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The Role of the Project Sponsor

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Abstract: Projects serve for business objectives and some business parts are beyond the authority of the project team and can only be judged and determined by people from the parent organization. The sponsor is the role to support a project from the top management of the parent organization. The skills, traits and capabilities that the sponsor role should have are discussed using a case borrowed from Standards Australia. HB280[1].

KEYWORDS: project success; project failure; sponsor; capability

I. INTRODUCTION

Projects serve for business objectives and some business parts are beyond the authority of the project team and can only be judged and determined by people from the parent organization. The sponsor is the role to support a project from the top management of the parent organization. The skills, traits and capabilities that the sponsor role should have are discussed using a case borrowed from Standards Australia. HB280[1]

II. LITERATURE REVIEW

The following review of literature focuses on the necessity of the sponsor and how the sponsor should do to make the project success. The review begins with the aim of a project, followed by the needs for top management involvement, then the role of the sponsor, and last the behavior of the sponsor.

A. *The aim of a project*

From the perspective of an enterprise or an organization that owns the project, the project's aim should support the strategic goals of the enterprise[2][3], and the project should be carefully defined and planned to achieve benefits for the enterprise[4][5][6][7].

The 'aim' of projects in an enterprise was discussed in many papers[8][9][10][11], and the aim was described as 'meeting business/mission needs'[10], then the aim was further explained as 'delivery of benefits', 'met business objectives' and 'business continuity' [11].

It can be seen that project success has some direct and indirect connections with enterprise business success[12][13]. Cooke-Davis categorized the projects commonly invested by enterprises, for example, business process re-engineering projects and enterprise restructuring or merger/acquisition

projects directly reflect an enterprise's strategy; and projects that aim to support or improve business operations indirectly support enterprise's strategy, because it is business operations that implement enterprise's current strategy[12].

B. The needs for top management involvement

Projects are used for realizing business needs, but the problem is that projects are temporary, and the benefits cannot be achieved only through temporary projects[14][15]. To obtain the benefits, operational departments' actions that utilize or carry out the outcomes of the project[12] should be taken after the project delivery. And to manage and control the operational departments is within the responsibility of senior managers.

Furthermore, during the project implementation phase, there always are some business risks that need to mitigate or accept which beyond the authority of the project team, and the decisions have to be made by senior managers of the enterprise[16].

Thus, it can be deduced that top management involvement is a necessity for a project to achieve its aim[16][17][18].

C. The role of sponsor

Based on this recognition, some researchers turned towards how the top management participate into project related affairs to help the project gain the intended outcomes[19][20].

With respect to this point, most related literature defined a role called project sponsor[21][22].

Serving as the parent organization's business representative, the project sponsor is a caretaker for the project with total accountability, and is mainly responsible for guaranteeing that the project delivers the decided business benefits[22].

Sponsor is seen as the intersection point of the parent organization and the project. From the perspective of project, the sponsor is a supporter from organization; from the perspective of organization, the sponsor is the governor of the project for the organization's benefits[21][22].

D. Behavior of the sponsor

But in an organization, there always are some wicked problems. For example, although the project will have significant commercial, strategic, and operational meanings for the organization, many senior people with power do not support or even oppose the project because the project will not make their personal interests maximized.

Another reality is that organization's resource is relatively limited and the competition of same resources by different projects is inevitable sometimes. Because of these mentioned above, the sponsor should manage and coordinate the relationships with each potential stakeholder who may belong to the organization or may external to the organization, which in turn requires the

sponsor's possession of good communication skills, highly commitment and high position[21].

There are "Things for the Sponsor to Do", "Things for the Sponsor to Look For" and "Things for the Sponsor to Ask" lists which gave some standard things for a sponsor to deal with[23].

E. Summary

From the definition of the project, a link between project success and organization business success is established. Since some business things are beyond the working scope and authority of the project team, top management involvement is a necessity for project success. Then the sponsor's role, behavior and traits discussed in some paper are reviewed. However, it is hard to believe these together can fulfill the sponsor role effectively.

III. DISCUSSION

Good communication skills, highly commitment, high position in the organization, following all the things mentioned in the lists[23] can lead a sponsor to successfully govern and support a project? It seems not. There will be a discussion about sponsor reasons behind project failures, during which some other vital features about the sponsor role will be identified.

Here is a case borrowed from Standards Australia. HB280[1], which is the "TechServ".

The case is about the merge of two companies A and B. Originally, each company had its own information systems. And the merge included the information system integration. One of company A's information system was replaced by company B's information system. It is known that information system reflects particular business processes. In integrating the two information systems, two critical functions were lost, so two business functions were not available for customers. This lead to the project failure.

At the beginning, the sponsor did not involve in the project, until the issue was proposed by the staff. He listened about the situation, and met with related departments such as Sales&marketing, Operations, Support Services and the project manager, but made a wrong decision which cannot ensure that the two critical functions' continuous availability to customers, eventually resulting in customers' leave and revenue lost for his company. He made the wrong decision because he did not recognize the implications about the two key business functions.

It can be seen that at that time, he communicated with stakeholders actively and he was CIO which is a relatively high position, and also he has high commitment. So which parts he did not do well at that time?

Apparently, the two critical functions are the company's competitive advantages in the market and cannot be interrupted due to the project, but the

sponsor did not really get the very fact from his meetings and his analysis, so he did not give the highest priority to the two critical functions.

In other words, he did not identify what made their customers to buy his company's services but not others. What problems of customers are solved by his company's services? As one of the top management, he did not really understand the business in the changing market context.

Also, he did not know the representative meanings of different departments in his company, thus mistakenly treated the views of operational department and the project manager equally with the views of the marketing header in this case and finally mistakenly took the operational department as the logic owner of the project and followed the operation department's view.

Actually, it is the view of marketing header that represents the refinement of the marketing demands from his company's angle. And the operational department is only responsible for the "do" part, and is not responsible for the "why to do" and "what need to do" part.

Therefore, it can be seen that meeting skills, highly position and highly commitment can only help to understand the existing situation as much as possible, but cannot substitute the core business analytical abilities, the judgement about the priority and decision-making ability. The project sponsor should have these capabilities, otherwise, when the

issues cascaded to the project sponsor from the project team, he will not be able to give clear instructions; or he will not be able to ask the right roles for opinions in order to judge correctly and response timely; or he will not be able to report to CEO accurately about the situation and many other things which could impede the project to success.

To be more specifically, communication skills can help one learn what has happened and what are happening, figure out others' thoughts and can make others willing to cooperate. The high position can help one get more comprehensive information and has the power to order people to do things. The high commitment means high passion, high willingness to get things done and do things well. The combination of these, however, are not enough to make one to do right judgement and determination.

In the business context, the project sponsor needs help the project success on the parent organization side. And it is known that the project has some uncertainty and risks to the parent organization by its nature[24][25]. When these uncertainty needs to be solved, or these risks needs to be dealt with, it is the sponsor's responsibility to give clear instructions to the project team. Due to the uniqueness of the project, the sponsor inevitably needs to response to some problems without references.

So faced those uncertainties and risks, the sponsor

should possess the ability to analyze, summarize, judge, prioritize and determine business things based on the information gathered by communication skills, high position to give clear instructions to project team or to report to CEO accurately.

IV. CONCLUSION

The project's aim is to help the organization achieve business objectives. Since there are some business things of the organization beyond the working scope and authority of the project team, the project sponsor from top management of the organization is a necessity for the project to accomplish its aim.

The communication skills, high position, high commitment and some lists for what to do, what to ask and what to look for can only help sponsor to coordinate people and resources. When faced with the business problem brought by the project's uncertainty and risks, the project team needs the clear instructions from the project sponsor.

Due to the uniqueness of the project, the sponsor inevitably needs to response to some of these problems without references.

The sponsor needs to judge and make decisions about business parts of the project based on information gathered by communication and high

position. This requires some core abilities: analysis, summarization, judgements, identification about priorities and determinations which cannot be simply substituted by communication skills, high position, high commitment or just following guideline-lists.

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