Tech Success

Calculate your batting average for IT implementation

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Technology changes require some of the greatest investment that businesses experience today. In 2008, businesses in the U.S. spent approximately $688 billion on information or communications technology. That is approximately 21 percent of the world's IT expenditures. In October of 2009, tech research firm Gartner Inc. forecast that 2010's IT expenditures would total $3.3 trillion—an increase of 3.3 percent over 2009.

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It also projected in 2007 that $500 million would be wasted on IT projects from 2008 through 2013. The firm discovered that the private sector often can be as wasteful as the government sector. If C-Level management overestimates its technology team's business capabilities and doesn't follow how project dollars are spent, then failure is very likely.

So how does a management team measure successful implementation of projects? Are managers assigned based on technological or business skills? Are productivity, cost-control, financial management parameters or bottom line profits used as benchmarks? Is ROI a strong consideration? It probably should factor in all of these things and more.

A defined goal is either attained or it is not, but the activities required to reach it often are measured on a sliding scale percentage or range. The upper parameter is represented by 1.000, with the lower parameter being .000. This is similar to how sports teams' and individual athletes' successes are measured: The more difficult the activity (such as a three-point shot in basketball), the lower the percentage; a less difficult task (a two-pointer) results in a higher percentage of success.

Or consider America's pastime: A .300+ hitter is a desirable asset for a baseball team. As of the 2010 ranking of the top 1,000 lifetime hitters, only 181 batted over .300. Ty Cobb is No. 1 with .366; Bill Freehan ranked 1000th with .262. In this analysis, an athlete who effectively fails 63 percent to 70 percent of the time would be a highly desired and highly paid acquisition.

Bear in mind that every athlete is faced with an opposing team player—a competitor or a circumstance in the business world—who works just as hard to prevent achievement. A key to success is properly utilizing every available asset: Winning managers know their players' strengths and have them performing in areas where their skills are best.

Does your team perform like a Ty Cobb? Without an opposing team (or circumstance), success percentages should be high, right?

Sadly, for most companies, this is not the case. The Standish Group, which tracks international IT successes and failures, released a report in 2009 finding that only 32 percent of IT projects qualify as successful—that's a .320 batting average. Twenty-four percent fail while 44 percent are characterized as late, over budget, and/or are delivered with less than the requested functions. Given that the firm's 1995 Chaos report found that "unqualified project successes" totaled only 34 percent that year, with failures at 15 percent, there clearly is an entrenched negative pattern.

So how can management raise the "batting average" of their technology implementations?

• Do a thorough analysis to establish precise goal(s), required actions and cost projections by utilizing true experts in the technology being considered.

• Establish a schedule and set expectations that are understood and shared by all.

• Make sure team members' skills precisely match the requirements for the project. For example, a cardiologist and proctologist are both doctors, but would you want the proctologist to perform your bypass surgery?

• Team leaders must possess business acumen and understand technology applications.

• Thoroughly seek user input to help develop the desired processes and goal(s).

• Eliminate potential conflicts among users, project team, suppliers and management.

• Keep all lines of communication open among these same people.

Follow these ideals and your stats are sure to raise on your next technology project. **KCB**