

Chapter 63

Handling Uncertainty in Project Management and Business Development: Similarities and Differences

Stefan Hartlieb

WU Vienna University of Economics and Business, Austria

Gilbert Silvius

LOI University of Applied Sciences, The Netherlands & University of Johannesburg, South Africa

ABSTRACT

This chapter reports a study into the management of uncertainty in the disciplines of business development and project management. The first part of the chapter analyses the disciplines by looking at the process, the planning, uncertainty and risk and the measurement of success. Based on our analysis of these two disciplines, we conclude that they differ substantially in the perception and handling of uncertainty and how this is included in the overall process. We found that business development uses additional methods, for example scenario planning, to manage the uncertainty that is inherent to the business development process. The second part of the chapter reports an explorative study into the potential application of scenario planning in project management. This study shows that scenario planning may benefit project management in creating a shared understanding of the project as well as the provision and consideration of different information. In the planning processes of the project, this information is considered useful in risk management and milestone planning.

INTRODUCTION

Project management and business development have some similarities. PMI defines a project as a “temporary endeavor undertaken to create a unique product, service or result” (Project Management Institute, 2013, p.3) and Blank defines the development of a new business as a “temporary organization in search

DOI: 10.4018/978-1-7998-1760-4.ch063

for a scalable and repeatable business” (Blank and Dorf, 2012, p.xvii). Hence both can be seen as temporary and both have similar steps from initiation, planning, executing and closing. However, despite these similarities, business development and project management are considered as different disciplines in both research and practice.

One of the similarities between project management and business development is that both disciplines need to cope with uncertainty. Projects are traditionally seen as structured activities aimed at realizing an in advance agreed objective. The uncertainties surrounding this objective, or the process of realizing it, are treated as risks and coped with in risk management processes which are a subset of project management (Perminova et al., 2008). However, with project being performed in an increasingly uncertain environment, the traditional project risk management methods and techniques are considered insufficient for coping with this increased uncertainty (Perminova et al., 2008; Cleden, 2012; Krane et al., 2014). Therefore, better methods and techniques are needed in order to manage today’s level of uncertainty in projects. One of the disciplines that could provide new insights on how to cope with uncertainty, is business development. When searching for, or developing, new products, services or business ventures, there is no certainty about the outcome of the process. Still, business development needs to make decisions in this process that is filled with uncertainties.

The study reported in this paper studied the way business development copes with uncertainty and asks the question “How can the techniques of business development for dealing with uncertainty be used in project management?”.

The remainder of the paper is structured as follows. The next paragraph will discuss the disciplines of project management and business development along the dimensions of ‘process’, ‘planning methods’, ‘risk and uncertainty’ and ‘success’. The paragraph following this one will provide a comparison on the two disciplines in order to identify similarities and differences. In this paragraph we will also discuss Scrum, as an approach to project management that has borrowed some concepts from business development.

The next paragraph will introduce the research strategy we deployed in the empirical part of this study, followed by a presentation of the findings of our empirical exploration. The final paragraph of the paper provides our conclusion and an outlook on further research.

THE DISCIPLINES OF PROJECT MANAGEMENT AND BUSINESS DEVELOPMENT

This paragraph presents an overview of the disciplines project management and business development, and a comparison of the two. As our focus is on the handling of uncertainty, we will also discuss this in both disciplines. We’ll describe each discipline along the dimensions of ‘process’, ‘planning methods’, ‘risk and uncertainty’ and ‘success’. This structure enables us to compare the two disciplines on the four dimensions.

Project Management

A project is defined by PMI as a “temporary endeavor undertaken to create a unique product, service or result” (Project Management Institute, 2013, p.3). Hence, project management is defined as “the

24 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:
www.igi-global.com/chapter/handling-uncertainty-in-project-management-and-business-development/245506

Related Content

Open Innovation Three-Dimensional Model: A Framework for Mapping External Partnerships Applied to SMEs in the FMCG Industry

Fabio Barboza Cabral (2025). *International Journal of SME Research and Innovation* (pp. 1-17).

www.irma-international.org/article/open-innovation-three-dimensional-model/398629

Innovation in the Time of Pandemic: Insights from a Survey of Malaysian Small and Medium Enterprises (SMEs)

Mohammed Alnajjar, Abdelhak Senadjki, Au Yong Hui Neeand Samuel Ogbeibu (2025). *International Journal of SME Research and Innovation* (pp. 1-21).

www.irma-international.org/article/innovation-in-the-time-of-pandemic/368040

Web Presence Hosting

Stephen Burgess, Carmine Carmine Sellittoand Stan Karanasios (2009). *Effective Web Presence Solutions for Small Businesses: Strategies for Successful Implementation* (pp. 141-167).

www.irma-international.org/chapter/web-presence-hosting/9244

Longterm Cycles of Innovation in Europe's Textile Business

Bernd Hallierand Violena Hubenova Nancheva (2023). *Perspectives and Strategies of Family Business Resiliency in Unprecedented Times* (pp. 163-184).

www.irma-international.org/chapter/longterm-cycles-of-innovation-in-europes-textile-business/322217

Community-Based Savings Groups: An Alternative Model for Resilience

Berta Arsénio Silvaand Márcia Santos (2023). *Handbook of Research on Acceleration Programs for SMEs* (pp. 299-311).

www.irma-international.org/chapter/community-based-savings-groups/315917