



**Ray Wall – Ed Koza – Andre Herbst**

**Executive Sponsorship & Stakeholder Engagement**

# Helping you get better returns from your projects



## Delivery

- Managed PMO services
- Accountable Execution
- Solution Implementation
- Governance & Support

Reduce the cost & risk of change



## Advisory

- PMO & Method Improvement
- Portfolio Management
- Health Checks & Assessments
- EPM Systems

Improve delivery speed & business outcomes



## Capability

- Public and In-house Courses
- Project, Programme and Portfolio Management
- Business Analysis

Build talent & drive results

Established 17 years, 100 people, manage over \$1B of client projects, train/certify +4000 PMs p/a



# How important is Stakeholder Engagement and Governance in terms of **PROJECT SUCCESS?**

The latest **CHAOS REPORT** from the Standish Group suggests:

*The **NUMBER ONE** reason for project failure is **POOR EXECUTIVE ENGAGEMENT***

*and an unhealthy project environment which is the responsibility of the **EXECUTIVE TEAM***

Source: Standish Group CHAOS Manifesto 2012

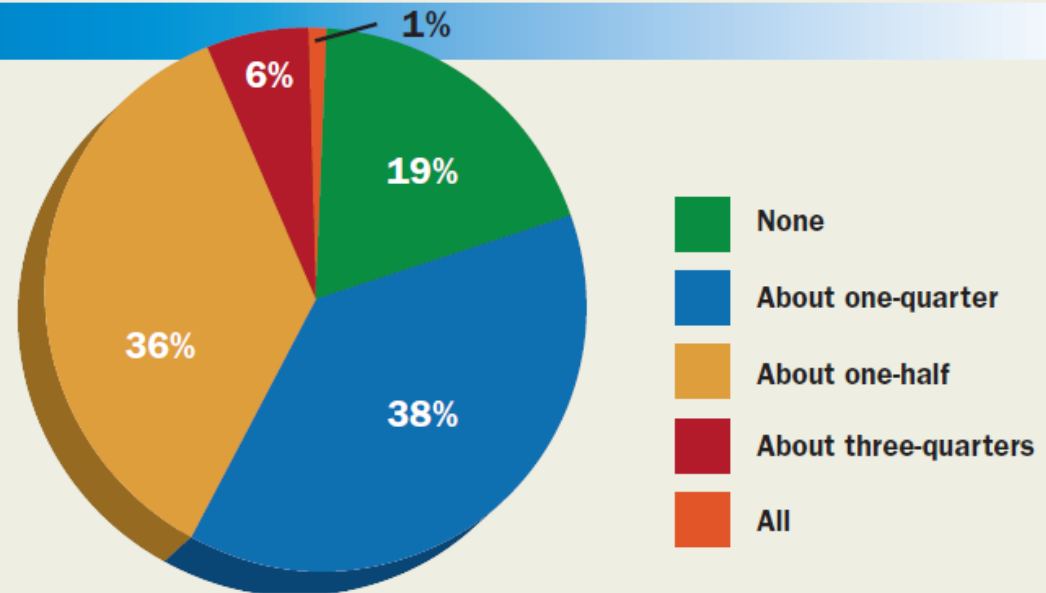


# Good EXECUTIVE SPONSORS...

- » The Standish Group asked a series of Executives about **Executive Sponsorship** and the results are very interesting:

## GOOD EXECUTIVE SPONSORS

IT executives were asked what percentage of their projects' executive sponsors know how to be good executive sponsors. Their answers indicate that only 33% of executive sponsors are considered good; therefore, 67% are not good executive sponsors.



Source: Standish Group CHAOS Manifesto 2012



# So what leads to **Project Success**?...

**# 1**

Executive Management Support

**# 2**

User Involvement

**# 3**

Clear Business Objectives

**# 4**

Emotional Maturity

**# 5**

Optimisation

**# 6**

Agile Process

**# 7**

Project Management Expertise

**# 8**

Skilled Resources

**# 9**

Execution

**# 10**

Tools and Infrastructure

Source: Standish Group CHAOS Manifesto 2012



# Project Success Rates are only marginally improving. But need radical improvement...

## RESOLUTION

Project resolution results from CHAOS research for years 2002 to 2010.

	2002	2004	2006	2008	2010
Successful	34%	29%	35%	32%	37%
Challenged	51%	53%	46%	44%	42%
Failed	15%	18%	19%	24%	21%

- » Take into account the economic environment
- » Fewer project funds available but higher benefits required
- » Need for greater innovation but lower budgets

## *So what do we see happening?*



Source: Standish Group CHAOS Manifesto 2012



# PM-Partners group Insight...

Organisations will invest more in  
Portfolio and Program Management

PM-Partners group recent [PMO Survey Research Report](#)  
suggests that:

Only **53%** of PMO's offer Benefits Realisation services

Only **34%** are performing resource supply / demand

Source: PM-Partners group PMO Survey 2012



# PM-Partners group Insight...

Yet,

the Executives we spoke to **all** wanted Portfolio Management activities in place...

Source: PM-Partners group PMO Survey 2012





# PM-Partners group Insight...

## TOP 5 Challenges for PMOs over next 2 years

- #5 Resource management **20%**
- #4 Organisational alignment **21%**
- #3 Project / programme selection  
and prioritisation **24%**
- #2 Supply and demand planning **25%**
- #1 Benefits realisation **34%**

Source: PM-Partners group PMO Survey 2012



# GOVERNANCE in operation...

From PM-Partners group recent PMO Survey Research and experiences we see on a day to day basis:

- » **81%** of organisations apply Governance across their Project Management Practice
- » A lot of this activity however tends to be front loaded on initiation and business case approval type tasks
- » Less encouraging is that typically, Governance falls away after this period
- » Unfortunately this means only about **28%** of organisations continue to provide adequate Governance after initiation
  - » Business Case Reviews
  - » Benefits Tracking
  - » Stage Gate reviews
  - » Impact analysis on scope changes etc



Source: PM-Partners group PMO Survey 2012



# The role of the **SPONSOR**...

Sponsors **own** the business case end to end and are **ACCOUNTABLE** for achieving the business outcomes

The role, however, is often **misunderstood** and this almost always leads to poorer results

*So what are the characteristics of a good sponsor?*



# The role of the **SPONSOR**...

To set a clear and simple vision for the project

Ensures the real business need is addressed and the project is aligned with strategy

Ensures project makes good use of assets

Verifies the continued viability of the project and its progress

Owns the business case and monitors the project to ensure the outcome will be realised



Source: Validated by field experience and over 350 [PM health checks](#)



# The role of the **SPONSOR**...

Leads the Steering Committee and drives decisions to a conclusion

Governs and approves plan, schedule, budget, changes and final deliverables

Communicate to gain the support and commitment of the executive

Monitors effectiveness of Project Manager

Allocates time and energy to resolving cross functional issues that are out of the project managers control



Source: Validated by field experience and over 350 [PM health checks](#)



# Effectively Managing **STAKEHOLDERS**...

- » This aspect can make or break a project and is possibly the **most underestimated** aspect of project management
- » **On a positive note** however, any review I have completed that has had good or great results, also share the same patterns regarding stakeholder management:
  - › Communications are focussed where they need to focus
  - › Stakeholders introduce positive rather than negative consequences
  - › Ownership and user buy-in are high and lead to better overall results



Source: Validated by field experience and over 350 [PM health checks](#)



# What behaviours do we

## REGULARLY EXPERIENCE?...

- » An awful lot of projects have difficulties initiating:
  - › Generally because an appropriate vision and set of objectives is not adequately defined
- » The benefits of the initiative are not clearly articulated
- » An appropriate means of measuring benefits is not defined
- » Not enough time is spent on appointing the RIGHT team members
- » Roles and responsibilities are poorly defined
- » Communication and Collaboration is poor
- » Scope is generally defined poorly leading to frequent changes
- » There is not enough focus on items that can erode benefits



Source: Validated by field experience and over 350 [PM health checks](#)



# What behaviours do we

## REGULARLY EXPERIENCE?...

### Steering Committee's end up with sub-optimal membership

- » Members are not directly impacted or don't have the appropriate authority levels
- » Members delegate their attendance to lower level managers
- » Members don't have the capacity to attend
- » Committee's end up with 10 or more members
- » Members don't spend enough time understanding the project in detail and spending time with project team members
- » The sponsor and members make decisions by consensus (which often involves a lot of compromise and takes time)
- » Decisions are often based on poor input data with impacts not being clearly understood
- » Committee's don't demand the relevant information required
- » When things go wrong, committee's stop guiding and start managing



Source: Validated by field experience and over 350 [PM health checks](#)





So we should simply blame the **EXECUTIVE TEAM** for all our project woes, right?

**WRONG...**

And wrong for a number of key reasons

- » Firstly most Execs are employed to run a line of business, not run projects
- » In fact projects represent < 20% of their focus
- » They rarely receive 'appropriate' guidance or coaching on how to Govern programs and projects



The **PM-Partners group** have recognised these problems and designed an appropriate solution...

**But,**

simply designing a solution  
is the **easy** bit

Having the **appropriate** solution is difficult  
as you only get one shot!



# Introducing *Edmund Koza*

## Executive Thinking...

is  genius 

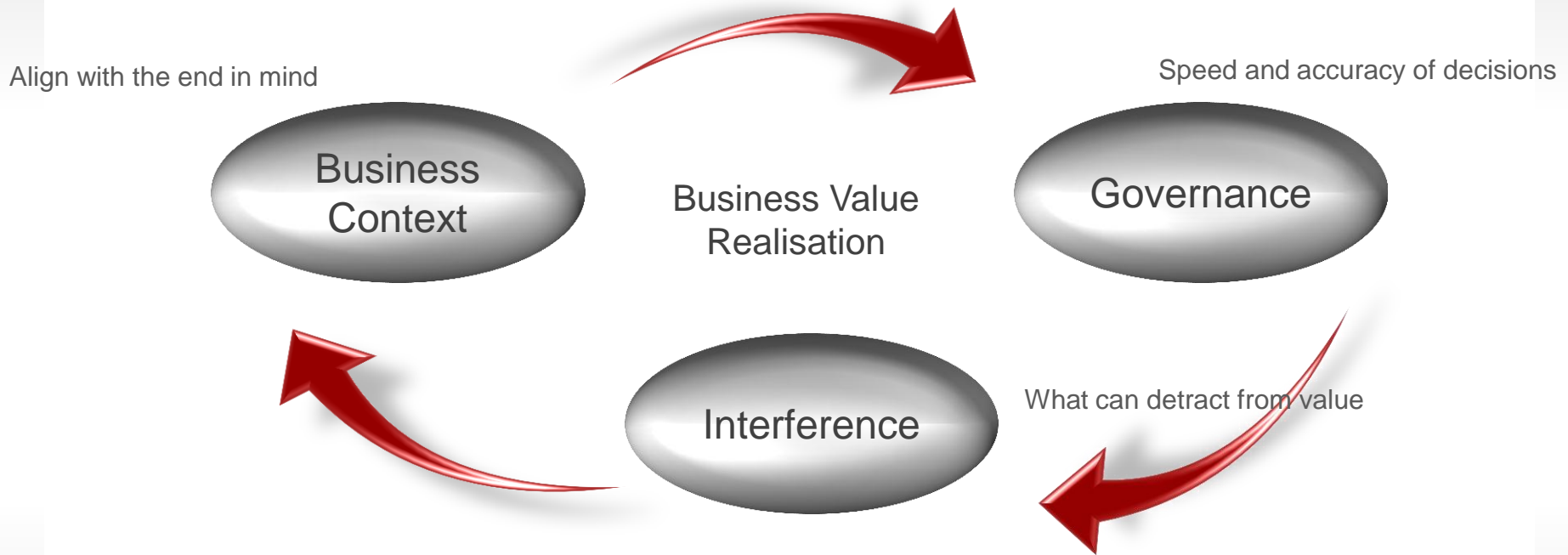
does  WIIFM 

**The** hardest part is convincing  
the **Executive** that they need the solution



# Leading Projects, Programs & Portfolios

Effective Executive Sponsorship & Stakeholder Engagement Services...



Executive Briefings, Coaching & Support Centred on:

- **3** elements of failure – (what to avoid)
- **5** principles of success - (objectives that executives can build into their busy day)
- **7** techniques – (that can be used by executives to obtain value from projects)

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Further Information:

[Contribute to our industry PMO Survey](#)

[Project Management Health Checks](#)

[Project Delivery Services](#)

[Agile Project Management](#)

[Management of Portfolios](#)

You Tube Video Clip:

<http://www.youtube.com/watch?v=HDu5Wo8Yh1k>



# THANK YOU

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