

Sponsorship in IT Project Management

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INTRODUCTION

Since the 1970s academics and practitioners in the discipline of project management have sought answers to two inter-related questions: How is project success defined and measured? What are the influences on project success? To answer the first question people have studied project success criteria/key performance indicators. To answer the second, studies have focused on project critical success factors. Daniel (1961) introduced the concept of “success factors,” stating that “in most industries there are usually three to six factors that determine success; these key jobs must be done exceedingly well for a company to be successful” (p.116). Approaches to the management of information have been established using Daniel’s concept. For example, Rockart (1979) developed a Critical Success Factor (CSF) method for meeting the information needs of top executives. This method focused on understanding the objectives and goals of the company and the factors (CSFs) critical to their achievement, and establishing information systems to report on performance in these two areas. A key challenge has been to integrate the definitions and measures of success with CSFs, and in this respect work has been carried out to develop frameworks linking models of success criteria (the measures of success) with CSFs (see, for example, van Veen-Dirks & Wijn, 2002). The concept of CSFs has also been applied to project environments, with project CSFs being “those inputs to the management system that lead directly or indirectly to the success of the project” (Cooke-Davies, 2002, p. 185). Project management theory has also looked for a holistic answer to the questions of “How is project success defined and measured?” and “What are the influences on project success?”, through the development of models linking project success criteria and project CSFs (Westerveld, 2002; Bryde, 2003).

BACKGROUND

Sponsorship as a Project Critical Success Factor

In respect of individual project CSFs, the importance of project sponsorship to achieving successful project outcomes has long been recognized. In a review of previous studies of CSFs, the sponsorship of projects by top management was highlighted as one of 8 major influences on success (Pinto & Slevin, 1987) and confirmed in a later study by the same authors as one of 10 influences (Pinto & Slevin, 1989). The importance of sponsorship is recognized through the distinction made between Macro CSFs, which involves activities in the realm of the sponsoring organisation and Micro CSFs, which are carried out in the domain of the project team (DeWitt, 1988). This crucial role of sponsorship has been identified in various manufacturing and service-related business environments, such as defence (Tishler et al., 1996), construction (Black et al., 2000), research & development (Pinto & Slevin, 1989) and management consultancy (Jang & Lee, 1998). Studies of project CSFs in IT environments have confirmed the pivotal influence of project sponsorship (see, for example, Bytheway, 1999; Fui-Hoon Nah et al., 2001; Procacino et al., 2002).

ROLES OF PROJECT SPONSOR AND PROJECT MANAGER

A key step to delivering successful outcomes is gaining an understanding of the perspectives of all stakeholders to the project, including the sponsor and other stakeholders (Wright, 1998; Wateridge, 1995). In IT environments a lack of understanding has contributed to projects being unsuccessful. A failure by project managers to understand that users emphasized longer-term criteria relating to delivering workable systems, rather than short-term

Table 1. Role of the project sponsor

- Define the business benefit/requirements
- Understand the risks to benefit realisation
- Agree the project definition, including project objectives
- Develop the project strategy, including priorities
- Help define the project success criteria
- Specify any constraints
- Determine the relative priorities of cost, time and quality
- Monitor the project's business environment
- If necessary, re-define or cancel the project
- Monitor project performance
- Take delivery at project completion
- Monitor benefit realization
- Champion the project, including making resources available
- Support the project manager in their role

Table 2. Role of the project manager

- Develop an effective working relationship with sponsor
- Deliver the project to time and cost, quality objectives
- Evaluate the risk profile and advise the sponsor
- Meet the defined project success criteria
- Manage the sponsor's and other stakeholders' expectations
- Define the project
- Build and lead the project team
- Monitor and control project progress
- Keep sponsor informed of progress and problems
- If necessary, recommend redefining or canceling of the project
- Hand over to the sponsor on completion

criteria linked to meeting time and cost objectives was a characteristic of IT projects perceived to be unsuccessful (Wateridge, 1998). A necessary step in achieving understanding is defining and delineating the roles and responsibilities of the project sponsor and project manager (Belassi & Tukel, 1996). *Table 1* summarizes the role of the project sponsor, drawing from the following extant literature: Snowdon (1976), Kliem & Ludin (1992, pp. 163-169), Morris (1994, pp. 188-189, 258-259), Briner et al. (1999, pp. 65-67), Turner (1999, pp. 50-53), and Hall et al. (2003).

The role of the project manager is summarized in *Table 2*. This table was constructed with reference to Gaddis (1959), Middleton (1967), Mantel et al. (2001, pp. 27-34), Anderson & Merna (2003), and Kendra & Taplin (2004).

FUTURE TRENDS

Although the importance of the sponsor to achieving project success is now well established (see earlier sec-

tion "Background - Sponsorship as a Project Critical Success Factor"), and the roles of the sponsor and project manager are fairly well defined in theory, there are a number of critical issues that still need to be addressed in the future.

Awareness Among Project Sponsors of Their Role in Benefit Realization

Firstly, in some project organizations the role of the sponsor, especially in relation to their relationship with the project manager, is not clearly understood. This can lead to problems. For example, the responsibility for monitoring benefit realization (a sponsor role shown in *Table 1*) is often abdicated (without any corresponding authority) to project managers. However, it must be remembered that project managers only deliver products. A failure by the sponsor to fulfill their role in relation to benefit realization will lead to sub-optimal performance from the strategic perspective of the organisation.

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