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Will your next IT project fail or succeed?

A practical and pragmatic guide to avoiding digital project management failure.

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Contents

Idea in Brief: Michael Rhodes discusses the challenging reasons behind the failure of digital or IT projects. He questions established norms, and enriched with real-life examples of success and failure, offers an informative and engaging perspective on digital project management failure and what can be done to mitigate it. Organisations face constant demands to compete, be efficient, and provide the necessary services and products expected of them. To meet these demands Michael asserts the foundation of business execution excellence begins with project management excellence. He says business needs to move at the speed of high trust. However, many digital project delivery professionals believe having the right measures, methodologies, and resources guarantees success. It does not. If you are working for a Technology and/or Consulting Vendor (**TCV**) or as part of an internal Client Project Team (**CPT**), Michael identifies eight "Fail Factors" that contribute to digital project failure. If one of these factors is prevalent in your project, it could face a perilous path to successful completion.

Why Projects Fail

For over three decades we have been told 70% of IT or digital projects fail or fail to meet their objectives. In some cases, this can be as high as 80%. If you want proof just google Gartner or Forrester IT project failure rates. And today, failure is still all too pervasive. The road to success is well documented with a litany of spectacular failures.

Fitzgerald's Law states "There are only two phases to a big program. Too early to tell and too late to stop". This is premised on programs that prefer to repress unwelcome news and hope they can recover. It becomes too late to stop because too much money has been spent, and thus on the fallacy of sunk cost, projects continue due to their existing momentum.

So, being conservative, let us assume a 70% failure rate, and in doing so reflect on that: 70%! Notwithstanding the many factors that contribute to success or failure, that failure rate is a shocking indictment on the competence and capability of IT and business project management from both CPT's and TCV's. In the space I operate and the size of companies I typically consult to I have seen first-hand some shocking failures as I am sure you have too. Many we have read about, and many do not get reported.

The IT digital project failure rate should be zero. There should be no reason digital projects of any form or size fail, but there are many reasons why they do.

Case 1 – When engaging generalists and ignoring advice leads to a costly failure

When requested by a CPT to assess the progress of their digital project that was in trouble, I uncovered they had progressed 5% through a key data migration activity after 20 months. The "whole project" should have been completed 6 months earlier and the data challenge addressed as the first phase of the project! By engaging IT generalists instead of specialists, and with little to see for it, this CPT burnt through a lot of time and money. I outlined nineteen areas for improvement and provided a 10-month plan to get them live. They liked the plan, the approach, and the certainty of the result, but not the cost to complete the project. We were completely transparent, but the factual issues were their depleted budget, the hiding of actual progress from a new executive, and the incumbent under-performing generalist service provider who was attempting to protect their reputation. The CPT approached me and asked if we would lead and complete the project for a "fixed" seven-figure sum that was within their remaining budget. We declined. The amount offered did not even cover our costs. The result for the CPT was it still cost them much more than we quoted, and it still took them much longer than 10 months. Clearly not a smart decision and Fitzgeralds Law proven.

Delivering something, when it is late and needlessly expensive, is failure.

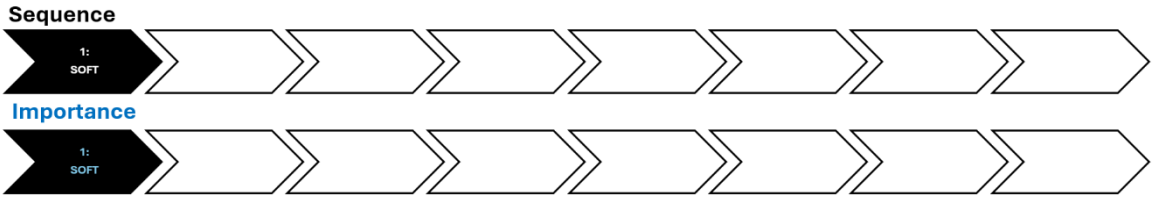
So how do you mitigate project failure? Literature abounds in recommending ways to reduce the digital project failure rate, but I have seen nothing that brings it together as whole.

The following eight "fail factors" are shown in general *order of sequence* of how your project will run. The *order of importance* becomes relevant when your project is in execution. The failure factors bring a holistic and insightful way in helping ensure your IT and digital projects do not go on that 70% path to failure.

Apart from Fail Factor 1, the marginal difference in both sequence and importance of the other 7 Fail Factors is small. All are important, and some may have a greater weight depending on the current project challenges being faced at a point in time.

Fail Factor 1: Soft

First up in both sequence and importance is the only non-quantitative Fail Factor known as "Soft", which is a summary of the soft skills and factors required for success.



Premise: The *weakest link* in your project delivery arsenal are things you cannot quantitatively measure.

Project management is invariably a highly intensive people centric activity. The soft skills and factors are singularly the most important variables that affect project success. If all seven other project failure variables are addressed, and the soft factors ignored, then failure is imminent.

The soft factors relate to elements that cannot be quantitatively measured. These include things like constructive relationships, project structure, perceived credibility, authority, culture, politics, personal agendas, follow through, unspoken facts, accountability, executive alignment, and any other factors that affect "trust, credibility, commitment, momentum, and perception".

Case 2 – We are in deep trouble, and I may just go back on holiday

I was engaged to lead an enterprise scale program for a TCV at one of the largest geographic utilities in the world. For the TCV, this was the largest project they had ever won and was about to commence. Having concluded an intensive project for a different CPT, I was in the middle of a pre-planned family overseas holiday, when I received a call from the TCV urgently requesting "can you please start early." So, I cut short my leave and commenced 3 weeks "after" the project had "started". Upon arriving it occurred to me that on a program that was going to last 24 months, we were already in serious trouble and any confidence the CPT had was dissolved. After the day one pleasantries I was then invited to a 10am CPT meeting on day two, whereby the CPT proceeded to outline the ten commandments. "Mick "TCV" is royally screwing up[1]", specifically:

1) There is no plan
2) Your team is not engaged
3) They are taking liberty by starting late and leaving early
4) Certain team members are incompetent and instill no confidence
5) They are confused about agile and what they must do
6) We have little confidence you will complete the project successfully
7) There is no evidence of progress, and the business is losing patience
8) We want to remove the project management
9) Our (CPT) team has no confidence in your (TCV) team
10) You have 1 week to turn this around.

Well, there is a baptism of fire! WE WERE IN DEEP TROUBLE, and I am 2 days into the assignment.

[1] The TCV shall remain nameless and the "screwing up" is an extreme dilution of the actual message delivered.

Fast forward 24 months, and fortunately I rescued our position and delivered an extraordinarily successful program, which was recognized globally within its technical domain community.

At the conclusion of that second day 10am meeting, I said to the CPT a) we need to co-locate the combined project resources (they sat apart from each other) to create "one-team", b) I need to sit with you so that we convey a combined "one leadership team", and c) I'll have a comprehensive plan to you within 2 weeks.

This brought me a little time and an even smaller amount of credibility. After the CPT meeting, I called the managing director of the TCV I was representing and said, "we're in serious trouble; we are a week away from getting kicked offsite, and I'm tossing up whether to go back on holiday, can we please meet tomorrow at 0800?"

At 0800 on day three the MD and I met, and I requested two things:

1. "I have got to know this is the most important thing in the company right now, or I'm going back on holidays", and
2. "I must know I can pull the "MD" card out of my back pocket and act with the authority required both within the TCV and in front of the CPT".

On both accounts, the MD agreed, reaffirmed his commitment, and actively ensured no dilution of the things I requested. In short, he was brilliant. With the CPT and TCV merely knowing I could "pull out the MD card", in this high stakes' situation, it gave me the authority necessary with which to operate.

On day four I called a mandatory 7.30am meeting onsite for my whole team and delivered the CPT message unfiltered. The irony was that for the high performers in the team this was no surprise and for the low performers it was a complete surprise. After two weeks the agreed plan I committed to was delivered to the CPT and with credibility building I was able to develop the constructive project relationships required and the necessary trust to deliver what we had been contracted to do.

A key to doing this was the balancing act I had to juggle getting the CPT to believe I was on their side (my independence facilitated that), all the while ensuring the TCV I represented would not be screwed over. Without this, the project simply would have failed.

Trust not only makes things happen faster, but it also buys flexibility when you need it, *because you trust each other that you will follow through, maintain momentum, and deliver*.

Trust and credibility develop implicit mutual understanding and saves time because you do not have to "manage to the contract"; and if you are at that stage, then it is usually too late to be successful.

Case 3 – Turbo charging delivery through trust

I was brought in by a CPT to first negotiate the contracts, and then implement enterprise scale EAM, GIS and Mobility solutions in a newly formed billion-dollar utility. These digital platforms were by far the largest in the portfolio and we had 18 months to do this. Despite a lengthy list of naysayers who said we would fail, we did not, and it was successful. A key element of trust I was able to develop was with the COO, a key sponsor. This enabled me to send out directives with his authority. As experienced project leads know, decision making in projects often represents the biggest time dilution risk factor or cost blow out factor. If you solve that problem, you solve the duration problem. In being able to wisely use this authority, we never missed key program deadlines and importantly ensured all people were on the journey. In all we stood up the complete enterprise IT capability of a billion-dollar organisation in 18 months, which by any measure is an astonishing achievement.

The soft factors are about "authoritative mutual business respect". You do not have to like each other or be best friends, but I can assure you the euphoric feeling of jointly delivering a substantial digital program of work will unite even the hardest of any personal level differences.

Case 4 – When trust really matters

While leading the implementation of a major enterprise solution on behalf of a TCV for a very large billion-dollar CPT organisation we agreed on a scope change to substantially harden the security posture of the cloud hosted platform we were implementing to meet the CPT's corporate digital security objectives. This change led to an additional half million dollars in services and related products agreed with the CPT. I allocated the work to the relevant TCV internal team who proceeded to get on with it. Despite assurances given to my project team and the CPT, we discovered three months later that the work had not even been done! After tempering my initial shock, I rang the managing director of the TCV and alerted him to the corporate risk just discovered. The scale of this breach was so serious that the CPT at their discretion could activate the "terminate for convenience" clause and ostensibly "kill a multimillion-dollar project". In simple terms my project had breached the CPT's trust and confidence, but fortunately I had not. The TCV executive team agreed to a plan of action of which I was to approach the CPT and explain the problem, the actions to rectify it, the progress so far, and when it would be fixed. The CPT agreed not to raise it higher and instructed me to fix it and keep it confidential. The trust developed between myself and my CPT peers and the fact I gave my word it would be fixed was enough to not unnecessarily escalate what could have been a serious issue for both parties.

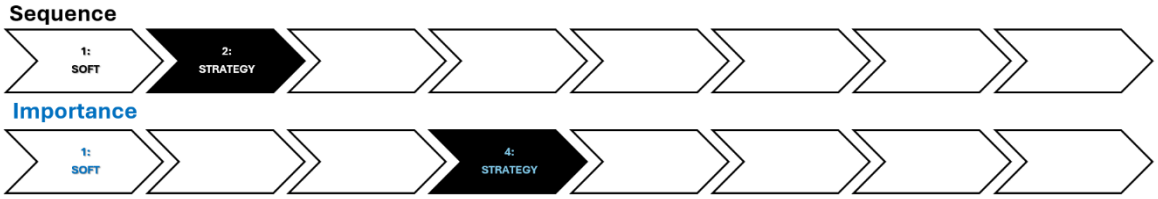
As a business leader you should be asking the following questions:

1. **For a TCV** – you simply need to ask can I work with this CPT and the allocated project resources to deliver the project. If you have doubts, pass on the business.
2. **For a CPT** – you simply need to ask can I work with and trust the project lead from this TCV to deliver what we need and is that lead backed up by their colleagues and organisation.

Remember: Things move faster when trust is higher and slower when trust is lower.

Fail Factor 2: Strategy

Ranking second, in sequence, and fourth in importance is "Strategy". Strategy relates to the choices you make, and the approach taken to your project.



Premise: Project execution commencing with a lack of strategic rigor will result in failure.

The allure of project implementations found in a lack of strategic oversight and rigor are all too common and certainly underpin the digital project failure rate. There is no one size that fits all, and each project needs to be assessed on its own merits of strategic risk, choice, and execution.

The rigorous strategic evaluations you make and the choices you make on implementing a new digital platform are essential for success. Chase the reality not the dream.

I have seen on several occasions the catastrophic consequences of the wrong strategic choice and approach for project implementations, which have yielded hundreds of millions in cost overruns, tens of millions in avoidable costs, and project failure. These types of failures typically result in the CEO, CIO, CTO, CFO and other senior executives being removed.

Case 5 – How bad strategy cost more than $100M in failure

When leading a very large program of work for a TCV at one of their CPTs, I looked in wonder at another larger program of work being undertaken to Consolidate and Replace (C&R) their two legacy Enterprise Asset Management (EAM) systems. The problem was that the C&R program involved two different and separate companies, under one corporate umbrella, who used different versions of the same stable legacy system. Each company had their own business processes, data models and system integrations. The strategy to eventually run one EAM was the correct one, however their approach on how to do it was flawed. The original budget was $150M, and knowing the EAM space as I do, I said it is not going to work because of the size of each business and the disparate nature of their business operations and data models. The strategy should have been to do an enterprise architecture capability anchor model comparison between the two businesses and then first consolidate one of the businesses into one of the legacy platforms they were already running, meaning only one business had to change, that way you would get digital platform and data consistency and only affect one business. Once bedded down they could upgrade or implement to a single new system in the "already consolidated" entity. Regrettably for the CPT, this did not happen. The CPT drank the system integrator's cool aid chasing that shiny new digital platform dream which has now cost the CPT over $300M, wasted over $150M, is at least three years late, resulting in the removal of at least 2 CEO's, 2 CIO's and other executives. In addition, two system integration consultancies were removed, and the entire program portfolio office was disbanded. What makes the decision even more startling is that I advised the CPT to have the program I was leading integrate to their "legacy" EAM systems as an insurance policy for the asset data replication because it was critical for business operations. My approach was priced at $4M to do so and ensured system integration capability was in part developed while the CPT waited for their shiny

Case 5 – How bad strategy cost more than $100M in failure

new EAM to be implemented. I also knew they had no chance of implementing their C&R EAM at the same time we were operating on, even though that was their intention. That advice was ignored and has now resulted in at least $9M "per annum" being incurred to manually ensure the asset data from the digital platform implementation I led is integrated to their legacy EAM systems, while they wait for their new EAM. Fitzgeralds law again proven!

If you have not independently and strategically risk assessed your strategic execution method to:

- Implement an enterprise scale digital project, and
- The method and choices of how it will be implemented.

Then you run the "elephant in the room" shadow of doubt for your entire program.

As a business leader the three questions you should ask are:

1. Have we independently assessed our strategic choices for this program?
2. Have we strategically assessed how we will structure and implement the program?
3. Have we got the "B", "C", "VP", "D", and "G"[2] level executives in a room to SWOT the strategic risks and approach and has this been independently facilitated and documented.

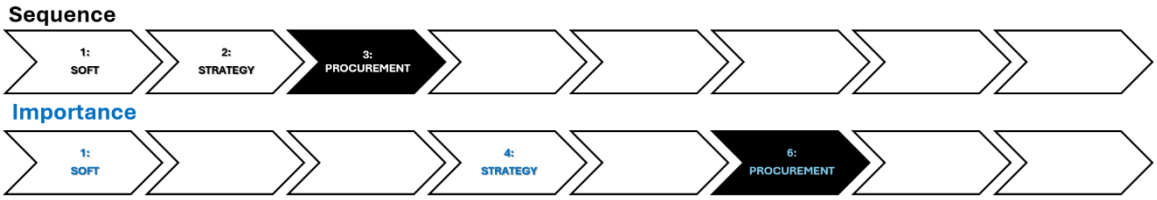
Change in any business should be pursued vigorously, rigorously and meticulously, but not at any cost and not according to the personal preferences of stakeholders chasing a new digital dream. It is always better to reflect, assess, and start right, rather than rushing in and starting wrong.

Remember: Seek truly independent advice first. Strategy matters and the last people you should consult on whether to implement a new system are those who stand to gain the most (internally or externally) from doing so.

[2] Board, CxO, Vice President, Director or General Manager level equivalents.

Fail Factor 3: Procurement

Ranking third in sequence, and sixth in importance is "Procurement". Procurement is at the cusp of how the CPT and TCV community engage. Procurement needs to have a high element of trust and transparency, while not diluting commercial rigor.



Premise: The more onerous, exclusionary and restrictive your procurement approach is, the greater the likelihood of failure and increased cost.

I have been fortunate to have spent considerable time on both sides of the digital project delivery fence. As a CPT representative I have negotiated contracts and run tenders worth up to hundreds of millions of dollars. Similarly, on the TCV side I have responded to tenders up to these limits and delivered the projects.

Procurement and contract management is a conundrum. In terms of mindset and approach I have experienced and often witnessed a complete dichotomy of trust, respect, motivation and outcome between the CPT and participating TCV's. The dilution of these factors, often at the exclusion of a key business sponsor, creates a culture of "at arm's length" mistrust, sometimes under the auspices of probity compliance. Unwritten, their initial position is "we trust nobody" and "we assume we'll be screwed over". What an awful way to start a fruitful commercial relationship.

Procurement needs improving, particularly in public organisations. In fact, some procurement functions, driven by internal policy *disallow negotiation as a tactic to obtain the best price* – they simply state that "the best price should be submitted". This position shows either arrogance or ignorance of how TCV's operate and what motivates them. It also forces them to unnecessarily submit pricing lower than it should be. Put simply, how can the best price be submitted if all the variables in the delivery equation, needed by the TCV, are incomplete or unknown. For example, some of the most important things a TCV needs to know is how supported, mature, motivated, and competent is the delivery capability from the CPT. These qualitative factors need answering because they can be far reaching for enterprise scale programs and have a material commercial effect on what is proposed by the TCV and whether the project will be set for success.

The notion of CPT budgets is also a tenuous one. CPT budgets are often treated like state secrets, and my question is, why? There is no harm in being transparent. CPTs rightly want the best deal they can get, and it may surprise some but TCV's overwhelmingly want to provide the best deal and outcome for their CPT's. TCV's know that if they do not, they will be exposed. If in the spirit of trust and transparency TCV's can "transparently range respond" then neither party has anything to hide.

Often in the initial sessions of engagement with CPTs, where amongst other things you are on a journey of educating your CPT, they may ask "how much will this cost"? TCV's are often reticent to respond, because they do not have all the information they need and want to manage CPT expectations, the first of which is "do they have budget for this"?

CPT Budget

For a TCV, the CPT's budget is an indication of:

1. Scope – Exactly what can and cannot be provided?
2. Effort – How many resources will be required to deliver scope?
3. Intent – Is the CPT serious about the project? Will they commit resources?
4. Belief – Can it be achieved?

Case 6 – When procurement myopia led to a 150% budget blow out and failure

While representing a TCV we responded to a tender to implement a major new enterprise system in a large organisation. We did this in partnership with a "global" system integrator lead TCV who had an active relationship with the CPT which we did not. Knowing the market as I do, we undoubtedly had the expertise required and I was the lone dissenting voice stating that we did not need to partner with the other TCV. Well, we did, and did not win the tender. The CPT's chosen offshore TCV provider put in a low price to get the business, and from here it gets interesting. In the absence of specialist skills needed, predictably the project went badly and to date at least a 40% cost variation has been endured, which is not an uncommon way for TCV's to recoup value in the services they provide. Once we cast off the global TCV who asked us to partner with them, we got an audience with the CPT and assessed their position. To our horror we discovered they were implementing a legacy version of the solution, were 100% over the scheduled time and were heading for a 150% budget blow out. Instead of their procurement function being exclusionary, what the CPT should have done was allow a voice to our expertise (not for the lack of trying on our part). If they had, we could have implemented the latest solution for the original budget, and they would already be live and banking considerable cost savings. Fitzgeralds Law again.

The lesson learned for us as a TCV is never cede out relationship management to others when you have the specialist skills required to do the project.

Case 7 – When winning business can be a disaster waiting to happen

While representing a TCV we pitched and won to implement a new enterprise solution. The irony here is that we were aware of their budget, which for what they were seeking to achieve and what we could do, was inadequate. I said to my TCV lead sales colleague at the time "I get a really bad feeling about this" as I simply had no confidence in the CPT's ability to deliver. I insisted on a separate requirement gathering project, which we completed. Armed with clear requirements, upon commencement I drove the project team hard, and we achieved agile sprint closure rates of 94%. In simple terms we were humming, but that budget was still inadequate and a shadow over the project. The problem was this project was umbrellaed in an already failing ERP program (it provided the budget) and the CPT's governance and delivery capability was extremely inept. We elected to exit the project. To date they are 260+% over budget and 200+% over time and still not live, and the failing ERP program I mentioned is actually worse off again.

This is why knowing the CPT's delivery capability and maturity is as important as knowing how much money they are willing to spend.

TCV Price

Regarding price, we cannot ignore the different pricing approaches, namely Time and Materials (T&M) and Fixed Price (FP) as pricing choices can influence CPT and TCV behaviors which can affect project performance[3].

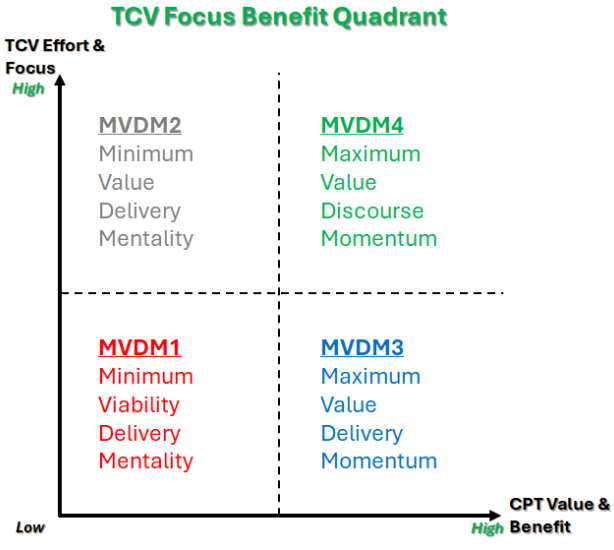
Fixed prices are always higher because it factors in risk and uncertainty as perceived by the TCV. This will typically carry a premium of 15% to 30% over a T&M price, and that premium provides CPT assurance for doubt. When FP is linked to clear milestones it represents less of an administrative burden on the CPT side of management, because the TCV must deliver the agreed and scoped outcome. But a word of caution is necessary. CPT's and TCV's should never agree to a milestone payment in any project that neither party has direct control and accountability for delivering. For example, as a TCV you might be tasked with delivering an integration from your system to another system the CPT has control over. Each party should only be responsible for the end each deliver and nothing else. For all parties, a simple rule of thumb is to adopt the "Hansard" approach to scope management; if it is not written down, it is not in scope.

T&M pricing arrangements are often preferred by TCV's because it represents maximum margin for effort expended, whereas FP may see that diluted if something takes longer than expected and you cannot charge for it. Rarely does the reverse happen when something takes far less time, and the fixed price can still be charged. T&M requires CPTs to manage project budgets closely, so in this scenario scope clarity is essential. That burden of responsibility is no less diluted for TCV's because if disingenuous effort is expended and charged for, this will see the TCV exposed if they do not deliver.

The Focus Benefit Quadrant - MVDM

For CPTs, I ask of you one thing – please trust your TCV's – open the kimono and let them in. Often the procurement function is a window into your company culture, and you want that experience to be positive, engaging, meaningful, and transparent for the TCV.

Overwhelmingly you will be in a better space having developed trust and speed. If you do this, you will see "true TCV behaviors and quality early".



If you compare more than one TCV at a time, this will be the most valuable of comparisons. TCV's really do want to be your partner and the best TCV's know the money will come if they *do not think* about the money. For CPTs this will equate to value, certainty and delivery.

CPTs need to think about their TCV engagement using the Focus Benefit Quadrant (see left). This quadrant balances TCV effort and focus against CPT value and benefits.

Your TCV's need to make money as well, but most procurement practices rarely go beyond **MVDM1**. Pressuring TCV's on price

[3] Others exist such as Gain Share, Value Based, and Fixed T&M but those mentioned here are most prevalent.

instills a "**Minimum Viable Delivery Mentality**", despite any promises you are given, which ultimately will be a CPT problem.

The problem is that CPT fear of transparency drives an illusion of cost saving.

However, the reverse occurs as the fear of transparency drives an inflated cost blow out because of initial limited transparency. No TCV wants to be in this space, yet most by default are in it. Also, if you are on a supply "panel" arrangement **MVDM1** is where you will be locked in. For MVDM1, CPTs will say their project was borderline unsuccessful, everything was a chore, no real partnership and no real hustle from the TCV. TCV's have a low preference for being in this space as it can harm their reputation.

Improving slightly on MVDM1 is **MVDM2 "Minimum Value Delivery Mentality**. This is where the CPT says the TCV worked hard, but getting traction was difficult and the project has barely delivered the value and benefits expected from it. Similarly, TCV's have a low preference for working hard for minimal CPT value. Let's face it, if the TCV worked hard, but limited value was derived that's an underlying CPT problem.

With **MVDM3 "Maximum Value Delivery Momentum"**, CPT value and benefits begin to increase which is a good thing. CPTs will say the project was good but a cloud lingers over whether the TCV could have done more and questions like "did we get real value" may arise. Call it CPT intuition. *For TCV's this is the unicorn quadrant*. It is a rare, sweet spot to be in and must be balanced with the CPT perception of the quality of services provided.

With quadrant 4 **MVDM4** "**Maximum Value Discourse Momentum**", this is where both CPT's and TCV's should aim to be. This is where the TCV will go beyond what they are contracted to do to meet CPT needs and most importantly this will be recognized by the CPT as they know the TCV will have the CPT's back so to speak. CPTs will say it was a true partnership, "we shared the risks and rewards of delivery reaping substantial commercial benefits and success and the TCV went above and beyond". For TCV's being in this quadrant means *the CPT will also go the extra distance to give you more work*, often uncontested, because you can be trusted to deliver.

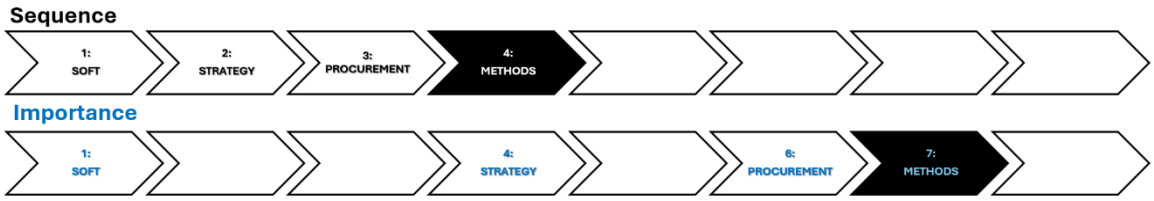
As a business leader you should be asking the following two questions:

1. Have we openly and transparently engaged with the TCV community and are they clear what we are seeking to achieve and how much money we are willing to spend?
2. Have we demonstrated to the TCV community we are absolutely committed to program success?

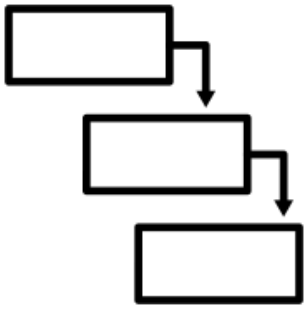
Remember: How you start, negotiate, communicate, budget, and engage in projects will set the "tone of trust" and have a material effect on the success of your project. Aim for MVDM4.

Fail Factor 4: Methods

Ranking fourth in sequence, and seventh in importance is "Methods". Having now passed the commercial phase, you are now into project execution through the project methodology you choose.



Premise: Your project management methodology is a starting point, not a result, it will not save your project, but it will assist if the other factors of importance are addressed.



Project management methodologies do not guarantee success, they are merely methodologies. Methodologies are guidelines and comprehensive instructions of how to do project management in various forms. **Project management methodologies are the recipe books of execution.** Thinking a project management methodology is the panacea for success is analogous to reading a manual on how to swim and then being thrown in the deep end to see if you can.

Similarly, project management tools[4] will not guarantee your success either, they are merely tools. The hammer will no sooner build your house than any tool will manage your project. In fact, the use of some tools and methods can be downright counterproductive.

Below is a list of the generally accepted and currently active project management methodologies.

Methodology	Genesis	From	Active
EVM - Earned Value Management	1967	USA Department of Defense	Yes
WF – Waterfall	1970	Winston Royce, Lockheed, Texas USA	Yes
PMBoK - Project Management Book of Knowledge	1987	Project Management Institute, Atlanta USA	Yes
Prince2 - Projects in Controlled Environments	1989	UK Government CCTA	Yes
Agile	2001	17 USA Technology Specialists	Yes

All the methods above are excellent; however not all methods and tools are for all projects. TCV's will tend to adapt and rebrand these methodologies to suit their own approaches and solutions and all of them have the elements necessary to implement the digital platforms they are pushing.

[4] For example, Jira, MS Project, Confluence, Wrike, Monday, GanttProject, Zoho, Basecamp – there are many!

Case 8 – When the approach and tool is incongruent to the outcome

As a PM on a CPT where I was implementing an enterprise solution, the CPT PM was using the Jira tool to manage TCV tasks on a to do list, which meant by default she was managing inputs not business outcomes. This drove everybody nuts, and her focus had nothing to do with what was really required. It came to a head, when prompted, the project's business owner went to the CPT PM and said, "You're not doing a good job, do you know what this project needs to achieve?" In the absence of an answer, she did not last long.

I have always said, "tell me how your project starts, and I'll tell you how it will end". EVM relies on explicit and very well-planned work breakdown structures (WBS). Ironically it is recommended these WBS tasks are no more than 2 weeks in length and deliver clear objectives, which for something devised in 1967 has a coincidental and positive corollary to current best practice agile methods. EVM delivers the most comprehensive metric reporting and was a fundamental reason it was created.

For many WF is still often an overarching linear approach to project execution as it brings linear sequence, an order of milestone dependency and clearly outlines what a project's critical path is.

However, WF can be a challenge when it is unclear exactly what all the tasks should be, and it can lead to longer implementation times. PMBoK and Prince2 build on WF and break down the approach to greater levels of structure, certainty, control, and auditability. I always recommend that if you want to learn project management understand PMBoK, P2, and EVM first.

Agile is a way of working, *before* it is a project management methodology. Agile evolved from the knowledge bases and perceived foibles of all prior approaches and is one of the most popular ways of working today.

The table on the next page outlines the pillars and principles of agile.

Agile in brief: Agile is built on four principles and twelve pillars.			
1) Standardization Getting everybody to adhere to a way of working that liberates performance while not diluting control.	**2) Transparency** This facilitates speed, expectation, and information flow. All are clear what is expected.	**3) Leadership** Leadership empowers performance and does not control it. It clears blockers, improves trust, and monitors outcomes.	**4) Metrics** The performance data is clear, along with the cadence required to deliver it. This data is available for all and creates shared ownership of results.
The above 4 principles are supported by twelve agile pillars below.			
1) Customer Satisfaction The primary goal is to ensure CPT needs are met.	**2) Harnessing Change** The ability to adapt and adjust within the limits of scope.	**3) Working Solutions** Delivering what is required is pivotal to CPT satisfaction. Seeing it progress is pivotal to early confidence.	**4) Progress Measure** Seeing and measuring progress early, through discreet and relevant metrics facilitates confidence.
5) Sustainable Pace Agile removes peak and troughs of performance by creating a culture of sustainability in work approach.	**6) Continuous Excellence** By constantly seeing what is produced adjustments can be made to improve the quality of working solutions.	**7) Work Collaboration** Collaborative work between business and technical stakeholders is key to delivery.	**8) Trust and Motivation** Agile leadership facilitates trust and motivation through agreed work and outcomes.
9) Direct Interaction Agile forces interaction because user stories cannot be completed in splendid isolation of technical or business input.	**10) Simplicity** The art of maximizing the amount of work not done. Agile eliminates the unnecessary.	**11) Self Organisation** Self-organizing teams do not need directing, they need facilitation and produce better quality work in the process.	**12) Improvement Reflection** The best agile teams regularly reflect on how they work so they can improve.

The central aim of Agile project management is people, interactions, working solutions, and the flexibility to adapt. Agile is solution centric and not overtly documentation centric. It lets participants estimate and take ownership of their work and outcomes.

Still, the Agile way of working must be premised on a clear plan with clear milestones. In enterprise scale programs you cannot simply know everything, right at the beginning, and this is where Agile is great, BUT, Agile can be chaotic if not rigorously managed.

For some Agile can be overwhelming, “wow, this is like going live, every two weeks”, said one team member on a major program I led. On that same program a test coordinator lasted 5 days and quit thereafter, saying “this is too intense for me”.

Case 9 – Combining agile and waterfall for a great result.

While leading a large enterprise scale agile program that resulted in over 12,000 user stories, we uncovered serious data migration challenges. Upon forming a 'tiger team' to address the challenge, I developed a very comprehensive WF sub-project plan, to ensure we delivered exactly what we had to. There was no room for interpretation, we knew exactly what was required and that method kept us on the program critical path, "within" the broader Agile program.

No one methodology is a panacea for success. Agile also requires a committed, authoritative, and knowledgeable product owner. You cannot merely say you "do" Agile, you must "be" Agile.

Case 10 – The importance of leadership in agile.

While leading the above-mentioned program in Case 9, the product owner was a superstar and entirely bought into the success of the agile approach and project. He brought the essence of committed, accountable, engaged, and involved business ownership. This person held his team and my TCV team to account on all agile cadence ceremonies and ensured the rigorous process of *definition of done* for each work package were adhered too. This set an expectation for quality and productivity right from the outset, leading to a successful and globally recognized program.

Governance

One cannot mention project methodologies without mentioning project governance. Project governance forums (in whatever form they take e.g. steering committees and project boards etc.) are an essential element "to clearing the path" for any project.

Too often however they are passive and not active. Members attend the meetings and project leaders deliver the update sermon. So how is it that large projects like that mentioned in case 5 go so wildly off track? My simple answer is "the ignorance of incompetent unaccountability". Any significant project must at its core have the right business sponsors and those sponsors must be on the agreed governance forum. The overriding objective of the governance forum is for all sponsors and attendees "*to be accountable, and not just say they are accountable, for the successful completion of the project*", and this is done before the project manager is accountable.

I saw one particularly important project where the key business owner and sponsor was excluded from the governance board "because they didn't like him"! Of course he gave them good reasons to be disliked, because he let them know *they* were incompetent and unaccountable, and while not exactly endearing himself to them, he was proven right. What made it more absurd was this CPT was advised by another independent consultant to ensure the business sponsor was added to the project's governance forum and the CPT still refused. At that point failure was guaranteed.

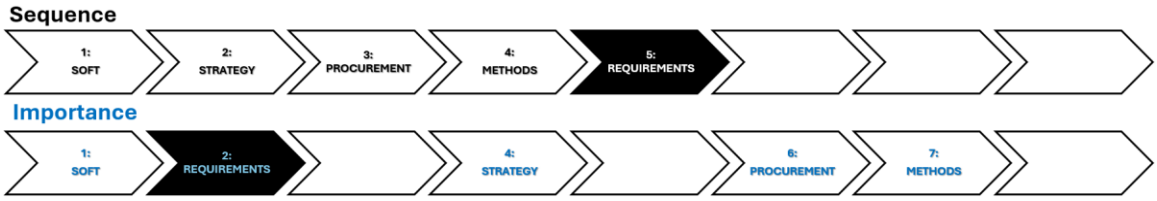
As a business leader you should be asking the following three questions:

1. Do project governance members understand they are accountable for success and that failure will impact their personal reward system?
2. Are we clear on the methodology we are using for this program?
3. Why is that methodology the best one and do we have experience with it?

Remember: Choose the methodology that is right for your project (including the metrics), ensure the governance forums are *accountable for success* and ensure project risk management acts as the forward-looking radar so the path can be cleared for the project manager.

Fail Factor 5: Requirements

Ranking fifth in sequence, and second in importance is "Requirements". Being in project execution mode through your chosen methodology, it could be argued that understanding functional and business requirements ranks as equal number 1 with soft skills as to importance in project execution.



Premise: If you do not have clear requirements your project will fail.

Early in my career as a software developer, I once had a mentor tell me "You've never got time to do it once, but you've always got time to do it again and again and again!". The underlying premise of his message was to not rush into coding. Get your requirements, algorithms, pseudo-code, designs, and data models right, the first time, BEFORE you start headlong into writing code, otherwise it will take you much longer than your original estimate.

Requirements are the DNA of digital functionality and the fertility of change management. They lay the foundation of "what" is required and becomes the basis of agreed implementation contracts.

A key premise on why projects fail is because the requirements have not been adequately defined, clearly documented to a level of detail that is meaningful and outlined in a statement of work contract. Functionality matters, usability matters and if these things are not clear, then neither is your starting point. The "MoSCoW" framework[5] method of defining requirements will suffice. And most importantly your requirements should have a **business lens** outlining the summary capability being sought by each function.

The **functionality lens** should be framed 1) "as a <specific functional user> 2) I need <specific functionality> so that 3) <I achieve a specific outcome>...". Note the word "specific". The functional lens is the specificity required to meet the business objective.

If you do not have a starting point, then your destination will be unclear, and take you much longer than expected combined with no assurance of success.

Too often I see TCV's come with a "blueprint", based on a "discovery" on "how" to do something, premised on "trust us" we know "what" we're doing (some even call it "industry best practice" and my retort is "who defines best, and by what measure – *every company is different*").

[5] MoSCoW: Must Have, Should Have, Could Have and Will not Have.

That's fine, but only if the context is clear from what and how you do something now, because there is always a gap between what you do and how the TCV wants you to do it with their new or upgraded solution, new or upgraded data models, and usually new business processes. Rarely is the detail of that gap understood until it is too late. This in turn kills the change management effort required to be successful.

Too often in this "early world of configuration" projects rush headlong into prototypes and discoveries without fully understanding where they are coming from (AS IS) and where they need to go (TO BE).

They hypothesize at what I term the level 2 of activity instead of the meaningful level 4 or 5 of activity. It may come as a surprise, *but detail really does matter, and it has always mattered*.

If you do not have clear requirements, it will be like wading through treacle where frustration, ambiguity, low quality, and inevitable delays await.

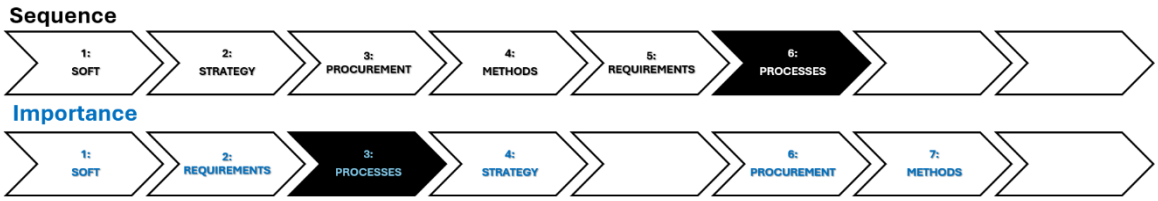
As a business leader the three questions you should ask are:

1. Do we have clear, detailed, and specific requirements?
2. Are they documented, agreed, and understood by key internal and external stakeholders?
3. Do they inform us of the proposed contract statement of work?

Remember: Detailed requirements matter. Define your requirements before you start your project as a separate Phase 0 body of work project, because not only is it important, it is also essential to understanding scope, impact, scale, risk, progress, change management, and final outcome.

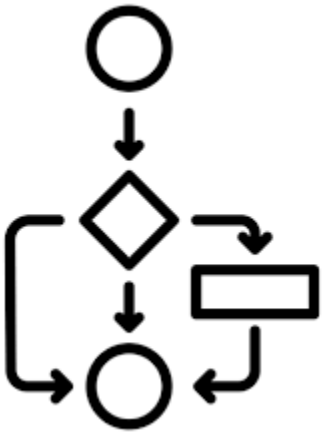
Fail Factor 6: Processes

Building on Requirements and ranking sixth in sequence and third in importance are "Processes". Business processes rank extremely high in importance because all systems enable some sort of process.



Premise: Not knowing your business process eco-system is akin to starting a new journey without a map.

Business processes often accumulate like layers of fat, until at some point you realise you are unhealthy. Business processes either enhance or impede communication, operational efficiency, resource utilisation, and information flow.



All digital platforms form part of a business process eco-system. It will also inform the change management ecosystem. Non-customer (inward) focused processes tend to focus on efficiency, while customer (outward) focused processes tend to focus on effectiveness. So, it is vital you know what business processes you are dealing with when implementing a new system. For project implementations there are two parts to understanding business processes. They are:

1. Getting an *inventory* of all the business processes – before you start a project, and
2. Defining the current and future state business process details from the inventory collected, when your project commences.

This should be completed in BPMN[6] format as a minimum.

Too often I have seen projects commence *without* a detailed understanding of where the system fits, how and what systems it integrates with, what workflows should be tested, what pain points exist, and how it should define and inform testing strategies. If you are at this point, it is simply too late to be effective.

Getting an inventory of business processes and pain points is as important as the functional requirements and future state processes because it informs the scale of change and defines the roadmap for testing success, which should be underpinned by a "begin with the test in mind" approach.

[6] Business Process Modelling Notation 2.0 / ISO 19510 – the benefit of this approach is that it can also be augmented to assist in user training material.

Case 11 – Wow, we did not know our system was so pervasive in the organisation.

When leading a Phase 0 Project for a major utility to ascertain what it would take to implement a new geographic information system (GIS) on a new utility network data model, we uncovered an inventory of over 170 business processes across seven distinct functions in the organization. Not only did this surprise the CPT, but it also surprised us. The pervasiveness of their current GIS technology in this business surpassed all expectations and provided a clear insight into the scale of what a new implementation would entail. One could only imagine the many hidden surprises (and variations) that would surface if you commenced a project in absence of this information.

If you do not understand the business process landscape you are embarking on, then your chance of success is diminished.

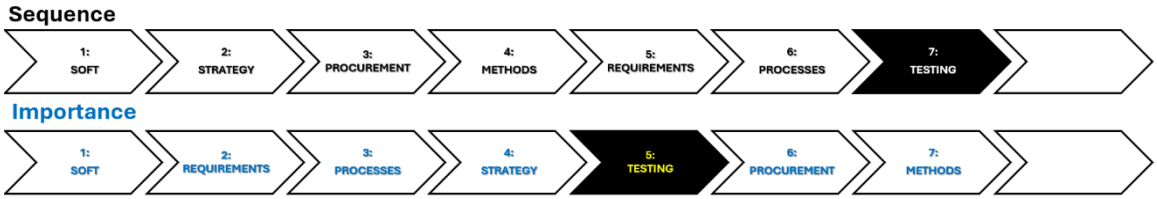
As a business leader the four questions you should ask are:

1. Do the sponsor/s have a clear change understanding of where this new digital initiative will touch the business processes we execute and are we clear on the critical ones?
2. Has an inventory of that understanding been documented, agreed and understood by those impacted?
3. Do we know what business functions will be affected to inform change management?
4. Do we have the necessary business analyst resources in the project to document the current and future state processes once the project commences?

Remember: If you want to successfully complete your project, understand the details of your business process eco-system.

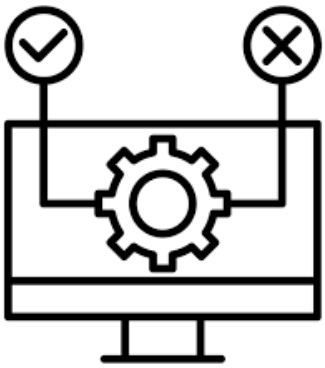
Fail Factor 7: Testing

The seventh fail factor in sequence, and fifth in importance is "Testing". Testing is proof of success.



Premise: Nothing stops a project dead more than a failed testing regime. If it does not work, it does not matter, and all bets are off.

From many years of experience, I have formed the opinion that once you have commenced your project, testing is singularly the second most important phase in any major digital initiative.



Digital platform testing is plain arduous work and critical.

Let us face it, it is fun building systems and writing code, however too often I have witnessed testing as an afterthought to be planned for and executed when the Build phase is in progress.

This afterthought exposes all sorts of quality, control, training, and user-expectation problems.

If we summarise the general flow of digital projects, at an enterprise scale, they typically follow these phases[7]:

Phase	Description
1: Define	- Requirements[8]
2: Design	- System and Process
3: Build[9]	- System and Process
4: Unit Test (UT)	- Core System Functionality on Build in Progress
5: System and Integration Testing (SIT)	- With Other Systems and Processes
6: User Acceptance Testing (UAT)	- Core System Functionality
7: Performance and Penetration Testing	- Core System Performance and Security Posture
8: Business Continuity Testing	- RPO and RTO Parameter Verification
9: Training	- Including Change Management Considerations
10: Cutover	- Planning and Execution
11: Go Live	- Production Software, Infrastructure and Processes
12: Hypercare	- Warranty Support then Ongoing Maintenance

The three most important milestones in any digital project are:

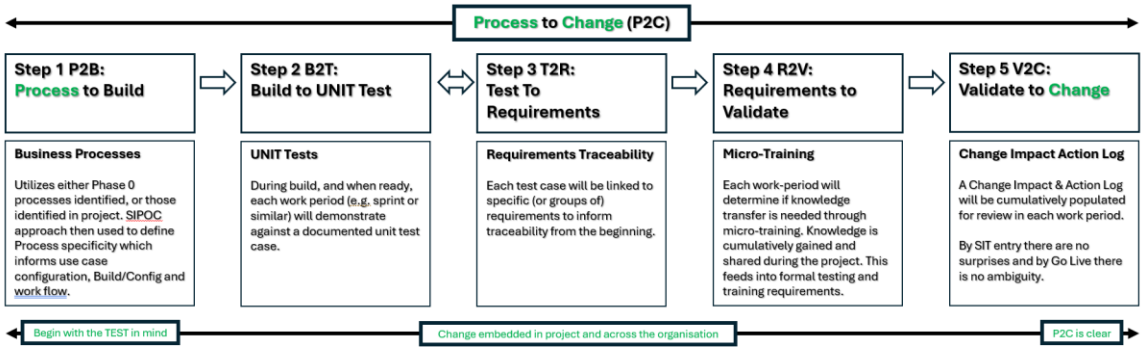
1) ***Define*** *– Concluding this milestone, preferably through a Phase 0, means I have gathered the necessary business, functional, data, integration, architecture, process, change, and project*

[7] Presuming you have a business case and funding. Note some of these phases can be altered or run in parallel.
[8] Program, Data, Business / Functional, Process, Integrations, and Architecture
[9] Can encompass any combination of software development and / or configuration.

management requirements, all of which are essential elements to starting an implementation project. Correct "program setup" is also important.

2) ***SIT Entry*** *– Reaching this milestone proves completion of Build and Unit Testing. At this stage you are officially handing over the system from the project to the business stakeholders who will use and test it.*
3) ***Go Live*** *– Reaching this milestone is the ultimate and most important goal.*

The following is a 5-step methodology I have introduced to several CPTs called Process to Change (P2C).



Not once has it failed me. Premised on running an agile project (or any project that has defined time bound work periods), it instils the discipline of rigorous unit test management *before* testing is formally due as planned on the schedule.

Specifically, it introduces test rigor in the process definition and unit testing phase of a project and ensures testing traceability to requirements, which in turn firms up contract adherence and business expectations. The five distinct steps are:

Step	Activity
1: P2B – Process to Build	Process specificity informs use case workflow and build
2: B2T – Build to Test	During build each sprint demonstrates functionality against a test case
3: T2R – Test to Requirements	Traceability enhanced by linking test cases to requirements
4: R2V – Requirements to Validate	Knowledge cumulatively gained through "micro-training"
5: V2C – Validate to Change	Change impact and action log built up right from the start

ALL of this happens *before* you commence SIT entry. Specifically, it reduces the risk of defects or emergent defects occurring during the SIT phase.

Remember, if the number of critical emergent defects reaches a point of "uneconomic viability to rectify and continue", programs stop dead.

With P2C, by the time you get to SIT entry there are no surprises and by the time you Go Live there is zero ambiguity.

Case 12 – When testing preparation saved the day.

When leading an enterprise program implementation for a TCV for a major CPT, the CPT refused (despite my counsel) to adequately address the importance of setting up the testing structure and resources for SIT entry. They had no test cases, no formal plans, and little in the way of talent to execute the testing and systems to record the results. Fortunately, I had instructed my team to be fully prepared and to write the comprehensive inventory of functional and process test cases (as noted in P2C). At the last-minute I get a very panicked call from the CPT program director, "Can you please help us? We are in serious trouble because we have no test cases to enter SIT." By being prepared with over two thousand test cases we saved the program and ensured the on time and budget delivery. Had we have been passive, and said "that's a CPT problem", they would have failed, meaning we would have failed as well.

Plan for *test success* first, not *project* success. If you do not rigorously test *before* you are *due* to test, you will fail.

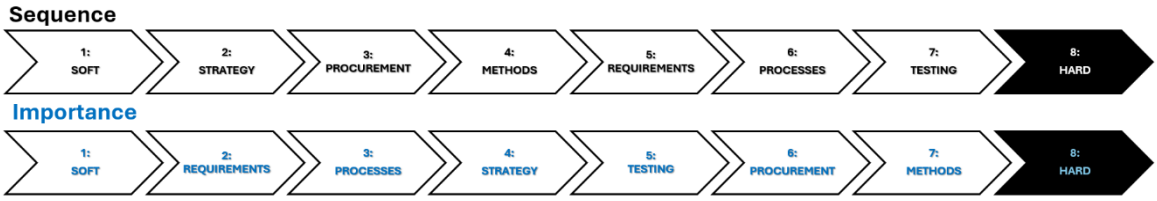
As a business leader the three questions you should ask are:

1. Have we developed a detail Unit, SIT, and UAT test management plan?
2. Is the test management plan resourced with the right functional and business analysis skills?
3. What level of quality assurance do we have in testing?

Remember: "Begin with the test in mind". Test early, test often, link to requirements, and record the results and proof points from unit testing on.

Fail Factor 8: Hard

Concluding the Fail Factors and eighth in sequence and importance is “Hard” or the project management factors. The Hard fail factor does have a correlation to fail factor four, “Methods”.



Premise: Applied project management, or what I term the “Hard” factors, is the icing on your project delivery cake, *after everything else*. Many people consider hard factors crucial for successful project implementation, but they are only one variable in achieving success.

The applied project management factors operate smoothly when all the other seven fail factors have been addressed.

Notwithstanding this, the hard factors are worth mentioning because if they are not rigorously managed, they will adversely affect project success.

In fact, the other seven fail factors directly impact on the hard project management factors.

The “applied” project management factors are:

Factor	Failure Occurs When	Get it right through
Scope	Undocumented, inadequate detail, unaccounted for change.	Requirements, Processes, Strategy, Methods, and Resources
Cost	For a CPT it is an inadequate budget. For TCV it is inadequate margin and budget.	Procurement, Requirements, Processes, and Resources
Quality	Solution is not fit for purpose. Testing failure.	Strategy, Requirements, Processes, and Testing
Time	The Plan is wrong. The scope is inaccurate. Inadequate resources or skills. Incorrect estimates.	Procurement, Requirements, Processes and Methods.
Resources	Not enough, not competent, diluted focus, and turnover for either CPT or TCV.	Requirements, Processes, Strategy, Procurement, and Methods.
Risk	Risks become issues and are not managed or mitigated.	All the above. Remember risk management is your forward-looking radar.

It is understood that while all the above are essential to project management implementation success, they are still dependent on the soft factors being addressed.

You may have all the requirements, processes, data models, methods of delivery, good governance, clear strategic choices, commercial contracts, risks managed, test plans and be clear on the hard factors of delivery, but if there is no trust, authority, collective leadership, and credibility to deliver, your project will be dead in the water.

Remember culture really does eat strategy for breakfast, and in time boxed, temporary, enterprise scale digital programs they will come home to roost quickly if that delivery culture has an air of toxicity and mistrust to it.

Remember: Projects do not conclude successfully unless the hard factors are rigorously managed, and those factors are very much dependent on ensuring all other “non-hard” factors have been adequately addressed.

Conclusion

The diagram below summarises these variables in terms of:

- **General Sequence**, or generally when in your project journey you will need to address them, and
- **Overall Importance**, or the criticality of the factor and its impact on your project.

These factors today still infect digital program success rates. In terms of importance the marginal difference between the factors is small and depending on your situation or the factor at the time their ranking may alter. For example, before you do anything at all, Strategy may rank as the most crucial factor to address before anything is started.

Individually these variables are not necessarily onerous in obtaining the necessary detail or competence to be successful, however it is a *monumental challenge* to get all of them right. And this is why big programs and project management can be a perilously difficult undertaking.

Digital project management is a complex, challenging, human, multivariate activity, which requires discipline, focus, and commitment to excel in. The table below summarises the differences between failure and success

Failure or Success

Digital Project Management: Failure or Success Summary		
Factor	**Failure happens when**	**Success occurs when**
1: Soft	PM's pay little attention to the non-quantitative factors and become passive instead of active in engagement. They're often victims of the agenda instead of drivers of it.	PM's implicitly understand the importance of the unwritten rules and environment they operate in, so that the speed of trust is developed, earned, and kept.
2: Requirements	PM's fail to elicit sufficient detail to drive confidence, progress, and acceptance.	PM's implicitly understand detail matters and needs to be gathered early so that it materially informs the AS IS and future TO BE position.
3: Processes	PM's do not appreciate the significance their digital platform has in the business process eco-system.	PM's fully understand, in detail, and in partnership with their CPT stakeholders exactly the importance their digital platform has in the process eco-system.
4: Strategy	PM's or their organisations have not independently and strategically assessed their approach to their project implementation.	PM's and their organisations have ensured an independent SWOT strategic review has occurred for their project implementation.
5: Testing	PM's do not address rigorous testing at the very earliest stages of their project and leave it too late.	PM's "begin with the test in mind". They take unit testing as seriously as system and user testing and track the results accordingly.
6: Procurement	PM's and their CPT organisations take an arrogant, even elitist approach to TCV procurement and engagement selectively excluding information from potential TCV suppliers in the hope they are driving for a better deal. This tone of mistrust always drives higher costs for the CPT.	PM's and their CPT organisations transparently embrace potential and existing TCV's to understand their capability and for them to understand the CPT capability. This engagement sets a tone of trust going forward.
7: Methods	PM's believe their project methodology is the panacea for success.	PM's know project methodology is only one variable of project success.
8: Hard	PM's believe the applied project management is key to project implementation success.	PM'S know that the applied project management should be rigorously managed and that it is influenced by many other factors.

Finally, these eight factors are by no means the end story. Others prevail. Three of them are the rigor required at program setup, ensuring CPT resources are not diluted in focus for the project they are on and the real specificity of change management. However, getting wrong just one of the eight mentioned in this article will certainly put your project at peril, and that would be unfortunate.

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