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MANAGING REGENERATION PROJECTS: WHAT CAN WE LEARN FROM INTERNATIONAL DEVELOPMENT?

What are the links between regeneration and international development?

In both situations we are concerned with economic and social change in the public realm (the public and third sectors).

This leads to a number of commonalities:
- Generally there are multiple stakeholders with a range of objectives.
- The environment is complex and problems are relatively unstructured ('messy situations').
- There are commonly multiples sources of finance and resources, leading to powerful external stakeholders, in particular suppliers of resources. Such development can be characterised as "aid-funded, and donor-mediated".

Projects are often the preferred means of delivering change in regeneration and international development, hence the focus on project planning and management.

These projects can take a range of forms, from large physical construction, through institutional change projects to small-scale community development initiatives, often in combination.

Managing regeneration and international development projects faces a range of issues which are, in the main, different from those focussed purely on physical development, or from projects in the private or corporate realm, which are driven by a financial bottom line. These are characterised as <u>mainstream</u> projects, in which 'traditional' project management techniques are often applicable. Mainstream project development occurs in 'well-structured' situations, whereas regeneration and development are associated with 'ill-structured' situations.

What characterises project approaches in international development?

International development has been addressing a wide range of issues over a long period. It exhibits in extreme form an imbalance of power between the sources of finance (the international financing institutions) and the recipients (national government, agencies, 'beneficiaries') which have strongly influenced the way approaches to project management have developed. Many of these approaches are by no means perfect and they are being continually refined. In addition they are often applied more in theory than in practice.

There is a strong emphasis on **conceptualising the project**, through such techniques as problem-tree analysis, participatory appraisal and the logical framework. The logical framework in particular provides a mechanism for defining project objectives at a number of levels (goal, purpose, output). Note that the LF is particularly contested in international development, primarily because of its articulation of power relations in project formulation (Baccarini, 1999)

Over a long period development project practitioners have been distinguishing between **'blueprint' and 'process'** projects and investigating the different features and desirable characteristics of each. These discussions precede, and to an extent feed into, current interest in mainstream project management in 'hard' and 'soft' paradigms (Pollack, 2007). This has led to debates round the 'projectification' of society, and the need to be clear that not everything is a project. To some extent international development processes have treated all development as project-based, because that was the convenient way to transfer funds from rich nations to poor nations.

International development approaches highlight the importance of stakeholders. Originally 'beneficiaries' were taken to be the main stakeholders but subsequent approaches broadened the gaze across a much wider range of interested parties (governments, agencies, regulators, suppliers, clients). Specific and formalised approaches to **stakeholder analysis** have been developed, based on an assessment of stakeholder interest and influence.

There has been a continuing focus on **measuring project benefits** (cf focus on the product, not the output). Initially international development mainly emphasised project planning, rather than project management, comprising sophisticated techniques for comparing project benefits and costs (cost-benefit analysis). This was later extended to take account of non-quantifiable benefits through environmental impact assessments and also social impact assessment.[1]

There is recognition of the importance of the **project environment**, and the situation of a project within its environment. This has resulted in the characterisation of the project environment in the form of a number of simple conceptual models, and an understanding that the environment for development projects is dynamic, turbulent, random and often resource-scarce.[2]

Sources of **project funding** have long been a major concern in international development projects, because of the perceived political importance of the IFIs and complications resulting from colonial and post-colonial relationships. Use of "other peoples' money" (often in major proportions) has led to very detailed procedures for accounting for funding and spending. In particular procurement procedures are quite complex and tightly regulated.

Monitoring and evaluation is an integral part of international project development (though often more conceptualised than practiced). The logical framework explicitly requires the definition of indicators at each level of project success. A sophisticated discourse has grown up round indicators, concerning their attributes, criteria for definition. The logframe also calls for explicit identification of the means of verification i.e. not just what shall we measure but how shall we measure it.

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[1] The emphasis on benefits is reflected in increasing interest in 'benefit management' and 'value' in mainstream project management.

[2] International development is now following mainstream project management in a more systematic approach to risk identification, assessment and management, but these approaches generally separate out risk from the project environment, as though attempting to bring sources of risk within project control systems.)

Evaluation processes and approaches are continually being refined and there are wide array of evaluation techniques available. Of particular interest at the present time is participatory monitoring and evaluation, reflecting the impetus to redress power imbalances in project development and involve beneficiaries/ customers/ clients throughout the project life cycle and not just at the planning stage.

International development projects have always involved a focus on **sustaining project benefits** in the post-project phase, through attention to such matters as recurrent financing (since payment for services is often problematic) and asset management (although maintenance regimes have been notoriously unreliable)

By contrast, there are many areas in which international development projects can learn from mainstream approaches. Besides the increasingly sophisticated application of PM techniques such as PERT and risk analysis, three areas of more general interest may be mentioned:
- mainstream project management is much more advanced in partnerships, particularly in public/private partnerships as a vehicle for securing funding from a wide range of sources (BOT approaches are being applied in a variety of cases but much less extensively than, say, in UK)
- mainstream project management is putting increasing emphasis on portfolio and programme management, and looking to develop the approaches that are relevant to them. Programme management is recognised in international development but tends not to be the focus of specific techniques and approaches. Portfolios tend to be applied only to lending mechanisms, rather than seen as a management approach.
- development projects often had a very long life-cycle compared to their mainstream counterparts because of their role as a mechanism for transferring aid funds from rich to poor countries. The idea of 'closure' for development projects is not widespread.

What issues lie ahead for project management?

There are many potential issues which may be of particular interest in the management of both regeneration and international development projects, and which may complement advances being made in mainstream project management. Some specific suggestions include:
- improving practices in partnership management for project delivery
- making sense of PRINCE2 processes for projects in uncontrolled environments, and of the application of other project management approaches for regeneration projects and programmes
- developing approaches which allow for power imbalances (Cicmil, 2006)

There is also a continuing need to integrate hard and soft techniques in an appropriate way. In development practice this need has been under discussion for a considerable time. For example, Brinkerhoff and Ingle (1989) suggest approaches based on 'structured flexibility' which combine elements of blueprint and process.

Finally, Winter and his colleagues (2006), in a review of directions for future research in project management, identify some interesting trends with specific relevance to

regeneration scenarios. In particular they suggest the need for management professionals to develop from 'trained technicians' to 'reflective practitioners'. The need for reflective practitioners seems particularly important in the messy and unstructured world of regeneration projects, where mainstream methods of plan and control are likely to be in appropriate and counter-productive.

Tom Franks
November 2007

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