FACTORS IN THE NEGOTIATION OF THE PROJECT PLAN: A RECIPE FOR SUCCESS

A project management process for a plan preparation that leads towards a winning project setup proposal when facing the steering committee in the decision meeting.

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ABSTRACT

The inevitable tollgate decision meeting when the project manager is asked to compromise the project plan in order to get a pass and move the project into execution stage. This thesis research studies the reasons and solutions for negotiation difficulties of the contents of the project plan between project managers and steering groups. Tough negotiations on resources commonly exist in many projects and many organizations and, in order to reach an agreement, project managers have no choice but to adjust the figures in the project plan to the demands. However, this adjustment quite often leads to the project not reaching its goal either in cost, time or quality. Project planning, as a part of project management, is a widely studied subject, but very few researchers have gone into the details of how project managers and steering committees can reach an alignment without unnecessary changes of the project plan at the decision meeting. Therefore, throughout the extensive review of existing literature and a research on the industry through survey and interviews, as outcome of this study, a recipe containing the factors for success on the alignment between the project team and the steering committee is concluded, proven and proposed.
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1 INTRODUCTION

1.1 BACKGROUND

Organizations use projects as tools for delivering their organizational and business objectives (Tonnquist, 2012, p. 13). Projects are generally chosen since they offer benefits over the organization’s management line structure. A shorter run time results on lower risks, lower costs, and better management; and the specific targets set to the projects make the focus on customer value to become very apparent. (Tonnquist, 2012, p. 19) A successful project can bring value to the organization; however, studies indicate that most projects have not met the stakeholder’s expectations by failing to finish on time or failing to meet the budget goals (Mankins & Steele, 2005; Miller, 2002). Therefore, to prevent the failure of projects, many organizations set up steering committees to steer the projects from the project planning phase. Yet, the authors’ experience indicates that involvement of steering committees can also bring the negative effects to project progress and quality. So how the power should be balanced between project managers and steering committees is an important aspect for a successful project.

1.2 PROJECT MANAGEMENT

Project management is an extensive subject with several areas deserving specific study on their own. For the purpose of helping the readers not familiar with the topic, a brief description of key concepts, to be used along this thesis, is presented.

Further reading about project management: (Lock, 2013; Project Management Institute, 2013; Tonnquist, 2012; Turner, 2014).

1.2.1 THE PROJECT

The PMBOK Guide defines the project as a temporary endeavor undertaken to create a unique product, service or result. It has a definite beginning and end. The end is reached when the project’s objectives have been achieved or when the project is terminated because its objectives will not or cannot be met, or when the need for the project no longer exists. The project organization, consisting on members lead by the project manager, is also as temporary as the project itself. (Project Management Institute, 2013)

The lifecycle of the project is generally defined in five stages: Initiating, planning, executing, monitoring and controlling, and closing. During the lifecycle of the project, the company’s management team keeps the project under control setting tollgates. The specific definition and scope of each tollgate can vary between different organizations. For the reference of this thesis, the following scope is given to each tollgate:
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- TG0 – Project starts.
- TG1 – Planning starts.
- TG2 – Planning completed – Execution starts.
- TG3 – Business case validated.
- TG4 – Execution completed – Rollout starts.
- TG5 – Rollout completed.
- TG6 – Project closure.

1.2.2 THE PROJECT MANAGER
According to the PMBOK Guide, the project manager is the person assigned by the performing organization to lead the team that is responsible to achieve the project objectives. The project manager has the responsibility of satisfying the task needs, team needs, and individual needs. (Project Management Institute, 2013)

1.2.3 THE STEERING COMMITTEE
According to Tonnquist (2012), the steering committee is the project’s deciding body. It has the responsibility of taking the pass/no pass decisions at each tollgate, in other words, defining the continuation of the project. It should only consist on individuals who possess the necessary competence and experience to aid and assess the project. The project manager is not part of the steering committee.

1.2.4 THE PROJECT PLAN
According to Tonnquist (2012), the project plan is a document containing all the necessary information for the execution of the project, including time plan, resources, budget, etc. It should be built in a way that it can be used by both the steering committee and the project manager, but also understandable by the team members.

1.3 PROBLEM DISCUSSION
It is the experience of practitioners of real projects, including this thesis’ authors, project manager colleagues and even steering committee members of projects consulted about this topic, that after the project manager and its team have come with a thorough preparation of the concept, development plan, budget and resource plan to achieve the project goal in the most efficient manner, the steering committee, almost as a rule of thumb, bargains, negotiates and trims that work presented. Achieving the goal one month earlier than proposed, using two resources less than requested or reducing the budget that was planned seem to be common demands on tollgate meetings prior to start execution. Observations also show that the consequences of this behavior normally are eventual delays, running out of budget and thus extra resources needed that result on a worse scenario than what was originally planned and presented to the steering committee. Then, why are organizations facing this behavior?
Project success, since the adoption of the “projectification” of the organizations, detail described by Midler (1995), has been an interesting subject of study in the academy. The factors for success initially presented by Pinto & Slevin (1987) have been studied, discussed and revised since then by several authors, (Baccarini, 1999; Belassi & Tukel, 1996; Cash & Fox, 1992; Chua, et al., 1999; Cooke-Davies, 2003; Pinto & Prescott, 1988; Pinto & Slevin, 1988b; Shenhar, et al., 1997; Shenhar, et al., 2001), as well as multiply cited. However, zooming into the particulars of the project, in this case the project plan, project management books (Cleland & Ireland, 2008; Hartman, 2001; Lock, 2013; Tonnquist, 2012; Turner, 2014) and even the PMBOK Guide (Project Management Institute, 2013), engage deep on the preparation and contents of the plan itself but take the success of the presentation of the plans for granted.

“Good planning is the foundation on which project success is built” dare to present Hartman & Ashrafi (2004, p. 503), probably since the project plan itself has shown to be a factor for the project success and specifically dominant once the project is at execution stage (Pinto & Prescott, 1988), while some aspects of the project planning stage – development of requirements definition and technical specifications – are positively correlated with the overall project success (Dvir, et al., 2003).

The project plan is to be presented by the project manager and approved by the steering committee at the tollgate prior to execution (Figure 1-1). The PMBOK Guide (Project Management Institute, 2013), which could be regarded as the PM handbook, has clearly defined who the stakeholders are and how to manage and control the stakeholders’ engagement. The stakeholders, described in the guide, are not decision makers; instead the project manager is in the position to decide if the stakeholders’ point of view is worth considering for the interests of project. However, the case that is pursued for research in this thesis is the case that the stakeholders – a steering committee instead – have the authority to oversee the project manager’s plan and development, so they can decide critical parts of the project such as the budget, resources and project deadlines. Unfortunately, in the guide, this case is not in detail described. The steering committee is the project’s deciding body and has the tasks of understanding the strategic implications of the project’s outputs with a wider context in the organization, approving the project’s goal description and plan, reviewing the progress and results, balancing conflicting priorities and resources, and deciding on either continuation, change or termination of the project (Englund & Brucero, 2006, pp. 88-89; Tonnquist, 2012, p. 105).

The preparation of the project plan has been successfully studied, using Hartman’s (2001) proposed S.M.A.R.T. methodology, by Hartman & Ashrafi (2004), giving great outcome as concluding what a report towards stakeholders should include as well as showing two critical roles of the project plan: To keep the participants engaged and the stakeholders with their expectations managed. It also highlights the alignment of the project’s objective and plan.

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1 Pinto & Slevin’s (1987) has 634 citations in Google Scholar (Google, 2015) by May 2015.
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with stakeholders to be key for the success of the project. However, even though being a close answer to the problem of this thesis, Hartman & Ashrafi (2004) do not address how such alignment can be reached.

The negotiation between the project team and the steering committee is about resources, especially on a multi-project organization setup (Engwall & Jerbrant, 2003). In this respect, Tonnquist (2012, p. 151) defines the resources of a project to be: People, Equipment, Materials, Time and Money. Figure 1-1 has been constructed to explain the situation occurred at the decision meeting between the two parties – project team and steering committee. It depicts how the project manager, leading the project team, prepares and proposes the project plan to the steering committee. This group that could be composed by the project owner, line managers and technical specialists, among others, studies the project plan and requests the necessary adjustments to it in order to agree to pass the tollgate for beginning execution.

FIGURE 1-1: SITUATION OF A PROJECT AND ITS RELATION WITH STEERING COMMITTEE (SOURCE: OWN)

McLaughlin (2003) goes beyond and addresses the alignment in his guideline for business cases approval. He even suggests that “optimistic or unrealistic budgets and implementation schedules can destroy the credibility of a business case”. So he recommends testing or benchmarking the plans against other success stories to justify some plans. However, McLaughlin (2003) by itself may not be sufficient to cover the topic developed in this thesis work due to his study does not engage on specific endeavors of project plans which might be broader than business cases.
As being representatives and senior management of business areas that are directly or indirectly affected by the project (Englund & Brucero, 2006), in other words the owners of the company’s resources, it is natural and understandable that the steering committee pushes towards the most efficient way to achieve the project goal. However, when such mindset conflicts with a good prepared project plan (Hartman & Ashrafi, 2004), which has been already built considering resource allocation efficiency, to align it could result on a trimming process that becomes harmful for the project, even to the extent of making the goal unattainable within the agreed time, cost and quality. This potentially noxious situation has not even been discussed in previous researches, taking the alignment step as granted.

Given the gaps presented, the lack of research on the role of the steering committee in the project (Lechler & Cohen, 2009)\(^2\) and its interaction with the project manager, this thesis work focuses on studying and providing suggestions to improve, at the stage of the project plan preparation, the negotiations and alignment with the steering committee.

Furthermore, it is the purpose of the authors to set this thesis as the basis for a general practice to individual project managers and as an organizations’ process or way of working for development projects at company level.

1.4 PROBLEM FORMULATION AND PURPOSE
Based on the described problem, how can the project manager get the project plan approved by the steering committee without demands that compromise the success of the project?

The purpose of this thesis is to develop a procedure that considers the factors for a successful negotiation of the project plan, so it is followed by the project manager and its team to face the steering committee and get the plan approved. Project managers and organizations can be benefited by incorporating this procedure into their way of working to help their projects to be executed as planned and reach the goal on time and form.

1.5 DELIMITATIONS
The defined problem may vary depending on different project type. To be more concrete, some types of project may have more resources allocated due to the high priority within the organization. Naturally lower prioritized projects will get less resource. The project plan and negotiation may be different for these two types of projects. However, the project type discussion is not included in this thesis research; instead the thesis focus on studying the situation when resource is not sufficient and negotiation is tough.

For the questionnaire sampling, the authors used their existing network instead of using random sampling method. Therefore, there exists geographic limitation of where the

\(^2\) Lechler & Cohen (2009) concluded the lack of research on steering committees and since then, their work has been cited 23 times (Google, 2015), only 4 of them making the steering committee part of their research and none of them related to the problem of this thesis.
respondents are from. With more time allowed, the random sampling method should be applied and more questionnaires should be sent out to cover different geographic locations.

Another limitation is that although the theoretical study was tried to be done as comprehensive as possible to cover a wide range of industries, the empirical study could only reach engineering projects. It was specifically focused to the product development and industrialization within the consumer electronics goods and information technology services. Therefore, the outcome of this thesis may not be in the same manner applicable to other industries.

1.6 THESIS STRUCTURE

This thesis research continues with the theory section which tries to answer the research problem on the theoretical level by examining the problem from three different angles – the missing link between two parties, the function of the steering committee, and the project manager’s contribution to the research problem. After describing the theory from these three perspectives, a theoretical framework, together with the hypothesis of success recipe for project plan negotiation, is presented.

The methodology section firstly addresses the research goal and research problems as the base for choosing a research method. Then different aspects of survey and interview as the main research methods are presented. To demonstrate the research result is trustworthy, the research reliability and validity are discussed in the methodology section as well. Since the survey is one main research method, the choice of data analysis method and respond bias are also described.

Survey results are presented in the result section with data and corresponding graphs as well as a summary of the notes grabbed during the different interviews.

In the analysis section, the survey result and interview result are combined and analyzed. The analysis uses the industry experience to prove the correctness of the hypotheses set in the theory section.

The conclusion section demonstrates the research outcome of this thesis – the success recipe for project plan negotiation. Moreover, further study direction is pointed out.
2 THEORY
This chapter is divided in four subsections. First, a high level review on the link, or broken link, between the project manager and the steering committee is presented in the context of the organization and the business strategy. Different general theories are discussed before getting down to detail and specifically study the two protagonists of this thesis problem: The project manager and the steering committee. A subchapter for each of the actors dedicated to review and discuss the existing literature on them from the perspective of the behavior that triggers the unsatisfactory alignment of the project plan. Both steering committee and project manager available books and academic papers are reviewed to try to answer why organizations are facing the problem studied in this thesis. Finally the key concepts identified are summarized allowing the formulation of a theory containing the success factors for the alignment of the project plan. This theory is placed on a framework that grants this thesis work to continue move onto the next stage of research.

2.1 MISSING LINK(S) BETWEEN PROJECT MANAGERS AND STEERING COMMITTEES
Project managers focus on collecting sufficient resources to ensure the delivery of project result; while steering groups which mainly consist by functional managers normally have different goals, objectives, and priorities (Laslo & Goldberg, 2008). So this mismatch of understanding and perspective has always been a challenge for both project manager and general management. To bring these two parties into agreement, there should be shared goals that have higher priorities than other objectives of these two parties, so when disagreement takes place, the two parties can solve the conflict through discussing which party’s opinion has higher consistency with the shared goals.

Moreover, previous studies indicate project manager’s personal characteristics, culture and relationship with steering group also decide the efficiency of communication (Project Management Institute, 2013). Project failure rate is high partly due to project managers not having the right personal characteristics and skills (Andoh-Baidoo, et al., 2011). However, it is inevitable of having project managers with different personal characteristics and communication skills, let along the potential culture differences. Therefore, there is a great necessity to introduce a mechanism to standardize the communication and isolate the communication efficiency from the variable factors like personal characteristics, culture and relationship.

Both analyses above point out that there is a missing link between project managers and steering committees. The following content in this section is to go through the existing studies and trying to answer what is the missing link and how the missing link can help to reduce the gap between project managers and steering committees.
2.1.1 What is a successful project?

It is generally agreed by project managers and steering committees that a project should be successful. However, the success criteria vary from different parties’ perspective. Even many earlier studies miss the fundamental difference between project success (the fulfillment of business goals) and project management success (finish project on-time with given budget) (Young & Jordan, 2008).

According to Nelson (2005), project managers evaluate success by applying the ‘iron triangle criteria’ which only concerns about three aspects: cost, time, quality (Atkinson, 1999); meanwhile, steering committees would prefer to examine the project business outcomes (Nelson, 2005). This means that project managers set the successful criteria as simple as finishing project on time with the given resources which is “project management success” as mentioned before. On contrary, steering committees expect the project to fulfill the business objectives which is previous mentioned “project successes”. This misunderstanding can possibly lead the project to produce a result that mismatches the organization strategy and further cause even more difficulty for future negotiation between project managers and steering committees. Lech (2013) suggests attaching the business outcome to the iron triangle criteria to generate a newer version of project success criteria that can be shared by project managers and steering committees. However, this result is only based on one case study and the suggestion may not apply in all different situations. Moreover, the suggestion of attaching the business outcome to the iron triangle criteria is too general and cannot provide guidance for the communication problem between project managers and steering committees. Another study by Müller and Turner (2007) points out the project success criteria differs depending on the project complexity, project importance, contract type, and industry sector; at the same time, to decide if the project result is successful or not, it should also further consider the application area, project life-cycle stage, project culture and contract type. However, no detail about how to apply these factors in project success criteria is specified in this study, therefore, to answer the question “what is a successful project” requires more evidence.

A study done by Shenhar, et al. (2001) provides interesting evidence. In this study, Shenhar, et al. (2001) proposes that project success is a multidimensional concept. By studying the statistical data on 127 projects (in 76 companies), Shenhar, et al. (2001) realize that “one size does not fit all” definitely applies to the success criteria of projects. The finding of this quantitative case study presents a systematic classification of project success criteria by addressing four dimensions of a successful project:

- The first dimension: Meeting time, budget, and requirements’ goals. This dimension simply tells how the project met its resources constraint. The success of meeting time, budget, and requirements’ goals only means the successful implementation of project execution; however, does not necessary mean product success. (Shenhar, et al., 2001)
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- The second dimension: Benefit to the customer. This dimension addresses the importance of customer requirements and needs. Within this dimension, “meeting the performance objectives” is critical for deciding whether or not a project is successful. (Shenhar, et al., 2001)

- The third dimension: Benefit to the performing organization. This dimension addresses “the immediate and direct impact the project may have on the organization”. The impact may refer to sales, income, profit, and market share. The measurement of success in this dimension includes performing time, cycle time, yield and quality. (Shenhar, et al., 2001)

- The fourth dimension: Preparing the future. This dimension does not only concern the current impact, but also concerns the impact on the future which includes the adaptation of new technology, new market trends, and competitors' movements. (Shenhar, et al., 2001)

It is not enough only to address the four different dimensions of project success, more importantly the study has to provide a guide of how to choose each dimension in different projects. So the study then compares these four dimensions concerning different perspectives.

![FIGURE 2-1: THE TIME FRAMES OF SUCCESS DIMENSIONS (SHENHAR, ET AL., 2001, P. 716)](image)

On the time frames’ perspective, the time required to assess if a project is successful is increased by moving through each dimension (see Figure 2-1).

- The first dimension – efficiency can be assessed right after the project completion.
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- The second dimension – customer impact or customer satisfaction can be assessed after the customer purchases the product, normally after a few months.
- The third dimension – business impact can only be assessed after a certain period which is long enough to see the change of sales or market share, normally in one or two years.
- The fourth dimension – future impact can only be assessed after relative long time as the market trend is changed and technology updated, normally two to five years.

After reviewing these four dimensions on a time frame’s perspective, Shenhar, et al. (2007) conclude that projects that only require short term effect should choose the first dimension – project efficiency as success criteria. On the contrary, the projects that aim on the best return on investment in the future should choose the fourth dimension as success criteria.

The other perspective of comparing and selecting four dimensions is project type. Project types are classified by the level of technical uncertainty in Shenhar, et al. (2001) study (see figure 2-2).

The first dimension – project efficiency is critical for the projects with low technological uncertainty but almost not able to be met for projects that have super high technological uncertainty. In another word, the projects with low technological uncertainty should choose project efficiency as success criteria.

The last dimension – preparing for the future has almost no meaning for a low-tech project but is significantly important for a super high-tech project since it will ensure the organization’s leadership on technologies. So for the projects which have super high technical uncertainty and aim on building the organization’s technical leadership in the future, the last dimension should definitely be selected as success criteria.

<table>
<thead>
<tr>
<th>Success Dimension</th>
<th>Project Type Level of Technological Uncertainty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low – Tech</td>
</tr>
<tr>
<td>Project Efficiency</td>
<td>Critical</td>
</tr>
<tr>
<td>Impact on Customers</td>
<td>Standard product</td>
</tr>
<tr>
<td>Business Success</td>
<td>Reasonable profit</td>
</tr>
<tr>
<td>Preparing for the Future</td>
<td>Almost none</td>
</tr>
</tbody>
</table>

FIGURE 2-2: SUCCESS DIMENSIONS FOR VARIOUS PROJECT TYPES (SHENHAR, ET AL., 2001, P. 719)
The meaning of Shenhar, et al. (2001) study here is that it provides two concrete areas – project time frame and technology uncertainty that can be discussed by project managers and steering committees. Since time frame and technology uncertainty are factors which can easily be agreed on, the two parties can accordingly reach the agreement of project success criteria. The success criteria can also provide guidance for project managers when reporting the project status to steering committees. However, these four dimensions addressed in this study are still too general. Many details still remain uncertain and can be disagreed between project managers and steering committees in practices. Moreover, even when applying this method to select the success criteria, the economic goal is still hard to be decided.

2.1.2 STRATEGIC PROJECT LEADERSHIP
What project success criteria should contain is discussed in 2.1.1 and it is believed that the gap between project managers and steering groups can be reduced by discussing and agreeing on the project success criteria. However, having addressed suitable project success criteria according to project type does not guarantee the success of future communication between project managers and steering communities, neither the success of project. Project success criteria are critical for project but still are only to evaluate if the project result fulfills the project goals and further fulfills the business goals. Many previous researches provide evidence that project success criteria (project goals) can only count as one of the many project success factors (Belassi & Tukel, 1996; Clarke, 1999; Cooke-Davies, 2003; Gemuenden & Lechler, 1997; Pinto & Slevin, 1987). For the project managers who get used to the traditional project manager method, without changing the way of thinking or an explicit guidance of how to achieve the project goals, they may still get lost during the project planning and fall back to the traditional thinking which focuses on the budget and schedule (project management success). When project managers fallback to focus on project management success, the gap between project managers and steering communities remain big and project success rate remains low. Young & Jordan’s (2008) study points out, when focusing on project management success, the project failure stories are reported to be twice the number of project success stories. Therefore, besides well established project success criteria, many other factors need to be considered and communicated between project managers and steering committees before and during the project in order to ensure the success.

Early research by Pinto and Slevin (1987) listed out 10 success factors that they believe are important for project success. These factors are project mission, top management support, project schedule/plan, client consultation, personnel, technical tasks, client acceptance, monitoring and feedback, communication, trouble-shooting. Many later studies prove the importance of the factors. Cooke-Davies (2003) emphasize on the “people side” factors that are critical for the transformation from project management success to project success. Young and Poon’s (2013) research claims top management support is more necessary than other factors and by having top management support it is almost sufficient to guarantee the project success. Elbanna (2013) through analyzing the top management support in multiple projects concludes that top
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management support is critical but is likely to switch between different projects; it is also highlighted that project’s mobility is important for gaining and maintaining the support for top management.

It is not hard to tell from the previous researches that top management support is critical for project success; however, these researches have not answered the question of “how” to get the support. It may not be obvious for project managers as project’s major interface to the top management, what they should do to reduce the communication gap and get the support. Unfortunately not many researches can answer this question.

McComb, et al.’s (2008) research points out “when the team believes in and be challenged by their work” and “can see the benefit for themselves and organization” are likely to produce a better result. This research indicates that project managers should convince the top management to support the project with the challenge and benefit to increase the project team’s performance. Another research done by Shenhar, et al. (2005) provides a more complete and systematic theory from the project manager’s perspective. The authors think Shenhar, et al.’s (2005) theory is a valuable evidence for the later study.

Shenhar, et al. (2005) believe that project strategy is the missing link between the project managers and steering committees. In this study they first remind that as long as the project manager stays on “Let’s get it done” or “just do it” or any of this kind of operational mindset, even if the project is finished on time and is not exceeding the budget, it still can miss the business objective. Shenhar, et al. (2005) describe this kind of efficiently but ineffectively finished projects as operationally managed projects. Having the weaknesses of the operationally managed projects addressed, Shenhar, et al. (2005) proposes again a systematic solution – a new project management approach – Strategic Project Leadership (SPL) which focuses on delivering business results.

FIGURE 2-3: THE FIVE POLES OF SPL PLANNING (SHENHAR, 2011, P. 8)
SPL is a framework that is constructed by five elements that should be addressed sequentially (see Figure 2-3): strategy, spirit, organization, processes and tools. Among which processes and tools represent the traditional project manager approach. The study points out that the traditional project manager component should not be ignored but should only be addressed after other elements are set. (Shenhar, 2011) Strategy in SPL framework, to be more specific, means the project strategy. It is the missing link between business strategy and project plan, but a critical link to ensure a project is creating a competitive advantage and further contributing to winning in the market place. Shenhar (2004) defines project strategy as “the project perspective, position and guidelines on what to do and how to do it, to achieve the highest competitive advantage and the best value from the project outcome”. The second element in the SPL framework is Spirit and it is defined as “an inspired state of mind focused on a vision of project expected achievements” (Shenhar, 2004). The project manager in SPL approach is preferably called project leader. One of the most important characteristics of a leader is to be Visionary (DuBrin, 2010). Therefore, translating business vision and creating a project vision and spirit are also important tasks for project managers when applying SPL in projects. The third element in SPL framework is Organization which involves project structure, team building and people (Shenhar, 2004). Project structure must be adept to the strategy, spirit and project type according to the study. Processes and tools are traditional project manager components and are quite often discussed in project manager studies. Shenhar (2004) strongly believes that with the guide of this framework, the project planning and project manager can switch from a traditional project manager approach to a more business focused one. A project manager approach with business focus can deliver results that can serve the organizational goals better and create more value for the organization.

Shenhar’s (2011) SPL approach presents a recipe from the project managers’ perspective of what to do to change from the traditional project manager thinking to a new way of leading projects. The authors agree with Shenhar (2011) about the elements that SPL approach introduces into project manager processes and believe these elements can help reducing the communication gap between project managers and steering committees. However, the elements SPL approach presents are still too general and many details remain to be discussed when implementing SPL into a real project.

2.1.3 ALIGNMENT OF THE BUSINESS STRATEGY AND PROJECT MANAGER
Besides Shenhar, there are many other researchers who also believe it is necessary and possible to integrate business strategy into the project manager processes.

To illustrate that aligning the business strategy and project manager is feasible and they even share the same nature, some further study is done concerning the impact between business strategy and project manager, then proposed a theoretical framework for the nature of the alignment (see Figure 2-4). This framework maps the competitive attributes of business
strategy to the elements that the project manager focuses on, and then further generates the content of each element. (Milosevic & Srivannaboon, 2006)

By having the impacting nature between business strategy and project manager addressed, at the same time based on the SPL framework, Milosevic & Srivannaboon (2006) proposed a theoretical framework that defines how to align project management with business strategy (see Figure 2-5).

Compared with earlier project management processes, this framework integrates the strategic planning into the project management by introducing the mediating processes. The mediation processes contain strategic level, project level and the feedback level; strategic level happens before project level, while each step in the project level can generate feedback into any step in the strategic level. This feedback mechanism makes sure that this conceptual framework has two-way influence between business strategy and project manager (Milosevic & Srivannaboon, 2006).
2.2 The Steering Committee

According to the investigation from Lechler & Cohen (2009), steering committees “do not, in general, appear to complicate or delay project related decisions, nor do they interfere with day-to-day decision making at the project level”. Lechler & Cohen (2009) findings can be interpreted as inside the project decisions, however this statement is not considering when the committee steers the project, when affects the project plan with their requests. Why their requests can be sometimes unreasonable for the execution of the project?

Kets De Vries & Miller (1984) have shown that some organizations can be dysfunctional, being related to pathological neurotic styles from the human being: paranoid, compulsive, histrionic, depressive and schizoid. Then, steering committees could, for example, be classified as compulsive – where processes and policies need to be followed strictly formally and where the organization is too hierarchical. Or they could be histrionic – where big decisions are being taken impulsively and members like to show the power they have. Kets De Vries & Miller (1984) also mention that as not all organizations suffer of one of these dysfunctional behaviors, normally the personality of the organizations is composed by a combination of those pathologies – just as individuals, not taking any to the extreme as to consider it pathology. The natural response to bargain and maintain a powerful management status from the steering committee might be partly caused by its dysfunctional behavior, considering the studies presented by Kets De Vries & Miller (1984). It might be that
members of the committee are affected by this dysfunctional behavior keeping the project under strict control, showing off their competence by debating in detail matters inside the project, or making demands that appear to represent a huge benefit for the company at first glance.

An interesting finding from Lechler & Cohen (2009) is that the concept of steering committee is still not crystal clear for different organizations in the industry. It is worth mentioning that in the PMBOK Guide (Project Management Institute, 2013) the concept of steering committee is not handled and not even included in the glossary of the book. While some literature (Tonnquist, 2012) recommends always having a steering committee regardless the type of project, the PMBOK Guide (Project Management Institute, 2013) does not even mention it. It might be one of the reasons why Lechler & Cohen (2009) found this inconsistency on the terms that led them to consider that the value of the steering committee in project management can be diminished due to its unclear conceptualization. And it is not only them with those findings, when Arnesson & Albinsson (2014) followed and studied in detail the steering committee of projects, they found that several members in the group did not have clear how they were selected to be part of the committee and which tasks they had. Given that each member might have a different background, educational and work experience formation, the project steering committee, its concept, responsibilities and scope might not be clear or uniform for all members. This factor could contribute to even enhance the dysfunctional behavior of the committee which can become harmful for the project. For example, Elonen & Artto (2003) have found in their study that the unclear roles and responsibilities among the decision makers and the rest of the organization is one of the main problems in managing projects.

Going beyond its definition, the steering committee functioning can be the next factor to consider. It has been studied by Arnesson & Albinsson (2014) where they found that in organizations, a functioning committee is seen as an important part of the structure. “Research shows, for example, that a functioning steering group along with active ownership, competent project management and committed participants are of decisive importance for a project to reach its set goals” (Arnesson & Albinsson, 2014, p. 326). It is clear that the contribution of the steering committee is a key factor for the success of the project. However, the drawback occurs when the group is not functioning correctly. What could be signs of such behavior from the steering committee? Having divided opinions and not being able to reach agreements, delaying decisions, not attending meetings, having negative views about the project itself, spreading negative information about the project externally or creating uncertainty outside the project in the organization are some of the signs. The group studied by Arnesson & Albinsson (2014, p. 331) showed an example of the poor functionality, where the “steering group meetings were characterized by working methods not properly thought out and by ignorance about the project”. Since members were absent from the meetings, the project manager dedicated the meeting with general
information, descriptions of the present situation and feedback. The situation eventually turned into not taking or delaying decisions.

Why is the steering committee not functioning well?

There can be several reasons why the steering group is not functioning correctly. Elonen & Artto (2003) found that the steering committee members they studied were not competent to manage different phases of the project. That can become a problem when elements of the group have the authority to take decisions about disciplines they are not familiar or experienced with; the outcome could be a wrong decision taken. Even when the competence exists, another factor could be the lack of authority to exercise power and take a decision. Arnesson & Albinsson (2014) found that members who felt without the necessary authority had the consequence of losing motivation about their role and the project. In addition to the authority, an aspect to keep up the members motivated is to enhance the members feeling of participation, as part of the group expressed in Arnesson & Albinsson (2014) studied project. Related to the participation is the ownership that each member takes of the tasks in the steering committee. Members of the group expressed the fact they received an unclear assignment from the organization made them have a low sense of responsibility.

Lack of competence to accomplish the tasks properly, lack of authority to take the necessary decisions, lack of motivation and ownership towards the responsibility, and lack of a clear received assignment are some of the aspects that can affect the members resulting on improper functioning of the steering committee.

How to have a functioning steering group?

Arnesson & Albinsson (2014), based on their research, have also come up with a proposal to have a functional steering group. They mention the proposal as four interacting conditions to exercise the assignment of a steering committee: To have a positive attitude about the project idea and its goals, to have knowledge of the assignment, to have a position with authority to take the decisions they are required to, and to have time allocated for the activity. It could be added that the members should have a certain level of competence on the areas they are steering in the project.

A well defined and functioning steering committee with their positions, goals and expectations clear goes in hand with one of the ten critical success factors in projects found by Pinto & Slevin (1987): Top management support. In this respect, the support is described as providing the variety of resources needed by the project and explicitly showing the support towards the team. Management support was also identified by Turner (2014) in his book as one of the seven forces of his model for project success. A later study of Pinto & Prescott (1988) showed that this factor, the demonstration of top management support towards the project, gets more important at the planning stage, as it is the time to face the steering committee to negotiate the resources for the project and get the plan approved at the tollgate.
Since according to the literature review, they could become factors for the successful alignment of the project plan, these key concepts are identified for further research: The dysfunctional organization with pathological neurotic behavior, the steering committee definition, its role and responsibility and the steering committee functioning.

2.3 THE PROJECT MANAGER

On the other hand, the project manager can also contribute to this behavior by not considering or pondering correctly the steering committee members’ subjective opinion. “For some stakeholders it is sometimes more important how the project manager behaves than what he or she is actually producing” (Tonnquist, 2012, p. 70). Tonnquist (2012) exposes certain criteria that the members of the steering committee may utilize to judge the project manager and its work: they need to feel some empathy with the project manager; they need to feel the project manager is reliable with what is being promised; they expect the project manager to make no mistakes; they want to feel there is honesty in the process; they want to incorporate humor sometimes; and they prefer a neat and aesthetic work on every aspect of the project. Failing to satisfy these needs from the members might result on a damaged perception towards the project manager and therefore contribute to the organizational behavior discussed in this thesis.

Not aligning the steering committee’s members perceptions or expectations with the project goal, can also disturb the relationship. Tonnquist (2012) mentions it could be challenging to please every member and meet the different expectations given the project constrains, but he recommends categorizing the members and their requirements for analysis and prioritization. Pinto & Slevin (1987) found client consultation to be one of the ten critical success factors in projects, where the project manager is expected to hold a good communication, to consult and to do an active listening of all stakeholders, including the steering committee members.

The above mentioned problems, failing to satisfy the needs and to align the perceptions or expectations of the steering committee could be intrinsic in the political skill or ability of the project manager. Sunindijo (2015) categorizes the management skills in technical, human, and conceptual. However he adds a third classification which is the political skills. Negotiation, political sensitivity, being perceived as honest and having integrity, dealing with external relations outside the project team, networking, influencing, using different authorities and power to influence others and building relationships are some of the political skills listed by Sunindijo (2015) and considered relevant to this study.

Pinto (2000) considers that political behavior is one of the most powerful and often overlooked influencers in project management. He comments that most of project managers view the political activity within the organization and the project with a certain level of repugnance. This could be another reason for failing to align the plan with the steering committee and thus having a tough bargain at the tollgate meeting. Power and politics have
been identified as two external critical success factors in projects. (Pinto & Slevin, 1988a) So, with this attitude towards politics by the project managers, after all the resources spent in the thorough planning, the project the project could face negative consequences due to a political process.

<table>
<thead>
<tr>
<th>No.</th>
<th>Authors</th>
<th>Conceptual skill</th>
<th>Human skill</th>
<th>Political skill</th>
<th>Technical skill</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Katz (1974)</td>
<td>Conceptual</td>
<td>Human</td>
<td>N/A</td>
<td>Technical</td>
</tr>
<tr>
<td>3</td>
<td>Guile et al. (1997)</td>
<td>Decision making, Problem solving</td>
<td>Communication</td>
<td>N/A</td>
<td>Project management knowledge</td>
</tr>
<tr>
<td>4</td>
<td>El-Sabaa (2001)</td>
<td>Planning, Organising, Strong goal orientation, Ability to see the project as a whole, Ability to visualize the relationship of the project to the industry and community, Problem solving</td>
<td>Mobilising, Communication, Coping with situations, Delegating authority, Self-esteem, Enthusiasm</td>
<td>Political sensitivity</td>
<td>Knowledge in using tools and techniques, Project knowledge, Understanding methods, procedures, and processes, Specialized technology, Computer skills</td>
</tr>
<tr>
<td>5</td>
<td>Lowitz and Rea (2002)</td>
<td>Generalist, Problem solving, Big picture perspective, Organising, Understanding how the organization functions</td>
<td>Communication, Conflict resolution, People management, Listening</td>
<td>N/A</td>
<td>Technical knowledge, Specialized technology, Managing electronic communication</td>
</tr>
<tr>
<td>6</td>
<td>Osborn (2002)</td>
<td>Decision making, Problem solving</td>
<td>Communication, Leadership, Motivation</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7</td>
<td>Dainty et al. (2003)</td>
<td>Decision making, Accumulating information and using it to formulate actions</td>
<td>Team building, Leadership, Maturity and approachability, Communication, Self-efficacy</td>
<td>N/A</td>
<td>Being perceived as honest and having integrity, Dealing with external relations outside the project team</td>
</tr>
<tr>
<td>10</td>
<td>Cheng et al. (2005)</td>
<td>Achievement orientation, Proactive, Analytical thinking, Conceptual thinking</td>
<td>Focus on client’s needs, Leadership, Self-control, Flexibility</td>
<td>N/A</td>
<td>Impact and influence, Directories to ensure subordinate compliance, Influencing team performance</td>
</tr>
<tr>
<td>11</td>
<td>Gaidard and Price (2005)</td>
<td>Diagnostic use of concepts, Efficiency orientation, Proactive</td>
<td>Self-confidence, Oral communication, Managing group process, Developing others, Stamina and adaptability</td>
<td>Use of socialised power, Use of unshared power (different authorities and power to influence others)</td>
<td>N/A</td>
</tr>
<tr>
<td>12</td>
<td>Bell et al. (2006)</td>
<td>Problem solving, Analytical expertise</td>
<td>Leadership, People management, Communication</td>
<td>N/A</td>
<td>Context knowledge, Project administration, Use of tools</td>
</tr>
</tbody>
</table>
Insufficient, inappropriate or missing reporting can cause that the steering committee members have an inaccurate perception of the project status. The members may interpret the silence as a sign that the project is going well. Tonnquist (2012) considers a difficult task to focus on reporting since the project manager and the team is fully occupied with keeping the project within schedule. Even so, Elonen & Artto (2003), while finding the main problems in managing projects, identified the inadequate flow of information across the organization as one of the problems. They also describe that the information flow from the project and to the project is not well defined. So, a poor distribution of relevant information can be negative to the project success. In this respect Pinto & Slevin (1987) identified communication as another critical success factor in the project. They explain the project manager should provide all the necessary information to all the key figures surrounding the project.

The quality of the interpersonal skills of the project manager itself can be another factor that triggers this behavior in the organization. All project managers need a set of managerial traits that characterize successful managers in general, who require a balance of ethical, interpersonal and conceptual skills for analysis and interaction. Leadership, team building, commitment, motivation, communication, involvement, influencing, decision making, political and cultural awareness, negotiation, persistence, need for control, trust building, conflict management and coaching are some skills important to be an effective project manager. (Malach-Pines, et al., 2009; Project Management Institute, 2013). A list of studies on project manager interpersonal skills, compiled by Sunindijo (2015) is summarized in figure 2-6.

While reviewing literature about the project manager, a few factors become outstanding due to the effect that they could have on the alignment with the steering committee. Therefore, they can be considered for further research as potential factors for the successful alignment of the project plan: The communication between the project manager and the steering committee – to have a good information flow, the project manager political skills – to be
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able to align and create consensus, and the project manager interpersonal skills – as enablers for an efficient alignment.

2.4 FRAMEWORK FOR RESEARCH

As outcome of the theory review, several concepts that are later part of further research have been identified. Three outstanding ideas can be interplayed to find the solution to the problem stated in this thesis: The steering committee, the project manager and the interaction between them.

For the effect of this investigation, the aspects affecting the steering committee towards their challenging position against the project plan are a potential dysfunctional pathology of some of its members, an unclear or poor definition of the steering committee concept and the committee simply not performing as expected. (See figure 2-7).

The psychological behavior of the steering committee members that leads them towards the necessity of showing off their power, their competence and how much they defend the resources of the company to the extreme has been discussed in the theory review and is identified as one of the factors for the challenging or negative behavior. The second aspect discussed in the review is the effect the unclear and not uniform concept of the definition of what the steering committee is. This area includes how the members are appointed and the role description of the member. The third one identified is the poor functioning or performance of the members or committee as a whole.

FIGURE 2-7: FACTORS FOR THE CHALLENGING BEHAVIOR OF THE STEERING COMMITTEE (SOURCE: OWN)
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Poor performing is a relatively vague and very generic concept; therefore, as the literature review showed, it can be broken down in several areas (See figure 2-8). Proper authority, technical competence, motivation, a clear assignment, ownership, responsibility, time, preparation and experience of the members are the main factors for poor performance in steering committees.

![Figure 2-8: Factors for Steering Committee’s Poor Performance (Source: Own)](image)

- Lack of authority of members to make decisions.
- Lack of technical competence of members on key aspects of the project.
- Lack of motivation of the members towards their role at the SC.
- Unclear assignment as a SC member.
- Lack of ownership and responsibility from the members.
- Lack of time to exercise properly the assignment as SC member.
- Lack of preparation and experience as SC member.

On the other side of the problem lies the project manager. The outcome of the literature review throws the effect that the interpersonal skills, and particularly the political ability of the project manager, have in the negotiation of the project plan. Figure 2-9 pictures that the interpersonal skills of the project manager will be researched to understand their importance, but particularly, the political ability as an interpersonal skill is funneled out of the rest to become a separate factor to be studied.
In between the steering committee and the project manager an important role to the interaction between them is given in this investigation. During the literature review, aspects like communication and alignment were discussed, then, to continue this research it is preferred by the authors to separate the interaction schemes and give them a relevant pondering.

At the point of moving towards the field of research of this thesis, it is believed by the authors that by ensuring the following factors are properly set in and around the project, they could constitute a recipe for the successful negotiation of the project plan:

1. To have a well defined concept of steering committee.
2. To have a well selected and prepared steering committee.
3. To have a correctly functioning steering committee.
4. To have a project manager with high interpersonal skills.
5. To have a politically skilled project manager.
6. To have a good information flow and communication in the project, steering committee and stakeholders.
7. To have an alignment and negotiation prior to the tollgate meeting with each steering committee member.
8. To adjust the plan according to the alignment reached.
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It is worth mentioning that to continue this study, although found relevant during the literature review, the factor of the steering committee suffering from a psychological dysfunction will be ruled out. To study such factors is seen as extremely difficult and out of reach for this investigation. The eight factors are illustrated and framed together in figure 2-10 to show how they are correlated to the actors of this study, in which area they belong and the result – the agreed and aligned project plan – which they can bring.

Based on the theoretical framework, depicted in figure 2-10, with its eight steps that have been presented as the potential success factors for the negotiation of the project plan, the following hypotheses are to be evaluated during the investigation:

**Hypothesis 1**

H1: A successful negotiation of the project plan between project managers and steering committees can be reached by completing the eight steps of the recipe.
As described in the introduction chapter, this thesis, later supported by relevant literature, comes from the supposition that the allocation of scarce resources is a point of disagreement between the project manager and the steering committee. As part of the investigation, the authors would like to confirm this supposition by proving the following hypothesis:

**Hypothesis 2**

H2: Allocation of scarce resources is controversial during the project planning phase and is the major cause of negotiation.

As discussed in section 2.3, in the literature review, the political ability of the project manager outstands as an important interpersonal skill for the negotiation of the project plan. Therefore, in the framework, it is suggested to be a specific success factor separated from the other factor that is to have effective interpersonal skills. During this investigation, the authors would like to prove this theory and find if it is really an outstanding skill. Then the following hypothesis is built:
Hypothesis 3

H3: The political ability of the project manager outstands as an important interpersonal skill for the successful negotiation of the project plan.

Based on the literature review, only eight factors have been identified and will be used as the key to answer the research problem. However, the authors consider that during the empirical research there is a possibility that additional factors could be raised as relevant while one or more of the current factors could lose relevance. That is a possible scenario even while proving hypothesis 1 to be true. That is why a fourth hypothesis, to prove this situation, is formulated:

Hypothesis 4

H4: The eight steps contained in the framework are the only major factors for a successful negotiation of the project plan between project managers and steering committees.

FIGURE 2-12: HYPOTHESES 2, 3 AND 4 ARE SUPPORTING H1 TO COMPLETE THE THEORETICAL SOLUTION TO THE PROBLEM DISCUSSED IN THIS THESIS. (SOURCE: OWN HYPOTHESES)
3 METHOD

3.1 RESEARCH GOAL AND RESEARCH OBJECTIVE

The goal of this thesis work is to design a project success ‘recipe’ that meets the industry needs in reducing the gap between project managers and steering groups, and that can help to reach the agreement in the project plan negotiation phase.

In order to fulfill the research goal, the following supportive research objectives are defined:

- To prove the possibility of reaching an agreement in negotiation in the industry.
- To study the root cause for negotiation in the industry.
- To investigate all the aspects that may reduce the disagreements in the industry.

3.2 PROBLEM STATEMENT

Based on the research goal and objectives presented above, the research will try to answer the following problems:

- Can an agreement between project managers and steering groups be achieved?
- Can the addressed eight factors reduce the gap between project managers and steering groups and help to reach agreements?
- Are the scarce resources including people, time, money, material and equipment the major cause for the negotiation?
- Is it necessary for project managers possess politic skills?
- Are the addressed eight factors sufficient to guarantee the agreement between project managers and steering groups?

3.3 RESEARCH DESIGN

Research design can be experimental, observational or combination of both. The major difference between experimental and observational study is the degree of control on the factors that might influence the result of research (6 & Bellamy, 2012, p. 75). In a study which all the factors that will potentially influence the result are held under control, only one factor is allowed to vary each time and the outcome is monitored while each factor changes; this kind of study is experimental research (6 & Bellamy, 2012). Observational research, on the contrary, is the research in which the influence factors are hard to hold under control but many or all of the factors are likely to vary at the same time.

According to the difference between experimental and observational research defined by 6 & Bellamy (2012), this thesis study is going to be an observational research. The authors choose to conduct observational research based on the following considerations: Firstly, complex relationship exists between project success and all different factors, it is difficult to experiment each factor while others are all kept under control. Secondly, the understanding
of all the factors is limited; there are maybe even undiscovered potential factors which will influence the outcome, then insisting on doing experimental research is likely to generate inaccurate and misleading results. Therefore, this thesis is going to conduct an observational research.

3.3.1 SURVEY RESEARCH
Based on the evidences from the literature study and previous working experience, the authors are able to address a set of factors that may answer “What” the root cause of the problem is. Having understood the root cause, this thesis study will try to answer the question of “How” to solve the problem.

For the research method selection, the following three points are taken into the consideration:

Firstly, the target population may have experienced similar situation as the research problem defined, but it is hard for the target population to come up with a set of factors or systematic solutions in a short time, therefore, some form of guide or reminder will help to bring out the thought from the interviewees.

Secondly, the authors already have experience and deep insight for the research problem. Through the literature study, the authors are able to develop a set of factors that can potentially solve the research problems. But the correctness of these factors remains to be proven; therefore, a research method that can help to collect the data required for the result validation should be chosen.

Thirdly, to validate factors and ensure the theory’s universality, it requires a comparatively large amount of data preferable from people with different background, from different industry and even from different region. Research methods like case study are good for getting deep in-sight in a certain condition (Yin, 2008), but not suitable to provide the big amount of data for theory validation; therefore, this type of research methods is not selected here.

Based on the considerations presented above, this thesis study will select survey as major research method. Survey research is a highly structured research method; it is unlikely to generate answers that are not somehow anticipated by the designer of the research (Sapsford, 2007). On the other hand, survey research is optimal for verifying and validating the evidences that are designed to be verified (Sapsford, 2007) which suit the needs of this thesis work for the reason that its objective is to prove and validate the authors’ anticipation about the research problems.

3.3.2 TARGET POPULATION AND SAMPLING METHODS
This thesis is to study the factors that can reduce the gap between project managers and steering committees. As described in research problem, the disagreement happens between project managers and steering committees, therefore, the target population of this thesis will
focus on the groups that have work experience as project managers or members of steering committees. Stakeholders sometimes will also be involved in the project planning phase and as well participate in the TG meetings, so stakeholders are also a target population group.

The sampling method this thesis is using is non-probability sampling, and to be more concrete – convenience sampling and judgment sampling. The samples are selected from both authors contact list of people with experience as project manager, steering committee member and/or project stakeholder. The population was demographically spread in Sweden, Brazil, Japan, China, Cambodia, Taiwan, Finland, Spain, Germany, United States, Norway and the United Kingdom. The authors select people among these lists who fit the target population as sample to conduct the survey. The reasons for not selecting any sample outside the existing contacts are as following: First, the existing sample groups already include people from different countries, different size of companies in different branches. The authors believe these samples can represent the general situation and provide trustworthy evidence for the study. Second, to find and establish new contacts that fit the target population requires time and among the samples from the newly established contacts there may be a low response rate. Due to the time constrain of this thesis work, the authors decide to not look for now contacts for sampling.

3.3.3 DATA COLLECTION INSTRUMENT AND SOURCE

Besides the authors’ working experience, to collect data for building the theory part, literature review is applied as a data collection instrument. The main data resources are peer reviewed academic papers and books. The applied searching engines are BTH library, KTH library and Google Scholar.

To collect data and validate the authors’ anticipation, this thesis chooses to combine semi-structured interview and structured questionnaire as the data collection instrument.

Interview is a method of collecting data by asking questions to individuals in oral or written form to acquire information that researchers want to know (Thomas, 2003, p. 63; Wengraf, 2001). The semi-structured interview or the Loose-question approach is an interview strategy where questions on the general level are designed to elicit the interviewee’s opinion and experience in the research problem, meanwhile, keep the possibility open for the subsequent questions that conversation may lead to (Thomas, 2003). The semi-structured interview intends to get in-depth understanding from the interviewee’s perspective of the research problem. During the interviews, the interviewees are encouraged to express freely about their points of view towards the questions being asked. The advantages of an interview are: first, through face-to-face or orally communication, the interviewer can get much more information and ideas from the interviewee than doing a questionnaire; second, in conversations it is easier to understand the interviewee’s attitude towards factors and the reasons behind it, which is hard to get through a questionnaire. Based on these characteristics of interview, this thesis chooses to apply it as one data collection instrument. On one hand, the authors use interviews to verify and validate the anticipation and try to
gain deeper understanding of why the interviewees hold the opinion. On the other hand, the authors wish to use the result of the interviews as the supplement of the theoretical study if any new ideas and information that are generated from the interview. The limitation of interview is that interviews are time consuming since conversations with each respondent need to be done separately (Thomas, 2003). Due to the time constrain, the authors choose six interviewees who are on the director level and have strong experience for all the functions including project management, being steering committee members and even being project stakeholders.

Questionnaire is “a very general sense to mean any printed set of questions that participants in a survey are asked to answer, either (a) by checking one choice from among several possible answers listed beneath a question or (b) by writing out an answer” (Thomas, 2003, p. 66). Questionnaire is a typical instrument for collecting “two principal types of information that respondents are equipped to furnish—facts and opinions” (Thomas, 2003, p. 66). Structured questionnaire is one type of questionnaire with a strict formatted fashion in which the respondents can only follow the options of questions. One of the main purposes of this study is to validate the authors’ anticipation about what factors caused the negotiation problem between project managers and steering committees. Structured questionnaire can guarantee the respondents’ answers to be within the range of the studied factors; therefore, it is selected to be a data collection instrument in this thesis research. “Questionnaire often is administered in a standardized fashion, that is, in the same way to all the respondents of the survey”, so the reaction from the respondents is likely to be the same (Lavrakas, 2008, p. 652). Therefore, the responses can truly represent the real situation and can be trustworthy for examining the statements which are to be validated. There are totally 120 copies of questionnaire sent out, until the day analysis start, totally 46 responses are collected before the deadline of questionnaire. The questionnaire is internet based, questions are uploaded to an online survey service (SurveyMonkey, 2015) and the link to the questionnaire was sent to the selected people via email.

3.3.4 Questionnaire Design
The main purpose of the questionnaire is to verify in the industry the correctness of the success recipe which was generated from the literature study. One research by Shenhar, et al. (2001) with similar study focus provided the guide for designing questions in the questionnaire. In their research, a list of thirteen measures is generated by a “cross-case comparative analysis”. Then, to verify the importance and correctness of each measurement, Shenhar, et al. (2001) designed a questionnaire listing the thirteen measures and asking the respondents to rate each measurement on a seven-point assessment scale from “very low” to “very high” (Shenhar, et al., 2001). The design of the major questions in this thesis research is inspired by their questionnaire. The success recipe together with other hypotheses are listed as questions in the questionnaire, and the respondents were asked to rate their degree of agreement for each question. The more respondents agreed on one factor, the higher
point it will get. Then the final recipe of success will be generated according to the points of each factor.

The questionnaire has been placed into an online survey service (SurveyMonkey, 2015) that has been easily accessed by the respondents. The service puts the survey available on any type of platform (personal computer, mobile phone, tablet, etc) that has an internet connection and browser for it. Additionally, the population being surveyed is spread in twelve countries, three continents and ten different time zones. Therefore the flexibility of an electronic survey has made it become the preferred way to access the potential respondents. The service used for the survey was chosen since it offers a variety of possibilities for the design of the questions and the structure of the whole survey, an easy access to the responses at any time, an opportunity to personalize the survey links, a direct way to collect the responses automatically and even a few helpful tools for the analysis of the results.

Besides reaching to quality potential respondents with relevant experience, it is very important to secure they actually respond the survey. Although starting with a questionnaire that included nearly thirty five questions, there was a concern that seeing an elevated number of questions would scare away the respondents. Therefore it has been thoroughly revised a few times in order to make it more streamlined and reach a maximum of twenty questions including the demographic questions. (Fisher, 2010)

The questionnaire has been designed using only closed questions. Since the intention of this research is to place the questionnaire into an online survey, this type of questions would help to reduce the risk of bias compared to an open question. Another reason for choosing the closed questions is that the results from the survey are easy to codify with very concrete answers on a uniform metric. (Bernal, 2006) Having open questions in a survey could lead to having too much and too varied information making it hard to analyze and draw conclusions from the sampled population.

The questionnaire consists mainly of rating scale questions. Even some of the questions that were initially intended as simple dichotomous questions, have been reformulated using the Likert scale (Fisher, 2010, p. 214) from strongly agree to strongly disagree using five steps. Where the opinion regarding the relevance of aspects, reasons for non-functioning steering committees or interpersonal skills of the project manager, for example, was required, a scale zero to seven to rate the degree of agreement was used. As there were several aspects to rate or rank, a “zoom” into the scale was used to have a better resolution and let the respondent clearly differentiate its views for each aspect. It was considered that the results given from rate scale questions would be easy to be quantified, organized and analyzed in order to draw relevant conclusions.

A few multiple choice questions have been included too, this, where the purpose is to get a clear selection of the preferred choice of the respondent from multiple unambiguous and
mutually exclusive options. For each one of them, a text box for the other option, which the respondent may have and has not been considered in the questionnaire, is available. Additionally there has been a simple dichotomous question included to guide the respondent into the next question which contains several aspects to be rated on a scale.

The questionnaire is divided in four parts: personal or demographic questions, steering committee questions, project manager questions and questions encapsulating the problem as a whole.

Demographic questions have been placed at the beginning (Bernal, 2006, p. 224) with the mere purpose of knowing the country and size of the company where the respondent has obtained the relevant experience and the type of experience. Some results could be interpreted in different ways if the respondent has been a steering committee member, a project manager, a mere stakeholder or all of them.

Then, following the sequence of this research, questions oriented to the behavior of the steering committee and its members (mainly concept and functioning) were grouped, followed by a set of questions about the project manager. Political sensitivity, interpersonal skills and communication – which were identified in the theory review, were subject in the questionnaire. Finally a couple of questions that grouped the whole problem studied in this thesis were included. One, to ask the respondent whether it is possible to solve the problem studied and another one to rate the success factors presented in theoretical framework, with the possibility to add in an open text box any other factor that occurred to them.

Before sending out the survey, it was shared with two relatives, who already posses an MBA degree, for preview and evaluation of the questions and structure of the questionnaire.

3.3.5 INTERVIEW DESIGN
The interview has been designed as a compliment to the survey. All the open questions formulated when the method for this research was designed, have been included in the interview to leave in the survey only closed questions.

It followed the same sequence as explained in the questionnaire design. First there was an explanation of the problem, what is wanted to achieve with this thesis and the purpose of having the interview particularly with him/her. This has been planned to set the interviewee mindset in the correct context. Then, a set of questions about the steering committee, what it is, how it is defined and how it works in their experience are asked. That followed by the project manager questions. Both project manager and steering committee questions are oriented towards the interviewee to suggest how the identified flaws – found in the theory review and to be proven in the survey – can be improved. All selected interviewees have more than twenty years of experience in the subject of this thesis, so their suggestions for

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3 Although other methodology authors such as Fisher (2010) recommend placing them at the end of the survey to motivate the respondent to actually answer them.
improvement are highly relevant. Finally they were asked to briefly discuss the factors listed in the theoretical framework, add more if they consider so, propose a probability of success for the recipe and explain why.

As previously stated, there have been six people interviewed who were selected by the researchers based on their experience, cultural diversity and availability. To improve the global significance of this investigation, and being aware of the different approaches due to cultural diversity on management and communication, one Japanese, one Norwegian, one Chinese, one Spanish and two Swedish nationals were selected.

The interview has been designed to last forty five minutes, but has been prepared to get shortened to thirty minutes if necessary. Since the interviewees are directors, a critical matter can jump into their hands in any minute and then ask if the interview can be finished faster. One hour has been booked with each so there was room to extend any answers or interesting discussion.

Each interviewee was asked to fill in the survey of this research prior to the interview. The purpose was for the person to get embedded with the topic and already arrive with some previous thoughts to the interview and avoid getting the first information that popped into his/her mind. Then, in the meeting room a projector has been used to show the particular responses of the interviewee to the survey, this served as a guidance to conduct the interview while some of the questions were dependent on the answers to the survey. An example of a dependent question is when the interviewee was asked to suggest how to improve the aspect that has been rated as the most critical for the poor functioning of the steering committee.

One telephone interview while five interviews were held in their respective working buildings, booking a dedicated, closed and quiet meeting room for the hour. The telephone interview – due to being in different countries – was supported by a web conference tool, where desktop or certain applications can be shared online, so both people can look at the same screen on their computers. The tool offers the possibility to record the complete phone and web conference.

The audio of the interviews has been recorded as well as relevant notes taken.

3.4 Research Reliability and Validity

3.4.1 Reliability
Definition of research reliability is summarized by Dorst (2011) as following: reliability is consistency of measurement or stability of measurement over a variety of condition in which basically the same results should be obtained. The reliability can be assessed by answering the following questions (Saunders, et al., 2009):

- Will the measures yield the same results on other occasions?

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4 It did happen, one of the interviewees said he only had thirty minutes although originally accepted one hour.
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- Will similar observations be reached by other observers?
- Is there transparency in how sense was made from the raw data?

The first question is to assess the research stability over time. To answer this question, test-retest method can be applied and by measuring the consistency of two tests result, the stability over time can be assessed (Drost, 2011). However, this method is not applied in this research due to the time constrain. Still the authors believe the result is stable overtime for the reason that: Firstly, the survey and interviews are to study the opinion of target population, and this opinion is based on their experiences which are generated over time. According to the author’s observation, these opinions are likely to remain stable until remarkable changes happen and no fallback happens after the change. Secondly, the research topic is not highly emotion related. To be more concrete, the opinions of target population towards the project plan negotiation are likely to remain stable, not mattering if it is Monday morning or Friday afternoon. Thirdly, the authors’ experience and observations also suggest that opinions of target population are likely to stay stable over time.

For the second question, both two authors are involved in the survey and interview analysis separately and similar observations are concluded. The questionnaire is point based; therefore, the result will not vary by different observers. Interview questions are prepared beforehand with the same sequence as explained in the questionnaire design; therefore, the way of asking questions is not likely to vary by different observers. However, it is not able to eliminate the possibility of new findings by different observers applying different analysis methods.

For the third question, the analysis from the raw data is presented in chapter five and transparency of how the findings are concluded is high.

Besides the three questions above, it is also necessary to examine the internal consistency reliability of the questionnaire. To examine the internal consistency, Cronbach’s co-efficiency alpha is calculated for the questions that are related to the factors of success. According to Hair Jr, et al. (2009), it is generally agreed that when Cronbach’s alpha is greater than .70 the research is reliable and it is acceptable that Cronbach’s alpha is greater than .60 for an exploratory research. The Cronbach’s alpha for 8 factors of success is .887 which proves the reliability of success factors in the questionnaire. Besides the success factors, the Cronbach’s alpha for the controversial resource is 0.877, the Cronbach’s alpha for the poorly functioned steering committees is 0.930 and the Cronbach’s alpha for project managers’ interpersonal skills is 0.979. These values show that the questionnaire has adequate degree of internal consistency and is reliable.

3.4.2 VALIDITY
“Research validity is concerned with the meaningfulness of research components” and contains four different types: “statistical conclusion validity, internal validity, construct validity, and external validity” (Drost, 2011).
Statistical conclusion validity concerns if relationship between two variables does exist based on the statistical tests (Drost, 2011). In this research, the study focuses on the relationship between the success of negotiation and each factor, as the figures 2-11 shows, success of negotiation is the center of the relationships. The survey and interviews directly investigate the relationship between the success of the negotiation and each factor, no complex translation or interpretation of the result is needed to clarify the relationship. Therefore, the authors believe the statistical conclusion validity is satisfying in this research.

Internal validity concerns if a relationship from the research findings is a causal one (Drost, 2011), in another word, if confounding factors exist and have impact on research findings then the degree of internal validity will be decreased. As early discussion named, the survey and interviews directly investigate the relationship between the success of negotiation and each factor. So if all the respondents can answer according to what they really think, then the relationship from research findings should be valid. There are several factors (testing, instrumentation, mortality, maturation, ambiguity about causal direction) that can threat the validity (Saunders, et al., 2009). In the case of this thesis research, the research result will not be a disadvantage (in which case may lead to inaccurate answer) to the respondents or their organization (Saunders, et al., 2009); therefore, it is believed that respondents honestly will give the scores for each factor based on their experiences. Moreover, the investigation is not a program that lasts long time, so there is no case of dropping out for this study. Based on these conditions, internal validity is believed to be adequate for this thesis research. However, the authors cannot exclude the possibility of some specific situations happening that may temporarily influence some respondents’ answer, yet the percentage of these respondents is believed to be low and may not have a huge impact on the general validity.

The questionnaire and interviews are conducted in English and standard terms of project management are used. The target population has sufficient English level according to the authors’ acquaintance. Therefore, construct validity should be trustworthy for this thesis research.

External validity can also be referred to as generalisability (Saunders, et al., 2009). It concerns whether the findings can be equally applicable to other research settings such as other organizations (Saunders, et al., 2009). In order to increase the generalisability, the authors tried to include different organization sizes and different geographic locations during survey sampling. In order to understand both project manager and steering committees side of the story, so that the research finding is valid for both project manager and steering committees, the survey and interview also prioritize the people who have experience of both sides. Selected participants cover all different sizes of organizations and are geographically from different continents. Therefore, a certain degree of generalisability can be achieved. However, it is an equal mix; most of the potential respondents are from bigger organizations, and the number of participants from America is very limited. Therefore, it is hard to tell if the research finding is generalized enough to suit any organization in the world.
3.5 Data Analysis Methods

This thesis combines the semi-structured interview and structured questionnaire as the data collection instrument. The semi-structured interview collected 6 responses and questionnaire collected 46 responses; since the questionnaire responses are more than 30, the authors decide to apply different strategies for analyzing the data collected from each data resource. In other words, this thesis study chooses to combine the quantitative data analyze method with qualitative analyze method.

The data analysis of the interviews will apply the qualitative analysis method. The data analysis of the questionnaire will apply the quantitative analysis method. It is hard to measure the only dependent variable – degree of difficulty in negotiation. The reason is that, negotiation difficulty is highly depended on the actual situation of different cases; however, this thesis study is not based on individual cases instead it is based on the professional experiences of the target population. Therefore, it is unpractical for this study to apply regression analysis to analyze and present the result. Instead, the questionnaire asks target populations to score their degrees of agreement (from 0 to 7) on each variable, and then the weighted average of each independent variable is calculated. The higher weighted average score a variable gets, the more this variable supports the dependent variable. The authors believe this method can provide trustworthy evidences for studying the relationship between all the factors and negotiation difficulty for the reason that the target population’s degree of agreement towards each factors are based on numerous projects’ experiences. Each respondent’s point of view towards each factor most likely reflects the summary of all the projects this respondent has participated in. The authors believe this information is easier to access than individual cases, and more over, studying the experiences of the target population is more effective than studying individual cases.

3.6 Survey Response Bias

Response bias, according to Creswell (2008), means that “if the non-respondents had responded, their answers would have substantially changed the overall results of the survey”. As described in the questionnaire result, the response rate is 38.3%; the total number of non-respondents is 74. By applying wave analysis, the authors believe that if the non-respondents had respond, it won’t make big change to the overall result of this survey. The most responses were collected on the first day when questionnaire sent out and responses decreased day by day. While investigating through all the answers for questions day by day, no clear trend of statistical change for each variable found, therefore, the result is believed to be reliable and used for further analysis.
4 RESULTS

4.1 INTERVIEW RESULT

The results of the interview to six people – listed in the interviewee list section and which questions can be found in appendix A of this thesis – have been condensed and summarized into the relevant topics of this study.

Why the steering committee drives to trim the project plan?

When the interviewees were asked why would the steering committee, almost as a rule of thumb, bargain, negotiate and trim the project plan, first most of them disagree that it happens as a rule of thumb. They agreed that it happens for a reason. From the responses, three main reasons why trimming of the project plan happens are: the project plan itself, the presentation of the project plan and that such behavior is an inherit part of the steering committee members’ role. The plan having poor visibility and not being convincing enough opens the door to a lot of questioning from the steering committee. During the presentation of the plan, if the steering committee finds surprises and/or receives poor explanation to its concerns it will challenge the plan. Steering committee members in their role of being the company managers in charge of taking care of the resources, they possess a drive for performance mindset that pushes them to challenge the request of resources and take the project planning to the limit in efficiency.

Steering committee

The definition of the steering committee summarized from the responses of the interviewees: A group owning the resources that enables the project execution with the responsibility to make decisions to steer the project towards the goal and that represents the different areas affected by the project.

Regarding how the members of the steering committee were appointed in their company, the condensed responses from the interviewees show that the areas affected by the project are identified and a representative is selected based on the status of resource owner and decision owner from each area. The selection of the members is normally done by senior management at the scope of the project together with the project sponsor. They are also responsible of identifying the areas affected by the project. Senior management of the scope can be clarified with an example; if the project scope is to develop a new tool for documenting new releases internally inside the Software development department, then the head of the department would represent senior management of this scope and would do the selection of the steering committee together with the project sponsor.

The interviewees also mentioned that the flaws from the steering committee and its members – that were listed in the survey as reasons for the poor functioning of the group –
can be improved by having a clear assignment with a guideline so they understand the importance of their role in the project and what is expected from them.

**Project manager skills improvement**

On the other side of the problem, the project manager, the interviewees were asked about how the personal weaknesses, if existed, regarding the key skills listed in the survey, could be improved. The summary of the answers shows that the deficient skills or the effect of the deficient skills could be improved by receiving appropriate and constructive feedback from their leaders, being supported by other experienced members while running the project, and creating some rules or guidelines in the organization to be followed by project managers when running a project.

The political ability – a skill that was highlighted from the rest in the literature review – has been overwhelmingly disliked by all the interviewees. However, from the three most senior interviewed directors, two commented it is a very useful skill to have and the third interviewee, while disliking the political skill as a factor for project management performance, has a well known reputation of being a good politician himself. Although the specific question was intended to be how the political skill could be improved in a project manager, the answer could not be obtained as the interviewees getting slightly disgusted by the simple fact of associating project management performance and political games.

**Effective communication**

Good reporting was identified as an important factor for a good communication from the project towards the steering committee and in general to all stakeholders in the project. The interviewees were asked to describe what a good report is. According to them, the report to the steering committee members should be an Email with a link to the document repository where more details can be found. The email, while alerting the receiver, should contain an executive and graphic summary to let the receiver clearly and simply know the status of the project and if additional details of a specific matter are wanted, further details are included in the linked document.

Additionally, the interviewees provided other important ways to have an effective communication besides continuous reports and information sharing meetings. To have pre-alignment meetings for particular topics with relevant members, to maintain a close communication with the project sponsor and, if held at distance, to use video conference to be able to get full attention from all attendees, were some of the suggestions.

**Success of the recipe**

The interviewees were faced with the factors or steps shown in the theoretical framework of this thesis and asked what could be the success probability for a project manager and organization that took each one of the steps of the framework. An overwhelming Yes with
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>80% probability of success was responded. They added it is not possible to reach 100% as external factors cannot be worked out such as changes in the financial situation of the company and other corporate directives or changes.

Three very interesting factors were suggested to be added to the recipe of success by the interviewees. The first one, to ensure that there is a clear scope and target for the project at definition and secure it is widely understood by the stakeholders. Secondly, a common suggestion from all was to build trust. To build trust and confidence from the steering committee members was dubbed as essential for an effective negotiation and alignment. The third one is to present alternative scenarios of the project plan, including a potential stretch in the resources, showing clearly the risks that each scenario would bring. Then, it would be clearly up to the decision makers to choose the optimal solution considering the associated risks.

Finally, they commented about how to integrate the potential recipe for success – outcome of this thesis – into their organization. They mention, it would need to presented just as the project plan being now studied, this recipe would have to be “sold” to the affected organizations in the company by showing clearly the proposal and business benefits it would bring. They mention it could be introduced as a company process and distributed by taking part in one of the project management workshops in the company.

4.2 QUESTIONNAIRE RESULT
The total number of questionnaires sent out is 120 and 46 responses were received. The response rate is 38.3%.

4.2.1 BASIC FACTORS
Geographic location of respondents

The respondents are currently located or have gained their most significant experience on one or several countries. Out of the 46 responses, 18 have it in Sweden, 14 in China, 6 in Japan, 6 in a global company and 2 in USA. The proportions are graphed on figure 4-1.
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**FIGURE 4-1: GEOGRAPHICAL LOCATION OF THE COMPANY WHERE THE RESPONDENTS ARE CURRENTLY WORKING OR WHERE THEY GAINED THEIR MOST SIGNIFICANT EXPERIENCE. (SOURCE: RESULT OF QUESTION 1 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)**

**Size of the company**

Among the respondents, graphed in figure 4-2, 3 are working in companies which have less than 100 employees. 5 are working in companies which have between 100 and 500 employees. 1 is working in company which has between 500 and 1000 employees. 12 are working in companies which have between 1000 and 5000 employees. 25 are working in companies which have more than 5000 employees.

**FIGURE 4-2: SIZE OF THE COMPANY BY NUMBER OF EMPLOYEES WHERE THE RESPONDENTS ARE CURRENTLY WORKING OR WHERE THEY GAINED THEIR MOST SIGNIFICANT EXPERIENCE. (SOURCE: RESULT OF QUESTION 2 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)**
Professional experience

Figure 4-3 shows that 291.11% of the respondents have the experience of being project manager. 66.67% of the respondents have the experience of being steering committee member. 55.56% of the respondents have the experience of being project stakeholder. The sum of this question is much larger than 100% which indicates that many of the respondents have experience of more than one role in their professional careers.

FIGURE 4-3: EXPERIENCE OF THE RESPONDENTS. THE GRAPH SHOWS IF THE RESPONDENTS HAVE BEEN PROJECT MANAGERS AND/OR STEERING COMMITTEE MEMBERS AND/OR PROJECT STAKEHOLDERS. (SOURCE: RESULT OF QUESTION 3 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)
4.2.2 Project Resources

The respondents were asked about the resources types inside the project plan (question 4). Figure 4-4 shows five different types of resources: people, equipment, material, time, and money. It also shows the level of agreement (from 0 to 7, 7 being the highest level of agreement) that the respondents have given to the specific resource type being controversial or not during the project plan negotiation. The highest rated resource is money, which weighted average is 5.29. Time is rated slightly less and gets weighted average 5.24. People gets weighted average 5.05, equipment gets weighted average 3.81 and material gets weighted average 3.45.

FIGURE 4-4: CONTROVERSIAL RESOURCES DURING THE PROJECT PLAN NEGOTIATION. THE GRAPH PRESENTS THE DEGREE OF AGREEMENT WHETHER THE RESOURCE TYPE IS CONTROVERSIAL OR NOT. SEVEN REPRESENTS THE HIGHEST LEVEL OF AGREEMENT. (SOURCE: RESULT OF QUESTION 4 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)
4.2.3 Steering Committees

The questions related to steering committees are question 5 to question 12. Figure 4-5 condense the results of questions 5 and 6 showing the results regarding the concept definition of the steering committee. It mirrors the results of who does define the concept in the respondent’s company (left of the figure) against the results of who the does the respondent consider should define the concept in the company (right of the figure). Additional answers have been provided too. In the current company, the concept is defined based on scope, or for main product development projects it is defined at senior management while for ad-hoc projects at division/function level. It was also commented that depending on project scope and case by case the concept should be defined.

**FIGURE 4-5: THE STEERING COMMITTEE CONCEPT DEFINITION, THE FIGURE SHOWS THE ANSWERS FROM THE RESPONDENTS ON WHO DEFINES THE CONCEPT IN THEIR COMPANY VS WHO THEY THINK SHOULD DEFINE IT. (SOURCE: RESULT OF QUESTION 5 & 6 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)**

The result of question 7 is presented in figure 4-6, showing that the respondents tend to slightly agree that the concept of steering committee is uniform in the company, with a weighted average of 0.09, this, on a scale -2 to 2 from total disagreement to total agreement. Utilizing the same scale for question 8, the results, on figure 4-7, exhibit that the respondents tend to totally agree – with a weighted average of 1.5 – that having the concept uniform in the company will help the steering committee members to exercise their role better.
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FIGURE 4-6: THE UNIFORMITY OF THE STEERING COMMITTEE CONCEPT DEFINITION, THE FIGURE SHOWS WHETHER THE RESPONDENTS AGREE OR NOT IF THE CONCEPT IS UNIFORM IN THEIR COMPANY. (SOURCE: RESULT OF QUESTION 7 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)

FIGURE 4-7: THE UNIFORMITY OF THE STEERING COMMITTEE CONCEPT DEFINITION, THE FIGURE SHOWS WHETHER THE RESPONDENTS AGREE OR NOT IF A UNIFORM CONCEPT IN THEIR COMPANY WILL HELP FOR THE STEERING COMMITTEE PERFORMANCE. (SOURCE: RESULT OF QUESTION 8 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)
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Results of question 9, graphed in figure 4-8, indicate the respondents tend to disagree when asked if the steering committee members receive some preparation or training to perform the required tasks and responsibilities once they are appointed.

When respondents were asked if they had ever experienced a steering committee that does not function properly, the results, on figure 4-9, displayed that more than two thirds of the respondents have experienced the poor functionality of the committee. The figure also exhibits the reasons for the poor performance of the steering committee. The respondents rated each one of the suggested reasons for the poor performance. “Lack of ownership and responsibility from the members” got the highest weighted average point (4.69), closely followed by “Lack of motivation of the members towards their role at the SC” (4.63) and “Unclear assignment as a SC member” (4.61). Additionally the answers included proposed other factors for the phenomena: Poor leadership from the steering committee chairman, wrong focus of the steering committee decision meetings and the wrong people being appointed as members.
4.2.4 Project managers

The rating of agreement when the respondents were asked if the listed project manager interpersonal skill was important for the negotiation of the project plan is exhibited for each skill in figure 4-10. Almost all the 18 skills are highly valued. “Communication” skill is rated the highest among all the skills (6.33). Only two of the skills “need for control” and “coaching” got weighted average points lower than 4. Presentation and planning skills were also suggested by the in the answers.
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**Figure 4-10: The Project Manager Interpersonal Skills.** (Source: Answers from the importance each skill has on the negotiation of the project plan has been rated by the respondents (Q13). Graph created by using SurveyMonkey)

Figure 4-11 indicates that the respondents tend to disagree that project managers need to be good politicians in order to reach a successful negotiation of the project plan.

**Figure 4-11: Political Ability of the Project Manager.** (Source: Answers of whether respondents agree or not that to be a good politician is important for the PM to reach an alignment of the project plan (Q14). Graph created by using SurveyMonkey)
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4.2.5 POSSIBILITY OF ALIGNMENT OF PROJECT PLAN BEFORE TG2 MEETING
Most of the respondents (37 out of 46) believe it is possible to make a negotiation or alignment of the project plan with each member of the steering committee before TG2 meeting.

<table>
<thead>
<tr>
<th>Degree of Agreement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>No Opinion</th>
<th>Total</th>
<th>Weighted Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select your degree of agreement</td>
<td>8.7%</td>
<td>74.7%</td>
<td>8.7%</td>
<td>8.7%</td>
<td>2.1%</td>
<td>46</td>
<td>0.63</td>
</tr>
</tbody>
</table>

FIGURE 4.12 IS IT POSSIBLE TO MAKE A NEGOTIATION OR ALIGNMENT OF THE PROJECT PLAN WITH EACH MEMBER OF THE STEERING COMMITTEE BEFORE TG2 MEETING. (SOURCE: RESULT OF QUESTION 12 IN QUESTIONNAIRE. GRAPH CREATED BY USING SURVEYMONKEY)

4.2.6 COMMUNICATION EFFICIENCY
There is a tendency from the respondents to strongly agree that good reporting from project managers towards steering committee members and stakeholders will help to have a successful negotiation of the project plan. In this respect, 46.67% of the respondents think the report from project managers to steering committees should be shared once a week, 42.22% of the respondents think the report from project managers to steering committees should be shared bi-weekly and the rest 11.11% think the report should be shared once a month. Among the many ways of sharing the report, meeting is the way that got highest weighted average point (5.42) while others’ weighted average point are all lower than 4. Good reporting answers are summarized in figure 4.13.

Figure 4-14 shows there is also a tendency to strongly agree among respondents that the information sharing meeting towards the steering committees and stakeholders are important for a successful negotiation of the project plan. Additionally, more than 90% of the respondents think this meeting should not be held less frequently than once a month.

**Information sharing meetings**

4.2.7 **The factors for success**

The rating to each one of the factors for success listed in question 20 is presented in figure 4-15. “To have a good information flow and communication in the project, steering committee and Stakeholders” got the highest weighted average point (5.96). All the factors in this list got weighted average point higher than 4. Respondents also suggested other factors: To have a clear plan and report, to build trust between the two parties, to have proactive face to face communication with relevant members, to have clear and aligned goals and expectations since the beginning of the project and to include a risk analysis.
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FIGURE 4-15: THE FACTORS FOR A SUCCESSFUL PROJECT PLAN NEGOTIATION, (SOURCE: THE RATING OF IMPORTANCE FOR EACH FACTOR LISTED IN QUESTION 20. GRAPH CREATED BY USING SURVEYMONKEY)
5 ANALYSIS

5.1 RESOURCES IN THE PROJECT PLAN

The result shows that money and time got the highest weighted average points which means in the respondents’ previous working experience, on the TG2 meetings, disagreements are most likely to happen on project cost (money) and time. People are the third factor that is likely to be disagreed on. Based on the explanation of weighted average points in methodology chapter, the higher the weighted average level is, the more disagreement exists or in another word, the more difficult negotiation gets.

Interesting findings could be observed when reviewing this data further together with the geographic location and the size of the company to understand the role these factors can play. Even when the different behaviors associated to these two factors are not the main track of investigation at this point, the authors would like to share the analysis for a possible future research.

The result by sorting the answers according to geographic location shows companies’ geographic locations do play some roles in the difficulty of negotiation. Result (See Figure 5-1) shows that Sweden has the lowest disagreement levels on the top three controversial factors – time, money and people in the three countries. While in Japan, the negotiations for all these three factors are more difficult than the other two countries. Another special thing about Japan is that people is the most controversial factor in the negotiation during the TG2 meetings. This result reminds the authors about the different working culture of these two countries. It is generally known that Japanese work place appreciate high efficiency and employees’ dedication, it is not hard to imagine the stakeholders and steering committees expecting the project to be finished quicker, less costly and all the project participants should
work harder in order to minimize the team size. Sweden on contrary, is a country whose work places are build on trust, companies highly value equality and individual consciousness, and management have less power compared with other countries. It is not hard to draw the connection neither on why the negotiation on the project recourses between project management and steering committees is less difficult in Sweden.

The survey result by sorting the answers according to company size also shows some interesting differences of the attitude among companies in different sizes. In the small size companies (which have less than 100 employees), the factor – People is the most controversial one in the three factors. This send a message to the authors that small companies normally have less human resources is the reason that People is the most controversial factor in the negotiation.

Based on results and discussions above, the authors believe that the Hypothesis 2: Allocation of scarce resources is controversial during the project planning phase and is the major cause of negotiation, is proven to be true.

5.2 THE RECIPE FOR SUCCESS

Based on the results from the instruments as well as the previously discussed literature, there has been a possibility to analyze the findings having each one of the proposed steps as background.

5.2.1 TO HAVE A WELL DEFINED CONCEPT OF STEERING COMMITTEE

Results shown in figure 4-7 indicate that the respondents tend to strongly agree that having a concept that is clearly defined and consistent in the company will help the steering committee members to perform better in their role. The results go very much in line with
what was found by Lechler & Cohen (2009) where inconsistency in the concept led to consider the value of the steering committee in project management to be diminished.

On the other hand, while Lechler & Cohen (2009) presented that the concept of steering committee is still not perceived as crystal clear in different organizations; respondents of the questionnaire tend to agree that the concept of the steering committee in their company is uniform. Although the balance tends to the agreement with the minimum level 0.09, as shown in figure 4-6, the authors were expecting a strong tendency to disagree. A curious finding is that there is a big deviation compared to the interviewees’ responses. If those six results are averaged separately, they would show a tendency to disagree instead, at -0.83 in the scale. During the interview, the interviewees answered the questionnaire, and had therefore the opportunity to clarify the question asked; perhaps that could be a factor for the deviation.

There seems to be not big deviation regarding the perception of who defines at the moment the concept of the steering committee in the company compared to who the respondents think should define it. Figure 4-5 shows that almost half of the respondents consider it should be defined by management at senior level in the company. Part of the concept is its scope, and when looking at this aspect more in detail during the sessions, interviewees comment the concept should be defined specifically on project scope and case by case depending on the type of project. Making a differentiation of two types of projects in the company, for main product development projects, the concept is and should be defined at senior management level while for ad-hoc projects is and should be at division/function level.

A definition of the steering committee from the interviewees: A group owning the resources that enables the project execution with the responsibility to make decisions to steer the project towards the goal and that represents the different areas affected by the project. It seems to be a subset of definitions from the literature (Englund & Bruenero, 2006, pp. 90-91), a group that mandates and provides direction in the project, empowering the project manager to undertake it, keeping it under certain boundaries of control and taking the decisions during its lifecycle that cannot be made within the project team.

5.2.2 To have a well selected and prepared steering committee
Evidence can be found in the questionnaire result proving the authors’ anticipation, based on Arnesson & Albinsson’s (2014) findings, that the training for steering committee members is not universal and sufficient. Results shown in figure 4-8, indicate the respondents tend to disagree that the steering committee members receive some preparation or training to perform the required tasks and responsibilities once they are appointed.

According to the interviews output, the members are appointed considering the areas affected by the project, and a representative is selected based on the status of resource owner and decision maker from each area. This appointment process is handled by senior
management at the scope of the project together with the project sponsor. On a higher level approach, Englund & Brucero (2006) comment that all executives in a company, representing a business area affected by the project, should be part of the steering committee. They also recommend that the ideal membership in a committee would contain representation of all main project stakeholders so all relevant opinions, inputs and feedback are considered when making decisions.

Even companies from different countries in different sizes all have similar result about the training for the steering committee members – slightly less than 0, which means that more respondents believe the trainings for the steering committee members are missing.

There is a clear gap on this step, while Elonen & Arto (2003) show that the unclear roles and responsibilities among decision makers is one of the main problems in managing projects, currently there is not much done to prepare the selected steering committee members to exercise their role.

5.2.3 TO HAVE A CORRECTLY FUNCTIONING STEERING COMMITTEE

The questionnaire result further reveals the fact that almost three quarters of the respondents have experienced improperly functioning steering committees. For those who have had experience of improperly functioning steering committees, the questionnaire further asked why the steering committees weren’t working properly. The result shows that “Lack of ownership and responsibility”, “Lack of motivation” and “Unclear assignment” are the top three reasons of none properly functioning steering committees. Even though there are other three factors – “Lack of competence”, “Lack of time” and “Lack of preparation” have got more than 4 weighted average points, still, this result sends an important message of what the missing training should include in the schedule – the correct attitude towards each project. Additionally, poor leadership from the steering committee chairman, wrong focus of the steering committee decision meetings and the wrong people being appointed as members.

Given the main reasons for the poor performance of the steering committee, at this step each one of those causes could be individually developed for improving the overall level of functionality in the committee. Additionally, Arnesson & Albinsson (2014), propose to have a positive attitude about the project idea and its goals, to have knowledge of the assignment, to have a position with authority to take the decisions they are required to, and to have time allocated for the activity. Also, as the interviewees suggested, a clear assignment with a guideline included could be carefully prepared and given to the members so they understand the importance of their role in the project and what is expected from them.

When concerning the question if the steering committees work properly, the authors were also curious about if company’s geographic location or number of employees play some roles in the steering committees’ performance. By sorting the result according to geographic location, the results of different countries do not show any significant differences from the
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general result. However, by sorting the result according to the company size reveals an interesting point. In small companies which have less than 100 employees, only one third of the people have had experiences of improperly worked steering committees, it is a huge difference comparing with big companies (more than 5000 employees) which this percentage is 80%. More interestingly, the reasons for the improperly worked steering committees in small companies are “Lack of exercise”, “Lack of preparation”, “Unclear assignment” and “Lack of competence”. “Lack of ownership and responsibility” and “Lack of motivation” got only one weighted average point and are the least rated reasons for improperly worked steering committees. By getting this message, the authors can help to wonder if the ownership, sense of responsibility and the motivation are the key factors for a properly worked steering committee.

However, direct information from the result can only prove that the reasons of improperly working steering committees in big companies are lack of ownership, sense of responsibility and the motivation, while reasons of improperly working steering committees in small companies are lack of experience and competence. At the same time, the performance of steering committees in big companies is much worse than small companies. No direct evidence to prove that it is the steering committees’ sense of ownership, responsibility and the motivation that makes the steering committees in small companies have better performance. This remains as a very interesting point to be proved.

5.2.4 TO HAVE A PROJECT MANAGER WITH HIGH INTERPERSONAL SKILLS

The result of the questions concerning project managers shows the absolute importance of project managers’ communication skill. Yet, all of the skills surveyed had above 5.5 weighted average points. Since the question is about the interpersonal skills that the PM should posses to make the negotiation of the project plan successful, therefore, the authors believe that project managers by possessing the factors above can reduce the difficulty in the negotiation with steering committees. Presentation and planning skills were also suggested by some respondents.

It was difficult to negate by both respondents, of survey and interview, the importance of the interpersonal skills to be a good project manager and thus make them factors for the negotiation of the project plan. All project managers need a set of managerial traits that characterize successful managers in general (Malach-Pines, et al., 2009; Project Management Institute, 2013).

However, it was interesting how the interviewees hesitated to respond how missing or poor skills could be improved in the project manager. One of the interviewees even suggested that some of the skills like leadership cannot be taught, and it was the fault of the organization to place a person with that profile in that position. Some others suggested instead that by receiving continuous constructive feedback, the level in their skills could raise. As mitigation, when this situation occurs, the low performer project manager could be supported by appointing other experienced members in the project while running the project. For example
another staff member with high competence in negotiation could be assigned to support the project manager that is having some troubles to reach agreements with different parties. Finally, another suggestion is to create a set of rules or guideline within the organization to be followed by project managers while running projects.

Furthermore, the result can be sorted according to geographic location giving interesting findings:

- In Sweden, Communication, Trust building, and Involvement are rated as the three most important factors for successful negotiation.
- In China, Communication, Commitment and Motivation are rated as the three most important factors for successful negotiation.
- In Japan, Communication, Decision making and Trust building are rated as the three most important factors for successful negotiation.

By sorting the result according company size, the results are as following:

- Among companies having less than 100 employees, Communication got the highest weighted average point; Involvement, Enthusiasm, Listening, and Flexibility got same weighted average point and are on the second place.
- Among companies having between 100 and 500 employees, Trust building, Communication, and Influencing are rated as the three most important factors for successful negotiation.
- Among companies having between 500 and 1000 employees, Commitment is rated as the most important factor, then Motivation, Communication, Political sensitivity, Conflict resolution, and Listening are on the second place.
- Among companies having between 1000 and 5000 employees, Communication, Motivation, and Decision making are the three most important factors for successful negotiation.
- Among companies having more than 5000 employees, Communication, Commitment, and Trust building are the three most important factors for successful negotiation.

5.2.5 TO HAVE A POLITICALLY SKILLED PROJECT MANAGER

Even though being considered as an interpersonal skill itself, the political ability of the project manager was deliberately questioned in the survey separately. The reason is that it is a skill that was highlighted from the rest in the literature review. Being an outstanding skill, the hypothesis H3 was proposed to verify empirically what was found in the theory.

However, just as figure 4-11 indicates, the respondents tend to disagree that project managers need to be good politicians in order to reach a successful negotiation of the project plan. That was not the only instrument with an overwhelming answer, it was also widely disliked by all the interviewees – that was the first reaction at least.
It was commented on interviews that it is a very useful skill to have but it is not considered a critical skill or any more important than leadership, communication or negotiation – just as the survey’s result show in figure 4-10.

Therefore, based on the results from survey and interview, and although still being considered as an important interpersonal skill, hypothesis H3: The political ability of the project manager outstands as an important interpersonal skill for the successful negotiation of the project plan, is proven to be not true.

Given the negative result from the hypothesis, it is now proposed by the authors to remove step 5: To have a politically skilled project manager, from the proposed recipe for success.

5.2.6 TO HAVE A GOOD INFORMATION FLOW AND COMMUNICATION IN THE PROJECT, STEERING COMMITTEE AND STAKEHOLDERS

In the questionnaire result, all the respondents agreed on the fact that good reporting from project managers towards steering committees and stakeholders is important for a successful negotiation.

When been asked about how often the report should be shared, the most rated answer is once a week. One week is considerably short time frame, and most respondents choosing this alternative shows that reporting timely is preferred in practices. There do exists an even more often alternative – reporting daily – which no respondent have selected, since it is commonly understood that not much progress can be made for a project in one day, therefore, daily report will only consume time unnecessarily. Having no respondents to select the daily alternative does not mean that reporting on-time is not important; instead, it shows that the report should also contain meaningful information.

Among different ways of reporting, the most rated alternative is meeting. All other alternatives got similar points which are slightly less than 4 weighted average points. Meeting is the only alternative that has face-to-face communication among all the alternatives and face-to-face communication is commonly agreed to be the most efficient way of communication. On the other hand, face-to-face communication has the problem that it is hard to trace since no information is documented. Therefore, the authors believe that meeting was rated highest for this question provides the evidence that communication efficiency has the highest priority when concerning communication.

The result and analysis shows that it is generally agreed among respondents that high quality communication can help to reduce the difficulty of the negotiation between project managers and steering committees. Quick feedback and communication efficiency are extremely important in communication.
5.2.7 TO HAVE AN ALIGNMENT AND NEGOTIATION PRIOR TO THE TOLLGATE MEETING WITH EACH STEERING COMMITTEE MEMBER

As figure 4-12 shows, 33 respondents out of 46 agreed that alignment and negotiation can be reached before TG2 meeting, and 4 respondents strongly agree with it. This result reveals that the tough negotiation on the tollgate meeting can be avoided by making alignment prior to the meeting.

This result also provides the evidence for the authors’ anticipation that communication between the two parties should not be initiated on the meeting but before the meeting. If the discussion of project plan starts from the tollgate meeting when the general understanding is not achieved between project managers and steering committees, it is likely to lead to the negotiation. Since the time of meeting is normally limited, project managers cannot present all the reasoning to convince the steering committee. Just to reach a conclusion, the negotiation will be tough and painful. Yet, if the communication between project managers and steering committees is initiated before the meeting, the project managers will have sufficient time to present all necessary materials to the steering committees and understand all the steering committee members’ concern, then further reaching a common understanding and making alignment prior to the meeting. As alignment is made prior to the meeting, the tollgate meeting will go much smoother to reach a conclusion.

The survey and interview result proves this common understanding and alignment is achievable. Therefore, step 7 “to have an alignment and negotiation prior to the tollgate meeting with each steering committee member” should be included in the success recipe.

5.2.8 TO ADJUST THE PLAN ACCORDING TO THE ALIGNMENT REACHED

The plan having poor visibility and not being convincing enough opens the door for a lot of questioning from the steering committee. During the presentation of the plan, if the steering committee finds surprises and/or receives poor explanation to their concerns, they will challenge the plan.

Steering committee members in their role of being the company managers in charge of taking care of the resources, they possess a drive for performance mindset that pushes them to challenge the request of resources and take the project planning to the limit in efficiency. Therefore, the project managers should respect the function of steering committee members and adjust the plan accordingly to reach the alignment. The survey result proves the importance of this step, according to figure 4-15, to adjust the plan according to the alignment reached is rated the third most important factor for success.

5.3 A TRUE RECIPE FOR SUCCESS?

If the agreement is not possible to reach, then all the factors are not going to change anything. Fortunately, according to the questionnaire result, more than 80% of the respondents believe it is possible to make a negotiation or alignment of the project plan with steering committee members before TG2 meeting. (Step 7 is the precondition in the recipe)
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The possibility of alignment reveals that these two parties representing different functions and concerns of an organization are not contrary to each other; instead, a match is certainly achievable. Then, as long as both parties work properly and present the right value for each side, when agreement and alignment is achieved, the conclusion will help to push the project to the right direction and contribute to the organization’s business objectives. Therefore, the steps which ensure both parties to work properly and present the right value should also be included in the recipe for success.

On the steering committee’s side, to have a well defined concept of steering committee, to have a well selected and prepared steering committee, and to have a correctly functioning steering committee, are all the important factors for building a steering committee that can represent the right value of the organization’s business strategies. Therefore, step 1, 2 and 3 should all be included in the recipe of success.

On the project management side, the research assumes that project managers have sufficient understanding for their own projects. Then the remaining question is how to get the necessary resources for the project to ensure the project result. This research identified and proved that it is project managers’ interpersonal skills that are critical for this. At the same time, according to the survey result, to be a good politician is not an important factor for project managers to get the necessary resources. Therefore, step 4 should be included in the recipe of success.

By only having a properly working steering committee and project manager, it is not possible to make alignments; communication is also needed between the two parties. Communication bridges the two parties and makes the alignment possible. Communication as a factor of success is the one that all the respondents agreed on, so step 6 should definitely be included in the recipe of success. Moreover, to reach alignments, most respondents also think it is important to adjust the project plan which includes step 8 into the recipe of success.

Based on the above discussion, hypothesis H1: A successful negotiation of the project plan between project managers and steering committees can be reached by completing the eight steps of the recipe, is proven to be true.

5.4 ADDITIONAL STEPS TO THE RECIPE

Hypothesis 1 is proven to be true, however, the steps of the recipe were initially planned and built based on only the literature review. It was intended during the research to find possible steps contributing to obtaining a higher possibility of success.

Out of the survey results it was found that to have a clear plan and report, to build trust between the two parties, to have proactive face to face communication with relevant members, to have clear and aligned goals and expectations since the beginning of the project and to include a risk analysis, would be additional steps suggested by some respondents.
During interviews, three suggestions were received and discussed: To ensure that there is a clear scope and target for the project at definition and secure it is widely understood by the stakeholders, to build trust and confidence from the steering committee, and to present alternative scenarios of the project plan, including a potential stretch in the resources, showing clearly the risks that each scenario would bring.

If the input from both instruments is taken, three steps could potentially be added to the recipe: To have a clear project scope and target, to build trust with the committee and to present risk analysis scenarios.

To have a clear project target and scope that is widely communicated and understood at definition stage

It is not a surprise that this step was recommended both by respondents of the survey and by the interviewees, the called then “Project Mission”, which is to have a clarification of the goals and general directions of the project, was identified as critical success factor for the project in general (Pinto & Slevin, 1987). Additionally, Pinto & Prescott (1988) mapped each one of the ten critical success factors for the project across the life cycle or stages of the project. During planning, the stage where this thesis is mainly interested, “Project Mission” was found to be critical to project success.

To build trust between the project manager and the steering committee

Some of the interviewees even dubbed to have the trust from the steering committee members as essential for an effective negotiation and alignment. It was discussed then that it is hard to imagine even the correct functioning of the project at all where there is a lack of trust in the environment.

Given its importance, Karlsen, et al. (2008) studied how to build trust between the project and the stakeholders given that “trust enables cooperative behavior, promotes adaptive organizational forms, reduces damaging conflicts and transaction costs, and promotes more effective responses to crisis”. They found that trust can be built by improving communication and commitment, being reliable, sincere, benevolent, and acting with integrity; as well as working towards the project goals.

To present project plan scenarios with their associated risk analysis

The steering committee members are decision makers. What a better way to let them fully exercise their role than by presenting different scenarios of plans. One scenario with the optimal or most efficient plan – according to the project team – one with some “trimmed corners” and one with some room to catch eventualities. With the risks that each situation would bring clearly presented, it would then be up to the decision makers to choose the most convenient solution.

At this moment, the authors suggest that additional research, both from literature and empirical, to determine if all of the three steps should or not be incorporated to the
proposed recipe. However the findings can indicate that the hypothesis H4: The eight steps contained in the framework are the only major factors for a successful negotiation of the project plan between project managers and steering committees, is proven to be not true.
6 CONCLUSIONS AND IMPLICATIONS

The review of the existing literature shows that there has been extensive research on the factors for success of the project as a whole, considering its entire life cycle. For the particular problem of this thesis, the steering committee is seen as a protagonist, however not much literature around it is currently available – to the extent that some reference project management books don’t even mention the term. Based on the existing theory, an aspect as basic as the definition itself of what a steering committee is became relevant given that previous studies shown that certain members have a difficulty to accurately describe the scope of their task. This, among other factors can turn the committee, one of the three actors, into a poor performer occasioning conflicts in the alignment of the project plan. One of those factors is the potential psychological disease patterns presented by members that could be affected by the powerful position they hold as decision makers.

For the case of the second actor of this problem, the project manager, literature is more abundant. It is found mainly as reference books and a few articles about what constitutes a good project manager, what kind of networks it should have, etc. From that review it could be found the importance of the quality of the interpersonal skills, particularly the political ability. Habitual project management practices such as transparent communication, continuous alignment and adjustment of plans based on feedback were also identified in the review. These last three particular aspects can be taken out of the project manager and encapsulated to become a separate actor of this problem on its own, the interaction between the two parties: project manager and steering committee.

Eight steps were formulated and were entitled as the recipe for success to overcome the problem presented at the beginning of this thesis. The steps are:

1. To have a well defined concept of steering committee.
2. To have a well selected and prepared steering committee.
3. To have a correctly functioning steering committee.
4. To have a project manager with high interpersonal skills.
5. To have a politically skilled project manager.
6. To have a good information flow and communication in the project, steering committee and stakeholders.
7. To have an alignment and negotiation prior to the tollgate meeting with each steering committee member.
8. To adjust the plan according to the alignment reached.

Those steps were the starting point for the empirical research, where, by surveying and interviewing several professionals with different profiles of the project management area, it was found that the proposed main hypothesis H1: A successful negotiation of the project plan between project managers and steering committees can be reached by completing the eight steps of the recipe, is proven to be true.
The positive confirmation of the hypothesis has also given the answer to the research problem of this thesis: How can the project manager get the project plan approved by the steering committee without demands that compromise the success of the project?

Based on the results from the empirical study, it could be proven that the proposed eight steps could serve as a solution for the alignment of the project plan avoiding demands of adjustments that could have a harmful effect on the project execution.

The study also helped to confirm Hypothesis 2: Allocation of scarce resources is controversial during the project planning phase and is the major cause of negotiation. This hypothesis has been a foundation for the problem of this thesis and is now proven to be true.

On the other hand, hypothesis H3: The political ability of the project manager outstands as an important interpersonal skill for the successful negotiation of the project plan, is proven to be not true. That motivates the authors to remove step 5: To have a politically skilled project manager, from the proposed recipe for success, an original eight-step recipe.

The results of the research instruments also show that the proposed recipe can be complemented for better chances of success, as it was indicated by the result hypothesis H4: The eight steps contained in the framework are the only major factors for a successful negotiation of the project plan between project managers and steering committees, which is proven to be not true.

It is then concluded that in order to help the project manager to get the project plan approved by the steering committee without harmful demands, the following steps prior to the tollgate meeting – where the plan is reviewed for approval – can be followed:

1. To have a well defined concept of steering committee.
2. To have a well selected and prepared steering committee.
3. To have a correctly functioning steering committee.
4. To have a project manager with high interpersonal skills.
5. To have a good information flow and communication in the project, steering committee and stakeholders.
6. To have an alignment and negotiation prior to the tollgate meeting with each steering committee member.
7. To adjust the plan according to the alignment reached.

Potentially helpful steps
8. To have a clear project target and scope that is widely communicated and understood at definition stage.
9. To build trust between the project manager and the steering committee.
10. To present project plan scenarios with their associated risk analysis.
Steps 8-10, presented above as potentially helpful, although concluded from the empirical study, cannot be directly included in the recipe as they were not comprehensively studied during this thesis work. The authors would like propose further research before being included in the recipe for success.

The authors would also recommend for further enhancing the validity of the recipe as a true list of factors for success, to continue the research in a practical scenario, where the steps can be applied, followed and studied in a “real life” case.

Finally, even though the recipe would provide great support to the project manager on the task of the project plan preparation towards a successful approval, it cannot be expected that by following the recipe, the success is guaranteed 100%. It is important to acknowledge the existence of external factors such as changes in the financial situation of the company and other corporate directives that are out of reach and control of any of the actors studied in this thesis.
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7 REFERENCE LIST


Factors in the negotiation of the project plan: A recipe for success
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INTERVIEW RESPONDENTS


APPENDIX A: INTERVIEW QUESTIONS

1. Why would the steering committee, almost as a rule of thumb, bargain, negotiate and trim the work presented by the PM and its team?

2. How would you define what a Steering Committee is?

3. In your company, how are the members of the Steering Committee appointed?

4. Who is in charge of appointing them?

5. How can the steering committee flaws listed in question 11 of the survey be improved?

6. How can weak interpersonal skills of a project manager, listed in question 13 of the survey be improved?

7. How can the PM improve or develop on its political skills?

8. Could list the most important aspect(s) of good reporting? In the stage (TG0-TG2)

9. Besides regular reporting and meetings for information sharing, are there any other aspects you would like to suggest to improve the alignment between the PM and the Steering Committee? Please list them.

10. Do you believe the factors listed in question 20 of the survey can be a recipe for success when negotiating the project plan? What probability of success would you give it?

11. What factor would you add for a successful negotiation?

12. How would you establish such recipe in your organization?
APPENDIX B: QUESTIONNAIRE

Research question:
How can the PM get the project plan approved by the steering committee without demands that compromise the success of the project?

Purpose:
The purpose of this thesis is to develop a procedure that considers the factors for a successful negotiation of the project plan, so it is followed by the project manager and its team to face the steering committee and get the plan approved. Then project managers and organizations can be benefited by incorporating this procedure into their way of working to help their projects to be executed as planned and reach the goal on time and form.

QUESTIONS

Thank you for helping to answer this questionnaire which is part of a research to find out in projects, how can the PM get the project plan approved by the steering committee without demands of modifications in the plan that compromise the success of the project?

In the questions, the “company” refers to the company where you are working or where you gained the most significant working experience.

Projects refer to projects managed by a Project Manager (PM) and governed by a Steering Committee (SC) following a Tollgate model where:

- Tollgate 0 (TG0): Project initiated, pre-study to commence.
- Tollgate 1 (TG1): Pre-study completed, planning to start.
- Tollgate 2 (TG2): Planning completed, execution to start.

Questions regarding PM and SC refer to the experience you have got on projects participating on either side or as a stakeholder.

1. Which country is the company located?
2. What is the size of the company (Number of employees)?
   - Less than 100.
   - Between 100 and 500.
   - Between 500 – 1000.
   - Between 1000 – 5000.
   - More than then 5000.
3. In your professional career, have you had any of the below experiences (Select as many as applicable):
   - Being a Project Manager.
   - Participated in a Steering committee of a project.
   - Being a Project Stakeholder.

4. The amount needed of this item in the project plan becomes controversial during the TG2 decision meeting (Select your degree of agreement from 0 to 7):
   - People
   - Equipment
   - Materials
   - Time
   - Money

5. Who defines the concept of Steering Committee in the company?
   - Line management in the organization.
   - Department management in the division.
   - Others_______________________

6. Who do you consider should define the concept of Steering Committee in the company?
   - Line management in the organization.
   - Department management in the division.

7. The concept of Steering Committee is uniform in the company (Select your degree of agreement).
   - □ Strongly agree    □ Agree    □ Disagree    □ Strongly disagree    □ No opinion

8. It will help to the Steering Committee Members to perform better if the concept is clearly defined and is consistent in the company. (Select your degree of agreement).
   - □ Strongly agree    □ Agree    □ Disagree    □ Strongly disagree    □ No opinion

9. The Steering Committee members in the company, once they are appointed, receive some training or preparation regarding their position, tasks and responsibilities as SC members. (Select your degree of agreement).
   - □ Strongly agree    □ Agree    □ Disagree    □ Strongly disagree    □ No opinion

10. Have you experienced that the Steering Committee (or some of its members) doesn’t work properly (according to expectations)?
    - □ Yes    □ No
11. If yes, this is an important reason for the poor functioning (Select your degree of agreement from 0 to 7):
   - Lack of authority of members to make decisions.
   - Lack of competence of members regarding key aspects of the project.
   - Lack of motivation of the members towards their role at the SC.
   - Unclear assignment as a SC member.
   - Lack of ownership and responsibility from the members.
   - Lack of time to exercise properly the assignment as SC member.
   - Lack of preparation and experience as SC member.
   - Others_______________________

12. It can be possible to make a negotiation or alignment of the project plan with each member of the Steering Committee prior to TG2 meeting. (Select your degree of agreement).

   □ Strongly agree   □ Agree   □ Disagree   □ Strongly disagree   □ No opinion

13. This is an important interpersonal skill that the PM should possess to make the negotiation of the project plan successful (Select your degree of agreement from 0 to 7):
   - Leadership
   - Team building
   - Commitment
   - Motivation
   - Communication
   - Involvement
   - Influencing
   - Decision making
   - Political sensitivity
   - Negotiation
   - Persistence
   - Need for control
   - Trust building
   - Conflict resolution
   - Coaching
   - Enthusiasm
   - Listening
   - Flexibility
   - Others_______________________
14. It is very important for the PM to be a good politician in order to reach a successful negotiation of the project plan? (Select your degree of agreement).

☐ Strongly agree  ☐ Agree  ☐ Disagree  ☐ Strongly disagree  ☐ No opinion

15. Good reporting from the PM towards Steering Committee and Stakeholders is important for a successful negotiation of the project plan. (Select your degree of agreement).

☐ Strongly agree  ☐ Agree  ☐ Disagree  ☐ Strongly disagree  ☐ No opinion

16. How often should the report be shared? (In a project 6 months – 1 year long).

- Daily
- Once a week
- Bi-weekly
- Monthly
- Bi-monthly

17. This is an important and mostly preferred way of reporting? (Select your degree of agreement from 0 to 7)

- Email
- Emailed attached document
- Document in repository
- Project web site
- Meeting
- Others_____________________

18. Information sharing meetings towards the Steering Committee and Stakeholders are important for a successful negotiation of the project plan. (Select your degree of agreement).

☐ Strongly agree  ☐ Agree  ☐ Disagree  ☐ Strongly disagree  ☐ No opinion

19. How often should the meetings be held? (In a project 6 months – 1 year long).

- Daily
- Once a week
- Bi-weekly
- Monthly
- Bi-monthly

20. This is a factor for success in negotiating the project plan between the PM and the Steering Committee (Select your degree of agreement from 0 to 7):

- To have a well defined concept of Steering Committee.
- To have a well selected and prepared Steering Committee.
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- To have a correctly functioning Steering Committee.
- To have a PM with high interpersonal skills.
- To have a politically skilled PM.
- To have a good information flow and communication in the project, Steering Committee and Stakeholders.
- To have an alignment and negotiation prior to the tollgate meeting with each Steering Committee member.
- To adjust the plan according to the alignment reached.
- Others____________________