



GUEST EDITORIAL ESSAY

Collaborative Project Management: Challenges and Opportunities for Distributed and Outsourced Projects

Jerry Fjermestad, New Jersey Institute of Technology, USA
Nicholas C. Romano, Jr., Oklahoma State University, USA

ABSTRACT

The Collaborative Project Management concept has been evolving over the past few decades as researchers and practitioners alike strive to reap the benefits from opportunities and overcome the challenges. In this short paper we highlight some of the forces that are leading, confronting and challenging distributed project management and outsourcing. Next we present a review of distributed project management and outsourcing challenges and opportunities that have been identified by researchers. Finally we present a brief introduction to the three papers in this special issue.

Keywords: challenges and opportunities; collaborative project management; distributed project management; outsourcing

INTRODUCTION

Increasingly, organizations are distributing or outsourcing the development, engineering, and software coding of projects to an internal or external organization in different locations around the world. There has been a constant rise in the number and type of distributed and outsourcing projects over the last few years. This trend seems likely to continue as can be witnessed in the increasing research, development, and publications in this area. The new business environment of global competition is the primary reason for this phenomenon. In this regard for companies to be competitive, they must reduce their cost,

speed up product development and focus on satisfying their customers. The key to this success is through the use of information technology which facilitates communication among the project team members (Desouza & Evaristo, 2004).

Projects are defined as a set of activities which required manpower, materials, money, machines, and information resources (Tatikonda & Rosenthal, 2000); but that is only the beginning. These projects must be managed. Over the years, project management processes have move from first generation-R&D in an ivory tower to fifth generation — R&D as a network (Nobelius, 2004).

The network model focuses on collaboration within a wide system consisting of customers, competitors, suppliers, distributors, outsourcing (Engardio, 2006; Ghosh & Varghese, 2004), and much more. What is important is the ability of an organization to control the development speed; that is what leads to competitive advantage (Engardio, 2006).

The new network model corrects common problems (Frame, 1994):

1. Customer satisfaction treated as an afterthought.
2. A fixed set of tools for scheduling, budgeting, and resource allocation.
3. The traditional project management cycle often limits the project to four phases: concept, planning, execution, and closeout, and does not include operations and maintenance.

The new model is collaborative, focused on the customer; it is using new tools- collaboration project management, concurrent engineering, and human skills — managing change and negotiating; the project manager's role has been redefined to keep them more involved throughout the project lifecycle.

DISTRIBUTED PROJECTS

The objective behind distributed project management for an organization is to take advantage of an endeavor being processed from multiple locations (Desouza & Evaristo, 2004). These locations can be internal (insourced) or external (outsourced) to the organization. The benefits from distributed projects can be faster turn-around time and reduced costs leading to competitive advantage. Furthermore, as Evaristo, Scudder, Desouza, and Sato (2004) suggest, “distributedness” is not a single variable concept, it maybe in fact a multidimensional concept consisting of perceived distance and level of dispersion.

OUTSOURCED PROJECTS

Outsourcing is changing the way organizations work. Outsourcing became a major business strategy after Kodak's decision to focus on its core business and outsource much of its information technology services. In this regard, Kodak created partnerships with several vendors who became entrusted with different IT services so as to reduce costs.

Outsourcing is defined as the decision by an organization to contract an external provider in the delivery and/or support of a product and/or services and functions (Fjermetad & Siatta, 2005). This definition holds for whether it is offshore or onshore of it the project is concerned with development, services, processes, engineering, or research.

SUMMARY AND INTRODUCTION TO PAPERS

In essence, there little difference between a distributed project and one that is outsourced. Both serve the same purpose, namely to provide competitive advantage. Table 1 highlights the challenges and opportunities for distributed and outsourced projects. The major opportunities are: competitive advantage, faster turn-around of projects, becoming an integrated network, managing risk, managing the value chain, and creating an agile business environment. The challenges are many: efficient and effective coordination, knowledge sharing, project management competencies, collaboration with customers, and a more elastic value chain.

In the first paper, “Risk Management in Distributed IT Projects: Integrating Strategic, Tactical, and Operational Levels”, Prikladnicki, Evaristo, Audy, and Yamaguti (2006) discuss differences between co-located and distributed IT projects. They present the different issues across the strategic, tactical, and operational levels of the project.

The second paper by Vaidyanathan “Networked Knowledge Management Dimensions in Distributed Projects” (2006) develops

5 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the product's webpage:

www.igi-global.com/article/collaborative-project-management/1952?camid=4v1

This title is available in InfoSci-Journals, InfoSci-Journal Disciplines Communications and Social Science. Recommend this product to your librarian:

www.igi-global.com/e-resources/library-recommendation/?id=2

Related Content

Anyone can use Models: Potentials, Requirements and Support for Non-Expert Model Interaction

Alexander Nolte and Michael Prilla (2013). *International Journal of e-Collaboration* (pp. 45-60).

www.igi-global.com/article/anyone-can-use-models/98589?camid=4v1a

Virtual Group Strategic Decision Making Using Structured Conflict and Consensus Approaches

Jerry Fjermestad (2005). *International Journal of e-Collaboration* (pp. 43-61).

www.igi-global.com/article/virtual-group-strategic-decision-making/1928?camid=4v1a

Preparing the Next Generation of Innovators through Collaboration

Marjorie Darrah and Angela Dowling (2010). *Collaborative Technologies and Applications for Interactive Information Design: Emerging Trends in User Experiences* (pp. 67-81).

www.igi-global.com/chapter/preparing-next-generation-innovators-through/37053?camid=4v1a

E-Collaboration, Public Relations and Crises Management in UAE Organizations

Badreya Al-Jenaibi (2015). *International Journal of e-Collaboration* (pp. 10-28).

www.igi-global.com/article/e-collaboration-public-relations-and-crises-management-in-uae-organizations/128389?camid=4v1a