

Governance paradigms

The following assesses the project governance paradigm in organizations.

Answer the questions in respect of your last project.

Please tick-off what best approximates the actual conditions in your organization. One answer per question.

| Scale | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|--|---|---|---|---|---|---|---|---|
| In my organization.... | | | | | | | | |
| ...decisions are made in the best interest of the shareholders and owners of the organization and their Return on Investment (RoI) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...decisions are made in the best interest of the wider stakeholder community (incl. shareholder, employees, local communities etc.) |
| ...the remuneration system includes stock-options for employees and similar incentives that foster shareholder RoI thinking | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...the remuneration system provides incentives for community, environmental, humanitarian or other non-profit activities outside and/or inside the organization |
| ...prevails an image that profitability determines the legitimacy of actions (including projects) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...prevails an image that wider social and ethical interests determine the legitimacy of actions (including projects) |
| ...I am sometimes asked to sacrifice stakeholder satisfaction for the achievement of financial objectives | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...I am sometimes asked to sacrifice the achievement of financial objectives for improvement of stakeholder satisfaction |
| ...the long term objective is to maximize value for the owners of the organization | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...the long term objective is to maximize value for society |
| The management philosophy in my organization favors... | | | | | | | | |
| ...a strong emphasis on always getting personnel to follow the formally laid down procedures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...a strong emphasis on getting things done even if it means disregarding formal procedures |
| ...tight formal control of most operations by means of sophisticated control and information systems | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...loose, informal control; heavy dependence on informal relationships and the norm of cooperation for getting things done |
| ...a strong emphasis on getting personnel to adhere closely to formal job descriptions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...a strong emphasis to let the requirements of the situation and the individual's personality define proper on-job behavior |
| ...support institutions (like a PMO) should ensure compliance with the organization's project management methodology | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...support institutions (like a PMO) should collect performance data in order to identify skills and knowledge gaps |
| ...prioritization of methodology compliance over people's own experiences in doing their work | 0 | 0 | 0 | 0 | 0 | 0 | 0 | ...prioritization of people's own experiences in doing their work over methodology compliance |

Analysis:

- For calculating the shareholder to stakeholder dimension in your organization's approach to governing projects, take the mean value of the first block of five questions. Results of less than four indicate a tendency for a shareholder oriented approach to governance, a result at or above four indicate a more stakeholder oriented approach to governance
- For calculating the behavior versus outcome control dimension in your organization's approach to governing projects, take the mean value of the second block of five questions. Results of less than four indicate a tendency for behavior control, a result at or above four indicate a more outcome oriented approach to governance
- Plot your results in the figure below to identify your organization's governance paradigm. Refer to the slides for interpretation of possible implications

