

PROJECT MANAGEMENT CHALLENGES IN INDIA

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ABSTRACT: Projects are the basic building units of development. Unrealistic project identification, preparation, costing & implementation as well as development plans are no more than 'desires' and developing nations would remain retrograded. While developed nations have established disciplined execution of project management (PM) process by mostly overcoming the challenges, developing nations including India are way behind. This paper intends to highlight the challenges faced by Project Management and execution process in India while following the western model.

KEYWORDS – Project Management, PMBok, Political, Religious, Cultural, Challenges, Quantitative Factors, Computation

INTRODUCTION

In most of the situations, PM practices are used in advanced countries which may include but not limited to infrastructure, defence, space program, financial and corporate practices, land reform, and agriculture and resource utilization.

Gradually, the developing nations, especially a country like India has adopted similar practices in order to grow up in the world order. However, Cultural, Political and Social traditions, in many cases, cause obstacles for the use of western project management procedures. Even famed multinational entities attempting new projects in country like India find unforeseen challenges come up continuously to hinder the undulated execution of projects.

The following problems are those that occur most frequently. This list of observations which may include but not limited to "Faulty & inaccurate project planning /design, Risk Analysis, assessment and selection, Lack of Project Management Repository and review etc." may provide perceptions for those who are dealing with projects or project personnel in general. However, our focus of discussion is not on these generic PMBok issues. Rather, we presume that these are more or less taken care of.

Political, economic, operational, social, religious and physical difficulties in a developing nations like India either seriously hamper the projects and/or cause them to fail. PM practices under Indian situation mostly face challenges due to **Cultural, Political and Social traditions**, in our findings we shall remain more focused in these areas.

Since we are in the process of deliberation of PM challenges for a country like India, we need to consider as well as compare the general demography of this country along with the western countries. In the developed nations approximately 75% of the population live in the urban and 25% in the rural areas, the reverse is true for the Indian context.

In rural areas there is no fast change and as such not much necessity for social adaptability, adaptability to suit ever changing fast life is the way of living for urban people. Pure deep rooted local culture is part of rural life, however the urbanization does not preserve any such deep rooted 'pure local culture and heritage'. In the rural society everyone loves culture and cultural heritage above everything else. Where urbanites are more materialistic, countrymen are God fearing ones, hence religious influence almost negligible among the urban people. From the Political perspective, urbanites tend to become more liberal and democratic with more or less centrist ideology whereas countrymen to remain much less centrist.

Even if we keep aside the factors like linguistic and religiously diverse conditions, the reverse rural and urban distribution of people in India with respect to the western countries bring significant challenges in execution of Western PM Practices @India.

It is imperative to mention that while we bring the rural and urban distribution into consideration, the process of general education in a country like India and western countries needs to be accounted for. Though the tertiary education level is increasing in India in almost every year, its vast population is way behind in terms of percentage of total population with respect to the developed nations. A tactical tertiary education can foster the sense of real economy & development among the population of a country, India may be way behind to implement those thus indirectly causing obstacles to practice the western methods.

CULTURAL CHALLENGES

Prior institutional and cultural studies of organizational sociology have shown in general that such institutionalized cognitive structures and schemas have wide ranging implications on organizational and managerial practices (Hofstede 1991, Scott 2001). However, thus far it has not been clearly established whether such diversity affects positively or negatively in the project progress and outcomes (Chevrier 2003). Traditional Project Management characterizes projects to have universal attributes that could be managed with a common mode across the globe. But the recent methodologies suggest that projects are immersed in their historical, social and institutional context (Engwall 2003) and thus, shaping and being formed by administrative and cultural backgrounds and layouts generated by various project contributors as well as environments of the execution of the project in question. Divergent institutionalized social backgrounds ought to have certain impacts in real life implementation of projects, that could be positive or negative and/or a mixed one. In demography like India, where 29 states and 7 UTs exist based on broad categories of indigenous linguistics, ethnicity & respective cultures, execution of a project specially diversified beyond the border of a particular state would definitely be challenging one. This kind of situation gets more complexities added into when a foreign Multinational Company (MNC) is in the job with mostly pre-defined western ideas and methodologies, especially with lack of local cultures.

POLITICAL CHALLENGES

India witnessed transformation from socialist economy to mostly market economy in different phases. The centrist forces started reform for economy long after being in power. The process was carried over with more structural reform towards the market economy by the rightist forces in power. It's important to mention that stable political environment only can create confidence among the investor to venture into new projects though such political stability is not guaranteed in the world biggest democracy which has more than 7 national and 24 plus recognized regional parties along with countless unrecognized ones, who are more or less always ready to fight among each other for the 'every inch of power'. Political changes influences trade control ,export/import restrictions, tax free zones, exchange rate fixations, government interference, state monopolies (uneven playing fields) etc. Over and above, politics brings corruption. In the corruption index presented by the Transparency International (TI) for 2018, India ranks 78 out of 180 countries while the developed nations rank below 25. Several factors can undermine the performance of projects, such as complexity or "technological sublime", weakness in organizational design and capabilities, optimism bias, strategic misinterpretation or even certain project characteristics, etc. (Garemo et al., 2015; Locatelli et al., 2014). Corruption could be one of these factors, but surprisingly it is not considered in the project management literature. Keeping in mind the number of political entities in the biggest democracy and the TI ranking of it with respect to the western nations, counter measures for corruptions in Indian context should be a vital step for successful PM practices.

SOCIAL TRADITIONS & RELIGIOUS RELATED CHALLENGES

Sociologists generally speak of four types of religious groups-the ecclesia (The Church), the sect, the denomination and the cult. Known as the Church-Sect Typology, this differentiation of religious groups is based mainly on the pioneering work of Max Weber and Ernst Troeltsch and on the basis of development of Christianity in the West. In India, we identify religious groups as Mat, Marg, Sampradaya, Sangh, Panth, Samaj, Ashram and Akhara.

No religious experience is final. There are and can be many paths to reach God. In India, we have both these traditions, growing parallel and cutting across each other. Islam tends to be monolithic though Sufism is pluralistic. While there are socio-historical differences between monolithic and pluralistic religions, according to sociologists there are certain characteristic features of religious organizations. These can be made the basis of comparison.

Though, there are 08 major religious groups in India viz. 1. Hinduism 2. Islam 3. Christianity 4. Sikhism 5. Buddhism 6. Jainism 7. Zoroastrianism 8. Animism, taking together the different groups, at least 50 different major religious cults exists in India whereas for the west this could be limited to 2 only (the atheist and devout).

The value system in the society for a country like India is more or less religious faith based. Thus majority & minority religions, influence of religious leaders on social behaviors, role of religion as a binding/dividing factor in society, dominant beliefs in society, eating habits connected with religion, belief in superstitions and myths, role of science in relation to religion, customs, traditions during holidays do have influences on major project execution and its timeline. Lesser the divisions in the faiths, makes it easier for smoother execution what is more prevalent for western context.

THE QUANTITATIVE APPROACH

In our quest to quantify the challenges for practicing Western PM Practices @India, a few closely related parameters are carefully considered.

Let us take Tertiary Education(TE) index for India as n_i and n_d for developed nations. Rural and Urban population distribution for India as m_{ri} and m_{ui} . Rural and Urban population distribution for developed nations as m_{rd} and m_{ud} . We also assume that political factors for India as p_i and that for developed nations as p_d , Cultural factors for India as c_i and c_d for developed nations, religious and other traditional factors for India as r_i and r_d for developed nations.

Table 01 : The Factors

Factors	India	Developed Nations	Value (assumed)
Tertiary Education	n_i	n_d	$n_i = 0.25, n_d = 1$
Rural Population Distribution	m_{ri}	m_{rd}	$m_{ri} = 0.75, m_{rd} = 0.25$
Urban Population Distribution	m_{ui}	m_{ud}	$m_{ui} = 0.25, m_{ud} = 0.75$
Political	p_i	p_d	$p_i = 0.1, p_d = 0.5$
Cultural	c_i	c_d	$c_i = 0.033, c_d = 0.33$
Religious & other Traditional	r_i	r_d	$r_i = 0.02, r_d = 0.5$
Composite common factors	cf_i	cf_d	$cf_i = p_i + c_i + r_i$ $cf_d = p_d + c_d + r_d$
Total Favourable factors	tf_i	tf_d	$tf_i = (m_{ri} \times n_i + m_{ru} \times n_i) \times cf_i$ $tf_d = (m_{rd} \times n_d + m_{ud} \times n_d) \times cf_d$

Tertiary Education

India(n_i)	Developed Nations(n_d)
0.25	1

Rural Urban Distribution: Developed Nation

Rural (m_{rd})	Urban(m_{ud})
0.25	0.75

Rural Urban Distribution: India

Rural(m_{ri})	Urban(m_{ui})
0.75	0.25

A. Composite Index combining Tertiary Education @India

Rural ($m_{ri} \times n_i$)	Urban ($m_{ru} \times n_i$)
$0.75 \times 0.25 = 0.18$	$0.25 \times 0.25 = 0.06$

B. Composite Index combining Tertiary Education for Developed Nations

Rural ($m_{rd} \times n_d$)	Urban ($m_{ud} \times n_d$)
$0.25 \times 1 = 0.25$	$0.75 \times 1 = 0.75$

C1.Political factors

India(p_i)	Developed Nations (p_d)
0.1	0.5

Mainly two different political thoughts, conservative and liberals in western world, 30 plus parties at state and national level in India. Political factor for India is derived considering 7 national parties as 7 plus 3 (for 24 regional and other parties) then we get $1/10 = 0.1$.

C2.Cultural factors

India (c_i)	Developed Nations (c_i)
0.033	0.33

Originals, early immigrants, late immigrants for Developed Nations, at least 30 different cultures considering the number of states & UTs

C3.Religious and Other Traditional Factors

India(r_i)	Developed Nations (r_d)
0.02	0.5

Broadly, atheist and devout in Western world. Number of religions as well as indigenous ethnically-bound faiths in India. At least 50 different influential sects

Combining together (C1,C2 and C3)-the composite common factors

India (cf_i)	Developed Nations(cf_d)
$(p_i + c_i + r_i) = 0.153/3=0.051$	$(p_d + c_d + r_d) = 1.33/3=0.44$

Combining the rural and urban together as well A,B and C (C1,C2 and C3)

Total Favourable Factors:

India (tf_i)	Developed Nations(tf_d)
$(m_{ri} \times n_i + m_{ru} \times n_i) \times cf_i$	$(m_{rd} \times n_d + m_{ud} \times n_d) \times cf_d$
$(0.18+0.06)*0.051= 0.01224$	$(0.25+0.75)*0.44 =0.44$

So, what we see that the developing nations are $0.44/0.01224=35.94$ or approx. **36 times better positioned** than India to practice the PM methods.

LIMITATIONS

In the process of study, we have tried to quantify a number of factors based on some known sources. However, the diverse and complex factors are more or less beyond any real life actual numbers which makes absolute quantification almost impossible. This paper intends to provide *some idea* through some analytical as well as quantitative approach to show how Indian context is more challenging than the developed nations for practicing project management methodologies.

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