains a wide array of theories and processes. On an organisational level, the information in this book is useful for implementing PM workshop as well as designing OPM systems.