

## ***Managing and Working in Project Society***<sup>1</sup>

### **Project Society in the Making**<sup>2</sup>

**Tim Brady and Rolf A. Lundin**

Writers have been heralding the coming of the project age for many years. As long ago as the late 1950s Paul Gaddis's book was extolling the virtues of a new type of manager - the Project Manager - whose business is to create a product - a piece of advanced-technology hardware. (Gaddis, 1959). Unlike so-called conventional managers in corporations at the time the project manager had to manage a higher proportion of *professionals* from the working level up through his subordinate managers. Gaddis points out that "crisis, uncertainty and suspense" are continual elements of project life. He also says that the role of the project manager will be vital for the US to regain technological leadership.

#### ***The adhocracy movement***

But while he was advocating the rise of a new type of manager, Gaddis was not forecasting a change in the nature of organisations away from monolithic enduring permanent organisations towards a more temporary form. Indeed, the environment in which Gaddis was describing the rise of project managers was relatively stable - there was technological change but nothing like the rapid environmental changes that came to the fore in subsequent years. It was Toffler (1970) who suggested that "(e)ach age produces a form of organization appropriate to its own tempo" (p.143). He acknowledged the existence of project groups as temporary forms by pointing out that there was nothing new about the idea of assembling a group to work towards the solution of a specific problem, then dismantling it when the task is completed. In his view however, what was new at the time of his book was the prevalence of such groups and "the frequency with which organizations must resort to such temporary arrangements. He suggested the "seemingly permanent structures of many large organizations. . . are now heavily infiltrated with these transient cells." (p.134). The use of the word 'infiltrate' by Toffler about these new forms was interesting in itself, suggesting some kind of surreptitious, almost covert activity in the face of resistance from the extant organizations. It was if the large hierarchical, bureaucratic organizations of industrial society were fighting a rear-guard action against the inevitable march of something new: adhocracy.

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<sup>1</sup>This series of articles from members of the Swedish Academy is based on the concepts in the book [\*Managing and Working in Project Society\*](#) by Rolf A. Lundin, Niklas Arvidsson, Tim Brady, Eskil Ekstedt, Christophe Midler and Jorg Sydow, published by Cambridge University Press in 2015. The book won the PMI David I. Cleland Project Management Literature Award in 2016.

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In describing the characteristics of what he called 'super-industrial society', Toffler was strongly influenced by the work of Warren Bennis who he quotes as suggesting that "(t)he key word will be 'temporary'; there will be adaptive, rapidly changing *temporary systems*." Problems will be solved by task forces composed of "relative strangers who represent a set of diverse professional skills." (p.144). In Toffler's vision of the brave new world, "rather than being trapped in a mindless bureaucratic machine, man will find himself liberated, a stranger in a world of kinetic organizations." (Toffler, 1970 p.125). In this world of adhococracy rather than permanence there would be transience – high mobility between organizations, never-ending reorganizations within them, and a constant generation and decay of temporary work groupings. Toffler was at pains to impress on the reader that that "the rise of *ad hoc* organization is a direct effect of the speed-up of change in society as a whole" (p.135).

But there is not too much evidence that this world of kinetic organizations emerged quickly. Rather, we find that there has been a gradual transition over the next 40 years or more as the traditional institutions continued to resist revolutionary change, with periodic announcements of the coming of the new age in which projects and temporary forms of organization will become dominant. If we fast-forward over 35 years from Gaddis's book and 25 years from Toffler book we find researchers suggesting that projects and project management were becoming "the wave of the future in global business' and that project management might replace traditional functional management as the key to competitive advantage in the 21<sup>st</sup> century" (Pinto and Kharbanda, 1995). Again, in the 1990s, we find a short book appearing with the title 'Adhococracy' extolling the virtues of "the most common, sturdy, and visible ad hoc form: the project team, or task force" (Waterman, 1992; p.17). Waterman acknowledges the works of Bennis and Toffler but suggests that exactly how to create and manage these ad hoc forms was never fleshed out and applied to the real world of business. Waterman bemoans the trend of businesses employing consultants at huge expense to supply ad hoc teams to work on projects that could and probably should be handled by their own internal managers and employees. His book is filled with stories about successful implementation of ad hoc teams in a variety of settings including life insurance, computer firms, real estate developers, clothes manufacturers, sports teams, oil companies. The message is clear. If you want to be successful in today's (i.e. the 1990s) environment, you need to learn how to manage adhococracy.

Waterman was one of the co-authors of the best-selling management book *In Search of Excellence*. His co-author, Tom Peters, was also writing about the rise of projects in a series of 'how-to' books which were published at the end of the 1990s - *The Project50: Fifty Ways to Transform Every "Task" into a Project That Matters!* and *The Professional Service Firm 50: Fifty Ways to Transform Your "Department" into a Professional Service Firm Whose Trademarks are Passion and Innovation!* According to Peters, "in the new economy, all work is project work", and he urges individuals to become project gurus and turn their functional departments into fully-fledged professional service firms. Again, the language is interesting. He suggests that it is 'cool' to be seen to work in this way. According to Peters, "(t)he cool professional service firm is just that: cool talent, a portfolio of cool projects, cool clients. Period. Its only asset—literally—is brains. Its only product is projects. Its only aim is truly memorable client service." So, shifting towards

project forms of organization in which internal teams deliver services to other parts of the organization is something to be encouraged as it's fashionable, hip and cool.

Peter's emphasis is about how traditional organizations themselves can be transformed by creating an internal consulting service which puts together teams to deliver projects for the organization. However, many more organizations have chosen to outsource many of these activities. This shift towards 'contracting' of labor has been going on for years but was mostly associated with technical workers like engineers and computer scientists who worked for specialist firms whose business was the delivery of projects (what are often called project-based firms). In recent times there has been a dramatic rise in freelance contracting where individuals who can offer specific skills and capabilities offer their services. Institutions such as specialist employment agencies and new technical platforms have developed to support these individual freelancers.

### ***The e branch of the development***

Malone and Laubacher's Harvard Business Review article in 1998, *The Dawn of the E-lance Economy*, drew on the open-source development of Linux to suggest that its organization – the Linux community – a temporary, self-managed gathering of diverse individuals engaged in a common task, provided a model for a new kind of business organization that could form the basis for a new kind of economy (Malone and Laubacher, 1998).

The on-line platform company Elance commissioned research into the use of freelancers which published in a report called *The Future of Work*, which suggested that 60% of the companies surveyed intended to increase freelance hiring in 2014. By the mid 2000s one third of the workforce in the USA was reckoned to fall into the freelance category. In the spring of 2005, the Freelancers Union carried out an on-line survey of freelancers in the New York Metropolitan area. While the respondents came from numerous fields from acupuncture to financial services the majority worked in one of five occupational categories: writers, editors, journalists or copywriters; graphic designers; web designers, software developers, programmers and information technicians; artists and illustrators; professionals working in advertising, marketing and market research. Unsurprisingly they were drawn from a number of the city's leading sectors: advertising and media.

Similar trends have been seen in Europe. A report by Stephane Rapelli for the PCG (Professional Contractors Group) – a cross sector association for freelancers, contractors and consultants in the UK – and EFIP (the European Forum of Independent Professionals) was published in 2012. Rapelli defined Ipros as independent workers without employees engaging in a service activity and/or intellectual service not in the farming, craft or retail sectors. Applying this definition to Eurostat data, Rapelli estimated that employment in his group has grown by 82% from 2000 to 2011 when the number of IPros in the EU was estimated to be in excess of 8.5 million. 30% of these were engaged in professional, scientific or technical activity with human health and social work accounting for the next highest proportion (14%). There were wide variations in these numbers and proportions across the different European countries, with the strongest growth exhibited in Northern and central Europe and the highest concentration in Italy, France, the UK and Germany.

Research conducted between June 2012 and May 2013 examined the growing phenomenon of i-Pros – independent professionals. EU statistics don't have a category for this class of worker, as they don't fit into the traditional frameworks of employees and employers. However, using Rapelli's definition, researchers re-examined labor force statistics to come up with some estimates about the make-up of this part of the workforce. The research showed that The EU's iPro workforce grew consistently and over the decade from 2004 to 2013, across the years and across the different member states. The EU27 iPro population grew from fewer than 6.2 million professionals to nearly 9 million, a 45% increase; and expanded as a percentage of the numbers employed (from 3% to 4% across the EU27) and as a percentage of those employed in professional sectors (from 9% to 11% across the EU27). IPros are the fastest growing group in the EU labour market. Long-established liberal professions have seen iPro working grow strongly. The media and the arts have long been populated by iPros working as journalists, technical writers, designers, interpreters and translators. More recently, professions in marketing, business consultancy, public relations and a wide variety of health-care professionals have seen an increase in iPro working.

A report from Accenture (Trends Reshaping the Future of HR: The Rise of the Extended Workforce, 2013) proclaimed that "Yesterday, work was organized in hierarchies according to jobs and roles. Tomorrow, it will be characterized by dynamically configured teams of workers who may not be an organization's permanent employees. Instead of a single enterprise with full-time employees and a recognizable, enduring hierarchy, companies will increasingly be comprised of formal employees and an ever-shifting global network of contractors, temporary staff, business partners, outsourcing providers and members of the general public". The report showed that freelancing was no longer restricted to the areas of contractors and programmers.

One example of the use of freelancers can be seen in the cluster of individuals and small firms in the creative industries in Brighton. The Brighton creative and digital cluster is an extreme example of the benefits of operating within a rich and diverse local economy. Digital creative products and services often change fast in response to shifting customer tastes and requirements. Such products and services are often generated within temporary projects that combine knowledge and skill from inside the firm with the knowledge and skills of external suppliers and contractors. Firms in this sector benefit from having a critical mass of skilled local suppliers and freelance contractors who can add specific skills to projects that the firms cannot economically justify in having in house. Hence an important strength of the local cluster relates to its ability to update and improve a widely distributed body of knowledge. This in turn benefits from the diversity and depth of the local sector, which allows knowledge and experience to be reused across projects. (source: The Brighton Fuse <http://www.brightonfuse.com/wp-content/uploads/2013/10/The-Brighton-Fuse-Final-Report.pdf>)

### ***The role of technology in projectification***

In this section the role of technology in assisting the moves towards projectification is discussed. This is where the Internet and mobile smart phone technologies come in as it

is through the internet that the latest co-ordination of individuals and freelancers can take place. That is what is different about what is happening now compared to the other 'false dawns' of the spread of the temporary form.

According to Castells societies evolve and transform themselves through a complex interaction of cultural, economic, political, and technological factors (Castells, 2011). Technology has its own trajectory within this evolution and from time to time major qualitative shifts occur in technological paradigms which result in transformations at the societal level. Industrial society was the result of energy technology developments – first steam and later electricity – around which a number of technologies in various fields clustered and converged. These fields included mechanical engineering, metallurgy, chemistry, biology, medicine, transportation and others which together combined to create a new technological paradigm from which emerged new forms of production, consumption and social organization. This is what we now call Industrial Society.

Castells' Network Society is driven in a similar way by a new technological paradigm which he calls 'Informationalism'. He contrasts this with the view of others that we are now a knowledge-based economy and that this is information society on the basis that throughout history knowledge and information and their technological underpinnings have been closely associated with political or military domination, economic prosperity and cultural hegemony. In that interpretation all economies are knowledge-based and all societies are information societies. The 21<sup>st</sup> century on the other hand has a new technological paradigm based around a cluster of developments in information technologies. Castells maintains that the current information technology revolution differs from previous revolutions in communications technology such as the printing press, because of three distinctive features:

- a) their self-expanding processing capacity in terms of volume, complexity and speed;
- b) their recombining ability; and
- c) their distributional flexibility.

Here we would like to add in some material about other trends towards temporariness – e.g. the rise of pop-up shops and cafes etc. i.e. the fact that society is becoming more temporary in nature more broadly. Again, the spread of mobile phones and the internet is having an effect here. The way in which we all go about our daily lives has changed beyond compare as a result of these changes in technology. And the clock can't be turned back.

### ***Project Society as a step in the continuing change***

From the description above one might think of the development as a sequence of steps where researchers and actors have formed their understanding of what has been going on in the temporality fields. Sometimes the steps are in fact sequential but there are also parallel streams of events. None of these steps are final, rather they are in focus for one specific era. Since there is a living world out there, it should be expected that we will never achieve a final stage in the development of the world. As mentioned in the publication

“Project Society” (Lundin et al., 2015) there will most likely come new eras building on or related to notions like adhocracy, technological innovations in ICT, etcetera. One important development in the book concerns the notion of what a project is. Rather than concentrating on a futile effort to find a generic definition, the idea was born to talk about families of projects, where all characteristics are not common for the members of the family. We do expect a surge of research on the implications of this step in the development of research and practice.

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Brady and Lundin are co-authors of [\*Managing and Working in Project Society: Institutional Challenges of Temporary Organizations\*](#), published in 2015 by Cambridge University Press and winning the 2016 PMI Book of the Year award.