

PM Competence Is Key Growth Driver of Developing Countries

Interview with Ding Ronggui ¹

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Journalist's Introduction

When it comes to project management in China, there is a name that we can't miss: Ding Ronggui. Ding Ronggui, Doctor of Engineering, is Professor, Doctoral Supervisor and Dean of Department of Management Science and Engineering Research Institute, Shandong University School of management.

Praised as the “spokesman and salesman of China wisdom in project management”, Professor Ding Ronggui has been devoted to promoting China wisdom in project management. Reading his articles and books including a wide variety of quotations from Chinese Literature, I'm amazed by his profound knowledge and thought-provoking observations. His newly published book *Taiji Logic: Chinese Wisdom for Project Governance* has been well-received by readers. It

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offers new insights into how Taiji Logic facilitates project governance. The book is just one example of how he draws project management wisdom from Chinese culture.

As a professor and consultant, he attaches great importance to the interaction of theory and practice. He insists on improving and perfecting his project management thinking in practice. Standing at the forefront of project management research, he is capable of explaining professional terms in simple, vivid and interesting language.

As a PM enthusiast, he enjoys doing creative work and communicating with people from diverse cultural and knowledge backgrounds. In his eyes, projects are the platform for stakeholders to carry out cooperation and project management means achieving unique or even challenging accomplishments by uniting all possible forces. That's why he chooses PM as his career. He takes great delight in doing what he loves.

Benjamin Franklin has said, "In this world, nothing can be said to be certain, except death and taxes." Professor Ding Ronggui takes this quote further by saying that, "In fact, there is a third thing that is certain and unavoidable. That is, we all live in projects." I hope that with commitment and efforts from talent like Professor Ding Ronggui, we will all live happily and successfully in projects one day.

Interview

Part 1: PM and Chinese Culture

Project Management Review (PMR): As the person who coined the terms "project thinking" and "project mindset", would you please introduce effective ways of project thinking?

Ding Ronggui (Ronggui): As effective project managers, they should have three fundamental competencies, including the competency of understanding project information, the competence of identifying and integrating project resources and the competence of transforming conceptions into project deliverables. To possess the three competencies, project managers should have effective ways of project management thinking.

Project thinking includes system thinking and dialectical thinking.

Many problems result from lack of systems. For projects, we need to establish a system, which is the balance between partial and overall goals. Different aspects of a thing are interconnected. An important aspect in system thinking is stakeholder thinking.

Projects are unique, new, dynamic and temporary. All things are unitary and opposing. That's why we need dialectical thinking. In project management, there are lots of dialectical thinking viewpoints. For example, we shouldn't rely on people, but systems including people.

China-style project management takes root in system thinking and dialectical thinking. And Taiji thinking integrated the two thinking ways.

PMR: You are hailed as the “spokesman and salesman of China wisdom in project management”. From your perspective, what’s the impact of Chinese culture on project management?

Ronggui: The key to management is to build relationship between people. The approach of building such relationships and its effectiveness are closely associated with culture. It’s not sufficient to rely on hard rules especially for innovative projects with diverse stakeholder backgrounds. Soft culture-specific management style and leadership art are more useful and important.

If we compare hard rules to bricks for building a house, culture will be the gap between them. Therefore it’s important to take culture into consideration in project management. Compared with western cultures, Chinese culture focuses more on human sympathy and interpersonal relationship and even those subtle unspeakable emotions. "Finalizing a project and thus making a group of friends" is common among Chinese project managers, which shows the importance of culture.

PMR: Your new book *Taiji Logic: Chinese Wisdom for Project Governance* has been published recently. What’s the link between project governance and Taiji logic?

Ronggui: Thanks for your concern on the book. Everyone observes and understands the world based on his / her own logic. Due to differences in logic, we hold different standpoints and approaches in doing things. Managers need a specific logic that distinguishes themselves from other professionals, which is Taiji logic.

Projects exist due to changes, which originate from the opposite and unitary contradiction of Yin and Yang. Effective project governance mechanism is to make timely predictions about the primary contradictions in project governance and take proper opportunities to deal with these conflicts in a manner accepted by all stakeholders. The most appropriate moment to solve contradictions is the “Taiji period” when the two sides of a contradiction rotate from integrated whole (stillness period) to disintegration of Yin and Yang. The core of project governance in Chinese wisdom is to take advantage of these Taiji periods to guide the forces of yin and yang based on golden-mean (which is called Zhong-yong in Chinese) contradiction-solving approaches. In this way, we can not only make use of contradictions to promote project development but also resolve contradictions before they erupt, thus enabling project governance to be in a dynamic and harmonious state and meet the needs of stakeholders to the maximum. It is the state described in Tao Te Ching as follows: “When work is achieved and tasks are fulfilled, all the people say: our way should be like this naturally.”

"Taiji logic" is a unique dialectical thinking theory and method in Chinese culture based on balance of specific interests. The three basic pillars of Taiji logic are as follows: to pinpoint key project contradictions based on the principle of opposition & unity of Yin and Yang; figure out

time opportunity to solve contradictions according to the evolution law of Yin-Yang differentiation of Taiji; and to take the flexible Zhong-yong thought to balance stakeholder needs to manage contradictions.

The collision and fusion of various cultures make our world colorful but also full of conflicts at the same time. Chinese-style Taiji logic offers effective philosophical thinking and methodology to manage conflicts in project governance. In VUCA era, due to the variety and complexity of cultures, we tend to be lost in the bushes of various management theories, methods and practices. Identifying the logic of managing things helps us find an easy and clear path out of the bush. In a nutshell, Taiji logic enables us to get things done in a balanced and effective way.

PMR: There is an old saying about HR management in China, “Never doubt the people you hire and never hire the person you doubt”. It seems that you disagree with it. Why not?

Ronggui: Actually, it is not appropriate when applied to the business world. It is more appropriate to say “doubt the person you hire and hire the people you doubt”.

There was a famous doctor named Ye Tianshi in ancient times. One day, his mother got a strange disease. Ye Tianshi was not sure about a medicine ingredient when he treated his mother. If he used it right, he could cure the disease. However, if he was wrong, his mother could die. To be on the safe side, he asked another doctor whether he should add the ingredient. That doctor responded that he should add it without any hesitation. The doctor thought it in a simple rationale: if it was right to add the ingredient, he would gain much higher reputation; if it was wrong, it did not matter to him since the person who died was not his mother.

This legend is very appropriate to describe the relationship between enterprise owners and enterprise operators. Owners authorize operators to create values for them, but they are not at ease with the operators. Indeed, operators have done many things that do not rest the owners' hearts. Whether enterprises have achieved the so-called “modern enterprise system” or not, problems with consciousness emerge, not to mention those numerous problems that are not wrong in subjectivity. Therefore, owners need to intervene and exert controls on operators. This is how corporate governance comes and where owners feel painful about hiring operators with a “doubt the person you hire and hire the people you doubt” approach. It also brings some profound and helpless concepts such as “transaction cost” and “motivation and control mechanism”. Are there any radical solutions? There seems not, and this is why we say “management is a kind of flawed beauty”.

Ordinary people are the objects of management. In other words, they are ordinary people, not supermen. Whether they can be trusted does not depend on the self-regulation, which is brought by education and moral cultivation. It depends on where our management methods can reduce the degree of their unreliability.

Part 2: PM Observations and Applications

PMR: In your view, how will project management serve the China-proposed “One Belt and One Road Initiative”?

Ronggui: Most countries along the One Belt and One Road region are developing nations, which are the places with the most active project activities and economic growth potential. However, due to inadequacy in money, technical and management experience, infrastructure construction projects such as railways, airports, bridges lag behind, which hinders regional economic growth. Without government officials capable of project management, development policies won't become practical projects. Without investors capable of project management, the investment will reap nothing due to project failure. Without qualified project managers capable of project management, money will be wasted regardless of favorable government policies. It is obvious that **project management competence has become a key growth driver of developing countries.**

PMR: Knowledge and practice should go hand in hand. Does it make sense when it comes to project management?

Ronggui: On the one hand, PM is practice-based. To deliver a specific project product in limited timeframe, we are supposed to have deliverable awareness. On the other hand, due to the uniqueness and specialty of stakeholders, it's hard to copy success experience for similar projects. Therefore, project managers must be capable of innovating. Based on my observation as a jury member of the IPMA Global Project Excellence Award, behind every award-winning project lie systematic innovations, which won't work without the combination of theory and practice. In other words, excellent projects are models of the combination of theory and practice.

PMR: Having worked in this field for many years, share some unforgettable lessons that you've learned with us.

Ronggui: Since 2005, I have been involved in assessment and management work of IPMA Global Project Excellence Award. As the lead assessor, I have visited a number of large projects. During the journey, I learned success stories but also found some imperfection in project management. The biggest imperfection lies in the thinking of project decision-makers. The criterion of project success has transformed from the traditional triangle of “time, cost and quality” to “satisfying the stakeholders”. If decision-makers only focus on the traditional triangle of “time, cost and quality”, they're likely to make terrible mistakes. They shouldn't ignore the fact that project products are long-lasting. In the long time period after product delivery, there will be more stakeholders whose interests are associated with project products though they matter little for the realization of project goals. Due to limited vision of project decision-makers, such accidents as nuclear power plant leak, explosion of chemical factories happened. To sum up, it's time to redefine criterion of project success.

PMR: Why do you hold the belief that it's time to redefine project management?

Ronggui: In the era characterized by volatility, uncertainty, complexity and ambiguity (VUCA), we face lots of challenges and puzzles in the process of management. A succession of new ideas, new theories, new methodologies and new cases don't lead to a clear view of the world, enterprises and projects. Instead, they result in restlessness, confusion or even fear. The traditional project management theories relying on administrative power, intellectual authority, team collaboration, plans, etc. are not sufficient for us to adapt to the new world. Faced with AI products, Internet of Things (IOT), digital resources and blockchains, we are stricken by sense of panic and unsafety.

The cause is a lack of theory of knowledge and sound supporting logic that should be tailor-made for project managers to deal with challenges in VUCA era. Due to a lack of logic, what we see is the separated and superficial management phenomenon rather than the essence and common law behind it.

Things always reverse themselves after reaching an extreme. When traditional project management theories and methodologies are unable to help us improve effectiveness and sense of safety in dealing with changes, it is time to redefine project management.

Part 3: PM and the Future

PMR: You have noted that we should realize Chinese dream through specific projects. Would you please elaborate on this point?

Ronggui: To develop from manufacturing nation to manufacturing power, and to innovation power, China needs the support of specific projects. Examples are China's big aircraft C919, spacecraft, high-speed railway, Beidou system, super computing, quantum satellite, etc. It is because we pay more attention to risk that innovation becomes more reliable. It is reliability that drives more people to participate in innovation. Nowadays, our society is full of innovative ideas everywhere. We need project management to ensure that innovation companies are not short-lived. Investors without project management skills will be killers of innovation ideas and innovation proposers without project management competence will be frauds of investing promotion.

Management should be done before problems arise. To win the trust about project fruits from the public, the top priority for such mega projects as aircraft development is to win the public's trust about project management process. The image of mega projects is built not only by product advertising promotion but also through the process of project management. The basic procedure to cooperate in large-scale projects is to first build project management brand, win the trust of clients, and thus obtain the order.

Only by high project management competency can we win specific projects. Only by practical project accomplishments can we transform Chinese dream into our daily life.

PMR: Based on your observation as a PM expert, what are the challenges facing project management in China?

Ronggui: Compared with other countries, China has more projects, which means greater demand for project management. However, we still face several barriers in PM development. First, we don't have a PMO office at government level. I suggest that project governance should be a vital part of national governance. Second, if project management is only promoted by enterprises, the development will be slow. Until now, we haven't attached enough importance to management. Third, due to lack of effective change management, we often come across balance problem between principles and flexibility. Fourth, competence and skills of project personnel remains to be improved.

PMR: As far as you are concerned, what do you think of the future and trend of project management in China and around the world?

Ronggui: I think we can use the word "alliance" to describe the core of future project management. The emphasis of project management should be placed on acquisition and allocation of project resources, which will be distributed among different organizations, industries or even different countries. People will gather for project initiation and part for project closure. The traditional pattern that resources especially human resources belong to certain stable organizations will change as job positions will turn into roles and employees will turn into partners. The major challenge will be how to identify and integrate competent resources that meet project needs to form the alliance effect of "coming, working, quitting". For project governance, the challenge will be how to spot project opportunities and how to operate and share the value of project products.

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About the Interviewer



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