

Chapter 5 Big Idea - 50 Percent of projects either fail or are canceled completely, while in 40 percent of all cases implementation is late or over budget (McDonagh 2001).

In reading chapter 5 the big idea that jumped out at me was the overall industry failure rates of ICT Implementations. The McDonagh quote “50 Percent of projects either fail or are canceled completely, while in 40 percent of all cases implementation is late or over budget” referenced in the text book from 2001 seemed dated but this seems to have been an issue for quite some time and still seems to be a problem in organizations today.

In just doing a little research I found an article from 1995 by Robert Charette where he calls for more ethical standards in the IT Industry and explores questions such as “How Optimistic can an estimate be before it becomes, in effect, a lie”. Charette takes issue with software vendors and system implementers not providing accurate cost and time estimates during the design or adoption phase which directly leads to implementation issues.

Leon A. Kappelman, Ph.D. stated in his paper titled The Four Horsemen of IT project Doom. Material Financial Risks of IT Projects: The Early Warning Signs of Failure, that Information technology (IT) investment comprise over half the capital budgets of US organizations. Yet many IT projects are cancelled outright, completed late, over budget, or fail to deliver the promised business capabilities and financial ROI. Dr. Kappelman also identifies 12 key early warning signs (EWS) of IT Project failure related to People-Related Risk and Process-Related risk, which seemed to me, would be very relevant in any current or future ICT project implementation.

I think that most ICT failures are caused by more than one reason especially in large project. E.M. Bennatan’s article Projects Failures: Ignoring the Warning Signs makes a very good point that once organizations become heavily invested in a project it is very difficult to declare failure and move in a completely different direction. One key point to remember in ICT implementation that it is not only the people and processes in the Implementation phase that can cause a project to fail but decisions made early on in the adoption phase also play a significant role in a successful implementation.

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