

*Why do we hear of so many IT based projects going wrong, timescales sliding, budgets overrunning, scope exploding, acrimony and systems being scrapped?*

Frequently this is a common scenario and for many, in hindsight, the reasons for project failure are all too obvious. A professional and thorough evaluation of the business requirements, their cost and a sound project plan are prerequisites for success. Yet the absence of these factors is usually where everything starts to go awry. From a suppliers perspective this can be just as costly as the client side and the inability to quickly see the tell-tale signs in the early stages, compounds the problems that arise during the course of a project. There are four basic elements to any project:

- a) **Resources:** physical infrastructure; this is the systems platform, networking, and application software, internal and external services and most importantly the people required to implement and maintain the system. Organisations that do not have strong in-house IT project management skills should consider the appointment of an independent professional project manager. Importantly the project manager should ensure that people from the business are assigned to the project and that any solution meets its business objectives. They must also ensure that there are proper project management processes in place and take responsibility for managing requirements, time, cost and delivery quality.
- b) **Time:** there are multiple tasks undertaken by different resources within any project and many have a dependency on each other. While some may be less critical than others, any task that fails is likely to have an effect on the overall project unless that failure is remedied. Defining and monitoring the plan on a regular basis is one of the key controls, because delays in completing tasks will occur and must be risk managed to keep the project on track.
- c) **Cost:** this can increase in any project and where there are appropriate contingencies; to some extent cost increases can be absorbed. Fixing the price may assist the client to control the budget, but inevitably where costs start to overrun, functionality is often traded-out to meet timescales and costs. For example, costs include those from suppliers and consultants, hardware, software and premises. Frequently overlooked though are the real costs of internal resources and lost opportunities that might otherwise have been pursued. Good project management will add contingency, but in some cases where requirements change significantly, the project manager has the responsibility to resolve these with management and evaluate alternatives.
- d) **Scope:** this is the definition of what the project needs to accomplish in terms of objectives, functionality, time and budget. It is notorious for 'creeping' which has a dramatic effect on the likelihood of the project succeeding in terms of delivering the required functionality, on time, to the agreed budget and within the available resources. Imperative therefore that any change to the scope of a project is executed under 'change control' and that there are corresponding and matching changes in budget, time and resources. Equally important, scope needs to be clearly documented and communicated to all those involved from the start, to ensure everyone is bought into and committed to the plan.

Successful Project Manager's simultaneously manage all four basic elements of a project: resources, time, money, and most importantly, scope. All these elements are interrelated and each must be managed effectively. When things go wrong, usually it is a combination of factors. Highlighted are some common errors although by no means an exhaustive list.

## PROJECT RECOVERY AUDIT

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- The project is never adequately defined by client or supplier, in terms of project scope, the time that is required to deliver it and the resources that are needed. As a consequence the costs are never properly understood. Much of this can be attributed to not fully evaluating and testing the business rationale for the project in the first place. Even when this does happen, it is the inability to document the requirement, test its validity and obtain management sign-off at a detailed level that causes the problem.
- Communication between the client and supplier is ineffective and incomplete; assumptions are made about the scope but not validated against the functional or service requirements. Inevitably this leads to rework which impacts cost and time.
- There are no formal review processes, sign-offs, or escalation procedures to sanity-check the project. Simple common sense checks and balances are never undertaken. Basic project management principles are not implemented and the scene is set for a typical project disaster.

There are a multitude of best practise project management methodologies to choose from and one could argue that if appropriately applied, project failures would never occur. When things do go wrong however, the task is to establish the root causes of those problems and to take corrective actions. Clearly there is a greater likelihood of tackling and resolving problems if a professional approach has been applied from the start. Suppliers and clients likewise look for a win/win and good communication between all parties is essential if problems are to be overcome. Clear, documented and regularly reviews are a start and simple steps can be taken. Establish an audit trail; what when wrong and what corrective actions are required to continue the project and what alternative courses of action might be available.

- Undertake a detailed and independent review of the project and the risks associated with it and create a project diary from the time the project was initiated to the current day, identifying tasks, responsibilities and funds committed, making an assessment of what was assumed to be in the project scope and what has been delivered.
- Compare the diary of events with the contract and project plan / other controls and identify critical break points and where there is a divergence from the contract or project plan or both.
- Establish what corrective actions or alternatives are necessary to bring the project back in line with the contract and project plan, or what changes are needed to bring a convergence between requirements as currently established and the original contract and project plan.
- Agree a forum between all parties where the alternative courses of action can be discussed, together with the corresponding implications on timescale and cost.

*Is the project recoverable?*

Taking a few simple steps with an independent and objective project manager can often bring a project back to live, see it completed and save the business significant sums of money that might otherwise be wasted. At the same time, key staff, previously been bogged-down trying to bring the project back-in-line, can be released. Conversely, where a project has irretrievably gone wrong, an independent review can indicate other potential courses of action.