

IT Project Delivery: Is it Really so Tough? Let's see the Data!

Common Perceptions

Everyone knows that delivering an Information Technology (IT) project is tough. In casual conversation, this perception is often linked with statements such as:

- *"IT has a high failure rate"*
- *"Software implementations almost never reach their 'Go Live' target on time"*
- *"Stabilization is a euphemism for fixing all the mistakes that weren't resolved in implementation"*
- *"Scope gaps and change orders are just a normal part of doing business"*

But are these statements true? How tough is IT Project Delivery, really? Let's see the data!

A Stream of Studies on IT Project Performance

Many studies – both academic and industry-lead – have sought to measure IT Project Performance.

- **CHAOS Report:** the Standish Group has compiled IT projects for three decades and their modern data shows:
 - **46% of Projects are Challenged:** complete & operational, but over-budget, over-schedule, and offers fewer features than specified.
 - **26% are Failed: cancelled** at some point **or not used** after being implemented
- **Doomed From the Start?** Based on feedback from 600 U.S. Business & IT Executives, Geneca found:
 - **75%** of admitted their projects were either **"always" or "usually" "doomed"** right from the start.
 - **61%** of the projects **take longer** than anticipated and **57%** are **not considered a success**
 - **80%** admit they spend at least **half their time on rework**, which is the result of **unclear objectives, confusion of roles and responsibilities, and lack of stakeholder involvement.**
- **Large IT Projects Cost Much More than Planned:** McKinsey and University of Oxford studied 5,400 IT projects:
 - Software projects had a:
 - **17%** average **shortfall in benefits achieved** vs. the original plan
 - **66%** average **cost overrun** and **33%** average **schedule overrun**
 - **17%** of IT projects perform so poorly that they **threaten the very existence** of the company

Ouch. IT Projects are VERY Tough. Should We Run Away in Terror?

By no means! However, we need to consider a different approach to delivering IT projects. After all, the definition of insanity is "doing the same thing over and over again and expecting different results." Thanks, Einstein! ([well, maybe](#))

A Different Approach: Expertise-Based Project Delivery (XPD)

XPD is a proven, research-based approach that has been tested on more than 3,000 projects and \$10B in spend.

- Simplar has successfully implemented XPD on IT Projects ranging from \$10K to \$100M+
- Users have documented tens of millions in project savings, reduction in delays, and reduced effort in delivery.
- Visit our website to learn more about the [Simplar XPD Process](#)

The Full Impact of Software Implementation: A Cradle-to-Grave View

A Cradle-to-Grave View of Software Implementation

Many organizations overlook the full impact of what is required to deliver a successful software implementation. There are several important phases of the Software Delivery Lifecycle – and all must be coordinated seamlessly.

The Software Delivery Lifecycle



Major Causes of Software Project Failure – Two Main Scenarios

Scenario #1 – Unsuccessful Implementations

- Ineffective Scope Development (does not match needs, contains significant gaps, is overly prescriptive)
- Evaluation process is overwhelmed by marketing information (software does not live up to the fancy demo)
- Poorly clarified software implementation plan (unclear milestones, poorly-defined resources,)
- The vendor’s implementation is sub-par (lack of functionality, claims of unforeseen complexities)

Scenario #2 – Lack of Adoption & Resistance to Change

- Employees revert to old ways, use workarounds, or develop shadow systems (limiting benefits realization)
- Poor training means employees lack the skills to operate the software as intended (limiting usage)
- Ineffective communication leaves employees unaware (and unconvinced the software meets their needs)
- Unrealistic timeframe and resource allocation to adopt the change (resulting in resistance and opposition)

Why Do Organizations Struggle with Software Implementations?

- Overlooking the importance of a phase – or phases – in the Software Delivery Lifecycle
- A breakdown within any individual phase (lacking best practices or internal expertise to maximize success)
- Bringing in external consultants who only support limited phases (or portions of a phase)
- Overreliance on external consultants with attractive logos (but actual team members lack verifiable experience)

The Simplar Difference – Ask the Experts!

Simplar brings a research-based and cradle-to-grave approach with proven results to:

- Enable an effective Scope Development process
- Deliver a Procurement process that eliminates marketing information to compete on expertise & innovation
- Facilitate an full Software Implementation planning phase with the vendor before contract award
- Apply a performance measurement system to create positive accountability throughout Software Implementation
- Enhance change adoption capabilities throughout the organization
- Visit our website to [learn more](#)

Expertise-Based Approach to IT Delivery

A Different Approach: Expertise-Based Project Delivery (XPD)

XPD is a proven, research-based approach that has been tested on more than 3,000 projects and \$10B in spend. XPD can be leveraged for a cradle-to-grave approach that considers the entire Software Delivery Lifecycle. Simplar has successfully implemented XPD on IT Projects ranging from \$10K to \$100M+

The Software Delivery Lifecycle



XPD Scope Development

Compile an effective Scope of Work that attracts expert vendors to build an accurate proposal with minimal contingency.



Main Differences from Traditional Scope Development:

- Customized for IT Scope Development package using a detailed fill-in-the-blank templates
- Step-by-Step procedures for engaging business units and subject matter experts (SMEs)
- Unique process to incorporating expert recommendation from the vendor community
- Library of examples from previous projects across North America

XPD Evaluation & Selection

Utilize the RFP as a proactive tool to select the optimal software & an expert implementation team to bring it to fruition.

Main Differences from Traditional Solicitation Processes:

- Eliminate marketing fluff via consistent proposal forms, anonymous evaluation criteria, and maximum page limits
- Full package of RFP language, evaluation templates, and training materials
- Interviews with vendor's actual implementation team, not their sales representatives
- Scripted software verifications rather than sales-oriented demonstrations



XPD Pre-Award Clarification

Assemble a realistic implementation plan – that leverages vendor expertise & minimizes risk – before contract award.

Planning Element	Status
Simplar's Clarification Item #1 of 20	✓
Simplar's Clarification Item #2 of 20	✓
Simplar's Clarification Item #3 of 20	✗
Simplar's Clarification Item #4 of 20	✓
...	
Simplar's Clarification Item #20 of 20	✗

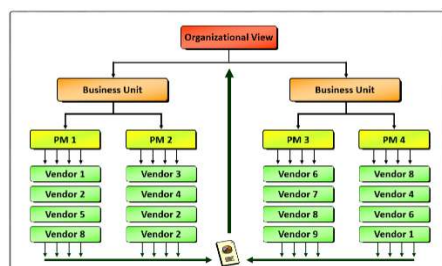
Main Differences from Traditional Implementation Planning:

- Pre-contract timing increases accountability for the entire contract term
- Vendor's implementation team input to align contract with operational realities
- Emphasis on risk minimization (prevention) on top of contractual risk transfer
- Formal definition of Client actions & resources throughout implementation

Expertise-Based Approach to IT Delivery (continued)

XPD Post-Contract Performance Metrics

Measure performance to increase transparency around status, risk factors, and forecast potential roadblocks.



Main Differences from Traditional Project Control Systems:

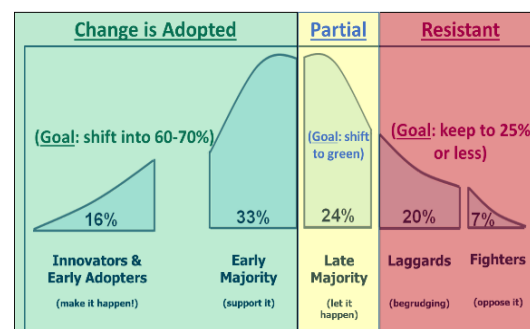
- Create a partnering culture and skillset within the project team
- Transfer reporting responsibilities to the vendor team
- Augment predictive planning for project cost, schedule and risk
- Measured environment built to support enhanced decision-making
- Organizational roll-up capabilities linked with contract close-outs

XPD Organizational Change & Adoption Support

Ensure proper planning for the timeline, effort, and resources needed to successfully adopt the change.

Main Differences from Traditional Change Management Support:

- Structured approach to optimize allocation of change resources
- Scientific tools to assess, predict, and reduce resistance
- Database of more than 550 organizational change cases
- Significant experience delivering professional development training



The Simplar Difference – Ask the Experts!

- Proven application on hundreds of IT Implementations – from small (\$10K) to large (\$100M+)
 - Including: Enterprise Resource Planning (ERP), Finance & Accounting, Asset Management, Geographic Information Systems (GIS), Project Management, Facilities Management, Human Resources (HR), Telecoms, Data Strategy & Warehousing, eProcurement, Online Learning, and many more.
- Documented results:
 - Reduction in delays (20-40% less duration)
 - Reduction of change orders (35-50% less dollars)
 - Higher customer satisfaction (94-98% average)
 - Reduction in client administrative time (50-95%)
 - Reduced client PM effort for vendor management (10-30% reduction in time)
 - Better risk management, more transparency, and a culture of positive accountability
- Visit our website to [learn more](#)