The Project Based Structure

In this type of organization project managers have a high level of authority to manage and control the project resources. The project manager in this structure has total authority over the project and can acquire resources needed to accomplish project objectives from within or outside the parent organization, subject only to the scope, quality, and budget constraints identified in the project.
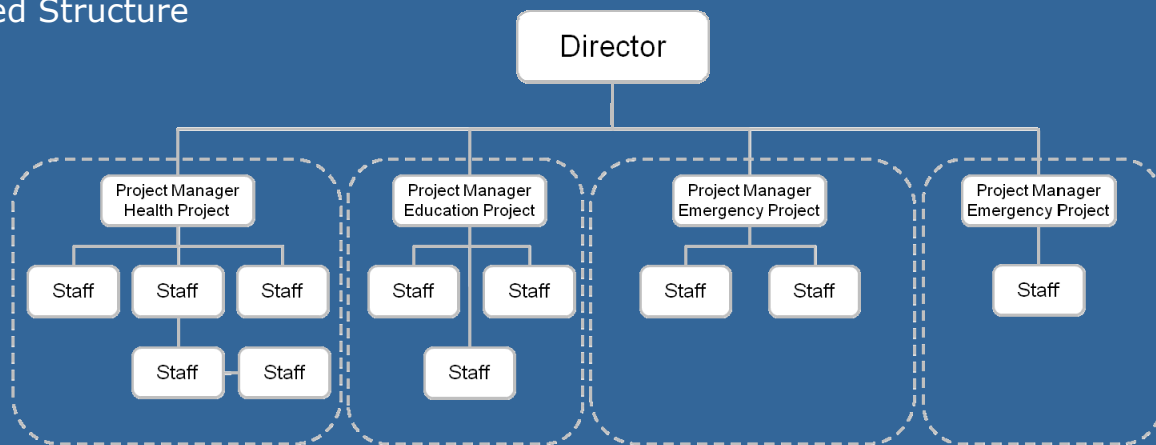
Advantages

On the project based structure, personnel are specifically assigned to the project and report directly to the project manager. The project manager is responsible for the performance appraisal and career development of all project team members while on the project. This leads to increased project loyalty. Complete line authority over project efforts affords the project manager strong project controls and centralized lines of communication. This leads to rapid reaction time and improved responsiveness. Moreover, project personnel are retained on an exclusive rather than shared or part-time basis. Project teams develop a strong

sense of project identification and ownership, with deep loyalty efforts to the project and a good understanding of the nature of the project's activities, mission, or goals.

Pure project based organizations are more common among large and complicated projects. These large projects can absorb the cost of maintaining an organization whose structure has some duplication of effort and the less than cost-efficient use of resources. In fact, one major disadvantage of the project based organization is the costly and inefficient use of personnel. Project team members are generally dedicated to one project at a time, even though they may rarely be needed on a full-time basis over the life cycle of the project. Project managers may tend to retain their key personnel long after the work is completed, preventing their contribution to other projects and their professional development.

Project Based Structure

Director

| Project Manager Health Project | Project Manager Education Project | Project Manager Emergency Project | Project Manager Emergency Project |

Staff | Staff | Staff | Staff | Staff | Staff | Staff | Staff

Staff | Staff | Staff

Disadvantages

In this type of organization, limited opportunities exist for knowledge sharing between projects, and that is a frequent complaint among team members concerning the lack of career continuity and opportunities for professional growth. In some cases, project personnel may experience a great deal of uncertainty, as the organization's or donor's priorities shift or the close of the project seems imminent.

One disadvantage is duplication of resources, since scarce resources must be duplicated on different projects. There can also be concerned about how to reallocate people and resources when projects are completed. In a programmatic focused organization, the people still have jobs within the program unit. In a project-based organization it is not always clear where everyone is reassigned when the project is com-

pleted. Another disadvantage is that resources may not be needed as a full time for the entire length of the project, increasing the need to manage short term contracts with consultants and other subject matter experts.

A variety of this pure project approach is temporarily project-based organizations. This organization consists of a project team pulled together temporarily from their program unit and led by a project manager that does not report to a programmatic unit. The project manager has the full authority and supervision of the project team.

These series of articles focuses on concepts and practices related to development projects. It is our hope that the ideas and methodologies presented here prove useful to anyone who is engaged in managing projects in the broader development community, and helps bring sustainable benefits to the communities and beneficiaries who need it the most.

The Millennium Development Goals aim by 2015 to reverse the grinding poverty, hunger and disease affecting billions of people.

PM4DEV is committed to provide resources and develop knowledge and expertise to support development organizations in their efforts to achieve this ambitious goal.

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