

Series on general management functions and activities, and their relevance to the management of projects

A general management framework, and its relevance to managing the project life cycle

Article 1 of 7

By Alan Stretton

BACKGROUND TO THIS SERIES

General management provides the foundation for building project management skills and is often essential for the project manager. On any given project, skill in any number of general management areas may be required. General management literature documents these skills, and their application is fundamentally the same on a project. (PMI 2004:15)

As is indicated in this lead quotation, the importance of general management in the management of projects is widely acknowledged. However, its treatment in the project management literature is uneven. Key bodies of knowledge and competency standards of project management differ in their coverage of general management, as do books and other relevant publications. Overall, some aspects of general management are quite well covered, but others not so well.

It is also implied in the lead quotation that project managers can access the general management literature to fill in gaps in their knowledge and skills in this domain. However, this is easier said than done. The general management literature is voluminous, and it is not necessarily easy to quickly access the materials sought.

This suggested to me that it might be useful to present an overview of basic general management materials, which may help project managers directly, and/or help guide them towards more detailed relevant materials. However, it would be an enormous task – and well beyond my current capabilities – to cover all general management materials. I have therefore made a conscious choice to focus on traditional/ classical management materials as they developed up to around the mid-1980s. Although there have been many developments in management literature and practice since then, the framework I have chosen for presenting these materials is still widely quoted today, and its materials still underlie much current management practice.

This article first presents a figure illustrating the evolution of historical general management theories, and then establishes the traditional/ classical management framework used in this series of seven articles. This comprises “basic” management functions and their component activities, plus a group of “technical” management functions and activities. This article then shows how the “basic” management functions can be applied to the management of the phases of a project life cycle.

EVOLUTION OF VARIOUS HISTORICAL MANAGEMENT THEORIES

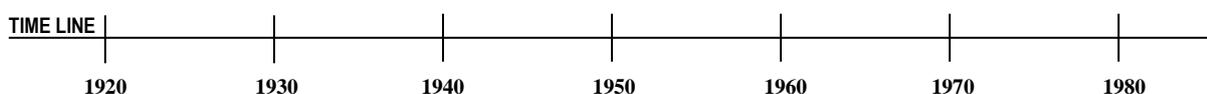
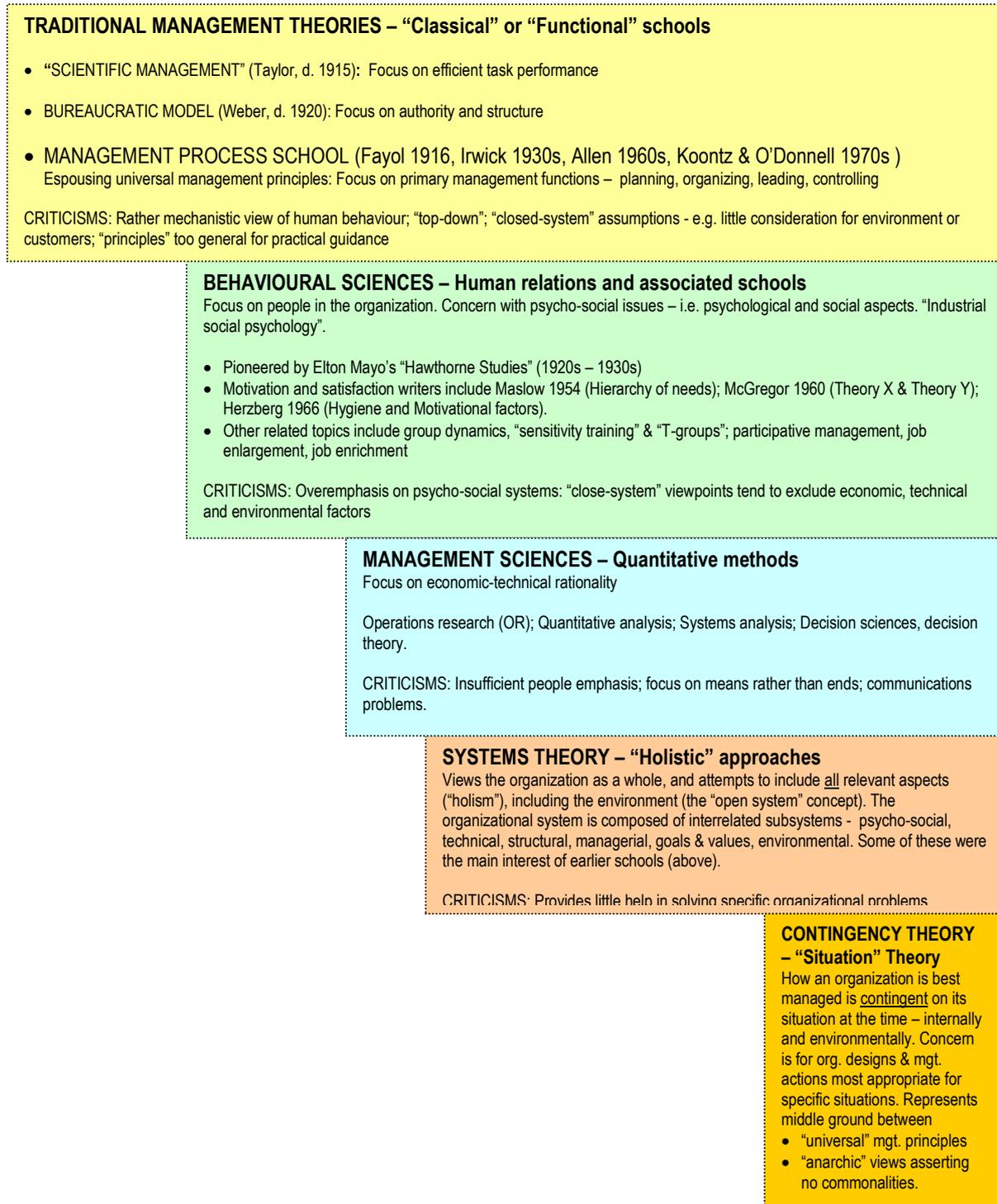


Figure 1-1: Evolution of various historical general management theories

The above figure is derived from many sources, most of them with somewhat different listings. Therefore my choices in this figure necessarily involved some compromises, and thence could be seen by some as having errors and/or omissions. However, hopefully it will give some “feel” for the various ways in which so many people have contributed to the evolution of general management theories. All these approaches are referred to from time to time in current literature, so a choice needed to be made about the most appropriate one to adopt for the purposes of this series of articles.

CHOOSING A REPRESENTATIVE HISTORICAL MANAGEMENT FRAMEWORK

Basic functions of management

As it turned out, this choice was not such a difficult one to make. In both the general management and project management literatures the management functions of *planning*, *organizing*, *leading*, *staffing* and *controlling*, or various permutations and combinations of these, arose much more frequently than any other historical general management references. These management functions derive from what I have called the “management process school” in Figure 1-1. We will now look at what some of the key contributors in this area have had to say.

The “father” of “classical” management, Henri Fayol, circa 1915, nominated five basic management functions, *planning*, *organizing*, *implementing*, *controlling* and *leading*, as Turner 1993:20, pointed out.

Much later, a general management writer, Allen 1964, identified four basic functions of management, namely *planning*, *organizing*, *leading* and *controlling*. Even later, general management authors Mukhi et al 1988 said that management can be viewed as a set of four basic processes: *planning*, *organizing*, *leading* and *controlling* – which is identical to Allen’s framework. Prominent general management writers Koontz & O’Donnell 1978 nominated *planning*, *organizing*, *staffing*, *leading* and *controlling*. Since Allen specifically includes staffing activities within his *leading* function, Koontz & O’Donnell’s framework is essentially the same as Allen’s.

The seminal early project management book by Cleland & King 1968:4 says that the manager plans, organizes, staffs, directs and controls. This is essentially the same as another pioneering project management writer, Kerzner 1979, who nominated *planning*, *organizing*, *staffing*, *controlling* and *directing*. He saw the latter as primarily an implementation process, although it also has elements which could be described as leading processes.

The PMBOK Guide (PMI 2004:15) said that general management encompasses *planning*, *organizing*, *staffing*, *executing* and *controlling* the operations of an ongoing enterprise. This adds an *executing* function, in similar vein to Fayol’s *implementing* and (at least in part) Kerzner’s *directing*.

I see *executing/implementing* as inexorably bound up with the *controlling* function, and have followed this understanding by using the double descriptor, *implementing/controlling*, rather than simply *controlling*.

In this series of articles, I have chosen to use Allen's basic functional framework for "classical" management, partly because it is very well "packaged", but also because Louis Allen was such a prominent contributor to general management and global management consulting in the 1960-70s. However, I have made two slight amendments to his framework. One is to include staffing as a subsection of leading, to facilitate discussions in separate articles later. The other (as just noted) is to use the double descriptor implementing/controlling, in lieu of simply controlling.

Further, I have used Allen's sub-divisions within the four basic management functions, which he calls management activities, of which there are nineteen all told, as shown in Figure 1-2. In later analyses, I have supplemented Allen's treatment of these management activities with materials from other historical management schools, where this appears appropriate. My choices here have been rather personal, as they are based on those materials that I have found most insightful and useful in a very long career in practice, teaching, and writing.

"Basic" and "technical" management functions and activities

In a separate document, Allen 1974 describes his four management functions and nineteen component management activities as "universals" – i.e. as applying in to all management situations and contexts. I have used the adjective "basic" to describe these management functions and activities.

However, Allen also recognises that there are specific features of each individual management situation and context that the manager must also be aware of and take into account. He calls these "technical" management functions, which cover such topics as marketing, finance, personnel, purchasing, legal, MIS, engineering, and production/manufacturing. The third edition of the PMBOK Guide (PMI 2004:15) had a very similar list, which it called "supporting disciplines" to general management. I will stick with Allen's descriptor of these as "technical" management functions.

These typically take the form of individuals or departments that either undertake these functions, or provide relevant advice and service. These "technical" functions, and their component activities can vary widely between application areas, as opposed to the universal applicability of the "basic" management functions and activities.

A note on the management function approach, and practice

Still in the general management context, Koontz & O'Donnell 1978:25-26 distinguish between the study of the functions of management, and what managers actually do.

The management functions approach to studying the essentials of management should not be taken to mean that managers systematically plan, then organize, then staff, lead and control. It certainly should not be understood to imply that managers schedule their day with, say, an hour or an hour and a half for each function.

Some people do misunderstand the functional approach. For example, one highly regarded writer "found" that a small sample of business executives he studies did not appear to plan, organize, and control, and that, therefore, functions of managers were "folklore". What this author did not seem to realize is that there is a difference

between organized knowledge and practice. Nor was he aware that there is no such thing as a 100 percent manager, and that all managers do things like raising money or selling that are not managerial. What was most surprising was this author’s failure to realize that when managers make decisions, gather information, hold meetings, allocate resources, respond to forces external to an enterprise, and initiate changes – all things he found they did do – these activities almost certainly are evidence of practice in planning, organizing, staffing, leading, or controlling.

My reason for including the above quotation is that there are still some people who do not make this distinction.

A proposed general management knowledge framework

“BASIC” MANAGEMENT FUNCTIONS	“BASIC” MANAGEMENT ACTIVITIES	“TECHNICAL” MANAGEMENT FUNCTIONS	“TECHNICAL” MANAGEMENT ACTIVITIES
PLANNING Predetermining courses of action	Forecasting Establishing Objectives Programming Scheduling Budgeting Establishing Procedures Establishing Policies	ENGINEERING Design, modify, adapt products, tools, facilities	
ORGANIZING Arranging and relating the work to be performed so that it can be accomplished most readily by people	Developing organization structure Delegating Establishing relationships	PRODUCTION/ MANUFACTURING Provide product or service	
LEADING Causing others to take action	Decision making Communicating Motivating	MARKETING Satisfy customer needs and wants	Market research; sales; advertising; services
[STAFFING]	Selecting people Developing people	FINANCE Advice & service in effective use of financial resources	Controller; Treasurer; Internal auditor
IMPLEMENTING/ CONTROLLING Assessing and regulating work in progress and completed	Developing performance standards Measuring performance Evaluating performance Correcting performance	PERSONNEL Advice & service in teffective utilization of human resources	Medical; Labour relations; Personnel development; Selection Compensation
		PURCHASING Advice & service in procurement of goods & services	
		LEGAL Advice & service in law and litigation	
		MANAGEMENT INFORMATION SERVICES Advice & service in storage and retrieval	
		OTHER TECHNICAL SERVICES Vary widely by type of enterprise	

Figure 1-2: A Proposed General Management Framework

The far left hand text box in Figure 1-2 covers the four main “basic” functions of management, and its adjacent box their nineteen component activities. These are based on Allen 1964, slightly modified as discussed above.

The right hand text boxes cover what Allen 1974 describes as “technical” functions of management. The components of these vary widely, but a few of these are developed in the far right text box.

RELATING THE “BASIC” MANAGEMENT FUNCTIONS INTERNALLY

The most direct discussion of how the basic management functions relate with the project life cycle that I know of is in Turner 1993:20-24. Turner uses the five basic management functions proposed by Henri Fayol, as follows:

- **planning** the work to be done
- **organizing** the resources to do it
- **implementing** by assigning work to people
- **controlling** progress to achieve the plan or replanning if necessary
- **leading** the team of people involved

Turner illustrates the relationships between these as in Figure 1-3, which shows planning, organizing, implementing and controlling as the direct basic management functions, and leading as the integrative management function.

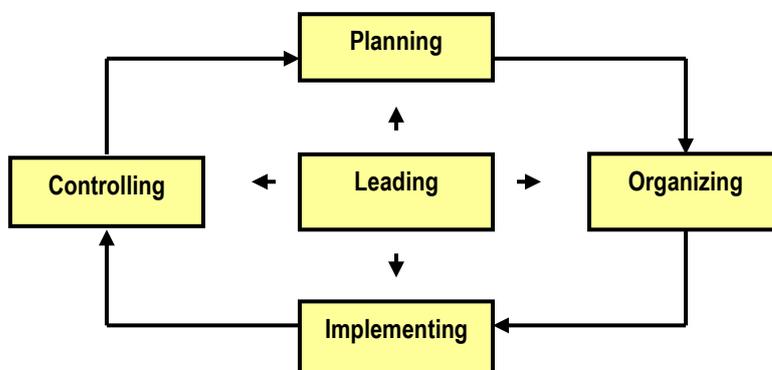


Figure 1-3: Five “basic” functions of management (based on Turner 1993, Figure 2.1)

RELATING THE “BASIC” MANAGEMENT FUNCTIONS TO PROJECTS

Applying the “basic” general management functions to the project life cycle

Turner 1993 presented and discussed a very basic four-stage view of the project management life cycle, which will be shown in Figure 1-4 below. Further, he notes that

The emphasis of project managers and the way they apply the [basic] management processes changes as the project progresses through its various stages.

Turner then relates the basic general management functions with his project management life cycle as shown in Figure 1-4 (with leading being the unwritten integrating function in each stage).

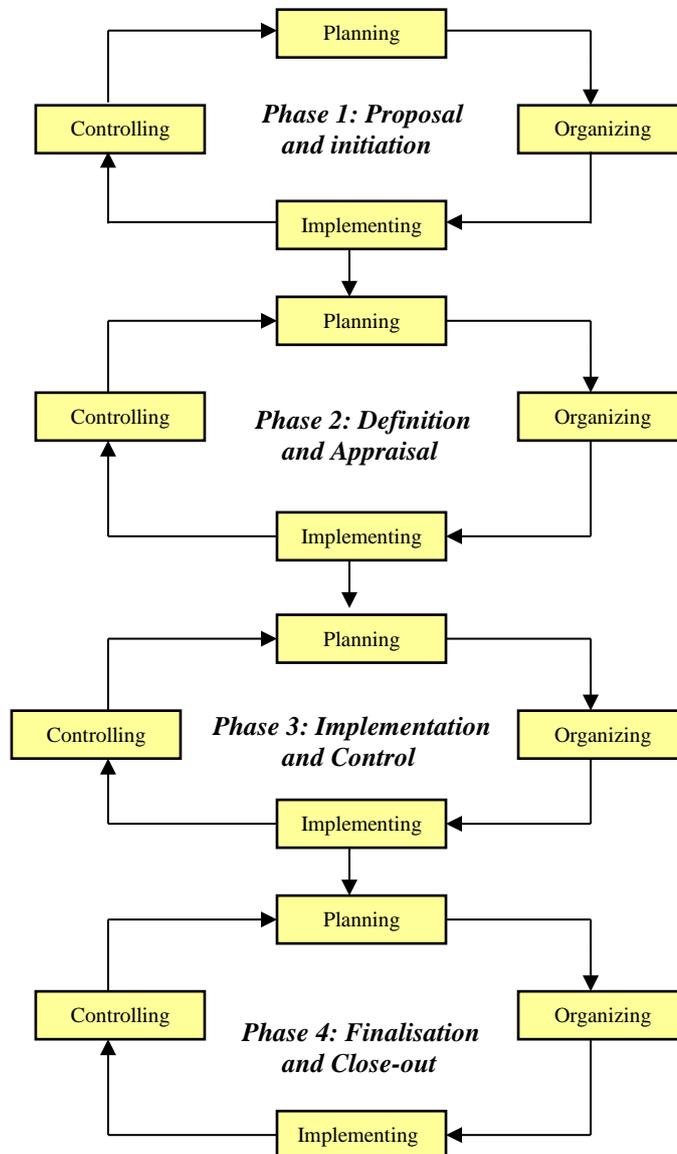


Figure 1-4: Applying the “basic” general management functions to the management of the project life cycle (based on Turner 1993, Figure 2.4)

Figure 1-4 illustrates how the “basic” general management functions at large can be applied to managing the various phases of the project life cycle. Thus, in this context, the general management functions have a very direct relevance for the management of projects.

Future articles in this series

In the following articles of this series we will discuss each of the five “basic” general management functions in more detail, following the order in Figure 1-2 – namely *planning, organizing, leading, staffing, and implementing/controlling*.

Each of these “basic” functions will be first overviewed as a whole, and then their component activities (also outlined in Figure 1-2) will be developed in greater detail. We will then look at various ways in which these component activities of these “basic” management functions are relevant to the management of projects.

The seventh and final article will look briefly at some of the “technical” management functions and activities, before summarizing the series.

SUMMARY

This is the first of a series of seven articles on general management functions and activities, and their relevance to the management of projects.

In choosing a general management framework for this series, it appeared most practical and manageable to focus on traditional/ classical management materials as they developed up to around the mid-1980s. The reasoning behind this choice is that, although there have been many developments in management literature and practice since then, this framework is still widely quoted today, and its materials still underlie most modern management practices.

This article first introduced a time-lined figure of the evolution of various historical traditional/classical management theories, up to about thirty years ago. This included the management process school, which is the basic framework adopted in this series. Many writers contributed to this school, but Allen’s basic functional framework was chosen (with a couple of minor modifications), partly because it is better “packaged” than most of the others, but also because of the prominent role Allen played in general management and global consulting in the 1960-70s.

The adopted general management framework comprises the “basic” functions of planning, organizing, leading, staffing, and implementing/controlling, and their component activities. It also has a section on what has been termed “technical” management functions and component activities.

It was then shown how the “basic” management functions relate to one another internally. This was followed by a discussion of how these functions are directly relevant to the management of phases of the project life cycle.

This was followed by an introduction to following articles in this series, which develop component activities of each “basic” function in turn, plus the “technical” functions, and discuss the relevance of these to corresponding aspects of the management of projects.

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Alan Stretton is one of the pioneers of modern project management. He is currently a member of the Faculty Corps for the University of Management & Technology (UMT), USA. In 2006 he retired from a position as Adjunct Professor of Project Management in the Faculty of Design, Architecture and Building at the University of Technology, Sydney (UTS), Australia, which he joined in 1988 to develop and deliver a Master of Project Management program. Prior to joining UTS, Mr. Stretton worked in the building and construction industries in Australia, New Zealand and the USA for some 38 years, which included the project management of construction, R&D, introduction of information and control systems, internal management education programs and organizational change projects. He has degrees in Civil Engineering (BE, Tasmania) and Mathematics (MA, Oxford), and an honorary PhD in strategy, programme and project management (ESC, Lille, France). Alan was Chairman of the Standards (PMBOK) Committee of the Project Management Institute (PMI®) from late 1989 to early 1992. He held a similar position with the Australian Institute of Project Management (AIPM), and was elected a Life Fellow of AIPM in 1996. He was a member of the Core Working Group in the development of the Australian National Competency Standards for Project Management. He has published over 150 professional articles and papers. Alan can be contacted at alanailene@bigpond.com.au.

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