

CHALLENGES IN PROJECT MANAGEMENT DURING THE COVID-19 CRISIS

Delia-Simina DĂNILĂ

National University of Political Studies and Public Administration
30A Expoziției Blbv., District 1, 012104 Bucharest, RO
danila.simina@gmail.com

Octavia-Andreea ADAM

National University of Political Studies and Public Administration
30A Expoziției Blbv., District 1, 012104 Bucharest, RO
octaviaadam@gmail.com

Abstract

In the context of the COVID-19 unprecedented crisis, all managers have to face new challenges and to adapt to a work environment with less social interactions. This paper presents the context, the situations encountered and the measures taken by the managers in projects financed under the European Union Operational Program Human Capital followed by our recommendations. The management type is a more significant factor between success and failure than ever before. Some managers succeed to convert the risks to opportunities and some, on the contrary, increase the threats and the uncertainties. Our research focus was on how the managers deal with the World Health Organization recommendations on social distancing while the experts involved in the project must be in constant contact with the target group. Also, we evaluated how the Romanian public institutions responsible for OP Human Capital reacted to the Coronavirus (COVID-19) disease pandemic. We analyzed, on one hand, the cases in which were considered more beneficial for a delay of the activities to respect the safety measures and, on another hand, the cases in which the activity continued online. There were identified the factors that had either a positive or negative impact on both categories of projects, the grade in which the project managers were aware of them, and their decisions. For the projects that are implemented exclusively online, we asked the managers how difficult was to find the most efficient online work tools, how fast occurred the change, how reluctant the experts were at the beginning, and how sustainable is their new way of implementing the projects. Moreover, we assessed the capacity of the manager to maintain the project team united and to motivate his colleagues to achieve the project objectives. Another important aspect followed were some patterns in financial management, with a highlight on how the managers redistributed their financial resources for the next months

Keywords

Project management; COVID-19 crisis; challenging management; public institutions European funds

Introduction

Our research aims to highlight the challenges in project management in the context of the COVID-19 pandemic and the effects of the management decisions on the beneficiaries of the projects. Our paper addresses an issue of interest for the project managers by the lessons learned and the good practices that we identified. We did not seek to design a universal pattern that guarantees the success of any project but to understand the management experience in what we consider one of the most complex types of project - the one that has as a target group the vulnerable people. The beneficiaries in the selected cases depend to a large extent on the activities of the project

and their dependency is proportionally higher in a period of economic crisis like the one that followed the pandemic. Further, we do not focus on the number of projects or beneficiaries that were affected by the pandemic, but on the type of impact of the measures that were applied. The results are a starting point in developing more discussions on the types of crisis management.

Taking the responsibility to make a better life for those in need in an environment where authorities do not know how to manage the funds in an efficient mode, takes a lot of courage and specific skills are required to succeed. The pandemic brought in a delicate situation for almost all the beneficiaries of European funds especially because they were facing problems before the COVID-19 crisis. The lack of quick and efficient response of authorities was the tip of the iceberg for those who are working or are just simply target groups in Operational Program Human Capital 2014-2020.

Human resource is as important as the funds in this kind of project and the national lockdown came in pair with the social distancing (limited interactions) which generated several challenges for those in charge. As a manager how do you know what is best for your experts and your target group? Do you just suspend the project and let everyone out of jobs/money hoping that they will be waiting for things to come back to normal? Do you move your activities online? It is possible to do that? Do you have enough money to do all the changes? How many months do you have until the project ends? Can you obtain a prolongation? These are just some of the questions we have tried to answer.

In times of crisis, authorities must be present more than ever. Taking the situation „in their hands” will be a sign of responsibility and a way to ensure the society that no matter how hard the situation gets authorities have several solutions. We can agree that the COVID-19 crises took everyone by surprise and Romania was one of the countries totally unprepared. The number one priority was to keep people healthy and safe. Unfortunately, the inability of the authorities to see the big picture and to intervene in an integrated way has brought the beneficiaries to the above questions.

Project management in European funds

Nowadays European funds are a „hot subject” among us because it is the best way to have access to money to make changes in society. As good as it might sound to you, it is not easy to do that if you do not have the right preparation. When we refer to project management, we have to keep in mind that „Project management is designed to provide sustained, intensified, and integrated management of complex ventures. It involves: (a) the focus of a substantial portion of total organizational resources on a specific objective; (b) highly interdependent specialized activities; and (c) relatively severe constraints concerning cost, delivery, and performance of the end product.” (Butler Jr., 1973, p. 85). The bigger the project is the bigger challenges will face. Each project is unique and the approach should be the same when problems appear. Butler was saying that” the unqualified success of the project often requires a breakthrough in the technological state-of-the-art and pervasive trade of decisions which seek whole-system optimization rather than sub-optimization at the level of a single parameter or function” (Butler Jr., 1973, p. 85).

In this period, despite all the abilities to manage a project, the word that can describe the reality in the field is „uncertainty”. Saunders, Gale, and Sherry (2014) present a classification of project uncertainties, they determined 5 categories: environmental, individual, complexity, information, and temporal. For a better understanding of these categories, I will present for each of them a short explanation and some examples. When it comes to environmental perspective uncertainty appears due to factors, like the name of it says, in the external environment, a good example is a situation when there are changes in the decision-making process at the institutional level. At the individual level the focus goes to the person where we have our constraints such as incomplete/ limited information, the capacity or the time to make a decision, the different approach of (identifying and interpreting) uncertainties from a person to another. The complexity perspective may refer to the diversity of actors and stakeholders, functional requirements of the project, or the technological choices. When it comes to information, it is even easier to guess where possible uncertainties may arise, like imperfect information, incomplete information, or the understanding of the relationship between cause and effect, the lack of knowledge, the lack of understanding, inability to estimate accurately. For the last one, the temporal area of uncertainty in projects, the important thing is that uncertainty changes constantly as the project moves from a stage to another (Saunders, Gale, & Sherry, 2014, pp.468-469).

For our research, we identified three out of five areas of uncertainty: environmental, individual, and informational. Environmental – the decisions or the lack of them taken by the government directly (the national lockdown, the state of emergency) or the Ministry of European Funds (all the recommendations made in documents as Instruction numbers 4, 5, and 7). Individual – in our case the managers were the ones targeted because they had to make all the decisions when due to other factors most of them had limited information or they were not ready to make radical decisions in a very short time. Informational – the lack of communication between authorities and beneficiaries was one of the biggest problems in the pandemic crises because the information is essential when managers had to make decisions – how can you choose the one that fits most when you do not have the basic information need it?

As mentioned above, most of the projects are focused on creating a change in marginalized communities. For this, the current EU financial cycle focus on integrated measures which so far has good results. At the same time, this approach in which there are implemented integrated measures is one ambitious that involves many resources and commitment to achieve results. There are unavoidable factors that can ruin even the best coordination, as the COVID-19 pandemic. Other risks can be tackled to a certain extent. We are speaking about comprehensive multi-sectoral interventions that require a long-term involvement, the ability to deal with conflicts or differences of vision that may occur with the authorities, and a good monitoring system. Also, while having this holistic perspective over a marginalized community, the implementation team has not to forget the fact that has to be respected its diversity and has to be centered on customized assistance. The project will be sustainable only if the beneficiaries are convinced to participate and there is a consensual effort in building their future. For this, there is the need to identify the informal leaders and to transform them into accelerators for behavior and attitude change in the community. Through a project at this scale, the people have to feel empowered to continue the development of their community. (Nagy Hanna, 2000)

Methodology

The research was conducted using two instruments: analysis of documentation and interview. Analysis of documentation was used, as Chelcea (2001) presented Theodore Caplow's classification of documents, only one type – official documents as recommendations, statements, strategies, etc. issued by the authorities. We chose the interview because it is a qualitative method and presents several benefits as „flexibility - the ability to get specific answers to each question, higher response rate - people who feel more protected when speaking than when writing; observation of nonverbal behaviors; ensuring the standardization of response conditions; ensuring control over the success of questions - accuracy of answers; collecting spontaneous responses; ensuring personal answers - without the intervention of other people.” (Chelcea, 2001, p 300 – 3001). We realized five interviews to collect data about eight projects under implementation in the present under OP Human Capital. The interviews are semi-structured to have the possibility to explore some topics brought up by the interviewee but which were not included in the interview schedule. The main topics of the interview are: Implementation status when the COVID-19 pandemic was declared; Perceptions on authorities' recommendation; The impact of the decision and Implementation during COVID-19 pandemic. Regarding the documents, we analyzed, in addition to the scientific articles, there were also documents issued by the Ministry of European Funds. The mentioned documents (instructions) were issued to help the beneficiaries of European funds to make the right decisions for their projects in a time of COVID-19 crisis.

The objective of our research was to explore the experiences of some project managers in the context of the COVID-19 pandemic and to identify their opinions and attitudes related to aspects like challenges caused by the imposed restrictions, support from the authorities, and perspectives for the future. Therefore, our focus was not on quantitative data because we cannot extrapolate our conclusions on all projects under OP Human Capital, but rather on qualitative data. It is still too early to identify a pattern and to select some lessons learned or good practices. In this stage of the study, we do not aspire to generalize based on the answers we collected, but we have better-shaped directions that we can explore deeper in the future.

Short description of the studied projects

One of the managers interviewed has under implementation in present four projects financed through the Operational Program Human Capital 2014-2020. Two of them have the main objective to reduce the number of people at risk of poverty and social exclusion in two rural marginalized communities from the South-Eastern region of Romania by implementing integrated measures. These projects are very complex and they are managed under a partnership composed of public institutions, NGO's and private economical operators. The activities are planned for 36 months of implementation and the target group is over 500 people for each project. The most significant measures involve professional training, insertion on the labor market (career orientation and counseling, mediation), actions for improving living conditions, and many others. Further in this paper we will refer to these projects as projects A and B and will be analyzed mostly together.

The other two projects have the same implementation period, but a smaller target group and with a different profile. The beneficiaries of these projects will participate in courses of social entrepreneurship and at the end of a business plan contest, they may receive a grant for opening their social economy structures. When we will discuss these projects, we will call them to projects C and D.

We also focused on intervention in a marginalized community from a city in which there is a population belonging to the Roma minority at risk of poverty and social exclusion. The target group is numerous (600 people) and challenging. For 3 years, there are financed social, educational, medical, juridical services and even activities to fight the discrimination. This project will be labeled as project E.

Another project selected is in the higher education system and research area. The target group has different particularities compared to the previous ones. The general objective is to ensure the quality of training of 100 future researchers - Ph.D. students and postdoctoral researchers - in terms of facilitating the transition of business education, through access to entrepreneurship training and partnership with employees in the fields of smart specialization. In the next sections, this project will be mentioned as project E.

Another two projects are implemented in the urban area and the main activities are training and insertion on the labor market. The process of selection of the target group was easier and faster. Also, another strong point is the presence of a large number of economic actors willing to hire qualified people.

The last project has the main goal to train a large number of employees from a big company in Romania. The selection of the target group it is an easy one because the persons are selected directly from high positions (decision-makers) in the company. The main goal is to improve employee abilities to maintain the company on the market (lately the company registered constant losses) and to develop it after reaching the stability point.

Implementation status when the COVID-19 pandemic was declared. The impact of the decision

At the moment of the World's Health Organization announcement, projects A and B were in their second year of implementation, with some delays in some activities. As the respondent mentioned, the situation created organizational stress for each partner and the entire partnership as well. First, there were a lot of decisions to be taken into consideration related to the experts working on the projects. Projects A and B require big teams of experts to support the activities and for a part of them, this job is their unique source of income. Second, there was an urgent need for a strategy related to the target group. On one hand, there was the pressure of completing the target group to achieve the project indicator, on the other hand, there were taken into account all the solutions to maintain the interest of the beneficiaries already entered in the activities. The target groups of projects A and B are represented by people who confront severe material deprivation. The people lack devices with an internet connection and even the internet connection itself. In this context, the option to transfer the activity online was excluded. Despite these factors, the projects were not suspended and most probably they will be extended at the end. The conditions in which the activities were held will be

detailed later in this paper. Simultaneously, the manager of projects A and B was in the incipient phase with projects C and D, promoting them, trying to gather the target group and to select the beneficiaries. The process of adapting to online activity was fast and without difficulties. The target group has access to the internet and experience in using new technologies. The online events organized to attract beneficiaries had bigger participation than the one expected.

Before the state of emergency was officially declared in Romania, project E was after almost a year of implementation, according to the GANTT graphic, without any delay. The management team and the responsibility for the project activities announced in an official letter to the project officer that the activities that require physical contact with the target group will be suspended for a week and until further instructions.

Project F was almost at the end, with half of the activities finalized. The establishment of the state of emergency in Romania was previsioned by the project manager and the Additional Act that requests a two months' suspension and an extension of a month was signed and approved on the day of the President's official declaration. According to the manager, there was no financial impact on the decision.

Project G was also almost at the end, with most of the activities finalized. This project was one of the first financings at the beginning of the program and in COVID-19 crises suspending it was not an option, the time pressure was too high and the management team had to adjust. The manager developed a plan of action to move the activities online and at the same time to make sure that each person from the target group has equal chances in terms of access.

Project H is similar to project F regarding the decision to be suspended. The activities were carried out according to the Gantt chart until the national lockdown.

Perceptions of authorities' recommendation

The managers that we interviewed had very similar opinions on this topic considering the communication with the authorities enough ambiguous. The measures were seen as vague, unclear, and even misleading. The managers stated that the recommendations were released too late considering the evolution of the events. They said that the instructions did not serve as a guideline and the responsibility of either suspension or continuation of the projects was assigned in totality in their obligation. The respondents claimed that they needed more support and advice from the authorities while evaluating the scenarios for their projects. They were consulting with other managers that were taking risky decisions as them and this lack of a unitary approach intensified the atmosphere of uncertainty.

Implementation during COVID-19 pandemic

Project F is the unique one that was suspended during the state of emergency in Romania. This decision was chosen because the activities planned for that period (training courses) could be postponed. The target group of the project is stable and the implementation team of experts too. Also, the manager considered that were unclear the conditions of conducting the courses online and that it is a risk that can have negative consequences on time.

Projects A and B continued with consistent efforts from the core of the expert team that remained functional. From their funds, the partners purchased electronic tablets with internet subscription for the beneficiaries to continue the training courses started before the pandemic was declared. The experts communicated constantly with the target group that helped in recruitment – relatives that were living abroad decided to return to their community to isolate with the family during the state of emergency, as no one could predict precisely how much would last. All the papers that were filled offline were transformed into an online format, accessible, and user friendly. The manager and the project officer agreed on a package of justifying documents needed for the technical report. Meanwhile, the management team is working on a sustainable Action Plan for the next period.

As we mentioned in section 2, projects C and D were implemented online with good results. As an impact on the long period, there are some reserves. Even if the people participated in the online conferences, they did not take the next step, the one of inscribing in the target group. We have to take into consideration the general context; the potential beneficiaries started to have doubts related to the idea of opening a business even with the attractive solution as a grant of 100.000 euros. National and international instability lead to bigger caution. The deadline for registration in the target group was extended and there are discussions about complementary methods to attract future entrepreneurs in the social economy.

Project E had difficulties in moving the activity online under other aspects. Fortunately, the target group is a young one, that has access to the internet and the competencies needed. The existent online platform was moved on a safer server. This decision involved an average cost and was possible in a short time thanks to the experts already working on the project. They instructed the trainers on how to use the platform for the online courses and assured the role of an intermediate actor between the trainer and the students. The platform was allowing the students that have a job to participate in a very flexible way – without video connection, being active on the forums even outside the course hours, and so on. This project team tried to transform the discomfort created by the COVID-19 pandemic into an advantage for the target group.

Conclusions

The manager of projects A, B, C, and D states that is in the incapacity to estimate how the projects will continue without clearer instructions from the authorities. He considers that their declarations are even contradictory and the last instructions that extend the period in which the project officer is obliged to process and to respond to the documents is a measure that will create bigger delays. For example, he made a short budget simulation to highlight the consequences of the present instability. A purchase of gloves, masks, and disinfectants is a significant financial weight but seems an urgent need now. But will this need still be a real one in a month or more? It is a risky decision and has to be made putting as a priority the health and safety of the people involved in the projects.

For the manager of project E, the future of the activities is cleared because exists already an online routine. There is no pressure to return to offline activities. It was acknowledged the fact that the mobility activity planned for the target group has a small probability to be implemented because even the universities abroad do not have the

tools yet to deal with the pandemic and so cannot receive guests. Reaching the project indicators is a problematic matter in the present. Not only that the indicators depend on the target group (to finish their Ph.D. program, to get a job, etc.), but now the external factors have a bigger influence.

The manager of project F is prepared to implement the training either offline or online, based on authorities' restrictions and recommendations. The target group will be ready at any moment to be gathered for the courses, considering that they are one of their job obligations.

The instability and unpredictability caused by the COVID-19 pandemic deepened the past problems in the implementation of the projects financed under OP Human Capital 2014-2020. Few managers were able to adapt and to see an opportunity in the multiple challenges that occurred. To reduce the pressure and the burden on the project managers would be recommended better communication between the teams that implement projects and the authorities.

Between the project managers and authorities should be developed collaboration and should be agreed on a set of institutional instruments and rules to be respected. The managers that we interviewed took the responsibility to find viable solutions but are fearful to put them into practice because they do not want to be suspected of doing something illegal. Therefore, it must be adopted as a framework that should be enough flexible, but also a firm to prevent cases of irregularities and fraud.

The objective for all the stakeholders should be in this period to cooperate for achieving the results that Romania as a beneficiary of the European funds took a strong commitment to accomplishing. We have to remember the targets that we have set. Should be identified as the ones that are not relevant anymore and the ones that represent a priority and deserve a collective effort.

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Online resources

<http://mfe.gov.ro/covid-19/>