



Why IT Projects Fail

A small business perspective

Numerous studies have been undertaken on the success or failure rate of IT projects. In large companies that can afford the cost and resources, the success rate is only 30%, with an outright failure rate of 30% and 40% being implemented but not meeting goals.

If large businesses have such a high failure rate, what can we expect of small and medium sized businesses?

Small businesses cannot afford this failure rate, or the associated costs. They often don't start or quickly drop projects that aren't producing desirable results, or cost too much time and money. Many small businesses stagnate because they can't get IT to do what they need.

The Issues

There are three key elements to successfully deliver results from IT. They are:

- The technology
- The business operation
- The personal side

Dealing with each of these is critical, yet the priority may not be what you think.

The Technology

There is all kinds of technology out there to suit any purpose: hardware, software and communications. The reliability of desktop, server and communications technology has increased tremendously and is seldom the source of problems. We haven't solved the reliability of software yet, and our ability to manage change. This problem is exacerbated by the common approach to managing IT service in most small businesses.

This is the easiest issue to address. There are IT suppliers who can bring the necessary skills for technology management, and methodologies that can help you gain effective control.

The Business

Our business is the reason why we want to invest in IT. We want to improve productivity, communication and deliver service that we can't do effectively without automation. With the appropriate technology a small business can look like a large multi-national.

We often look at a sales brochure and or hear about what others have done and want to do the same. Why do they succeed where others fail?

The reason is that they have defined their business goals, which business processes are critical to achieving these goals and how IT can add value to these processes. They are totally focused on these goals and making their IT projects work.

These issues are relatively easy to identify, but more difficult to implement solutions because it involves changing your mindset and getting your staff to buy into the change. Getting an



M.E. Lachance
& associates ltd.

advisor who can help you to describe your process needs clearly can help this process move more quickly. There are also methodologies, which can help you to describe these processes more effectively.

The Personal side

This is the most important and most difficult issue to address. As a small business owner or executive, the buck stops here. You are the visionary, the measure of quality or success of your business. If a project is important to the success or growth of your business, it takes timeyour time ... and you don't have enough of it.

This means that you must be productive. You can't afford the time to learn, the time to make mistakes, the time to get involved at a detailed level. You also can't afford the cost of a full time consultant to do it for you.

You need advice and support; someone who can help you to clearly articulate your objectives, develop a plan for a successful IT projects and help you avoid problems that cost you money. An advisor can also help you learn while you are doing the job, so that you are better prepared when you finish.

It is possible to gather the information you need, to learn on your own, and you learn by making mistakes. Do this if you can afford the time and cost. Getting help can save you time and money.

Summary

An IT advisor can:

- Reduce the time that you would spend planning and preparing.
- Reduce mistakes and eliminate trial and error.
- Reduce the costs associated with technology.
- Increase the value that you receive from the solution.
- Ensure that your technology continues to deliver reliable service.

© 2009 M. E. Lachance & Associates Ltd. You may copy or reprint this paper as long as you keep the article, its copyright and byline intact.

Marc Lachance

M. E. Lachance & Associates Ltd.

www.melachance.ca

www.thevirtualcio.ca

416-358-1389

Check out my BLOG at <http://melachance.blogspot.com/> or website for further articles.