



The challenge of finding equilibrium in large public projects – a governance perspective

Maja-Marija Nahod

Željko Uhler

Sandra Matuhina



ALMA MATER
EUROPAEA
ECM

Introduction



- Public projects involve multiple actors, have different inherent logics, and bring about a fragmented conceptualization of knowledge (Sanderson, 2012).
- A representation of large projects at the public bodies, ministries, and state administration bodies has power to move the economy of a country
- Importance of investment perspective
- Development of societies encourages stronger people-orientation and vice versa
- Governance artificial stimulation without a real change in the mindset of people simply does not yield the desired results in project, institutional and organisational level



Introduction



? Good governance & civil service systems - buzz words?

-> *Remains conceptual & analytical confusion*

-> What constitutes accountability of bureaucracy and to what extent it is effective to implement it in societies?



Charles R. Kesler
EDITOR, CLAREMONT REVIEW OF BOOKS



EU regulation in PM



Country	A selection of PM regulations on the government level		
	<i>Document level</i>	<i>Title</i>	<i>Government level</i>
Texas (USA)	<i>Local government</i>	<i>Local Government Project Management Guide</i>	<i>Department for transport</i>
Croatia	<i>Law</i>	<i>Law</i>	<i>Ministry of Construction and Physical Planning</i>
UK	<i>Standard</i>	<i>Project Delivery Functional Standard</i>	<i>Infrastructure and Projects Authority and Cabinet Office</i>
Canada	<i>Directive</i>	/	<i>Major Projects Management Office</i>
Tasmania	<i>Guideline</i>	<i>Tasmanian Government Project Management Guidelines</i>	<i>Government</i>
USA	<i>Guidance</i>	<i>Project Management Plan Guidance</i>	<i>Federal Highway Administration</i>



Control of corruption vs Political Stability



Country	Transitional economies		
	<i>Existence of any regulation of Project Management on the governmental level in the country</i>	<i>Control of Corruption 2017</i>	<i>Political Stability and Absence of Violence/Terrorism 2017</i>
Canada	Yes	1,11	1,92
UK	Yes	0,26	1,84
USA	Yes	0,30	1,38
Czech Republic	No	0,57	1,02
Slovenia	No	0,81	0,89
Croatia	Yes	0,19	0,75
Poland	No	0,52	0,73
Latvia	No	0,46	0,54
Romania	No	0,06	-0,03



Government capacity and performance



Indicator	Value 2014	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Access to government information (1-10)	6.00	23	7.00	16	+1.00	+7
	Value 2013	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
Transparency of government (0-100)	40.14	17	48.14	18	+8.00	-1
	Value 2010	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
Voice and accountability (-2.5,+2.5)	0.43	27	0.50	26	+0.07	+1
Control of corruption (-2.5,+2.5)	-0.03	25	0.20	22	+0.23	+3
TI perception of corruption (0-100)	41.00	24	51.00	22	+10.00	+2
	Value 2010	EU28 rank	Value 2014	EU28 rank	Δ Value	Δ Rank
Gallup perception of corruption (%)	89.00	23	87.00	26	-2.00	-3



Representative bureaucracy



Composition of the
workforce

Organizational
performance

Passive
representation of
group values

Active
representation
of group values

Collective level
Individual level

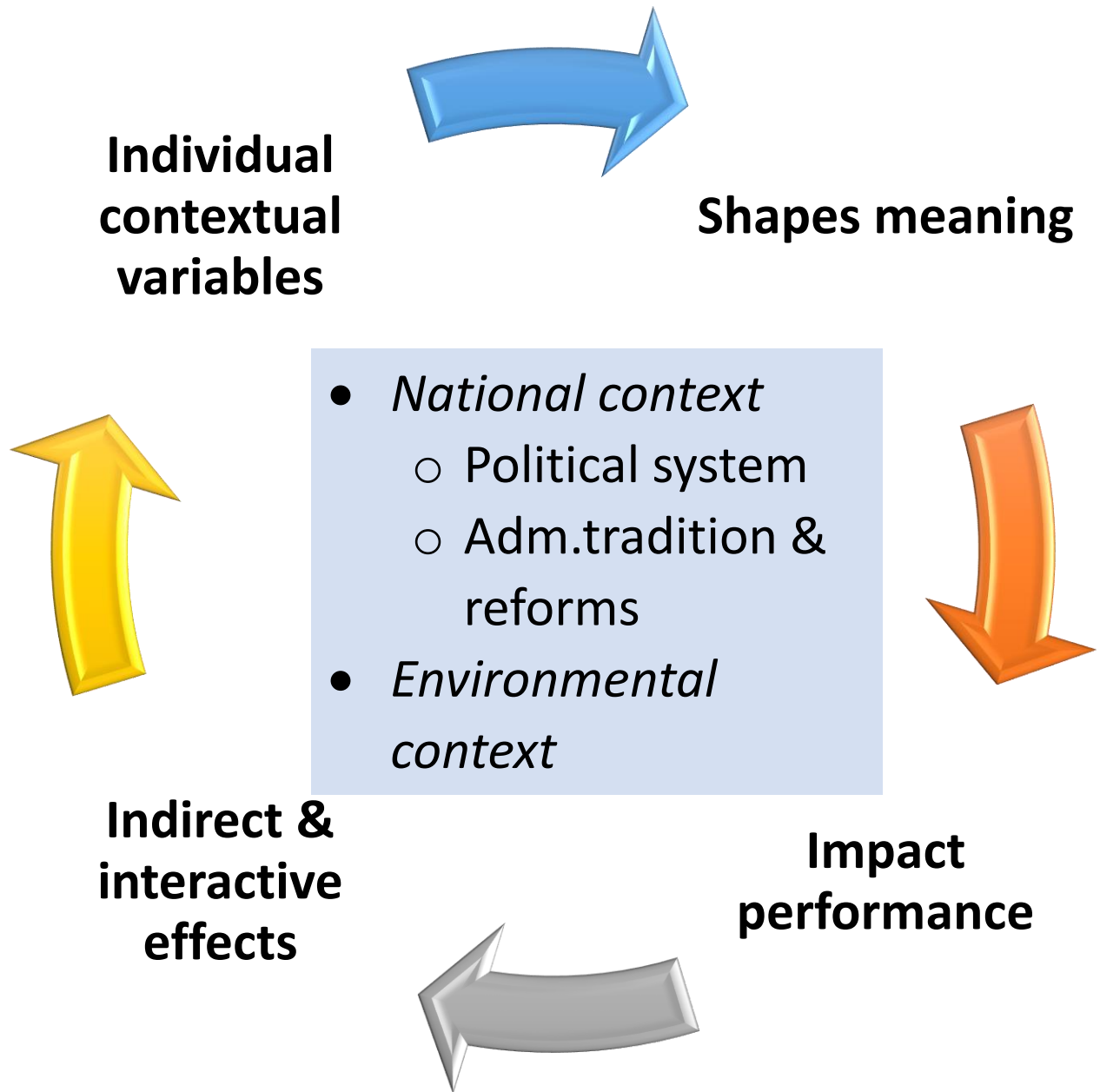
Benefits:

- (1) ***directly*** - benefit the minority group being represented,
- (2) ***indirectly*** - benefit this group by influencing minority clients to change their behavior
- (3) ***indirectly*** - benefit this group by influence nonminority colleagues to change their behavior
- (4) ***indirectly*** - by influencing organizational policy.



CONTEXT- situational opportunities & constraints that affect :

- the occurrence and meaning of organizational behavior
- functional relationships between variables



Competencies for boosting good governance



Communication

- Accept and respect cultural differences, different ways of communicating, and different traditions and values

•Cultural Self-Awareness

- Culture shapes our sense of who we are and where we fit in our families, schools, communities and societies

•Knowledge of Differences

- Know what can go wrong in cross-cultural communication and how to respond to these situations

•Knowledge of culture

- Administrators must have a base knowledge of the cultures in their organization so behaviors can be understood in their proper context

•Institutionalizing Cultural Knowledge and Adapting to Diversity

- Organizations can institutionalize cultural knowledge, so they can adapt to diversity and better serve diverse populations



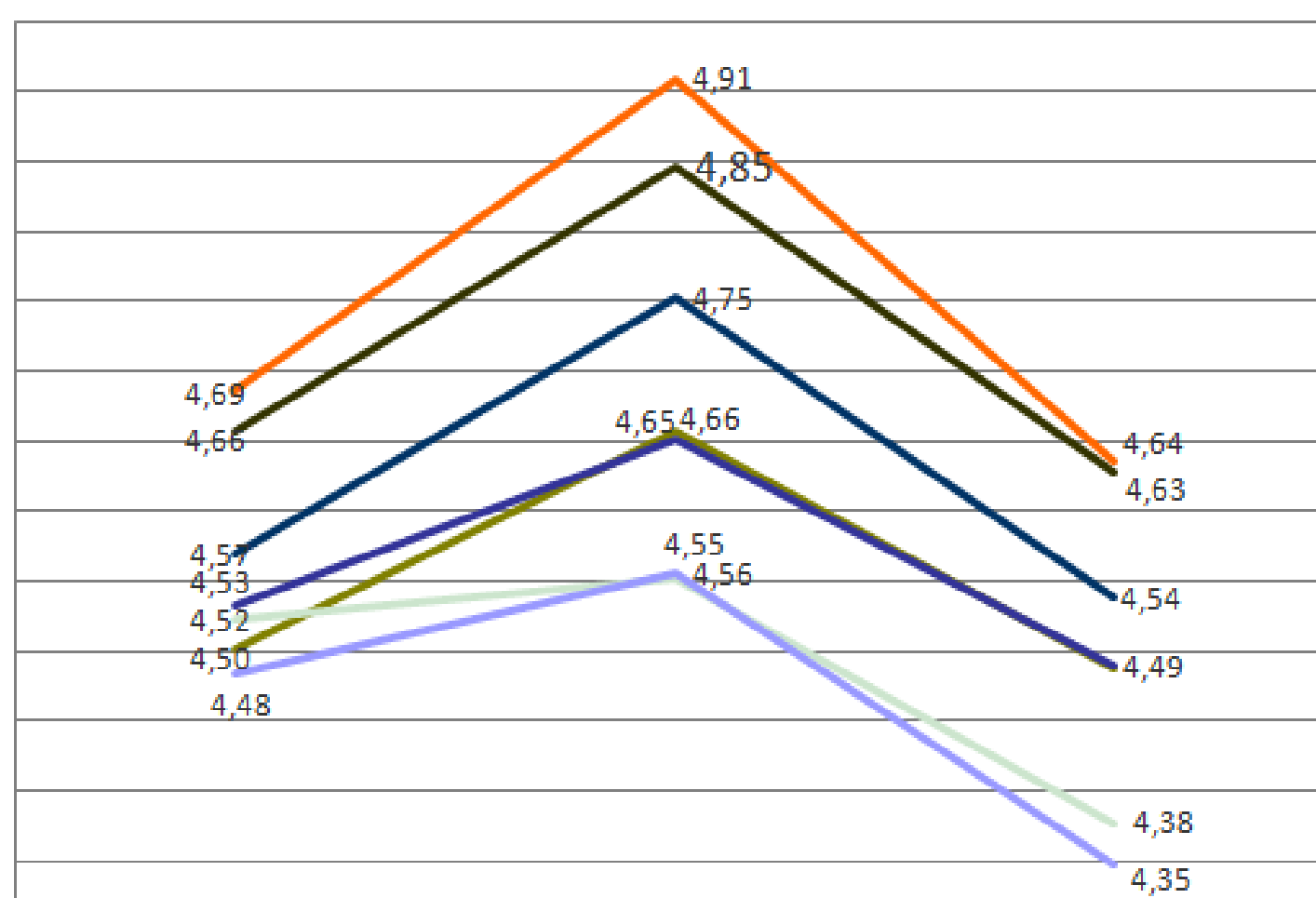
Awareness and perception



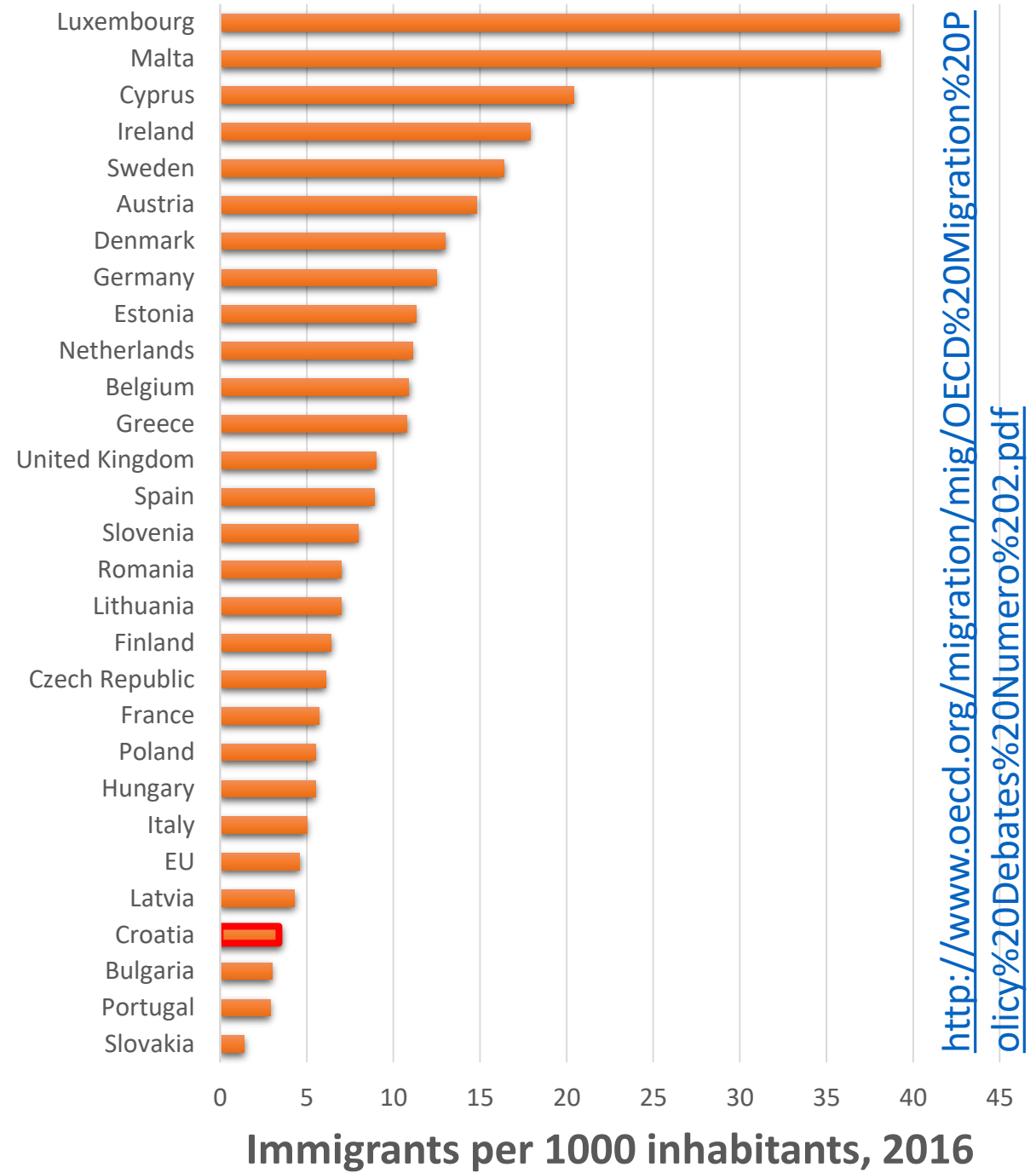
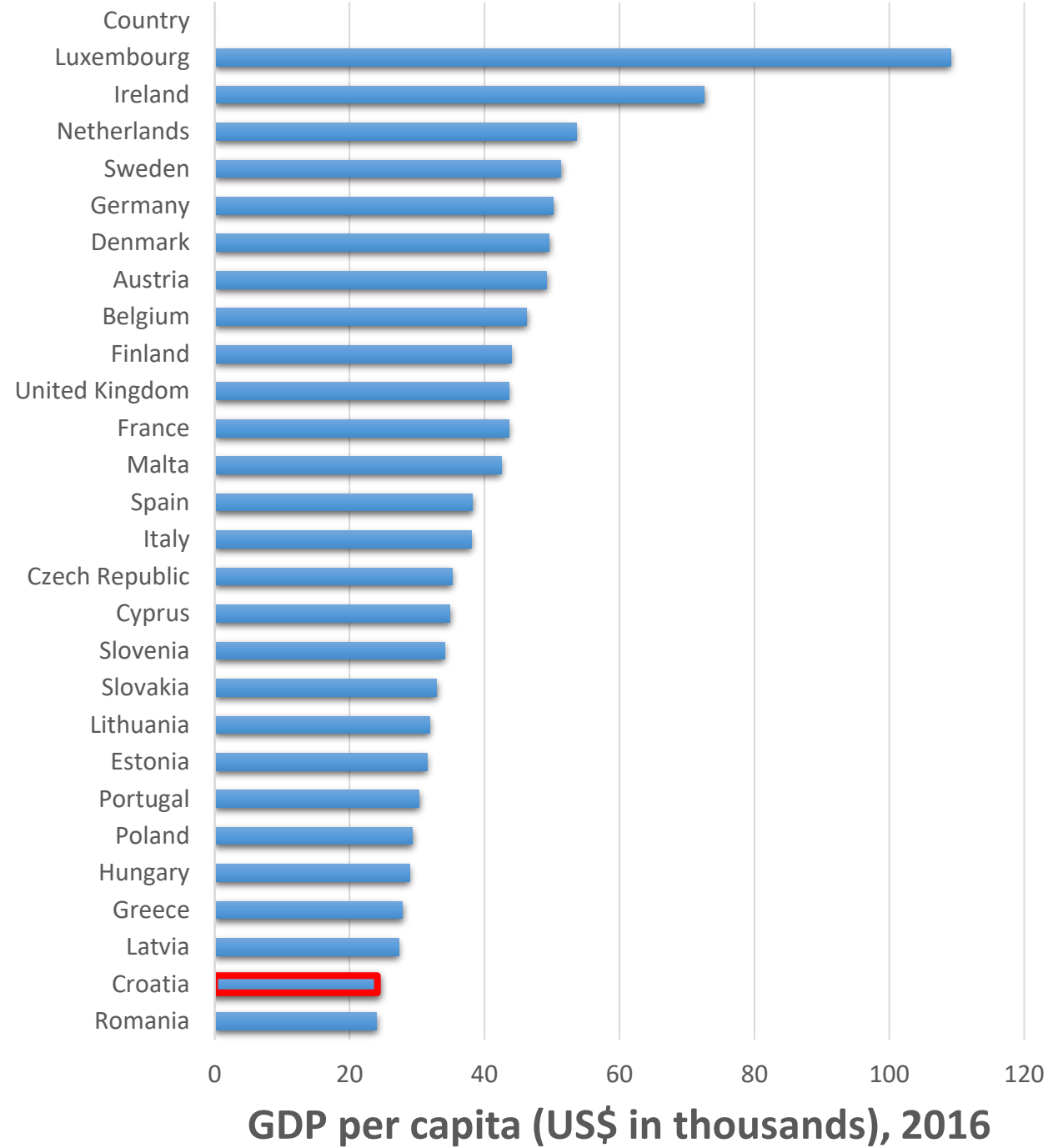
The average competence' importance perception

ICB 3.0 Self-assessment level

4,95
4,90
4,85
4,80
4,75
4,70
4,65
4,60
4,55
4,50
4,45
4,40
4,35
4,30



	Technical competencies	Behavioural competencies	Contextual competencies
Successful projects	4,69	4,91	4,64
With time overrun up to 5%	4,66	4,85	4,63
With time overrun 5%-15%	4,50	4,66	4,49
With time overrun more than 15%	4,52	4,55	4,38
With cost overrun up to 5%	4,57	4,75	4,54
With cost overrun 5%-15%	4,53	4,65	4,49
With cost overrun more than 15%	4,48	4,56	4,35



Institutional settings for representative bureaucracy in Croatia?



- Ethnicity - strong homogeneous society
 - Croat 90.4%, Serb 4.4%, other 4.4% (including Bosnian, Hungarian, Slovene, Czech, and Romani), unspecified 0.8% (2011)
- emigration - push- and- pull factor for RB
 - (1) fears and barriers to EU enlargement, and (2) the changing structure of migration
- transition cannot occur without representation of the public in the bureaucracy



Institutional settings for representative bureaucracy in Cro?



- Post-transition phenomena
 - Cutting the large public sector size
 - Diminishing politicization
 - Establishing rule of law, remuneration
 - Fighting corruption
- + Changes have occurred over the last two decades especially in the form of demographic changes due to emigration
- Does more representativeness make for a more robust democracy? Ideal type? Social trust/legitimacy of the bureac.
- Democratic performance \leftrightarrow RB



Institutional change & do it right



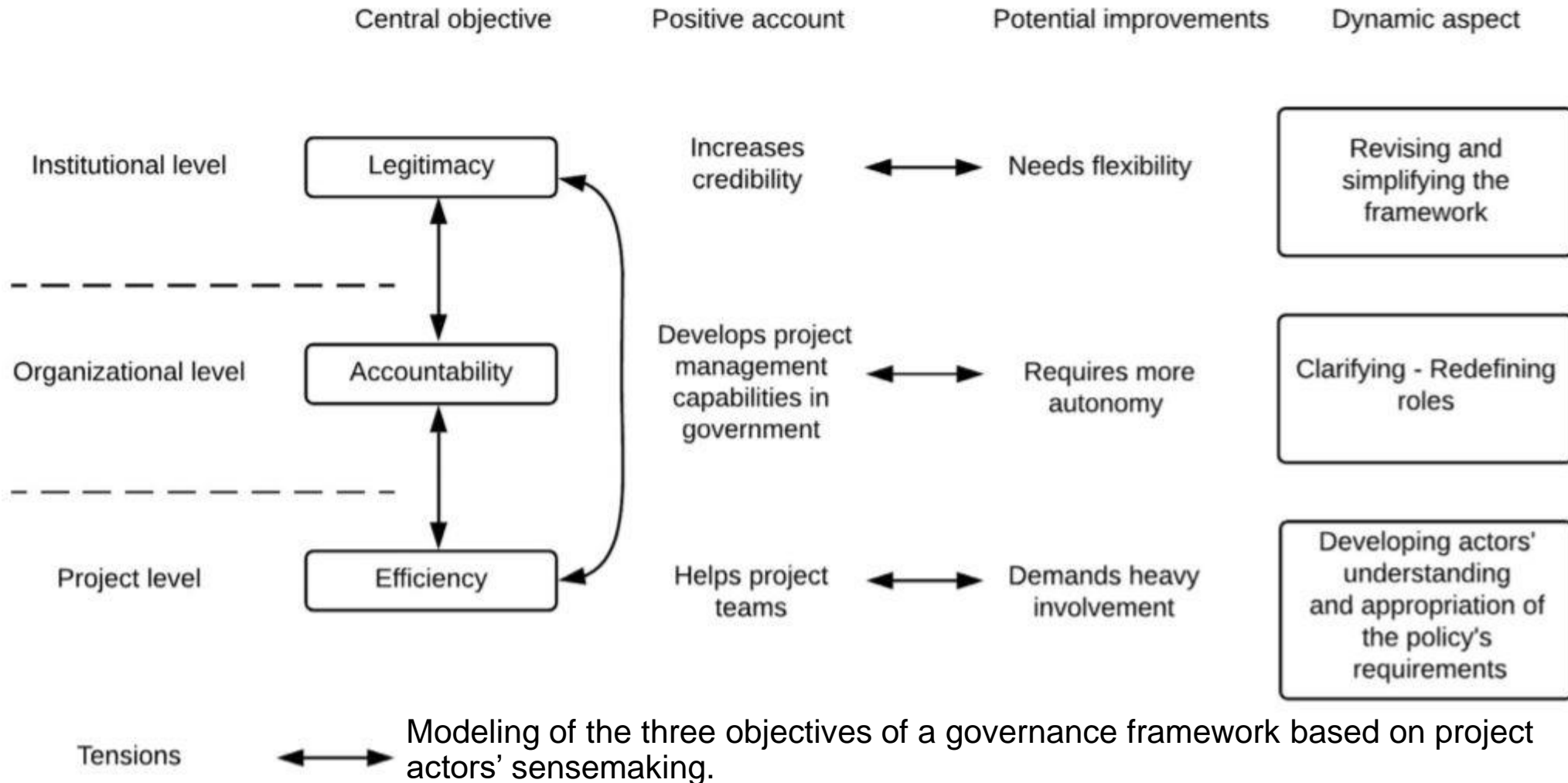
- **How to make sense of these transformations that concern changes to legal provisions & training programs with a greater emphasis on the DM & introduction of new values within the bureaucracy?**

- ? What do we mean by 'institutional change'
- ? How can it be recognized
- ? Is it a revolutionary or evolutionary process

**rule-setting,
monitoring,
sanctioning**



Modeling of the three objectives of a governance framework based on project actors' sensemaking.



- Equal chances
- Political legitimacy
- Responsiveness/accountability



Increased problem
solving



Employees with
different
backgrounds and
experiences will
bring a variety of
perspectives,
strengths and skills
to the table



Increased creativity



Exposure to
differences in
culture, options and
ideas can bring
personal growth to
all employees



Increased
recruitment and
retention



A diverse and
inclusive workforce
is attractive to new
candidates



Increased
productivity



Happy employees,
like those in
inclusive
workplaces, are
more loyal and
willing to work
together towards
common goals

**THANK YOU FOR YOUR
ATTENTION.**



ALMA MATER
EUROPAEA
ECM