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IDENTIFYING THE REASONS BEHIND PROJECT FAILURES CAUSED BY INADEQUATE SPONSOR SUPPORT

Master's thesis

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I hereby declare that I have compiled the thesis/paper independently

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ABSTRACT

The formal practice of the Project Management Offices (PMO) is growing at an exponential rate worldwide. Moreover, large research institutions claim that currently the world is witnessing a gap in talent acquisition in this sphere and that this gap will only widen over the next ten years.

Behind every productive and creative project lays the inevitable mistakes. Project management is not about avoiding these mistakes, but about accepting and working through them to deliver high-quality deliverables in a set timeline, with a fixed budget. To achieve this goal, "a brilliant project manager goes one step further and also seeks out lessons that others have learned" (Barker & Cole, 2009). This study aims to provide such knowledge to project managers and all the involved stakeholders, to enable them to avoid the complications of project failures more easily while executing a project.

This master's thesis identifies the reasons behind the failures caused by inadequate sponsor support. To reach its aim the after reviewing extant literature about the project itself, its life cycle and its governance styles, the empirical study was conducted to compare its findings with the survey conducted by Project Management Institute's (PMI) results. The work concentrates on answerin two research questions:

RQ1: What are the main reasons behind the project failures caused by inadequate sponsor support?
RQ2: Can the reasons behind project failures caused by inadequate sponsor support be generalized?

The theoretical background and the empirical study of the thesis has demonstrated that the reasons behind project failures caused by inadequate sponsor support are more complex and diverse, compared to three main reasons identified by PMI.

Keywords: project management, project failure, project manager, project team, project sponsor

ABBREVIATIONS AND TERMS

Abbreviations used in the current master's thesis are as follows:

DoD: Definition of Done is used to understand what "Done" (a work to be complete) means in Agile methodology, more specifically in Scrum management. If the definition of "Done" for an increment is part of the conventions, standards or guidelines of the development organization, all Scrum Teams must follow it as a minimum (Schwaber & Sutherland, 2017).

PIS: A Project Impact Statement is a short document which overviews the project details, such as time-frame, budget, impact on product and different organizations, departments involved, etc.

PMO: Project Management Office

PMI: Project Management Institute

SOW: A Statement of Work in project management is a document in which a contracting officer specifies the objectives and deliverables for a particular project or service contract (Rouse, 2019).

INTRODUCTION

Project management, like the sphere of employment, increases annually. This is also the result of an increase in the demand for professionals on the job market. Over the past ten years, the members of the Project Management Institute (PMI) have increased from 25 thousand to 250 thousand. The institute reports that "… there's a widening gap between employers' need for skilled project management workers and the availability of professionals to fill those roles. In project management, the failures are more frequently discussed and studied than the successes" (Project Management Institute, 2017).

In parallel with the high demand, more academic establishments are studying different aspects of project management. One of the most researched topics is failures in project management. Each project is unique and a company or manager cannot have a single approach to achieving success in a project's development. The process of project management is not about avoiding mistakes but learning from them (Barker & Cole, 2009). The most common approach is to study the pitfalls of completed projects, analyze them and use the knowledge to perform better in the future.

It is almost common knowledge in project management that one of the most habitual causes of failures in a project is the sponsor. By sponsor, we mean the author of the idea, the person or a group of persons who finance the project and receive the deliverables at the end of it. This topic is the main area of interest of this master's thesis. Most importantly, this thesis aims to study the reasons behind the failures.

Large research institutions like the Project Management Institute (PMI) andthe Association for Project Management (APM) annually conduct quantitative analyses about project failures. The results of the surveys are very informative and useful, but do not demonstrate the personal experiences of the project managers. For example, while we know that for the 6th year in a row, project managers declared inadequate sponsor support as the primary cause of project failures, we do not know what reasons lie behind those causes. Why do sponsors not support the projects? Is there a problem with commitment? Or maybe they do not know how to support the project? These are open questions which cannot be answered easily. This master's thesis tries to fill in that gap in

knowledge by presenting the failure cases of different practicing project managers from different industries.

Understanding not only the cause, but also the reasons, for failure is what can help project managers, sponsors and anyone who is a project team member to avoid them in the future. With these ideas in mind, there are the following questions to provide answers to, which is the objective of this thesis:

RQ1: What are the main reasons behind the project failures caused by inadequate sponsor support?
RQ2: Can the reasons behind project failures caused by inadequate sponsor support be generalized?

To meet the objective and answer the above research questions, this master's thesis will provide an overview of a project itself to properly understand its concept, elements, classifications and life cycle. After that, the reader will be able to understand the role and the significance of the sponsor, who, as mentioned earlier, is the primary cause of project failures and is also the interest of this master's thesis. Details about failure types will also be provided. The last part of the thesis will go through the qualitative research, where seven practicing project managers provided information about the projects which failed due to inadequate sponsor support. The aim of the study is to, apart from answering the research questions, provide more information regarding the reasons behind the cause of project failures due to inadequate sponsor support. The qualitative approach to this issue will allow the reader to understand more about the nature of said failures and enable them to overcome them in future.

1. WHAT IS A PROJECT?

A good starting point for this master's thesis is to explain the meaning of 'project'. There are many definitions of 'project', and understandings of the concept of it may vary from industry to industry. But the most common definitions are as follows:

"A project is a sequence of unique, complex, and connected activities that have one goal or purpose and that must be completed by a specific time, within budget, and according to specifications" (Wysocki, 2019).

"Projects [are] goal-oriented, involve the coordinated undertaking of interrelated activities, are of finite duration, and are all, to a degree, unique" (Frame, 2003).

"A project is a unique venture with a beginning and end, conducted by people to meet established goals within parameters of cost, schedule, and quality" (Buchanan, 1992).

If we take a closer look at the definitions above, it is easy to determine several common key points: (1) Each project has a beginning and an end, otherwise it would be called a process and we would be discussing management principles of the different processes in the following chapters. This also means that each project is moving toward a deadline as it has a specific time-frame; (2) Each project is a set of unique activities, which means that each project has new and different elements; (3) Each project has a defined budget, which may be referred to as 'fixed fiscal resources'. The main objective of a project manager is to deliver the project objective within the set budget, and; (4) The project has deliverables, which takes into consideration the expected quality of the product that will be developed/delivered within the project.

1.1. Project elements

Although above it was mentioned that each project is unique, or at least is composed of unique characteristics, there is still a set of common elements that needs to be identified to examine and evaluate projects. After reviewing the relevant literature, this master's thesis provides the most common project elements:

o Functional specifications – one of the most important elements of a project is its scope. Each manager and project team should understand the boundaries of the project in order to be able to establish the execution plan. In different project management approaches, this may also be called the Statement of Work (SOW). The sponsor or initiator of the project is responsible for communicating the scope with the relevant candidates (Derby & Larsen, 2006).

o Quality of the deliverables or quality of the project management as a process – "Projects are designed to yield a tangible result" (Pinto, 2016).

o Resources, budget and time – the resources may concern different types of assets, such as human resources, equipment, inventory, etc. In different industries, the resources may have different roles or meanings. For example, in the tech industry, human resources play the most significant role in project deliverables. Further, each project is limited in time and budget. On the one hand this is a limitation, while on the other we can see this as a resource. More specifically, the sponsor provides the specific amount of time and money to yield a result. In many cases, these two are closely related. For example, if we want to reduce the time of delivering the tangible product or services of the project, this will increase the costs (Wysocki, 2019).

o Risk – risk is present at all stages of the project and should be carefully examined while planning and executing. The Scope Triangle (see figure 1) developed by Robert K. Wysocki, demonstrates the elements of the project and the presence of risk at every level of it.
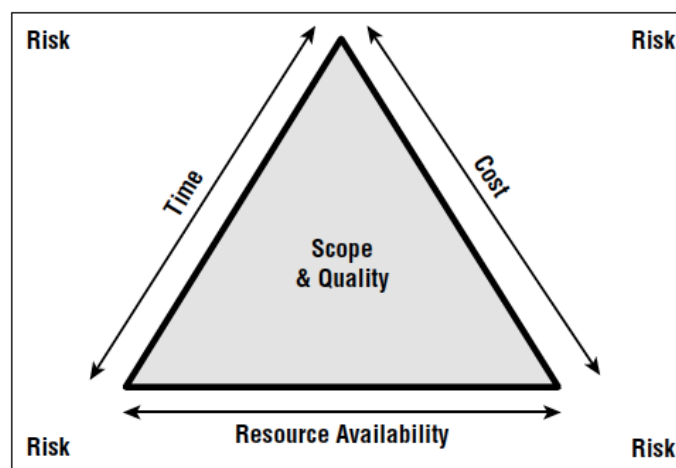

Figure 1: The Project Scope Triangle.
Source: *(Wysocki, 2019)*

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o Customer-focused projects – all elements listed above serve one main purpose: satisfying customer needs. "Companies have realized that the primary goal of a project is customer satisfaction. If that goal is neglected, a firm runs the risk of "doing the wrong things well"—pursuing projects that may be done efficiently but that ignore customer needs or fail commercially" (Pinto, 2016) (Wysocki, 2019).

1.2. Project classifications

Before starting and executing the work process, each project should be classified based on different key characteristics. Organizations can have different approaches to this issue, but inside each company, the projects should be classified based on unified characteristics. The main purpose of performing this action is to provide a Project Impact Statement (PIS) to the organization's top management, or the client, which should prioritize these projects. Some project managers present the Project Business Case, instead of the PIS, which concentrates more on "the validity of the benefits of a selected component lacking sufficient definition and that is used as a basis for the authorization of further project management activities" (Project Management Institute, 2017).

As mentioned in the definitions in the previous subchapter, the projects "are all, to a degree, unique" (Frame, 2003), therefore, on one hand, each project should be discussed individually, and on the other hand, there are general characteristics which can apply to almost every project. The process of classifying the projects involves the following elements:

o Risk – an element which follows every aspect of the project. The risk can be evaluated as high, medium, and low.

o Required resources – this is an extremely broad element, which takes into consideration budget and costs, teams responsible for the execution, technology or inventory needed for managing and execution of the project, and so on.

o Type – within this characteristic, the purpose of the project is also defined. Will this project create something new, or does it serve the purpose of maintenance and/or upgrade? Generally speaking, the deliverables and the impact of the project are defined.

o Duration – each project has a beginning and an end. Long projects can require more than 18 months for planning and execution, while short ones may require less than 3 months. Defining the length of the project is important for the project manager, who should understand the timing needed within the scope prior to the deadline; for the

client/organization's top management, which needs to know the duration of the work process and when to expect the deliverables (Barker & Cole, 2009) (Project Management Institute, 2017) (Lehman, 2016) (Stepanek, 2005) (Wellingtone Project Management, 2017)

Below, you can see one of the examples of how a project manager summarizes the key characteristics for project classification (see figure 2).

CLASS	DURATION	RISK	COMPLEXITY	TECHNOLOGY	LIKELIHOOD OF PROBLEMS
Type A	> 18 months	High	High	Breakthrough	Certain
Type B	9–18 months	Medium	Medium	Current	Likely
Type C	3–9 months	Low	Low	Best of breed	Some
Type D	< 3 months	Very low	Very low	Practical	Few

Figure 2: A chart of project classes and definitions, which defines the type of project.
Source: *(Wysocki, 2019)*

1.3. Project life cycle

One of the most common statements in every definition of a project is that "a project is a unique venture with a beginning and end" (Buchanan, 1992). This clearly identifies that it has its own life cycle. In this chapter, the most popular approaches of estimating and following a project's life cycle will be discussed.

1.3.1. The project life cycle in four phases

The life cycle, divided into four main stages, is described in the book Project Management. Achieving Competitive Advantage by Jeffrey K. Pinto. Based on the author's approach, each project has four basic phases (see figure 3):

1. Conceptualization – which takes into consideration understanding the scope of the project itself. Further, the necessary resources are determined. Gathering this type of data is related to a large amount of effort and analysis.
2. Planning – which takes place after understanding the scope, according to Pinto, needs the smallest amount of time as the budget, human resources and technical or physical inventory

were already determined during the stage of conceptualization, now the planning takes into consideration schedules and more detailed specifications.

3. Execution – is the most time- and effort-consuming phase of the project. This is when the actual work is performed within the set budget and schedule by the professionals who were assigned to the project.

4. Termination – generally takes into account delivering the project to the management team of an organization or to a client. In the tech industry, this stage can also be called "babysitting", when the developers closely examine the work process of the delivered program/software and make any necessary final changes.
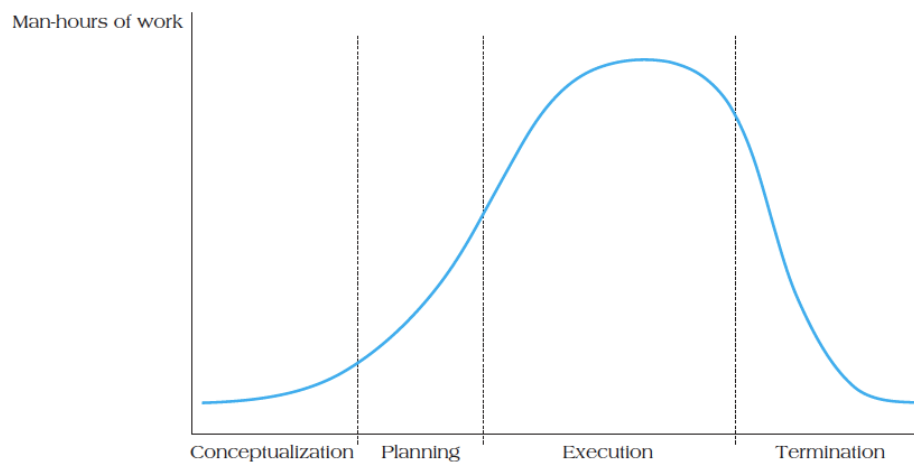

Figure 3: The four phases of the project life cycle according to Jeffrey K. Pinto
Source: *(Pinto, 2016)*

1.3.2. The project life cycle in five phases

The second, a very famous and practical approach to determining the phases of a project life cycle, is described in one of the most popular guides of project management, PMBOK®. The Project Management Institute of Pennsylvania divides a project into five distinct phases (see figure 4). This approach is also referred to as an Interrelationship of Needs Assessment and Critical Business/Project Documents, which describes the paper-work and the types of documentation that a project manager needs to prepare and submit to a client or top management of an organization. The phases of the project are as follows:

1. Pre-project work – during the first phase of the project, the business needs are identified and included in the business case. The project benefits management plan is created, which according to the PMBOK "is a document that describes how and when the benefits of the

project will be delivered and the mechanisms that should be in place to measure those benefits" (Project Management Institute, 2017).

2. Starting the project – in this phase, another document, the Project Charter, is prepared, but this time the issuer is the client himself, who sponsors and authorizes the project.

3. Organizing and preparing – at this stage, all the activities should be performed according to an additional document, called a Project Management Plan. According to this document, the execution process of the project will be closely monitored and controlled.

4. Carrying out the work – when the actual work process is performed by the professionals involved in the project.

5. Completing the project – performing the relevant reporting, delivering the product to the client.
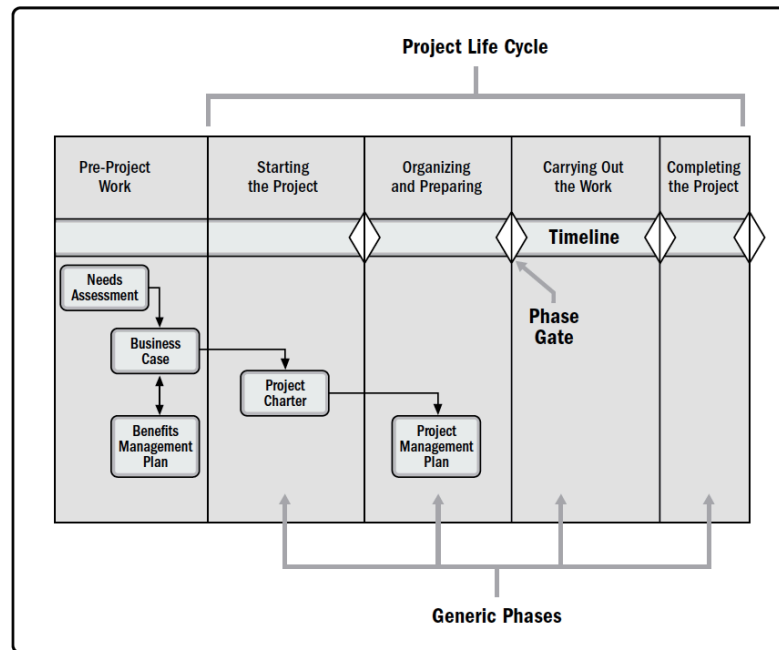
Figure 4: Interrelationship of Needs Assessment and Critical Business/Project Documents by PMBOK® Source: *(Project Management Institute, 2017)*

1.3.3. Gantt Chart

As mentioned, the timeline, scheduling and deadlines are very important in project management. One of the best-known examples of timeline failure is the case of car manufacturing company Ford and its famous model Edsel. By the late 1950s, the company had spent more than $250 million and 10 long years in the first stages of the project (research and planning). When the manufacturer finally managed to release the compact car, the market was already far advanced and consumers

had no interest in the product (Feloni, 2015). This example shows well how important it is to control the timeline and to schedule the project properly.

The Gantt Chart is one of the first approaches in project management which is still widely used to schedule project activities and the stakeholders involved in different activities. The very first draft of it was designed by Karol Adamiecki in the 1890s but the final version of it was created in the 1900s by Henry Gantt, who designed his version of a project management tracking system (Gantt.Com, 2009).

Originally, in the previous century, the chart was created manually by project managers. Gantt himself filled in his chart manually and in this way organized expenses or productive monitoring of the workforce (see figure 5).
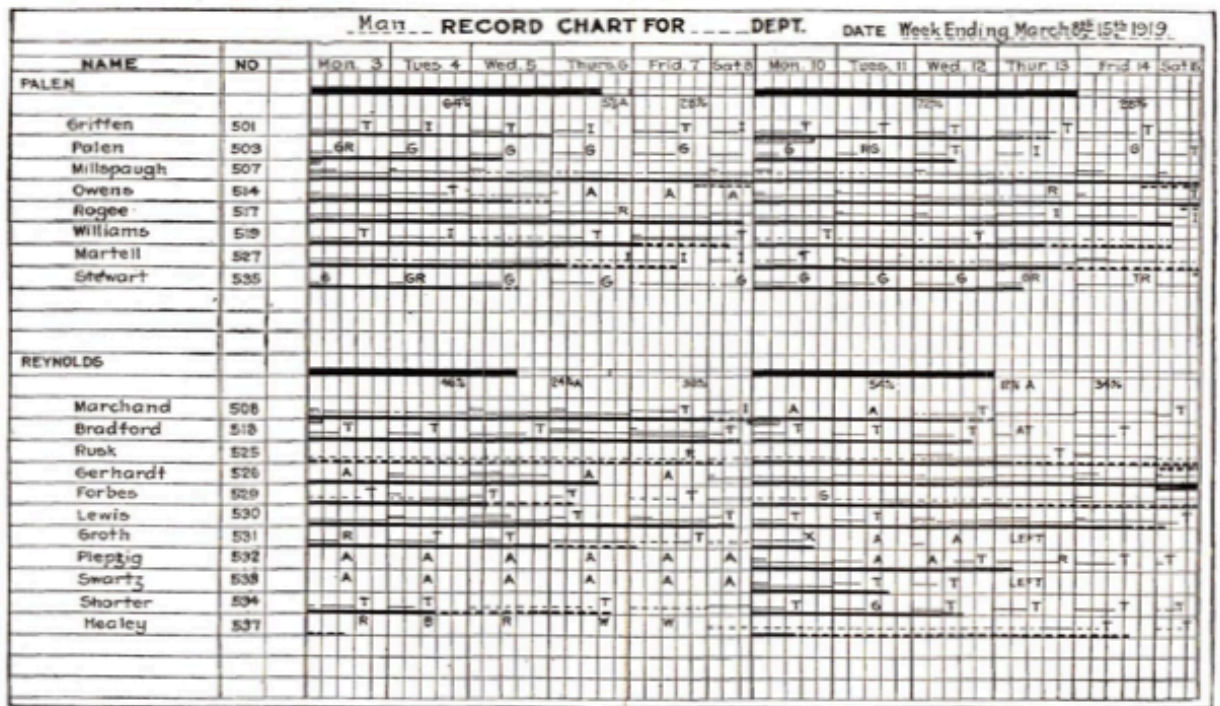
Figure 5: Man Record Chart, created by Henry Gantt in 1919 while working as a project management consultant.
Source: *(Gantt, 1919)*

The Gantt Chart was first applied in the construction process of the Hoover Dam, and right after that in the building of the Interstate Highway (Saymour & Hussein, 2014).

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Today, as technology and software develop, there are different online options available for creating the Gantt Chart in a simpler way. Although the Chart has existed for more than a century, it is still widely used in project management as it well visualizes the schedule, the timeline and the activities of the teams involved. It allows managers to control the processes and to perform the work in a timely manner.

2. THE ROLE AND SIGNIFICANCE OF THE SPONSOR

In the project management process, the sponsor is a person or group of persons who initiate and financially sponsor a project. A sponsor may also be referred to as project governance, a stakeholder, or simply the top management. Every project begins with an idea which, in general, is initiated by a sponsor who is expecting an end result. The project author is responsible for how well the scope and deliverable features will be understood by a project manager or the members of the project team (Kerzner, 2014).

There are many descriptions of the sponsor's possible role. Harold Kerzner, Ph.D., in his book Project Recovery: Case Studies and Techniques for Overcoming Project Failure, describes the role of the governance as a "committee that has the authority to approve scope changes above a certain monetary value and to make decisions necessary to align the project to corporate objectives and strategy. They also have the authority to redirect or cancel the project" (Kerzner, 2014). George Stepanek, in his book Software Project Secrets: Why Software Projects Fail, concentrates on the tech industry and describes the role of the sponsor as follows: "the project's sponsor must ensure that the developers know what they're supposed to be working on by giving them an unambiguous mission statement. The developers must also be given clear and consistent priorities; they should be able to focus their efforts on one or two areas" (Stepanek, 2005). In Agile Project Management, the sponsor is represented by a Product Owner, whose role, states Charles G. Cobb in his book The Project Manager's Guide to Mastering Agile: Principles and Practices for an Adaptive Approach, "is a decision-maker for the project, providing direction to the team on what will be built, and prioritizing the work to be done" (Cobb, 2015). Jeffrey K. Pinto in his book Project Management: Achieving Competitive Advantage refers to the sponsor as a Godfather. According to him "a godfather is a senior-level manager who does everything possible to promote the project, including obtaining the needed resources, coaching the project team when problems arise, calming the political waters, and protecting the project when necessary. A sponsor has elected to actively support acquisition and implementation of the new technology and to do everything in his power to facilitate this process" (Pinto, 2016). An unusual and rare vision of a project sponsor is provided by Tom Kendrick, PMP in his book Identifying and Managing Project Risk: Essential Tools for Failure-Proofing Your Project. According to this author, "project sponsors often aspire to "dare mighty things." They are much more risk-tolerant than most project leaders and teams" (Kendrick, 2015).

In the above-provided citations, there are common concepts that every scholar shares:
- The project sponsor defines and controls the project scope. This includes not only the budget but also other resources, the deadline, technology and equipment used, etc.
- The project sponsor is a key person who makes decisions in the project management process, which is also closely related to the scope of the project.
- The project sponsor defines the priorities.
- The project sponsor has a clear understanding of the deliverables and should pass their understanding/knowledge on to the project team.

Based on the information above, we can conclude that the project sponsor or governance is a critical link in every project. But not every sponsor understands this responsibility and not every company is able to draw the line between the project sponsor's and the project manager's roles. The project governance in general, and the sponsor's role, is one of the most misunderstood terms in project management. According to the research conducted by Bekker and Steyn in 2009, project governance is defined as "a set of management systems, rules, protocols, relationships and structures that provide the framework within which decisions are made for project development and implementation to achieve the intended business or strategic motivation" (Bekker & Steyn, 2009).

The role of the project manager is defined as: "the person assigned by the performing organization to lead the team that is responsible for achieving the project objectives" (Project Management Institute, 2017). In the definition of PMBOK, we can see that the main responsibility of the project manager is to lead the team. Under good leadership, the team which is responsible for the deliverables is expected to perform promptly and deliver a high-quality product. But the project manager is not the person who can decide on the deliverable or the deadline. He may negotiate the terms, but the sponsor is the key link in this process, making the final decision. Generally, when taking on a project, the project manager's knowledge about it and the documentation selection is near zero. This especially applies to internal projects. Generally, the top management team informs the project manager of the details of delivery but does not involve them in the selection process and/or in the process of making strategic decisions (Lehman, 2016).

Harold Kerzner created a chart (see figure 7) showing the differences between the responsibilities of project governance and those of the project manager. The clearest and most visible distinction on this chart is the word "define", which is used at the beginning of every stated responsibility of

the project governance, while being absent from the project manager's responsibilities. The governance, as the main decision-maker in the scope of the project, is the one link defining all the details of the project, while the project manager is responsible for the execution for the sponsor's decisions in the predefined scope.
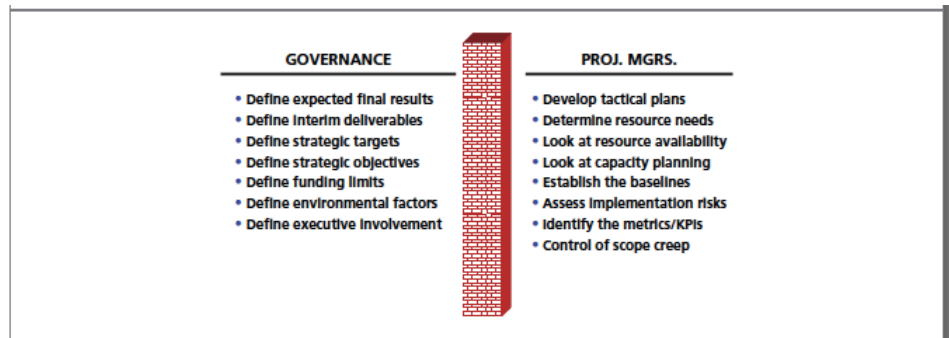
Figure 6: The difference between responsibilities: Governance VS. Project Manager
Source: *(Kerzner, 2014)*

Another interesting approach demonstrating the difference between the roles of the project manager and the sponsor was proposed by Jeffrey K. Pinto (see figure 8). It provides additional clarification to the roles of the leader/sponsor.
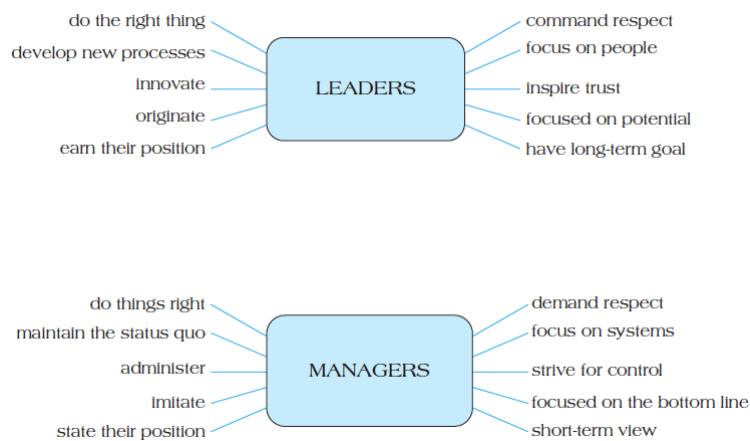
Figure 7: The difference between the roles of the Leader (also known as sponsor) and the Project Manager
Source: *(Pinto, 2016)*

A project manager is an individual who has the permits to plan, organize, and control within the scope of the project. In many cases, leadership may be part of the manager's job, but in general, the manager's role is more administrative in nature. On the other hand, the sponsor's role is less about administration and more about interpersonal relationships and leadership (Pinto, 2016).

In general, the project sponsor is concerned with transparency, accountability and decision-making. Moreover, the project portfolios can be managed properly and successfully if they are managed adequately by the project governance (Bernardo, 2010).

3. FAILURES IN PROJECT MANAGEMENT

The failures in project management are more often studied than the successes (Gupta, et al., 2019). The main reason is not only the frequency of failure but also the fact that studying and understanding the failures can play a key role in future project success. We do this by closely studying the failed projects and interviewing the stakeholders involved.

Primarily, we need to identify what project failure is. There is a common claim that a "crisis happens when we cannot respond effectively to a threat" (Clayton, 2011). While this statement is true, the phenomenon of project management failure is extremely complex and implies several key components:

- A poorly defined project scope, which means that the goals and objectives of the project are not completely clear to the project team, or even sponsor.
- Inadequate sponsor support, meaning the senior management or external sponsor of the project is not ready to support the project planning or execution process, or they are not fully committed to the project.
- Lack of management skills: (1) absence of poor risk management, (2) inexperienced project manager which lacks the change or communication management skills, and (3) an inexperienced project team.
- Poor planning, which leads to inaccurate allocation of services, such as budget, timeline, human or technological resources, etc.
- Absence or poor PM methods and knowledge of the company, meaning the key elements of the project are not controlled or are planned ineffectively. The project cannot avoid deviating from the plan or changing the process of project execution.
  Unrealistic expectations – many involved parties and stakeholders can have such expectations. For example, the sponsor may have an unrealistic expectation about the deliverable, or a project manager may have strong need for sponsor support, while the sponsor thinks that the project team has no need of it, etc. (Wellingtone Project Management, 2017) (PMI's Pulse of the Profession, 2017) (PMI's Pulse of the Profession, 2018) (Clayton, 2011) (Lehman, 2016)

The Association for Project Management (APM) identifies six main measures for project success: (1) time, (2) budget, (3) specification and quality, (4) funder satisfaction, (5) stakeholder satisfaction, and (6) overall project success (Association for Project Management , 2018).

The number of failures and causes may increase or decrease as a result of industry specifications, the management methods of a single enterprise, or the general experience of the project team in project management. Failures can be caused by any stakeholder or any involved link of the project. For example, in 2019, IBM reported that due to inadequate schedules, budget and quality control mechanisms, only 41 percent of the projects met the requirement goals (IBM Investor Relations, 2019). The State of Project Management Survey 2017, which presents the survey results of 400 UK companies, reported that only 37 percent of the companies completed the projects in a timely manner, 35 percent managed to deliver the full benefits, and 41 percent of the companies completed the projects on budget (Wellingtone Project Management, 2017).

According to the largest project management study conducted by the Project Management Institute (PMI), which included feedback from 3,234 project managers, 200 senior executives, and 510 PMO directors from different industries all over the world, 41 percent of underperformer project managers and 17 percent of the champion project managers declared inadequate sponsor support as a primary cause of project failure (PMI's Pulse of the Profession, 2017). Further, the enterprises with actively engaged sponsors report 40 percent more successful projects compared to those companies with less actively engaged executives (PMI's Pulse of the Profession, 2017).

3.1. The sponsor's role in project failure

The success of the project management process does not depend entirely on the project manager or project team. Despite attempts to improve the project management principles, the governance plays a critical role in the process, giving it clarity and transparency.

The British Association for Project Management (APM) ran a survey in 2018 aiming to identify the conditions of project success. Approximately 900 practitioners participated in the survey, among whom 92 percent declared that one of the best practices to ensure project success is clarity of the project goal and objectives (Association for Project Management , 2018).

The Office of Government Commerce (OGC) in the UK published a document which illustrates the common causes of project failure:

- "Lack of clear links between the project and the organization's key strategic priorities, including agreed measures and success;
- Lack of clear senior management and ministerial ownership and leadership;
- Lack of effective engagement with stakeholders;
- Lack of skills and a proven approach to project management and risk management;
- Lack of understanding of, and contact with, the supply industry and senior levels in the organization;
- Too little attention to breaking development and implementation into manageable steps;
- Evaluation of proposals driven by initial price rather than long-term value for money (especially in securing business benefits);
- Lack of understanding of and contact with the supply industry at senior levels in the organization;
- Lack of effective project team integration between clients, the supplier and the supply chain." (Morgan & Gbedemah, 2010)

The Project Management Institute annually conducts quantitative surveys in project management. Inadequate sponsor support has been a key factor in project failure for the last six years. This is why this master's thesis focuses on this exact subject.

According to PMI, the main problem that inadequate sponsor support triggers is a scope creep. A scope creep is an uncontrolled expansion of the project scope without adjustment of the timeline/deadline, budget, resource allocation, and so on. Each expansion requires more time and resources to achieve than was planned at the beginning of the project. The main reason a scope creep happens is a lack of clarity of the project scope or deliverables, which should be communicated to the project manager and the project team responsible for the execution of the project (PMI's Pulse of the Profession, 2018).

As a result of the outcomes provided above, it becomes evident that project management productivity in general is a complex issue and does not depend solely on a project manager or project team. Other factors, like organizational environment, a sponsor's involvement in the processes and the project governance framework, are the critical links to achieving success.

Therefore, good project governance can provide the positive corporate environment to help the project team be more productive in their work process (Jia, Chen, Ding, & Wong, 2012).

In the empirical study of this master's thesis, we investigate the inadequate sponsor support so as to identify the real reasons behind it.

4. EMPIRICAL STUDY

This master's thesis focuses on the failures caused by inadequate sponsor support, with the aim of identifying and concentrating on the failures that are caused by executives/sponsors. The main audience of this master's thesis is project managers, who, according to Oliver F. Lehmann in his book Situational Project Management: The Dynamics of Success and Failure, should be prepared for a lifetime of learning. According to Lehmann, a project manager will only have full understanding of a project when that project is finished. Each project manager should understand that the same practices that were successful in a given situation can fail in future projects and vice versa (Lehman, 2016). Based on his theory, quantitative studies which provide a general overview of the common failure percentages of different projects may not provide the right knowledge to either a beginner or an experienced project manager to help them avoid such failures in future. Yet, understanding the reasons behind the failures may help the project manager, or any member of the project team, to prevent them in different projects. Therefore, to better investigate the real causes of project failures coming as a result of inadequate sponsor support, a qualitative survey was conducted. Each failure is described in detail for greater clarity.

According to PMI, there are three reasons for failures which contribute to scope creep: change in organization priorities, change in project objectives, and erroneous requirement gathering (PMI's Pulse of the Profession, 2018). This master's thesis concentrates on these three reasons and provides case studies that will help both beginner and experienced project managers to analyze each reason through the practical experiences of other project managers, who failed due to lack of clarity and inadequate sponsor support.

4.1. Sampling and gathering the data

Using purposive sampling, only practicing project managers were selected to participate in the research process. As this master's thesis tries to view the reasons for project management failure as a result of inadequate sponsor support in a wider perspective, during the screening process, the potential candidates' selection criteria was the variety of their work industries. At the end of the recruiting process, seven project managers were selected, one each from the following industries:

1. Publishing
2. HoReCa (hotel, restaurant, and café)

3. Transportation and logistics

4. Web and software development (IT outsourcing company)

5. Manufacturing

6. Gambling

7. Education

4.2. Research design and methodology

The study design is iterative. Therefore, the data collection and questionnaire structure was adjusted according to what was learned. Each project manager participated in an in-depth interview using an unstructured questionnaire, with the aim of collecting the data of an individual's experience of project management failures. The participants' responses impacted how and which question would be asked next.

The general framework of the empirical study of this master's thesis is to explore the phenomenon of the reasons behind project management failures caused by inadequate sponsor support. Its analytical objective is to describe each manager's individual experience and demonstrate the relationships between the project team and the sponsor.

The empirical study of this master's thesis approaches the following research questions:

RQ1: What are the main reasons behind project failures caused by inadequate sponsor support?

RQ2: Can the reasons behind project failures caused by inadequate sponsor support be generalized?

According to the quantitative research of PMI, there are three general reasons behind project failures that come as a result of inadequate sponsor support:

1. Change in organization priorities;

2. Change in project objectives;

3. Erroneous requirement gathering (PMI's Pulse of the Profession, 2018).

To answer RQ2, the described reasons behind the project failures resulting from inadequate sponsor support will be analyzed in the scope of the above three general reasons for failure.

This empirical study respects the core research ethical principles articulated in The Belmont Report[1]. More specifically, the study respects three core values of the participants:

- Respect for persons – the research guarantees the autonomy of the participants. Their dignity is highly respected and they are protected from exploitation of vulnerabilities.
- Beneficence – the social and psychological risks are minimized by not including any secret or encrypted information in the research.
- Justice – the results of the study are shared with the participants.

This empirical study holds the verbal informed consent from each survey participant to include the provided information accordingly.

4.3. Interview guide and questionnaire

For the purpose of the study, seven practicing project managers were interviewed. Each interview was conducted in a place comfortable for the interviewee. The interviews were conducted following the scenario provided below.

- The interviews are planned to last from 30 to 45 minutes each;
- Interviewees are asked for permission to audio tape the interview;
- Interviewees give verbal concent for the received information to be used in the master's thesis;
- Interviewer briefly explains the topic of the interview;
- A focus is placed on personal experiences and industry specific details instead of the general concept of project management;
- The study design is iterative. Additional questions are asked after the general questions from the questionnaire.

The general questionnaire of the interview:

1	Name and last name
2	Employer
3	Job title

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[1] Published by the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research in 1979. The report summarizes the ethical principles for the research which involves human objects (National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, 1979)

4	How many years have you been working in project management?
5	How would you describe the industry in which you work?
6	How would you describe the project management in the industry you work in?
7	How often do your projects fail?
8	Do you investigate the reasons behind the failure of projects?
9	How often do your projects fail due to inadequate sponsor support?
10	Can you provide an example of a project which failed due to inadequate sponsor support?

Table 1: The general questionnaire of the interviews.

4.4. Analysis

4.4.1. Coding the data

To transfer the gathered data into analyzable content for this master's thesis, the following steps were taken:

Step 1: the categories and variables were defined according to the coding rules, which means that audio materials of the interviews were listened to and every statement that seemed relevant to the subject was underlined.

Step 2: statements and opinions were grouped to summarize them into initial categories and variables. When a statement or opinion did not match the existing category, a new one was created.

4.4.2. Data analysis

This section will introduce the findings of the conducted interviews. The interview details will be introduced in different categories and compared. The aim is to answer the research questions:

RQ1: What are the main reasons behind project failures caused by inadequate sponsor support?

RQ2: Can the reasons behind project failures caused by inadequate sponsor support be generalized?

Each interviewee provided project managemenet specifics in the industry they work in. In the majority of cases, the scope of the project is predefined by the sponsor, while in the case of the publishing business, the project manager plays the role of the sponsor and creates the scope to publish various books. The traditional sponsor's role is absent when it comes to the internal projects in this industry and the project managers themselves do this job, defining the quality of the deliverables, functional specifications, budget, resources, and other elements of the project.

Different industries may use different approaches to classify their projects. In publishing, the approach to projects is defined as external and internal. In general, every project requires the same type of resources – the books are translated, designed, printed and distributed to different shops. When it comes to the external projects, risk management is added, whereby the project manager provides information on avoiding future risks and failures.

The company operating in Web and Software Development classifies their projects only via resources (how many developers should be involved in the project) and duration (how many team members the project needs to deliver the final product). Almost the same approach is used in HoReCa, where the duration of the project is defined based on the complexity of the kitchen composition, menu and the estimation of necessary equipment delivery to compose the kitchen.

Similarities are again seen in the simple classification applied in companies which operate in Education and Manufacturing. The administration of the Free and Agricultural Universities divides projects into two groups: (1) government, and (2) private projects. The government projects contain high risk and are more valuable to the Universities, therefore more effort to deliver quality results is concentrated in this direction. The project manager who participated from the Manufacturing industry works in finance, and classifies projects into audits and financial automation projects.

A complex approach of project classification is applied in two companies which operate in Gambling and Logistics and Transportation. More specifically, in Gambling, the project types are first defined by product (Slots, Table Games, Mini Games, Sportsbook, Casino) and then by campaign logic, which can be a leaderboard, lottery, financial reward, etc. The required resources for each campaign are typical, therefore the interviewee uses a unified approach to deliver the final product each time. In Logistics and Transportation, the projects can be classified into four general groups, which are the transportation of cargo: (1) by ship by ocean and sea, (2) by train, (3) by air, via plane, and (4) by the road, via truck. These groups define both the required resources and the timelines of the projects.

Each interviewee was introduced to the definition of project failure. Each was asked to analyze the rate of project failure in the scope of this master's thesis. More specifically, each discussed the failures in time, budget and quality of the deliverables. Although no official surveys are conducted

in any of the participant project managers' companies to define the exact rate of project failure, each, except the project manager of Free and Agricultural Universities, provided the approximate percentage of failed projects from their own experience (see below).

Failure rate	Industries of the participant interviewees
< 50%	Publishing HoReCa Web and Software Development Gambling
> 50%	Manufacturing Transportation and Logistics

Table 2: The project failure rates

The project managers working in HoReCa, Gambling, Transportation and Logistics, and Education state that in the majority of cases, the cause of the failure is the sponsor himself. The project manager who operates in Web and Software Development said that about 30% of the failures are caused by the sponsor, while the project manager working in Manufacturing said that sponsor rarely causes the failure in projects, as top management (who act as the sponsor) has high interest in project success and is adequately involved in its execution. The only exception is in Publishing, where the sponsor by its classic meaning is present only when it comes to external projects, which is very rare in the business. Therefore, while conducting the interview, it was decided not to estimate the rate of failure caused by inadequate sponsor support.

Each interviewee was asked to discuss an example of project failure which had come as a result of inadequate sponsor support. The aim was to identify the reasons behind the sponsors' behavior which finally led to the failure of the project. The cases were analyzed and compared to the reasons listed by PMI, which were identified through quantitative research. The institution lists three main reasons behind projects failing due to inadequate sponsor support: (1) Change in organization priorities; (2) Change in project objectives; (3) Erroneous requirement gathering (PMI's Pulse of the Profession, 2018). This section summarizes the results of the case study analyses.

Interview 1 – Ana Turmanidze

Sulakauri Publishing (Industry: Publishing)

In the case provided by the interviewee, the following reasons for failure were identified:

- Incompetency and a lack of knowledge of the Publishing business – more specifically, the sponsor, Akhalaia Military School,[2] ordered the publishing of a book without understanding the rules and guidelines of the publishing house.

- Not sharing the common proven practice of Sulakauri Publishing – instead of working with a qualified team, the sponsor decided to perform some parts of the project themselves without having the relevant expertise. More specifically, the sponsor decided to provide already translated materials for editing, without following the instructions provided by the interviewee. Although there is a proven rule that only one translator should work on materials to guarantee the quality of the deliverable, the sponsor decided to use three translators.

- Dishonesty of the sponsor – the sponsor did not inform the publisher of the above. In failing to do so, the result was a low quality of text. The Publisher only discovered the deviation from the rules after the editor started the editing process.

None of the reasons discussed above matches the ones provided by the PMI research results.

Interview 2 – Erekle Ghonghadze

Freelancer (Industry: HORECA)

In the case provided by the interviewee, the following reasons for failure were identified:

- Change in project objectives – more specifically, the sponsors decided to repaint the whole interior of Zala restaurant[3] which required an additional month and a half, so postponing the opening of the restaurant. This increased the budget of the project as the kitchen personnel had already been hired and the sponsor had to pay their salaries for the month and a half during which the restaurant was waiting to open.

The reason for the failure discussed in the second case matches the reasons listed by PMI's study.

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[2] The name of the sponsor is revealed following the verbal consent of Ana Turmanidze.
[3] The name of the sponsor is revealed following the verbal consent of Erekle Ghonghadze

Interview 3 – Ketevan Apkhazava

Gianti Logistics (Industry: Transportation and Logistics)

In the two case studies provided by the interviewee, the following reasons for failure were identified:

- Incompetency and a lack of knowledge of the industry of Transportation and Logistics – more specifically, the sponsor discussed in the second example decided to start the transportation procedure without negotiating the terms and conditions or receiving a quotation for the service from Gianti Logistics.

- Dishonesty of the sponsor – among other specifications of working in Logistics, there is one which makes this sphere completely different from the others discussed in this master's thesis. More specifically, the project managers do not meet the sponsors on receiving an order. In addition, they rely on the honesty of the sponsor when it comes to documentation of cargo. The sponsor provides documents where the cargo is described and the manager has no chance to check them before or during the shipping procedure. The only service that checks the cargo is the customs service and they check only the 10% of the received containers via x-ray. In the first case, the sponsor was transporting unlicensed military equipment. The interviewee was informed about that only because the cargo fell into this 10% at the customs service and the special services checked the trailers under x-ray. This resulted in a failure in time and budget.

None of the reasons discussed above matches the ones provided by the PMI research results.

Interview 4 – Soso Bidzinashvili

Wandio (Industry: Web and Software Development)

In the example provided by the interviewee, the following reasons for failure were identified:

- Incompetency and a lack of knowledge of the Web and Software Development business – in both example cases provided by the interviewee, the sponsor was unable to provide the functional requirements which are crucial for the developers to understand, estimate and perform all necessary work to deliver the project.

- Erroneous requirement gathering – in both cases, the sponsor was unable to properly provide all the necessary requirements needed to complete the project. In the second case, the sponsor did not know what kind of e-commerce platform would best meet the requirements of their company, while in the first case, the sponsor provided only a very

general list of the requirements, which in reality needed to be much more detailed. As a result, the developers were unable to deliver a product which met the expectations of the sponsor.

One of the reasons for the failure, more specifically, 'erroneous requirement gathering' matches the reasons listed by PMI's study.

Interview 5 – Madona Mikadze

JSC Georgian Beer Company (Industry: Manufacturing - Finance)

In the example case provided by the interviewee, the following reasons for failure were identified:

- <u>Not keeping the initial promises</u> – as the sponsor had personal communication with large vendors, whose information was crucial to finalizing the project in a timely manner, the interviewee asked for their help. She hoped that the vendor, which was already late providing the information for the audit, would listen to the top management of the Georgian Beer Company and cooperate with the audit. Although the sponsor made a promise to talk with the vendor, he either failed to keep the promise, or ineffectively communicated the issue. As a result, the vendor provided the documents a month and a half later than the agreed deadline and the project exceeded the deadline by the same period.

None of the reasons discussed above matches the ones provided by the PMI research results.

Interview 6 – Nini Abesadze

Europebet (Industry: Gambling)

In the example case provided by the interviewee, the following reasons for failure were identified:

- <u>Refusal to perform the work that should be done on the sponsor's side in order to complete the project</u> – although the sponsor was obliged to provide full information on the campaign that the interviewee had to execute, they failed to provide all the necessary details in a timely manner. Therefore, the project was executed with a lower quality as the interviewee could not perform all necessary actions needed to make the campaign a success for the company.
- <u>Not taking into consideration the project team's capacity and resources to complete the project</u> – the project team communicated with the sponsors that they needed at least three

weeks to execute each project separately. The sponsor did not take into consideration the provided timeline and did not leave three weeks for the project team to execute the campaign. Instead, the team were given only a week to develop the code, design the UI and the UX, communicate the campaign details and boost the posts on social media. As a result, the campaign was not as successful as expected. The project failed in time and in quality.

None of the reasons discussed above matches the ones provided by the PMI research results.

Interview 7 – Natia Samushia
Free and Agricultural Universities (Industry: Education)
In the example case provided by the interviewee, the following reasons for failure were identified:

- <u>The wrong professionals negotiated the terms and conditions with the project team</u> – the human resources department of a large Georgian bank were unable to communicate the needs of the finance department trainees. The negotiators did not know all the details needed to create a training program which would satisfy the requirements of the employees that had to be trained in the scope of the project.

- <u>Erroneous requirement gathering</u> – After the training sessions had already started, the Universities had to make amendments to the training program. More specifically, to add the subject which the trainees needed to be trained in. The Universities added the training hours in 'Financial Evaluation', which increased the timeline and the budget of the program as a new lecturer had to be invited specifically for this subject.

One of the reasons for the failure, more specifically, 'erroneous requirement gathering', matches the reasons listed by PMI's study.

4.5. Findings of the empirical study

This empirical study concentrated on seven practicing project managers from seven different industries. The aim of the study is to identify the reasons behind project failures caused by inadequate sponsor support.

The objective of the study is to answer two research questions, namely:

RQ2: What are the reasons behind project failures caused by inadequate sponsor support?

RQ3: Can the reasons behind project failures caused by inadequate sponsor support be generalized?

While conducting different quantitative studies, establishments like PMI and APM concentrate on causes. Normalizing or generalizing the actual reasons behind the failures is impossible, therefore quantitative research cannot be used. That is why this master's thesis suggests a qualitative approach. The objective is not only to answer the research questions, but also to understand the real reasons behind failures, so that other project managers in the future can take them into consideration or avoid them while planning a project timeline or budget.

The interviews conducted with the seven project managers identified a number of reasons behind project failures resulting from inadequate sponsor support:

- Incompetency and a lack of knowledge of a certain industry – this is one of the most common reasons that almost all interviewees had to deal with;
- Not being able to keep initial promises, or inability to perform the work that could be done only by the sponsor himself – a number of the interviewees had to deal with sponsors who gave promises they were not able to keep, or who did not perform the required tasks;
- Dishonesty of the sponsor.;
- Impatience of the sponsor.

Another research question tries to identify if generalization of the reasons is possible. To answer this question, the reasons provided by the participants of the survey were compared to the reasons that were provided by the 2018 quantitative study of the Project Management Institute. Table 8 summarizes the result of a comparison of each interviewee's failure reasons with the reasons provided by the PMI survey.

#	PMI reasons' checklist	1	2	3	4	5	6	7
1	Change in organization priorities	N	N	N	N	N	N	N
2	Change in project objectives	N	Y	N	N	N	N	N
3	Erroneous requirement gathering	N	N	N	Y	N	N	Y

Table 3: Comparing the reasons provided by all seven interviewees with the reasons provided by PMI research

Taking into consideration the final results shown in Table 8, this empirical study demonstrates that the reasons behind project failures caused by inadequate sponsor support cannot be generalized. Not only each project, but also each sponsor can be unique. Therefore, while each support system can vary, the only general reason that is very common among our interviewees' reasons for failure was a lack of knowledge on the part of a sponsor of a certain industry. But even this reason is not common among all participants of the survey.

The study suggests a need to look into each project individually. This will allow closer identifaction and analysis of the reasons behind the project failures, allowing project managers to be able to detect the same issues while managing other projects.

The limitation of the study is the number of the participants in the survey. The higher the number of interviewees, the more common and repeated the reasons will likely be. The second stage of the study could be to concentrate on a certain industry, to study how frequently certain reasons for failures occur and what other reasons lie behind project failures coming as a result of inadequate sponsor support.

5. COMPARISON OF EXTANT LITERATURE WITH THE EMPIRICAL STUDY

This section will discuss the relation of the findings of the empirical study to the academic literature reviewed in chapters 1, 2, and 3.

The literature reviewed in Chapter 2 stated that the sponsor is the one who defines and controls the project scope. The interviewees of the empirical study demonstrated that not every sponsor is capable of defining and controling the scope, including such resources as technology, equipment and so on. In various cases, the sponsor may have a vague idea of what they want to receive as the deliverable of the project, but they do not understand what resources and actions are required to achieve the final result. Such examples were demonstrated in interviewees #2, #3, #4, and #6 (see appendices 2, 3, 4, and 6). The extant literature in the same chapter stated that the sponsor should have a clear understanding of the deliverables and the author of the project should pass his knowledge and desires regarding the final product to the project team. While the interviews with the project managers demonstrated that not all sponsors have a clear vision of the final result, sometimes they understand what they want only when they see the end product (see appendix 4). This leads to scope creep.

In his book Situational Project Management: The Dynamics of Success and Failure, which is also reviewed in Chapter 2, Oliver F. Lehman states that being a project manager is a process of constant learning. When it comes to internal projects especially, the project manager's initial knowledge of the project details is near zero. This statement applies in the examples given by almost every project manager who participated in the survey. Their understanding of the scope or the final deliverable is limited when they start the planning process or execution of the project.

In Chapter 2, this master's thesis showed two charts: (1) the difference between the responsibilities of a project manager and governance (see figure 7) by Harold Kerzner, and (2) the difference between the roles of a leader and project manager (see figure 8) by Jeffrey K. Pinto. The main idea of both charts is to draw a distinct line between the responsiilities of the two, which plays a crucial role in project managing process. As expressed by Ana Turmanidze, the responsibilities of the sponsor and the project manager in the Publishing industry are not divided as expected; more specifically, the project manager defines the scope, funds the limits and defines the strategic objectives (see appendix 1). The management style of this company contradicts the figure

developed by Harold Kerzner. The sponsor discussed in the interview of Madona Mikadze (see appendix 5) failed to lead, earn his position, command respect or inspire trust as described by Jeffrey K. Pinto.

Chapter 3 of this master's thesis demonstrates the results of recent studies conducted by the respective institutions, such as IBM, Project Management Institute, and Association for Project Management. These studies demonstrated that the average success rate of the companies in meeting the initial goals and executing the projects with a high quality, set timeline and budget, is 40 percent. The project managers which operate in Publishing, HoReCa, Web and Software Development, and Gambling stated that their success rate is also around 40 percent (see table 2). The deviation from the rate provided above was demonstrated by those project managers who are employed in Manufacturing and Transportation and Logistics. This deviation is logical for the following reasons:

- Projects in finance, as stated by the interviewee, are characterized by high interest from the governance. Therefore, the top management provides as much support as needed in the majority of cases.
- In Transportation and Logistics, the majority of the projects are treated the same way and there are rare exceptions which tend to fail during execution. The companies in this indsutry have a proven procedure and practice of transporting cargo from one location to another. Therefore, their failure rate is lower as compared other industries.

According to PMI, the main problem caused by inadequate sponsor support is scope creep, which is an uncontrolled expansion of the project scope. The project teams come across this issue due to a lack of clarity of the scope or the deliverables. The project sponsor is responsible for providing such information but can fail to do so during the project planning. Soso Bidzinashvili, who works in the tech industry (see appendix 4), discussed such a case during his interview, providing more clarification for the reasons behind scope creep. According to him, the sponsors he gave as examples, ie, the clients of the Web and Software Development enterprise, did not have the right knowledge or experience of the tech industry. Being unaware of how products are developed in this sphere, they were unable to provide a proper list of the functional requirements and did not have a vision of what the final deliverable should be. Therefore, they required additional changes after the product demonstration which resulted in scope creep.

CONCLUSIONS

This master's thesis aimed to identify the reasons behind project failures caused by inadequate sponsor support, which, as reported by thousands of practicing project managers, is the major problem in successful completion of a project.

To meet its objective, the project elements, classifications and life cycle were reviewed. In addition, the chapters above provides the most common definitions of the project. The work provides more specifications on the role of the sponsor in a project, their significance and the importance of their commitment to the project execution process. In addition, this master's thesis reviews the most common types of project failure. The last part of the thesis is an empirical study: qualitative research which reports its findings based on an iterative study. The aim of the survey was to retrieve information from seven project managers from seven different industries and discuss the reasons behind projects which failed due to inadequate sponsor support.

This thesis contributes to the annual quantitative surveys which are conducted by large research institutes, such as PMI and APM. By focusing on the actual reasons for failures, this master's thesis aims to provide more practical knowledge to project managers, sponsors and any member of the project team who may in future face the same type of problems. Actual case studies provide knowledge which may help the relevant professionals avoid the same problems while working on their projects, and which may also help the sponsors see how their actions impact the timeline, budget and quality of project deliverables.

After reviewing the extent literature and conducting the interviews, the thesis reports the following findings:

1. 41 percent of project managers declare inadequate sponsor support as the primary cause of project failure. Generally speaking, the sponsors who ideally should have the highest interest in the success of the process frequently lack the commitment to the project team and the project itself.
2. According to the PMI report, the primary reasons behind project failures coming as a result of inadequate sponsor support are: (1) change in organization priorities, (2) change in project objectives, and (3) erroneous or incorrect requirement gathering, which in many cases leads to endless requirement gathering. As the results of the condcuted empirical study have shown, the actual reasons behind failures caused by a sponsor are much vaster.

In many cases, the sponsor has a lack of knowledge not only of project management, but also of the specific industry. In some cases, the sponsor is not commited to the project and does not keep promises to perform the job as they said they would. It can be said with confidence that in most cases the projects are unique, and therefore the reasons for failure are unique and require deeper study through qualitative surveys.

3. While we can say that a sponsor's lack of knowledge is a very common reason for project failure, this master's thesis would avoid generalizing the reasons. Instead, a second survey is needed which looks more in-depth into the industries and recruits more project managers in the scope of particular spheres, allowing for more relevant information for generalization. The failure rates and specifications vary from industry to industry; therefore, concentrating on a single industry while conducting the qualitative research would allow the researcher to generalize the reasons for project failure in the scope of individual spheres.

I conclude by discussing the limitations of the study. The very first limitation of this study is that it provides a very general overview of the reasons behind project failures caused by inadequate sponsor support. The discipline of project management is broad in nature and this thesis covers only the general definitions and management approaches to it. To understand what type of failures are common within different industries, the theoretical discussion should concentrate on each sphere individually. Therefore, one of the main limitations of this master's thesis is its general approach to the subject. The second limitation of this study is the qualitative research, in which only seven project managers participated. Each project manager provided a single version of a failed project and no sponsors were invited to provide their opinions on the projects, although according to the project managers, they were the main causes for the failures. There are two reasons why the sponsors did not participate in the survey: (1) in some cases, the project manager was not allowed to reveal the name of the sponsor and therefore it was impossible to invite the sponsor or their representatives to comment; (2) in other cases the sponsors were the top managers of the interviewee's companies and refused to participate in the survey or to provide information about the projects which their employees had discussed during the interviews. The third limiation of this master's thesis is that each industry was represented by just one project manager. As mentioned earlier, each project may be unique by nature, therefore even inside one industry different enterprises and different project managers may be dealing with non-identical projects. As such, the reasons behind inadequate sponsor support will likely be dissimilar, although this master's thesis does not allow us to make such conclusions. And lastly, to understand the specifications of

each industry, more project managers should be recruited from the same sphere and interviewed about projects which failed due to inadequate sponsor support. This approach will allow better understanding of the reasons for failures inside particular industries. Taking into consideration all the limitations mentioned above, a promising extension of this work would be to continue the qualitative survey with the same research design inside each industry and invite more practicing project managers to provide their cases, so as to study the reasons behind project failures caused by inadequate sponsor support more closely within individual industries.

APPENDICES

Appendix 1

Interview 1

1	Name and last name
	Ana Turmanidze
2	Employer
	Sulakauri Publishing
3	Job title
	Project Manager
4	How many years have you been working in project management?
	More than 2 years
5	How would you describe the industry in which you work?
	Although this is an era of digitalization, book publication rates are growing by the year, especially when it comes to books for children. It may be a very fun bisuness to work in, because the books are very ineresting and one is never like another. Of course, it is difficult to read every book before publishing and none of the project managers are required to do so, but we try to do our best and read the book before making the decision to publish it. The industry itself stands almost completely on projects, therefore the project manager's role and his/her professionalism is extremely important in this industry.
6	How would you describe the project management in the industry you work in?
	The project management in the publishing business is completely different from other industries due to the fact that, although we do have sponsors, we still have to decide which book to publish and which not. The sponsor/top management in our case generally does not participate in the decision-making process. They approve budgets but not the book titles. So, we have to act as sponsors act in other industries. We come up with ideas, with the scope and with the solutions. In addition, we calculate the budget and very frequently we are the ones who approve it. This is why being a project manager in the publishing industy is extremely interesting. It is an opportunity to make much bigger decisions compared to other businesses.
7	What kind of projects do you work on?

We have two types of projects: (1) internal and (2) external. The majority of the projects, I would say more than 90 percent, are internal. This means that we come up with ideas about what to publish. We purchase the rights or the special license. We translate, edit, design, and print the book. After, the marketing and sales departments take care of book distribution in different book stores. Marketing plans campaigns and various types of communications with potential customers and, based on sales, the company decides if publishing certain titles was beneficial for the company or not. The scheme is extremely simple.

When it comes to external projects, the process is almost the same, although the various stages are handled differently. First, we negotiate all the terms and conditions with the sponsor, which in this case is an external actor. Then we translate the book, if it needs to be translated. Then we edit and design it and finally print it. In cases of internal projects, our company is responsible for book distribution, marketing and sales, but in case of an external sponsor, we just deliver the books to the indicated address and this is where our work is complete.

8	How often do your projects fail?
	More than 50% of the projects fail over time. The demand for books is extremely high and the competition is tough. The project managers try to publish as many books as possible, but we do not have enough translators, editors or designers to complete all the projects in a timely manner.
9	Do you investigate the reasons behind the failures of projects?
	Not formally, no. I cannot provide the statistics and the exact numbers. But I do remember clearly that the majority of the failures are due to time and not about quality or budget. As for the reasons, lack of headcount and not enough resources is the most frequent.
10	How often do your projects fail due to inadequate sponsor support?
	As mentioned earlier, when it comes to internal projects, the actual sponsor is not acting as a classic sponsor would: They just sign the papers to transfer the money wherever we tell them to. Therefore, failure caused by the sponsor is not that frequent. I can even say that this can be a very rare case.
11	Can you provide an example of a project which failed due to inadequate sponsor support?
	One of the recent cases I remember which failed due to inadequate sponsor support was an external project. I had to publish a book for the Akhalaia Military School. This was a book with military content, which should have been published for the students of this

	school. The representatives said that the book was already translated, so we agreed that Sulakauri Publishing would edit the translated materials, design it and print it. The School would own the rights and be responsible for book distribution. Of course, while negotiating the terms, we exlained to them that the quality of translation was crucial, which automatically means that the professionalism of the translator is very important. They asured us that the quality would be good. We signed the contract. The School's administration sent the translated materials which were forwarded to our editor and we proceeded with the project. After a couple weeks of work, the editor of Sulakauri Publishing informed me that the book could not be edited because the quality of translation was extremely poor. More precisely, she suspected that not one but at least three translators had worked on this file. Let me clarify why is the number of translators so important when it comes to translating books. Each professional has their own ways of writing and using certain terminology. A reader can easily distingush these differences. Of course, I contacted the school administration and explained to them once more that the quality of the translation cannot be fixed by an editor. The books needs translation from the scratch by only one translator. I offered them the services of our translator, who is capable of providing a quality service and has knowledge of military terminology. Surprisingly, the administration of Akhalaia Military School informed us that they did not want to translate and publish this book any more. So, the project not only failed in quality, but the whole project was terminated.
12	Why do you think that this project failed due to inadequate sponsor support?
	Well, before starting the project, the sponsor was informed about all the potential risks of hiring their own translator. Despite that, they decided to proceed with the project. In addition, they did not inform us that not one, but several translators were working on the project. It is understandable that the sponsor has a lack of knowledge in the publishing business, but it would have been better if they had provided all necessary information at the beginning of the project and not in the middle of it. They would have economized on time and budget. We would not have proceeded with the project if we had known that multiple translators had worked on the texts. We do have guidelines, which clearly state that only one translator should work on a project, and these guidelines were shared with the sponsors at the beginning of the project.

Appendix 2

Interview 2

1	Name and last name
	Erekle Ghonghadze
2	Employer
	N/A
3	Job title
	Project Manager
4	How many years have you been working in project management?
	More than 4 years
5	How would you describe the industry in which you work?
	The restaurant business, also referred to as Horeca (hotel, restaurant, café) is developing with the speed of light. It is an extremely dynamic business, especially in countries like ours, where every year millions of tourists visit us. What I do not like about it is that it attracts not only professionals but also a lot of amateurs who dream of havng their own restaurants, but have no idea how to run a business or develop gastronomy in general. Such people quit their office jobs and start a restaurant business and what happens in majority of the cases is that they are broke within a year or two because they have no experience in this sphere. In general, this is an extremely interesting business to work in, but very hard to maintain. It requires a lot of energy and stamina.
6	How would you describe the project management in the industry you work in?
	I do not have a formal education in project management, therefore for me it would be hard to provide any specifications that might benefit your survey. The only thing I can say is that generally the project starts when someone wants to open a hotel, restaurant or café and realise they need a professional to make that happen. This is when I and my colleagues step in.
7	What kind of projects do you work on?
	I work on culinary projects, which means that I plan kitchens and prepare menus with calculations. Then I help the sponsor to hire the chefs for the kitchen, train them and help them with the opening. When the restaurant, café, or hotel is open, my job is done.
8	How often do your projects fail?

	Majority of the projects fail in terms of budget and time. I can say that the failure rate is more than 60%. The majority of my clients are amateurs, people who do not have any professional or academic background in the restaurant business. Their expectations in time and budget are very optimistic. They want everything now, but in real life their expectations are almost never met due to the fact that their visions are unrealistic. The main reason for budget failure is also the devaluation of the Georgian Lari. Almost every piece of equipment needed for a kitchen is manufactured outside of Georgia. I usually order them from Turkey, Germany, Italy and Japan. For example, last year the local currency was devalued by 10%, which naturally increased my clients' budgets as my purchases are made in USD or EUR. In the end, this causes budget failure and messes up my processes.
9	Do you investigate the reasons behind the failures of projects?
	I am a freelancer. Each time a project fails the received knowledge helps me to avoid the same type of failure in subsequent projects. But sometimes even previous experience is not enough to prevent it from happening again. Some sponsors are very hard to work with, unfortunately.
10	How often do your projects fail due to inadequate sponsor support?
	100% of the failures that I had were caused by the sponsor. I have had to work with several types of sponsors who caused failures. Type #1, and the most common, is an inexperienced sponsor; people who quit office jobs and have a romantic imagination about the restaurant business. Logically, they do not have any understanding of kitchen hirarchy, or kitchen architecture, or the menu and its calculation. They went to a restaurant, ate the food, and now they think that they can do the same – have their own restaurants. This lack of experience causes a lot of misunderstandings. For example, they think that hiring two or three cooks for a café is totally enough to manage the customer orders and the menu preparations, while they forget that two people cannot work 7 days a week, or more than 8 hours a day, while café and restaurants work almost all day and until late at night. They forget that they need someone to be in charge of calculations, menu renewals, etc. They forget about the employees who are in charge of cleaning dirty dishes and so on. Type #2 is an impatient sponsor. They also are very inexperienced. We are all used to buying kitchen equipment in electronics stores, where everything is already in the showroom and we choose from what the store has. In HORECA, the approach is totally

different. The equipment and the kitchen composition depends on the concept of the whole establishment and the menu itself. So, first we sketch the menu and then think which equipment to purchase. The sponsor wants to buy and have the equipment immediately, but this is not possible. We order the equipment; we wait for the shipping and then install it. So, generally, impatient sponsors have inadequate deadline requests.

Type #3 is the broke sponsor – this may sound strange, but I have had many sponsors who knew the budget in advance, but still managed to interrupt the project in the middle due to lack of financial resources. I do not have an explanation for this. The sponsor just tells me that right now he does not have the money to buy plates, so we wait sometimes a month or two to proceed with the project.

11	Can you provide an example of a project which failed due to inadequate sponsor support?

My partner an I had an offer to manage the opening of a restaurant of modern Georgian cuisine named "Zala". Everything was going smoothly; we were on schedule, the kitchen composition was almost done, the deadlines had mostly been met. Then the owners decided they did not like the walls at the front of the restaurant, the very part where the customers should be hosted. They came up with the idea of hiring a professional artist to paint the walls exclusively. It took time for them to find someone, then the artist took more than two months to paint the walls. The kitchen staff was already hired, and now they had to postpone the opening date, which meant the owners had to pay salaries for a closed restaurant. We had to wait two months and only when the artist was done painting, were we able to open the restaurant.

Appendix 3

Interview 3

1	Name and last name
	Ketevan Apkhazava
2	Employer
	Gianti Logistics
3	Job title
	Project Manager
4	How many years have you been working in project management?
	More than 4 years
5	How would you describe the industry in which you work?
	I can say that this is a very fast-moving business. We receive hundreds and thousands of orders to take cargo from one place to another. We transport goods by ship, plane, train, and truck. Generally, the majority of the orders are alike. Georgia is in the middle of Asia, therefore it is no surprise that we receive a lot of requests to ship goods from Asia to Europe and vice versa.
6	How would you describe the project management in the industry you work in?
	I would say that it is somehow different from what I hear from other project managers. We receive orders via email and almost never meet the sponsor personally. This is normal, because we ship from different continents and our sponsors are based in different countries. The process is very simple. The sponsor contacts us and describes the cargo. We calculate the shipping price and timeline and offer the service price. After receiving the sponsor's approval, we issue the quotation and after payment we arrange the shipping. This means we have to find the drivers, or organize the shipping transport. It can be unique in each case, but generally the shipping procedures and customs services are standardized and we rarely have to deal with orders which are difficult to handle on our end.
7	What kind of projects do you work on?
	I work on all types of project and by that I mean I organize the shipping of cargo via train, plane, ship or truck.
8	How often do your projects fail?
	Although the details are known in advance and I should not have to face difficulties in the process of shipping, somehow the majority of projects still manage to fail. Sometimes

we fail in time and budget and sometimes in quality. What is important is that if my project fails in time, it automatically means that it fails in budget as well. For example, if we are late, this means that we need to pay extra to the drivers, or to the customs services where the cargo is waiting in line. Failure in quality at our case means that something went wrong in the shipping process and the cargo got damaged. In such cases we have to reimburse the damage, therefore it causes a failure in budget. Generally, I can say that the failure rate of my projects is somewhere between 40% to 50%.

9	Do you investigate the reasons behind the failures of projects?
	No, we don't. We receive thousands of orders annually. Analyzing such data requires analysts, which we do not have.
10	How often do your projects fail due to inadequate sponsor support?
	Almost every time. I can roughly estimate that the rate would be more than 80% of the failures. Our problem is that we do not see the actual cargo. When I ship something from China to Kazakhstan, I have to trust the sponsor in a lot of details. They fill in all the cargo details in the documentation and when they indicate that they ship cars, I have to believe that they do so. Very frequently, the sponsors to not know how to prepare the documentation, or they lie when it comes to cargo details and do not indicate what is actually inside the trailer. When the customs services find out the truth, this causes failures in time and budget.
11	Can you provide an example of a project which failed due to inadequate sponsor support?
	I do remember two cases.
	Once, I had an order to ship cargo from Kazakhstan to Europe though Georgia. Everything was going well until the customs, where the cargo crossed the red line. Customs services do not check every car. Generally, there is a red line your cargo may fall into. This means that the customs service examine the cargo by x-ray. Daily, they check approximately 10% of the cargo, which is a normal rate. At the x-ray, the customs employees found out that in the trailer there was a large amount of military equipment. As I said, we do not see the cargo iself when we receive the order, so we do not know for sure what is in the trailer. We will never know if it will be checked (cross the red line). So, who knows, maybe I have shipped other military equipment but customs services did not find out about it. It is forbidden to import military equipment without special permission. Returning the cargo to Kazakhstan was not an option, it was unlicensed cargo and could not be moved. The sponsor did not have permission and in addition he had no one in Georgia to take care of

all the paperwork. Therefore, Gianti Logistics had to fill in all the necessary papers and take special permission from the government to import the military equipment. It took more than 10 days, therefore the project itself was delayed and the sponsor had to reimburse all the costs. The project budget was increased by 12%. We had to pay an addition fee to customs services where the cargo was standing those 10 days and to the drivers as well, who had to wait for it.

Generally, the logistics companies face these types of problems every Christmas, when sponsors ship fireworks into the county without special permission indicating on the documentations that the cargo consists of Christmas decorations only.

The second case that I remember seems a bit funny now, but certainly there was nothing to laugh about when it was happening. Someone contacted me via email asking the service price to ship cargo from Turkmenistan. Based on his description, I gave him the service fee. Since no-one replied, I decided that he had found a different company to ship the cargo and forgot about it. I receive a lot of requests just for the service price, it is normal. After a week or two, I receive a phone call. There is a driver telling me that he has shipped with 10 other drivers the cargo and I have to take care of it with the customs service. He could not remember the name of the sponsor. I was amazed. At first I thought I had some memory problems. I asked him to read some sentences from the documentation he had and describe the cargo. This was the moment when I remembered that someone had contacted me describing the same cargo and the same destination. But we had not continued the conversation with this sponsor, no invoice was issued, no terms were disussed. There was no other option, I had to take the cargo at Poti, a terminal city in Georgia. But receiving 12 trucks without initial warning and mobilization is not possible. Therefore, he had to wait two weeks for our colleagues and the containers to unload the cargo from the trucks. Of course, this caused changes to the budget and deadline, which was revealed to me only after the trucks were at the border of Georgia.

12	Why do you think this project failed due to inadequate sponsor support?
	In the first case we had a problem with the honesty of the sponsor. Which is a very frequent issue in our business. The sponsors do not want to pay for additional licenses. They know that only 10% of cargo is checked, so they are willing to take the risk. In the second case, we have an inexperienced sponsor. I would say that this sponsor was inexperienced not only in shipping, but also in business in general. I cannot imagine how

	can anyone decide they can start business relations without a contract, invoice or discussing terms. But this is a weird industry. Stuff like that happens sometimes.

Appendix 4

Interview 4

1	Name and last name
	Soso Bidzinashvili
2	Employer
	Wandio
3	Job title
	Project Manager
4	How many years have you been working in project management?
	More than 10 years
5	How would you describe the industry you work in?
	Wandio is a tech staff outsourcing company. So, generally we rent the developers who create different web pages, software or features for different tech or non-tech companies. This is a very dynamic industry. The market grows and changes almost daily and we have to keep up with market requirements and technological changes. We update platforms and servers. In addition, have to learn something new every day. Even the approaches to management change quickly. We used to apply the Waterfall method a few years ago and now we use Agile methodology.
6	How would you describe the project management in the industry you work in?
	The majority of our clients are non-tech, which is logical because tech companies have their own group of developers and do not need our help. This automatically means that we, the project managers working in this sphere, have to communicate pretty difficult technical issues to people who do not have an understanding of it. It may be tricky and difficult sometimes, but in general it is very interesting.
7	What kind of projects do you work on?
	Mainly, I work on digitalization of the financial sector. I have other types of project, like Chatbots, e-commerce, etc., but my main specialization is in financial sector digitalization. Online and mobile banking, electronic wallets, etc.
8	How often do your projects fail?
	Failures are very common. I can say that in my practice, more than 65% of the projects fail. We fail in the quality of the final product, sometimes we fail to estimate the project. So, when we think that we understand it all, there are some details that stand in our way,

	meaning the quality does not come out as well as anticipated. Sometimes, there are bugs that the developers struggle to debug, meaning the quality falls. We may also fail with deadlines. Deadlines are always optimistic at the beginning of the project. They tend to overestimate their own abilities and then when we are close to the end, we find out that they are not quite there yet, that they need more time to develop something, making us overdue and late for the deadline.
9	Do you investigate the reasons behind the failures of projects?
	Not officially. We do not perform such studies.
10	How often do your projects fail due to inadequate sponsor support?
	Well, from what I can remember, about 30% of the failures have been caused by the sponsor in my projects. As mentioned earlier, the organizations which order services from the company very frequently have no background in tech and rarely have the project management on their end, who has an understanding of Agile/Scrum or Kanban management, which is generally applied while managing the processes. What also happens is that the sponsors have problems articulating their desires, or sometimes they do not know what they want. They think they know, but in reality they don't. They do not know what the functional requirements are or how to write them. They think that their bold ideas about some projects can become alive that easily. Sponsors just do not know the tech.
11	Can you provide an example of a project which failed due to inadequate sponsor support?
	The very first project that crosses my mind was one which should have been completed a year ago (in 2018). The commitment was to finalize it in 6 months, and Wandio is not there yet, even though a year and a half passed. In the scope of the project, the project team had to create a web page for one of the large banks in Georgia. But the project is failing not only in time, but also in quality. The main cause was inability of the sponsor to provide functional and nonfunctional requirements. They provided a short list of the desires which Wandio's team had to work with. The top management of Wandio, who were involved in the negotiation, could have demanded the sponsors provide an actual list of requirements, but unfortunately this did not happen. Therefore, when I had to take over the project, I just had one piece of paper with a couple of requirements, without additional technical demands or details. The CTO of the sponsor company even after a year and a half of mutual work does not completely understand the structure of the digital products. Wandio's developers have to share additional details on how to read the code,

which makes the review of every increment extremely time-consuming. This project is failing in time, in delivery quality and in the budget as well.

Another project that I can discuss is about e-commerce. Wandio has a lot of experience in this sphere. The company has created many e-commerce platforms and were confident while taking over this project. The sponsor and Wandio agreed on terms and conditions, signed the contract and then the project team took over under my management. But the project still failed and the main reason for that was that the sposor had no idea what he wanted. He provided one web page, which was his favorite e-commerce platform, and asked us to copy the concept. This was the only functional requirement the project team had, no further specifications, as the sponsor had a serious lack of knowledge of the tech industry. As the team knew where to copy from, the task seemed very easy at the beginning. So, the developers executed the sponsor's wish and sent him the product. He was not satisfied, as they have a much bigger variety of product categories than the platform could handle. Therefore, the quality of the deliverable was not acceptable for the sponsor. The project team had to redo the project, which caused a delay of more than 4 months. Now, as the sponsor had more experience in building the web pages, he was able to articulate his wishes and the developers could proceed with the actual requirements and build a platform.

Appendix 5

Interview 5

1	Name and last name
	Madona Mikadze
2	Employer
	JSC Georgian Beer Company
3	Job title
	Finance Project Manager
4	How many years have you been working in project management?
	More than 8 years. Previously, I worked in an auditor company, but 4 years ago I moved to manufacturing.
5	How would you describe the industry in which you work?
	This is an extremely complex industry, which unifies within it many aspects. First, when manufacturing is mentioned, we think of a factory, which produces something, right? In my case we produce beer, lemonade and other types of beverages. This requires a lot of people and a large facility where all the machines and employees can perform their jobs. After the job is done and all the beverages are bottled, they should be distributed among different vendors. These can be supermarkets, or even very small stores. For us, the financial department, this means that each daily delivery, which is a transaction for us, should be recorded properly and the information put in the annual reports. What is interesting is that apart from beverages, our company sponsors the stores and cafes, which means that we provide special refrigerators to vendors for free with the precondition that only our product will be put there. Each such action is also another financial transaction. If something is damaged, this also is another transaction. Frankly, a very complex business.
6	How would you describe the project management in the industry you work in and what kind of projects do you work on?
	Well, in my case it would be better to describe my industry as finance, more than manufacturing, because I am a project manager in the financial department. What I generally do are annual audits of the financial transactions of the company. I also work on automation: implementing the special automated financial software, which will help

	my colleagues and I to manage the daily transactions and financial movements much more easily.
7	How often do your projects fail?
	I cannot say that the projects I have worked on fail frequently. This is logical, because I work in finance and all the deadlines and deliveries are treated very differently here. Being late or having bad quality is not an option for us. But, yes we do fail sometimes. I can say that the rate is somewhere around 20%. When this 20% happens, this is generally a time failure, because we are late to deliver what we promised in a timely manner.
8	Do you investigate the reasons behind the failures of projects?
	No, we do not.
9	How often do your projects fail due to inadequate sponsor support?
	Very rarely. Financial projects are of a high interest in every company, including us. Finances bother top management too much for them to be indifferent.
10	Can you provide the an example of a project which failed due to inadequate sponsor support?
	The most recent project I remember that failed was an audit project. As I mentioned earlier, the audits are quite difficult and complex to perform due to the daily transactions that we have. In addition, the system is not automated, therefore if someone forgets to include something on a list, we have trouble and the balances on our papers and on audit papers do not match. In addition, the vendors should provide the sales information. The majority of them struggle to do so in general, and the rest of them struggle to do so in a timely manner.
	Of course, we have small and large vendors. These large fish are friends with our top management and the director of the company. So, I spoke with our director and asked him for help. I was in a situation where the audit was almost ready, but the large vendors were not able to provide the required information. As I knew that they were close, I could benefit from our director asking these large vendors to provide all the sales information on time. The director agreed to help. I do not know what happened and how he communicated the request, but one of the largest vendors was not happy about it and was late with the reports by a month and a half. Therefore, my project was late by a month and a half.
11	Why do you think this project failed due to inadequate sponsor support?

I do not know if this situation is a classic failure due to inadequate sponsor support. Anyways, it was my duty to complete the project. But he had promised to help and somehow managed to make our partners so angry that they did not send any reports at all for a month and a half, which is indeed an unusually long time.

Appendix 6

Interview 6

1	Name and last name
	Nini Abesadze
2	Employer
	Europebet
3	Job title
	Marketing Project Manager
4	How many years have you been working in project management?
	More than 2 years
5	How would you describe the industry in which you work?
	Gambling is extremely fun to work in. Apart from a lot of things to do, the promotions we create and all the games we integrate are very interesting and exciting. Each game has an individual design and logic, so yes, it is something you learn a lot in. The competition in gambling is very tough. In different countries there are different statistics, but an average European gambles with 3 providers at the same time. How do they choose where it is better to play? Of course, based on the campaigns and the ads. Therefore, marketing is very important.
6	How would you describe the project management in the industry you work in?
	In marketing, the project management is the execution of a campaign. We have at least one campaign each month. But when there are active seasons, for example during such sports events as EURO 2020, or World Cup 2018, we have 5-6 campaigns going on at the same time. The managers of the different products come up with the logic of the campaign. Some are the leaderboards, some are the lotteries, giving away bonus prizes, money rewards, cars, houses. Besides the general logic, the product type is very important, as it impacts the whole project. At Europebet we have Sportsbook, Live Casino, Mini Games, Poker, and Table Games.
7	What kind of projects do you work on?
	My job is to work with the designers and the developers to execute the campaigns that representatives of each product want to launch. So, first I communicate all terms and conditions of different marketing campaigns with the sponsors, which in my case are the managers of the different products (slots, poker, table games, etc.). Then, I communicate

	all the details with the developers and explain to them the logic of the campaign which they have to develop. I also communicate the same with the designers which can be the UI/UX designers, graphic or motion designers, depending on what the sponsor wants. We also need the copywriter, who needs to create all the creative texts in four languages (Georgia, Russian, English, and Turkish). After that, we need the social media marketing and the CRM department as well. In some cases, we also may shoot a TV ad. It really can be very complex, but very interesting at the same time.
8	How often do your projects fail?
	The budgets for the campaigns are fixed, so I have never had a budget failure. But what my projects experience a lot is time and quality failure. I can say that more than 60% of the campaigns are either executed very late, or with low quality. Time failure can be painful for the sportsbook department which is dependent on sports events. When we fail in quality, for us it means that the customer activity was very low, and this generally happens due to inadequate or very late communication of the campaign with the customers. Sometimes, the designs are not as pretty as we want them to be. Sometimes, there are bugs in the developed product, so a customer is irritated and leaves the leaderboard and so on.
9	Do you investigate the reasons behind the failures of projects?
	No, not officially. We have never done any surveys which would measure the rates of failure.
10	How often do your projects fail due to inadequate sponsor support?
	Almost every failure is caused by the sponsor in my cases. We need three weeks to execute a campaign. We have talked about that a lot. We have warned the sponsors many times. But, somehow they still manage to approach us two weeks before, or a week before their estimated time of delivery. They ask us to work overtime, or work harder, or stop working on other projects and execute their campaigsn as soon as possible. But executing a campaign in less than 3 weeks is almost impossible: we need time to send out SMS, boost the social media posts; designers need time for the creative work; developers need time to write the code, to test it and to debug it if necessary. Generally what happens is that we try to execute the campaigns, but we fail at almost every stage mentioned earlier.
11	Can you provide an example of a project which failed due to inadequate sponsor support?

I do remember one very difficult campaign in summer 2018. Europebet planned yet another campaign to give away a Harley Davidson motorcycle to the winners. It was called the Hardley Davidson. Three products participated: slots, live casino, and poker. Each of these products had their own managers, which meant three sponsors and three different logics for me.

Two of the sponsors managed to provide all the details regarding the logic of the campaign, but the manager of poker was very late and the whole campaign ran late because of that. Somehow, he could not find the time to sit down and think of the logic and come up with the campaign details.

When there was only one week left before execution, the CEO of the company decided to go live with two prizes (two motorcycles) and two products who would participate in the campaign. After a week of execution, the poker manager sent the logic. So we needed additional time and effort from the designers and developers to develop this part of the campaign as well and add it to the two initial ones.

But overall, this campaign was very weak. The communication of the poker was very poor and the customers did not know that they could win playing poker as well. Finally, this campaign was a failure in both time and quality.

Appendix 7

Interview 7

1	Name and last name
	Natia Samushia
2	Employer
	Free and Agricultural Universities of Georgia
3	Job title
	Project Manager
4	How many years have you worked in project management?
	More than 16 years.
5	How would you describe the industry in which you work?
	Managing universities is one of the rare industries where you have to deal with multiple parties at the same time. First, you have the Ministry of Education, which sets the rules of education. You need to get accreditated to receive students. And believe me, this is not an easy process. Then you have employees of many types – administrative staff, lecturers, etc. You have students who you need to manage and educate. And apart from that we have private companies who order different types of training sessions to train their employees.
6	How would you describe the project management in the industry you work in?
	Well, one type of project we may have is to amend the existing educational process according the the changes in legislation or regulation published by the Ministry of Education. This is something that requires a lot of effort and time as well as resources. We have to make amendments to exsiting programs. Sometimes, we have to create educational programs from scratch. Sometimes, we have to buy new equipment, hire new personnel, and so on. It really depends what is in force. The projects of private companies are much easier to handle. We have a sponsor, who wants a certain result from the training session. We listen to them, we execute the schedule, we train them and that's it.
7	What kind of projects do you work on?
	I work on both types of projects.
8	How often do your projects fail?
	This question is difficult to answer. Well, failures happen, especially in time. We are not allowed to fail in quality, otherwise we would lose the certification to teach and would

	not be able to receive any students. So, we mainly fail in time and budget. But I cannot say how often this happens.
9	Do you investigate the reasons behind the failures of projects?
	I try to investigate the reasons myself, but the company does not do that.
10	How often do your projects fail due to inadequate sponsor support?
	In case of governement projects, the cause of failure is generally the Ministry of Education. This institution is moving away from the actual universities, due to the fact that the personnel working in the offices of the ministry and do not have any relations with students or lecturers at all. So, they enforce regulations that are sometimes disconnected from the universities, new programs that may of us (universities) refuse to start because executing them would be extremely complicated, time-consuming, expensive and would not be beneficial.

When it comes to private projects here, failures due to inadequate sponsor support are also very common. The main reason is a lack of knowledge. Training sessions are ordered by the human resources (HR) department instead of the actual department which needs the trainings. We receive an order, manage the program and then the attendants say that their expectations were totally different, while these expectatuons were not communicated to us because the HR department did not tell us about them. So, in such cases we fail in quality, in time and in budget as well. It depends on the situation. |
| 11 | Can you provide an example case of a project which failed due to inadequate sponsor support? |
| | Government project failures are very complex. Discussing them would take us far off topic. Let's remember one of the projects I had to manage for a private company. This was the case when the Free University of Tbilisi received an order from one of the banks to organize trainings in finance for their employees. I think we agreed that 15 people would attend the sessions. In this case, the HR department negotiated all the terms and conditions of the training session. We agreed on a price and schedule, set the start date. On the very first day of the training, we found out that the head of the department also wanted a Financial Evaluation to be included as a subect of the training, something the HR department knew nothing about. HR administrators do not have technical knowledge in finance, although they work in the bank. Therefore, it is very logical that they did not mention it, or could not communicate all the expectations of the training attendees properly. Anyways, we had to add this subject, but this required an additonal lecturer and |

	additional time. So we had to make changes to the budget. Invite a new lecturer for this subject and amend the schedule of the training sessions. Finally, everything was handled, but the initial project delivery failed in time, budget and in quality as the sponsor failed to communicate all the details of the request.

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