Welcome

10 Major Causes of Project Failure
Preventing Project Failure

In this seminar we will cover:

What is project failure?
The impacts of project failure?
The Top 10 problems that result in project failure
  • The cause of the problem
  • How to fix the problem
  • How to prevent the problem from happening again

Why do I.T. Projects Fail?

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Why do I.T. Projects Fail?

Because nobody stops them from failing!

Iron Triangle

Manage the Iron Triangle, or it will manage you

Time
Scope
Cost
Quality
I.T. Project Disposition

I.T. Projects have a bad attitude. They **WANT** to fail.

- New technologies are difficult to use or predict
- Aggressive time schedules
- Lack of resources
- First time, unique services
- Unrealistic expectations

Role of the PM

As Project Manager, it is your role to prevent these projects from failing.

How?
How? You can do it this way...

How?

Or

- Learn what usually goes wrong
- Plan out how to deal with it
- Then... just follow the plan.
# How to Manage Projects

Managing Projects is very much like driving a car.

- Determine the destination, timeframe and how much you have to spend
- Create a plan (route, speed, breaks, weather, etc)
- Follow the plan
- Continuously monitor progress and keep the car on the road

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# What is Project Failure?

A project is considered a failure...

whenever a project does not meet the expectations of the stakeholders.
So What if it Fails...

Impacts of project failure?

- Cost & Time Overruns
- Quality degradation
- Frustration, sometimes resulting in people quitting
- Stress, sometimes resulting in people quitting
- Low job satisfaction
- Low corporate market value
- Low public opinion
- Negative media campaigns

Impacts of Project Failures

- The cumulative effects can be very costly to your company
- May even force the company into closure
## 10 Primary Causes of Project Failure

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<td>10 Primary Causes of Project Failure...</td>
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### #1 - Lack of Change Management

Also known as “You’d like it just a bit bigger? No problem”

Oh, still a bit bigger... ok.

Even bigger? It wasn’t in the plan but okay...
When scope creep happens, the end result is always more work than expected.

The Problem:

- Changes that were not initially planned for are added to the project
- The project takes longer and costs more than planned and there is no record of why.
#1 - Lack of Change Management

**Cause:**

- Not having a method to handle or recognize changes

**What to do:**

- Document the change management process to be used and followed by the project team
- Educate the project team to recognize a change or deviation from the plan
- Follow the change management processes
#2 - Poor Communications

The Problems:

- Team members do not have the information they need when they need it, causing delays
- Issues or changes do not get escalated
- Project reporting (and therefore control) is sluggish
#2 - Poor Communications

**Cause:**

- The project’s communications plan was not completed
- The project’s communications plan does not have enough detail

**What to do & Prevention:**

- Find out the communications requirements of all team members and stakeholders, document them in a comm. plan, and follow the plan
  - Who needs the information
  - What do they need to know
  - What level of detail
  - How do they want it
  - When and how often do they need it
  - How should it be delivered, and by whom
#3 - Inadequate Resources

You do not have enough people, the right skillsets, or the team is not committed to the project.

The Problems:

- Tasks take longer than expected to complete
- Deadlines and milestones get missed
- Project completion date comes into jeopardy
- You end up working double-shifts to complete all the work
#3 - Inadequate Resources

**Cause:**

- There was no pre-commitment of resources to the project
- The project was not supported
- There was no analysis and documentation of all skillsets required

**What to do:**

- Get executive sponsorship for the project
- Document which resources and skillsets are needed to get the job done
- Create a plan that gives enough time to get the job done with the allocated resources
- Pre-assign the required resources to the team
"I’d like a set of stairs that leads up to a bridge."

The Problems:

- Customer will be unhappy
- Customer will complain and you will end up doing the what they want - often at your expense
#4 - Poorly Defined Requirements

**Cause:**

- What the customer wants was not clearly documented
- What you believe the customer wants is different that what the customer believes they’ve asked for
- The customer did not sign off for the requirements document

**What to do:**

- Find out and document exactly what the customer wants
- Inform everybody of the project scope
- Document business, functional and technical requirements.
- Have the customer agree to and sign off the requirement documents
How do you figure out how long the project will take?

The Problems:

- An unrealistic timeline or budget will be agreed to
- You will not be able to do all the work in the time allocated
#5 - Inaccurate Estimates

**Cause:**

- No formal estimating method
- Estimate confidence is low
- Volume of work not understood

**What to do:**

- List all the work as well as possible
- Estimate each work package
- Add up all work packages
- Do not give “elevator” estimates if possible
- Always give answers using a range of dates:
  - Estimates where the work is well defined:
    - ~15% inaccuracy
  - Estimates where the work is not well defined:
    - ~100% inaccuracy
#6 - Poor Risk Management

Sorry about the project, I left it in my car this morning and there was a bit of an incident.

The Problems:

- Unexpected events cause delays
- Domino effect of things going wrong
#6 - Poor Risk Management

**Cause:**

- No formal risk management
- Just try to predict the big things that can go wrong
- It’s the sum of all the little things that make a project late
- Nothing is more stressful than trying to keep on schedule when unexpected things keep happening

**What to do:**

- List all the work as well as possible
- Figure out what can go wrong with each piece of work
- Prioritize each risk:
  - High/ Med/ Low probability
  - High/ Med/ Low impact (or effect)
- Sort the list
- Create a plan to deal with the risks at the top of the list
#7 - Poorly Defined Deliverables

“Emergency phones installed.
Deliverable Completed. “

The Problems:

- Difficult to get agreement that the project is finished
- Customer keeps wanting more, saying you didn’t do it to their specifications
<table>
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- The milestones or deliverables were not measurable
- "The customer never told us how many they wanted, so we just assumed 1."

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<td><strong>What to do:</strong></td>
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- Ensure milestones or deliverables are:
  - Clearly defined
  - Measurable (or quantifiable)

- For example:
  - Red is bad, Red #ED2D2D is better
  - Fast is good, 1.22 GHz is better
  - Good response is good, sub 1Ms is better
#8 - Over Optimism

Of course we can do that for you...

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The Problems:

- There was little or no planning before deciding you can get the job done
- The task you agree to turns out to be more work than expected
- It takes you longer and jeopardizes other deliverables
#8 - Over Optimism

**Cause:**

- Not enough time spent planning
- You may have been pressured into giving an answer right then and there
- Didn’t have a full understanding of the work involved before committing

**What to do:**

- Take the time to fully understand the work before agreeing to it
- It’s okay to say the work is not possible or will take too long
- Only agree to work when you’re sure it can be done, this will benefit you and your manager
#9 - No Time for Project Management

Hurry… we have a tight deadline. No time to plan. Just start digging.

The Problems:

- The plan is flawed from the start
- The project gets out of control and can’t be recovered.
#9 - No Time for Project Management

**Cause:**

- You have to do the work and weren’t also given time for project management
- Perhaps you only have a 10% or 20% allotment for project management duties

**What to do:**

- Planning a project is like setting out a roadmap. Without it you will likely get lost.
- Controlling a project is like controlling a car. You have to continuously watch the road (the plan) and make little adjustments. Imagine driving home tonight and only controlling the car 10-20% of the time.
I think I know how this helmet goes on. I’ve been riding scooters for two years now.

The Problems:

- Your projects don’t finish on time
- Your projects are always squeezed at the end
- Your projects are stressful
- You have to deal with unrealistic expectations or customers
- You feel your projects are out of control
Why Projects Fail v.2005.02.18
getpmtraining.com

#10 - Improved PM Skillset Needed

**Cause:**

- People often don’t know what they don’t know
- Their projects are out of control but they don’t know why
- They feel they are doing okay but could benefit from formal project management education

**What to do:**

- Learn the methods, tools, and techniques successful professional project manager use to initiate, plan, execute and control their projects
- Contact a PMI Certified Global Registered Education Provider in your area (such as Centreline Solutions Incorporated)
- Visit us on the web at:
  - [http://www.getpmtraining.com](http://www.getpmtraining.com)
Thank You!

About Centreline Solutions Incorporated

- PMI Global Registered Education Provider
- Specialists in project management education
- Some of our other courses include:
  - Managing I.T. Projects
  - The Complete Project Management Course
  - PMP Preparation Course
  - Guaranteed PMP Certification Program
  - Project Management Overview
- For full details, visit us on the web at:
  - [http://www.getpmtraining.com](http://www.getpmtraining.com)

Break

Coffee Break