SIMPLAR

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 expressed in 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!

The Data Proves IT Projects are Very Tough. Should We Run Away in Terror?

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."

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

XPD is a proven, research-based approach that has been successfully implemented on 3,000+ projects and $15B in spend.

- Simplar has been 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.

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 recent 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:

- 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