In this issue:

A Comparison of Project Sponsor Behavior's in Project Initiation: the Information Systems Perspective vs All Other

Debbie B. Tesch
Xavier University
Cincinnati, OH 45207 USA

Timothy J. Kloppenborg
Xavier University
Cincinnati, OH 45207 USA

Elizabeth Dietz
Xavier University
Cincinnati, OH 45207 USA

Abstract: Regardless of the number of interested parties or stakeholders on a project, the project sponsor is the executive with the fiscal authority, political clout, and personal commitment to see a project through. Efforts exist that identify and validate a set of executive sponsor behaviors necessary for successful projects. Based on a recent study of sponsor behaviors in the initiating stage of a project, we propose to examine previously identified sponsor behavior factor responses by field and predict there will be no difference between the responses of respondents who work primarily in the IT field and responses of respondents in all other fields.

Keywords: project sponsor, project initiation, project management

A Comparison of Project Sponsor Behaviors in Project Initiation: the Information Systems Perspective vs All Others

Debbie Tesch
tesch@xavier.edu

Timothy J. Kloppenborg
kloppenborgt@xavier.edu

Elizabeth Dietz
dietzed@xavier.edu
Management Information Systems Department
Xavier University
Cincinnati, OH, 45207, USA

ABSTRACT

Regardless of the number of interested parties or stakeholders on a project, the project sponsor is the executive with the fiscal authority, political clout, and personal commitment to see a project through. Efforts exist that identify and validate a set of executive sponsor behaviors necessary for successful projects. Based on a recent study of sponsor behaviors in the initiating stage of a project, we propose to examine previously identified sponsor behavior factor responses by field and predict there will be no difference between the responses of respondents who work primarily in the IT field and responses of respondents in all other fields.

Keywords: project sponsor, project initiation, project management

1. INTRODUCTION

As today's organizations continue a new or renewed focus on project management, the role of different project participants is under continued scrutiny. A most recent emphasis is on the individual that typically provides the direction and funding for the project, the project sponsor. This senior executive – the one who "owns" a project and is considered responsible for ensuring its success – is typically the one who proposes a project and whose business unit will reap the benefits of a successfully completed project. The effectiveness of this executive sponsor is frequently a predictor of project success. Involved and committed executive sponsors must have enough clout to make the changes that are deemed necessary to successfully complete a project (Perkins, 2005).

Many of these changes must occur during the initial stage of a project life cycle, often referred to as the initiating or concept stage. At this time resource needs are typically lowest and uncertainty levels are at their highest. At this stage the project sponsor has the greatest opportunity for influencing final characteristics of a project (Schwalbe, 2005). We focus exclusively on the initiating stage based on, one, the belief that sponsors have a more direct role in the initiating phase of a project (versus later stages), and, two, the importance of getting a project off to a good start. Yet very little research exists specifying exactly what tasks or behaviors constitute the role of an effective

executive sponsor during project initiation and ultimately a successful project.

Computer hardware, software, networks as well as the use of interdisciplinary and global work teams have radically changed the working environment. Thus, the success of information technology projects depends on an organizations' commitment to information technology in general (Schwalbe, 2005). In a recent survey of IT executives, IT execs deem project management skills, including project leadership, as critical to maintain in house (McGee, 2006). And success rates of IT projects have improved over the last decade since the Standish Group's original "Chaos Report" survey appeared. In its most recent 2004 report, only 18 percent of projects failed (down from 31%) and 29% percent succeeded (up from 16%). Challenged projects (late, over budget, not performing as expected) remain stable at 53%. These "challenged" projects are not necessarily failures if the results are worth the extra time or expense (Alter, 2006).

Barrie (2004) suggests that this significant improvement is the result of people having better project management skills. At the executive level, does the behavior of the information technology project sponsor differ from that of project sponsors in other disciplines?

In this research, we propose to compare previously identified and empirically validated sponsor behaviors of respondents in the information systems field to responses of respondents in all other identified fields. The paper is organized in the following manner: the first section outlines the current status of research on the role of the executive sponsor in projects. Next, the research methodology is presented, followed by the results of empirical analyses. The paper ends with a discussion of the results and recommendations for project sponsors.

2. BACKGROUND

The project sponsor in a project is identified as "the person or group that provides the financial resources, in cash or in kind, for the project" (Project Management Institute [PMI], 2004, p. 26). Additionally, the project sponsor is considered the primary risk taker for whom the project is undertaken (Association for Project Management, 2005). Love

and Brant-Love (2000) identify roles (and associated activities) of the sponsor to include mentor, catalyst, cheerleader, barrier buster, boundary manager, and senior management liaison. Thus, the project sponsor plays an important role in the success of the project.

In a combined analysis of the roles and responsibilities of the project sponsor in relation to the organizational structure and behavior and practices of key identified agents, Helm and Remington (2005) identified a list of frequently cited project sponsor characteristics. These characteristics were obtained through interviews with project managers, project directors, and senior managers. The key to these interviews was the gathering of data beforehand on the interviewees and the concept of "self analysis" used in the interviews. Ultimately the nine key factors considered to be essential in determining the role of the project sponsor included:

- appropriate seniority and power within the organization,
- political knowledge of the organization and political savvy,
- ability and willingness to make connections between project and organization,
- courage and willingness to battle with others in the organization on behalf of the project,
- ability to motivate the team to deliver the vision and provide ad hoc support to the project team,
- excellent communication skills,
- personally compatible with other key players,
- ability to provide objectivity and challenge to the project, and
- willingness to provide objectivity and challenge to the project.

In a recent study, Kloppenborg et al (2006) using an initial list of 72 identified sponsor behaviors and 13 dimensions of project success conducted separate principle components analyses (with varimax rotation). Based on these analyses and a priori reasoning, eight behavior factors and three outcome composite factors were created. The items constituting each factor are depicted in Table 1. The factors include:

Sponsor Behaviors Factors

1. <u>Commitment</u> – eleven items asking respondents about the importance of establishing communications and commitment;

2. <u>Teams</u> – ten items asking respondents about the importance of selecting and establishing project teams;

3. <u>Alignment</u> – eight items asking respondents about the importance of defining and aligning project commitment;

4. <u>Prioritize</u> – five items asking respondents about the importance of prioritizing tasks;

5. <u>Change</u> – five items asking respondents about the importance of establishing change control (i.e., having procedures in place for handling change);

6. <u>Performance</u> – four items asking respondents about the importance of a sponsor defining performance/success standards on behalf of a project manager;

7. <u>Project manager</u> – three items asking respondents about the importance of a project sponsor both selecting and mentoring project managers; and

8. <u>Risk</u> – three items asking respondents about the importance of risk planning (i.e., predicting and assessing risk).

Outcome Factors

9. <u>Agreements</u> –four items asking respondents about the importance of meeting agreements (budgets, scheduling expectations, etc.);

10. <u>Customer</u> –three items asking respondents about the importance of pleasing the customer (customer satisfaction); and,

11. <u>Future</u> – six items asking respondents about the importance of creating future benefits (commercial success, increased market share, new products and technologies, etc.).

Correlation analysis was employed to test the association between the sponsor behavior and project outcome variables. The results revealed several significant associations between six of the sponsor behaviors and the three outcome factors. Results of this study indicate that there are six sponsor behavior factors that, if performed during project initiation, are associated with three project success outcomes. The other two sponsor behaviors (Risk and Change) were not significantly correlated with project success factors and will not be discussed any further in this paper. Defining project performance and success are associated with all of the outcome measures. Establishing communications and commitment, selecting and mentoring the project manager, defining and aligning the project, prioritizing the project, and selecting and establishing the project team are each significantly associated with at least one project outcome factor.

IT Projects

Perhaps IT projects merit special attention. The significant technology component associated with IT projects requires considerable expertise. Yet, IT project failure rates are significant. A recent study found that 63% of IT projects missed one or more targets. Additionally, 60% of those were late, 47% missed budget constraints, 27% did not fully meet the project goals, and 4% failed altogether (Kavanagh, 2006).

These IT project experience measures may indicate that risks in IT projects are not effectively managed. As a result, the failure to identify and manage risks during a project's life cycle often results in failed projects. Since very few IT risks are associated with technical issues, most of the strategies for managing risk involve the application of project management (Baccarini, Salm, and Love, 2006). As senior executives, perhaps the project sponsor, regardless of field, is trained in the application of project management activities.

Based on the previous discussion, we propose to examine previously identified sponsor behavior factor responses by field and predict there will be no difference between the responses of respondents who work primarily in the IT field and responses of respondents in all other fields.

3. METHODOLOGY

The Sample

Table 2 displays a summary of the demographics of IS versus other respondents. The sample consists of 326 usable responses out of a total of 365 responses. Members of the

Information Systems Special Interest Group (ISSIG) of the Project Management Institute (PMI) represent the largest number of respondents (66.5%). Practitioners from a number of additional forums constitute the remainder of the respondents. These forums include members of the Construction Industry Institute, Certified Financial Analysts, advisory boards for various departments and centers at our College of Business, members of the Center for Quality of Management (a non-profit organization composed of non-competing companies where members learn better management techniques by studying together), and personal email invitations from professional colleagues who received the original email. A few facts to note regarding the respondents are:

- 37% of the respondents were female,

- 62% were male,

- 51% were project managers,

- 30% were either second level supervisors or executives,

- 94% have more than 10 years of experience in project management,

- 51% indicate that average project duration in their organization was between 6 months and a year, and

- 53% are Project Management Professional (PMP) certified.

Procedure and Measures

Respondents were administered an online survey previously examined in Kloppenborg et al (2006) and asked to consider what behaviors a project sponsor might engage in during the project initiation stage in order to increase the success of a project. Project initiation was defined as beginning with the idea for a potential project and ending with a commitment, often in the form of a charter that is signed by both the sponsor and the project team.

The sponsor was described to respondents as a senior executive who has an interest in the results of a project, who may also have monetary control over the project, often has organizational clout, but does not have significant time to personally manage the project.

Respondents were asked to rate a series of 72 sponsor behavior statements using a Likert-type response scale where 1 = strongly disagree and 7 = strongly agree. For each behavior, respondents were asked to consider how important the behavior is with respect to facilitating a successful project.

Questionnaire Data

Sponsor behavior factors described in Kloppenborg et al (2006) were examined. In order to test the internal-consistency reliability of these factors, Cronbach's coefficient alphas were computed by field (see Table 1). The reliabilities for IS field responses ranged from .64 to .92 with a mean of .83. The reliabilities for respondents in all other fields ranged from .69 to .94 with a mean of .87. Each of the behavior factors were significantly and positively correlated (p's < .05) as depicted in Tables 3 and 4.

4. RESULTS

To compare the sample means to see if the corresponding (IS field versus all other) means are different an independent-samples t-test was performed. Results of the analysis are presented in table 5. As predicted, there is no difference between the responses of respondents who work primarily in the IT field and responses of respondents in all other fields.

5. DISCUSSION

Eight sponsor behaviors identified in Kloppenborg et al (2006) have been further examined. From a new survey of 326 respondents, these previously identified behaviors have been created and compared by field (IS versus all other) for differences in sponsor behavior that may exist in the IS field compared to respondents whose primary employ is in other fields (accounting, education/research, engineering, finance, general management, human resources, marketing, operations, project management, etc.).

Sponsor behaviors are all significantly and positively correlated. None of the independent samples t values are significant.

Sponsor behaviors appear to be consistent regardless of field. In studies identifying risk in IT projects (Baccarini, et al (2004); Keil, et al, (2002)), top ranked risks include personnel shortfalls, unrealistic schedule and budget, and changing scope and objectives.

Thus, pressures in IT projects may be similar to pressures in other projects; therefore, sponsor behaviors may be similar. As high-level executives, sponsors may support a range of different types of projects reporting to them, and so they use similar behaviors.

Two areas, albeit statistically insignificant, may suggest much anticipated progress in the IS field (at least as pertains to the project sponsor): teams ($p = .11$) and project manager ($p = .10$). Sound project management practices significantly improve the success rates of IT implementations (NASCIO Survey: Project Management Increases IT Implementation Success ,2006). Project sponsors on IS projects recognize the importance of monitoring the project manager's performance, helping the project manager develop people skills, and helping the project manager understand the "big picture". And IS project sponsors, like sponsors in other fields, must be concerned with project teams, staffing teams with appropriately skilled professionals, ensuring proper tools and training, providing written documentation of requirements, etc. (see table 1).

One limitation to consider in this study is the factor generation process. Based on factors empirically validated in a previous study, factors from this newly administered survey were generated using the variables that contributed to factor generation in the previous dataset. A future study should confirm that these same factors could be duplicated with new data.

6. CONCLUSIONS

The role of the project sponsor in the initiating stage of the project life cycle has been examined. Sponsor behaviors required of sponsors on IS projects do not appear to differ from those of sponsors of projects in all other fields. Future research should examine the role of the sponsor in the planning and executing stages of the project life cycle as well as the role of other stakeholders in each life cycle stage.

7. REFERENCES

Alter, A. (2006, June). The Myth of Frequent Failure. *CIO Insight*, 69, 24.

Association for Project Management. (2005). Glossary of terms. Retrieved October 29, 2005, from http://www.apm.org.uk/page.asp?categoryID=4&subCategoryID=29&pageID=0.

Baccarini, D., Salm, Geoff, and Love, P.E.D. (2004). Management of risks in information technology projects. *Industrial Management & Data Systems*, 104(4), 286-295.

Barrie, C. (May 2004). The right path to project success. *IT Training*, 4-6.

Helm, J., & Remington, K. (2005). Effective project sponsorship: An evaluation of the role of the executive sponsor in complex infrastructure projects by senior project managers. *Project Management Journal*, *36*(3), 51-61.

Kavanagh, J. (February 2006). Blending the past, present and future. *Travel Weekly: The Choice of Travel Professionals*, 1808, 29-30.

Keil, M., Tiwana, A., Bush, A. (2002, April). Reconciling user and project manager perceptions of IT project risk: a Delphi study. *Information Systems Journal*, 12(2), 103-119.

Kloppenborg, T.J., Tesch, D., Manolis, C., and Heitkamp, M. An Empirical Investigation of the Sponsor's Role in Project Initiation. *Proceedings of the PMI Research Conference 2006*, July 2006.

Love, N., & Brant-Love, J. (2000). *The Project Sponsor Guide.* Project Management Institute: Newtown Square, PA.

McGee, M.K. (2006, January). Skills that will matter. *Information Week*, January 2, 2006, 53.

NASCIO Survey: Project Management Increases IT Implementation Success. (2006, February) *Government Finance Review*, 22(1), 6.

Perkins, B. (2005, September). The elusive executive sponsor. *Computerworld, 39*(32), 46.

Project Management Institute. (2004). *A guide to the project management body of knowledge* (*PMBOK® guide*) (3rd ed.)*. Newtown Square, PA: Author.

Schwalbe, K. (2005). IT Project Management. Fourth Edition. Thomson, Cambridge, MA.

Table 1
Composite Behavior Variables

SPONSOR BEHAVIORS	Items Constituting Factor	Cronbach's Coefficient Alpha	
		IS	Other
Establishing communica-tions and commitment (**Commitment**)	Communicating support for a project is important. Demonstrating the proper level of commitment to a project is important. Understanding the expectations of management is important. Making sure a project has the support of management is important. Ensuring that executives are committed to a project is important. Personally demonstrating appropriate levels of partici-pation in a project is important. Ensuring that identified stakeholders support the pro-ject is important. Ensuring that plans are communicated with stake-holders is important. Ensuring that communication procedures with man-agement are established is important. Demonstrating a high enough level of commitment to a project is important.	**0.90**	**0.93**
Defining and aligning the project (**Alignment**)	Aligning the objectives/goals of a project with the ob-jectives/goals of a firm is important. Ensuring that expected project benefits to the business are defined is important. Aligning project scope and funding is important. Ensuring that project goals and objectives are clearly defined is important. Validating project priority in terms of business value is important. Ensuring that a project's goals and success factors are clearly defined is important. Personally communicating the strategic value of a pro-ject is important. Ensuring that the scope of a project is clearly defined is important.	**0.90**	**0.93**
Defining performance/ success (**Performance**)	Ensuring that metrics to measure a projects' success are established is important. Ensuring that the strategic value of a project is com-municated is important. Empowering project managers so that they can do their job effectively is important. Defining a project manager's performance expectations is important.	**0.76**	**0.83**

Selecting and mentoring the project manager *(Project manager)*	Helping the project manager develop people skills is important. Monitoring a project manager's performance is important. Helping the project manager understand the "big picture" is important.	**0.64**	**0.69**
Prioritizing (***Prioritize***)	Ensuring that a "project feasibility study" is conducted that includes expected benefits to the business is important. It is important that general project goals and objectives are agreed upon prior to more detailed planning. Ensuring that a steering committee prioritizes projects is important. Ensuring that all stakeholders of a project are identified is important. Emphasizing the benefits of the project to the steering team is important.	**0.77**	**0.82**
Selecting and establishing the project team *(Teams)*	Staffing a project with people who have appropriate skills is important When selecting team members and subject matter experts for a project, understanding the required skills necessary to insure project success is important. Selecting people with proper knowledge is important. Ensuring that a team has proper training and tools is important. Ensuring that all parties involved know and understand their personal responsibilities is important. Selecting people with appropriate people skills is important. Ensuring that project managers quickly resolve issues that could hinder the performance of a project is important. Ensuring that regular meetings to review the status of a project are held is important. Ensuring that team operating procedures are included in a charter is important. Ensuring written documentation of required involvement by all parties is important.	**0.92**	**0.94**
Risk Planning *(Risk)*	Ensuring that risks are identified is important. Ensuring a risk assessment plan is developed is important. Ensuring that project risks are analyzed is important.	**0.88**	**0.89**
Establishing change control (***Change***)	Ensuring that a formal change process is in place is important. Ensuring that project goals and objectives are approved is important. Ensuring that a "change control board" is established is important Ensuring that any and all changes are noted and understood is important. Ensuring all parties agree on project scope is important.	**0.85**	**0.89**

Table 2
Demographic Comparisons of IS versus Other

N		IS	Other
Sex	**Males**	100	101
	Females	64	57
	No response	3	1
Level	**Front line**	0	2
	Consultant/Education	10	13
	First level Supervisor	8	8
	Project Manager	98	69
	Second level Supervisor	12	16
	Executive	27	42
	Other	12	11
	No response	0	0
Industry	**Consulting**	26	24
	Construction	2	6
	Education	5	10
	Engineering	2	7
	Government	20	10
	Health Care	15	13
	Insurance	13	8
	Manufacturing	21	18
	Retail	2	2
	Service	15	26
	Utilities	9	4
	Other	35	36
	No response	2	0
Experience	**1 – 5 years**	1	4
	6 - 10 years	10	6
	11 - 15 years	19	16
	16 - 20 years	39	30
	21 - 25 years	37	30
	26 - 30 years	32	33
	> 30 years	28	43
	No response	1	0
Duration	**< 6 months**	18	25
	6 mo to 1 yr	101	65
	1 – 2 years	24	44
	2 – 3 years	6	16
	3 or more yrs	7	8
	No response	1	2

Table 2 continued
Demographic Comparisons of IS versus Other

N		IS	Other
Cert	**Certified**	101	71
	Pursuing certification	30	19
	Not certified	36	69
	No response	1	1
Region	**Eastern Europe**	0	2
	Western Europe	8	5
	North America – Canada	17	13
	North America - US	129	130
	South America	3	3
	Asia – China	2	0
	Asia – India	3	2
	Asia-Japan	0	0
	Asia – other	1	1
	Africa	1	1
	Australia / New Zealand	3	5
	No response	0	1

Table 3
Factor Correlations – IS Field Responses

Factor	1	2	3	4	5	6	7	8
1. Commitment	6.02	.87	.53	.58	.64	.84	.74	.55
2. Align		6.07	.47	.62	.61	.83	.77	.56
3. Teams			5.11	.70	.82	.53	.63	.69
4. Risk				5.31	.77	.65	.66	.67
5. Change					5.38	.69	.70	.69
6. Performance						5.67	.76	.65
7. Prioritize							5.58	.64
8. Project Manager								5.12

Note. Factor means are on the diagonal. (Responses ranged from 1 to 7). All corre-
lations are significant at *p* < .05.

Table 4
Factor Correlations – Other Field Responses

Factor	1	2	3	4	5	6	7	8
1. Commitment	6.03	.90	.68	.64	.73	.87	.79	.76
2. Align		5.99	.65	.64	.72	.88	.85	.72
3. Teams			5.33	.83	.82	.70	.68	.83
4. Risk				5.31	.82	.65	.68	.73
5. Change					5.41	.73	.78	.72
6. Performance						5.77	.79	.78
7. Prioritize							5.62	.70
8. Project Manager								5.32