

INTERNAL PROJECT GOVERNANCE: VALUE ADDED SYSTEM AND THE CENTRAL ELEMENT OF ORGANIZATIONAL PROJECT MANAGEMENT

Mateusz SZYMBORSKI^{1*}, Eryk GŁODZIŃSKI²

¹ Warsaw University of Technology, Poland; mateusz.szymborski.dokt@pw.edu.pl,
ORCID: 0000-0001-6752-9257

² Warsaw University of Technology, Management Faculty, Poland; eryk.glodzinski@pw.edu.pl,
ORCID: 0000-0001-9327-6046

* Correspondence author

Purpose: The main objectives of the paper are to explain the importance of project governance for the management of projects in an organization and to indicate its place in the Organizational Project Management (OPM).

Design/methodology/approach: Narrative literature review. Analysis of the publications from influential databases was conducted, that led to formulation of general conclusions and field for further studies.

Findings: Internal project governance should fulfil four basic functions: regulatory, defining strategy, control and management support, as well as be a mandatory part of OPM.

Practical implications: Project-based organizations should focus their project governance on value creation by supporting management process on 4P levels. Practitioners cannot treat project governance as just a control system.

Originality/value: Fundamental issues were related to presentation of internal and external project governance, with their scope and features, description of relations between project governance and OPM, as well as formulation of various questions that highlight potential further fields of research.

Keywords: project governance, Organizational Project Management.

Category of the paper: research paper.

1. Introduction

Rapid changes of the organizations' environment and constantly growing scope of business activities on the markets force project organizations to consider growing requirements and expectations of business partners. Dynamics of the market impose a relatively short period of time for project execution. Such conditions require a flexible and adaptive approach to

organization management, including project management. On the other hand, there is a tendency to increase share and importance of projects in the economy – called projectification. These topics have become the subject of research, including many scientific reflections (Jacobsson, and Jałocha, 2018; Trocki, 2018, p. 9). Thanks to this trend, projects cease being just an addition to organizations' activities – a way of implementing investment projects – but become a permanent element of their operations. Therefore, an increase in the demand for knowledge and skills in project management has been observed for years, in line with the basic canon of managerial knowledge (Łada, and Kozarkiewicz-Chlebowska, 2010, p. 7). That trend forces introduction of new organizational solutions for the management of the entire organization. A set of formal rules of conduct (good practices) is developed and implemented, as well as new organizational structures are created to improve project management. These are included in the organization's management system. R. Gereis anticipated this trend by defining an innovative – at that time – approach to the management, the so-called *management by project* (Gareis, 1991), which, undoubtedly, is still evolving. New organizing methods and techniques are being created and previously unexplored areas of research appear. Among them, one can indicate the issue of *project governance*. Despite its “young age”, it is relatively well-researched and described in world literature (Derakhshan et al., 2019; Müller, 2018; Biesenthal, and Wilden, 2014; Ahola et al., 2014). In Poland, unfortunately, this subject does not enjoy the interest of researchers and has not yet become the subject of many publications, neither professional nor scientific. The understanding of the issue of project governance and its practical application to support project management is insufficient so far (Głodziński, 2019; Trocki, 2018).

The objectives of this study are to explain the importance of project governance for the management of project in an organization and indicate its place in the concept of management by projects, currently constituting Organizational Project Management (OPM). As a result of the studies, the current state of knowledge in the subject area will be indicated, while the formulated intentions will be presented in more detail using the following research questions:

- Q1: How should project governance be understood from researchers' and practitioners' point of view?
- Q2: What are the differences between various types of project governance?
- Q3: What constitutes the relationship between project governance and OPM?

Answers to the above questions will follow by applying a narrative analysis of the literature.

This paper assumes that building a proper, formalized project governance supports project management in organizations and should be an important stage in the organizations' projectification concept. Efficient functioning of this system is a necessary condition for achieving full project maturity of organizations (Głodziński, 2019, p. 34).

2. Research method

The choice of a narrative review of the literature on the subject as the main research method is a result of the adopted objectives of the study. As indicated in the introduction, the intention is not to conduct a comprehensive literature review, but a general meta-analysis of available publications (van Knippenberg, 2012, p. 186). It is, to some extent, a subjective and selective choice of publications presenting the current state of knowledge (Paré et al., 2015, p. 186) that could be significant in the dissemination of the analyzed issues. It will justify the need to undertake wider research on project governance in Poland, taking into account local conditions. It is intended by the authors, that project governance could become a tool in the process of educating managers on project governance knowledge. Therefore, an important intention – from the point of view of the objectives and the adapted research method – will be to define general research questions indicating the possible direction of further studies (Paré et al., 2015, p. 185). They will constitute one of the elements of the narrative summary.

Although it is not necessary to clearly define the criteria for the selection of publications in a narrative literature review (Paré et al., 2015, p. 185), the selection procedure has been defined in order to maintain appropriate research rigor and clarity of message for the reader (Ferrari, 2015, p. 231). The selection criteria have been made as follows:

- complexity of the undertaken subject matter – studies presenting exhaustively the issues of governance,
- to undertake simultaneous reflections on project governance and management concepts,
- importance of publications measured by the number of quotations, but also the location of studies in opinion-forming periodicals on project management, such as *International Journal of Project Management*, *Project Management Journal*, *International Journal of Managing Projects in Business* or *International Journal of Information Systems and Project Management*.

When selecting the publications, the content was verified. For further research articles were adapted, that describe the concept of project governance in an innovative way, in comparison to the existing state of knowledge, and those publications that combine the issues of project management with the concept of management by projects (third point). The literature analysis concerned the studies published in the period from 2000 to 2019. The search was conducted in scientific databases, such as Scopus and Google Scholar.

3. Fundamentals of project governance

The term project governance is used in various areas in the context of project management (Bekker, and Steyn, 2007) and is based, in varying degrees, on the capabilities of organizations. So far, most studies related to the topic are conceptual or qualitative (Joslin, and Müller, 2016). This is an ever-growing research area (Locatelli et al., 2014), which, relatively recently, has become the focus of interest of the project management community (Samset, and Volden, 2016), although interest in this area is growing at an increasingly rapid pace.

In 2007, M.C. Bekker and H. Steyn used the Delphi technique to obtain a formal definition of project governance. The results confirmed that such definition does not exist (Bekker, and Steyn, 2007; Sirisomboonsuk et al., 2018, p. 290). Moreover, in the literature on the subject, a wide variety of definitions, interpretations, perspectives and contexts of project governance can be observed (Pitsis et al., 2014; Steyn, and Bekker, 2009; Too, and Weaver, 2014; Zwikael, and Smyrk, 2015, 2012). Table 1 presents key definitions of project governance.

Table 1.
Key definitions of project governance

No.	Authors	Definitions
1	(Głodziński, 2019, p. 38)	A group of systems, through which projects, their groups (project portfolio) or activities of project-based organizations are supported and governed, while managers are motivated and feel responsible for their performance
2	(Sirisomboonsuk et al., 2018, p. 290)	Project governance as an operational strategy, in which a good alignment of each other is expected in order to achieve better organization performance.
3	(Muller, 2016, p. 5)	The governance system covers the entire functioning of a project organization, including governance over selected projects, programs, portfolios and creation of attitudes necessary to fulfil the governance function.
4	(Project Management Institute, 2016, p. 4)	Project governance is defined as the framework, functions and processes that guide project management activities in order to create a unique product, service or result and meet organization's strategic and operational goals.
5	(OECD, 2015, p. 20)	Governance is the established relationship between the company's managers, management, shareholders and other stakeholders.
6	(Too and Weaver, 2014, p. 1382)	Project governance, as one of the management structures, provided a clear link between the project outputs and the organization's business strategy.
7	(Pinto, 2014, p. 8)	Project governance on individual projects, namely "the use of systems, structures of authority and processes to allocate resources and coordinate or control activity in a project".
8	(Müller et al., 2013, p. 31)	Governance is a form of regulation, where the regulator is part of the system under regulation. Project governance links the principles of corporate governance to projects. Project governance aims to ensure consistent and predictable delivery of projects within the limitations set by corporate governance or the agreed subsets of corporate governance in contracts with external partners.

Source: own elaboration.

Points of view presented in Table 1 repeatedly indirectly indicate (definitions: 1, 3, 4, 8) that project governance provides a framework for ethical and conscious decision making. They should be based on transparency, accountability and role definition. They also provide a clear distinction between ownership and control of tasks. Project governance sets the boundaries of management's operations, defining organizations' temporary objectives (project objectives) and how they should be achieved, as well as the processes that managers should use to manage their areas of responsibility. In other words, it regulates methods and processes (Muller, 2017, p. 3) through: 1) defining the organization's objectives, 2) providing the means to achieve these objectives, 3) controlled progress (definitions: 2, 4, 5, 6, 7, 8). These elements are not limited to the highest organizational levels, but are addressed at every level in the organization. Analyzing the above definitions, it can be seen that researchers often refer to the concept of corporate governance and indicate the application of project governance to individual projects (definitions 4, 5, 7), mainly their performance (definitions: 2, 4, 6, 7, 8). This is the right approach, as it combines governance functions of the projects with the system of the whole organizations, as Muller (2016) pointed out. However, in the presented definitions, a lack of a deeper connection between project management processes and projects can be observed. Interesting is the definition presented by E. Głodziński, which indicates supporting management role of project governance, not only in terms of projects control. Therefore, in the further part of the study, it is assumed to be the most appropriate one. Project governance should be treated as a system of organizations that (Muller, 2017; Głodziński 2019):

- standardizes project, program and portfolio management (regulatory function),
- defines structure, hierarchy of projects and set goals for strategy projects (strategy defining function),
- provides performance information to the upper management levels (control function),
- supports projects in achieving their strategic and operational targets (management support function).

Fulfilling all of the above functions leads to adaptation of project governance as a value added system. Value should be delivered on all 4P levels (project, program, portfolio and project-based organization). Carried out analysis indicates several areas for further extrapolation. It seems necessary to seek answers to the following questions:

- how detailed should monitoring and control in the project supervision system be?
- how can the project governance system support project management in a variable environment?
- how to convince the project manager that the results of the project governance are not only controlling, but also optimizing from the perspective of operational activities?

Answers to these questions should be sought taking into account the diversity of project governance systems, including within the framework of project governance.

4. Various types of project governance

E. Too and P. Weaver mention two schools of governance thinking. One of them argues that different types of governance are needed in different subunits of an organization (Too, and Weaver, 2014, p. 1383). The second school of thought was developed by organizations, such as the OECD, Australian Institute of Company Directors or Institute of Directors in Southern Africa. In this approach, governance is a process, the functions of which are divided within five main themes (governing relationships, governing change, governing the organization's people, financial governance, governing viability and sustainability). The model shows that all factors that regulate any part of the overall structure of organizations require specialized skills and knowledge. These are closely related to other areas of governance in the organizations and failure in any area will affect other areas and the organization as a whole (Too, and Weaver, 2014, p. 1384).

The second prominent division highlights two separate and relatively independent streams of research from the perspective of organizational links (Ahola et al., 2014, pp. 1325-1329) (Figure 1):

- project vs. project organization (*project governance as external to any specific project*),
- contractor (project organization) vs. external project stakeholders (*project governance as internal to a specific project*).

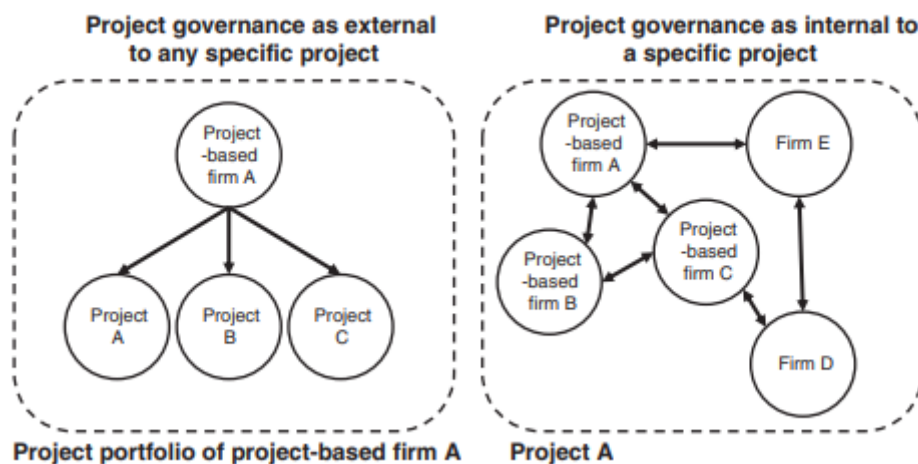


Figure 1. Two independent areas of research on project governance. Adapted from: Ahola, T., Ruuska, I., Artto, K., & Kujala, J. (2014). What is project governance and what are its origins? *International Journal of Project Management*, 32(8), p. 1328.

Depending on the governance perspective, the need for protection, coordination and adaptation varies considerably between contexts. When governance is perceived as external to each specific project, the focus is inside the organization, and when we deal with projects involving several organizations, the management challenges are inter-organizational.

This division is important because it defines concepts that are independent of each other (Figure 2), characterized by different legal issues.

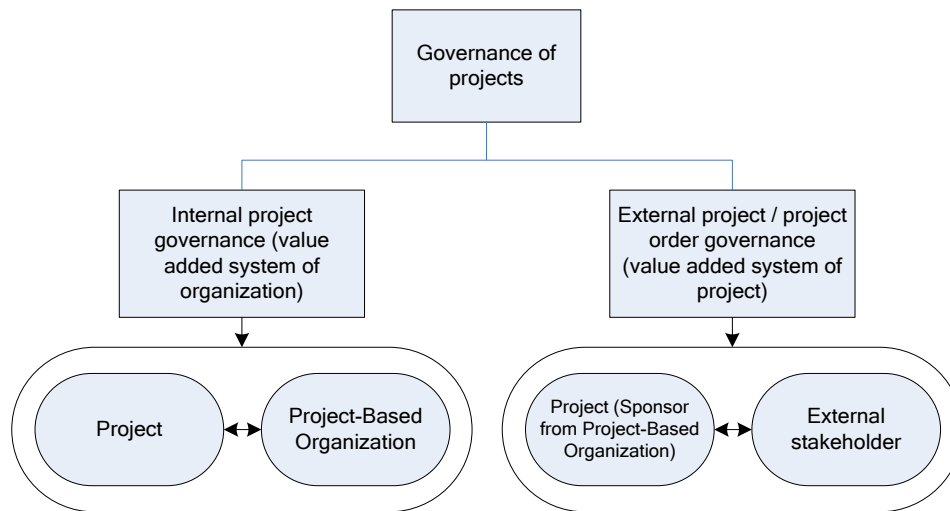


Figure 2. Classification of project governance. Adapted from: own elaboration.

In Anglo-Saxon literature on the subject, both areas are described as governance of projects or project governance, despite different conditions, including significant differences in the scope and legal background (Głodziński, 2017, p. 101).

In project companies, there are usually internal regulations concerning good management practices, monitoring, control, reporting etc. They create a permanent formalized system of governance of organizations over all supported projects, which should be a part of the organization's business model. Applied solutions are internal in nature, many of them are elements of managerial accounting system or procurement system. The study indicates calling it internal project governance, which should be the area of continuous improvement to achieve higher level of project organization maturity.

In case of a project vs. external stakeholder (external project governance) relationship, regulations concerning mechanisms of monitoring, control or reporting are usually formalized in the form of a project contract. This type of document has a legal character and its regulations are important for the court when considering claims of one of the parties. It should also be noted that the external stakeholders are not only the clients (contracting entity). They can also be suppliers of materials, equipment or entities providing the so-called foreign services – subcontractors. The scope of rights and obligations between these entities and the project is also regulated by a contract, which creates conditions for governance over the project. Such agreements concern specific relations and are individual solutions for a selected project.

“Project governance is the coherent and coordinated management by projects on three levels: portfolio management, program management and project management” (“Ład korporacyjny a projektowy”, access date 07.05.2020). It is a result of completing and organizing previously implemented and proven partial solutions. It should consist in the analysis of the current state of projectification, the project situation of the organizations, good practices applied in the organizations to be able to determine the place and role of the project activity and its links with the organization's strategy and its organizational governance. Next

steps should focus on a formulation of a framework for the organization's project governance and a creation of detailed regulations. It should be defined by the description of (Trocki, 2018):

- general principles,
- structural and organizational solutions,
- project roles, as well as associated powers and responsibilities,
- project methodologies and processes,
- other regulations and solutions for documentation of project activities.

Regulations of project governance should be adopted in the organizations as a result of the decision of the chief executive.

Project governance regulations should be adopted in organizations as a result of the top management decisions. As a result of narrative analysis of the literature, the need for further research areas should be indicated, including seeking answers to the following questions:

- how detailed should project governance regulations be in order to effectively support project management?
- to what extent do project governance, project portfolio management or project organizations support project management?
- who, in addition to clients/contractors, are the key external stakeholders that should be the focus of research?

It seems that the key to answer these questions should be to assume that project governance is an important structural element of the Organizational Project Management concept.

5. The concept of management by projects and Organizational Project Management

The sub-discipline of project management is dispersed and multithreaded (Pollack, 2007). Interest in research on project management has increased in recent years. The dynamic nature of research entails many parallel streams of queries in different perspectives, without convergence with current theories and, therefore, requires constant research (Padalkar, and Gopinath, 2016, p. 1305). This has led to a steady increase in the number of published articles, as well as diversity of research, emerging fields or methods (Söderlund, 2004; Turner et al., 2013). Currently, there is also a growth in adaptation of project management in various sectors of the economy (Winter, and Szczepanek, 2008). Rapid economic growth, as well as economic pressure to shorten the time to enter the market, make projects rarely work in isolation within the organization. They are usually carried out in order to achieve wider strategic objectives (Office of Government Commerce, 2009). This has resulted in a significant increase in the number of projects undertaken simultaneously within organizations and, consequently, in the complexity of managing their interdependencies and multiple implementations (Platje

et al., 1994; Turner, and Speiser, 1992). The issue of enterprise development is one of the main research areas of management sciences (Głodziński, 2011, p. 249). The growing number of projects implemented at the same time somehow forced the creation of a new concept, which was called management by projects. It aimed for better use of the company's potential through proper management, as well as meeting the diverse needs of stakeholders to a greater extent. This requires an appropriate organizational structure and improvement of supporting tools.

R. Gareis wrote about management by projects as early as 1989, emphasizing this as a developing new trend, which is a logical extension of project management (Gareis, 1989, p. 244). It concerns the structure and culture of project-oriented companies, project management and projects' network management (Gareis, 1991, p. 76; Morris, and Morris, 1994). A. Stabryła defines project-based management as "a system of enterprise designed to develop economic, organizational, technical and other projects" (Stabryła, 2000, p. 269). It combines methods and principles of operation, also from other concepts (Głodziński, 2011, p. 248). It is conditioned by a changeable environment (Hamilton, 1997), which entails the necessity to introduce both internal changes, as well as changes in the company's offer and the way it is presented on the market. Thanks to the use of such an idea, the introduction of changes is carried out in an ordered and, to some extent, standardized manner (Piwowar-Sulej, 2013, p. 143). The features of the concept of management by projects include (Głodziński, 2010, p. 84): 1) implementation of the main operational activity of the companies through projects; 2) use of a wide range of project management methods (e.g. PMI, PRINCE2, APM, MSF); 3) use and improvement of methods and techniques applicable in project activity; 4) creating temporary organizational structures in response to the needs of the implemented projects; 5) appointing project teams responsible for making operational decisions; 6) temporarily assigning the company's resources to the needs of individual projects; 7) having a permanent organizational structure, enabling multi-project management; 8) recognizing projects as independent undertakings, evaluated by the effectiveness and efficiency criteria.

The organizations managed by projects perform tasks more or less related to each other in a more or less volatile environment (Cabała, 2018, p. 18). Management by projects combines project management, portfolio management and project program management into a coherent system, where the structural element of the system is also the management of other areas of the enterprise. The essence of this issue is to gain continuous competitive advantage through the implementation of individual projects, programs and/or portfolios focused on strategic enterprise objectives (Huang et al., 2012). For several years, the concept of management by projects is evaluated and developed under the name of Organizational Project Management (Sankaran et al., 2017, p. 384). It is a category that explain the relationship between widely understand project management and applied organizations.

Project governance, as an element of management by project concept, is to integrate all the activities of a project, program or portfolio, crucial issue is how to do that. Influential works, such as the report of A. Cadbury (Cadbury, 1992) or the works of D. Larcer and B. Tayan

(Larcer, and Tayan, 2013) emphasize the importance of formal control mechanisms in management (Williamson, 1991). One such mechanism is the management structure. It includes formal procedures, processes, policies, roles, responsibilities etc. It is a “living” form of management that occurs in a management environment with more informal mechanisms, such as trust and control (McEvily et al., 2003; Sydow, 1998). The function of governance mechanisms (Derakhshan et al., 2019) is, among others, to guide and control organizations, balance objectives (economic, social, environmental, individual) and define the rights and responsibilities of stakeholders (Muller, 2017). It should be emphasized that, with the development of project organizations, supporting instruments are improved. Also the objectives of stakeholders are changing and require constant adaptation to new conditions in the project organizations. Among them, we can mention the objectives of: shareholders (striving to increase the company’s value), lenders (maintaining financial liquidity), customers (producing good quality products at an affordable price) and employees (personal development by increasing the company’s value). The concept of management by projects allows for the realization of the mentioned different goals. It requires, among others, a high level of decentralization or supplementing the incentive system with mechanisms of rewarding for achieved results (Głodziński, 2011, p. 249).

To sum up the analysis of the achievements in the field of management by project concepts, it should be noted, that it is a response to the emergence of typical project organizations. From the point of view of the board of directors and senior management – a prospective look at the organization is required. The selection of appropriate methods, tools and concepts is key to achieving strategic goals. From the point of view of employees, who are directly involved in the implementation of projects, any changes in organizational structures often mean a transition from a stable routine work to dynamically changing requirements and a more complex management hierarchy. The role of project governance is the introduction of this new approach in that very dynamically changing environment (see works of P. Cabała etc.).

In the context of conducted analysis, the following questions arise, indicating further research areas, i.e.:

- which units/departments of an organization should be responsible for the functioning of the project governance as a part of OPM?
- where should the units responsible for ensuring project governance be placed in OPM structure?

6. Project governance embedded in Organizational Project Management

As mentioned in the previous section, the concept of managing by projects or its developed proposal, such as Organizational Project Management, should be associated with a complex system that supports project-related activities. It is necessary to present the place and relations between OPM and project governance.

The crucial aspects – constituting the system – are subjects and relations among them. J.R. Turner (Turner, 2009) presented governance structures and roles in form of information and supervision streams – from owner and client manager to sponsor, steward, ending at project manager (Figure 3). It is one of the first proposals (2011, p. 313) that informs about complexity of the issue. Nevertheless, the described targets, processes and functions do not consider the needs related to supporting function of governance system in a holistic management process.

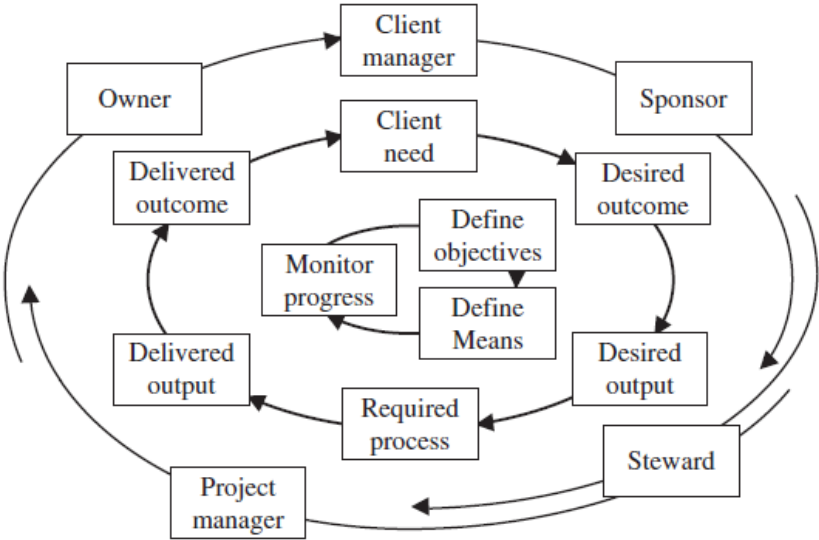


Figure 3. Governance structures and roles. Source: “Handbook of project-based management” by J.R. Turner. McGraw-Hill Professional Publishing 2009.

E.G. Too and P. Weaver (2014, p. 1389) pointed out that project governance should develop corporate governance. It is an integrated part of the management system (Figure 4) that is embedded between strategic context and portfolios, programs and projects. Based on corporate governance theory, project governance should follow the principles of: transparency, accountability, responsibility and fairness (Muller, 2016, p. 20). The presented assumption enables decomposition of company strategy into lower levels of project-related strategies: portfolios, programs and projects (Sankaran et al., 2017, p. 85). The mentioned proposal follows the issue related to hierarchic coordination of companies’ operations (Miller, and Lessard, 2001). Benefits from utilization of project governance embedded in OPM have indirect nature. First, the management board receives a set of information related to portfolios, programs and projects. Supervision is ensured by monitoring and control processes and policies. Second, project governance report supports top management bodies with reporting to company

supervisory board or mother organization (owner). Third, preparation of governance information and discussions on review meetings could deliver the added value for project managers. What was missing in E.G. Too and P. Weaver (2014, p. 1389) and J.R. Turner (2009) proposals was the application of governance on project level, where the project manager plays the role of a supervisor. It is necessary to supervise the ordered subcontractors' work and deliveries, therefore, the mentioned functions were adjusted (Figure 4).

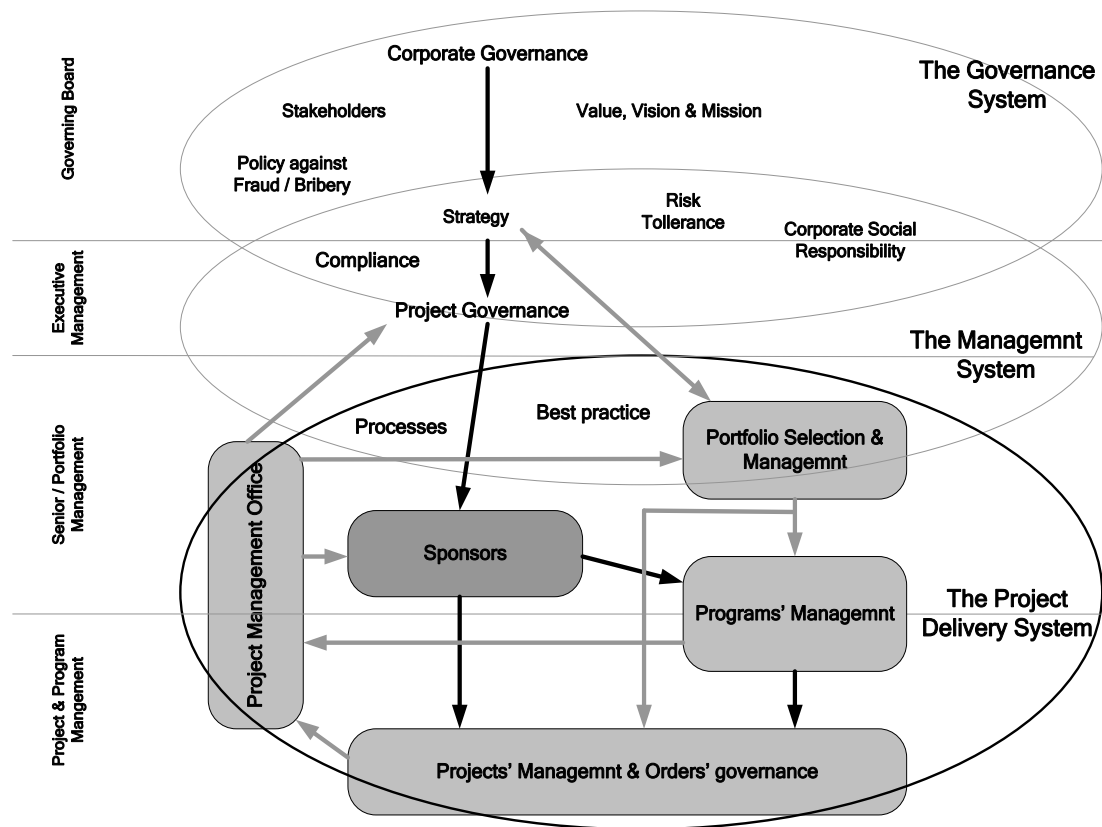


Figure 4. Project governance in project-based organization. Source: Adapted from: “The management of project management: A conceptual framework for project governance” by E.G. Too, P. Weaver, *International Journal of Project Management* 32, 2014.

The necessity for integration of project governance into OPM was considered by Project Management Institute in its OPM3 (Organizational Project Management Maturity Model) (Project Management Institute, 2013), where OPM governance is the central element of the framework. The other elements are: methodology, talent management and knowledge management (PMI, 2018, p. 20). Numerous researchers supported the presented point of view for years. According to L.M. Kruszewski, the supervision system creates “consistent, logical application of knowledge, skills, tools and techniques to organizational and project tasks to achieve the organizations’ goals through projects” (Kruszewski, 2003, p. 10).

S. Sankaran, E. Müller and N. Drouin described OPM as an integration mechanism that includes governance (Sankaran et al., 2017, p. 13) as a part of project management related activities. The researchers pointed out the necessity of vertical and horizontal integration of various project-based organization's levels and functions/processes (Figure 5).

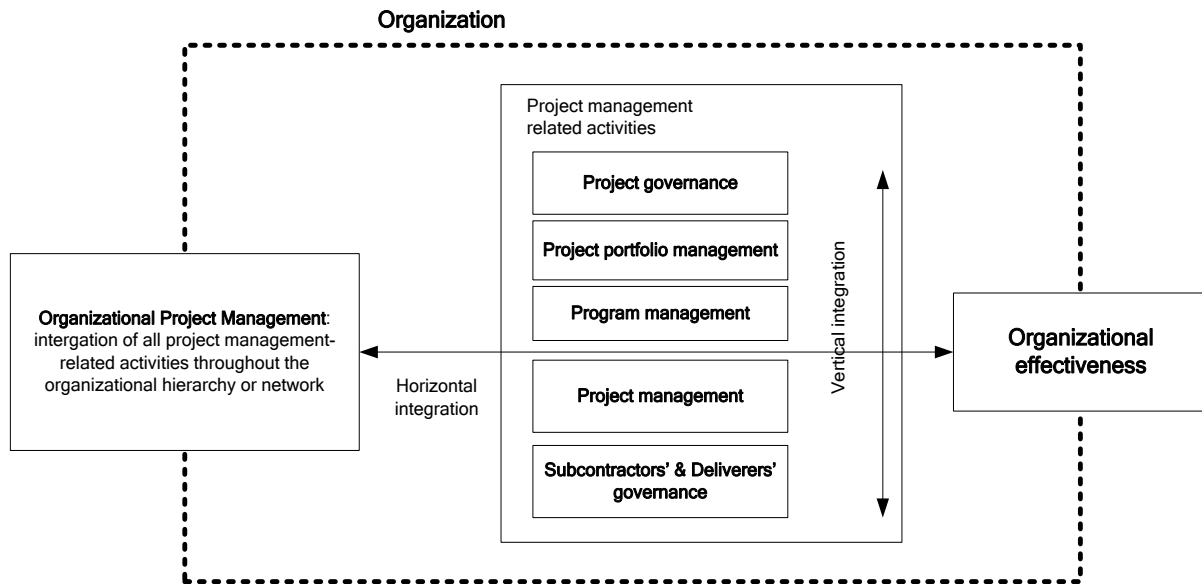


Figure 5. Integration of various elements of Organizational Project Management. Source: Adapted from: “Cambridge Handbook of Organizational Project Management” by S. Sankaran, R. Müller, N. Drouin (Eds.). Cambridge University Press 2017.

Project governance should design the organizational structures that support definition of project targets (following company strategy), efficient utilization of resources, monitoring and controlling the percentage of completion (Müller et al., 2019, p. 9). Integration could be a solution for project success. Through that we can avoid the lack of (Kelly, 2010):

- clear links between project strategic targets and the company strategy,
- clear definition of project team responsibilities and support from top management side,
- proper engagement of project stakeholders,
- skills in project and risk management,
- proper project supply chain and pure support in procurement from senior management,
- proper vision of project completion and product delivery, therefore client satisfaction,
- strategic thinking related to company development.

The integration of project governance into OPM leads to a decrease of risk, reduction of personal conflicts, better utilization of resources and achievement of organization's goals (Müller, 2011, p. 86; Abu Hassim et al., 2011, p. 1932; Weaver, 2007). Project governance, as mentioned in the previous sections of the paper, integrates activities among permanent organizations (project-based organizations), temporary organizations (projects) and their stakeholders (Müller et al., 2014, p. 2). By linking various elements and delivering wide and current information, the decision-making process is shortened and there is less probability of project delays (Garland, 2009, p. 26). From the other side, the split of responsibilities between

company management – governance – and project management – management – could be observed (Abu Hassim et al., 2011, p. 1932).

Summarizing, it is not possible to design OPM without the governance component. The crucial questions in the field are:

- how to integrate project governance into OPM (rules, policies, scope, responsibilities, organizational structure etc.)?
- how to support project management by project governance (from technical and human point of view)?
- how to design project governance on project procurement level (methods and formal regulations supporting contract administration)?

7. Conclusions

The paper indicates that project governance is a field widely exploited by researchers. The first step of the study was to explain its understanding. Most of the researchers recognize control and strategic defining functions of project governance as predominant. The first is related to monitoring and controlling performance by upper managers' levels. The second indicates the necessity of correlation between 4P strategies, provides a philosophy of drilling down into strategy building – from permanent organization strategy (project-based organization) into project strategy. Nevertheless, another functions, such as regulatory and management support, are often neglected. The conducted study has led to the conclusion that simultaneous consideration of all mentioned functions leads to the design and exploitation of value added system. It should be an interesting field for further research and understanding of practitioners.

This paper highlights that the construct of project governance is ambiguous and complex. Researchers have to consider its several types and streams, while practitioners understand the differences and features. One of the crucial classifications splits project governance into internal and external. The first type reflects on the relations between project-based organization and its project. Project governance defines the dependence by organization's strategy, procedures, guidelines etc. Application of the mentioned regulations should be mandatory for all projects. External project or project order governance refers to supervision of client over the project or project over the project deliverer/subcontractor. The contract between business partners regulates the scope, rights and obligations.

The paper discusses more in-depth structure and issues related to internal project governance. It demonstrates correlations between project governance and Organizational Project Management. The presented study confirms that the first construct constitutes the second one. Project governance is a crucial element of integration within OPM and should

support project, program and portfolio management in achievement of organizational effectiveness.

The conducted study allows to formulate – in form of questions – various fields of further research. The most remarkable result is related to the issue of an OPM design, the scope of project governance integrated within it.

References

1. Abu Hassim, A., Kajewski, S., Trigunarsyah, B. (2011). The importance of project governance framework in project procurement planning. *Procedia Engineering*, 14, 1929-1937.
2. Ahola, T., Ruuska, I., Artto, K., Kujala, J. (2014). What is project governance and what are its origins? *International Journal of Project Management*, 32, 1321-1332.
3. Bekker, M., Steyn, H. (2007). Defining 'project governance' for large capital projects. *AFRICON 2007*, pp. 1-13.
4. Biesenthal, C., Wilden, R. (2014). Multi-level project governance: Trends and opportunities. *International Journal of Project Management*, 32, 1291-1308.
5. Cabała, P. (2018). *Zarządzanie portfelem projektów w organizacji: Koncepcje i kierunki badań*. Mfiles.pl.
6. Cadbury, A. (1992). *Report of the committee on the financial aspects of corporate governance*. Gee.
7. Derakhshan, R., Turner, R., Mancini, M. (2019). Project governance and stakeholders: a literature review. *International Journal of Project Management*, 37, 98-116.
8. Ferrari, R. (2015). Writing narrative style literature reviews. *Medical Writing*, 24, 230-235. <https://doi.org/10.1179/2047480615Z.000000000329>.
9. Gareis, R. (1991). Management by projects: the management strategy of the 'new' project-oriented company. *International Journal of Project Management*, 9, 71-76. [https://doi.org/10.1016/0263-7863\(91\)90062-Z](https://doi.org/10.1016/0263-7863(91)90062-Z).
10. Gareis, R. (1989). 'Management by projects': the management approach for the future. *International Journal of Project Management*, 7, 243-249.
11. Garland, R. (2009). *Project Governance: A Practical Guide to Effective Project Decision Making*. Kogan Page Publishers.
12. Głodziński, E. (2019). Project governance - istota, dotychczasowe kierunki badawcze i perspektywy rozwoju. *Przegląd Organizacji*, 32-42.
13. Głodziński, E. (2017). *Efektywność w zarządzaniu projektami: wymiary, koncepcje, zależności*. PWE.

14. Głodziński, E. (2011). *Zarządzanie przez projekty jako przykład koncepcji doskonalenia funkcjonowania przedsiębiorstwa*. Kraków: Fundacja Uniwersytetu Ekonomicznego.
15. Głodziński, E. (2010). Wpływ hiperkonkurencji na przedsiębiorstwa stosujące podejście zarządzania przez projekty w warunkach kryzysu gospodarczego. *Studia i prace kolegium zarządzania*, 79.
16. Hamilton, A. (1997). *Management by Projects: Achieving Success in a Changing World*. Thomas Telford.
17. Huang, K., Ou, L., Miao, Z. (2012). *The ecological analysis on the Enterprise Organizational System oriented by Management by Projects*. 2012 International Conference on Management Science & Engineering 19th Annual Conference Proceedings. Presented at the 2012 International Conference on Management Science and Engineering (ICMSE), IEEE, Dallas, TX, USA, pp. 561-564.
18. Jacobsson, M., Jałocha, B. (2018). *A literature review on projectification: Trends, emerging ideas and avenues for future research*. Presented at the the 14th International Research Network on Organizing by Projects (IRNOP) conference, Melbourne, Australia, December 10-12, 2018.
19. Joslin, R., Müller, R. (2016). The relationship between project governance and project success. *International Journal of Project Management*, 34, 613-626.
20. Kelly, É.V. (2010). *Governance rules! The principles of effective project governance*. Proceedings of the PMI Global Congress, Washington DC. Newtown Square, PA: Project Management Institute.
21. Kruszewski, L.M. (2003). *Organizational Project Management Maturity Model*. PMI, Pittsburgh.
22. Ład korporacyjny a projektowy, <http://it-manager.pl/lad-korporacyjny-a-projektowy>, 05.07.2020.
23. Łada, M., Kozarkiewicz-Chlebowska, A. (2010). *Zarządzanie wartością projektów: instrumenty rachunkowości zarządczej i controllingu*. Warszawa: C.H. Beck.
24. Larcer, D., Tayan, B. (2013). *Corporate governance matters: A closer look at organizational choices and their consequences*. Pearson education.
25. Locatelli, G., Mancini, M., Romano, E. (2014). Systems Engineering to improve the governance in complex project environments. *International Journal of Project Management*, 32, 1395-1410.
26. McEvily, B., Perrone, V., Zaheer, A. (2003). Trust as an Organizing Principle. *Organization Science*, 14, 91-103.
27. Miller, R., Lessard, D.R. (2001). *The Strategic Management of Large Engineering Projects: Shaping Institutions, Risks, and Governance*. MIT Press.
28. Morris, P.W., Morris, P.W. (1994). *The management of projects*. T. Telford.
29. Müller, R. (2018). *Perspectives on Governance*. Presented at the Keynote speech, International Conference on Project MANagement – ProjMAN, Lisbon.

30. Muller, R. (2017). *Project Governance*. Routledge.
31. Muller, R. (2016a). *Governance and Governmentality for Projects: Enablers, Practices, and Consequences*. Taylor & Francis.
32. Muller, R. (2016b). *Governance and Governmentality for Projects: Enablers, Practices, and Consequences*. Routledge. <https://doi.org/10.4324/9781315683294>.
33. Müller, R. (2011). *Project Governance*. Cepis Upgrade XII, 87-90.
34. Müller, R., Andersen, E.S., Kvalnes, Ø., Shao, J., Sankaran, S., Turner, J.R., Biesenthal, C., Walker, D., Gudergan, S. (2013). The Interrelationship of Governance, Trust, and Ethics in Temporary Organizations. *Project Management Journal*, 44, 26-44.
35. Müller, R., Drouin, N., Sankaran, S. (2019). Modeling Organizational Project Management. *Project Management Journal*, 50, 499-513.
36. Müller, R., Pemsel, S., Shao, J. (2014). Organizational enablers for governance and governmentality of projects: A literature review. *International Journal of Project Management*, 32, 1309-1320.
37. OECD (2015). *G20/OECD Principles of Corporate Governance*. Paris: OECD Publishing.
38. Office of Government Commerce (2009). *Managing Successful Projects With PRINCE2*. London: The Stationery Office.
39. Padalkar, M., Gopinath, S. (2016). Six decades of project management research: Thematic trends and future opportunities. *Int. J. Proj. Manag.*, 34, 1305-1321.
40. Paré, G., Trudel, M.-C., Jaana, M., Kitsiou, S. (2015). Synthesizing information systems knowledge: A typology of literature reviews. *Information & Management*, 52, 183-199. <https://doi.org/10.1016/j.im.2014.08.008>.
41. Pinto, J.K. (2014). Project management, governance, and the normalization of deviance. *Int. J. Proj. Manag.*, 32, 376-387.
42. Pitsis, T.S., Sankaran, S., Gudergan, S., Clegg, S.R. (2014). Governing projects under complexity: theory and practice in project management. *International Journal of Project Management*, 32, 1285-1290.
43. Piwowar-Sulej, K. (2013). Human Capital Development via Management by Projects. *Education of Economists & Managers/Edukacja Ekonomistów i Menedżerow*, 29, 143-154.
44. Platje, A., Seidel, H., Wadman, S. (1994). Project and portfolio planning cycle: Project-based management for the multiproject challenge. *International Journal of Project Management*, 12, 100-106.
45. Pollack, J. (2007). The changing paradigms of project management. *International Journal of Project Management*, 25, 266-274.
46. Project Management Institute (2016). *Governance of Portfolios, Programs, and Projects: A Practice Guide*. Project Management Institute.
47. Samset, K., Volden, G.H. (2016). Front-end definition of projects: Ten paradoxes and some reflections regarding project management and project governance. *International Journal of Project Management*, 34, 297-313.

48. Sankaran, S., Müller, R., Drouin, N. (2017). *Cambridge Handbook of Organizational Project Management*. Cambridge University Press.
49. Sirisomboonsuk, P., Gu, V.C., Cao, R.Q., Burns, J.R. (2018). Relationships between project governance and information technology governance and their impact on project performance. *International Journal of Project Management, Megaprojects*, 36, 287-300.
50. Söderlund, J. (2004). On the broadening scope of the research on projects: a review and a model for analysis. *International Journal of Project Management*, 22, 655-667.
51. Stabryła, A. (2000). *Zarządzanie strategiczne w teorii i w praktyce firmy*. Warszawa-Kraków: PWN.
52. Steyn, H., Bekker, M.C. (2009). *Project governance: definition and framework*.
53. Sydow, J. (1998). *Understanding the constitution of interorganizational trust. Trust within and between organizations: Conceptual issues and empirical applications*, 31-63.
54. Too, E.G., Weaver, P. (2014). The management of project management: A conceptual framework for project governance. *International Journal of Project Management*, 32, 1382-1394.
55. Trocki, M. (2018a). Project governance - kształtowanie ładu projektowego organizacji. *Studia i Prace Kolegium Zarządzania i Finansów/Szkoła Główna Handlowa*, 9-23.
56. Trocki, M. (2018b). Project Governance - kształtowanie ładu projektowego organizacji. *Studia i Prace Kolegium Zarządzania i Finansów*, 9-23.
57. Turner, J., Speiser, A. (1992). Programme management and its information systems requirements. *International Journal of Project Management*, 10, 196-206.
58. Turner, J.R. (2009). *The handbook of project-based management: leading strategic change in organizations*. McGraw-hill.
59. Turner, J.R., Anbari, F., Bredillet, C. (2013). Perspectives on research in project management: the nine schools. *Glob. Bus. Perspect.*, 1, 3-28.
60. van Knippenberg, D. (2012). *What makes for a good review article in organizational psychology?*
61. Williamson, O.E. (1991). Comparative Economic Organization: The Analysis of Discrete Structural Alternatives. *Administrative Science Quarterly*, 36, 269-296.
62. Winter, M., Szczepanek, T. (2008). *Projects and programmes as value creation processes: A new perspective and some practical implications*. International Journal of Project Management, European Academy of Management (EURAM 2007) Conference 26, 95-103.
63. Zwikael, O., Smyrk, J. (2015). Project governance: Balancing control and trust in dealing with risk. *International Journal of Project Management*, 33, 852-862.
64. Zwikael, O., Smyrk, J. (2012). A General Framework for Gauging the Performance of Initiatives to Enhance Organizational Value. *British Journal of Management*, 23, S6-S22.