This chapter is taken from *Business Driven Information Technology: Answers to 100 Critical Questions for Every Manager* by David Laube (ed.) and Ray Zammuto (ed.). It was sponsored by The College of Business at the University of Colorado, Denver. Published September 2003 by Stanford Press.

Each chapter in the book is a response to a question. This chapter answers the question, "***Why is it important to explicitly state the intended business result of an IT project? How should this be done****?*" Please note – what is expressed in this chapter is true not only of IT projects, but also of strategic initiatives.

## Question 93: What role does a project's sponsor need to play in the technology implementation process?

William W. Casey

There is no term more confusing than "project sponsor." At times it is used interchangeably with "project owner," "project executive," "senior user," and "primary stakeholder." The accountabilities attributed to this role are often contradictory, such as "holding the purse strings", "appointing the project manager" and "securing resources".[1] These accountabilities are usually held by different individuals. For example, it would be hard to imagine a VP of Marketing who is purchasing a CRM implementation also to be the person appointing the IT project team; that role lies outside his or her realm of expertise and authority.

There are two key, sponsor-like roles, each of which is important enough to deserve its own name. First, the *executive client* is the executive on the business side who is trying to achieve a business solution through a project. This role is even more complex when multiple business units are involved (**Q95**). Second, the *executive provider* is the *client's* IT counterpart accountable for ensuring that the IT portion of the project is delivered as agreed. Unless the IT department is building something for itself, the *provider* and the *client* are not the same person. These people are generally peers in the organizational hierarchy.

A third role—the person who funds the project—may belong to the *client*, the *provider*, or a third person, depending on the organization's project funding model. The third role will not be considered here.

**The Point of Each Role**

The point of the c*lient's* role is to achieve a business benefit, not a technological one. So, for example, the VP of Marketing isn't attempting to "install a new billing platform." She is trying to increase the speed and flexibility with which new products and pricing plans can be adopted.

The point of the *provider's* role is delivering the agreed upon system capability, on time and on budget.

**Who Is Accountable to Whom?**

The relationship between the *client* and the *provider* is one of customer and supplier, not boss and subordinate. While neither executive is accountable to the other, each executive *is* accountable to his own manager for the quality of the customer-supplier relationship and the fruits of it.

The distinction between an accountability relationship and one of customer-supplier is an important one. If the *provider* were accountable to the *client*, then the *client* could dictate technological solutions that might well solve the immediate problem, but would sub-optimize the entire organization's information system. For example, the *client* might demand equipment or a data structure that is incompatible with the rest of the company. As a supplier rather than a subordinate to the *client*, the *provider* must instead work within the constraints laid out by senior management to optimize technological solutions for the entire company, not just for a specific business unit.

The *provider* will assign an IT project manager to the project. That project manager will be accountable to the *provider*, either directly or through middle management. (On larger endeavors, the *provider* may assign a *program* manager, to whom several IT project managers will be accountable for components of the program.)

The *client* will (or should) appoint her own project or program manager in a relationship that will parallel the one in IT. Lower down the ladder, the IT project manager will act as supplier or vendor to that client project manager, paralleling the one between the *provider* and the *client*.

**What are Their Accountabilities?**

Because each executive's success is linked to project success, each of them will naturally work to remove roadblocks and ensure that their respective project managers and project teams do their jobs. In some cases, the work performed in these two roles is similar. In other cases it is strikingly dissimilar.

<u>Setting Context and Ground Rules</u>

There are actually two projects to launch, the total business project, and the IT project, which is a portion of the business project. The executives set context and ground rules for their respective projects during the launch of the project and then throughout the project.

The communication vehicle for the project's context and ground rules is the project kick off meeting. There are other vehicles, such as Video conferencing, Web conferencing, e-mail or a plain old conference call, but none are as effective as a face-to-face meeting. Each executive's message to the project team and the community of stakeholders needs to include:

- *The importance of the project*—Employees on projects, like employees everywhere, need to know how their effort will contribute to something important. This is especially true on project work. The project's kickoff meeting is the perfect place for each executive to display this essential skill of leadership. It is also something each executive must do throughout each project. In the *provider's* launch meeting, he will explain the importance of the business project, and will emphasize the importance of IT's contribution to success.

- *The project's measure of performance* (MOP) (**Q92**)—In the *client*'s kickoff meeting, the *client* will explain the project's MOP. In the *provider's* kickoff meeting, the *provider* will explain the MOP for the business project, and the MOP for the IT portion.
- *The project's accountability structure*—A frequent cause of project difficulties is that the players do not know who is accountable to whom for what. The kickoff meeting and a subsequent memo should completely prevent this confusion. Clarity is essential. This is no time to say that "Larry will be working with Mary," when what is meant is that Larry will be working *for* Mary. Such gentle obfuscation will ultimately cause far more pain than it prevents.
- *The project manager's authority*—Again, this is no time for fuzzy talk. It's important to spell out precisely who has what authorities (**Q96**). This announcement must come from the executive. Unskilled executives have been observed telling project managers to announce their own authorities, which is a sure way to turn the usual headaches of project management into real migraines.

<u>*Client's* Job: Project Implementation</u>

The *provider's* job is "delivery" (i.e., providing the promised functionality within schedule and budget constraints), but the *client's* job is to *implement* what the *provider* has delivered. Because IT's portion of the expense is so large, *clients* can sometimes minimize the importance of their own role in the implementation of what IT provides. However, savvy *clients* will ensure that each of these implementation chores is done, and done well:

- Design new business processes required by the project.
- Participate in requirements sessions with knowledgeable staff.
- Provide timely training on the new system.
- Schedule conversion to the new system.
- Ensure participation in system testing.
- Manage the human side of the change to minimize resistance. This will include high-level stakeholder management, which may require the use of a steering board (**Q95**).

<u>Provider's Job: Make the *Client* Successful</u>

It would be great for *providers* if they could just worry about all the gnarly problems of delivery and leave *clients* to sink or swim on their own. Unfortunately, due to the well-known whipping boy status of most IT departments (**Q57**), *providers* must do their own jobs and more. Their best defense, as it turns out, is to help the *client* succeed. A few approaches to doing that include:

- Working with the *client* to develop a well articulated MOP.
- Helping the *client* make strategic trade-off decisions. When funds are cut, for

instance, schedules must be lengthened, MOPs curtailed, or higher risk endured. Many *clients* will try to take a head-in-the-sand approach to these decisions. The *provider* will need to help the *client* deal with reality proactively.

- The *provider* can strongly recommend a contingency fund (**Q99**) for the project that can be drawn from as the *client* changes or increases project requirements, or as unforeseen technical problems must be solved. The fund operates as a bank from which withdrawals can be made only with executive approval.
- The *provider* can help clarify roles, such as the client PM and the IT PM, and help build successful relationships among those roles.

**Conclusion**

The Executive's role in project success or failure is overwhelmingly important, and frequently overlooked. As *executive clients* and *executive providers* increasingly understand the accountabilities, authorities, and limits of their roles, the likelihood of project success will rise, measure for measure.

**Resources**

*Web Based Resources*

CIO.com: Leadership and Management Research Center. <http://www.cio.com/research/leadership>.

*Articles*

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*Books*

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Verzuh, E. The Fast Forward MBA in Project Management: Quick Tips, Speedy Solutions, Cutting-edge Ideas. New York: Wiley, 1999, Chapter 3.

Love, N., and J. Brant-Love. Project Sponsor Guide. Newtown Square: Project Management Institute, 2000.

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[1] John G. Freeland, “The Evolution of CRM: Revitalizing Sales, Service and Marketing,” Defying the Limits Volume 2 (San Francisco: Montgomery Research, 2001).