
Why Big IT Projects Fail

(2009-04-10) - Contributed by Jay Bahel

There is a high correlation between lack of execution and dissatisfied shareholders.

See also:

Poor Planning Plagues Projects

Five ERP Disasters

Why do large projects fail to deliver?

Project Leadership Associates' survey of more than 200 CEOs, COOs and CIOs suggests there is a high correlation between lack of execution and dissatisfied shareholders. Large projects specifically fail to meet shareholder expectations because they lack many things, such as buy-in within the project members, project managers who are business owners, clarity of plans and disciplined meeting management. Ambiguity of roles and responsibilities, team member burnout, and change management and cultural issues also contribute to this shortfall.

Our experience with more than 75 large projects suggests that success is closely tied to five "Execution Planning" steps:

Start with the steering committee. If there aren't two or three sponsoring executives who choose to own a critical initiative within the business, don't even start the initiative. Successful steering committees are primarily responsible for naming the members of the core project team, approving plans and providing strategic guidance to the core project team.

Establish the core project team. Successful core project teams include no more than four to six individuals who are responsible for making 80 percent of project decisions; building "straw models" and soliciting input/buy-in from other stakeholders (on issues such as master project timelines); aligning their sub-team leads to the master project timeline; holding sub-teams' leads accountable for execution of the master project timeline; and escalating and resolving key project issues that may impede progress.

Establish sub-teams. Successful sub-team leads are responsible for developing and executing detailed plans (on schedule, budget and scope) in line with the master project timeline; recommending technical approaches and documenting them as required; and raising issues to sub-team peers and/or the core project team as necessary.

Define roles and responsibilities. Build a one-page graphical document that clearly defines objectives for all project members (in particular the core project team and sub-team leads). Successful large projects have core project teams that remove ambiguity of roles and responsibilities for both the sub-team leads and the core project team itself.

Build a one-page master project timeline. Successful core project teams publish a one-page graphical representation of the timeline for the project as a whole. These master project timelines have key "anchor dates" against which all sub-team leads are responsible for developing and executing detailed plans. This thinking differs from classical IT planning approaches.

Traditional project approaches start from the bottom up, with work-breakdown structures and task-level detail that roll into a detailed master project timeline. Our experience suggests that successful large projects start with key top-down anchor dates set forth from the core project team.

Effective IT strategy execution using these five steps overcomes the large project issues referenced earlier.

My future columns will cover other IT strategy execution tools and techniques. Continue to ask yourself, "How can these tools help me make a positive difference in my organization?"

Successful execution can make you invaluable in these tough economic times. These steps will help move your career forward.