

The Gap Between Project Managers and Executives

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Researchers and practitioners have drawn attention to the differences in thinking and acting between the project managers and executives in project management. These differences - also called the gap in this paper - may negatively impact project results. However, knowledge about this gap is lacking in current research. This study aims to investigate this gap and quantifies the different perceptions that project managers and executives have. The research consisted of a literature study followed by a survey among project managers and executives to gather the experiences, and to identify the size and the impact of this gap. The result made clear that the gap is caused by the differences in perspectives, in strategic insight and in understanding of each others behaviour. If the gap is present, it was perceived by both project managers and executives that it had a negative impact on the project results.

Introduction

In today's organizations the role of projects is evident. Many organizations implement their innovations and re-organizations through projects. Projects are considered to have a strong contribution to the strategic goals of an organization, however, the benefits from a project for an organization may differ from one project compared to another project. This may be partly due to the different views that executives and project managers have on projects. On the one hand, executives tend to view a certain project with respect to the strategic direction of the organization. On the other hand, project managers emphasize to focus on the success of a certain project. They are directly involved in the execution of the project and in that way they contribute to the overall strategic direction of the company.

Hence, both executives and project managers contribute to developing the strategy of the organization but their approach may differ. Executives have an overall view of the projects and make decisions based on high-level information of all the projects in the portfolio. Project managers focus on the performance of their project and try to give their project the best position in the organization. These different roles of executives and project managers can lead to different perceptions about the management of projects. Different perceptions can lead to a gap between

project managers and executives if both of them do not fully understand the other's perception. In this research we investigate this gap.

Research on project management has extensively investigated the relationships between project managers and their team, the project sponsors or the steering committee. Relatively few studies have focused on the relationship between project managers and executives. Their relationship, differences in perceptions on project management, way of thinking and behaviour may impact not only the project success but also the overall organizational success.

In order to get a better understanding on the presence and perceptions of a gap between project managers and executives we formulated the following research questions:

- To what extent project managers and executives have different perceptions on the presence of a gap in project management?
- What are the causes for this gap according to project managers and executives?
- How do views between project managers and executives differ concerning the business case?

The results of this study can be used to improve the relationship between project managers and executives. They can improve their understanding of the views and perceptions they both have regarding project management.

Recognizing the different perceptions towards project management may help to prevent the gap from occurring.

Literature Review

To identify and to bridge the gap between project managers and executives, it is necessary to give a clear definition for this gap in this research. A difference in thinking and acting between the project managers and executives may always be present. A large portion of this difference is most probably due to their different position in the organisation and their different roles in the organisation and in projects. But when this difference has a negative impact on results, we talk about a gap (Wijngaard et al., 2008):

A gap in project management is the distance between the project manager and the executive in the work process – as a result of the difference in perspective caused by their different roles – with a negative impact on project results and with that on the organization goals.

A gap between project managers and executives in project management

Open culture and co-operation is ideal but in practice this does not always happen. Especially, in situations where executives delegate to the project manager the authority for taking decisions to execute the project. During the ex-

ecution of the project, the information that project managers and executives have can be a-symmetric. This might bring the executive in a state of insecurity. A reaction of the executive might be the introduction of many controls which factually decrease the decision-making authority of the project manager. In his turn, the project manager might interpret these controls as a lack of trust by which the gap is enlarged (Müller and Turner, 2005).

The research of Shenhar et al. (2001) clarified that project managers and executives are working according to a different timescale. The project manager leaves the project when it is finished but the executive is faced with the long-term results – both positive and negative – of this project. This difference can result in a conflict situation, and therefore enlarges the gap.

Impact on the project results

Various factors may influence the gap and have a positive or negative impact on the project results. An example of a positive impact is the fact that a certain tension is probably needed between the project manager and the executive to achieve an efficient project execution. On the other hand, a negative example could be that if the project manager is unaware of the strategic relevance of a project. This could have been prevented by exchange of information about the strategic relevance from the executive to the project manager.

Interaction between the executive and project manager

The interaction between project managers and executives can be the source to the gap. We investigated three main areas of the interaction between project managers and executives.

Hierarchical differences

With respect to the hierarchical differences it is important that there is mutual recognition and coaching. Both executive and project manager should value each others skills and personality. If the executive judges the project manager in a positive way, this will result in rising support and confidence towards the executive. This can improve the chance of success of the project. On the other hand, if the project manager has confidence in the executive, he will have less reluctance to report bad news, and therefore give the executive a better possibility to steer. Based on this we expect that the gap can be narrowed.

Communication

Communication is an essential element for project success. Lack of communica-

tion can be an important factor influencing the size of the gap. Shenhar et al. (2001) made clear that well-performing projects are characterized by close cooperation and less structure. Also the way of communicating is important; (only) written reports have a negative impact, personal communication a positive. Communication can both be formal (reports) or informal (day-to-day talks).

Specificity of the business case

As is well-known, the roles of the executive and project manager are different per definition, which also explains the existence of the gap between them. The extent to which a project is translated into a clear business case can be determined by how realistic project budget is, or its schedule. Discussion about this between the executive and the project manager will help decreasing the gap. As also the explicitness of the quality requirements and the possibilities to discuss issues related to the project. Therefore we expect that a more specific business case will diminish the existence of a gap in project management.

The Research Project

To get an actual view on the gap and to verify the different statements in literature, Atos Consulting and the Delft University of Technology initiated a practice-oriented research study. The practical approach allows to get a more realistic understanding of the presence of a gap between executives and project managers and moreover can help extracting managerial.

The research consisted of a literature research, a quantitative and qualitative analysis. For the quantitative analysis, a questionnaire was sent to 3032 project managers and 1134 executives. A regression analysis was applied to extract conclusions about which variables influence the creation of problems within a project, and which can therefore explain the distance between project managers and executives.

The qualitative analysis consisted of an in-depth study of a few projects, and several interviews. Both executives as project managers were interviewed to get the two points of view regarding projects and possible distances.

Results of the Research

In this section we present the

results of the questionnaire that were addressed to the project managers and the executives. We asked both project managers and executives the same questions that allow for comparisons between the two groups. Out of the 3032 questionnaires that were sent to the project managers we received 299 useful questionnaires in return, representing a response rate of about 10%. With respect to the response by the executives we received 56 useful questionnaires out of the 1134 that were sent, representing about 5% response rate. The distribution of the respondents among sectors, size of company, and experience are given in the following tables.

Following the descriptive data of our response, we analyzed the extent to which project managers and executives experienced a gap and the perceptions they have with respect to the causes of the gap. We furthermore focused on specific elements as hierarchical differences, the impact of skills and knowledge, the strategic alignment and the role of the business case.

Experiencing the gap

In Figure 1 we present the different views that project managers and executives have on the gap. The majority of project managers (66%) often experience that compared to their executives they have different views with respect to project

Sector	Project Managers	Executives
Consultancy	51%	30%
Financial Sector	15%	15%
Governmental auth.	15%	15%
Telecommunications	10%	12%
Industry	9%	28%

Table 1. Division respondents among sectors.

Size of Company	Project Managers	Executives
> 250 employees	67%	70%
50-250 employees	15%	17%
< 50 employees	18%	13%

Table 2. Size of company.

Years of Experience	Project Managers	Executives
> 10 years	52%	15%
5-10 years	33%	30%
< 5 years	15%	40%
No experience	0%	15%

Table 3. Experience in Project Management.

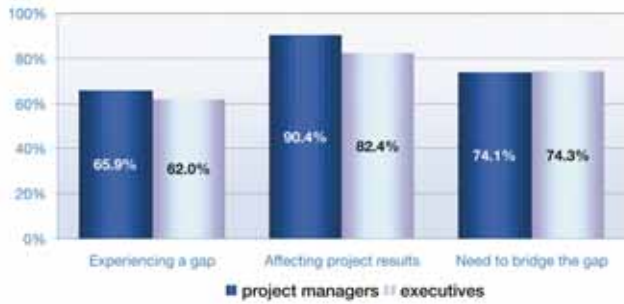


Figure 1. Perceived different views on the gap by project managers and executives.



Figure 2. Perceived causes of the gap.

management. This experience of a gap is also perceived by approximately 62% of the executives. When it comes to the consequence of the gap they both have a strong feeling that it negatively affects the outcome of the project. About 90% of the project managers think this has a negative impact and about 82% of the executives agree on that. With respect to bridging the gap we found that approximately three-quarter of both the project managers (74.1%) and the executives (74.3%) claim a necessity to mitigate the gap.

Hierarchical differences

We analyzed the role of hierarchical differences as causes to the gap, see Figure 2. This hierarchical difference between project managers and executives can manifest as political, managerial or organizational, or directly caused by executives or by lack of executive involvement. More than half of the project managers (55.1%) think that political aspects have an influence on the gap. Almost a similar amount of executives (47.1%) agree to that observation and say that political issues indeed affect the gap in project management. For the management and organization of project we found that only about 37% of the project managers and 27% of the executives indicate that it influences the gap. Even a smaller amount of project managers (27.9%) suggests that executives are responsible for the

gap. It is remarkable that, compared to project managers, about 35% of the executives think that they are responsible for the gap. Next we identified the role of executive involvement as a cause to the gap. The results in Figure 2 show that more than two-third of the project managers (68.6%) agree to the statement that gap could be smaller if executives pay more attention to project management. Executives agree even more to the statement and almost three-quarter (73.5%) of the executives signify that their attention to project management could decrease the gap on project management.

Communication and alignment

In Figure 3 we present the findings from the different views that executives and project managers have on project managers. In the first place this different view can manifest in disagreement between project managers and executives on the management approach that is adopted in a certain project. Compared to project managers (53.8%) a slightly larger amount of executives (58.8%) indicate that they disagree with project managers on the management approach. Concerning the acceptance of criticism, a large amount of project managers (even 98%) think that they are open to it, however, executives think that project managers are less open to criticism (though still about 85%). Quite a lot of project managers (94.0%)

indicate that they know the strategy of the company. Similarly a large number of executives (88.7%) agree and state that project managers are aware of the strategic goals of the organization and the role of project management to achieve the strategic goals. We also ran correlation analysis between strategic alignment and the perception of a gap for the project managers. We found that higher levels of strategic alignment was associated with lower levels of gap experience ($r = -0.161$; $p < 0.05$). The correlation was not significant for the executives.

Perceived realistic budget, time and quality

With respect to the different views on the expectations we analyzed the project criteria that were set by executives for the project. It can be seen in Figure 4 that the expectations on the budgets, planning and quality level were perceived as quite realistic and on the same level by project managers and executives. Time planning was perceived as the least realistic by both parties (68% and 65% only agreed to that). Also, the perceived necessity of and expectations met on the amount of discussions on project issues were (comparably) high between project managers and executives. The agreement on these items is at least striking: from sounds heard in practice a much larger gap on these items was expected.



Figure 3. Alignment of executives and project managers.



Figure 4. Perceived realistic budget, time, quality and interaction.

Conclusions

Although the results of the research do not give a completely new understanding and insight of the gap, it certainly contributes to our knowledge about the gap in project management and provides a scientific base for this phenomenon. Overall, the response from both executives and project managers were relatively comparable, which in its own right is already a remarkable result. The major findings from our literature search and survey among project managers and executives reveals that:

- There is a difference in behaviour between the project manager and the executive, and this causes a gap.
- The gap was shown to have a perceived impact on the project results (significant for project managers).
- Understanding for each others behaviour and actions reduces the gap.
- Strategic understanding by the project managers improves the performance.
- Informal communication reduces the gap, as opposed to formal communication (reports).

Most striking survey results are:

- The perceived cause of the gap was according to most respondents (60-75%), not the organisation nor the executives. Approximately half of the respondents blamed internal politics as a cause of the existence of the gap.
- On the other hand, a small majority of the respondents (68-74%) had the opinion that the gap could be decreased by an increased attention of the executives for project management.
- There was a remarkable alignment in answering of both groups (project managers and executives).

By giving insights in the source of the existence of the gap, the findings of this research can contribute to giving handles to project managers and executives to optimize the use of project management in an organisation by better project results might be obtained.

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