

Organising for Build Operate Transfer projects

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Summary

This dissertation is a theoretical analysis of the organisational issues, problems and challenges that a construction company will encounter if it decides to enter the B.O.T. project market as part of the concession company.

The theoretical review of well-known authors in structuring organisations, together with a large number of published papers concerning the construction industry, becomes the basis for putting forward a proposal for the required structure, as well as the other prerequisites for such a challenge. Also an analysis is carried out in the theory of metaphors and their use in conceptualising and implementing the required organisational change by forming powerful images.

This study proposes that the construction company, as part of the concession company, can overcome the problem of conflict of interest by employing selective vertical decentralisation and introducing suitable liaison devices. It is suggested that two managers, reporting directly to a specific Board member, lead respectively the investment and construction units. The decision-making process is clearly described and the board member acts as the integrator between the two managers. The establishment of appropriate information systems covering and reporting both financial and project data is considered critical.

Finally it is recommended that changes follow a carefully planned campaign, and that management uses organisational metaphors in order to understand and improve the outcome.

Contents

1) Introduction	Page
1.1 The background	1
1.2 Scope of the dissertation	2
2) Theory of Structuring Organisations	4
2.1 Mintzberg and Organisational Structure	5
2.2 Galbraith and Organisational Structure	34
2.3 Newcombe et al and Organisational Structure	40
3) Organisation Metaphors	51
3.1 Organisation Metaphors – G.Morgan	52
3.2 Organisational Analogies – R.Keidel	69
4) The Build Operate Transfer (B.O.T.) project	74
5) Review and Discussion	79
6) Organising for B.O.T. projects	92
7) Conclusion	98
References	100
Bibliography	102