DIVERSITY

NAP Industry User Panel 15-11-23

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Creating Value by Projects

Projects as the vehicles, project management as enabler for a sustainable future!



- No one-size-fits-all, mastering complexity
- T-shaped engineers
- Leveraging education with research







Maturing project management research & practice: lifelong learning!

Research vision

"How can **fit-for-purpose** project management contribute to creating **value** in large engineering projects, given different **contexts**?"

- Development of the profession
 - Creating value
 - Fit for purpose methods
 - Contextual factors
- Collaboration & cross-sectoral learning!
- Mixed methods research





PMI-grant on Diversity in Projects

- 50kUSD
- 2022-2023
- Lead: Hans Bakker
- Junior researcher: Anastasia Kyriakou
- Others involved: Leon Hombergen, me
- Support from several companies & NAP network



Background

- More diverse teams due to globalisation
- Management of projects shifts from task and technology focus to people focus
- Hypothesis: more divers teams deliver better performance because of broader perspectives and ability to adapt to changing situations
- Main question: *How can diversity improve project performance?*



Research setup





Phase 1: literature review - matrix

Gender **Physical Attributes** Group Tenure Age Language Nationality/Origin VISIBILITY Family Structure Education /Knowledge Sexual Orientation Functional Background Political Views Experience Race & Religion **Organizational Tenure** JOB - RELATEDNESS

Figure 1 Matrix of the diversity dimensions - adjusted from Pelled (1996)

Phase 1: literature review - effects

References: Ancona & Caldwell (1992), Pelled (1996), Wu et al. (2019), Watson, Johnson & Merritt (1998) Effect Description Because of conflicts, internal communications become more complex and Cohesion & Coordination lower cohesion and coordination Wider expertise and backgrounds increase the network External Communications Creativity More attitudes and experiences assist in a more creative way of working and finding solutions The ability to cooperate can be either enhanced or reduced, due to the different Cooperation ways of thinking Variety in the way of thinking leads to more innovative ideas and solutions Innovation Either enhanced due to constructive criticism, or impeded due to the difficulties Decision-Making in reaching a decision Support of Complex Systems Because of knowledge diversity, complex systems like the team are supported Enhanced by the constructive character of conflicts and the various experiences Problem-Solving and viewpoints Task Conflicts Their constructive character fosters the exchange of opposing views and creative criticism Enhance performance on cognitive tasks **Relationship Conflicts** Because of disagreements on interpersonal issues, leading to negative emotions, frustration, anxiety Based on disagreements about the logistics of a task, are harmful since the real Process Conflicts reason is deeper

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Phase 2: quantitative survey

- How is diversity perceived in practice?
- 5 companies participated
 - 2 contractors
 - 1 technical consultant
 - 2 management consultants
- 150 respondents answered partly, 74 in full



Phase 2: diversity in practice



Figure 2: The degree to which each diversity dimension is recognized in practice - results



Phase 2: importance in practice

Low Perceived Importance	Medium Perceived Importance	High Perceived Importance
Race & Religion (1.14)	Gender (2.28)	Functional Background (3.04)
Language (1.63)	Team Tenure (2.59)	Experience (3.14)
Nationality/Origin (1.68)	Education/Knowledge (2.64)	
	Age (2.86)	
	Organizational Tenure (2.91)	



Phase 2: revised matrix of dimensions



Figure 3: The initial (left) and adjusted matrix (right)



Phase 2: diversity effects

- Main obstacles for balanced collaboration
 - Relationship Conflicts
 - Process Conflicts

Effects with a NEGATIVE influence both on the <u>Atmosphere of the Project Team</u> & the <u>Performance of the Project</u>





Phase 3: focus on relations

- Survey provides broad view, but no in-depth understanding => Social Network Analysis does
- For 9 projects was investigated
 - Networks
 - Diversity
 - Project performance
- 2 examples follow (case 1, case 6)



Phase 3: Social Network Case 1



- Average team size: 22 members
- Partnership of two companies
- Not diverse; Some diversity in Age, Functional Background and Organizational Tenure
- Task & Relationship Conflicts
- Poor performance; 2/5

Findings:

- The informal clusters and increased contacts interrupt the communication
- Low levels of Age diversity constitute decision-making more complex
- Organizational Tenure seems responsible for some of the Task Conflicts
- Average Centrality scores
 The upper management focused on decisionmaking and not very Flexible



Phase 3: Social Network Case 6



- Average size; 26 members, integrated
 Design & Execution sub-teams
- **Diverse**; Gender, Age, Experience and Functional Background, Tenure
- Task & Relationship Conflicts present
- Good performance; 4.5/6

Findings:

- The informal clustering seems to be successful, with effective collaboration among the members
- Diversity acts supportively, while the negative effects are minimized
- Evidence that diverse teams can achieve good atmosphere and high performance



Phase 3: relations in practice (SNA)



M TUDelft **Communication Matrix - Legend**

Phase 3: analysis

- Degree Centrality: Refers to the number of ties (direct contacts) that an individual has with the other vertices
- Closeness Centrality: It is a social distance measure, emphasizing the distance of a vertex when it comes into spreading an information to others in the network
- Betweenness Centrality: It is based on the frequency in which the vertex lies in the shortest path between two others



Figure 5: Centrality results on individual level for Case 1.

The size of the circles represents the Closeness Centrality.



30.000

Phase 3: diversity vs performance



Project Performance

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Diversity

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Phase 3: specific findings

- More diverse teams have better gender balance in terms of connectivity
- Targeted communication (avoiding ties with low connectivity) in cases with good performance
- Diversity in "Age", "Gender" and "Experience" positively affects the performance of the project
- Task and relationship conflicts seem mainly triggered by "Team tenure" and "Organizational tenure" diversity



Phase 4: RECAP on two projects

Investigating relationship quality



Figure 8: The comparative RECAP results

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Figure 9: The diversity dimensions as observed in Cases 1 and 6

Phase 5: Framework





Phase 5: Effects triggered by diversity





How can diversity improve project performance?

Our study indicates that it is important to consider and understand the effects of the different dimensions of diversity, while splitting between visible and job-related categories.

Although diversity might lead to conflicts, particularly task conflicts are considered as constructive for improving the project.



Diverse people are key



for mastering success



Thank you for your attention

