

## MTSDT 2019

### Modern Tools for Sustainable Development of Territories. Special Topic: Project Management in the Regions of Russia

#### DEVELOPMENT NATIONAL PROJECT MANAGEMENT TOOLS AT THE REGIONAL LEVEL

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#### *Abstract*

The work examines the current state of the project management system in regional government bodies of the Russian Federation, the formation of which was influenced with such factors as a change in approaches to managing the strategic development of Russia, the formation of new approaches to managing national projects in the framework of the strategic development of the country and regions, increasing the importance of project approach with the accumulation of positive experience in the use of design technologies in public administration the implementation of regional development projects and programs. The methodological basis of the study was the theory of public administration, strategic management and project management. The periodization of the development of the project management system in government bodies was carried out. In order to determine the degree of conformity of the composition and structure of the portfolio of regional projects to the portfolio of national and federal projects, these indicators are compared in the context of the Russian Federation and the region (using the example of the Sverdlovsk region). Changes in the regulatory support for the management of priority projects of Russia related to the refinement of strategic goals are analyzed. A deep analysis of the experience of the regions in the application of design technologies allowed us to systematize the best regional practices for elements of the project management system. It is concluded that there are unique practices in organizing project management systems that can be replicated through the activities of regional project management centers.

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**Keywords:** Management system, national projects, project management, public administration.



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## 1. Introduction

The use of project management tools in public authorities has a rather long history. At the same time, if the application of professional methodology for managing individual projects and programs with state participation is more than 40 years old, the creation of project management systems at the state level is a relatively young area.

The first experience of project management in Russian government can be dated 2005, when acquaintance with the professional methodology occurred during the implementation of priority national projects (Krasilnikov & Yakimova, 2015).

If we talk about the current stage of development of project management in public administration, it is characterized with the active involvement of regions in project activities. Moreover, today the Russian regions are significantly differentiated according to the degree of development of project management systems.

The criterion for the effectiveness of project management systems is the successful implementation of most projects (Hoegl & Gemünden, 2001). Empirical studies of the causes of successes and failures of megaprojects show the significance of factors characterizing individual elements of project management systems (Mišić & Radujković, 2015).

The study of public construction projects in India revealed four factors for the successful implementation of projects: familiarity with the rules and regulations and their implementation; definition of the content of the project (project scope) and pre-project planning; external monitoring and control; and partnerships between project participants (Flyberg, 2014). Because of similar study, the World Bank revealed the following success factors: institutional environment, training, design, coordination, and monitoring (Ika, Diallo, & Thuillier, 2012).

Conceptually, the project management system is a combination of methodological, technical, organizational, informational and other solutions that can effectively manage both individual projects and their sets in the form of programs and portfolios (Il'ina, 2015; Polkovnikov & Dubovik, 2013). The composition of the elements of the organization's project management system is still the subject of scientific discussion (Polkovnikov & Dubovik, 2013; Bogdanov, 2012). In this study, the project management system will be considered from the perspective of the Russian standard GOST R 58184-2018 "Project management system. Basic Provisions", where three main and four supporting elements of project activities are highlighted, which should be described in the regulatory and procedural documents, regulatory documents of the project management organization.

Regional authority in the context of the project management system plays two roles: governance and management. Despite the similarity of concepts, these roles are significantly differentiated with the range of tasks performed. The role of project management is to establish conceptual values, processes, policies, and a development strategy for a project management system (Joslin & Müller, 2015; Pinto, 2014). Thus, we can conclude that the management of the project activity system consists in establishing the rules by which project management will operate. Therefore, when regional authorities act within the framework of the provisions and methodological recommendations of the Federal Project Office, they act as managers of regional projects, and when they form a system for managing project activities in the region – the rules for implementing departmental and municipal projects – in the role of project management.

## **2. Problem Statement**

An important task of the current stage of development of project management in the regions is not just the formal creation of bodies and a minimum set of documentation on project management in accordance with the requirements of the Federal Project Office, but the construction of an effective and functioning system for implementing regional projects.

## **3. Research Questions**

The object of this study is the Sverdlovsk region it is one of the regions actively implementing project management. The open information on the official websites of state authorities of the Russian Federation and its subjects, the Accounts Chamber of the Russian Federation, the regulatory and methodological support of the federal and regional project management systems was the information base of the study.

The study was conducted in two stages. At the first, periods of development of project management in regional government bodies were identified. In the second, using the example of the Sverdlovsk region, elements of a project management system in the region were analyzed and evaluated. The assessment was carried out on the following scale: 0 - element is missing, 0.5 – element is partially formed, 1 – element is formed in accordance with best practice. An assessment below 3 shows that in the region there is only the basis of a project management system. An assessment from 3 to 5 shows that it is an evolving project management system. An assessment from 5 to 7 shows that it is a mature project management system.

## **4. Purpose of the Study**

It is the analysis of the existing project management system in the region and determination of its development directions based on the best practices of Russian regions.

## **5. Research Methods**

### **5.1. Features of the development of project management in regional government bodies**

The development of project management in regional authorities in Russia can be characterized with three periods.

The first period of 2014-2015 is connected with implementation of project management in the pilot regions. Three regional sites of the first level (Belgorod, Yaroslavl regions and Perm Territory) and four of the second level (Vologda, Penza, Tomsk and Ulyanovsk Regions) were allocated.

The second period is connected with the appearance of Decree of the Government of the Russian Federation dated October 15, 2016 No. 1050 “On the organization of project activities in the Government of the Russian Federation”, which gave rise to the widespread implementation of project management in the regions. In accordance with the project management development roadmap developed by the Federal Project Office, project management structures – project offices and committees – began to appear in the regions, and regulatory documents adapted to the specifics of the region began to appear in the field of project management.

The third period is connected with the Decree of the President of the Russian Federation dated May 7, 2018 No. 204 “On national goals and strategic objectives of the development of the Russian Federation for the period until 2024”, in which 12 priority national projects (programs) were identified (Table 01), the implementation of which should ensure the achievement of strategic development goals of Russia.

On October 31, 2018, the Government of the Russian Federation approved a new Resolution on the organization of project activities No. 1288. One of the main innovations was the formation of a hierarchy of projects, in accordance with which the basic management processes and structures were built. As a result, the objects and subjects of project management at the regional level are indicated more clearly. In accordance with Decree No. 1288, the regional project is designed to ensure “the achievement of the goals, indicators and results of the federal project, the activities of which relate to the legislatively established powers of a constituent entity of the Russian Federation, as well as to issues of local importance of municipalities located in the territory of the specified constituent entity of the Russian Federation”. The federal project management office as the center of methodology sets only the general framework for the implementation of project activities in the region. For the successful implementation of projects, it is necessary to build a project management system in each region.

## 5.2. Implementation of a project management system in the Sverdlovsk region

Despite the fact that project management in state authorities of the region began to develop only in 2016, the Sverdlovsk region is actively involved in the development of project management.

To assess the maturity of project management in the regions of Russia, a project maturity index was developed, which includes a number of criteria and indicators for assessing the description and practice of applying project management processes. According to the preliminary assessment of the index, according to the data of the Department of Project Activities of the Government of the Russian Federation, in 2018 the Sverdlovsk Region was included in the top three regions that have been implementing project management for less than a year, but have achieved significant results. Forty-eight regional projects developed in accordance with federal projects and programs were identified as project management facilities in the Sverdlovsk region in the period 2018-2024 (Table 01).

**Table 01.** Regional projects in the framework of national projects on the example of the Sverdlovsk region

Strategic development directions (national projects)	The number of federal projects in the framework of national projects	The number of regional projects in the framework of federal projects	The total budget for the implementation of regional projects, million rubles	The share of financing of regional projects in the total federal budget, %
Housing and urban environment	4	3	33 049.79	3.10
Education	10	3	6 645.17	0.85
Healthcare	8	7	19 889.57	1.15
Demography	5	5	66 213.34	2.13
Ecology	11	7	12 524.54	0.31
Safe and high quality roads	4	2(3)*	18 864.30	0.39

Labor productivity and employment support	3	3	82.03	0.16
Science	3	1	293.00	0.05
Digital economy	6	5	2360.33	0.13
Culture	3	3	1 072.09	0.94
Small and medium enterprises and support for individual entrepreneurial initiatives	5	5	5 348.19	1.11
International cooperation and export	5	4	269.70	0.03
Total	67	48 (49)	166 612.05	0.94

\* – regional project is being implemented as part of 2 federal projects

*Organizational structures* as a component of the project management system are a description of the permanent structural units, collegial bodies, roles and their interaction. Moreover, the structure and functionality of project management bodies may vary significantly in different regions.

In the Sverdlovsk region, management functions are distributed between the Council under the Governor for priority strategic projects, which acts as a portfolio committee, so it approves the composition of the portfolio of regional projects and makes strategic decisions on the development of project management in the region; The Project Committee, which serves as the Project Curator, and the Project Committees in the areas of socio-economic policy, performing the role of the Functional Customer. The central link in regional project management is the regional project management office. In the Sverdlovsk region, the functionality of project office is implemented by the “Project Management Department” as part of the Ministry of Economy and Territorial Development of the Sverdlovsk Region.

At the time of the study, the project office of the Sverdlovsk region includes 11 specialists who are part of two departments - monitoring the implementation of projects and methodology. Based on the analysis of the Regulation of the regional project office, it can be attributed to the couch-model, in which the office is the center of the methodology, is responsible for documenting best practices and actively monitoring project characteristics, the results are used to improve the effectiveness of project management systems and training participants in project activities.

*The processes of the project management system* are usually divided into managerial and subject (functional) groups. “Methodological recommendations for the preparation of regional projects” developed by the project office of the region are the basis for the analysis of management processes. As a result of the analysis, it was concluded that at the federal level only the format of documents is specified without a description of the processes that allow for the effective implementation of projects, regulatory documents at the regional level significantly expand the list of project management processes. At the same time, the processes of initiation and planning affect a larger number of subject groups than the control processes, which is a violation of the project management methodology.

*The personnel of the project management system* should have the necessary competencies. At the federal level, “Methodological recommendations on the organization and conduct of qualification

assessment of civil servants in the field of project activities”, containing personal managerial and applied competencies have been developed. These documents should become the basis for developing models of competencies of participants in the project activities of national projects in the region, but in the Sverdlovsk region, there is no regional model of competencies. At the same time, two specialists of the project office, including the head, are certified specialists in the international IPMA professional certification system.

*Using the information system* for project management allows you to automate part of the planning and control processes. In the Sverdlovsk Region there has been developed its own project management system, which is a consequence of the requirements for import substitution, and partly testifies to the variety of information needs of the management and project offices in the regions.

Based on the analysis of open sources, primarily the regulatory documents of project management, the presence of other elements could not be identified.

## 6. Findings

Analysis of the elements of the project management system in the Sverdlovsk region (Table 02) led to the conclusion that there is a basis for the further development of the project management system in the region. The system scored 3 points, having received the status of developing.

**Table 02.** Implementation of elements of a project management system in the Sverdlovsk region

Management System Elements	Sverdlovsk region	Item Rating
Organizational structure	The element is formed	1
Processes	The element is formed	1
Staff	The element is partially formed	0.5
Project Management Information System	The element is partially formed	0.5
Personnel project motivation system	The element is missing	0
Personnel Competency System	The element is missing	0
System of support and development of project activities	The element is missing	0

The analysis of regional practices according to the element “Personnel Competency Management System”, which is responsible for the systematic formation and assessment of the competence of project participants, showed that only in the Primorsky Territory and the Belgorod Region the competency models have been developed. So, the competency model of the Primorsky Krai describes three project grades - a project executor, a project manager and a project professional, which are established on the basis of an assessment of 12 personal and 10 professional competencies. Assessment of competency is carried out in two stages. At the first stage, personal competencies are assessed, at the second; through testing professional ones are assessed. In the Belgorod Region, a model has been developed for assigning a rank in the field of project management, depending on the complexity of the project, the role and the experience of participating in successfully completed projects. The model has two roles - a project specialist and a project manager, each of them has four ranks. A number of regions, for example, the Leningrad Region, use the competency model of the Center for Evaluation and Development of Project

Management to assess compliance, respectively, the main assessment tool is certification testing appropriate to the level.

The project staff motivation system allows you to create the necessary behavior of employees in project activities, provides an increase in efficiency, productivity and employee loyalty. The most complete motivation system is formed in the Belgorod region. The region's motivation model includes the tangible and intangible component. When calculating the premium component, both the personal contribution of the project participant and team work are taken into account. Intangible motivation is based on the previously mentioned rank of civil servants in the field of project management. Employees with a high rank of the role of "project manager" are awarded the badges "Project Manager of Belogorye" and certificates "Project Specialist of the Belgorod Region".

The system of support and development of project activities allows you to analyze the existing project management system and develop measures for its improvement. An analysis of the practice of the regions showed the lack of a development strategy for project activities, respectively, the federal project office still plays a locomotive role in the development of regional project management systems.

## 7. Conclusion

An analysis of the best practice of organizing project management systems in the regions led to the conclusion that so far several unique regional solutions have been formed in Russia, the elements of which can be adapted and replicated in the practice of less mature regions.

A major role in this process should be played by the Centers for the Development of Project Management Competencies in the regions that are currently absent, but leading regional universities that train specialized specialists may do it.

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