

## Deconstruction of Failures Past (Part 1)

A Project Portfolio Excellence, Inc. position paper

The May 15, 2009 issue of CIO magazine has an excellent cover story on project management entitled, "The F Word: How failure teaches, motivates, even inspires." It contains a selection of stories recounted by IT Senior Managers of how they've personally experienced failure and how that experience has, ultimately, been a good teacher for them. As I read through this collection of stories, some similar to my own experiences, some that I've witnessed, and some that I've read about in other accounts, it struck me that this article presents an opportunity to take a series of actual projects that didn't turn out as planned and deconstruct their failures from the perspective of Project Portfolio Excellence.

I would highly recommend the article to anyone who would like to hear, first hand, about some of the types of failure that are common with enterprise software and software-related projects. The article can be found in its entirety at -

[http://www.cio.com/article/492449/Failure\\_and\\_What\\_You\\_Can\\_Learn\\_from\\_It](http://www.cio.com/article/492449/Failure_and_What_You_Can_Learn_from_It).

### The Case of the Data (Nowhere) Ware House.

Don Goldstein, who is currently the CIO of DB Richard Ellis, a commercial real estate services company, is the subject of the first story in the article. He recounts how, in the mid-1990s, he joined an insurance company as vice president of IT. He inherited a data warehouse project that promised to, "Get all of our information to mean something." He cites some of the shortcomings of the project:

"Too much data needed too much cleansing"

"The project plan allowed many months between deliverables."

"Along the way, business groups argued about who should update which information."

"A data warehouse was finished, but for just one business unit."

He says, "It just got way out of hand. It cost too much, took too much time. It didn't have a hope to work." What he doesn't say is why he didn't step in and terminate the project when it became apparent that it had no hope of success. In other words, why didn't he cut his losses? Maybe because he was the new guy (but, after all, he was the VP of IT).

He concludes his story by saying, "The project died soon after being delivered to the business unit, when key project members left and funding dried up."

Apparently this experience so affected Mr. Goldstein that today he avoids the term "Data Warehouse." This might be considered a subliminal benefit of his having gone through the experience because probably 90% of Data Warehousing projects fail to deliver the benefits that were envisioned when they were launched. If we could bottle this "fear of Data Warehousing" and sell it we could save businesses hundreds of millions of dollars that represent the losses that these projects, in aggregate, incur. Now let's deconstruct the project from the perspective of Project Portfolio Excellence.

- "Too Much Data Needed Too Much Cleansing."  
It's too often assumed that data equals information. This is not true. It's the transformation of data into information that gives it value and meaning in a larger context. When Mr. Goldstein mentions that "too much data needed too much cleansing," he touches on one of the most common challenges of data warehousing efforts. That is, that a significant percentage of enterprise transactional data is inaccurate, incomplete, or not in a readily accessible format. The resulting subproject to scrub the data often, in itself, becomes a morass of confusion and frustration, sucking up more and more dollars as new sources of inconsistency are discovered.

Perhaps the saddest part about all of this is that, as we run ourselves ragged, trying to keep all of the pieces of data in a coherent form, the processes that pump bad data into our database to begin with are still happily chugging along behind the scenes, adding to the dreck that fills our systems.

This challenge should have been recognized before the project was ever launched and the project should have been delayed until the problem was addressed.

In a Data Warehousing effort data scrubbing must be an ongoing activity. If it's seen as a one-time requirement then eventually data quality will devolve back to its previous state of unusability.

- “The Project Plan Allowed Many Months Between Deliverables.”  
Sometimes the nature of a project is such that short periods between deliverables isn’t practical, or even possible. This can be especially true when using the standard Waterfall model for development. The Work Breakdown Structure is the traditional way of addressing this. Just because a particular deliverable may take many months to complete doesn’t mean that we have to wait with bated breath, for many months, to see if our goal is ultimately achieved.

Effective communication and collaboration (The Contract for Collaboration) should give us a finger on the pulse of the project, and raise a warning flag if we’re not on track. An unmet deliverable should never be a surprise. If it is then the indication is that communication and collaboration are not happening. If your project environment is one where parties feel the need to hide the truth, or sugar-coat their concerns, then you can’t hope to achieve Project Portfolio Excellence.

- “Along the Way, Business Groups Argued About Who Should Update Which Information.”  
Shouldn’t existing processes already spell out who should be updating what? Once again, poor collaboration. Also, perhaps, a lack of strategic alignment. Maybe not everyone agreed on the benefits that would be derived from the project, hence the unwillingness to accept the burden of ongoing maintenance. One thing is clear: unless everyone agrees to do their part in the ongoing support and maintenance of the system, the project will ultimately fail to deliver ongoing benefits, because upkeep will eventually be neglected. This represents a lack of Will (Project Trinity).
- “A Data Warehouse Was Finished, but for Just One Business Unit.”  
Mr. Goldstein adds that, with the data warehouse, users still had to ask IT to generate their reports. This doesn’t address whether or not that was the original plan. But he does state earlier in the article that the original intent of the project was for it to “mesh information across divisions to provide a complete look at each customer.” So providing a data warehouse for just one business unit falls far short of the intended goal. Lack of Skill and Will (Project Trinity) and a lack of planning, collaboration, and communications (Project Triad, and Contract for Collaboration) are indicated here.

### The Verdict

Even from the condensed account of this project failure, it seems that there should have been many opportunities to recognize that things weren’t going according to plan and that something needed to be done.

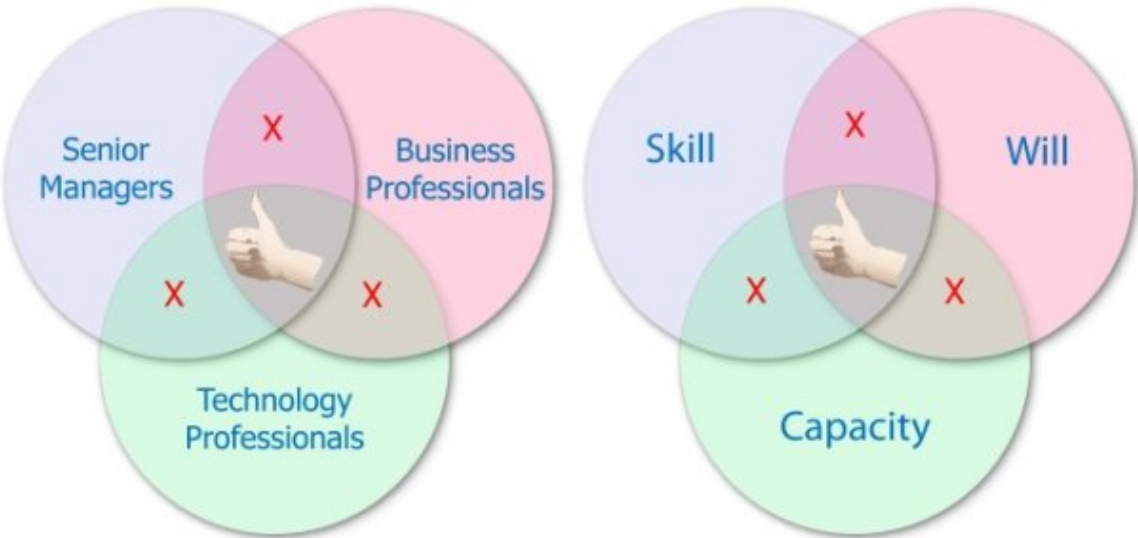
Regular reporting, open and honest communications, and a willingness to face the facts would have saved much of the time, money, and energy that were lost by letting this project play out to its natural conclusion. It's not hard to see a dying effort developing. After all, it's widely reported that well over 50% of our projects achieve less than hoped for results. What's hard is acknowledging that our efforts are fated for failure and acting on that realization. But, as soon as we decide that we're going to act proactively on the signals, many opportunities appear for us to save a lot of time and money, and to redeploy our resources to where they may actually have a chance to contribute to our future success.

PPE Truth #1

The causes of project failure are easy to diagnose and simple to understand.

To not act decisively, when the first signs of impending failure present themselves, is wasteful. To not build an environment and culture that allows us to perceive these signs, as early as possible, is irresponsible.

Project Portfolio Excellence is about building the environment and culture to allow the perception of the signs of impending failure, and acting decisively when these signs present themselves. You can learn more about Project Portfolio Excellence, including how to improve your results with enterprise software and software-related projects by visiting: [www.projectportfolioexcellence.com](http://www.projectportfolioexcellence.com)



The Project Triad

The Project Trinity