The key competences of successful project managers
Kluczowe kompetencje efektywnych menedżerów projektu

Abstract: Skilful project management will add value to business. The project manager's ability to mobilize and combine resources plays a vital role in successful project management. Leadership and management competences are identified and viewed as part of project management. The research data is based on Laurea’s student analysis of project management. Laurea’s implementation in business development projects with real-life companies is part of the study programme for students. Individual skills of students used in these projects will be examined and compared to successful project management and leadership. The main results of the research verified that communication is the main key competence for project success. Other key competences such as leadership attitude, a Project Manager’s motivational behaviour and project planning were included in the most critical factors of a project success.

Keywords: project management, competences, success, leadership

Introduction

The modern sense of Project Management (PM) began some 50 years ago, when with industrialization the need for structured planning and implementation of projects arose. As early as 1917, Henry Gantt created his scheduling diagram (Gantt’s chart), which is still widely used today. A critical path method was formed before the 1950's but got more widely accepted later in the 1950's when America's defence industry and the Du Pont Corporation developed this method.
for efficient planning and scheduling\textsuperscript{3}. Over time, a variety of skills (apart from technical ones) have emerged which are essential for running a project successfully. Nowadays, project managers (PJM) are taking courses in leadership, mentorship and conflict resolution and developing their interpersonal skills to gain the skills necessary in managing projects. Where project management was traditionally mainly seen as a career path position or a part-time occupation, its significance is now understood to be a strategic competence for the survival of the company\textsuperscript{4}.

Many companies are presently adopting a PM approach to a company's strategy implementation to gain competitive advantage and add value to their business. Ongoing globalization and a fast-changing market environment forces companies to find new solutions to keep their business up to date. PM has proved that it reduces risks, cuts down costs and enhances success. These practices become even more fundamental during a time of recession. To remain competitive, the PM strategies must be made in accordance with the company goals. In many cases, successfully delivered projects determine whether the company gets the next job as well or not\textsuperscript{5}.

As the project management practices are changing, new agile methods arise. The generation of 80 million people, born between the mid 1980's and 2000 are commonly called Generation Y. This generation is now close to entering the workforce and managerial positions. They are expected to add energy and innovation to the transition of a business environment, replacing the old viewpoints of business ethics and behaviour\textsuperscript{6}. In this research, the majority of the parties involved belong to Generation Y and have studied Business Management in Laurea University of Applied Sciences (LUAS).

LUAS provides project management studies as complementary studies for university bachelor degree students in a Business Management Programme (210 ECTS). The students study PM by working in real-life projects. This way of studying is called the Peer to Peer (P2P) model. In practice, it means that students are working with real companies in business and developing projects. There are no lectures or exams. Instead of traditional classroom learning, students study in project teams according to their personal study plans and project aims. The team self-organizes and assigns a member of the team to take the role of a PJM. Students are obliged to study theory as well as doing the practical aspects in accordance with the project implementation to comply with the bachelor's degree programme in Business Management (BBA) syllabus.

**Competences and leadership styles of a project manager**

Management can be set out as four functions of planning, organizing, controlling, and leading, including the aspect of efficiency and effectiveness.

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The key competences of successful project managers

Planning involves foundations, decision making, tools and techniques, which are utilized in both general management and project management (PM). In comparison, there is a separation in focus on organizing. A project manager (PJM) emphasizes the design of a project organizational structure including the organizational design, human resource management, groups, and teams. Control is related to the organizational performance and performance-measuring methods\(^7\).

Projects and project management (PM) generate performance that can be tracked and communicated by using measures. When a PJM communicates the business impact of tracking budget and scheduling performance, it demonstrates the value of a project management process. The set of measures is dependent on the organization’s strategy, technology, the environment and industry in which it competes\(^8\). When discussing effectiveness, efficiency and specific competences in projects, the emphasis of the project defines how the resources are utilized and deployed\(^9\).

Competences play a critical role in a PM. Competence is defined as an ability of an individual, a team, or a company to combine resources in order to implement an activity in a situation. Resources can be those such as knowledge, skills and attitudes. The Project Management Institute (PMI) organizes these competences into ten knowledge areas: integration, scope, time, cost, quality, human resources, communication, risk, procurement and stakeholders. The International Project Management Association (IPMA) classifies 46 competence elements into three categories: contextual, behavioural, and technical competences (Fig. 1). Recently some essential competences have been identified to deal with project complexity. A softer approach to a PM includes competences such as emotional intelligence, conflict management, stress management, ethics and ethical virtues, that is: courage, temperance, friendship and prudence\(^10\).

A PJM needs knowledge about the competences to be effective in managing projects. IPMA has created a set of rules called the International Competence Baseline. The rules are set in a round shaped „eye“ to represent the skills a PJM has to oversee a project. The skills are categorized in three competence groups: Technical competences describe the managerial knowledge related to the project life cycle. Behavioural competences include attitude, behaviours and abilities. Contextual competences cover the relationship between the PJM and the line managers as well as the capabilities to cope with the organization. A PJM needs to develop a combination of these skills depending on the project\(^11\).

The leadership styles of a PM play a significant role throughout the project life cycle. Studies over the last ten years suggest that certain leadership

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competences are positively associated with the successful outcome of a project. Qualities such as organizational orientation, managerial competence, emotional competence, openess to experiences, communication, investigative nature, inspiration, and entrepreneurialism, line up in the highest correlation with the success of highly complex projects. Also, organized leadership creates confidence and a sense of greater purpose within the team members which promotes project success. The PMI suggests that 80% of project success is a result of effective communication in relation to delivering the project on time, within budget and meeting the set goals.

Leaders build effective teams, create frameworks to manage them, and motivate the team to stay focused. Leadership is about guiding the team and directing it towards the appointed goal. Transactional leadership has been criti-

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cized on its decreasing affect in followers’ moral of power, position, and policy. This kind of a leadership style often lacks creativity and innovation. The priorities are: results, efficiency, profitability and the bottom-line. This style pursues the hard data and focuses on the short term. However, transactional leadership has the tendency of attaining goals and getting the job done. Transformational leadership is the opposite. Transformational leadership thrives on changing, inspiring, developing, and motivating teams and individuals to meet a high level of performance. Leaders adopting this style are able to communicate a vision and create a sense of purpose among the team members. These two leadership styles are also viewed as techniques for situational leadership. Depending on the situation, the leader may use one or the other in accordance to enhance the full potential of team performance.

A PJM’s strategic inspirational methods in leading are understood as skills to inspire team members collectively and as individuals to meet the project goal. Effective communication methods in project management relate with exchange of information between stakeholders. A PJM should detail the means for communication, when information will be exchanged, and who is communicating the key information. A PJM’s communication methods in intercultural projects may include learning a new language or new ways of thinking in order to manage the effects, risks and quality of the project. To be successful, a PJM needs to develop his/her skills constantly through reading and attending training.

Depending on the type and context of the project, the range and depth of the skills and knowledge will vary from one scenario to another. Therefore, it is difficult to reach a generic specification for management skills and leadership. However, compared to this day and age, it is inevitable that leaders have to possess a depth of technical knowledge and positive values, the highest levels of ethic, morality, integrity as well as personal capabilities, out-of-the-box thinking and interpersonal skills.

Research and methods

The purpose of the research was to identify key competences promoting project success according to the data. The research group consisted of BBA

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students Maija-Helena Kurki and Auri Vesala and Senior Lecturers Taru Tallgren and Tero Uusitalo. The research students are studying project management under LUAS’s Bachelor's Degree Programme in Business Management and it must be pointed out that this may have unintentionally had some effect on their overall objectivity.

The research data was based on project management analyses written by 15 PM Business Management students of LUAS (author). The authors drafted analyses at the end of their studies and the analyses were based on their experiences of company projects. The focus of the authors’ analyses was to combine theory and practice. The analyses describe the authors’ development of the leadership and project management. The authors analyzed and evaluated five real-life projects where they had been working as a project manager (PJM) or team member during the studies. In addition, the authors reflected on their learning experiences and success of the project.

The research was executed as an inductive content analysis during January and February 2017. The qualitative research data was first read up on so as to get an overview on how the authors had structured their topics and what they had noted to be important competences for a PJM when implementing projects. The assessment part of the research was defined utilizing the summaries of the analyses, in which the authors had integrated the most significant competences together with the subjective experience of a successful project. The 15 summaries were then assessed carefully and altogether 70 skills, competences or attitudes contributing to the project success were found from the analyses and they were written down as appeared in the research material. Frequent discussions in a research group were held to help to clarify and find the mutually agreed meaning for each word mentioned. This was done by using different synonyms to describe what the author had meant with a certain word.

The texts analyzed were inconsistent and the amount of the mentioned skills and competences varied from one analysis to another. Some authors had accurately listed ten different words representing the most necessary feature for a good PJM to possess, whereas others had used several words to describe the essential skills of a PJM. In some cases, multiple synonyms were used to specify and sharpen the desired competence of a PJM. After getting the words written down, they were grouped according to the similarities. The final number of competences then resulted in 38, of which the ten most frequently mentioned ones were chosen for further assessment.

Results

There were altogether 70 independently described skills, competences and attitudes deemed to be important for project managers (PJM) to conduct projects successfully. In this context, we refer to them as competences, since they are abilities and requirements for individuals to perform tasks properly. The four top ones were mentioned more than ten times in the data. These competences were communication, leadership attitude, motivation & team spirit, and planning. Ten authors included confidence, feedback, and delegation in the most
desired competences of a PJM. Monitoring, listening and equality were listed important in less than ten but more than six analyses (Fig. 2).

![The Frequency of Occurrence of the Competencies in Research Analyses](image)

**Fig. 2. The frequency of the competences mentioned in research analyses**

Source: Own research data

Almost all the authors agreed that **communication** is a vital part of a PJM’s tasks and key to project success. Project communication means internal communication within the project organization as well as the external one with other involved parties such as customers and support groups. Each party must be informed clearly of the objectives and the state of the project to reach a mutual understanding of the tasks, goal and company’s mission. A PJM has to ensure that all the relevant information concerning the project reaches the right people in the organization. It was also mentioned, that a PJM has to recheck and verify that the team members are aware of their areas of responsibility, the company’s goals and that they are suitable in their roles and capable of completing the assigned tasks. A good PJM was agreed to have active conversation with all the members and able to show the overall picture of the project. Good communication helps the work, saves time and is essential for changes. The channels of communication were recommended to be chosen at the early stage of the project and advised to be kept systematically during implementation. By pro-active communication a PJM promotes an open and up-to-date atmosphere, which leads to better team spirit.

*To promote the flow in a project, it is important to keep all the players up to date. That way everyone knows his/her task and there are not any errors arising from the lack of information.*
Inform actively, it helps everyone’s work and saves time. Messages do not move by themselves. Choose the communication channels at the planning stage and use them systematically during the project. It is especially important to inform about any changes in a project. Remember also the external communication.

A leadership attitude was valued high among the 12 authors of the evaluated research. However, it had the most definition variation and seemed to represent a different meaning for each author. The most common viewpoint for leadership was the confidence in one’s own abilities. The PJM was expected to be genuine and approachable (thus a sturdy and accountable leader). It was desirable that he or she should have a sense of professionalism and maintain their personal development at both a personal and professional level. Accountability or trustworthiness was not regarded as automatically inherent within the role involved, but it was agreed to be achievable through good leadership practice. A good leader was described as an active person who states the arguments when making decisions. He or she also holds the ultimate responsibility for project related aspects and acts as a role model for others, remains realistic and earns the respect of others.

Leadership means having good self-esteem and a sense of professionalism. Believing in oneself as a leader is important and increases the team’s appreciation of the project manager. Possessing authority supports the leadership.

Be yourself: Adopting the role of leader does not mean that the person loses himself by trying to be something that he is not in reality. This means, for example, not daring to show one’s weaknesses to subordinates. The subordinate cannot trust a non-genuine leader and this affects the entire success of the project.

Merely listening and understanding does not always work. In some cases, it needs to be understood who the project manager is. Carry your responsibility and require a good working result from your subordinate. Lead individuals, understand different personalities.

As mentioned earlier, a good leader promotes team spirit within the project organization. A PJM holds the responsibility for motivating the project team. A good leader inspires others to perform well and uses a positive approach to promote well-being and job satisfaction. By creating salary and bonus incentives, the PJM can positively influence team motivation. However personal feedback was mentioned as being important and additionally positive feedback was regarded as an effective motivator. The PJM has a possibility to ruin the spirit of the team if he/she fails to maintain a positive atmosphere which influences other team members and motivation decreases. For some authors, problem solving walked hand in hand with good team spirit. The PJM was advised to contribute to the climate of transparency by encouraging others to bring up conflict situations openly. Unwillingness to tackle problems and/or a negative tone of voice or behaviour can result
in lessening motivation and working results. It was agreed, that motivated personnel can generate better results increasing efficiency and profitability.

Positivity. Everybody enjoys the project when the general atmosphere is pleasant.

As a project manager, note that building team spirit and motivation are important to the team. Working on the atmosphere and promoting team work is one of the most essential things making project success possible.

When you notice a decrease in motivation during the project, have a discussion to find out what causes it and correct the situation. An inspiring attitude is transmitted to others and then the spirit will rise. That will show in well-being and efficiency at work.

When it comes to managerial skills, planning was weighted most crucial in a project success. Planning tools such as phasing, partition and scheduling were found to help to dealing with the project in detail. Careful planning was also noted to increase the expertise of a PJM as he/she knows the project in every sense. As a project is a venture, it also requires budget planning which leads to, and helps in regulation of the project resources. A plan should be made with clear and realistic objectives with a proactive vision, whose actions affect the next stage of the project. The PJM is expected to modify the plan and adjust it in accordance with changes.

A plan is an important tool for a project manager. It serves as a tool to monitor project progress and as a good note for project responsibilities, goals and agreed schedule.

A confidence inspiring PJM ensures the project is well managed with the organization and its stakeholders. Good communication and realistic targets were found to create a reliable atmosphere. A trustworthy PJM is also approachable, which brings increased openness and ability to react to arising conflicts at an early stage. By relying on employees, a PJM will be able to delegate tasks, and by showing confidence, he/she helps the team to concentrate on assignments. The team should be able to rely on the PJM who has real time understanding of the progress of the project.

It is important to show to subordinates that everything is under control in order to maintain confidence. It is easier for subordinates to concentrate on their own tasks as they do not have to worry how the supervisor is coping. When a PJM is honest with his subordinates, it inspires confidence. Confidence in a PJM and his/her actions is one of the most important things in a smoothly proceeding project.

Feedback enables learning and guides proper operation within the project. It directs the team practices. A PJM is expected to be capable of giving straight and honest feedback on the job and its progression. It should be positive,
critical, and constructive. Objective feedback was seen more pleasant than counselling. A PJM should offer ideas for operations. A constructive conversation on the initiative of a PJM should enhance the communication between team members, also increasing confidence in the PJM. A PJM should also get feedback on his/her activities.

Motivation weakens if there is no feedback about the work. Feedback should be targeted to job performance and not to people. Act as a mirror for the work performance. People can have very different views of their own work. Give objective feedback. Avoid giving advice but provide ideas for action. Feedback can be given in small things. Positive feedback can be presented in public.

What is involved with delegation, a PJM needs to set clear goals and assign the roles for the project team. He/She is required to provide and communicate the means and resources to achieve the goals. A PJM should look after, and see that the tasks are distributed equally and reasonably according to the skills of the team. Specifications in the areas of responsibility narrowing down the overlapping work and resolving problematic situations accelerates the decision making process. Shared responsibility motivates the team and optimal tasking allows internal motivation and team work in accordance with their skills.

Define the responsibilities of the project and share them with the project team. Clear roles defined in advance and clarify the work in a project. The defined areas of responsibilities reduce duplication of work, reduce problematic situations, and speed up the decision making process. A project manager holds the overall responsibility for the project but does not need to be accountable for everything. Share the responsibility. It helps people and speeds up the work.

Every team member has his/her own strengths and a good project manager discovers what they are to be able to use them all. A PJM should not try to do everything by himself, because it frustrates others who have the skills and enthusiasm to do things but their PJM does not let them do enough.

As the PJM keeps an eye on the overall state of the project, it is a PJM's duty to monitor resources to ensure the goal is reached on schedule. By monitoring work, a PJM also maintains the feeling that the workload of the team members is fairly distributed. Fair delegation was connected to monitoring in texts in the sense continuous monitoring helps in appropriate delegation. In other words, by monitoring, the PJM can ensure people have got their tasks right, are doing the right things and their strengths are used efficiently. Monitoring also gives a possibility to observe and intervene when problems have occurred. Continuous quality monitoring was seen as essential in reaching the goals and achieving remarkable results. A PJM is accountable for the quality of the output and any profit of the project.
The project manager takes care of the remaining schedule. The project plan may be subject to change during the project. It is the most important task of a PJM to maintain the deadlines and project development plan and he/she should be able to react to changes in such a way that the objectives are achieved.

By listening to others, a PJM shows appreciation that will enhance the motivation of individuals and thus, also affects the atmosphere in the team. Listening was mentioned as an essential tool for making better use of the team, which has most probably some knowledge, skills, development proposals and contact relationships to offer. Listening is also an important part of discussion, which detects possible defects and helps with intervening in time.

Listening to others is important. You never know what other team members have to offer, such as knowledge, skill or contact relationships. Relations between the project team stay in better condition when people feel they are equal.

The authors valued highly the equality and democratic conduct of a PJM. Equality is described as neutrality in delegating tasks and solving conflicts. Giving equal opportunities was agreed to contribute to a motivational working environment, which leads to a pleasant atmosphere. Distributing tasks equally does not mean only spreading the workload in uniform portions to team members, but also taking into account their individual skills and knowledge to complete the job. An ability to perceive and use the special characteristics of the team members for the good of the company was seen as a vital asset of a successful PJM. In the case the PJM fails to act fairly and favours someone for one reason or another, when it was thought that it created tension between the team members leading to the jeopardizing of the success of the project.

Be fair. Do not demand the impossible or make personnel unequal. Equal delegation is important so that everyone has a unified workload. The fairness of the manager increases project success. It is important that the project team members are treated equally and no-one is left outside. Favouring some team member for one reason or another, can easily cause an underlying internal friction between team members.

Other competences which arose from the analyses were expertise and ability to evaluate the situation. A PJM is expected to serve as an example, be social and active but remain calm and loyal. He/She should be assertive when making decisions, a solid and helpful person who involves others, respects them and gives team members opportunities for personal development. Also, it was mentioned, that it is important for a PJM to be open and adaptable when changes occur, be responsible and goal oriented. He should also get to know the other team members and orientate them towards the project.
Conclusion

The research highlighted communication as the main key competence in successful project management. Other key competences such as leadership attitude, the Project Manager’s (PJM) motivational behaviour and planning were included in the most critical factors of a project’s success. The research supports the previous studies and theory, where communication is seen as the most valuable tool for a PJM. Previous studies have also noted, that leadership styles and attitudes have a great impact on the outcome of the project.

An interesting fact was, that in the results, the leadership attitude was seen as confidence, professionalism and a PJM being assertive. If competences such as genuineness or approachable were mentioned, so was sturdiness. Motivation and lifting team spirit were not connected with the leadership attitude by the authors. In theory, however, motivational behaviour and team spirit were included in the leadership attitude. Suprisingly, entrepreneurial skills and financial responsibilities did not stand out in the research, probably due to the university environment of the authors which did not use or engage those aspects.

Comparing the results to the three dimensions of project management competences, the results emphasized more of the behavioural and technical competences. Contextual competences are related in business environments. It is to be noted, that the emphasis and the use of a PJM’s competences will vary as much as the business environments. A PJM has the greatest chance to succeed when he/she applies and develops the skills in the areas of communication, leadership attitude, motivating and lifting team spirit.

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