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Private versus Public Sector Projects Management: The Thin Line Between

Jeremiah Loiboku Leariwala
Police Officer, Department of Kenya Police Service, National Police Service, Kenya
Dr. Lucy Ngugi Kamau
Lecturer, Department of Management Science, Kenyatta University, Kenya

Abstract:
Projects have been in existence since time immemorial. The simplest definition of a project, as an engagement with time constraints, usage of resources in order to achieve a specified goal and a scope of work to be performed qualifies the building of the pyramids as projects. Research has endeavoured to put the project concept in a clear perspective as well as to identify the various theories upon which the concept rides. Across organizations also projects exist, mostly structured according to the specifications of the implementing organizations or companies. Since organizations differ, especially in regards to culture, it is likely that their project structures will differ too. But, how much difference or similarity exists between projects of different institutions? This article aimed at exploring available literature in order to establish the answer to this question. An empirical literature review was used, in an attempt, to identify the difference or similarity that is there between projects in private and public sectors.

Keywords: Public projects, private projects, public vs private projects

1. Introduction

Reading the various definitions of the term project conjures an engagement that is simply wrapped up as a set of activities that uses resources within a specified period of time to deliver a clearly defined goal. Common among a majority of the definitions is the fact that a project has a cost, a goal and a scope. This is regardless of the type of a project or the sector implementing that project (Ilies, Crisan, & Muresan, 2010).

A number of researches have been conducted and books written, covering the theories and concepts of project success and project management. A renowned guide to project management has comprehensive sections applicable to all manner of projects. The guide advocates that success of a project should always be assessed based on the constraints, approved ones, of cost, time, scope, resources, quality as well as the risks involved (PMI, 2013). On the other hand (Meredith & Mantel, 2009), simply tells us that project management is the means by which we achieve our project objectives. Whether you want to develop a new product, build a bridge or even to improve your customers' satisfaction, the tools you will use to plan, to implement, to control, to organize resources (both human, finances and equipment) will generally be your project management approach. Both of these definitions give us the broader view of the terms project success and project management.

But one would ask himself the following question, what happens in different organizations? How are these two terms defined in relation to private or public organizations?

1.1. The Project

There has been a misconception that projects are the same and this has led to managers adopting the same project management techniques, with many failing to achieve their goals (Al-Hajj & Zraunig, 2018). Whenever people talk of 'The Project' within an organizational setup, members of such an organization will have the same understanding of the term. But where persons belonging to different organizations converse and one of them uses the same term, 'The Project', there are chances that confusion will arise requiring a further clarification, to explain what exactly 'The Project' stands for. The same can be said in the case of 'Project Success' and 'Project Management'.

When it comes to project success, three success factors are shared across the private and the public sector, but there are a few differences though. For example while costs, time and scope are the cross-cutting factors, users of a project hold the last say always. If they are not satisfied with the project, then such a project cannot be regarded as a success, even if time, cost and scope are met (Elder & Garman, 2008). The user specification and approval presents a challenge when it comes to public projects. This is so because public projects are open to extensive scrutiny and accountability standards are held higher than in the private projects.

It is prudent however to point out that (Gasik, 2016) posits that public projects are not necessarily government projects. This is a common misconception that can only be corrected by remembering that demonstration (protests) projects, implemented by civil right groups, against a government are also public projects. In other cases public project exhibit traits common in private projects e.g. a military security software project might have some of its elements kept secret to the public for obvious reasons.

1.1.1. The Project Life Cycle (PLC)

Projects have distinct stages that they go through from the time they are conceived to the time they are ended. These stages (also called phases) vary from one organization to another although all projects have starts and ends; it is what happens in between that differs (PMI, 2013). It is just common to find projects with five-phased cycles, some with six stages and others with four stages like the case with the NG-CDF projects (TISA CDF-Guide). Different organizations break up some phases, and rename them to end up with structures that suit them.

The project life cycle enumerates all the activities that must be carried out in each phase of a project. A project can only progress to the next phase of the cycle after the preceding phase is completed. As observed by (Aguilar & Muller, 2009), one of the factors that determines project success is the efficient management of its life cycle; it becomes even challenging where an organization executes multiple projects at ago. In public projects management there are very strict guidelines governing the implementation of projects. Each phase in a government implemented project goes through a rigorous assessment before approvals are given to proceed into the next phase. Such is not necessarily the case with private projects. Some of the common scenarios, in regards to PLC, in different organizations present the following arrangements:

Scenario	Phases Breakdown
A (Four phases)	Conception/Identification and Selection/Initiation, Project planning, Implementation & Monitoring and Evaluation, Project closure.
B (Four phases)	Conception/Identification, Selection/Initiation and Project planning, Implementation & Monitoring and Evaluation, Project closure.
C (Five phases)	Conception/Identification, Selection/Initiation, Project planning, Implementation & Monitoring and Evaluation, Project closure.
D (Six phases)	Conception/Identification, Selection/Initiation, Project planning, Implementation, Monitoring and Evaluation, Project closure.

Table 1: Examples of Project Life Cycles
Source: Research, 2021

1.2. The Project Management and Success

In a layman's language, management can be defined as the process of applying the principles of management (planning, staffing, organizing, controlling and directing) on an institution in order to achieve some goals. In projects the same can be said although the methodology of management might differ between public and private projects. Managing public sector projects is a little complex, unlike the case with private sector projects. According to (Kissi & Ansah, Dec., 2013), when defining project management in construction it should always be looked at holistically, from project conception to completion and maintenance. This is so because, due to the advancement in technology and changes in the world today, the market place has become a competitive ground leading to a need for better project management practices to ensure project success as well as survival for institutions, unlike the case few decades back.

It is the responsibility of a project manager to identify effective management tools that might lead to a project achieving its objectives (Al-Hajj & Zraunig, 2018). Public projects have policy documents and guidelines that have to be followed. They are sometimes spelt out in legislative law documents which might criminalize diversion from them. But in private projects managers are fully responsible for their projects' success. Managers in this case are tasked to craft strategies of putting resources (finances, time, human, equipment etc.) into efficient use to attain the project goal. Project management, the way projects are planned or controlled, to a great extent, determines their success (Lawani & Moore, 2016).

1.2.1. Project Staffing

Staffing, the process of assigning skilled labour or just personnel to the activities of a project, is one of the vital functions of project management. People form the most important component of an institution or project. Without people very little can be achieved. Trained individuals, when correctly allocated project tasks, are an assurance of project success in many cases (PMI, 2013).

During the planning stages of a project, human resource requirements are duly identified or designed. Management structures are defined with the relationships between each level clearly spelt out. This is called job

description or specification. The details of the desired qualities (age, gender, academic levels, experience levels etc) are covered here.

In public sector (especially in the government) staffing of projects is mostly done departmentally, with some parts executed by external companies on contract. Government institutions rely on their own experts to oversee their projects implementations (Ayee, November 2005). It is a common phenomenon that senior government officials will always assume project managers' positions in projects implemented by their institutions whether they have the required skills or not (Lawani & Moore, 2016). Their remunerations will not necessarily change with each new project they get involved with. They will mostly draw a standard salary (and if changes are necessary, then they may draw allowances based on these new engagements). But in private sector staffing of a project is done based on the skill requirements. Many times each project will get its own manager and all staff members of a project are hired on contract. They get paid as per the terms of their contracts. Upon completion of a project these contracts come to an end too.

1.2.2. Public Finance Management

Public money is defined as being the funds that are possessed by a government entity or funds raised by a private body under a statutory authority. This simply means money that can generate some form of liability for the government (GoK, 2012). A project that uses public money can only be implemented if such monies have been appropriated and the government official (minister) responsible has authorized it to start.

Public finances can only be used for the purposes it was intended for before they are released; diverting the same amounts to committing an offence that will render one liable for prosecution. This requires that such funds are managed (accounted for) in a very transparent manner that is subject to scrutiny, mostly preceded by public participation. Any public member can raise queries about the way the public funds are managed at any one time. But also, to aid public officers in managing public resources (read projects) some of the standard operating procedures have outlined what must be done. The use BQs (Bill of Quantities) for every project has been emphasized. Tendering procedures, before a project is awarded, have specifically been elaborated: processes/activities must be documented, advertisements for tenders made public, closure, opening and selection recorded in minutes of committee deliberations etc.

1.2.3. Public Procurement Regulations

Whenever public funds are required to acquire certain services or goods the public procurement laws have to be consulted. These laws set out the processes to be followed and none can be overlooked (GoK .. , 2015). It doesn't matter how trivial a service is, as long as the public funds will be spent, these regulations dictate the methods.

The bureaucracy surrounding public procurement regulations however delays the whole process of acquiring funds and this at times leads to delays in project times. Many times implementation schedules suffer because of strict public procurement regulations, especially when inquiries arise along the processes. It is such regulations that make public projects unique and a tough cookie to crack.

1.3. Statement of the Problem

The history of projects and their management goes back several decades according to the available writings. Theories exist in plenty, which highlights the different elements of project implementation and management (Kureshi, 2013). There are also different project structures, tools and management techniques that are practiced in the world today. The scope and requirements of the project sponsor influences the way it is structured, implemented or managed. However, there is still a need for more information to differentiate between public projects from private projects. Are they different or are they one and the same thing?

A layman might consider all projects the same, but professionally perhaps, there are glaring differences between public and private sector projects. Managers in private institutions will approach project matters differently from the way managers in public institutions will. Will this difference present a reason to confidently say that there is a thin line, if any, between public and private projects? And lastly, what gaps exist in the literature available?

Purpose.

This article is purposed to highlight the difference or similarity between public sector and private sector projects management, if there is any, identified by existing literature. Whatever factors of project success or project management that are unearthed by the literature review, will also be highlighted and recommended to be pursued further, in order to conclusively say there is a difference between this two sectors.

2. Methodology

Being an exploratory study, the researchers gained access to published conference papers, research articles and books in various repository platforms in order to gain sight into the problem to be addressed. These materials were reviewed thematically with the two questions to be answered in perspective. The findings and recommendations of the studies were extracted, and then regarded with a view of deducing comparison between public and private projects as well as identifying gaps to be filled by a further study.

Questions to Answer.

This paper sought to answer the following two questions:
- Is project success in private sector different from the public sector?
- Is project management in private sector different from the public sector?

3. Literature Review

In a study conducted in Balochistan-Pakistan, (Irfan, et al., 2021) states that there has been a lot of growth in the world today, but project failures, within the public domain, has remained constant: poor project planning and the project managers' competencies. The objective of the research was to find out the perception of clients regarding project planning and human resource competency, and their impact on project success. Overall findings were that planning and competency of individuals working in public organizations can enhance their efficiency and effectiveness. Planning positively affects success of public sector projects and there was also a positive impact of project manager's competencies on project success. Moreover, the success of public projects (especially construction projects) directly affect the standard of life of the citizens and the gross domestic product also increases with every investment a government does in infrastructure. It is however sad to note that projects in developing countries fail as a result of poor planning and lack of managerial skills. Lastly, projects in public sector can only be regarded as successful if they are beneficial to the general public. Additionally, the sustainability aspect of public projects has also been cited as a determinant of success levels.

 Posits that there has always been a misconception that projects are the same all over and managers can adopt the same project management techniques. This leads to terrible failures. In a study to examine the status of project management methodologies and their influence on the elements of project success, these authors realized that project management success represented one of two essential ingredients for achieving project success; it positively influenced project success. They however state that there are some universal project successes measures that can be applied to construction projects. Moreover; the projects' success depended on project management success and the success of the overall end-product (a project may fail to meet the traditional iron triangle constraints and still satisfy the stakeholders' expectations). In ranking the following factors ranked high: effective project planning and control, adequate funding, availability of resources, and adequate communication. On the use of project management tools and techniques, the following ranked high: checklists, critical path methods (CPM), lessons learned, performance reports, bar charts and communication plans.

(Gasik, 2016), in an article aimed at establishing if public project are different from other projects, states that there is a greater complexity when it comes to public projects as compared to projects in other sectors. This study puts forward the following models of differences between public and other sector projects: generic model (no difference between the two), core model (substantial difference between the two more so because public organizations are very formal) and dimensional model (differences are based on various dimensions like ownership, funding and mode of social control). The study adopted a research survey design and found out that managing public projects was more complicated, especially on these three areas: stakeholder management, procurement management and communication management.

(Lawani & Moore, 2016), conducted a systematic review of past studies on project management practices with a view of identifying those elements that influence the management of projects of government organizations of developing countries. They observe that, of late, project management has become a vital component of the public sector due to the need for accountability and effectiveness. In contrast to the public sector, private organizations have utilized project management practices well to achieve desirable results. This fact has compelled the public sector to contemplate the practices with the expectations of delivering value to the members of public. This study found out that appropriate organizational structure, access to resources, sufficient human resources, competencies of project practitioners, project management awareness and knowledge, senior government officials support are just some of the factors that impact on project management practices used in public organizations of developing countries.

(Kissi & Ansah, Dec., 2013), purposed to ascertain the factors that affected the professional project management practices in developing African countries. According to these researchers the technological advancements in the world has turned the market place into a competitive ground. As a result of this a need has arisen for institutions to adopt better project management practices to ensure project success as well as survival. This study focussed on construction projects management and found out the following: lack of knowledge, high bureaucratic, political and economic constraints, leadership and organizational culture, misunderstanding of the project management concepts, and lack of appropriate software, was the major constraints that affected project management practices in developing African countries.

On another hand, (Elder & Garman, 2008), embarked on a study that aimed to answer the question; 'how do the success factors in software project management for the Air Force differ (if at all) from the private sector?'. In the public sector, projects require a long period of developing and testing prototypes. This is necessary because a strong accountability is needed in government projects that are open to public scrutiny. Acquisition regulations and contracting rules and standards also influence government projects. Then, although past studies centred on the traditional success criteria (iron triangle) of timeliness, cost and scope, there is need to consider other important factors. The three success factors above are inadequate since they do not describe the standards of successful project better. In conclusion, the study found that there is a partial difference between private sector and the Air Force organization. The Air Force managers and Private Sector Managers shared many critical success factors but there were still some distinct differences.

3.1. Summary of the Review

Author & Year	Title, Objectives and Findings	Limitations
Irfan, et al. (2021)	Role of Project Planning and Project Managers Competencies on Public Sector Project Success: To find out the perception of clients regarding project planning and human resource competency and their impact on project success. Found that planning positively affect the success of public sector projects; project manager's competencies also have positive impacts on project success.	It is limited to projects in Balochistan, Pakistan to arrive at its conclusions.
(Al-Hajj & Zraunig, 2018)	The Impact of Project Management Implementation on the Successful Completion of Projects in Construction: To examine the status of project management methodologies and their influence on the elements of project success. Found that project management success represented one of two essential incredients for achieving project success by positively influencing project success.	Limited to construction projects only.
(Gasik, 2016)	Are Public Projects Different than Projects in Other Sectors? Preliminary results of empirical research: To identify the differences between public projects and projects in other sectors. There is a greater complexity in managing public projects than managing projects in other sectors. Complicated management areas of public projects are: stakeholder management, procurement management, and communications management.	It is limited only to the complexity aspects of the public projects. There are other factors.
(Lawani & Moore, 2016)	Project Management Practices in Government Organisations of Developing Countries: A Systematic Review: To identify characteristics of previous studies on project management practices in government organizations of developing countries; and to find out factors that impact on project management practices in government organizations of developing countries. Found that sufficient human resources among others factors impact on public projects management in developing countries and that executive directors in government departments always assume the project managers positions, whether they have the required skills or not.	The study is biased; used online materials only.
(Kissi & Ansah, Dec., 2013)	Professional Project Management Practices and Its Constraints in Developing African Countries: A Literature Review-To ascertain factors affecting the proffessional project management practice in developing African countries. Found that the following factors affected proffessional project management practices: lack of knowledge, high bureaucratic, political and economic constraints, leadership and organizational culture, misunderstanding of the project management concepts, and lack of appropriate software.	It used construction project management to make generalized conclusions.
Elder, K. L., & Garman, M. R. (2008)	Private Sector Versus Public Sector Research On Software Project Management: An Exploratory Study-To answer the question, 'how do the success factors in software project management for the air force differ (if at all) from the private sector? Found that there was a partial difference between private sector and the air force organization. The managers at the air force and private sector shared many critical success factors but still had some distinct differences.	The study is more than 10 years old and it looked at the Air Force in place of public sector project.

Table 2: Summary of the Literature Reviewed
Source: Research, 2021

4. The Outcome and Discussions

In general it is quite in order to state that the difference between public and private sector projects is not very clear. The available literature is still inadequate to confidently say there is a significant difference between the two. Then as observed here, most of the literature found online is old and it covered diverse areas of public sector projects that is difficult to narrow down when deciding on the difference between public vs. private projects.

Gasik (2016), approach outlined three models that present a way in which boundaries between public and private organizations can be identified. These models however put these sectors on a continuum, meaning that projects can either be too public or too private depending on where they lie on it.

Although the project life cycle can easily give a distinction between projects in different organizations, it is not sufficient to conclude that projects in public sector differ from private sector based on it. A project life cycle determines success of a project but projects in both public and private sector can adopt varied life cycles or share the same cycles too. Existing literature has only emphasised on the importance of a project life cycle, in general.

The determinants of project success bare similarity between the public and private sectors too. The iron triangle constraints cut across these sectors and any other factors to be considered depend on different organizations. As far as project management is concerned projects in public sector are characterized by stringent regulations brought about by their openness to public scrutiny.

4.1. Findings

	Public Sector	Private Sector
Project Success	Besides the iron triangle constraints, service offered to the beneficiaries by a project also determines its success, Long bureaucratic processes can affect project schedules and lead to delays in availing project funds, Project sustainability is an important success factor here, Contract terms agreed upon will determine success levels of a project.	The iron triangle constraints are used to determine project success, although there are additional factors, Stakeholder approval is also important in determining project success, Delays experienced during project implementation can result in costly repercussion and affect project success, Resources availability influences successful implementation of projects.
Project Management	Public participation in project life cycle has positive influence on the implementation of rail infrastructure projects in Kenya, Management of public sector projects is complex, Government policies e.g. public finance rules and procurement regulations must be adhered to, Executive officers (or senior government officers) assume project leadership positions even if they don't have the requisite skills to manage them.	Applying best practices helps in projects implementation, Project managers are solely responsible to achieve project goals, Sponsors and donors dictate the processes to be followed and sometimes the structure to be used too, Project leadership positions are occupied by individuals with the required qualifications always, Since private projects are not subject to public scrutiny it is less complex to manage stakeholders, procurement and communications.

Table 3: Outcomes in Summary
Source: Research, 2021

5. Limitations

This study is limited in the scope since it used online materials (journals) only, to arrive at its conclusions. The search words used yielded mixed results, with the bulk of the resulting journals covering diverse areas within the project management field, albeit with some inclination towards either the public or the private sector projects.

Secondly, since the study was meant to be of exploratory nature, no scientific model was applied to test the variables used. This is a limitation in itself.

6. Conclusion and Recommendation

From the outcome of this review it is noted that there is still need for a detailed research to properly answer the two questions posed earlier. Evidence gathered here is not sufficient to say that project success in public sector projects differ from project success in private sector. On the other hand project management between public and private sector bares some similarities but there are distinct differences too.

The authors thus recommend that a study, narrowed down to specific aspects of public sector projects, be conducted. A repeat of (Elder & Garman, 2008) and (Gasik, 2016), in Kenya, is desired. The following objectives are suggested: to determine the extent of complexity in managing public and private sector projects, and to identify success factors in both public and private sector, in Kenya.

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