

Understanding the Nature of Project Management Capacity with the Resource Based Perspective: Exploratory Case Study in Non-Governmental Organizations (NGOs) in Sri Lanka

Nanthagopan, Y.¹, Williams, N.², Page, S.³

¹Vavuniya Campus of the University of Jaffna

^{2/3}Bournemouth University, United Kingdom

ynanthagopan@yahoo.com

Non-governmental organizations (NGOs) are generally considered to be non-state, not-for-profit groups that function to serve the public interest (Schmidt and Take, 1997). While the common perception is that competition is limited to the private sector, NGOs also face competitive forces in four ways: 1) competition with other domestic NGOs, 2) competition induced through government policy, 3) competition from international NGOs and 4) competition from the private sector (Aldashev and Verdier, 2009; Keegan, 2009; Lindenberg and Bryant, 2001). Under these conditions, NGOs traditional approaches to developing capacity and improving operations may not be sufficient (Khang and Moe, 2008). Since a substantial amount of NGO activities are project based, practices of Project Management (PM) knowledge, skills, tools and techniques can potentially improve the performance of NGOs in this new competitive environment (Ika, Diallo and Thuillier, 2010).

Project Management (PM) capacity can be defined as PM resources and capabilities that support effective project operations. From this perspective, a theoretical framework from strategic management, the Resource Based View (Penrose, 1959) can be used to understand the nature of PM capacity in NGOs. Since little work has been done in this area, a multiple case study approach was selected as the research method. The setting for this study will be Sri Lanka, a country that is currently recovering from civil war and natural disasters and is host to a large number of national and international NGOs. For this study, the literature on PM, Organizational Capacity was reviewed and a theoretical framework was created. This theoretical framework was then explored using four case studies conducted of matched Local and International NGOs.

The case study findings identified three levels of PM capacities; Team, Organizational and Collaborative Social capacities, a capacity that has not yet been identified in the literature as important to the delivery of successful projects. The Team PM capacities consist of informal team meetings, field visits, and discussing success and failure stories. Next the Organizational PM capacities include PM office, PM methodology and PM tools and techniques and finally, the Collaborative social PM capacities incorporate networking with stakeholders, NGOs' intra forum and consortium meetings, and community of practice through on-line social networks.

The study contributes in developing the PM capacities theory with the support of Resource Based Perspective theory. This adds to the strategic management literature linked with PM. Practical implications will be, highlighting the importance of PM capacities to the successful delivery of projects in NGOs. It leads the NGOs to think of PM capacities in three levels with the tangible and intangible components.

Key words: *NGOs, PM Capacit, Resource Based View.*