A culture of fatalism in IT projects?
The curious case of (the lack of) risk management

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Abstract

Risk management is an established and mainstream part of project management, with the main authorities on the subject devoting substantial attention to risk. It was surprising, then, to find that in a sample of IT project managers, a third undertook little or no management of risk in their projects. Rather, they developed a number of strategies to avoid thinking about risk, or ignored it altogether. This was the starting point for our analysis of risk management in IT projects. It led us to consider the nature of projects in general and, taking a critical perspective, we hypothesized that project managers could easily find themselves alienated and disempowered in projects. Using Mary Douglas’ grid/group cultural theory, we established that, on such projects, a fatalist environment might emerge, where risk was seen as inevitable and beyond the control of the project managers. We suggest that this would account for our observations.

A curious finding

This paper was prompted by some research undertaken into the behaviour of project management practitioners involved in risk management in IT projects. Rather then employing ‘rational’ risk management techniques in a measured and deliberate manner, it was found that a number of practitioners behaved in anything but a rational manner. By ‘rational’ behaviour, what was meant was the management of risk in accordance with expected utility theory, a model which underpins risk management in general (Jaeger, et al, 2001), and project risk management in particular. Specifically they were found to adopt a variety of approaches when faced with risk. Kutsch and Hall (2005: 595) identified four categories of behaviour:

1. Denial of uncertainty, where project managers refused to reveal risk related information to stakeholders that is perceived to hold negative or discomforting connotations.
2. Avoidance of uncertainty, where project managers failed to give sufficient attention to risk related information due to insufficient trust or belief in the efficacy of the information.
3. Delay of uncertainty, where project managers failed to consider or resolve risk due to apathy or lack of interest.

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4. Ignorance of uncertainty, where there was a complete lack of awareness of risk related information.

Additional research sought to establish the extent to which risk management was employed by a sample of IT project managers in recent projects (n = 102) and explore the manner in which it was employed. What was found was surprising. Fully a third of the respondents claimed to make no use of risk management mechanisms at all. This was in spite of the fact that it was discovered, in the same survey, that where risk management procedures of some sort were employed, the outcomes of those projects were significantly improved.

If project failure is regarded as a manifestation of risk, and so many IT projects are regarded as having failed (The Standish Group International, 2001; Ciborra, 2002), it seems strange that so many project managers, who were charged with managing risk within their projects, should behave in one or more of the ways observed. Frosberg et al (1996) noted the frequency of project failure and also outlined that failure could take various forms, including lack of commitment of practitioners to the use of project management methodologies. This would appear to have been the case in our findings. But, how could this behaviour be explained? We felt the answer may lie in the nature of projects themselves, and could partly be explained by the cultural environment IT projects (and, maybe, projects in general) can give rise to. This paper takes the findings as a starting point for exploring projects from a critical perspective and, by using the grid/group typology derived from Mary Douglas' cultural theory of risk (Douglas, 1992; Thompson et al, 1990) we hypothesize that the third of managers taking little or no action in order to manage risk within their projects were, in fact, exhibiting a culture of fatalism, where the stress is on unpredictability and unintended events, that control is beyond them, that whatever they do will have little or no influence on the outcome of the project and where they blame the ‘fickle finger of fate’ for project failure. In other words, they felt powerless in the face of the technical, social and political complexity of IT projects.

What is a project?

Mainstream project management literature appears to idealise projects as, variously, “a temporary endeavour undertaken to create a unique product or service” (PMI, 2000: 4) and “a specific objective to be completed within certain specifications, with defined start and end dates, funding limits (if applicable) and which consumes resources (i.e. money, people, equipment)” (Kerzner, 2003: 2). There are many other definitions in the literature, but they are all essentially the same in character, focusing on the ‘real’ nature of projects (Hodgson and Cicmil, 2006). In essence, the project is reified into a system of procedures, rules and functions from which a particular approach to management ‘must’ follow.

However, Linehan and Kavanagh (2006: 55) argue that, rather than seeing projects as objects in their own right, they might more usefully be regarded as
“an emergent outcome of disparate, ambiguous political practices”. By this, they seem to mean that projects are a constructed reality, mediated between the participants through language and practice.

From a realist perspective, both conceptions of the ‘project’ are legitimate. An ontologically positivist view would have projects be seen as deterministically specific entities in their own right, rooted in systems theory and driven by rules, procedures and techniques. Hodgson and Cicmil (2006) identify the Project Management Institute’s (2000) Book of Knowledge (PMBOK) as indicative of this view. Here, where project actors (participants, professionals, clients, suppliers and other stakeholders) are considered, it is as variables to be manipulated in order to closer attain the ‘perfect environment’ (Jaeger, et al, 2001) of systems theory rationality.

This is rather at odds with the alternative (but equally legitimate) view that would have projects as realities only in the sense that they are constructed through a discourse between the participants. Here, the rules and procedures outlined in the PMBOK are merely artefacts that form part of that discourse, interpreted differently from actor to actor.

Judging from the prevailing literature, the former view is the predominant discourse. Williams (2004: 498) argues that this is because of the lack of theoretical and academic attention that has been focused on project management, leaving the project management community to its “discourse and its corporate views without the benefit of substantial dialogue with the wider management community”. That said, Williams (2004) points to more recent attention being given to project management activity which highlights a more interpretivist, critical view.

It is in the tension between these perspectives that we argue forms the basis for our observations of ‘irrational’ or ‘aberrant’ behaviour among project actors when faced with decisions about risk management arise.

Alienation and powerlessness

A corollary to the debate over the nature of projects, are the circumstances in which project actors find themselves. Something that intuitively seems commonplace in projects, although for which there is little empirical evidence, is that project actors may easily find themselves dislocated and alienated and, ultimately, disempowered (among the small amount of literature on this subject, see Hall and Holt, 2002 and Bourne and Walker, 2005). The diagram (Figure 1) seeks to illustrate this. Essentially, project actors are temporarily ‘seconded’ to projects by their employing organization or function, for the period of their involvement in the project. This, of course applies to all projects, whether they are internal development or change projects drawing on a number of functions within the organization, or external, multi-organizational projects. The question then is to whom they owe their allegiance? Do they identify more closely with the project or with their employing organisation? Or, do they find themselves in the “typical middle
pattern” whereby those in the middle become “torn, weak, ineffective, unable
to satisfy anyone adequately, and disempowered individually and
collectively”? (Oshry, 1996: 56) Nocker (2006: 151) points out that this kind of
social organization involves questions about identities and “certain forms of
identification”.

![Figure 1: Actors in a project](image)

The main area of literature which appears to concern this aspect of project
management is the discussion of project organization through matrix
structures. The matrix structure is discussed in most textbooks on project
management and has, itself, been the subject of some research, most of
which concludes that there are some common problems with this form of
organising. From a social point of view, the main problem is conflict in a
variety of forms (see, for example, Nicholas, 2004: 447). In particular, there is
conflict between the functional or organizational authority and the project
authority. Theoretically, these are equal but, in reality, there is jockeying for
power between the function or organization, which controls release of scarce
resources, and the project which is a consumer of these resources. The
project actor is torn between these competing pulls by the conflict and
confusion over allegiance and, we hypothesise, can end up feeling powerless.

Although there is little empirical discussion in the literature of this
phenomenon beyond the matrix form of organization, there is an implicit
acknowledgement of the issue, judging by the amount of attention project
teambuilding and, in particular, leadership are given. This attention implies
that project participants need to be formed into a team in order to work
effectively and ‘deliver’ the project. There also seems to be an implicit view
that the team will form, develop and reach the stage where it is performing
effectively. Tuckman’s (Tuckman and Jensen, 1977) typology is often invoked
here. This implies that the project team somehow remains static throughout
the project whereas most project teams are, in fact, frequently in a state of
flux. Participants join in order to perform a special task in their area of competence, and then leave after a period of time. Thus, many projects have a core group of participants with additional participants continually coming and going over the project lifecycle, creating points of transition throughout. One has to presume that these points of transition create additional tension and conflict within the project environment. Clearly, the scenario we describe need not arise in all projects but may potentially arise in any given project.

Cultural theory

Mary Douglas devised a two-dimensional framework in the 1970s in order to classify and compare cultures. Known as grid/group theory, it has undergone considerable theoretical elaboration since its introduction (Douglas, 1992; Thompson et al, 1990, Heap and Ross, 1992). Outside cultural studies and anthropology (for example, in political science) grid/group theory is often referred to merely as ‘cultural (or culture) theory’ (Caulkins, 1999).

The basic premise behind grid/group theory is that any social unit (group, organization, society) can be thought of in terms of two types of social control (Thompson et al, 1990):

- The degree to which they are incorporated into bounded social groups (group)
- The degree to which they are constrained by externally imposed rules (grid).

This gives rise to a model along the two dimensions (Figure 2). The two dimensions broadly form a continuum, ranging between high and low values and producing four major cultural ‘worldviews’ or ways of life which, in turn, can act as explanations for observed behaviour.

1. Individualism – also referred to as entrepreneurialism (Caulkins, 1999). This environment allows individuals to operate with few constraints, as there are few rules and little social interconnection. This environment is typified by free exchange and competition. Risk is seen as an opportunity. Nature is regarded as benign and failures are blamed on incompetence. Approaches to organization are atomised, stressing negotiation and bargaining (Hood, 1998).

2. Egalitarianism – also referred to as sectarianism (Caulkins, 1999). Individuals in this environment emphasize group solidarity and deplore extensive social differentiation. This environment is typified by sharing within the group, a concern with ‘moral purity’ and boundaries against outsiders who might threaten social cohesion. Nature is regarded as ephemeral, and failure is blamed on the ‘system’. Scapegoating is commonplace in egalitarian social units. Structures are high participation in nature, in which decisions are ‘up-for-grabs’ (Hood, 1998).
3. Hierarchy – this is the classic Weberian bureaucracy (Caulkins, 1999), with a clearly defined organizational hierarchy and rules governing rational action and behaviour. In this environment nature is seen as either being perverse or tolerant, and failure is blamed on deviants. Approaches to organization are socially cohesive and rule-bound (Hood, 1998).

4. Fatalism – Fatalists find themselves constrained by exterior rules (high grid) but without the security found in a group. This type of environment is typified by apathy. Nature is seen as being capricious and failure is blamed on the ‘fickle finger of fate’. In contrast to hierarchists, approaches to organization here are still rule-bound but typified by low levels of cooperation (Hood, 1998).

Although designed for cultural analysis at the national level, Kemper and Collins (1990: 48) conclude that “the structural features underlying the two-dimensional grid/group model can usefully be applied not only to cross-cultural comparisons among whole societies, but also to comparison between classes and occupational and professional groups”. Caulkins (1999: 115) observes that, in fact, the model, in fact, has been more widely employed in studies of these smaller units of analysis, including environmentalism, political administration, technology policy, risk perceptions and work cultures.

**Do IT projects encourage a ‘fatalist’ culture?**

Returning to our original observations of risk management behaviour in IT projects, could Mary Douglas’ cultural theory be used to help explain them? Hodgson (2004: 97) observed conflict between the rationality of IT project
systems and methodologies and the response of individuals being asked to work in this environment. He found that they recognised that they were being disciplined by the project management system and yet were expected to exercise creativity and innovation. The result was the development of “barbed humour, occasionally but not always accompanied by open acts of resistance”. Elsewhere, Linde and Linderoth (2006: 168) note that IT projects are complex and ‘fuzzy’ and, as a result, conclude that their management should be “the management of networks, key actors and programmes of action” implying that this is more important then the project management tools and techniques that prevail.

Where a project management rationale is imposed upon an IT project that is, by the nature of the technology, complex and fuzzy, then project staff could find themselves in a difficult situation. On the one hand, they will experience a rigid set of procedures, rules and systems, reflecting both the project management rationale and the need for high levels of conformance from the complex technology with which they are working (high grid). However, they could also find themselves in a position of powerlessness (or at least, of being controlled) and feel alienated (low group). Referring back to Mary Douglas’ typology, this would represent a fatalist cultural environment.

According to Oltedal et al (2004) when confronted by risk, fatalists would rather be unaware of dangers as they see them as being unavoidable in any case. Therefore, users do not pursue awareness of risk. Some of Oltedal et al’s (2004: 35) findings about fatalists, in their analysis of risk perception using grid/group theory, included:

- There is no use in doing things for other people – you only get it in the neck in the long run.
- Cooperating with others rarely works.
- I have often been treated unfairly.
- I don’t worry about politics because I can’t influence things much.
- I feel that life is a lottery.
- Even if you work hard you never know if it will help you do better.
- A person is better off if he or she doesn’t trust anyone.
- Accidents will always happen because people are unreliable.
- It is not wise to call attention to others’ violations of safety rules and statutes.

These comments bear a striking similarity in nature to the findings from our initial research into the use of risk management techniques in the management of risk in IT projects (Kutsch and Hall, 2005), where the project managers who did NOT use the techniques and systems were more concerned with dodging, avoiding or simply not wanting to know about risk.

Tsohou et al (2006) employed Mary Douglas’ cultural theory to outline the cultural circumstances under which risk management in information systems (IS) might be undertaken and discuss the nature of risk management in those differing cultural circumstances. Their work was theoretical in nature, postulating how people in different IS environments might behave when considering risk analysis options. They did not seek to suggest a general situation for IS but, rather, implied that all four cultural worldviews might be
found. This research is useful in that it considers different attitudes to risk management in a technological setting and, crucially, employs grid/group theory in its analysis. According to this research, high grid, which equates to a rules driven environment, would suggest that fatalists would employ risk management systems. However, and crucially, fatalists would, at best, follow whatever procedures they were given as a ‘tick box’ exercise and could well do nothing at all. After all, to a fatalist, there is little point as, whatever they do, the risk (in this case) will either materialise or not. So, what is the point of doing anything. According to Tsohou et al (2006), if the manner of management of risk is left to the discretion of a fatalist project management professional, they could easily do nothing at all.

**Conclusions**

Our starting point for this paper was research into the use of risk management mechanisms by project staff working in IT projects. We expected a variety of management tools to be listed and their use described. What we did not expect was for a proportion of project staff to make little or no meaningful use of risk management mechanisms at all and, in fact, to adopt strategies to duck or dodge the issue of risk, and its management. This was despite the high level of project failures found in IT projects. Further research found that this behaviour was employed (or rather not employed, if one talks about active risk management) by a third of project staff questioned. This was in spite of the fact that where such mechanisms were employed, project outcomes were significantly improved. The rest of the paper sought to find some explanation for what might be regarded as irrational or aberrant behaviour.

Risk management, predicated on expected utility theory, fits firmly into an orthodox rationale of project management systems. However, a more critical perspective emphasises the role of power relations, the controlling nature of project management systems and the role of relationships within projects.

Building on this critical perspective, we have highlighted the alienating and disempowering environment that project actors can experience when working in projects. However, while we found discussion of this, even if only by implication, we were unable to find much empirical evidence within the literature. Either way, we hypothesised that this alienating and disempowering environment created issues of identity, confusion and conflict for the protagonists within IT projects.

Drawing on Mary Douglas’ grid/group cultural theory, we took the view that the project staff highlighted in our research were possibly working in a fatalist environment, where they are exposed to high levels of rules, processes and systems imposed by the project management rationale on the one hand and yet low levels of group cohesion as a result of the conflict and alienation they were experiencing in their projects.

Something else that seems to emerge from Oltedal et al’s (2004) analysis is a sense that there is a history of experience of risk management failing to tackle
project failures effectively. However, we have not considered this in our analysis.

We have not sought to provide possible remedies or solutions to this phenomenon, merely to identify some theoretical means by which we might explain our findings. Furthermore, we do not claim that this explanation applies to all our observations. In some projects, there would have been strong group cohesiveness, shifting the project to more of a hierarchical framework. In these instances, other explanations need to be sought.

Future research is required to explore the whole issue of alienation and disempowerment within projects empirically and from a critical perspective. We feel that this is an important gap in the literature. In doing so, we might seek to validate the analysis presented in this paper.

References


