The Role of Project Manager in SMEs for Developing New Product by E-Collaboration

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Abstract. The research in this paper is based seeks to understand how manufacturing companies can accomplish their projects in the real time with less cost. This paper describes a new model using critical success factors of implementing projects in the small and medium-size enterprises (SMEs). The factors in conceptual model were identified in past studies and validate from the survey by interview with 20 project management in electronic industries in Iran. Several prior researches have suggested some critical success factors for reducing time and cost in new product. These factors are departments of product, planning, procurement and design. However, none of these studies has proposed a model that specifies practices that should be undertaken to facilitate the progression to reduce time and cost in new product in SMEs. Following this, a development of a new model is supposed important to help SMEs understand what is required in order to be an effective global organization in terms of reduce time and cost by electronic collaboration (E-collaboration) through project management.

Introduction

Prior studies have demonstrated small and medium sized enterprises (SMEs) have some troubles inside their firms; one of them is the excessive time for new product development. As the global competitive pressure increases and product life cycle grows shorter, SMEs have to shorten their product development cycles[1]. Usually the time for a new production is longer than initially estimated. Then the companies cannot catch-up to their customers. Therefore, SME cannot remain competitive in the global market.

In this context, the authors propose that integration of different departments in one company is important for reducing time and cost in new product development. One way to integrate information is working under a web. The use of electronic collaboration (E-collaboration) technologies is essential for supporting projects [2]. In addition, project management has been considered in many sciences [3].

The objective of this study is to reduce new product time and cost by establishing a relationship between a project manager and different departments of the company by E-collaboration. The main factors to be considered are department of design, department of planning, department of procurement and department of production. Previous researchers have discussed these items separately. In this study, these factors are combined to create and evaluate a new model.

Definition of Project Management

Project management is a methodology for managing a project [4]. Project management, including the tools, techniques, and knowledge-based practices applied to manage the creation of products and services, is becoming an increasingly accepted and applied discipline across industry sectors [5]. Project management can be defined as the process of controlling the achievement of the project objectives [6].