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УКРАЇНСЬКА АСОЦІАЦІЯ УПРАВЛІННЯ ПРОЕКТАМИ

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**Тема: «Проекти в умовах
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THE ROLE OF INFORMATION TECHNOLOGY IN CONTROLLING THREATS AND RISKS IN THE ADMINISTRATION AND FINANCING OF BUSINESS - PROJECTS AND PROGRAMS IN DEVELOPING ECONOMIES

The current knowledge economy which is associated with rapid changes in technology has created an environment where information technology is king. The control of threats and risks in the administration and financing of business-projects in developing economies cannot be achieved without information technology. For most businesses-projects and programs in developing economies, lack of adequate information technology have increased the level of threats and risk in those project's administration and financing. Proper administration and financing of business-projects and programs resources through information technology are vital to developing economies long-term success. Beyond internal and local information, institutions and national governments must also find a way to productively manage the rapid changes in global information technology [1]. Ensuring a constant awareness of information technology and the changes that may occur at a moment would help to control threats and risks in the administration and financing of business-projects in developing economies. Also, staying abreast with information technology changes is an important project and programs continuity trait. Therefore, effectively using information technology to support business-projects implementation is an important part of the administration and financing of projects and programs.

Financing projects and programs can be characterized in a variety of ways. Therefore, project financing is the raising of finance on a limited recourse basis, for the purposes of developing a large capital-intensive infrastructure project, where the borrower is a special purpose vehicle and repayment of the financing by the borrower will be dependent on the internally generated cash flows of the project (David Gardner and James Wright). Project administration is defined as activities that primarily involve the management of non-site based components of a project (e.g. organizing and attending committee meetings, submission of project reporting, procurement and contracting). It is expected that only one 'Project Administration' activity should be required for each stage of a project [2].

The administration and financing of projects and programs entails various levels of risks and threats which have been developed based on the 3M pyramid of the methodological framework. The fig.1 below represents the developed pyramid.

Form the fig.1, the destabilizing factors as certain processes, phenomenon and behaviors, whose influence has changed the situation surrounding projects and programs administration and financing. These factors have created unfavorable conditions for projects and continue to determine their nature and how projects and programs should be administered in developing economies.

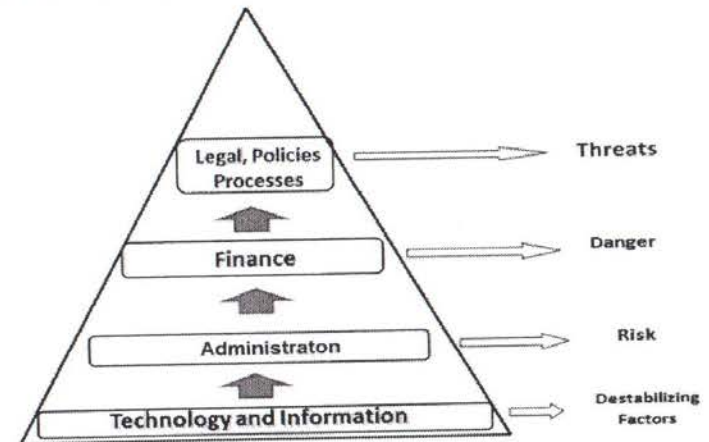


Fig. 1. Information technology impact pyramid

Risk in projects can create a chance for a loss in profit, material and or financial resource to occur through the poor administration of the project. Also, information technology is a major administrative risk in projects implemented in developing economies. The major danger of projects in developing economies are lack of finance and poor economic performances, this causes most project managers to believe that some business environment situations, and or behaviors carries insecurity, harm and or can have some negativity on their operations.

The application of effective information technology in projects and programs in developing economies would aid sustainable project cash flow because comfort can be gained from undertaking detailed financial due diligence and contractually mitigating project revenue risk. Also, an unidentified and unmitigated risk which could potentially jeopardize the stability of a project could be identified through information technology. Further, having effective information technology system in place would increase access to project financing, and promote planning, budgeting, and monitoring of all projects.

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TO INCREASE THE COMPANY'S EFFICIENCY BY ADAPTING IN IPMA OCB PROJECT MANAGEMENT PLATFORM

The world economy is currently going through a series of shocks, crises and periods of decline that require the companies an ability to quickly respond to the current financial market turbulences, falling resource prices and economic stagnation of investment-related industries. Many businesses are unable to adapt to these circumstances and not wanting to come into conflict with their own objectives and principles go bankrupt or suspend their activity. In these circumstances, it is difficult to develop and plan a sustainable business strategy, based on generational change and reaching fundamental strategic objectives; currently, it is necessary to focus on operational objectives and ensuring the company's core activity or survival. It requires from the companies a completely new, unusual and innovative approach to ensuring their activity.

To survive and even to advance in the fragile environment of an economic crisis, the companies must seek out new extraordinary solutions. One possible solution is to apply project management standards to business activities and focus the company's activity to adapting existential project management philosophy in order to ensure its functions. Businesses must apply a systemic approach - a method based on systemic thinking, where first the common structure is identified, then an event is reviewed as a system (a set of different elements that are interrelated and function as a single structure), the link between the elements of the

system is shown and an analysis of the specific components of the system is carried out. Systemic approach is needed to not only to describe the details of the project, but to assess the project as a whole, measuring the obtained results and structure against the final result of the project [1].

Under the circumstances where the market constantly demands and absorbs innovations, new projects, new ideas, the activity of companies is increasingly starting to resemble implementation of mutually independent projects. Analysing the demand of today's market, one can clearly discern the indicators of a project:

1. Innovative ideas, unique and unmatched product;
2. Limited resources, investment attraction;
3. Specific timeframe for the implementation of a task;

For the company to exist and function successfully, each individual order should be seen as a project which is implemented by applying methods and instruments of project management. The company in its sales (operating) process creates project groups with the same objective (project programs), which, in turn, form company's total project portfolio. In this situation, companies which will be able to quickly respond and adapt to these changes will survive and succeed. Many companies already have instinctively understood it and are trying to invent or develop their own models to adapt to the new market situation. Currently, there is no need to invent a new wheel, as there are many project management standards and methods that are successfully used for project implementation around the globe, for example, IPMA OCB, PMBOOK, PRINCE2, P2M, ISO 21500:2012, etc. Selecting and applying project management standard and adapting it is not an easy task. When choosing the project management platform, the following tasks should be considered:

1. Clarify the company's mission, strategic goals and the environment in which the company operates and will continue to operate;
2. Perform SWOT analysis of the company, assess the risks and set out the criteria for project monitoring and final analysis;
3. Agree on the project management methods and tools that will be used in the selected project management platform;

Based on the results of the tasks outlined above, you can adapt the specific project management standard in the company. Similarly, when choosing a vehicle for driving around the city and having limited finances, it would not be wise to