Chapter 10

The Maturity of the Project Owner: How Can It Be Developed?

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ABSTRACT

A key success factor in projects is the performance of the “project owner.” The “maturity” of a project owner is dependent on his knowledge, skills, and attitude—thus his “potential”—to perform this role in a project. The maturity of a project owner is based on a clear role perception, on competences in project management, and on the ability to build and maintain appropriate relationships with relevant stakeholders. The role of the project owner has to be understood and accepted by the project manager and the project team, and by representatives of relevant stakeholders, such as the client, suppliers, etc. Mature project-oriented organizations have procedures for project management, which may include descriptions of project management sub processes and methods and expectations towards the diverse roles in projects. Nevertheless, the author observes in practice that the potential of performing a project owner role professionally is not yet used consistently in organizations. In the chapter, different aspects of the maturity of project owners are discussed.

INTRODUCTION

A significant prerequisite for professional project performance is the adequate design of the project organization. This includes the definition of project roles and the relationships between these project roles, which can be illustrated in a project organization chart.

By the term “role” a number of expectations are understood which are expected for the fulfilment of the role. These expectations towards roles should be described in role descriptions, in order to provide everybody taking over a specific role with a common understanding of the expected tasks, responsibilities, etc. In addition to roles in a permanent organization, such as managing directors or department managers, we find in project-oriented organization additional permanent roles, such as project portfolio managers.
groups or project management offices but also temporary roles, such as project owners, project managers or project team members. In organizations often “job descriptions” for permanent jobs are available, but project-related role descriptions are not always present. Still, the temporary roles needed in a project, such as a project owner, a project manager or project team members, have to be clearly defined and the expectations towards these different roles understood and accepted.

Project management is not only performed by the project manager, but of every member of the project organization, thus also by the project owner. In this chapter the focus is on the role of the project owner, which might be performed by an individual or by a team. A key success factor in projects is the existence of a “good” project owner. According to PRINCE2 this is, when the project owner/sponsor displays authority, credibility, ability to delegate and availability (PRINCE2 2017: 73). Project owners have the ultimate responsibility for the project. They have to assign and guide a project in an adequate extent, and they select, lead and support the project managers (see Tipp-Fibel by pma). But what is a project owner? What main tasks have to be performed by a project owner? Who should be selected as project owner in a project? And … how do we experience the maturity of project owners in the project reality?

The objective of this chapter is to elaborate on the role understanding of project owners and to show some elements on how the maturity of project owners can be seen and developed. The underlying hypothesis is that the more this role is understood and perceived professionally in projects, the more the overall project performance and project orientation of organizations will be positively influenced and the overall maturity of project-oriented organizations will grow.

This chapter will first give some definitions of project owners, will than elaborate on the role understanding and expected competencies of project owners and will conclude in talking about the maturity of project owners and how the maturity might be developed.

BACKGROUND

“The project owner realizes the project-related company interests, co-ordinates project and company interests, provides context information and gives feedback to the project team on the project deliverables. The project owner leads the project manager and carries out marketing tasks for the project and communicates with relevant stakeholders” (Huemann 2015: 84). The project owner/sponsor is “usually a manager whose organization provides funding for the project. It is anticipated that this organization receives the most benefits from the project outcome. The sponsor is therefore the person most interested in the success of the project.” (Müller 2009: 19). According to PMI the project owner/sponsor is “a person or group who provides resources and support for the project, program, or portfolio and is accountable for enabling success” (PMI 2017: 723).

There exists different terms for the governing role in projects, such as project owner, project sponsor or project board. The project owner/sponsor is “an individual who may be called funder, sponsor, client, senior responsible owner” (GAPPS 2015: 3). In most cases, these terms are used synonymously. Müller (2009) elaborates that there occasionally are also “both” roles in place, a project sponsor who provides the budget, a project owner who is the main beneficiary. In this article, the author will use the term “project owner”, supporting the argument of Huemann (2015) that “it expresses that the project owner is not only providing financial resources in cash or kind to the project, but is responsible for strategic project decisions, and assigns and approves a project” (Huemann 2015: 83). The author will only refer to “project sponsor”, when used as such in quotations.