**The three most common reasons for project failure:**

**Lack of skills and lack of subject matter experts:** This category falls under the category of people related causes since the interaction between stakeholders is crucial (McLeoud & MacDonell, 2011, as cited in Lehtinen, et al, 2013). In addition, as stated by Eman & Koru (2008), the expertise of an individual could be insufficient and thus he needs assistance from others (Lehtinen, 2013).

**Chaotic Environment:** Too many people included in a project can enhance the possibility of failure. In addition, limited assets, such as time and money exacerbate the process (Lehtinen, 2013).

**Organizational factors** Such as an organization's structure, size, project capabilities, customers, leadership, competition, culture and teamwork significantly impact the outcome of a project (Nahmias et al, 2010).

**Examples of failures:**

**AT&T Switch Failure:**

AT&T Corporation lost more than 1 Billion of annual revenue, due to software problems. The switch that was responsible for redirecting the traffic over the nationwide network failed, due to an unsuccessful software upgrade. Old software ultimately caused the overloading of error messages to other switches in the network (Bloomberg, 1998).

**The FBI Virtual Case File:**

The FBI Virtual Case File (VCF) project cost was estimated to be over 170 Million, but the final cost was much higher. On top of that, the project was abandoned. The purpose was to modernize the architecture of a 12-year-old network system in three years. The modernization would allow FBI agents to efficiently share data about cases however, the project was condemned to failure, due to intense public and congressional pressure to get the system in the hands of final clients. As stated by one of the Agents responsible for the project, his team began to feel their way in the dark (Marchewka, 2010).

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