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National Public Projects Implementation System as a Tool for Public Policy Implementation

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ABSTRACT

National Public Projects Implementation System (NPPIS) is a set of regulations, processes, methodologies, practices, institutions, vendors, project managers, and other elements in a given country defining, shaping or influencing the methods of project implementation by public institutions. Public projects are the main tool for public policies implementation, and the NPPIS is the key element in achieving success in public policies implementation, especially at the central government level.

This paper presents initial results of research on NPPIS performed in over 70 countries on all continents. A conceptual model of NPPIS was constructed basing on this research. Each NPPIS consists of three separated, but interrelated territories: the Execution Territory, the Governance Territory, and the Development Territory.

After a review of surveys conducted in public project managers communities across 63 countries, it was found that the five most important factors influencing public projects implementation success were 1) Alignment of public projects with a strategy 2) Establishing regulations on public procurements 3) Defining and using project / program management methodologies 4) The recognition of project management as a strategically important capability of public institutions 5) Defining public project governance processes.

1 WHAT IS A PUBLIC POLICY

Public policy may be defined in several ways. It may be perceived as „a purposive course of action followed by government in dealing with some topic or mater of public concern" (Anderson, 1975, p. 3). Cochran and Malone (1995, p. 1) define it as „political decisions for implementing programs to achieve societal goals". According to Jenkins (1978, p. 15) this is "set of interrelated decisions taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within a specified situation where those decisions should, in principle, be within the power of those actors to achieve". For Lane (2000, p. 48) this is „public resource allocation, income redistribution and public regulations" (Lane, 2000, p. 48). Kilpatrick (2000, p. 1) defines public policy as "a system of laws, regulatory measures, courses of action, and funding priorities concerning a given topic promulgated by a governmental entity or its representatives". Still another definition was provided by Hogwood and Gun (1984, pp. 23-24): „subjectively defined by an observer as being such and is usually perceived as comprising a series of patterns of related decisions to which many circumstances and personal, group, and organizational influences have contributed". It may also be defined as "actions of government and the intentions that determine those actions" (Cochran et al., 2009, p. 1). In reality, for instance in the United Kingdom a policy is understood as what the Government does in a given area. For example, there exists "Major project management" policy (UK Government, 2013). The description of each policy has the form of: "What the government's doing (…)" in a given area, being subject to a policy. This may also be defined as a relatively stable, purposive course of action by a government agency or official, followed by an actor or set of actors in dealing with a problem or matter of concern (Anderson, 2003). A component of a policy may be to just not change anything.

Even such a brief review of the definitions of public policy illuminates three components of each public policy. These are: area (or issue), intent, and actions. For instance, a policy on immigration in a given country may have the intent of admitting a qualified workforce to that country. The actions of this policy are program of establishing foreign immigration offices and their work, program of settling the immigrants in accepting country, and establishing relevant regulations.

2 WHAT IS PUBLIC POLICY IMPLEMENTATION

Public policies are "formed, budgeted, implemented, and evaluated" (Anderson, 2003, p. 1). According to other authors, policy life-cycle consists of rationale, objectives, appraisal, implementation and monitoring evaluation, and feedback phases (HM Treasury, 2003). According to Patton and Sawicki (1986), the policy life-cycle consists of defining the problem, determining evaluation criteria, identifying alternative policies, evaluating alternative policies, selecting the preferred policy, and implementing the preferred policy. There is no policy without its implementation.

The policy is, roughly speaking, implemented by three main components: programs, on-going processes (the decision of executing given process just as it may also be a tenet of policy), and street-level bureaucracy (the concept introduced by Lipsky, 1969). The public policies are implemented in large and complex environments of many layers of government and several different programs (Ripley, Franklin, 1982). Policies are simply implemented through programs (Rose, 1984). Programs materialize the policy intent (McConnell, 2010). Hence we may conclude that the policy success is determined by the success of programs implementing the policy. It means implementation in accordance with objectives, the achievement of planned outcomes, and creation of expected benefits. All of this must be aligned with policy criteria (McConell, 2010).

To proceed further we must explain the concepts of public projects and public programs. "A public project is a temporary endeavor, undertaken, managed, or overseen by one or more publicly funded organizations to create product of public value" (Kassel, 2010,

p.3). Wirick defines (implicitly) public sector projects as projects of public sector, i.e. of government organizations that exist to serve the public interests (Wirrick, 2009, p. 262). According to PMI Government Extension to PMBOK (PMI, 2006) a government project is a project performed by national government, regional government, or local government. A governmental program is an organization-wide effort, consisting of one or more [public] projects, to achieve a major organizational goal or objective (Barkley, 2011, p. 15).

3 NATIONAL PUBLIC PROJECTS IMPLEMENTATION SYSTEM

Each government should have a program and project implementation engine. I call it the National Public Projects Implementation System (NPPIS). In order to build a model of NPPIS, the literature and Internet resources published by institutions and organizational units responsible for public projects were analyzed, resulting with collection of best practices from over 70 countries and autonomous states. A general NPPIS model based on these practices was defined by grouping them into coherent clusters (Gasik, 2016).

NPPIS consists of three well-defined, interrelated territories: Execution, Governance, and Development. Each territory consists of functional areas.

The Execution Territory consists of The Portfolio Management Area, Project Management Area, Actors Management Area, and Stakeholder Engagement Area. They are described below.

The territory of public projects Governance consists of one area of public Project Governance. An authorized government establishes project governance. The effect of project governance is the establishment of structures and rules that must be followed while executing public projects.

The territory of project Execution consists of four functional areas: Portfolio Management, Project Management, Actors Management, and Stakeholders Management.

The area of public projects Portfolio Management covers identification and maintenance of a set of projects (aligned with the public institution's strategic goals) that are being executed. Projects can be initiated on the basis of a strategy operating in a specific area, or as the result of an emergency situation disrupting strategy execution, which requires intervention by public administration. Portfolio management is supported by activities of Public Projects Management Offices.

The main goal of the area of public Project Management is successful delivery of public projects. Public projects are managed by certified project managers. The deliverables are usually produced by external vendors from a predominately private sector. Public projects management is supported by public PMOs.

The area of Actors Management deals with the most important actors engaged in public project execution: vendors and project managers. This area is responsible for education, training, and certification of public project managers. It also covers qualification of private firms for execution of public projects.

The area of Stakeholder Engagement is responsible for engaging stakeholders into public projects. These stakeholders may or may not be members of communities for which public institutions work. Being members of these communities, they benefit from public projects. Other stakeholders may positively or negatively influence public projects.

The territory of Development covers solely one area of Development of NPPIS. This territory may influence the territory of Project Governance as well as the territory of Project Execution.
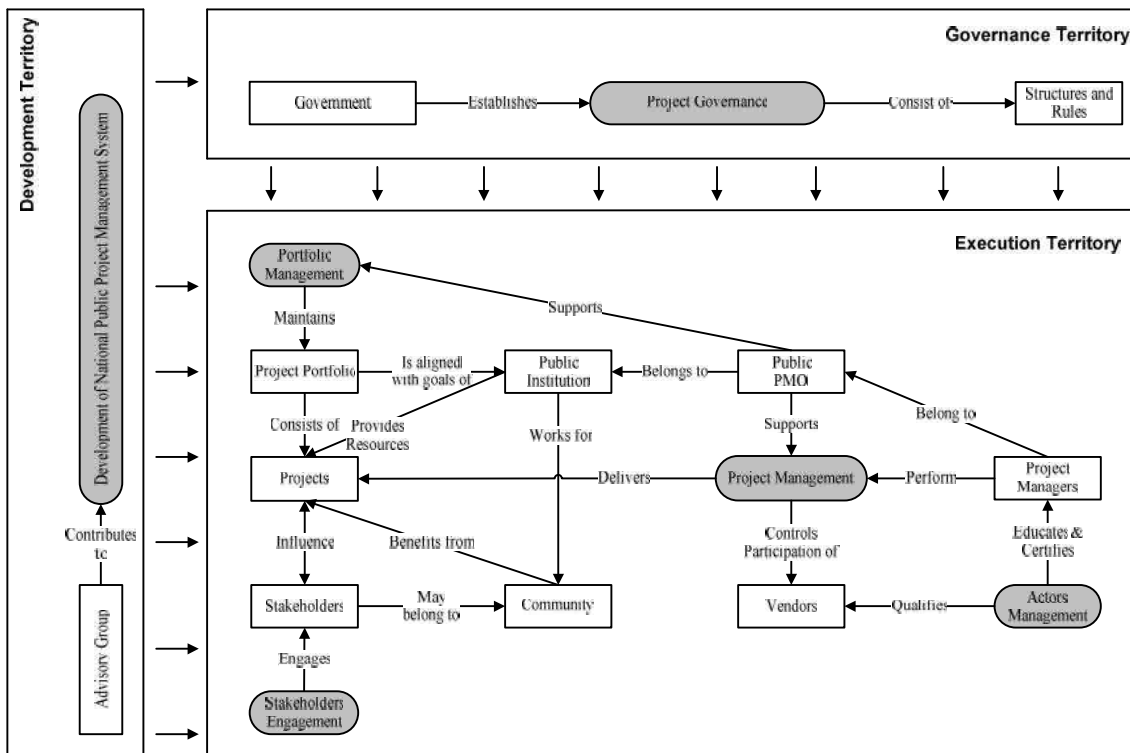
Figure 1. A Model of National Public Projects Implementation System (Gasik, 2016)

4 WHAT DETERMINES THE SUCCESS OF PUBLIC PROJECTS

The question of factors influencing the public projects implementation success is very important. It gives partial answer to the question of the success of public policies implementation. A survey aiming at identifying success factors of public projects implementation systems was conducted. The set of fifteen possible factors influencing success of NPPIS was defined on the basis of literature review and opinions of five experienced public projects managers (with experience ranging from 15 to 55 years of practice in public projects management). These factors are described in table 1. Each factor was rated on a scale from 0 (no impact) to 4 (essential). The respondents could provide justification for their rating.

The survey questionnaire was published in PMI Government Community of Practice Newsletter and on PM World Journal website. 512 people responded to the survey. 47 responses were rejected, coming from people who were not involved in the implementation of public projects. Finally, 465 answers were analyzed. According to the Central Limit Theorem this is sufficient number to perform statistical analysis (Ott, Longnecker, 2010, Chapter 4, Ling et al., 2009). The average professional experience of respondents with public projects was approximately 7 years, while their average experience with projects of any kind was 8.7 years. Most responses came from the USA (186), Canada (55), and Brazil (23). 10 responses were obtained from Australia. 106 respondents were responsible for project implementation systems in their organizations, 216 were directly involved in project management, and 115 were members of project teams. 28 persons served other functions.

The preliminary results of the survey are presented below. The factors surveyed are sorted from the highest to the lowest influence.

Table 1. Factors influencing public projects implementation success

No.	Factor	Area	Territory	Mean	Std. Dev.
1.	Aligning public projects with a strategy	Portfolio Management	Execution	2,80	1,178
2.	Establishing regulations on public procurement at country / state level	Development of NPPIS	Development	2,72	1,279
3.	Defining and using project / program management methodologies	Project Management	Execution	2,72	1,238

No.	Factor	Area	Territory	Mean	Std. Dev.
4.	The recognition of project management as a strategically important capability	Project Management	Execution	2,69	1,269
5.	Defining public project governance processes	Project Governance	Governance	2,64	1,242
6.	The external environment of public institutions	Development of NPPIS	Development	2,55	1,304
7.	Establishing a system for informing stakeholders about projects	Stakeholders Management	Execution	2,52	0,979
8.	Involvement of external stakeholders in projects	Stakeholders Management	Execution	2,52	1,225
9.	Defining ways of development for public project implementation systems	Development of NPPIS	Development	2,49	1,205
10.	Public project portfolio management	Portfolio Management	Execution	2,48	1,339
11.	Evaluating and improving public institutions' project management organizational maturity	Project Management	Execution	2,47	1,321
12.	Defining rules for admitting only verified vendors in public projects management	Actors Management	Execution	2,43	1,248
13.	Establishment and work of Public Project Management Offices	Project Management	Execution	2,35	1,301
14.	Establishing special regulations on public projects at country / state level	Development of NPPIS	Development	2,33	1,323
15.	Defining rules for admitting only qualified persons into public projects management	Actors Management	Execution	2,04	1,370

It should be noted that the respondents considered all the potential public projects success factors to be relevant. The average value of answers to each question is higher than 2, i.e. more than half the value of the scale. However, the highest – ranking with influence between 2,80 and 2,64 – placed five factors. While discussing the impact of individual factors we provide reasons for which the respondents considered them important for the public project management.

Aligning public projects with a strategy

This is the most important factor in the successful implementation of public projects. Policies are implemented through strategies. Selected comments and justifications for importance of this factor provided by survey respondents are presented below.

The people organizing systems of public project implementation must know for what reasons the public projects are implemented. It means that they have to know that the projects must support the implementation of strategies, and therefore indirectly the policies. Portfolio management causes that the arising opportunities are not wasted. Well organized public project portfolio management will focus on the objectives of public organizations, rather than on individual key performance indicators of managers of any organization. Good portfolio management contributes to a better use of resources. Bad portfolio management makes strategic contribution of public projects low, particularly with regard to the annual cycle of public budget management. Good portfolio management should allow for reuse of suspended or killed project budgets in the agencies where the project was implemented – and not decreasing agency's budget. Organizations whose main aim is the implementation of projects must be reorganized to enable effective management of the whole project portfolio.

Establishing regulations on public procurement at country / state level

Procurement regulations were considered the second most important factor. Public projects are in large part based on contract performance by external suppliers.

Selected comments and justifications for importance of this factor provided by survey respondents are presented below.

These regulations are important due to corruption prevention and facilitating equal access to procurement. Procurement management allows better control of money spent. The contractors' project management credentials may affect the quality of the contracts. Respondents frequently (32%) pointed to the many possible consequences of poor organization of public procurement processes. Many failures of public projects are caused by poor contract management. The rules and guidelines for public acquisitions are sometimes overly complicated, increasing the project cost and duration. Simplifying these rules would allow the contracting governments to provide the project results in a shorter time. Contract management processes often do not allow for flexible scheduling and agile development. Documents required by the public procurement processes are often inadequate to the requirements of individual projects. Factors that obstruct the process of public procurement include financial constraints, budgeting cycles, transparency, and rules of contracting. Favoring the cheapest suppliers badly affects the quality of supply. Public procurement centralized processes sometimes do not take into account the specifics of each location. The process of public procurement may be also hindered by preferred suppliers and government contracts.

Defining and using project / program management methodologies

Defining and implementing public projects management methodologies should be required from the central level. A national policy of implementing such methodologies should be developed. Both project and program management methodologies should be implemented in public organizations.

Selected comments and justifications for importance of this factor provided by survey respondents are presented below.

Methodologies store knowledge and requirements on public projects management. It is impossible to complete a project successfully without a project management methodology. The use of methodologies affects project success by allowing proper insight into the methods of their implementation and making decisions based on knowledge of the contractors' project performance. Methodology increases the objectivity and efficiency of project implementation. Methodology also structures the activities that otherwise would be carried out in accordance with the wishes of individual people and probably would fail. The existence of methodologies can protect projects against harmful political influence. Project management methodology should be defined in terms of contracting organizations, rather than executing projects in order to bring real value. It is important not only to have methodologies but also to implement processes consistent with them. Methodologies must be supplemented with the knowledge and experience of staff implementing them to produce appropriate results. Methodologies should be used to manage all projects of medium and large size. In small projects, subject matter experts' knowledge may be sufficient for their implementation. The use of solid methodologies for small projects could slow down their implementation. In public organizations, the implementation of methodologies requires a change in work culture, which is more difficult than in the private sector. Public organizations should implement project management methodologies, but for this purpose they should know examples of success in implementing them in other institutions.

The recognition of project management as a strategically important capability

There are many reasons for which project management should be considered as a strategically important capability of public institutions. Project management should be considered as a core capability of all organizations that implement projects.

Selected comments and justifications for importance of this factor provided by survey respondents are presented below.

Without project management, the failure rate of projects would be much higher. The external perception of the government or public institutions changes positively if they are able to manage projects effectively. Public organizations should have a defined project management career path. Implementation of projects without creating organizational units supporting the project management often ends in failure. Project management is undervalued in sectors other than construction and IT and should be implemented in organizations of all sectors. In order to recognize project management as the strategic capability of public organizations, first their executives must recognize it as so. The highest executives of public institutions should have experience or, at least, knowledge of project management. Organizations that try to implement projects as Business As Usual inevitably fail.

Defining public project governance processes

The public projects often involve a lot of individuals (e.g. members of communities for which projects are implemented, employees of institutions for whom they are implemented, executives of the public sector, politicians, project shareholders), organizations (e.g. constituting institutions, legislators, media, hierarchy of executive agencies, public agencies other than the performing institution), and contractors. The governance processes should introduce order to decision-making processes covering all of these entities.

Selected comments and justifications for importance of this factor provided by survey respondents are presented below.

Many project decisions must be accepted at many levels of the organizational hierarchy, therefore a well-defined structure of governance is crucial to public projects success. The projects should have clear rules for communication and authorizations. In public institutions, it is sometimes difficult to determine who is responsible for what. Proper definition of the governance process could help define the responsibility and accountability for public projects. In particular, appropriate involvement of sponsors in making the most important decisions would increase the likelihood of success of public projects. The authorizations of heads of linear units should be delegated to project structures. Sometimes decisions are made by organized ad-hoc committees, and not by a single person responsible for the project – the earlier definition of governance processes could also counteract this phenomenon.

5   SUMMARY

The National Public Projects Implementation System is one of the essential elements of the system of public policies implementation. To increase the likelihood of successful public policies implementation, the NPPIS success factors should be influenced. The most important success factor is ensuring the alignment of a project portfolio with the strategy of the entity in which

the projects are carried out. To ensure such compliance, administrative entities should establish the body and the processes responsible for the selection of appropriate projects, which should implement policies and strategies. Ensuring objectivity and transparency of the public procurement process is a positive effect of contracts through which public project are implemented. From the other hand increased workload and excessive formalization is a negative implication of public contracts. When defining regulations in this area one should pay attention to the reduction of these obstacles for public procurement. For public projects execution, it is necessary to implement project management methodologies. To implement them properly, it may be necessary to change the culture of the organization's work. The implementation of project management may also be supported by the establishment of policies promoting project management at the central level. Implementation methodologies should be supported by showing evidences of the success of organizations using such methodologies. The recognition of this course of action as a strategic capability necessary for the development of the organization would also increase a chance of their implementation. To achieve this, executives of public organizations should demonstrate a commitment to implementing a project management approach. The success of public projects is significantly affected by the governance processes. The implementation of the governance process must include all parties involved in projects, both public and private.

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