On Goals, Planning and Performance:  
New Perspectives in the Field of Project Management

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Abstract

In spite of not being theoretically approached for so long, the field of project management has been attracting an increasing interest. Much literature has been published in the area, normally presenting a prescriptive/normative view, in which projects are developed through a linear process involving, with a few exceptions or variations, the phases of definition, planning, execution and termination. Nevertheless, experience shows that in practice things are not so simple as they seem to be. The purpose of this paper is to consider ‘goals’ and ‘planning’ in relation to performance and the final results of projects as a whole. The study analyses traditional approaches in project management literature in comparison with recent advancements in the field, especially the ones resulting from investigations conducted by the Scandinavian School of Projects Studies. According to their view, project execution is a journey of knowledge creation and seldom a process of implementation. Goals and planning are part of this journey, and the way these aspects are perceived and dealt with impacts tremendously the final outcomes in the project context. The study considers the implications involved in these issues.

1. Introduction

Certainly, project management has been attracting an increasing interest of many people and organizations. A quick search for “project management” in Google takes less than one second to present over 5,2 million hits on the theme.1 In Amazon.com, the same search takes about an equivalent time to get 6,680 results in books, 157 different software, and hundreds of other results on materials, ranging from videos and magazines subscriptions to scientific and medical supplies.2 From a new and not so simple management tool used in the early forties in weapon systems development (Morris, 1994 and Engwall, 1995, in Blomquist & Söderholm, 2002) the concept has spread in such a way that it is difficult to understand why it took so long for projects to start being theoretically approached.

In fact, it is not new that projects have existed for thousands of years; and so has the so-called area of project management. Is it possible to imagine Egyptians building the pyramids without a project or without management? What about the Chinese with their Great Wall? Even the Bible narrates various stories of undertakings that can be easily identified with today’s projects (e.g. Noah’s boat, Solomon’s temple). They were temporary, had definite plans, budgets, and even managers! And though not much information is available, it is known that their purposes were achieved.

Within this perspective, maybe the most important achievements in the area of project management at present are exactly to be recognized as an established field in its own, and to have the notion of ‘projects’ changed in such a way that projects are today present in everyone’s life. According to Blomquist & Söderholm (2002, p. 38), “now, nearly anyone can call himself a project manager, and the smallest of tasks can be called a project”. In fact, as Bengtsson & Eriksson (2002) see them, projects have become a part of our society, as a planning tool as well as an organizational system.
During last years many researches have been developed within the field of project management resulting in a lot of literature published in the area. However, most of it presents a normative approach to the topic (Sahlin-Andersson & Söderholm, 2002; Engwall, 2002; Lindkvist & Söderlund, 2002) in the form of recipes in which projects are developed through a linear process involving, with a few exceptions or variations, the phases of definition, planning, execution and termination (Field & Keller, 1998; Lewis, 2001; Duncan, 1996).

Nevertheless, the ones who have experienced the work in a real project can easily notice that things are not as simple as they seem to be. The processes are not so linear nor the phases so well defined. In fact, many seemingly well-defined and planned projects happen to miss (or apparently miss) their goals, or require extra time or money to reach them. I myself, in a couple of years of involvement in different projects, have asked a couple of times: “What went wrong this time?” or “What should be done differently?” “What can we take from this experience to the next?” In some occasions there was a feeling that more effort should have been put in the earlier phases of ‘definition’ and ‘planning’; a feeling that clearer goals or better plans could have impacted differently, i.e. positively, the team performance.

From these considerations emerge the purpose of this paper: to describe state-of-the-art research in some of these themes, as presented by Sahlin-Andersson & Söderholm (2002) in the book, Beyond Project Management. The focus of the study is ‘goals’ and ‘planning’, and their relation to performance and the final results of projects as a whole.

2. Methodology

2.1 Problem Definition

The starting point of the study was the identification of an area that, though largely approached from a theoretical perspective, still presents some blurred aspects when it comes to a practical experience. From literature review it can be observed that a considerable number of books, articles and other publications consider the themes of ‘goals’ and ‘planning’ from a prescriptive and normative viewpoint. In practice, these perceptions seem not to be enough to demonstrate all that is involved in these issues.

Therefore, the research questions for the study are:

- How are ‘goals’ and ‘planning’ related to performance in the field of Project Management?
- Are there any emerging perspectives on these topics besides the traditional prescriptive and normative viewpoints?

2.2 Choice of Method

The selected method in any research will resemble choices previously made in terms of problem and purpose, initially, and design/methodology, subsequently. According to this viewpoint it was selected a qualitative approach for the study, which is in line with its phenomenological orientation. Besides having as a purpose to seek a deeper understanding of an existing phenomenon – the influence of goals and planning on the performance of projects – the study does not intend to arrive at its conclusions by means of statistical methods or quantitative procedures.
While it would also be possible to achieve deep understanding of such a subject through a research design developed from a positivist perspective and using quantitative data, in this specific case it does not seem to be, at least initially, the most adequate approach. Though the use of a quantitative method would allow a formal measurement of data, and not only a subjective registration and interpretation of observations, it would also normally require the use of large samples (or many observations), as well as the use of statistical analysis techniques (Davidsson, 1997).

The research is structured as a theoretical study that will discuss concepts that cannot be easily translated into numbers. In such cases qualitative research methods are considered to be more appropriate. They can be more useful in deriving meanings, elaborating concepts and definitions or describing things. According to Ghauri, Grønhaug & Kristianslund (1995, p. 84) qualitative methods are “a mixture of the rational, explorative and intuitive, where the skills and experience of the researcher play an important role in the analysis of data.” Furthermore, qualitative approaches are of a more explorative nature and allow certain degree of flexibility, features also interesting and desirable in this case.

The point of departure for the study was the existing literature in the field of Project Management. Besides playing its part in the selection of the theme, the theoretical approach also played a major role in the research project as a whole. Although every research gives a crucial importance to the theoretical basis, not all of them have in the theoretical perspectives its main focus as in the present case. Therefore, an investigation of a broad range of literature in the subjects of interest was conducted in an attempt to grasp a deeper understanding of the main issues involved. It included general literature in the field, course books, scientific articles and research reports. The traditional approaches in project management literature were considered in comparison with the results from recent investigations in the field, especially the ones carried out by the Scandinavian School of Projects Studies, as presented in the book Beyond Project Management.

In section 3 the traditional view on both topics, i.e. goals and planning, is introduced, followed by one independent section in each of those themes presenting some considerations on the new perspectives regarding them (sections 4 and 5). In section 6 some considerations on performance are made in order to consider the existing implications on these issues. At the end, conclusions are drawn connecting the theoretical discussion with some practical perspectives.

3. Traditional Theoretical Approach

3.1 Goals

The notion of ‘goal-setting’ is closely related to projects. Its importance is irrefutable and the traditional literature in project management addresses it in a very strong way. Turner (2000) points out that up to the mid-1990s it was thought that every project has well-defined goals. He mentions that some people believed that, in fact, projects did not exist until goals were defined in an appropriate way. Even the Association for Project Management, in its Body of Knowledge, defined a project in terms of well-defined goals. As a result of this perception, books on goal-oriented project management have been written (Andersen, Grude & Haug, 1998; Jones, 1993) and this approach has also been presented as a management philosophy in the field of project management (Center for Project Excelence/Euroconsult, Oslo).
According to Field & Keller (1998) goals are established in the early stages of project definition. Their connection with the controlling activities in a project is direct and clear. In fact, goals are the parameters against which the project manager(s) will evaluate project performance in order to, as suggested by Meredith & Mantel (1989, in Field & Keller, 1998, p. 271) reduce “the difference between plan and reality”. In this sense goals can also be seen as milestones that allow measurement of progress, or the control of the project as an enterprise (Cleland, 1998).

In Field & Keller’s (1998) model for the project life cycle the first phase constitutes the defining phase. As suggested by the name, in this phase the problem is identified and analyzed. It is not always the case that there is a problem. There could also be a need for a new product or service, but what is important to emphasize here is that after this preliminary analysis, the overall goal of the project is established. The goal or goals need to be defined in such a way that all the people working in the project should be able to easily capture its overall purpose.

Reid (2000) says that the goals of a project must be aligned with the scope of the project as well as the organization-wide goals. Goals function as benchmarks for which the project sponsors and other stakeholders will hold the team accountable. For him the goals should be aligned to:

- Organizational measures for return on investment and profits;
- Team qualitative and quantitative goals in order to evaluate the project outputs;
- Individual goals that allow an evaluation of the results attributable to team members.

Shenhar (1999) acknowledges that every project is initiated with a defined purpose. Yet, he points out that many of them still fail because of unclear mission statements or inadequate project goals. For these reasons, and in line with the traditional view on the topic, he supports the development of a well-defined project strategy in which goal and mission definition should receive careful attention along with competitive advantages and success measures. Additionally, mission and goals should be “well articulated, clearly stated and shared and supported by everyone” (Shenhar, 1999, p. 384).

According to Reid (2000), goals are likely to be related to the critical success aspects that have been arranged with the client. Project managers must ensure that the goals, when translated into practical objectives, are SMART, or even SMARTIES (Figure 01).

Commenting the traditional approach on project management Lindkvist and Söderlund summarize the general perception on goals with the following words (Lindkvist & Söderlund, 2002, p. 280):

“The basic assumption of such a view [the planning-oriented view as presented by PMI] is thus that project success is very much a matter of establishing clear, operational goals in the first phase and plans including breakdown and specifications of activities in the second phase. If these two pre-execution phases are well managed the actual project work will run smoothly and predictably”.

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3.2 Planning

In a general way planning can be defined as the process of setting goals, developing strategies, and outlining tasks and schedules to accomplish the goals. From a project management perspective the Encyclopedic Dictionary of Project Management (Jensen, 1996) defines planning as the technique that involves organizing the work, budgeting and identifying resources in order to achieve the project goals. It comprises the efforts that result from a proper understanding of the timing issues of a project, as well as a clear view of the deliverables required. Additionally, it involves the identification of activities and their organization in a logical sequence in order to perform the work, and the assignment of the required corresponding resources. Murray-Webster & Thiry (2000, p. 58) summarize the concept as the strategy that “consists of integrating the activities required to deliver the expected benefits”.

Though in the project life cycle planning is viewed as a specific phase, it is important to remember that, in fact, planning takes place at all stages in a project. Since the early stages of the definition phase until the implementation of the closing phase, planning will be a constant activity if the project is to succeed. According to Field & Keller (1998), as the project progresses it is possible to plan in more detail and actually, planning in the subsequent steps of project development is just as important to success as it is in the early stages.

When considering planning as a definite phase it is important to understand its close connection with the definition phase. Lewis (2001) points out that until an adequate definition has been developed, it is impossible to develop a satisfactory plan of action, since the definition determines the proper approach that should be taken. For Reiss (2000), planning is in fact concerned with the ‘how’ and ‘when’ issues of a project. It is a necessary effort to minimize demand for resources, to allocate the minimum necessary number of people and to reduce the need for other resources in order to lower costs.

Field & Keller (1998) point out that planning is more than scheduling and budgeting. It is about decision-making regarding ‘what’ is necessary to get ‘where’ you want to be. According to them it involves:
• The possession of a clear and definite goal;
• A clear view of the tasks required to achieve the goal;
• Decisions regarding resource allocation (where will they come from in order that tasks can be performed);
• The establishment of criteria to evaluate the completion of tasks;
• The development of an adequate schedule;
• Assessing risks;
• Gaining acceptance (and commitment) of the plan from sponsors and stakeholders.

Also noteworthy is the fact that projects in general involve a considerable amount of negotiation in all phases of their life cycle. Field & Keller (1998) point out that as a task-oriented endeavor, a project requires a lot of negotiation to reach agreements or compromise with others. These negotiations are conducted by people and, therefore, it is natural to expect that personal traits, desires, expectations and preconceptions will arise in the process and play an important role in the final decisions. The efforts directed to negotiations regarding planning are really worthy. According to Ekstedt & Wirdenius (1995, in Ekstedt, 2002) negotiation costs in the early planning stages of a project are certainly compensated by fewer problems in the later stages of project development.

In the following two sections (i.e. New Perspectives on Project Goals and Beyond the Traditional View on Project Planning) will be presented some new perceptions on these topics that challenge the normative view on these issues in a very direct way. Though other literature will also be used, more emphasis will be given to the approach of the Scandinavian School of Project Studies as presented in the book Beyond Project Management, especially in the chapters 14 and 15.

4. New Perspectives on Project Goals

According to Mats Engwall goal-related problems are considered to be one of the three main reasons for failures in project management. For him, many decision-makers apparently initiate projects without a clear vision of their intentions, what increases significantly the risk of failure in the project implementation (Engwall, 2002). Pinto (1998) also recognizes the importance of a clear perception of the goals not only by the project manager, but by the entire organization as well. Moreover, goals need to be in line with the general purposes of the organization if the project is to succeed.

However, in spite of abundant literature on goal assessment, planning and project development, despite well-defined goals in a number of projects, many of them still fail. Why?

Engwall (2002) points out the possibility of two reasons. First, the dysfunctional behavior on the practice of project management, and second, an inadequacy of the theoretical models and propositions to its current exercise.
While recognizing the goal as the core element of every project’s existence, Engwall (2002) argues that stipulated project goals are in fact elaborated guesses about the future. In line with this, Pinto (1998) says that the existence of a great deal of ambiguity and even contradictory information makes it difficult to predict the ultimate project outcomes.

Project goals need to be seen as political products based on over-optimistic visions of future conditions (Engwall, 2002). Their most important function is not to predict the final achievements of the project, but allow its initiation. Additionally, projects are developed in a process of knowledge creation and therefore, “while the stipulated goal defines the projects demarcations, its content has to be created through practical actions” (Engwall, 2002, p. 262). According to the same author, future outcomes of a project are transformed during the project execution as a result of experience gained in the process. In the last stages of project development, goals are frequently revised and adjusted accordingly to existing knowledge that was inexistent at project initiation.

It is interesting to observe Mats Engwall’s criticism to the normative approach of goal formation (Engwall, 2002). For him goals:

- Need to carry a considerable amount of ambiguity;
- Are irrelevant for project execution;
- Are more adequately formed during project execution.

4.1 Goal Ambiguity

Surprisingly as it may appear ambiguity is very important in the process of goal formation. Its importance is related to the possibility of uniting and involving stakeholders with different interests in supporting the same project. In fact, it is this ambiguity that allows diverse intentions and interests to co-exist, what is certainly important in the project initiation (Engwall, 2002). However, when it comes to the necessary planning of execution, ambiguity might be a problem, and therefore, it is necessary to find the right balance between ‘ambiguity’ and ‘certainty’ in order to get the most from both approaches.

Additionally, at project initiation there is also a considerable amount of negotiation in order to get the necessary support for a proposal that represents different interests. Goal ambiguity makes things easier, since reformulations, supplements and changes will be required. It is absolutely easier to obtain compromise on a proposal in which goals and interests are not seen as definite or unchangeable.

It is also interesting to note that within this perspective there is room for imprecision. Precisely and clearly formulated proposals are more likely not to receive expected support, as are the under-optimistic ones. Experience has shown that it is better to discuss different actions with clients during project execution than to detail too many things at the initiation.

4.2 Goal Irrelevance for Project Execution

When approached from the traditional theoretical perspective, project goals are perceived as created independently of project execution. According to this view all the necessary knowledge should be available during project selection and unplanned learning has no place
during later stages of project development. However, it is important to remember that in project execution a gradual interaction between theoretical and practical knowledge occurs. Although an adequate set of goals may be established at project initiation, it is only during the execution of the planned actions (as well as adjustments and implementation of alternative actions to face unexpected situations) that it is possible to know if the initial goals are in fact definite.

As in the metaphor of the carpenter sculpting a piece of wood, in which each new cut has to be planned and made with respect to the results of the previous ones (Engwall, 2002), project execution is an evolutionary process wherein expectations regarding the outcomes interact with experiences gained from the performed actions, defining the whole picture. In this sense the goal is irrelevant for the project execution since the learning experience during the project execution is, in fact, what will add considerable value to the whole process.

4.3 Goal Formation During Project Execution

In relation to this topic Engwall (2002) sees goals as a mere hypothesis. In the best case an adequate judgment about future conditions and preferences. In the worst case only a guess. Goal setting would be nothing more than an attempt to protect the project from opponents in its environment. According to this view, project goals would be necessary more for political reasons than for technical or practical purposes. However, project goals provide direction, relating end results to actions and activities developed at present time.

The question is: how to harmonize these apparently conflicting views?

It is necessary to understand that much more than the implementation of actions to reach a given goal, the execution phase is also the process through which the definite set of goals is formed. Execution is developed on the basis of ambiguous goals, given resources and established expectations, making it possible for all involved the experience through action in a practical way. This learning process allows the definition of a goal based on experimental knowledge – what was not available at project initiation.

From the above considerations Engwall (2002) concludes that the search for a perfect goal will never be a rewarding experience. Project management does not involve, as presented in the traditional literature, the implementation of inflexible and pre-defined actions in order to achieve set up goals. It is a dynamic process in which available resources, meaning and expectations interrelate and evolve together towards the desired outcomes.

Finally, it is noteworthy that in the Scandinavian School of Project Studies there is also a place for more conservative views on goal formation. When presenting their model on project process Lindkvist & Söderlund (2002) also recognize the importance of specific and relatively stable goals. Even though it cannot be directly compared to the traditional planning-oriented approach, it can certainly be viewed as a kind of rationalistic framework for goal formation. For them goals not only are essential for the process of generating knowledge in projects, but project processes can, in fact, be seen as goal-directed learning processes.

5. Beyond the Traditional View on Project Planning

The traditional approach on planning, as presented in section 3.2, has been the target of considerable criticism (Lindkvist & Söderlund, 2002). These authors argue that the recipes
presented on the theme are too simplistic and based on very rationalistic suppositions. In their opinion project management theorists should be open to alternative approaches that could see planning as an important aspect of project management, but not necessarily as a sine qua non feature for a successful outcome.

It is important to emphasize that it is improbable that planning will ever lose its place in project management theory and practice. Nevertheless, it seems that there is a need for a shift on the way the theme is considered within the field. Lindkvist & Söderlund (2002) recognize the importance of careful planning in a project outset. Yet, they see in the uncertainties that are part of project development a reason for a search of a better proposal regarding the theoretical understanding of the processes involved in a project.

Müllern (2002), when describing the Saab Case, in which the company shifted from a traditional functional structure to a more flexible one (a team-based organization wherein the teams could be involved in different projects at the same time), recognizes that in the company new structure planning continued to be an important activity, justifying investments in a new and modern computerized planning system.

The contexts of high uncertainty in which projects are carried out do not allow goal-setting procedures or planning related activities to reduce uncertainty enough (Christensen & Kreiner, 1991, in Lindkvist & Söderlund, 2002). For these authors the goal setting-phase is important to “create motivation”, as planning also is. From this perspective plans are viewed as a tool to enhance further communication and bring about motivation. Similarly, Lundin & Söderholm (1995, in Lindkvist & Söderlund, 2002, p. 282) see the importance of plans “as action generators, but not primarily in an instrumental way”. For them plans have symbolic meanings.

Lindkvist & Söderlund (2002) also refer to the studies published by Sahlin (1996) in which the assumption of pre-defined goals and the guiding role of plans are questioned. In most of the articles, the authors argue that plans frequently have no relation to the reality of project development. For them, plans are merely instruments of persuasion, a rather formal and, in fact, not a real control tool.

The Scandinavian School of Project Studies sees project work not necessarily linked with goals and plans. This view, however, does not mean that projects do not produce results. Indeed, results may be better or “newer” than previously planned, also allowing a more effective learning experience (Lindkvist & Söderlund, 2002). In their view of projects, while the definition of goals – “what” to achieve – is normally well specified, “how” to accomplish this during the project execution is normally left to the team to find out. In line with this Ekstedt (2002, p. 74), when referring to the project organization, says that “the work is goal and problem directed instead of rule directed. Fulfilling the goals according to a given agreement is the central endeavor; how this is accomplished is left more open. A detailed regulation of the relations between the actors could be perceived as a hindrance”.

6. Relating ‘New Perspectives’ on Project Management to Performance

The perceptions on goal formation and planning are closely related to performance in the project management context. Therefore, it is opportune to consider project/project management performance in connection with new perspectives on goals and planning
especially because new approaches on the later aspects might imply a different understanding of project performance.

It is important, however, to make a distinction between project performance and project management performance. According to Bryde (2003) though the two concepts are interlinked, they are in fact different. A project can be viewed as “successful” despite poor project management or vice versa (DeWitt, 1998, in Bryde, 2003).

Before the 1980s it was common to focus exclusively on project performance, which was seen as more related to meeting cost and time goals, as well as sticking to product specification. Researches in the last two decades have contributed to a shift in this perception and today project success is seen in a more multidimensional manner. In reality, people assess success/failure issues in different ways and at different times (Bryde, 2003). One of these approaches to project performance sees success in the project context more dependent on member-generated performance norms and work processes, rather than supervision, policies and procedures (Thamhain, 1999). This seems to be in line with previous considerations on learning experiences, in which the individual performance of team members is enhanced by the learning process in the project implementation, contributing for a better outcome.

While traditional project managers focus on cost, time and the development of intricate planning and control systems as the criteria for success achievement in project management (Turner, 2000), more contemporary views recognize the importance of assessing success from a broader perspective. According to Turner (2000) the most important determinant to project success is negotiating and agreeing about definite criteria with the different stakeholders, before the project launch, to evaluate success as the project progresses. Even if it is necessary to refine the understanding of these criteria during project execution, what is very likely to happen, this aspect should not be overlooked.

7. Conclusion

With the increasing complexities of today’s projects and the common uncertainties of their business environments it is comprehensible and desirable the search for alternative approaches to project management. There is a need for more adequate tools and effective techniques that allow the allocation of efforts and resources to where they should in fact be.

Questioning the traditional approaches in project management, the Scandinavian School of Project Studies has been trying to identify more effective ways to deal with project-related issues in order to increase the possibility of successful outcomes. Most of the researchers in the school share a similar view that the traditional normative approach on project management is inadequate or insufficient to allow the best practices in project implementation.

While recognizing the role of goals and planning in project development they emphasize that this role is more peripheric than it seems to be. For them there is a risk, when setting up definite and rigid plans and goals, of not benefiting to the full extent from the learning experiences that are expected to follow project implementation – what would negatively impact project performance.

After deeper considerations on goals, planning and performance, as well as a closer look on recent discussions within the field of project management, it seems advisable to me to “slightly” change some of the questions related to my previous experience in projects, as formulated in the introduction of this paper. With these new perceptions in mind, those
questions might be better expressed in the following way: “Was there anything really wrong in those occasions?”, “Should anything have been done differently?”, “If the case, what?”

The new perspectives on goals, planning and performance, as considered above, have answered these queries. In the words of Mats Engwall (2002, p. 277) “project execution is seldom a process of implementation; rather it is a journey of knowledge creation”. Goals and planning are also part of this journey, and the way they are dealt with influences project performance as few other aspects do.

1 In early April/2004.
2 In early April/2004.
4 The Scandinavian School of Project Studies is an expression used to describe a group of researchers and scholars, mainly from Scandinavia, whose works reflect a common perception in the field of project management. Three key features of this school: a) A wider scope of projects, which are contextually related; b) A broadened understanding of temporality, commitment, innovation, boundaries and change; and c) Its basis on qualitative studies of practical project evolution, rather than on wishes about the way they should evolve (Sahlin-Andersson & Söderholm, 2002).
5 Comments provided by this author.
References


