

# Project Management Tales – The Sponsor’s Lessons

By Debbie Gallagher



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*Each story in this series of Project Management Tales is true, but company names have been changed. Some stories occurred in Canada and others took place in the US and overseas.*

## Background

Acme Corporation was a mid-sized consulting firm specializing in implementation of an Enterprise Resource Planning system. The vendor of the ERP package developed a relationship with a major Customer Relationship Management (CRM) vendor, and encouraged Acme to start implementing the CRM package in addition to the ERP package.

Acme executives decided to implement the CRM package for their own use before selling it to their clients. The implementation of CRM at Acme would be followed by the development of a marketing strategy for the CRM product.

## The Situation

Acme hired a new employee who would be involved in sales and implementation of the CRM to Acme’s clients. The new person had never done CRM work before but had done a lot of low-cost package systems at small companies. He attended two weeks of vendor training, and then spent three days getting the CRM system implemented. The implementation included installation of the software, migration of data from the old contact management system, and four hours of training on system navigation to the first four users.

While the system was being implemented, Acme’s president engaged a consultant to develop Acme’s marketing strategy for the CRM product. The consultant had experience implementing the CRM package in large companies.

The consultant began by reviewing what Acme had done on its own implementation of CRM. Her assessment was that the technical implementation of the CRM system was very good, including software installation, database optimization and system performance. These had been achieved despite some technical difficulties with the hardware.

However, the consultant also pointed out that there had been no changes in business process to ensure the successful use of the new system. In addition, the implementation had been done with no clear understanding of the goals of the new system, the benefits that were expected or any vision of what could be achieved by implementing CRM at Acme.

Acme’s president was very interested in the consultant’s comments. He recognized immediately that she was right – Acme had not thought about what they hoped to achieve by implementing the CRM system, and had not considered business processes in their implementation.

In addition, the consultant talked to the president about his role as the project sponsor, and pointed out how critical the sponsor was to the success of the project.

## Action Taken

Acme’s president asked the consultant to re-implement the CRM product at Acme before developing the marketing strategy.

The president rolled back the CRM implementation, and Acme resumed use of the old contact management system for several more weeks. The president enlisted the support of another key executive in pushing forward with the re-implementation rather than using the product the way it had been implemented already.

The re-implementation started with a series of design workshops. The president attended every workshop, in order to highlight to Acme staff the importance of this project. By the time the fourth design workshop was over, the other staff members understood and agreed with the need for re-implementation of the CRM system.

## Epilogue

The re-implementation took five weeks, considerably longer than the first implementation, which had taken three days. The implementation included definition of the expected benefits of the system, as well as the changed business processes needed to provide good quality data, and to ensure usage of the system to benefit Acme.

The consultant stayed an additional two weeks to complete the marketing strategy.

## Conclusion

The president of Acme, as the project sponsor, learned a number of lessons from the CRM experience. The first lesson learned was the importance of defining the system’s goals and benefits to the organization.


Without these, the system has no purpose. The sponsor also learned about the critical importance of business process change when implementing a system.

Without processes to ensure the success of the system, it will never deliver the expected benefits. For example, in the new CRM implementation, processes were developed for gathering, validating, and using the data in the new system.

The consultant also taught the president about the very important role of the project sponsor. The sponsor's support of the project in the organization was critical to its success.

When the president attended all the design sessions, enlisted the support of another executive and, after go-live, used the reports produced by the system, he showed how important he believed the system was to the company. These actions carried more weight than his verbal statements to the staff regarding the expected benefits of the system.

The final lesson for the sponsor was the value of having the right person for the job. The employee hired to do the first implementation was a skilled professional, but with skills different from those required to implement this particular system at this particular company.

Although the consultant did have CRM experience, the president found he especially valued her experience in guiding the setting of system goals and benefits and in leading the development of new business processes. 

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[Note: All of Debbie's previous "Project Management Tales" magazine articles are available on-line at her personal website: [www.gallaghers.ca/debbie](http://www.gallaghers.ca/debbie) ]

## TUG Gives it up for Heart & Stroke


By Vaughn Dragland

Last June, at TUG's annual Golf Tournament, the sponsors of the various competitions and charity holes collected a whopping \$2385.00 for charity! (It's always amazing how generous people can actually be when they put their minds to it.) This year the TUG Board of Directors decided to give the money to the Heart and Stroke Foundation, in memory of **Geoff Darlington**. Geoff, who suffered from heart failure and passed away earlier this year, was a well known active member of the iSeries & AS/400 community in Toronto, and a great friend to many TUG members.

On November 5<sup>th</sup> 2002, TUG Board Members, **Richard Dolewski**, **Ron Anderson**, and **Wende Boddy**, went to Armadale to make a presentation of the proceeds. Polo for Heart President **Cliff Sifton**, along with **Karen-McConvey-Chapley** gratefully accepted the \$2385.00 cheque on behalf of the Heart and Stroke Foundation of Ontario.

TUG is proud of the fact that we are not only a volunteer organization working for the goals of the membership in terms of education and sharing of knowledge; but we are also a charitable organization, raising funds for worthy causes.

Why not join us? Next June, when you are packing your golf bag for the

fifteenth annual TUG Tourney at Nobleton Lakes, make sure to pack a few extra large bills for the TUG fund raisers, too! 

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**Ron Anderson, Wende Boddy, Karen McConvey-Chapley, Richard Dolewski, and Cliff Sifton (President, Polo for Heart)**