



ROLL UP YOUR SLEEVES! YOUR ROLE MATTERS!

DR. RHODA DAVIDSON AND DR. BETTINA BÜCHEL (IMD) ELUCIDATE HOW TO BECOME AN EFFECTIVE STRATEGIC SPONSOR AND AVOID THE SEVEN DEADLY SINS OF SPONSORSHIP

Should corporate executives be held responsible for their company's strategic initiatives? One would think so. Yet, only 31 per cent of individuals questioned recently felt that their management was effectively assuming this responsibility.

This is a frightening statistic, considering that strategic initiatives are the backbone to a company's strategic goals. What can executives do to improve the management of strategic initiatives? Typically all major strategic initiatives have a high-level sponsor who oversees the task of the team and is directly accountable to the executive board. We found that this role is critical and much more demanding than most executives imagine.

Since a strategic initiative is a cross-functional project outside an organisation's day-to-day operational activities, it is typically mandated top-down by the executive team and involves a high degree of coordination. An example might be a *Key Account Initiative* where the focus is on restructuring the company's sales processes by focusing on accounts vital to the company. Other examples we recently encountered include: improving a process that cuts across several functions, like supply chain optimisation at Nilfisk-Advance; coordinating across business units to serve specific market segments at Canon; and deliberately creating a new organisational capability like the innovation process at Philip Morris. Here, the executive team has to assign a project team which will implement the strategic initiative during a finite period of time. This team reports through the project leader to a high-level initiative sponsor who guides the team, provides resources, and raises visibility of the initiative within the organisation. Our research shows the way in which the sponsor interacts with the project team and the degree of alignment between the sponsor and team can mean the difference between project success and project failure. And yet, in our experience sponsors often think that providing the team with a project brief, waving them off, and then showing up at the end to celebrate and criticise is enough.

If you want to be a strategic initiative sponsor, how can you build an effective relationship with your team? Read on; being a sponsor is not a hands-off job.

1. Provide Direction

At the start and throughout the initiative you are there to remind teams of the link between strategy and initiative, and to provide the big picture context. You need to brief the team on the following:

- How does the initiative contribute to the strategy? What problem does it resolve? What would be the consequences of not resolving this issue?
- What do you expect the initiative team to deliver? What would success look like?
- Are there any pre-defined targets? Why have these been chosen? How have the targets been set? How will the targets be measured?
- What do you see as the approximate scope of the initiative? What should it definitely cover and what not?
- What do you see as the main challenges and execution risks? What will the team have to watch out for?
- How does this initiative overlap with other related ongoing initiatives?

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Once the team has analysed the first brief, you confirm the scope of the initiative with the team and the team's targets to set the initiative's pilot chart. It is the only way to know whether the team is on course anytime during execution. Capture this information in a written initiative brief before start-up. This will help you crystallise and capture ideas succinctly. Your team will use the brief to gain a common understanding of expectations. Also take the time to discuss this brief with the team as it demonstrates the importance you place on the initiative and allows you to build the team's commitment. A team leader we interviewed said: "Our sponsor understands the business very well. He knows the market and customers, and is clear on what can and can't be done. He provided us with a clear vision of what he wanted the initiative to accomplish in this market. This saved us a lot of time." When interviewing team leaders we consistently heard that sponsors were good at providing direction.

2. Ensure Resources

All strategic initiative teams need people and money. Usually team leaders can beg, borrow or steal the resources they need by themselves. But, from time to time, they may need you to intervene, especially to ensure the resources are available when needed. One team leader reported: "We needed to make several small acquisitions to make the initiative work. Our sponsor fast-tracked the request personally with the CEO. Normally it would take forever to get corporate approvals, especially for such small amounts of money."

Providing resources also means pointing the team towards company experts. Sponsors sometimes forget that the team may not know who knows what within the organisation. As mentioned by one team: "Our sponsor forgot to tell us that we had an in-house expert who had run a similar initiative before. We spent two months re-inventing the wheel. It was irritating to say the least." Remember resources come in many forms – money, people, assets, but also networks to tap into existing knowledge.



3. Take Critical Decisions

At critical points, you will have to take decisions on behalf of the team; for instance, at major milestones, go-no-go decisions, to replace team members, or even to stop the initiative altogether. The first important decision point comes after the team has studied the problem and put together an execution plan. You must be decisive at this point. You are establishing a contract with the team that says, "I authorise you to go ahead and execute. In return I promise to give you the resources and support you need." If you believe that the team is not taking the right approach or needs to do more work, then say so.

Do not leave them with an uncertain 'maybe'. Teams appreciate when you can move ahead without getting stuck over-analysing proposals.

TAKE TIME TO DISCUSS THE BRIEF WITH THE TEAM AS IT DEMONSTRATES THE IMPORTANCE YOU PLACE ON THE INITIATIVE AND BUILDS TEAM COMMITMENT

4. Act As Sparring Partner

You are the sparring partner to test the team's thinking. Challenge their ideas, examine their assumptions, raise 'What if?' questions, and probe for contingency thinking. Enquire about major risks that might throw the initiative off-track and challenge the team on how they will deal with these risks. While sponsors have to keep the team's eyes on the big picture by pushing them to focus on the priority steps, they cannot afford to only stay at the high level. Sometimes you need to dig into the detail. Also, being a sparring partner means building trust and showing a personal interest in the team's well-being. But all of this takes time and means you have to be available on a regular basis. One team leader said: "My sponsor is really too busy to take time to coach me properly. I need him to sit down and help me to think through the initiative strategy and help me see the longer term view of where we are going. I need someone who can play mental ping-pong with me. It seems like he is always looking at the operating issues. Sometimes I feel like a lonely boat on a big ocean." Spending time with the team is the only way to spot the small signals that show if your team is on track.

5. Synchronise With Others

You have an important role in keeping the rest of the organisation in tune with the initiative. On a daily basis, the team is expected to manage this interface with the rest of the organisation. However,

THE SEVEN DEADLY SINS OF SPONSORSHIP

1. Not knowing what you want strategically from the initiative.
2. Not paying attention to resources needed.
3. Not being able and passionate to take decisions.
4. Being continually unavailable to rehearse with the team.
5. Promising to coordinate for the team and never delivering.
6. Assuming that the team can just get on with it on its own.
7. Not being demanding enough.


sometimes high-level intervention from the sponsor helps. You must act as the team ambassador by mobilising support and buy-in from influential stakeholders. This also means continuously maintaining a positive buzz about the initiative. A positive reputation keeps the initiative top-of-mind within the organisation.

As the ambassador, you should be speaking to influential stakeholders early on and explaining why they should support the team. Often team members work on their initiative alongside their regular job. Frequently, they can end up overloaded, working long hours, and pushed to the limit. As the sponsor you should be watching out for this and be ready to intervene with their line managers if the situation is getting out of hand. You must defend the initiative internally and buy the team time to act. One team told us: "Our initiative was not going well. We were too optimistic and promised too much. As a result our sponsor got e-mails from his colleagues asking him to stop the initiative and people even started to make jokes. He defended our initiative with these managers and now that it's finally succeeding, they have stopped asking questions." In the short-term, sponsors often have to be prepared to take the brunt of any organisational criticism and provide the team with a safe umbrella under which they can focus on their tasks.

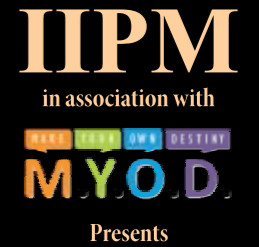
6. Monitor The Execution Energy

The energy level of the sponsor can be contagious. The sponsor can spur the team by demonstrating a high level of personal commitment during both formal review sessions and chance corridor meetings with team members. It also allows you to assess how the team is doing. Keeping the energy up is best accomplished by small acts of recognition. This confirms that you are still committed to the success of the initiative, which will motivate the team to try harder. One team really appreciated how their sponsor stood by them and encouraged them through some dark times: "He was great when the going got tough. The company that we were working with went bankrupt. At one point we got the machine going but then it totally broke down. It was just one thing after another. But our sponsor kept cool and was very pragmatic saying that this was 'typical' for a development initiative."

7. Follow-Through With Team

Ultimately, the sponsor has to make sure that the company gets value for money from the strategic initiative. This means demanding periodic reviews to monitor progress to final completion. You cannot delegate this job. It involves checking whether the team can meet overall targets. Responsible sponsors hold their team accountable to make sure the initiative provides measurable payback. 

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