

# Early Warning Signs of IT Project Failure: Have You Experienced Them?

## An Independent Study



Research reviews of failed IT Projects reveal that significant symptoms of trouble were clear and knowable early in the project



These symptoms can be thought of as Early Warning Signs (EWS) of IT Project Failure, which are defined as an event or indication that predicts, cautions, or alerts the project team of possible problems.



Researchers investigated the most important risks that serve as EWS of IT Project Failure.

Reference: Kappelman, L.A., McKeeman, R., and Zhang, L. (2006). "Early Warning Signs of IT Project Failure: The Dominant Dozen" Information Systems Management, Volume 23, Issue 4, pg. 31-36.

## Categories of IT Project Failure

The researchers started by compiling 50+ Early Warning Signs, which were grouped into three general categories:



### People-Related Risks

Risks linked to groups of people, such as top management, project management, project team members, subject matter experts (SMEs), and stakeholders in general.



### Process-Related Risks

Centered on five project management processes and their deliverables, including requirements, change control, scheduling, communications, and resources.




### Product (Technology) Risks




Technical ailments of the IT system itself, including inherent product risks tied to size & scalability, complexity, functionality, and novel technology.

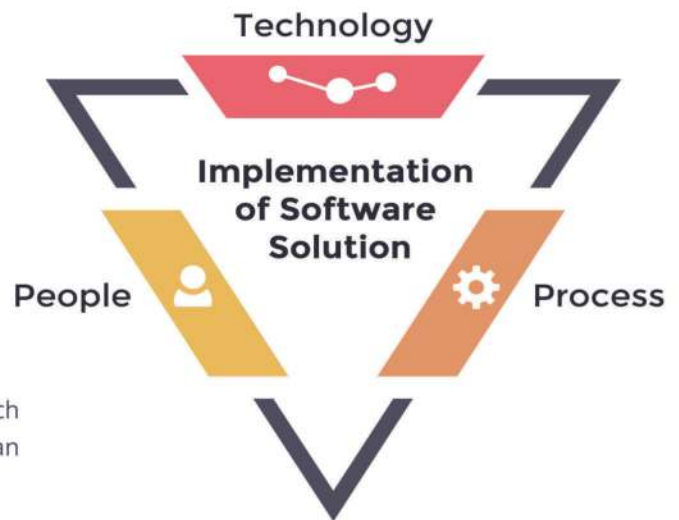
## The Dominant Dozen

After gathering ratings from IT Project Professionals, the "Dominant Dozen" most important EWS were identified:

 <b>People-Related Risks</b>	 <b>Process-Related Risks</b>
Lack of top management support and commitment to the project, exposing the project to enterprise politics	Poor documentation of scope requirements and success criteria, leading to disorganization & misaligned goals
Weak project manager(s) unable to effectively lead the team and communicate with clients	Insufficient change control process to document, account for, and manage changes to requirements
Limited stakeholder involvement with requirements gathering & engagement during implementation	Ineffective schedule planning and management, often with unclear definition of milestones & deliverables
Weak commitment from the project team, often due to sponsors who impose unrealistic budgets and schedules	Communication breakdown among stakeholders with staff turnover and involvement of multiple business units
Project team members do not have required knowledge/skills to navigate technological challenges.	Project resources re-assigned to a higher priority project, yet "best-case" productivity may still be expected
Subject matter experts are over-scheduled from	Poor business case for the project, which manifests via

## Important Take-Away: Both the People AND the Process are Essential to Successful IT Implementations

-  The Dominant Dozen are ONLY related to People and Process – NOT the Technology itself.
-  For organizations who have experienced a software implementation that failed to live up to expectations, the instinct might be to blame the technology.
-  Technology is not usually to blame. The poor performance is much more likely to be traced back to misaligned People operating in an ineffective Process.



## Simplar's Expertise-Driven Approach to IT Projects

To achieve success, organizations must consider the People (project team resources and expertise), the Process (approach, schedule, and execution methodologies), as well as the technology.

### Expertise-Driven Project Delivery (XPD):

#### ✓ Solve People-Related Risks



Detailed scoping & requirements gathering templates to assist the project team capture the details.



Emphasis on evaluating the IT Vendor's actual implementation team individuals. Ultimately, the functionality of the IT system is directly related to the quality of implementation team who sets it up in your organization's environment.



Use of quantitative performance information on the Vendor's team and solution prior to award.



Risk-Based Partnering and Planning process ensures the Vendor's best project team individuals are assigned – and retained – for the entire implementation phases (from sales to execution).

#### ✓ Add Rigor to Mitigate Process-Related Risks



Training on scope development best practices coupled with a unique Request for Needs approach to ensure the IT Vendor Community can develop accurate proposals with minimal contingency.



RFP language & evaluation procedures to eliminating marketing information, including anonymous evaluations, two-envelop costing, and scripted software verifications rather than traditional demos.



Risk-Based Partnering and Planning process establishes a realistic schedule, defined milestones and deliverables, and more appropriately transfers risk to the vendor's team of experts.



Systematic project management system to create transparency and accountability

**Simplar provides the hand-on implementation support, training, and all the tools, templates, and techniques needed to properly implement the XPD approach**