Impact of Steering Committee Configuration and Decisions on Project Success in Pakistan

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Abstract—In Pakistan, the impact of Steering Committees, when their context is clearly defined, is under-rated. The effect of such committees on project performance, project management and extracting value from project management capabilities is also misunderstood. A quantitative research method was used to carry out analysis of the steering committee factors affecting the output of projects in project-based business environments. The objective of this study is to gather insight from Project managers on project level Steering Committees on how they identify the existence and impact of Steering Committees. The results clearly represent the need to emphasize the importance of the role of Steering Committees (with a special focus on the engineering sector of Pakistan) as they play an integral part in the configuration to the execution of a project. The presence of a Steering Committee in the project management industry in Pakistan is not an entirely new concept. It has existed under different names in Pakistan’s work environment for decades. What did not exist was the understanding that their presence and some of their factors could, in fact, bring a positive influence and impact Project Successes significantly. It has been revealed through the this study that Project Success is particularly dependent on the variables identified as Steering Committee Processes and Steering Committee Configuration.

Keywords—Steering Committee, Steering Committee Configuration, Decision Processes, Project Management, Project Success.

I. INTRODUCTION

In Pakistan, the impact of the term Steering Committees is not clearly understood. The purpose and effect of such committees on project performance and their positive impact on project management capabilities is also widely misinterpreted. The role of Steering Committees in setting project management standards has been ignored, in general. Project management practitioners generally relate this function with to the role of a Project Management Office (Kaufman & Korrapati, 2007). In Pakistan, Steering Committees are also referred to by other names such as governing bodies, board of directors, executive committee, and the executive project management team. A Steering Committee, by any other name, is intended to “steer” a project in the correct direction, the requirement being that the committee itself should be structured and conducted properly. In most cases their importance is waived aside because they are often viewed as a Bureaucratic approach to serve the interest of the few top management elements. Whereas this may be the case in some organizations, it is not true for most, as project management has evolved so as the project management teams’ exposure to changing management styles. Compared to the past Pakistani trends, the Steering Committee is now more focused on applying the latest project management styles and hence the concept of a “Steering Committee” is coming into being a more and more reliable way to govern or steer a project keeping in mind that the correct ratio of stakeholders is represented in it. Project sponsors, Project managers and stakeholders have become more and more aware of project management practices and a Steering Committee, Board of directors and any name that may be given to a Steering Committee is becoming more important in the presence of an ongoing project.

A. Rationale of the Study

The rationale of this study is to stress upon the importance of the governing bodies or Steering Committees in any project oriented environment and to recognize the positive role of such bodies through research. The misconception that we have in Pakistan that steering or governing bodies are only used to serve the interest of the top few with no positive influences on the project itself has to abolished to ensure that a Steering Committee does indeed exist in the best interest of any project.

B. Aim of the Study

The aim of the study is to add to the small database of knowledge that exists in terms of non IT-based, project Steering Committees. In the course of this study very limited data was available as prior research done on non-IT based projects and generally on project management is very limited. The last research published in 2009 by Lechler and Cohen is a very concise research funded by the PMI and an extensive study. This study is aimed at breaking down those variables provided in Thomas G. Lechler and Martin Cohen’s study and observe their applicability in Pakistan. The factors taken into account by Lechler and Cohen were more in number than this study. The reason for choosing a very small amount of Independent variables is to explore and gather correct data and research one by one what factors in the Steering Committee have a significant positive effect on Project Success.

C. Research Objective

The research objective of this study is to gather insight from Project Manager on the project level on how they identify the existence of Steering Committees. The Steering Committees have a number of factors to their credit, as per the research by Lechler and Cohen in 2009 which includes Decision
Authority, Committee Configuration, Committee Responsibility, Committee Processes and their impact on Project Success. This research is going to focus on Committee Configuration, Committee Processes and their effect on overall Project Success.

D. Research Question

The research question for this study is does the configuration of a Steering Committee and decision processes significantly impact project success?

E. Delimitations of the Study

The delimitations of the study are the application of this research to engineering project based industries and other project related industries around the globe.

II. LITERATURE REVIEW

A. Concept & Definitions

A Project Steering Committee is recognized as an important structural element in project implementation (Englund & Bucero, 2006). Steering Committees are an essential building block in Managing Projects in an organization. They exist under separate names in separate organizations, some of which may be governing bodies, project valuation Steering Committees, board of directors and Steering Committees. An Effective Steering Committee needs to be small enough to make decisions, but must have all the important stakeholders of the organization/ project represented (Symons, 2003). A Steering Committee is an elite team of representatives from various areas of an organization or project. They are entrusted with the duty of connecting strategies of IT with that of business, by setting project directions, matching corporate concerns with technological potentials, and create commitment to policies (Nolan, R.L., 1982). According to Earl, Steering Committees, chaired by a top executive, typically meet frequently to discuss (IT) direction, approve and prioritize projects, review performances, form or approve policies, establish resource levels, and initiate major plans (Earl, 1989). Regrettably, successful Steering Committees are not easy to find, and few organizations know what impact these committees play in governing (IT) management (Drury, 1984). In addition, different forms of Steering Committees may be utilized for different reasons ( Raguhnathan, 1992). Although, configuration and operation of these committees may differ among organizations, their policy-making or direction-setting role in the systems plan typically means that members include executives from several functional areas of the firm. (Doll & Torkzadeh, 1987)

Other than these encouraging effects, committees can also inflict negative consequences on project performances by hindering important execution decisions as well as causing internal conflict in an organization. These influences can be extracted from the general argument centered on dysfunctional management boards (DeVries & Miller, 1984). Mintzberg suggests that linkages formed are vital in building such an informal relationship between management executives assigned the task of steering a project can help by pass the more bureaucratic responses from Steering Committees (Mintzberg, 1979). This suggests an inverse relationship between linkages and formalization (Doll & Torkzadeh, 1987).

In Pakistan, a Steering Committee, being called by any other name such as a governing body or a board of directors, was known as a committee which gave certain executives the power to take the project in their own chosen direction, be it for project success or personal gain. With the advent of Multinational projects, corporations and more notably “Project Management Practices” the perception of managing a successful project have been altered.

A comprehensive literature search on reference databases (Research papers, PMI Journals and Internet) did not result in the significant number of references that I expected to find addressing the role of Steering Committees in project implementation. The search was then extended to the term “project governance” as was done by Lechler and Cohen in their research in 2009. Again, very few articles were found, most of them are with reference to the IT sector. One reason that the research on Steering Committees is difficult to locate for references is their existence under separate names in various organizations as afore mentioned. The majority of articles that were researched focused on the role of IT related committees in directing IT-related projects (Doll & Torkzadeh, 1987, Karimi et al., 2000, Patankar,2009). The references made by these articles also do not point towards any relevant publications particularly dealing with project Steering Committees except the paper by Lechler & Cohen in 2009 which focuses on a variety of organizations (all non-IT except one).

B. Literature Gaps

The above literature review leads to the conclusion that when it comes to scholarly work, very small database exists regarding the analysis of Steering Committees especially in a database collected in the last five to ten years. Somewhat little scholarly work has been carried out in order to analyze one of the main elements of project management utilized in many organizations.

As afore mentioned, there exists a gap in research with regards to the research conducted on Steering Committees in general and the impact of Steering Committees in the engineering project based sector in particular. Apart from Lechler and Cohen’s research conducted in 2009, there is hardly any research conducted on specifically “Project Steering Committees”, the main focus has been the IT industry thus far.

Lechler and Cohen identified five distinctive components to describe Steering Committees (Lechler & Cohen, 2009). Out of these components, two components will act as independent variables which will further be used to explore the role of a Steering Committee on the dependent variable “Project Success”, in the project based engineering sector of Pakistan. The five components identified by Lechler and Cohen in 2009 are:

- Configuration: This component describes the level of representation of various departments, stakeholders and functional diversity in the committee.
• Responsibility: This component elaborates the level of responsibility assumed by a Steering Committee in order to impact project success, cross functional coordination and scope management.

• Decision Authority: This component refers to the level of control a Steering Committee exerts over projects and project managers.

• Organization: This component describes how Steering Committees organize their work processes, meetings and permanence (ad-hoc vs. permanent).

• Committee Decision Process: This component refers to internal committee dynamics and the extent to which the committee controls the project decision-making process.

(Lechler & Cohen, 2009)

C. Critical Analysis of the Literature

Apart from Mintzberg’s research in 1979, the majority of prior research substantiates the positive effect that Steering Committees have on Project Success. It is analyzed that that the predominant image that Steering Committees have given so far is that it consists of executive level people from various parts of an organization who then get together to take important decisions in terms of setting priorities and project direction.

III. THEORETICAL FRAMEWORK

A. Theoretical/Conceptual Framework and Description of Variables

The theoretical framework of the study is given below in graphical shape. This is descriptive study and whole working was carried out around the independent variables’ impact on the dependent variable.

![Theoretical Framework Diagram]

B. Proposed Model

The dependent variable in the study is Project Success, whereas independent variables are Committee Decision Processes and Committee Configuration. The relationship between independent and dependent variable is measured with the help of the selected questionnaire. Based on interviews of project managers from a few firms, there are significant evidences that those working in the project based engineering sector in Pakistan are accustomed to the presence of an effective Steering Committee of governing body since the year 2005, especially after the telecom boom took place in the region. This is credit to the multinational work environment and a shift in the project management styles which the Pakistani professionals were exposed to and that they eagerly accepted. It has been observed and through interviewing techniques in this research paper, that project based professionals are now acknowledging the presence of steering or governing bodies as an entity that not only gives direction to the project but also are quite important for the success of a project. The hypotheses for this study are:

H1: Steering Committee Decision Processes have a significant impact on project success
H2: Steering Committee Configuration has a significant impact on project success

IV. RESEARCH METHODOLOGY

A. Sample Selection

In this research data is collected from various sources including Engineering organizations and interviews. Unfortunately, the strict terminology of “Steering Committee” is not well known to respondents, so all of them were briefed about the subject initially. To gather the data I initially prepared the list of potential respondents through brainstorming and expert judgment techniques. Basing on the convenience sampling technique, questionnaire was to various respondents (Appendix). Convenient sampling was used for the collection of the data by questionnaires. 80% response rate was achieved.

B. Measurement Frame

This study inspects the relationship of the Project Success with the Committee Configuration and Committee Decision Processes in the engineering sector of Pakistan. The questionnaire was developed by Lechler and Cohen in their study in 2009. The sections of the questionnaire that were applied were the ones that relate only to the relevant variables which is the effect of project decision processes and committee configuration on the Project Success.

C. Procedure

This study was supported on primary data. The questionnaire was personally explained to groups which further monitored the respondents in their organizations and professional circles. The questionnaire was distributed among 100 respondents. Only one questionnaire was given to each respondent. Before handing over the questionnaires, questions were explained to the respondents so they could complete the questionnaire and the results could be extracted.

D. Unit of Analysis

The collection of data in any study can be focused on organization, departments, work group and individuals. For this study the main source of information was Project based engineering organizations and concerns. The population frame chosen for this particular research is a number of engineering organizations and companies comprising of performance related engineering projects, the management who answered the questionnaires prefer to remain anonymous.
E. Type of Study

This research is quantitative as well as qualitative as the interview technique was also used in some cases to get a theoretical point of view of the typical project manager. The study can be categorized into exploratory research, descriptive research and hypothesis testing. Exploratory research is undertaken to gain better understanding of dimensions of a problem where as descriptive research is used to describe the characteristics of a population. Hypothesis testing is used to explain relationship between different variables.

F. Time Horizon

For this study time horizon was four months. During this period I studied and investigated the impact of Independent variables (Committee Configuration and Committee Decision Processes) on Project Success.

G. Limitations of the Research

This study was conducted in multiple engineering project based organizations. They were then further classified into three types of organizations. Hence, respondents in this study also form three types. On the other hand, this study is only focused on three dimensions or factors of a Steering Committee which are the effects Committee Decision Processes and Committee Configuration on Project Success as a whole whereas there were more factors considered in the original study conducted by Lechler and Cohen conducted in 2009 in their research funded by the PMI (Project Management Institute).

V. DATA ANALYSIS METHODOLOGY

A. Data Collection

Suitable data collection method was used; incomplete and faulty questionnaires were discarded. Problems faced during data collection were that each project manager had to be explained the concept and expectation from the perspective of this research personally. The master training technique was also used in about 10 cases in order to ensure that the questionnaires filled by people who the author was unable to interact with are properly educated by the project manager who acts as a master trainer as well as a liaison between the author and the respondents.

B. Description of Participating Organizations

The participants that responded to the questionnaire were from a variety of engineering project based organizations. Table 1 shows a brief breakdown of types of organizations and number of respondents picked from each organization.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Organization Type</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>New Product</td>
<td>15</td>
</tr>
<tr>
<td>2</td>
<td>Defense</td>
<td>50</td>
</tr>
<tr>
<td>3</td>
<td>Telecom Sector</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

In this study the identities of the organizations have been kept anonymous upon request to ensure confidentiality and honest responses.

C. Data Analysis Techniques

The instrument chosen to be adapted for the data collection is the questionnaire developed by Lechler & Cohen conducted in 2009, also for a similar research on Steering Committees titled Exploring the Role of Steering Committees in Realizing Value from Project Management. The scale used is likert scale on a scale of 5.

The data analysis software was SPSS, also known as PASW (Predictive Analytic Software) within which correlation and Regression techniques were used to investigate the impact, strength, direction and significance between independent variables (Committee Configuration and Committee Processes) and the dependent variable (Project Success).

D. Impact of Committee Configuration and Committee Decision Processes

In this section, it was analyzed how Steering Committees processes can directly impact the implementation and the success/performance of projects. Project managers were requested to respond to the questionnaire keeping in mind their own specific projects and also keeping in mind the main Governing or Steering Committees that they are working with.

- Committee Configurations
  Steering Committee Configuration discusses which hierarchical levels or chain of command and which project areas are symbolized in the committee.
  - Committee Decision Processes
    The decision processes elaborate on project decisions making process and how they were made by the Steering Committee.
  - Project Success
    The Project Success determines whether the project achieved maximum efficiency, desired outcomes, customer satisfaction and the best economic value for the project.

E. Data Analysis and Reliability Tests

After the completion of data collection and data input, a check was run for any missing values or outliers, having found none, the normality of data was checked and since the skewness was between -1 to +1, the data was found to be normal.
Statistical Package for Social Sciences (SPSS) software was used to apply various statistical tests to the data gathered via questionnaires. Before running more complex tests to analyze the relationship and variance between variables, a pre test was conducted to check the reliability and validity of the instrument. In order to qualify for the reliability, the Chronbach’s coefficient must be greater than 0.6 (Hair et al., 2006). 0.6 is said to be a safe range for data. Chronbach’s Alpha (reliability) for all the variables is more than 0.7. Collected data is reliable. Table 2 shows Chronbach’s Alpha’ for each research construct. It has been proved through the gathered results that, the constructs are quite reliable and acceptable.

Table 2
Reliability Test - Chronbach’s Alpha

<table>
<thead>
<tr>
<th>Variables</th>
<th>Chronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committee Decision Process</td>
<td>.586</td>
</tr>
<tr>
<td>Configuration</td>
<td>.921</td>
</tr>
<tr>
<td>Project Success</td>
<td>.790</td>
</tr>
</tbody>
</table>

To test our hypotheses, we have conducted Correlation analyses on Committee Decision Process, Committee Configuration as independent variables and Project Success as dependent variable. As the data is normally distributed so the Pearson’s correlation two-tailed significance test is applied. This test is used to measure the relationship between independent and dependent variable. The positive correlation validates that the variables are significant at the 0.01 level and all independent variables are strongly correlated with project success. Hence, it verifies one of the research assumptions that Committee Decision Process and Committee Configuration have a significant impact on project success. Correlation was tested following the Chronbach’s Alpha reliability test. Table 3 displays the findings of the correlation testing and the relationship of the factors (the correlation results between Committee Decision Process and Committee Configuration).

Table 3
Correlation between Committee Decision Process and Project Success

<table>
<thead>
<tr>
<th></th>
<th>Committee Decision Process</th>
<th>Committee Configuration</th>
<th>Project Success</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committee Decision Process</td>
<td>1</td>
<td>.691**</td>
<td>.518**</td>
</tr>
<tr>
<td>Committee Configuration</td>
<td></td>
<td></td>
<td>.541**</td>
</tr>
<tr>
<td>Project Success</td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed), N=70

The findings are that first of all, there is positive correlation, Committee Decision Process is positively correlated with a value of r=0.518 with a significant value of p=<0.05. Committee Configuration is positively correlated with a value of r=0.541 with a significant value of p=<0.05. The correlation between the two independent variables is also found to be very high.

Followed by correlation, regression analysis was computed to assess overall impact of Committee Configuration and Committee Process on Project Success.

Table 4
Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R-Adjusted</th>
<th>Std. Error of Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.571*</td>
<td>.326</td>
<td>.305</td>
</tr>
</tbody>
</table>

* Predictors: (Constant), Configuration, Committee Process

In the findings of the Table 4 it has been ascertained that a statistical value of R-square is 0.326 which means that the relationship among dependent and independent variables is not very strong though being positive, while the Adjusted R Square value shows that the effect of other variables is also not very highly significant.

The regression results show a positive relationship between the dependent and independent variables so hypotheses 1 and 2 are accepted that Committee Decision Processes are also found to have a significant impact on the Project Success. The results of the regression models provide support for the research question: Steering Committee Configuration positively affects the Project Success. Likewise other independent variables namely Committee Decision Processes are also found to have a significant impact on the Project Success. These results provide support our research question that the factors or variables taken into research do, in fact, affect Project Success significantly.

It has been revealed through the above mentioned results that Project Success is greatly dependent on the variables as identified as Steering Committee Processes and Steering Committee Configuration. Better communication among the Steering Committee members also seems to be a contributing factor in Project Successes according to data collected by interview techniques, one reason being consistently quoted as; it improves mutual trust among members regarding decision making and directing a process and further improves the chances of success for project.

VI. DISCUSSION AND RECOMMENDATIONS

The project managers that were our respondents as well as our interviewees signified a strong support from their respective governing body or Steering Committees in project-success focused committee decisions. Conflict is one event that is repeatedly reported as a byproduct of committee meetings by project managers, they do not necessarily mean delayed decision making or a less effective way of taking important steps when in a project based environment. It is encouraging to find that Pakistan has taken to project management approaches quite naturally compared to the resistance to new methods that the professionals used to be stereotyped with previously. A lot of the credit goes to the Project Management
Institut e (PMI) for the world wide education of project management based techniques which people have found useful in applied projects as well. Pakistan’s engineering sector has rapidly picked up on the new project Management techniques and made it a normal practice. One project manager was asked when she heard the term Steering Committee for the first time and the response was 2006. That was a time when few people who worked in fortune 500 companies recognized the term here in Pakistan. Now, an effective Steering Committee exists under several different names. The point to note is that improved and constant project management awareness inculcated a sense of pride into the same bodies, board and committees which were previously expected to only think of personal gain, now think of a successful project as a matter of greater pride.

VII. CONCLUSION

In conclusion, Steering Committees may be recognized under names other names and terms but the concept of an effective steering process has been evolved successfully. In Pakistan’s project related work environment the decision process and configuration of the steering bodies has been found to have a significant impact on overall project success. During the course of my research, few articles on non-IT Steering Committees were found. Hence, it is recommended that further research be conducted on non-IT Steering Committees to add to the existing body of knowledge to assist future researchers who undertake a similar topic.

VIII. REFERENCES


Sabina S. Shirazi was born in 1981 in Pakistan. She has a bachelor’s degree in Mechanical engineering from University of Engineering and Technology, Taxila, Pakistan, followed by multinational experience in project management and training. She followed up her education and work experience with a research based MS in Project Management from SZABIST Islamabad(2012-2012). She has multiple professional certifications in Telecom, Technical, Ethics, Management (2005 – 2008) from Motorola University. She also has multiple professional certifications from George Washington University-School of Business and ESI in Project Management (April 2007- August 2007).

She currently works in project management, striving to enforce it in the healthcare sector, working for the betterment of the people in the federal capital of Pakistan. Her previous experience includes working as adjunct faculty for management sciences and technology at SZABIST Pakistan. SZABIST ranked among the best Science and Technology and MBA schools in Asia by the CNN-Time publication Asia week. SZABIST is also listed in the CNN Executive Education Schools. SZABIST thus has the unparalleled honor of being the only Pakistani Institute to be recognized internationally by Business Week, Asia week, Asia Inc. and CNN.

Ms. Sabina S. Shirazi’s field of interest is project management and its knowledge areas. Her interests also expand into the more generic business and management field of study. She was first inspired by the Project management journal and especially the study conducted by Lechler, T.G., and Cohen, M. (2009), Exploring the Role of Steering Committees in Realizing Value From Project Management which is what she based her current study on. She hopes to contribute significantly to her field in the future.