This is the first Project Management Journal® (PMJ) special issue with papers from the International Research Network on Organizing by Projects (IRNOP) conference. IRNOP has established itself as one of the leading and most prominent meeting places for scholars in the realm of project organizing. This loosely coupled network was founded in 1993 and held its first conference in Sweden in 1994. Since then, the conference has been organized bi-annually and has travelled the world, with stops in France, Canada, Australia, and several other countries on its way to Norway, where the conference was held in 2013. Table 1 provides an overview of the conferences organized since then. We were fortunate enough to host this conference and are now fortunate enough to edit this special issue with some of the papers presented at the 2013 conference.

This introduction will give you some thoughts and ideas on where IRNOP is heading and how we wanted to affect its trajectory. Our goal with the 2013 conference was to focus more on the methodological issues and at the same time stick to the conventional focus on project management research that draws on organization theory. All past organizers of IRNOP, we believe, had an intention to move IRNOP forward by adding their personal flavor. From the very early days, the intention was to improve the linkages between project management and organization theory; later, some of the topics added have been more specific, including innovation and business models. Over the years, IRNOP has accumulated quite an impressive group of people who are currently sharing the interest of making project management more connected to organization theory, and on the other hand, making organization theory more focused on projects and temporary organizations.

Indeed, quite a few publications have emerged from the series of IRNOP conferences. Perhaps one of the most significant is the special issue that was published in 1995 by the Scandinavian Journal of Management. In this issue, we have some of the most cited works in the area of project management, including the articles by Lundin and Söderholm (1995) and Packendorff (1995) on projects as temporary organizations. In addition, in the same issue, Midler’s (1995) influential paper on the projectification of the firm appeared. Hence, already in the very beginning, publications from the IRNOP conference made powerful imprints and, over the years, have received quite impressive citation scores from a wide range of scholars, not only within the project management community but also from scholars in the fields of innovation and management. From the subsequent conferences came a series of books (Lundin & Midler, 1998; Lundin & Hartman, 2000) and a set of special issues addressing topics such as renewal and learning.

Primarily, since the conference held in 2002, selected papers from IRNOP have been published in special issues in the International Journal of Project Management (IJP). For the 2013 conference in Oslo, we have two special issues—one that will be published by IJP and this issue of PMJ. There is a difference between the two. The issue published by IJP specifically addresses the methodological issues. The PMJ issue has a more conventional touch—it publishes a few select papers from the conference that the track chairs believe would be interesting for researchers and reflective practitioners in the domain of project management. The idea was to provide a broad view of what goes on in the area of project management; hence, we have papers in this issue dealing with decision making, portfolio management, ethics and governance,

Table 1: Overview of past IRNOP conferences.

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<th>Year</th>
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<td>1994</td>
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<td>1996</td>
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<td>1998</td>
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<td>2011</td>
<td>Montréal, Canada</td>
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<td>2013</td>
<td>Oslo, Norway</td>
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complexity, risk, and improvements. In our opinion, these are all ‘hot topics’ that currently attract a lot of attention among scholars in project management, which might also spur some interest from scholars in adjacent research domains. Of course, the general idea with this special issue is not only to show what currently goes on in the domain of project management, but also to point out some directions for future research. This is one of the main ideas in this introductory paper. What goes on in the area of project management? What are the paths ahead and research topics for the future?

As pointed out, we do not have a particular focus for this special issue. Rather, the six selected papers demonstrate the current breadth in the domain of project management and deal with several different levels of analysis and a range of different theoretical problems. It is quite interesting though to see how the papers in a variety of ways respond to the calls for rethinking project management research that was introduced by Winter, Smith, Morris, and Cicmil (2006). In Winter et al.’s paper, the general idea was to highlight a path ahead for project management research. In particular, the authors pointed out that there was a greater need to address the complexity of project management; to investigate the social processes of projects; to explore the value creation properties and processes of projects; and to look at projects from a broader, more holistic viewpoint. The papers included here contribute to this agenda in different ways. They strengthen the call for more research into these specific domains and also demonstrate that project management research has moved ahead to new territories and new calls for rethinking, including a broader view on decision-making processes, a more dynamic perspective on complexity, a greater interest into the value created by innovation projects, and a more current take on the improvements of the management of projects. These are all topics that will be discussed by the papers presented in this special issue. Following we summarize the main ideas coming from these papers and the way we view them; then follows our view on how they impact the way we should look upon future research.

Optimism bias and decision making have always been essential parts of project management research. One of the most important contributions is probably the work by Staw and Ross on escalating of commitment and why decision makers stick to failing projects. This has been a popular theme in research within the decision school of project management research (Söderlund, 2011). In recent years, this and other studies have received renewed interest, which has spurred the interest in decision making preceding projects. Most notably, Bent Flyvbjerg has called attention to a series of decision-making problems in the domain of projects. Nobel Prize winner Daniel Kahneman has of course also influenced a number of scholars in social science and, not surprisingly, also scholars in the field of project management. One of his main ideas with this stream of research is the delusions of success and the optimism bias typically observed in a number of decision-making situations preceding large-scale projects. The first paper by Werner G. Meyer, “The Effect of Optimism Bias on the Decision to Terminate Failing Projects,” on the effects of optimism bias and how this affects the decisions to terminate failing projects, draws on experimental data involving 345 individuals. The paper makes a distinction between two kinds of optimism bias: in-project optimism bias and post-project optimism bias. The author demonstrates that in-project and post-project optimism biases have effects on the escalation of commitment of failing projects. The study lends significant support for the two types of optimism bias, indicating that decision makers were likely to escalate commitment to a failing project. The main reason was that they had the perception that the benefits from the project’s product would exceed the benefits that were calculated in the project’s business case. The study also shows that decision makers tend to be optimistic about the influence they have over the outcomes of projects, in other words, what the author refers to as in-project optimism. Decision makers were also optimistic about the value that projects deliver. In particular, they tended to be optimistic that projects deliver better business benefits than what can be proven through the business case. The latter is associated with what the author refers to as ‘post-project optimism,’ which is an optimism bias prevalent throughout the project. This bias increases as the project approaches the end. The support for post-project optimism bias indicates that decision makers believe that a project will give better returns after the project is completed than what was initially identified in the project’s business case. Post-project optimism bias suggests that decision makers are either not well-informed about the project’s business case, and what can realistically be achieved, or they choose to ignore the facts of the business case in lieu of their own assessment of the project benefits.

Tim Brady and Andrew Davies address the issue of structural and dynamic complexity in projects in the second paper, “Managing Structural and Dynamic Complexity: A Tale of Two Projects.” The authors draw on in-depth findings from two case studies of megaprojects in the United Kingdom: the Heathrow Terminal 5 project and the London 2012 Olympic Park project. The authors argue that prior research has shown that complexity is a significant factor in a project’s failure to achieve cost, time, and quality objectives. Based on prior research, the paper initially makes a distinction between structural and dynamic complexity. This distinction is then used to compare the two projects. The paper reveals a number of differences in the approach to managing structural and dynamic complexity. The paper also identifies several common factors that may help project managers achieve positive outcomes for their complex projects.

The authors are particularly interested in the conditions under which megaprojects can achieve cost, time, and
quality objectives. They argue that the two selected projects are examples of successful construction megaprojects. Both projects involved the integration of different types of infrastructure, including a variety of buildings, transport systems, energy and waste systems, and IT systems. The authors are particularly interested in understanding why the projects were able to achieve cost, time, and quality objectives. The paper shows how complexity associated with the projects was addressed by creating distinctive organizational structures and processes. The analysis reveals a set of differences with regard to the approaches taken by the people managing the two projects. In the Heathrow T5 project, the client created a controlled and tightly integrated umbrella framework based on a consistent and standardized process and a common code of behavior, which was used across all major projects and sub-projects. The Olympic construction project and its delivery partner adopted a tight-loose approach to managing the project to establish consistent processes for managing change across the entire project while adopting different approaches to individual sub-projects and providing contractors with the autonomy required to developing solutions to dealing with problems encountered in each project.

The authors point out that dynamic complexity is often overlooked in large-scale construction projects. The authors stress that managing such complexity is a process that, to a great extent, depends on finding the right balance between control and interaction and of being able to “do the extraordinary.” Balancing requires the project organization to find a suitable structure to fit the project context that can accommodate the needs for both interaction and control. Doing the extraordinary, it seems, sometimes means developing new and creative ways of maintaining progress in the face of major obstacles that can arise during the course of a complex project. Brady and Davies show that a higher order of cooperation among stakeholders, project champions, highly competent individuals; and the ability to discover unique solutions and seeing events as opportunities rather than threats are all important factors in successfully managing complexity in large infrastructure projects. The authors identify a set of common patterns across the two cases with regard to strong client leadership and capabilities, collaborative behaviors, the ability to be adaptive and responsive, innovative approaches, and the use of digital technologies.

The third paper, “Ethics, Trust, and Governance in Temporary Organizations,” by Ralf Müller, Rodney Turner, Erling S. Andersen, Jingting Shao, and Øyvind Kvalnes, reports on findings from an investigation on the types and severity of ethical issues project managers face in different governance settings and how managers deal with these ethical issues. The study also looked at how the governance paradigm influences the trust among stakeholders in a project. In that respect, the paper participates in the ongoing debate about the importance of different governance structures for the management and leadership of projects and adds an ethics and trust dimension. Initially and based on the literature on project governance, the authors make a distinction between four types of governance paradigms to which organizations are expected to adhere. The study is based on a global, web-based survey with 331 responses. One key observation from this study is that the types of ethical issues vary by governance paradigm, country, and project type; in addition, the behavior of managers varies a great deal by the governance structure, as does the managers’ willingness to resolve ethical issues and the trust among stakeholders. The study indicates that higher levels of trust are typically observed in predominantly stakeholder-oriented governance structures. In accordance with agency theory and stewardship theory, the study showed a dominance of transparency issues in projects governed from a shareholder perspective and a dominance of optimization issues (the ethically correct distribution of benefits and risk among project participants) in stakeholder-dominated governance paradigms.

In the fourth paper, “Value Management for Exploration Projects,” Rémi Maniak, Christophe Midler, Sylvain Lenfle, and Marie Le Pellec-Dairon investigate some of the innovation challenges associated with the management of projects. The authors argue that a greater focus on innovation-based competition has led to a paradox for project management. On the one hand, the authors point out that firms have been continuously streamlining their new product development process and have integrated their project management into a strongly standardized model of project management. This standardized model puts much attention on the elimination of risk and the achievement of cost, quality, and lead time optimization. In that respect, this model focuses on the convergence of activities toward a predefined goal. On the other hand, the authors note, firms cannot only rely on standardized projects to renew their products and capabilities. In such settings, the authors claim, there is a need to launch and implement breakthrough innovation projects—projects that, in the literature, are typically referred to as “exploration projects” (Lenfle, 2008). Such projects struggle with unforeseeable uncertainties in which both the goals and the means are difficult to define at the outset of the project. According to Maniak, Midler, Lenfle, and Le Pellec-Dairon, one of the most interesting and pressing issues with such projects is that they should not only deliver a new product, they should also, and—in some cases this might be the primary outcome—deliver a novel organizational capability. The authors argue that it is well recognized that the project evaluation and value management methodologies are likely to kill exploration projects. By relying on in-depth longitudinal studies of three exploration projects in the space and automotive industries and the aftermath of these projects, the authors document
Vertical alignment
paper by Müller et al., who is co-editor of this special issue and whose paper had to be handled by an editorial board member other than himself. The authors also acknowledge the help and support from a large number of reviewers who reviewed the papers that were considered for publication. We also acknowledge the financial support from the Project Management Institute, the International Project Management Association, the Norwegian Center of Project Management, and BI Norwegian Business School.

References


Jonas Söderlund is Professor at BI Norwegian Business School and a founding member of KITE at Linköping University. Dr. Söderlund has researched and published widely on the management and organization of projects and project-based firms, time and knowledge integration in complex projects, and the evolution of project competence. He has written about the fundamental questions of project management research, the schools of project management research, human resource management in project-based firms, the P-form corporation, the pressing challenges for business schools, and teaching project management in business schools. His work has appeared in Advances in Strategic Management, International Journal of Management Reviews, Organization Studies, Human Resource Management, International Journal of Human Resource Management, R&D Management, International Journal of Innovation Management and International Business Review. His most recent books are the Oxford Handbook of Project Management (Oxford University Press), Human Resource Management in Project-based Organizations: The HR Quadriad Framework (Palgrave), and Knowledge Integration and Innovation (Oxford University Press). He can be contacted at jonas.soderlund@bi.no

Ralf Müller is Professor of Project Management and former Associate Dean at BI Norwegian Business School. He is the (co-)author of more than 150 academic publications, including the first book on methods for project management research: Novel Approaches to Project Management Research: Translational and Transformational (published in 2013 by CBS Press), which he co-edited with Nathalie Drouin and Shankar Sankaran. In 2012 he was awarded the IPMA Research Award, together with Monique Aubry and Brian Hobbs. Before joining academia, he spent 30 years in the industry consulting with large enterprises and governments in more than 50 different countries for their project management and governance and also held related line management positions, such as the Worldwide Director of Project Management at NCR Corporation’s Teradata Business Unit. He can be contacted at ralf.muller@pm-concepts.com