Chapter IX
Social Implications of Managing Project Stakeholders

Petar Jovanovic
University of Belgrade, Serbia

Marko Mihic
University of Belgrade, Serbia

Dejan Petrovic
University of Belgrade, Serbia

ABSTRACT

This chapter considers the social implications of managing project stakeholders with a special account of e-project management (e-PM), architecture and the importance of project management (PM) portals, and the way they are related to e-projects. The authors argue that PM portals are indispensable in project collaboration and coordination and are closely related to e-projects, since theirs is a key role in both the PM implementation and an adequate incorporation and discussion of all project stakeholders, particularly virtual teams. The authors believe that a detailed analysis of project stakeholders and PM portals presented in this chapter allows for a thorough review of the strengths as well as weaknesses of the e-project approach and is a basis for understanding of social aspects and challenges of modern ICT solutions in e-PM.

INTRODUCTION

The basic features of the modern business environment are openness, complexity and changeability. A high level of instability stemming from these features gives rise to organizational forms that are flexible enough to adapt to a multiproject environment and compact enough to unite the basic management processes. Also, the challenges of change and a large amount of instability alter the
traditional approaches in forming strategy and business-venture planning. The change in the organization becomes a rule, not an exemption.

In answer to these challenges, it is necessary that such a management system be defined to bring together an apparent need for change, as reflected in varied numbers and size of projects and programs under execution, and the strategy that incorporates this need. By implementing the concept of project-oriented enterprise as a frame for such a management system, supported by an adequate organization, team work and project culture, it is possible to significantly improve business results, provided that modern PM tools and techniques and information technology (IT) solutions to project collaboration are used.

This chapter highlights the IT tools that support the work of virtual teams and e-projects in general and their features in the process of collaboration among the project stakeholders. Advantages and disadvantages of e-project management are analyzed, as well as sociocultural aspects of team work in virtual teams, whose activities are coordinated by means of portals.

The importance of analyzing project stakeholders and designing complete e-solutions to project collaboration and support is stressed. As part of an integral planning process in the project-oriented enterprise, the analysis of project stakeholders covers the identification of stakeholders and defining their level of interest and influence upon the project. The stakeholder analysis should result in a strategy that will help ensure the favor of key stakeholders and solve controversies in the project-execution phase. Nowadays managing project stakeholders is easier in that the PM methodologies prescribe procedures of project collaboration and advanced IT solutions for project support have been developed—PM portals—whereby the process of collaboration with key stakeholders is simplified and automated.

The chapter also deals with the architecture of the PM portals, with the description of basic functions related to the collaboration between the stakeholders and virtual teams. The advantages of portals in the process of planning and coordinating project stakeholders, as well as their importance in the organization and management of e-projects, which are regarded the basis of e-society are stressed.

LITERATURE AND BACKGROUND

Companies with a large number of geographically distributed programs and projects as well as those whose project teams are separated have a strong need for implementing e-PM. According to Goncalves (2005) and McMahon (2000), the basic features of e-PM are as follows:

- A stronger focus upon adaptation in comparison to optimization
- They are Web-based
- Unreliable functionality
- A large percentage of critical projects
- They are risk driven
- New technologies
- Need for an integration of the speed of change and innovation

Stoehr (2002) argues that the need for implementing e-PM is mirrored in an increasing number of implemented systems of virtual PM, as well as in new approaches in defining traditional PM processes, from initiation and planning, to control and reporting. Such approaches provide numerous benefits related to improving work productivity, coordination and linking the activities of project teams and their members, a more efficient use of resources, reducing operational costs and so forth.

As well as any change in the organization, the implementation of modern e-PM solutions brings numerous challenges (Archibald, 2003). The first group of challenges refers to the capacity and competence of human resources within the organization to accept and implement the designed