



TOP REASONS WHY SOFTWARE PROJECTS FAIL

OveractDev
Technology Partners

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Various reports indicate that IT Projects fail anywhere from 40-70% of the time. It is estimated that failed software projects cost businesses between 50-80 billion dollars annually. If companies are losing this kind of money on software projects why do so many projects continue to fail? Projects large or small are complicated by multiple factors and it is important when setting out to complete a project that you are aware of the complications that can arise and know how best to avoid these problems.

INTERDEPENDENT FACTORS:

Cost, quality, speed, and risk are factors that are dependent upon one another and impact every project. It is important to understand that your demands for the project will have a direct effect on the project. For example if you require a project that is built quickly and at a low cost these factors will impact the quality of the project and the risk, so it is important to remember all of these factors and how they will impact a projects outcome.

DATA MIGRATION & IMPLEMENTATION:

Often times data migration and implementation are forgotten when a software project has been taken on. These key factors alone can halt a project and lead to that project and your company being a part of these scary statistics. It is important that in the planning stage you account for the time, money, and personnel it will take to successfully complete data migration and implementation.

It is important with implementation to train users prior to implementation whether internal users or end users. A good support system for the new system should also be put in place for users, this means having support resources ready and available before users are transitioned to the new system. There should also be a solid transition plan in place.

REASONS PROJECTS FAIL:

Inexperienced project managers can be the catalyst to the phenomenon known as scope creep. A project's scope is defined in A Guide to the Project Management Body of Knowledge as "The work that needs to be accomplished to deliver a product, service, or result with the specified features and functions." Constant changes and growth cause scope creep to occur. Scope creep is a contributing factor to why many projects fail and why so many companies continue to lose money every year.

It is easy in the midst of a project for clients or internal employees to keep adding features that they want or change things and all of these changes and additions to a project add on to the time it will take to complete a project. All of this time means that it costs more money to complete the project.

*This is where the experienced project manager comes in. Experienced project managers can **manage expectations** and relay in a professional manner that the additions or changes to a project will cost more money than originally expected and might possibly push back deadline dates. Clear communication between a project manager and those in charge of the project can prevent scope creep from happening on your next project. Project managers with experience will also have a better grasp on the planning and researching phase helping companies to flesh out exactly what will be needed before the project is even started.*

Misunderstandings are bound to happen on large projects making it extremely important as to how these misunderstandings are handled. Misunderstandings about objectives and requirements can have a deep impact because the objectives and requirements are the foundation of the project. In order for a project to be successful everyone involved needs to understand the objectives of the project.

Objectives and requirements will state what the project will accomplish in specific measurable terms, clear objective and requirement statements will ensure that everyone involved with the project understands what the intentions of the project are. The objective statements might also include the deadlines for pieces of the project to be completed by. Objective statements will demonstrate the business value. Requirements will show what the project must have and will act as an evaluation tool upon completion of the project, making sure that each requirement was met.

Requirements is a broad term and can relate to the requirements of the final product or it can relate to the requirements to complete the project. In addition to understanding the requirements of the software the personnel, equipment, time, and monetary requirements for the project should also be specified. Both the client and consultant should know what is needed to complete the project.

It is important that before starting a project you have detailed out the needs this project will address. A project scope needs to be established so that everyone involved knows the full extent of the project. Having this information compiled prior to engaging with a consultant should be standard procedure for all projects. This will reduce the chances of scope creep becoming an issue. This includes estimating the time and cost involved and what internal and external resources are needed to successfully complete the project.

If you have been hired as a consultant to work on a project for a client and they lack commitment to the project and its success there is nothing that you can do to have it be successful. This is possibly one of the hardest issues to overcome, as a consultant you can believe in and have passion for what you are doing, but that cannot make up for your clients lack of commitment. Lack of commitment from a client can lead to tasks not being completed on their end, which can cause delays for the development team.

If you suspect that a client is not committed the only thing you can do is bring up your concerns to the client. Confront the client in a professional manner and let the client know that their failure to complete tasks could potentially jeopardize the progress of the project.

Lack of communication can be detrimental to a project so it is vital that communication lines are open and that everyone has the information they need in order to communicate properly internally and to the companies the project has been outsourced to. It is also vital that each person's responsibilities have been clearly communicated to them so that they know how to proceed working on the project. Communication problems can lead to confusion, delays, mistakes, and ultimately failures.

Make sure that open lines of communication are established at the outset of the project. To do this, make sure that there is a point of contact at each company that is involved in the project and everyone has the contact information for each point of contact. Also before starting the project make sure to decide on which form of communication is best and if necessary set up project management software for all parties involved.

*There will be multiple departments and multiple people involved in any given project and this leads to the issue of knowledge being shared among everyone. **Knowledge transfer** is a different matter than communication, knowledge transfer is the idea that knowledge resides with each person, process, tool involved in a project and a lot of this information is difficult to express to others. Knowledge transfer can be incredibly difficult to overcome because there are many different challenges related to knowledge transfer.*

In a project there are a few ways to overcome issues that arise due to knowledge transfer. One of the ways to get around this is to identify who the knowledge holders are and what knowledge they hold. This helps everyone working on a project identify who they would go to for certain information. Encourage these knowledge holders to share the knowledge that they have or document processes that only they are aware of. It might also be a good idea to come up with a way to share that information. One way to do this would be to establish a repository of documents that relate to the project in a location that all parties would have access to.

Lack of management support has been ranked as the top risk for project failure. For a project to be successful it has to have support from management. It is important that the support from management is communicated among the entire organization and it is well known that this project is a priority to management. A project manager should seek out this support from the start of the project and should communicate the needs of the project often in order to continue to receive support from management. If a lack of support from management is not secured it could lead to a lack of funding, staffing, resources, and unfulfilled commitments, which would ultimately lead to the projects failure.

Each stakeholder involved in a project has different motives and reasons for being involved in the project and they might all be different. For example, the project manager assigned to a particular project might be in line for a promotion so they are motivated by the promotion and that will affect how they handle the project. The software engineers might be motivated by a bonus to meet deadlines so their motivation is speed because that means more money for them. These motivations will have an effect on the quality of the project and will determine whether it meets the expectations of clients.

Problems occur when individual's motivations have a negative impact on the success of the project. If the project managers drive to get a promotion causes them to push for speed at the sacrifice of quality the project may not meet the objectives and requirements that were laid out for them. The client is motivated to get the project done for a certain dollar amount and this motivation might lead to the client sacrificing features and functions that may contribute to the outcome of the project. In either of these cases it is a good idea to **understand the motivations** of everyone involved and keep these motivations in mind when communicating with them. Should these motives start to interrupt the progress of the project they should be addressed.

Whether you are outsourcing or using internal resources for the technical aspects of the project it is important to understand the technical capabilities of everyone you enlist to help on the project. Make sure that you assign a technical lead to each project, this person should already have completed a project using the same technology that you require and have completed a project similar to the one you have them working on. The last thing you want to happen is to have a group of people work on a project that do not have a clue as to how to meet all of the needs you have for the software they are building.

A project manager is an important aspect to a projects success because they are someone who can take the reins and monitor the progress of the project. It is also helpful to have someone in charge of the project. This helps clear up confusion and makes it clear who the contact is on the project.

One of the biggest roles of a project manager should be managing expectations for both the client and the team members involved in the project. Unrealistic expectations can be unmotivating for the individuals who are working on the project. If someone knows that they will never meet a deadline it is discouraging and could lead to missed deadlines and slip into a scope creep situation. It is the project manager's job to manage expectations from the onset of the project and throughout the project. It is important to set clear expectations from the beginning that all parties agree with. This will enable the project manager to maintain expectations throughout the life of the project.

Artificial deadlines can have a negative impact on a project because people will rush to get something done and in the end it will not be their best work and it will have mistakes that have to be fixed. This again can lead to scope creep, but it can also be negative to constantly have changing deadlines. Continuing to shift deadlines can give people the idea that they do not need to meet the deadlines that have been set because they will just be adjusted anyway.

In the end, in order to remedy this it is important to complete the research and make sure that realistic time expectations have been set and those deadlines are expected to be met. At this time it is also a good idea to try and account for setbacks that might push back deadlines, obviously we don't see setbacks coming, but with complicated projects it might be a good idea to build in a couple of days in case problems arise.

Conclusion:

What makes a successful project?

All of reasons for project failure come down to one ultimate issue, putting the right people in the right places. Making sure you have the right project manager in place can save from having a lot of these problems because they will be able to ask and gain support from upper management, they will be able to control expectations, prevent scope creep, and clearly communicate project requirements and objectives. Having the right technical lead is also important to ensuring that the project will be a success by delivering all of the features and functions that were requested. To have a successful project you have to have the right team.

A Guide to the Project Management Body of Knowledge (PMBOK Guide) - Fourth Edition.
Project Management Institute, 2008

OveractDev Technology Partners bridges the gap between business needs and technical expertise simply by working alongside our clients and understanding their business objectives. We offer custom software engineering, user experience design (UX), content design and SEO, quality assurance (QA/QC) and engagement management. Established in 2007, OveractDev's corporate headquarters is based in St. George, UT with office branches in Salt Lake City and Silicon Valley. Visit <http://overactdev.com> for more information about OveractDev Technology Partners or call us at 1.855.683.7228.