

## Management of Computer Projects of Financial and Banking Organizations from the Perspective of Human Resources

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### Abstract

*The computer project manager in the financial and banking field must make sure to determine the growth and excellence of the project according to their fundamental roles and abilities and if, for various reasons, these roles are not fulfilled accordingly, the project may fail. The success of the computer project management depends on the examination of the main strategies and on project planning, considering the principles of the human resources management and of the timely implementation and considering the structure of the financial and banking organisations that is about to implement the project, respectively. The purpose of this study is to identify the internal factors within the financial and banking organisations, which have a major impact on human resources during the development of the implementation process of the computer projects.*

**Key words:** project manager, computer project, social factors, technical factors, administrative factors

**J.E.L. classification:** M15

### 1. Introduction

Today information technology is a true development baseline at the level of the European Union and a reference practice for all financial and banking organisations. Success in this field depends on the success of computer projects and on the human resources abilities.

The politics in the financial and banking field related to the human resources abilities within computer projects are continuously improving. From this perspective the challenges in the field of project management and human resources, as well as of the factors that affect the success of computer projects have been examined, such as: the necessity to recreate jobs, the mandatory abilities of individuals during the recruitment process, the role of education in the development of computer projects (Sharyn et al., 2003).

Moreover, special attention has been given to all three perspectives of human resources, respectively to the individual aspects, to aspects related to the place of work and, ultimately to the organisational aspects and the way in which they are efficient for the success of computer projects in the financial and banking field (Sharyn et al., 2003).

The abilities of project managers in the financial and banking field are decisive with regard to the success of implementing a good computer project.

The practitioners in the financial and banking field frequently describe their computer projects as simple or complex when they discuss management related issues (Berkun, 2005). This indicates a practical acceptance of the difference of complexity in project management. It is not surprising that complex projects require a higher level of administration and abilities and certain systems developed for normal projects are inadequate for complex projects.

Computer project-based management is frequently associated with the management of its complexity. The importance of the complexity of the computer project management in the financial and banking field is widely recognised, that is: The complexity of the project contributes to the determination of planning, coordination and control requirements; the complexity of the project hinders the clear identification of the major project objectives; the complexity is an important criterion for choosing an adequate form of project organisation; the complexity of the project influences the selection of the human resources involved in the project, such as the requirements regarding experience, the abilities of the management personnel; the complexity is frequently used as a criterion for selecting an arrangement that is suitable for the project; the complexity affects the project objectives regarding time, cost and quality (Brandon, 2006). In general, the higher the complexity of the computer project is, the higher time and cost requirements are.

From these perspectives, professional managers in the field of human resources must manage the strategic activities and contribute to creating human capital and to continuously developing the abilities of human resources.

## **2. Relevant literature**

The first action in the field of human resources management is the recruitment and supply of workforce and if this stage is not performed properly, the presence of certain persons who lack the necessary abilities and are involved in the computer project, may cause obvious and/or hidden problems. Therefore special attention must be given to the mandatory abilities of human resources.

It is very important to employ qualified personnel in financial and banking organisations, which means that individuals who are capable and responsible are appropriate for the computer projects.

Many computer system consultants consider that 80% of the project management consists in communication (Rouse, 2000). To communicate efficiently is an essential condition of any computer project and lack thereof, even when the project has a strong technical basis, leads often to failure. Therefore, project managers should make efforts to maintain the structure of an efficient communication during the project and, at the same time, to engage people in projects, to pay attention to their abilities and personality traits and to use them adequately (Schlindwein and Ison, 2005).

Regarding the complexity of computer projects, we can talk about two scientific approaches. The first of these approaches refers to descriptive complexity, considering complexity as an inherent characteristic of the computer project. The second approach refers to subjectively perceived complexity, from the point of view of an observer (Baccarini, 1986).

When managing computer projects the efforts shall be increased and future-oriented. The employees will feel confident when they achieve the results of their targeted objectives and, therefore, they must be given opportunities to promote and perform research activities for the project personnel and continuous training, whose cost must be seen as investments (Pichler, 2010).

Sometimes one of the main reasons for the dissatisfaction regarding the implementation of computer projects is the lack of technical abilities of the project manager. The computer projects are often lead by technical experts who have no studies in management and sometimes one of the problems of the human resources involved in computer projects, at the level of financial and banking organisations is the lack of understanding and correct communication on behalf of the project manager and of the project team (Snedaker, 2005).

The purpose of this study is to identify the factors, which have a major impact on human resources during the development of the implementation process of computer projects within financial and banking organisations.

## **3. Research and applied method**

The main purpose of the research was to identify the actual internal factors within the financial and banking organisations, which influence the performance improvement of human resources involved in the implementation of computer projects.

50 computer project managers from different financial and banking organisations that implemented computer projects were involved in the research.

The research study was questionnaire-based and the size of the study sample was determined by the simple random sampling. In order to determine the validity of the questionnaire the calculation method of the alfa-Kronbach coefficient was used, whose value was equal to 0.86. Statistic methods were used for data analysis, such as the Friedman, Pearson and Spearman methods.

The internal environment of the financial and banking organisations was approached during the data analysis process as a system consisting in three categories of internal factors: social, technical and administrative (table no. 1).

*Table no. 1 The structure of the internal environment of financial and banking organisations*

<b>Social Factors</b>	<b>Technical Factors</b>	<b>Administrative Factors</b>
Climate	Equipment	Politics
Decision making	Materials	Rules/regulations
Interaction/influence	Physical layout	Procedures
Leadership	Work arrangements	Salaries
Communication	Work flows	Promotions
Rewards/penalties	Location	Budgets
Individuals	Size/numbers	Control
		Reports
		Structure

*Source:* Developed by authors through adaptation and processing after Radu E, et al., 2004

Each factor category (table no. 2) influences under certain conditions and to a certain extent the objectives of the financial and banking organisations regarding the success in implementing computer projects.

*Table no. 2 The influence of the internal factors of the financial and banking organisation*

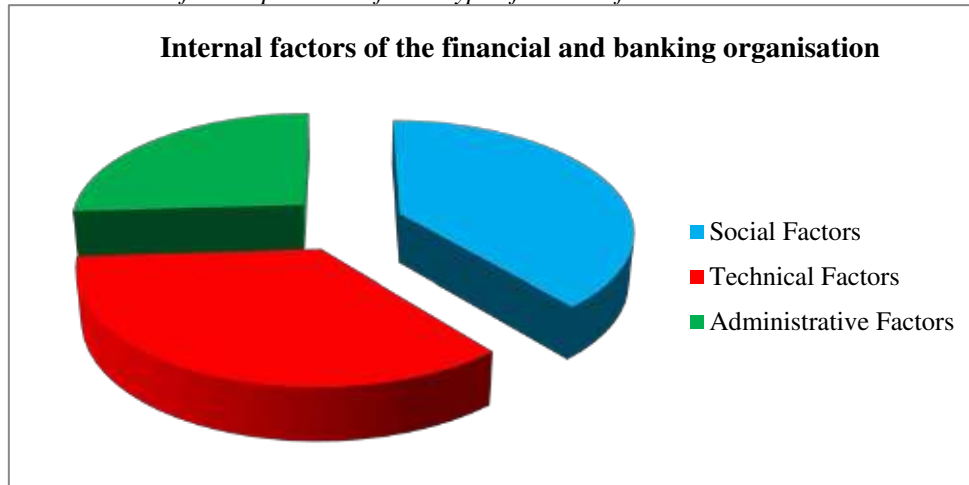
<b>Social Factors</b>	<b>Technical Factors</b>	<b>Administrative Factors</b>
The subordinates are involved in establishing objectives and making decisions about the computer project.	The physical conditions are comfortable and does not require excess work;	The rules and regulations are established conjunctly by the management and subordinates.
The communication is open; the employees are informed about the stages of the computer project	The system allows the subordinates to interact with one another and it builds social support	The politics and procedures do not restrict the adequate development of the social factors.
There are increased levels of trust and acceptance.	The subordinates are responsible for the quality of the computer project results.	Formal rewards are granted for the acceptable behaviour of the subordinates and management.
The management is employee-oriented.	The subordinates control the technical factors to a certain extent.	All benefits are reasonably distributed.
The subordinates feel useful and that they are doing something important.	The technical factor requirements are suitable for a certain degree of employees' personal resources	The procedures and rules are not inflexible and can be modified
The team spirit develops and employees are proud of the group they are part of.	Subordinates have the chance to use a variety of abilities in their work, as they please.	Human resources are involved in establishing the objectives and in planning the work.
Subordinates feel supported and they feel they can enjoy being acknowledged by the management and their colleagues.	The technical factors do not require too much conflictual interference.	Restrictive reports and control measures are not used.
There is no pressure on the subordinates.		Advancements and promotions result from the open evaluation between manger and subordinate.

*Source:* Developed by authors through adaptation and processing after Radu E, et al., 2004

All internal factors listed in Table 2 are continuously interdependent. Most of the times, changing one leads to changing the others. This fact should be known by the project manager and he should permanently be concerned by it. It is important for managers to know, be responsible for and consider these factors, so that an increased number of possibilities to achieve the objectives of the financial and banking organisations for the implementation of the computer project is ensured.

The main results indicate the fact that the managers of the financial and banking organisations firstly take into account the social factors and then the technical ones and, lastly, the administrative factors for the improvement of the human resources performances regarding computer projects (figure no.1).

Figure no.1 Evaluation of the importance of each type of internal factors



Source: drafted by authors

We found that 39% of the interviewed managers perceived social factors as having the highest importance, within which they considered that an important role is played by subordinates, who are directly involved in establishing the objectives, i.e. those who are interested in the way in which decisions on the computer project are made, as well as their permanent update on the project implementation stage.

The technical factors take the second place as importance, with 35% and the subordinates responsible for the quality of the computer project results play an important role.

The administrative factors occupied the last place, with 26%, a major importance is given firstly to the rules and regulations established jointly by the management and subordinates, as well as the aspects related to advancements and promotions resulted from the open evaluation between the manager and subordinate.

#### 4. Conclusions

The way of managing computer projects in the financial and banking field has no general rules and one cannot elaborate a global plan for all the projects in this field. We may say that almost all who managed computer projects gained experience in this field and almost every financial and banking organisation has its own problems and difficulties. But we must pay attention to a series of problems that are often general and their names may be different, although their solution depends on the nature of each financial and banking organisation.

We consider that the sense of responsibility and engagement towards the work place, i.e. towards the work duties and the level of human resources abilities are the most important factors with regard to the personnel performance improvement on an individual level.

Special importance in implementing the computer project is given to training and research opportunities, as well as to the timely correction of the organisational structure according to the changes in the field of information technology, but also paying attention to salary rights, rewards and fairness at the work place.

The results of this study have shown that attention is given to human resources with regard to the permanent development of employee abilities and computer project management is one of the most important pillars in the management of any financial and banking organisation, while neglecting these aspects causes the failure of computer projects.

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