

Lecture 1. Theoretical and Methodological Foundations of International Project Management

Lecture Plan

1. The essence, features and typology of international projects.
2. Project, programme, portfolio of projects: the relationship between the concepts in international management.
3. The life cycle of an international project: initiation, planning, implementation, monitoring, evaluation and closure.
4. The international project environment: donors, partners, beneficiaries, target groups, stakeholders.
5. Project management methodologies: PMBOK, PM², project cycle management, the logical framework approach.
6. Specific features of managing international projects under conditions of uncertainty, intercultural interaction and limited resources.

1. The Essence, Features and Typology of International Projects

1.1. The Concept of a Project

In the classical understanding enshrined in the standard A Guide to the Project Management Body of Knowledge (PMBOK Guide) of the Project Management Institute (PMI), a project is defined as a temporary endeavor undertaken to create a unique product, service, or result. Temporariness means that every project has a clearly defined beginning and end; uniqueness means that the product, service or result differs in some particular way from all similar products or services.

The International Organization for Standardization (ISO 21500:2021, “Project, programme and portfolio management — Context and concepts”) defines a project as a unique set of processes consisting of coordinated and controlled tasks with start and finish dates, undertaken to achieve an objective that conforms to specific requirements, including constraints on time, cost and resources.

An international project is a project implemented with the participation of actors (donors, implementers, partners, beneficiaries) belonging to different national jurisdictions, financed (wholly or in part) from foreign or supranational sources (European Union programmes, international financial institutions, donor funds, diplomatic missions), and directed towards resolving problems of a cross-border, regional or global dimension, or towards developing the capacity of the recipient country in accordance with the donor's priorities.

1.2. Generic Features of a Project

Regardless of sectoral affiliation, any project (including an international one) is characterised by the following set of features:

- **temporariness** — the existence of a defined start date and end date;
- **uniqueness of the result** — every project, even within a typical donor programme, is an unrepeatable combination of objectives, context, team and resources;
- **purposefulness** — the subordination of all actions to a predetermined goal and to a system of indicators for measuring its achievement;
- **resource constraints** — a fixed budget, staffing provision and time frame;
- **complexity and interdisciplinarity** — the need to combine competencies from various fields of knowledge;
- **riskiness and uncertainty** — the presence of factors that cannot be fully controlled by the project team;
- **phased implementation** — sequential progression through the stages of the life cycle.

For an international project, the following specific features are added to this list: transnationality (the involvement of actors from different countries), donor-orientation (subordination to the donor's requirements and procedures), accountability under international standards (financial and substantive reporting in accordance with EU or other donor rules), and the intercultural character of communication and management.

1.3. Typology of International Projects

It is appropriate to classify international projects according to several criteria.

By source of funding:

- projects financed under EU programmes (Horizon Europe, Erasmus+, Interreg, EU4Business and others);
- projects of international financial institutions (the World Bank, the EBRD, the EIB);
- projects of development agencies and donor funds (USAID, GIZ, SIDA, the European Endowment for Democracy);
- projects of diplomatic missions and embassies (small grants projects);
- projects of international non-governmental organisations.

By field of implementation: economic, educational and scientific, infrastructure, humanitarian, environmental, governance and institutional capacity-building projects, and cross-border cooperation projects.

By scale and territorial coverage: local, regional, national, cross-border, transnational, and global.

By nature of the result: investment (capital), research, consultancy, technical assistance, and capacity-building projects.

By number of participants: bilateral (two-partner) and multilateral (consortium-based) projects, the latter involving the coordination of activities among several partner organisations from different countries.

2. Project, Programme, Portfolio of Projects: The Relationship Between the Concepts in International Management

In the practice of international project management, a clear distinction between the concepts of “project”, “programme” and “portfolio of projects” is methodologically fundamental, since it determines the choice of management tools, the level at which decisions are taken, and the reporting system.

A project, as noted above, is a temporary endeavour undertaken to achieve a specific, measurable result within defined time frames and budget.

A programme is a group of related projects, sub-projects and programme activities, managed in a coordinated way to obtain benefits not available from managing them individually. For example, the EU's Horizon Europe programme is a framework programme under which a vast number of individual research and innovation projects are financed, united by a common strategic goal — strengthening Europe's scientific and innovation capacity. Programme management involves aligning the objectives of individual projects with strategic priorities, allocating resources among projects, and managing inter-project dependencies.

A portfolio of projects is a collection of projects, programmes, sub-portfolios and operational activities managed as a group to achieve the strategic objectives of the organisation. Unlike a programme, the projects within a portfolio are not necessarily functionally interrelated — they are united by belonging to a single organisational strategy (for example, a university's portfolio of international projects may include educational, research and infrastructure projects financed by different donors).

The key distinction, therefore, lies in the level of management: project management is oriented towards “doing the work right” — adherence to deadlines, budget and scope; programme management is oriented towards coordinating interrelated projects for the sake of a synergistic effect; and portfolio management is oriented towards “doing the right work”, that is, the strategic selection and prioritisation of initiatives in accordance with the organisation's mission.

3. The Life Cycle of an International Project: Initiation, Planning, Implementation, Monitoring, Evaluation and Closure

The project life cycle is the sequence of phases through which a project passes from its inception to its completion. In international project activity, the most widespread model is one consistent with the logic of Project Cycle Management (PCM), which is used by the European Commission and most donor organisations.

Phase 1. Initiation (Identification / Programming). At this stage, the context is analysed, the problems and needs of target groups are identified, the project idea is formulated, its

preliminary conformity with the donor's strategic priorities is assessed, and a decision is taken on the advisability of further developing a project proposal.

Phase 2. Planning (Formulation / Design). The project is developed in detail: objectives and results are formulated, the logical framework matrix is constructed, achievement indicators are defined, the budget, timetable and risk management plan are drawn up, and the funding application is prepared.

Phase 3. Implementation. The stage of practical execution of the planned activities, the use of resources, the coordination of partners, and the ongoing management of the team and of document flow.

Phase 4. Monitoring. A cross-cutting process of systematically tracking the project's progress against planned indicators, carried out throughout the entire period of implementation (rather than as a separate phase alone) and providing project management with up-to-date information for decision-making.

Phase 5. Evaluation. The systematic and objective assessment of the relevance, effectiveness, efficiency, impact and sustainability of the project; carried out as a mid-term, final, or ex-post evaluation.

Phase 6. Closure. The formal closing of the project: preparation of final reporting, handover of results to beneficiaries, archiving of documentation, and the consolidation of lessons learned.

It is important to emphasise that the phases of the life cycle are not strictly linear: monitoring is carried out in parallel with implementation, and the results of evaluation may prompt the revision of plans (the iterative character of management).

4. The International Project Environment: Donors, Partners, Beneficiaries, Target Groups, Stakeholders

The success of an international project depends to a considerable extent on an understanding of its environment — the totality of actors whose interests and resources influence the project or are affected by it.

Donor (funding body) — an organisation or institution that provides financial or other resources for the implementation of a project (the European Commission, EU executive agencies, the governments of donor countries, international financial institutions, private foundations). The donor sets funding priorities, procedural requirements, and the criteria for evaluating applications and reporting.

Coordinator (lead applicant / coordinator) — the organisation that leads the consortium, bears the principal contractual responsibility to the donor, and coordinates the activities of the partners.

Partners (partners / co-applicants) — organisations that implement the project together with the coordinator, each responsible for a defined part of the work plan.

Associated partners (associated partners) — actors who join the project without direct funding from the donor, providing expert, advisory or organisational support.

Beneficiaries (beneficiaries) — persons, groups or organisations that receive direct benefits from the implementation of the project. A distinction is drawn between direct beneficiaries (the immediate recipients of the project's services or products) and final beneficiaries (broader groups on whom the project has an indirect effect).

Target groups (target groups) — the specific groups on whom the project has a direct, positive effect at the level of the project purpose, and with whom the project interacts directly during implementation.

Stakeholders (stakeholders) — all natural and legal persons, groups or institutions that have an interest in the project, influence it, or are affected by its implementation — including public authorities, the academic community, the mass media, competing initiatives, and the general public.

Distinguishing between these roles is essential for a correct stakeholder analysis (examined in detail in Lecture 2) and for constructing the project's logical framework matrix.

5. Project Management Methodologies: PMBOK, PM², Project Cycle Management, the Logical Framework Approach

Several methodological systems coexist in international project activity, the choice of which depends on the donor, the sector, and the type of project.

PMBOK (Project Management Body of Knowledge) — the methodology of the Project Management Institute (PMI, USA), which structures project management around ten knowledge areas (integration, scope, schedule, cost, quality, resource, communications, risk, procurement, and stakeholder management) and five process groups (initiating, planning, executing, monitoring and controlling, and closing). PMBOK is a universal, sector-neutral methodology, widely applied in the private sector and increasingly in international technical-assistance projects.

PM² (Project Management Methodology) — a methodology developed by the European Commission (Centre of Excellence in Project Management) specifically for managing projects within EU institutions and subsequently adapted for grant projects under Union programmes. PM² combines elements of PMBOK and PRINCE2, offering standardised management artefacts (the project charter, the project management plan, the issue and decision log) and a phase structure (initiating, planning, executing, closing) adapted to the specific character of public and supranational governance.

Project Cycle Management (PCM) — a methodology introduced by the European Commission for managing external assistance (development and cooperation) projects, which structures the project across six life-cycle phases (programming, identification, formulation, implementation, monitoring, evaluation) and requires the mandatory application of the Logical Framework Approach at the formulation stage.

The Logical Framework Approach (LFA) — an analytical planning method involving the sequential analysis of stakeholders, problems, objectives and strategies, followed by the development of the logical framework matrix (Logframe) — a table that structures the hierarchy of the project's objectives (overall objective, specific objectives, results, activities), the corresponding indicators, sources of verification and assumptions. The LFA is a mandatory instrument in the majority of EU grant calls and serves as a common language between the applicant and the donor.

A comparative analysis of the above methodologies, their advantages and limitations in the context of the international project environment, is the subject of students' independent work on Topic 1 and is examined in the seminar.

6. Specific Features of Managing International Projects Under Conditions of Uncertainty, Intercultural Interaction and Limited Resources

The management of international projects differs substantially from the management of purely national initiatives owing to a range of specific factors.

Uncertainty and risk. International projects are implemented under conditions of heightened uncertainty, caused by the political instability of participating countries, exchange-rate fluctuations, changes in legislation, logistical constraints, and, for projects implemented in Ukraine under current conditions, additional security risks. This requires systematic risk management from the design stage onward (examined in detail in Topic 7).

Intercultural interaction. An international project consortium typically brings together partners from different countries with distinct managerial traditions, communication styles, temporal orientations (monochronic and polychronic cultures, according to E. Hall's typology), and levels of power distance (according to G. Hofstede's typology). Effective management of the consortium requires the project manager to possess developed intercultural competencies, an ability to mediate conflict, and the capacity to build trust within distributed teams.

Resource constraints and the rigidity of donor procedures. Unlike intra-organisational projects, international grant projects are characterised by a fixed and, as a rule, non-negotiable budget, strict eligibility rules governing expenditure, mandatory co-financing, tight reporting deadlines, and limited flexibility in reallocating resources between budget lines without the donor's prior consent.

The asymmetry of the “donor–recipient” relationship. An important feature is the inequality of the participants' positions: the donor sets the rules of the game (funding priorities, procedures, evaluation criteria), while the applicant and its partners largely act as implementers who must demonstrate that their initiative conforms to predetermined requirements. This creates a need for a thorough prior analysis of the donor's strategic priorities even before the project idea is developed.

Requirements of transparency and accountability. The use of public funds (the EU budget, the funds of taxpayers in donor countries) entails heightened requirements regarding financial

transparency, anti-corruption safeguards, the prevention of conflicts of interest and double funding, and good governance within the consortium.

Self-check Questions

1. How does an international project differ from a national (domestic) project in terms of its actors and sources of funding?
2. Give an example of the relationship between a project, a programme and a portfolio of projects, using an EU programme known to you.
3. Why is monitoring considered a cross-cutting process rather than a separate stage of the project life cycle?
4. What is the difference between a beneficiary and a target group of a project?
5. Compare the methodological emphases of PMBOK and PCM: which methodology is more oriented towards international technical-assistance projects, and why?
6. Which factors of uncertainty are specific to international projects implemented in Ukraine?

Recommended Reading

1. A Guide to the Project Management Body of Knowledge (PMBOK Guide). 7th edition. Project Management Institute, 2021.
2. PM² Project Management Methodology Guide. European Commission, Centre of Excellence in Project Management (CoEPM²).
3. Aid Delivery Methods. Volume 1: Project Cycle Management Guidelines. European Commission, EuropeAid Cooperation Office.
4. ISO 21500:2021 Project, programme and portfolio management — Context and concepts.
5. The Standard for Program Management. 5th edition. Project Management Institute, 2024.