

FIGURES & EXTRACTS RE PROGRAMME & PROJECT FAILURE

Project performance data, based on “Computer Weekly” 2003 study on 421 it projects

9% of all projects abandoned

- Bigger the project greater chance of failure – **18%** of projects over £5m are abandoned
- Longer the project goes on the greater chance of failure – **19%** of projects older than 18mths are abandoned
- Projects that are much larger than normal have higher failure rates- abandoned at a rate of **25%**
- Greater complexity leads to greater chance of failure – **14%** of projects with high complexity are abandoned
- Uncertainty about requirements leads to greater chance of failure – abandoned at a rate of **25%**

16% of all projects successfully completed (In scope + On time + In budget)

75% of all projects challenged

- 35% behind schedule
- 59% over budget
- 54% under-delivered on planned scope

OGC (Office of Government Commerce) has for some time considered why programmes and projects fail and the impact of the causes of failure on the actual outcome. The causes of failure can be summarized and placed in the following categories:

- **Design and definition failures** - where the scope of the programme and / or project(s) are not clearly defined and required outcomes and /or outputs are not described with sufficient clarity.
- **Decision-making failures** - due to inadequate level of sponsorship and commitment to the programme and / or project(s), i.e. there is no person in authority able to resolve issues.
- **Programme and Project discipline failures** - including weak arrangements for managing risks and inability to manage change in requirements.
- **Supplier management failures** - including lack of understanding of supplier’s commercial imperatives; poor contractual set-up and poor management.
- **People failure** - including disconnect between the programme and / or project(s) and stakeholders, lack of ownership, cultural issues.

The Standish Group (a major US IT consultancy who published a series of acclaimed surveys into project failure). Key Reasons for Project Failure:

- Lack of User Input
- Incomplete Requirements & Specifications
- Changing Requirements & Specifications
- Lack of Executive Support
- Lack of “Ownership” at management & operational level
- Lack of Resources
- Unrealistic Expectations
- Unclear Objectives
- Unrealistic Time Frames