

Keeping projects on the right track with launch management

Why large-scale IT projects often fail, and
successful projects are not a coincidence

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Summary

Large projects capsize relatively frequently. A large project is more than just a project that takes longer, involves more people or consumes more budget. People managing large projects have to master complexities that normally arise in larger enterprises and company groups only. Once a project reaches a certain size, it is no longer simply about achieving a defined goal as efficiently as possible within a given framework. Large projects often have various stakeholders with various different agendas, and the projects are generally of great strategic importance for all of them. The complex realities thus inevitably lead to complex risks that can never be totally controlled. The project owners always have to keep this fact in mind, as well as the interdependencies and special features that are typical of such projects.

But what is it about large IT projects that causes them to go askew so often? What are their critical success factors? What can be done before and during the project to prevent the often enormous financial and image-related losses from occurring? This study answers these questions.

The key lessons learned and documented on the following pages are the result of extensive experience gained in successfully managing, restructuring and reorganizing large projects. The authors have been involved in numerous top international projects in recent years. These included technical implementation of a new pricing system for a mobility services provider, introducing a new national road-toll system, launch management for Internet television (IPTV), a satellite platform or crisis management in a country-wide software project for safeguarding social-welfare payments. Regardless of what these projects were about, they were all plagued by many of the same problems.

Based on this experience, the authors have developed a management approach for controlling the peculiarities and problems of large projects, with which it is possible to ensure the success of large projects despite their complexity. By taking care to do the little things right, and with launch management that concentrates on the key goals of going live and operating the system in question, companies can control the risks and considerably reduce the danger of large capital- and time-intensive projects failing.

1. When large projects fail, core processes suffer, as can the company's image

Losses of EUR 100 million and a cutting blow to the company image were the outcome when a well-known Swiss bank capitulated in 2001, at first stopping and then burying the most ambitious e-banking project in Swiss banking history. Insiders say that at the time the bank simply didn't have the experience with large Internet projects that was required to make a success of a greenfield e-bank concept.

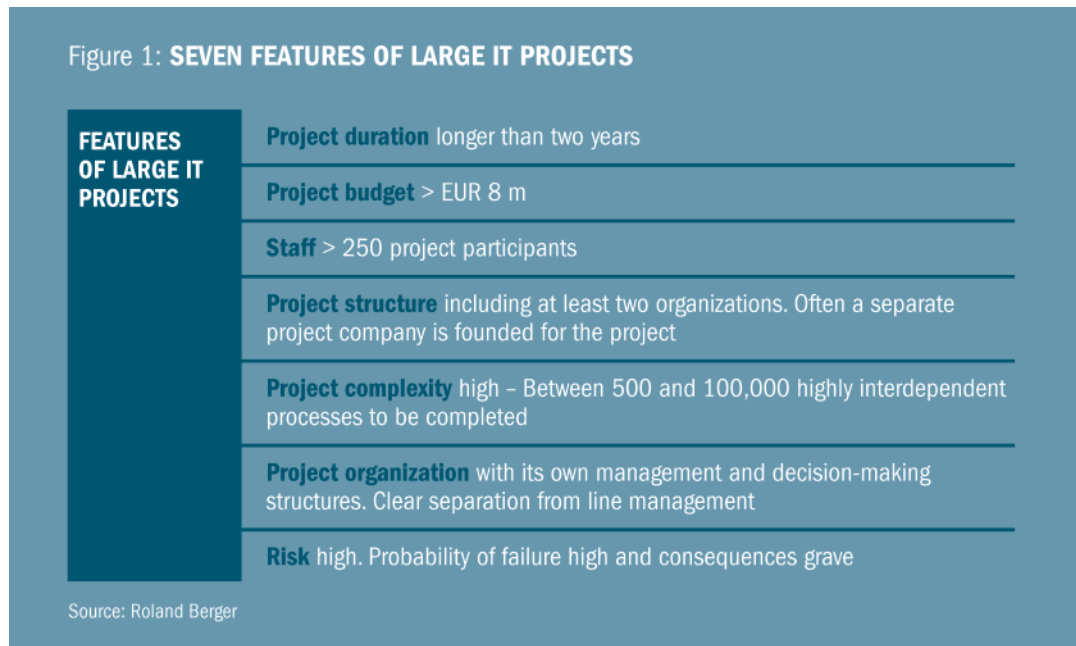
A glance at recent newspapers suffices to discover a considerable number of IT projects that went anything but as planned. According to a study conducted by the Business Administration department of Munich Technical University, only around half of all IT projects begun in the last three years ended successfully. A shocking 48% of the technology projects reported serious weaknesses: they took longer than planned (approx. 30%), cost much more (approx. 10%) or the result at the end was different from the original project objective (approx. 10%). Other studies support these data. In our experience, without considering the critical success factors, up to 20% of all IT projects are aborted prematurely, and as many as half of the projects exhibit substantial deviations from the time and cost schedules, or significant quality deficits.

What is a "large project", anyway?

Seven criteria determine if a project is "large":

- > Project duration
- > Project budget
- > Number of project staff
- > Project structure
- > Number of activities in the project plan
- > Project organization
- > Risk level of the project

Experience shows that large projects often display all of the characteristics listed in Figure 1. All large projects exhibit at least some of them.



Even today, people still underestimate the negative effects of the failure of such a large project. Projects in the IT field – one of the fields in which an enterprise can generate value (e.g. through improved efficiency or reduced costs) – are watched very closely by observers both in and outside the company.

Just how damaging failed projects can be is shown in the example of one of the world's largest computer conglomerates, which experienced major troubles with the internal implementation of an ERP project. News of the breakdown leaked out. The confidence in the company group's technology leadership was shattered. Its share price tumbled and the group had to publicly confess to the problems. In this case, the failed project and the underestimation of the consequences destroyed real value.

Which areas within a company are especially susceptible to the breakdown of IT projects? Unfortunately, it is often the divisions with a direct impact on the public that suffer most: supply chain and logistics processes, customer service, production and the management of product and service innovations, all of which are so essential for organizations. The additional costs incurred in these areas come straight out of the company profits and thus have a direct bearing on company value.

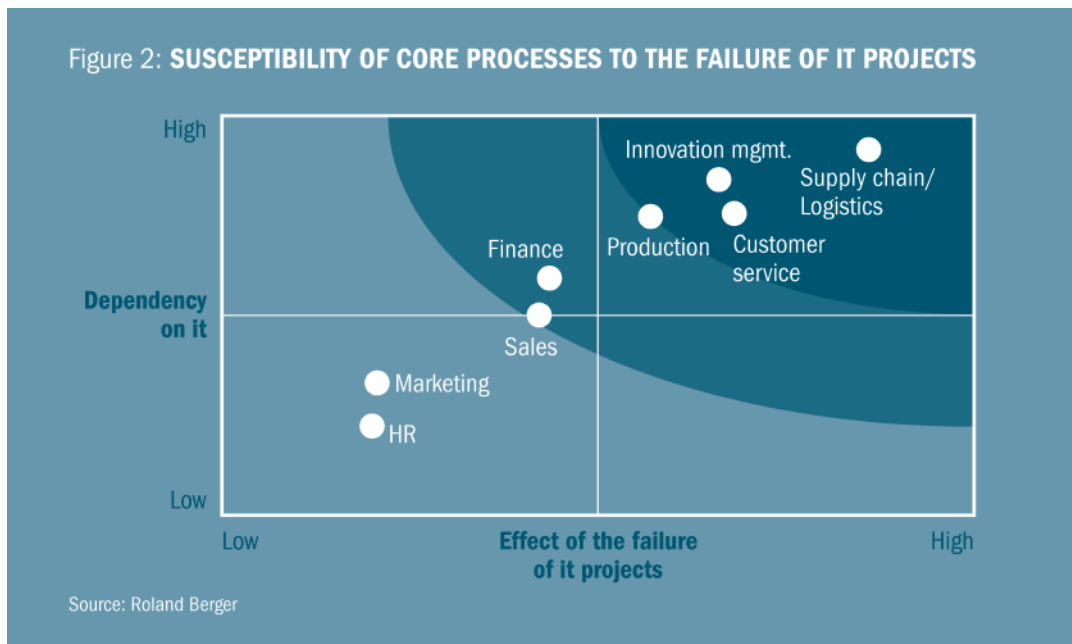
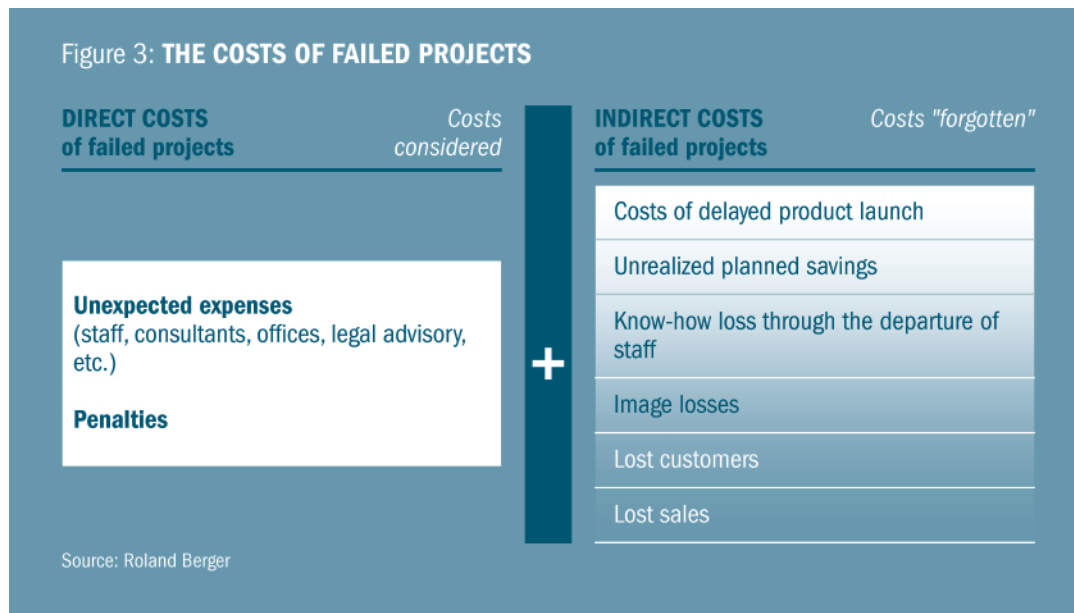


Figure 2 shows that the failure of IT projects has the greatest effect on core processes. This makes sense, as for many companies it is easier to improve their profits by enhancing processes with the aid of IT than by means of organic or inorganic growth. And adjustments to the IT organization are often required even in growth phases, whether due to a broader product portfolio, serving a larger market or M&A activities.

The fact that it is always the same divisions that suffer most from failed IT projects is true for large and small companies across all industries. Of course, this cannot be said to apply to large IT projects that are not internal but implemented for external customers (such as public private partnership projects), but both groups have to deal with the same commercial consequences. Figure 3 presents the costs of failure that arise. Experience in crisis projects shows that almost always only the direct costs are accounted for when evaluating the damage done. But in fact their share in the actual costs resulting from the project is generally smaller than that of the indirect costs.



Why do project managers generally attach too little importance to the indirect costs? The most probable explanation is that it is difficult to put a (material) value on costs that may potentially arise or on damage to the company image. This makes it all the more essential that these issues be integrated into the assessment of risks and opportunities in the project proposal, that special attention be paid to them within the scope of risk management and that precautionary and mitigating measures be provided for.

Good projects, for example, systematically integrate corporate communication into their structure. In many cases, it may even be enough to inform the Communication department about possible difficulties that may arise and how to deal with them, before going live with a release, so that it can develop a communication concept in advance in case something does go wrong. This sounds simple, but it is anything but the rule. In almost half of all projects there is an inadequate team of people in charge of managing such risks and operationally managing the project – or no team at all. This is a grave deficiency – and only one of the many reasons why IT projects so often fail.

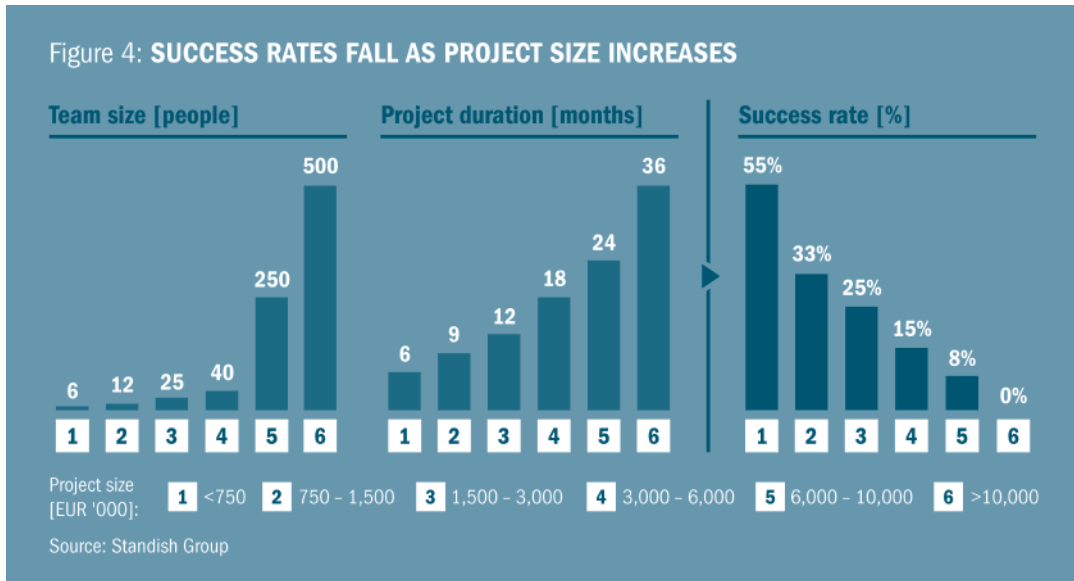
2. The compulsion for complexity: Why large projects fail

Large IT projects founder disproportionately often. It is especially important to know and master the critical success factors here.

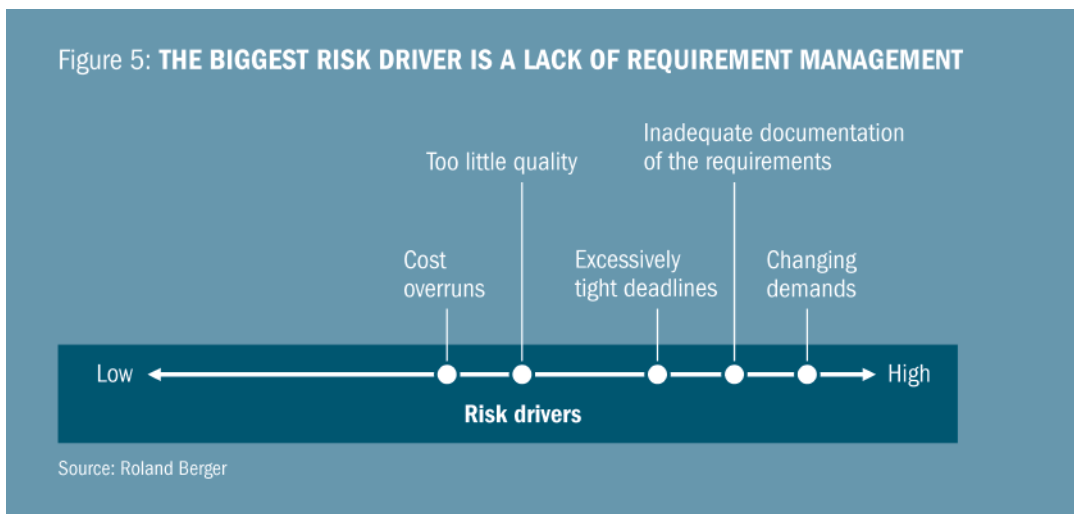
Large projects have to master highly complex situations. Projects with public sector clients often require that IT systems of national proportions be created or modified within a very short period of time, in order to satisfy legal requirements or changes in statute. What is more, large projects often also have to fit into external frameworks and fulfill external demands that do not arise in projects of a normal dimension. These can be the interests of various different partners involved in the project, complex financing models or international supply relationships. Factors such as these not only drastically raise the demands on the project management, they also influence the traditional "magic triangle" of project management: quality, time and cost, because large projects have longer development and test phases and generally much longer project life spans.

The longer project duration alone is an enormous handicap. At least, that is what the German Federal Court of Auditors (Bundesrechnungshof) says in its annual reports on numerous public IT projects in Germany: the probability of a project failing rises considerably with increasing project duration. What's more, a complex project environment with numerous stakeholders and their own interests often leads to serious difficulties in defining the scope of the project or the specifications of the software. Once the initial excitement over winning a major contract has died down, both the client and the project team find themselves trying to tag a moving target. The goals oscillate or, in the worst case, disappear entirely, and this makes it extremely difficult to fulfill the expectations of all the various interested parties.

Figure 4 shows just how much this affects the success of the project. It relates the probability of a project succeeding to the size of the team and project duration.



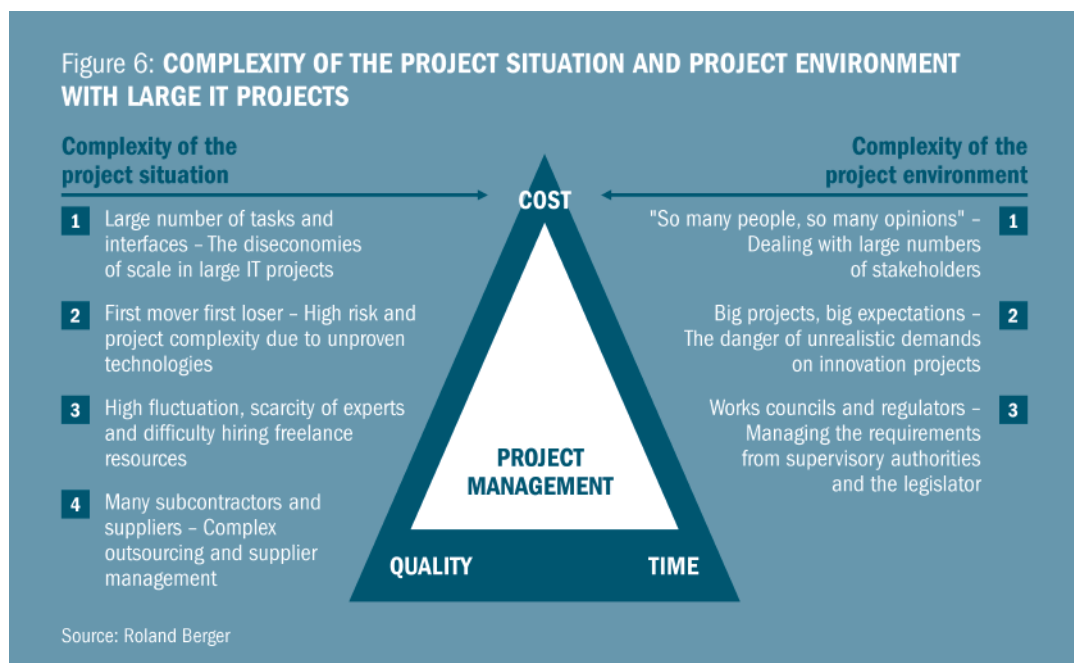
Here too, it becomes clear that the main risk drivers in large IT projects are the constantly changing demands (moving target) and the insufficient documentation of these demands. Then there are the extremely tight deadlines, which often lead to the Important being sacrificed in favor of the Urgent. And this, of course, is at the expense of a well thought-out project plan and an effective project structure (Figure 5).



Of course, it is possible for large projects to succeed. But the fact of the matter is that a disproportionately large number of framework conditions have to click in large projects than in small ones. Companies have suffered the effects of this at close quarters in recent years, and responded at least to some degree.

Worthy of note here is that the overall share of successful projects is continuing to stagnate, although costs and deadlines are being adhered to more effectively now than they were a decade ago. This can be explained at the operational level by the increasing professionalization of project management. Companies have recognized that large projects are all about managing complexities. This is why they are now ever more frequently being broken down into small, manageable packages that are then coordinated and consolidated in project portfolios or programs. Today, project managers also react to deviations from the project plan and introduce countermeasures much more quickly than they used to. What can also be said is that the success or failure of projects is now being defined more and more on the basis of the fulfillment or non-fulfillment of the project requirements.

So, the larger an IT project gets, the more complex the project situation itself and the project environment become. This influences and alters the traditional triangle of quality, time and cost (Figure 6).



Let us turn now to project and environmental factors that increase complexity and their effect on project management.

2.1 The project situation itself is complex

Interfaces and tasks: The diseconomies of scale in large IT projects

Compared to projects of an average size, project teams in large projects have far more tasks to cope with and thus more project staff to manage. This very obvious factor alone leads to formidable problems in real-life situations. The number of communication interfaces grows exponentially with the number of people involved in a project. Just maintaining internal communication is a huge challenge in view of the sheer volume of information that has to be passed around and evaluated. This is an additional challenge for the very delicate communication between the operational experts with their commercial and process desires, and the technically-minded IT camp doing the actual implementation.

If the communication machinery runs into trouble at the interfaces, it doesn't take long for the crunching sounds to become audible. The most important issues don't get through to the project management, which in turn cannot establish an effective risk management, and tasks and responsibilities suddenly have either no owner at all or too many at once.

In brief, although the management work grows disproportionately, the marginal utility of the management activities falls. And of course one must not forget the numerous interfaces to the line organization (e.g. HR management, the Legal department, the Communication department or the works council) that are needed to appease stakeholders outside the project. Furthermore, even more interfaces are created when the project team and the stakeholders are geographically separated.

Technology management: Higher risk through unproven technologies

Large IT projects often have a high level of technical innovation. New technologies are employed – often technologies or technological components that have been developed within the project itself – to exploit first-mover advantages, attract attention and achieve operational benefits with groundbreaking innovations. But if these technologies are not mature, even more levels of complexity may crop up. The programs are unstable because unforeseen development and integration loops become necessary that can render previous schedules useless, and this makes it impossible to predict how the project will end.

The consequences of such an approach can be seen very clearly in an IT project of national proportions, to which the client and general public ascribed a high degree of innovation. Not only the actual project innovation had to be managed here, the latest computing center technologies were to be used to do so. Server systems and databases were employed, the likes of which had not been seen before in Europe. But in selecting the systems, the project owners overlooked the fact that there was no trained first or second-level support available for these systems in Europe. So every time an adjustment or recalibration of the system was necessary throughout the course of the project, the project team had to fly in specialists from the US. This not only drove costs skyward, it also led to substantial delays.

This and other similar projects teach us that internal and external pressure to succeed often lead to the technical effort required being underestimated. The consequences are not adequately analyzed and there is a lack of risk mitigation measures.

And it is not only the technical challenges that the project teams misjudge. All too often the premises upon which they base their project plans are far too sanguine, and the project schedules that result are much shorter than can realistically be upheld. What are supposed to be legitimate project plans thus mutate into best case scenarios. Probability calculations and analyses of expectations show that this is a risky game to play. Overambitious plans cost between a hundred and a thousand percent more than planned, and time overruns of 20% are common.

Yet there is often no need to use immature technologies. Up to 70% of the code used today in software development is made up of standard infrastructure. Even if some parts are application- and project-specific, large amounts of the overall code can be bought from external providers. This reduces development times, the propensity for error of the pre-tested code packages and costs, as it is frequently less expensive to purchase code than to develop it in-house.

Fluctuation and scarcity of experts: Staff management with heightened difficulties

Finding enough capable employees is a challenge for any organization that is just as difficult as it is essential for the organization's survival. This applies double to large IT projects. For one thing, the customarily high staff fluctuation in projects is of course more of a factor for large projects. The project team has to keep a close eye on the people entering and leaving the project, in order to prevent a sudden scarcity of resources in any one module.

And then, in view of their high level of innovation, large projects often need a large number of experts with very specific know-how. These specialists generally cannot be spared by their own line organization and are also difficult to come by on the external labor market. Labor law or internal company requirements such as hiring freezes coinciding with staff reductions can make it even more difficult to attract the right people.

Recruiting is an important indicator for the image of the project. Here too, large IT projects often have their problems. The long duration of large projects makes them less attractive propositions for many employees. And many large projects are so-called "mercenary projects", whose members are thrown together from various company units and organizations and freelance resources. As most organizations are still not set up to deal with such situations, it is often difficult for the members of such projects to see what their career prospects are once the project ends. Potential project workers often actually consider projects like these to be a danger to their career.

Subcontractors and component suppliers: Complex outsourcing and supplier management

The larger a project is, the more companies work with freelancers and consultants and the more they contract out entire development and supply packages to third parties – e.g. self-contained development modules, system documentations and training tasks. But outsourcing reduces the complexity only on the surface. To work well with outsourcing partners, the project team has to describe the demands on these partners very precisely and closely monitor their deliveries and performance. Only highly professional supply management can control supplier performance effectively and balance out information asymmetries.

Reports from people involved in large projects also suggest that the project teams have to be extremely careful who they choose as their suppliers, for they often overestimate the capabilities and capacities of subcontractors. Problems and delays have to be reported openly and immediately, so the basis of trust has to be strong between the project and the outsourcing partners. Both contractor and subcontractor should exchange information intensively and in institutionalized structures, especially in the early stages of the project.

2.2 The project environment is complex

Quot homines, tot sententiae: Dealing with a large number of stakeholders

The conditions surrounding the project are an additional complicating factor. Whereas small projects generally deal with one customer or sponsor, the customers in projects of the size we are discussing here are generally entire organizations, the actions of which are shaped by a range of different target and interest groups. Project environments are therefore complex systems and the relationships to them can be political. This can stem from the extra workload for staff members on internal projects, from the demands of unions or similar organizations, or from citizens' and environmentalist groups on projects that are in the public eye. If the project is to be a success, it is important to know the stakeholders and their interests and to communicate with them as directly as possible. The political factor gains additional significance through the size of the project partners. The customer and the contractor often move at the level of governments, ministries and international company groups, so the project can expect to attract an extraordinary amount of publicity.

At this point it is helpful to consider the view of systems theoretician William Ross Ashby, who says that complexity can be mastered only if the acting party takes on the same complexity as the system it is trying to cope with. As the acting parties in large projects (the project management) can never achieve the complexity of the project and its surroundings, they have to find a way to reduce the complexity of the system they are dealing with, using models. In the case of project management, experience often takes the place of traditional cybernetic models; that is, the knowledge of comparable situations that can serve as "models". The larger a project is, the more important experience becomes. Experienced and successful project managers who know how to handle a large number of stakeholders have proven again and again to be a crucial success factor.

Things get particularly critical when stakeholders who are actually on the same side don't pull in the same direction; for example, partners in a consortium of contractors with different motivations. This happens quite often. One of the possible reasons is the unequal distribution of the share of value added within the project, whether right from the beginning or due to a gradual shift in the shares as the project progresses. If a situation of this kind is not clarified properly, or if not all parties want the situation to be the way it is, infighting, resistance and other unpleasantness are virtually inevitable. A similarly poor precondition for a rapid and successful project is when companies come together in a consortium that are working collectively on the project but are otherwise competitors.

The latter scenario was seen in a high-profile IT project in the fiercely contested defense sector. Two competitors were partners for the project, but as competitors were bitter rivals in every external request for proposals. This led to a deterioration of their working relationship, mutual mistrust and even each making intentional indiscretions about the other partner in the joint project. The fact is, bad press about a partner's poor project performance causes massive collateral damage, harming both the project itself and the image of not just one, but both partners. This factor appears to be ignored in most cases because of the possible sales that can be earned from the external projects.

Big projects, great expectations: demands of the various interest groups

The bigger the project, the more essential and complex it becomes to manage the various sets of expectations. Especially in IT projects, the tangible results of which are often somewhat unclear to the customer at first, it is important to record and carefully document the customer's expectations. If there are no clear expectations, both sides of the project should work together to find some.

In almost all crisis projects, customer and contractors cannot agree what scope the project should have. The reason for the discrepancy is generally to be found before the beginning of the project: in the call for bidders. Large IT projects are generally awarded on the basis of a request for proposals. Sadly, the professionalism of the request documents even today leaves much to be desired in many cases. The result is a lot of room for interpretation and varying expectations. The bidders endeavor to hide their weaknesses as well as possible. In the worst case, they are dishonest about their ability to do the project, and in quite a few cases they simply overestimate their abilities without any harmful intentions.

Another problem is that negotiations with the companies on the shortlist are generally held at top management level. This too can lead to unrealistic and veritably catastrophic deals being made – for example, if the bidder shortens the project duration without asking the experts if this is possible, in order to improve his negotiating position.

Of course, ambitious objectives ("stretch targets") help achieve project goals quickly, but in negotiations with customers, and particularly in projects of unknown complexity (such as with new partners or new customers), they should be left back in the office.

Co-determination and regulation: Requirements of supervisory authorities and the legislator

The broad field of regulation is also a difficult one for large projects. Only extremely few small projects have to deal with the problem, for example, of the works council trying to prevent urgently needed external specialists from being used because staff is being cut in the parent company.

For example, in a recent software development project, the management found itself forced to undergo a fruitless three-month search for suitable experts within the company, although it soon became apparent that these resources were simply not to be found within the organization. The works council's reticence caused the loss of urgently needed familiarization time, and subproject managers had to waste their time holding interviews with applicants that they knew in advance did not have the required skill sets.

Examples such as these may be restricted to the over-regulated German-speaking countries, but other kinds of regulation, such as the various national competition regulatory authorities, have a significant influence on international projects.

3. Success through launch management

To recap: Projects of a certain size not only have to struggle with the features of the actual activities in the project, they also have to work within the bounds of the usual characteristics particular to medium-sized and large companies. Not only is the project itself complex, but also the project environment, and hundreds of interfaces increase complexity exponentially.

This multilayered characteristic of large IT projects can be handled properly only by considerably enlarging the range of tasks for which the project management is otherwise normally responsible. New and other elements of project management are the focus compared to traditional projects. Experience shows that these new areas are usually gravely underestimated or not managed with the necessary discipline. They include:

- > Expectation and scope management
- > Project planning and control
- > Risk management
- > Top management reporting and project marketing
- > Resource management

Every project manager must be resolute in counteracting this. We have found that launch management, i.e. a management approach entirely focused on going live, is a key tool here. The following approaches elucidate some of the main elements of launch management.

Expectation and scope management

Project teams in large projects have to use great precision and care in dealing with the issue of expectation and scope management. Contracting is an important part of this both within the project and with externals.

In the discussions between the customer and the contractor, it has to be made unmistakably clear what the project is capable of doing and what it isn't, and this key dialog with the customer has to continue on all major topics right up until the end of the project. The traditional steps of drawing up specifications and sheets describing technical specifications in detail, and developing data flow and data ownership models are indispensable, especially when developing large-scale software. The project teams have to do this together with the customer and submit them for the customer's approval. Sadly, practical experience once again shows that the contractors often define or at least describe the product requirements quite

autonomously. Especially when purchasing complex systems, plants or machinery, it is key that the buyer/supplier relationship be characterized by a high level of interaction, intensive consulting and, ideally, joint know-how development. Buyer and supplier should specify the requirements together, estimate the feasibility of the planned project and look into possible alternatives. This is particularly important for large software-development projects. Anything but an iterative, well-documented coordination process between buyer and supplier lacks the necessary seriousness.

Effective expectation and scope management is the basis for then being able to say how successful a project was. The ongoing monitoring of milestone achievement after a launch is based on the desires drafted at the beginning of the project. It is a logical continuation and adaptation of the expectation management in live operation.

Project planning and control

Most of the troubled projects that the authors have witnessed in recent years had either no up-to-date overall project plan or none at all. This is despite the fact that an overall project plan is the only way to consider the future of the project in detail, find interdependencies, estimate costs and efforts, allocate resources and coordinate these aspects with the customer and the project resources.

If none of these can be found, it is easy to see the project's future: no plan, no success. It is often not until work packages and activities are planned in detail that it is possible to calculate the feasibility of the planned project and the resources it requires with any reliability.

Each work package from the project structure plan has to be examined as to its framework conditions and dependencies, the exact procedure and types of result it may produce (Figure 7). This simple checklist not only helps plan the individual work packages in detail and monitor them in a structured way. If applied properly, it also provides important input for risk and issue management.

Figure 7: PROJECT STRUCTURE (EXAMPLE)

Framework conditions/ interdependencies	Procedure	Result types
<ul style="list-style-type: none"> > What prerequisites have to be fulfilled so that a group of activities can be carried out? > Under what conditions is the group of activities mandatory/optional? > Who is the "owner" of the group of activities? > What are the implications of the group of activities for the project? 	<ul style="list-style-type: none"> > In what steps is the group of activities to be executed? > Which position (e.g. project manager) is in charge of the group of activities? > What procedural options are there? What are their advantages and disadvantages? > What are the success factors of implementation? 	<ul style="list-style-type: none"> > What result types are produced by the group of activities? > What structure (templates) do the result types have? > When and how often does the result occur (periodicity)? > What typical mistakes are there and how can they be avoided?

Source: Roland Berger

Project managers know the ironic saying: It is difficult to make predictions, especially about the future. The possibility of sudden deviations from a plan can never be entirely eliminated, but as is so often the case, all one can do is be prepared and properly equipped to deal with unforeseen eventualities.

Yet astonishingly enough, planning appears to be very unpopular, especially in large IT projects. There are actually a number of ways to assess the abstract entity software, estimate its future dimensions and create a certain foundation for the planning of the project. In reality, people often simply base their assumptions on their experience. The project team often doesn't do a structured evaluation (for example, with the aid of function point analysis, COCOMO¹⁾ or similar methods) until it's too late and the questions arise about the reserves set aside for damage control. It would already be a big help if they were to look at the benchmarks: grave errors would be unlikely and an eye could be easily kept on key points.

1) *Constructive Cost Model. A method for estimating the time needed for software development projects*

In large IT projects, for example, developers today spend 40-50% of their time correcting errors in the code. If these capacities are not planned for, the project can get out of control very quickly. By the same token, knowing that these cost blocks are likely to arise makes it easier to reach strategic decisions.

One software project we looked at was burdened by the fact that release milestones were repeatedly not met. An analysis and subsequent detailed plan shed a light on the share of errors to be eliminated in the code. Then, finally, the company removed the budget freeze that it had imposed long before, and implemented a dedicated bug fix line. This meant additional developers could be integrated into the project to take pressure off the existing team, without any major losses in productivity. Suddenly the remaining milestones weren't a problem anymore.

Risk management

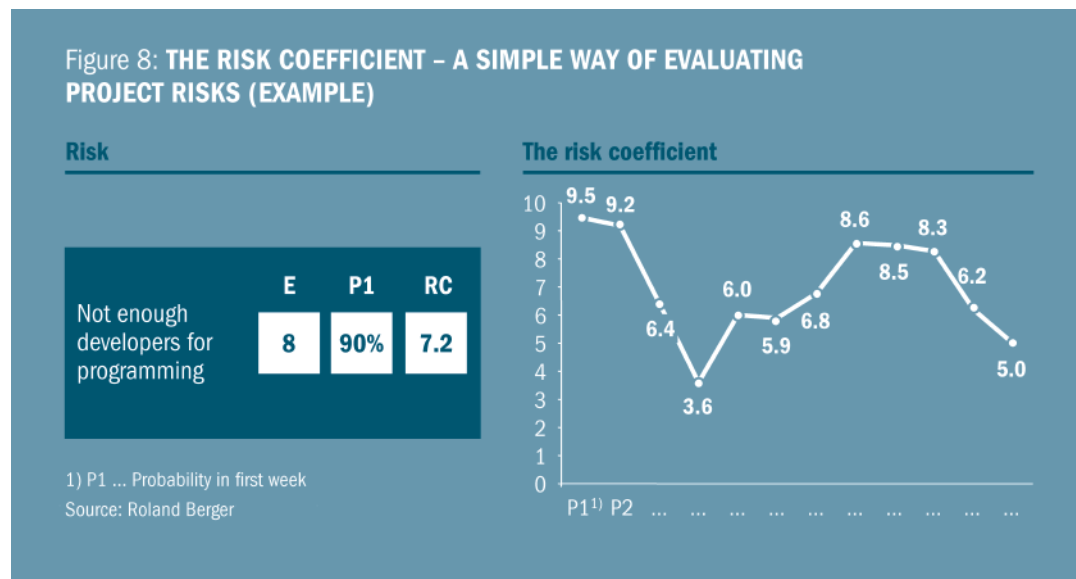
The often criminally neglected risk management also becomes increasingly important the larger a project is. It is not only beneficial to think as early as possible and systematically about internal risks, external threats and the costs they may cause; in larger projects, regulatory requirements also play a role. For example, when founding a project company, the German law on controlling and transparency in companies (KonTraG) comes into play. It says that the project management may be held liable if a lack of risk management processes causes losses. The situation is further aggravated by the fact that the project manager and the project owner are often not identical in large projects.

But beware of over-engineering when dealing with risks; too much of a good thing quickly kills acceptance within the project team. Risk management software definitely makes sense in very large projects and in project companies, but in 95% of all cases, it is quite sufficient at the beginning to take stock of the risks and then to update them regularly as regards the probability of their occurrence and effects using a simple evaluation model. On this basis, a risk coefficient can be calculated that can be used to prioritize the risks.

Each risk can be evaluated according to two values:

1. Effects (E) should the risk occur (e.g. 1-10, where 1 = minimum, 10 = maximum)
2. Probability (P) of the risk occurring (0-100%)

The risk coefficient (RC) – the product of E and P – is an important unit of measure for the entire project (see Figure 8).



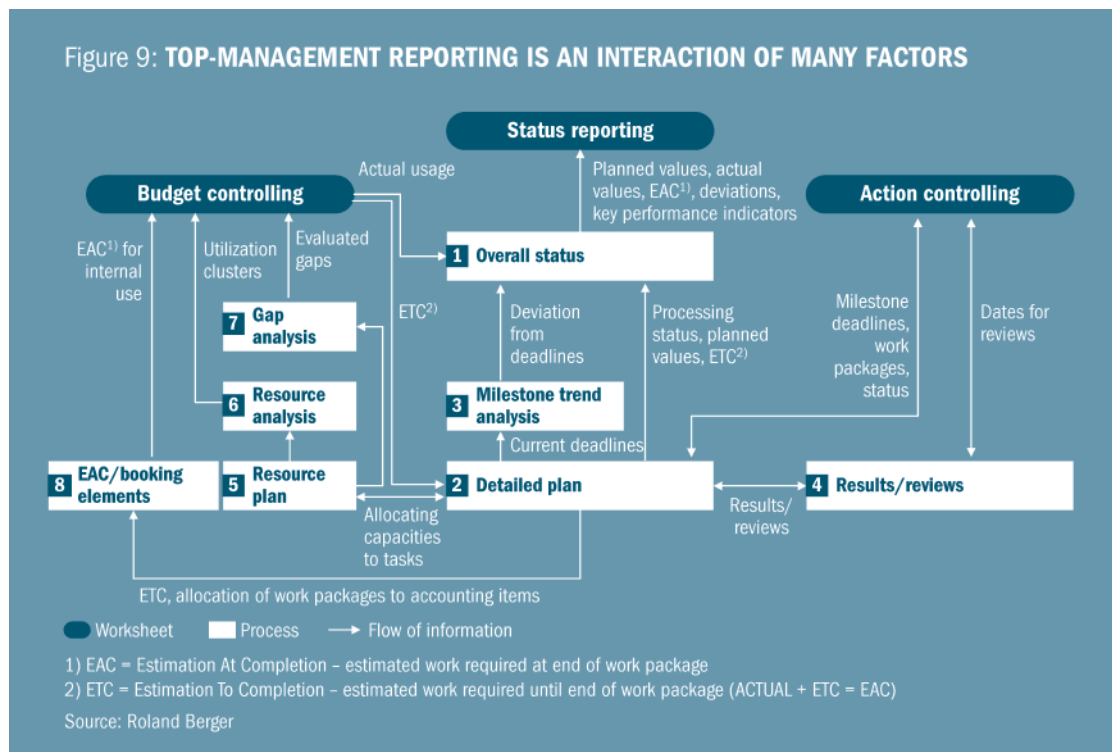
Top management reporting and project marketing

The fact that the project managers are often not the project owners makes a well conceived and consolidated reporting system essential. Good reporting structures help the launch management to inform top management about risks and problems, and to request help. For its part, top management needs systematic reporting to be able to keep track of project progress and to give it the priority it requires on the top management agenda.

But in project practice, reporting channels are considered to be helpful enough to justify larger investments only in the most seldom of cases.

However, it is precisely this tool that makes it possible to carry out important feasibility checks, make target/actual comparisons and directly market subproject successes. For this reason, project management should prepare information in such a way that people who aren't involved in the project can understand it. Good and honest information can attract considerable attention to the project. Bad reporting – even if the information is merely provided in a manner that is difficult to understand – can cost a great deal of trust and confidence. The time that may be gained by offering "quick and dirty" reports can easily be lost again by special inspections, special reports or improvements proposed by an unsettled or angry top management.

Top management reporting is also a good indicator of the maturity of a project, for it is here that the information regarding all the aspects of a project is structured and consolidated (see Figure 9). Whether it be the budget controlling or the analysis of plan and actual values, resource planning or the controlled execution of activities, all these project management tasks are included in good reporting.



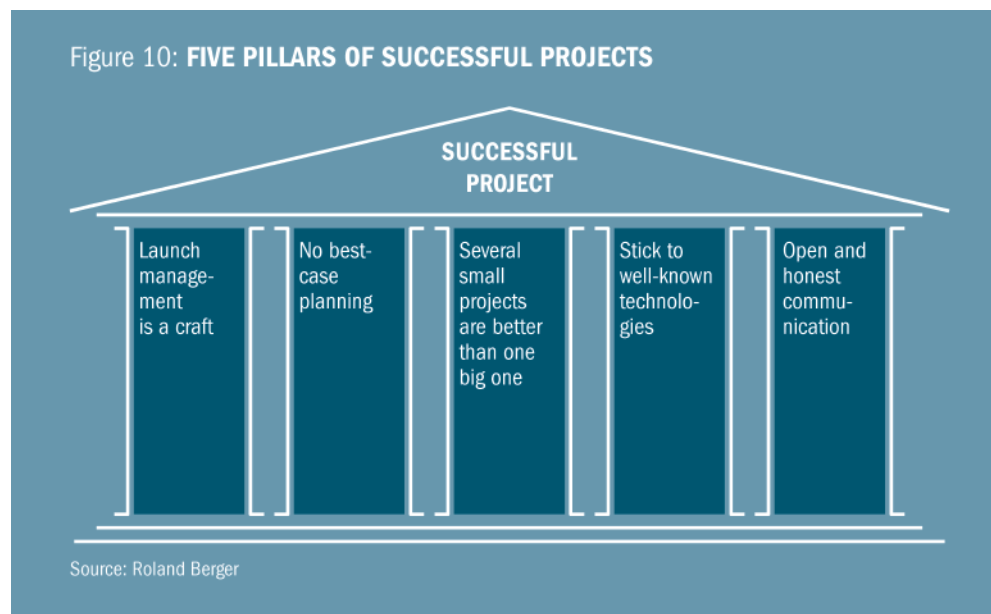
Resource management

The fifth critical factor in large IT projects is resource management – from staffing the project management (definitely no successful specialists without project management experience) to managing the development prospects of employees critical to the project. Successful large-project managers have many years of experience in this field.

Organizations that work a lot with large projects will not be able to avoid having a pool of top professionals at their disposal for the management of these matters, and fostering and training them as management resources. Only employees who know that project management is anything but a dead-end for their career will be able to motivate other employees. They are the only people who can credibly convince others that being on a project for an extended period of time is not tantamount to abandoning their career. Only then can projects work with a reliable base of know-how carriers and keep the risks involved with staff fluctuation to a minimum.

4. The five guiding ideas

Big IT projects are different: They usually serve a larger number of stakeholders, have very tight deadlines and almost never have a really clear definition of their requirements. For most of the people involved, IT projects are very abstract. This means that on top of the usual features of large projects such as high complexity, there are also other key elements such as expectation management, which should not be underestimated. To master all of these factors well, it is essential to concentrate the management activities on the essence – the launch or go-live – and to orient all other activities toward them. The following five guiding ideas are helpful with such launch management:



Launch management is a craft:

Insist on well-trained staff and an integrated overall plan, right from the start. This should encompass actual/target comparisons, effective risk management, resource management conceived to cover several months, professional top-management reporting and continuous interface management.

Don't commit yourself or your customer to best-case plan scenarios:

Be candid and honest with your customer about expectations.
The best time to start doing this is during the RFP phase.

Where possible, put together smaller project packages:

The less expansive and complex a project is, the easier it is to manage.
So try to distribute big tasks between several independent subprojects.

Prefer established technologies:

If you use new technologies in a project, evaluate and plan them very carefully. If it is not absolutely necessary to use new technologies, put your faith in proven standard ones.

Insist on open communication and clear decision-making channels:

Set up institutionalized and well-defined reporting channels to the customer and the top management or project sponsor. Clearly determine who can make what decisions and who should be included in the decision-making process.

Including these thoughts in launch management is half the battle, and will help large projects succeed. After all:

"All success has its secrets, all failure its causes."

(J. Kaiser)

Launch management helps combat the causes of failure and is the secret to the success of your project.

Roland Berger Strategy Consultants – InfoCom

Exciting changes are gripping the world of information, communication and entertainment. In the fields of telecommunications, IT/information management, high technology and content, Roland Berger has bundled its activities in the InfoCom competence team. Working closely with our clients, we strive to actively shape the changes that are unfolding and exploit their business potential.

The advice we provide to clients focuses on the key challenges facing them today and tomorrow:

- > We collaborate with clients to devise durable business models and establish new business footprints. These activities cover a broad range of disciplines, from the development of new IP services and placement of media products to implementation of completely new online delivery channels. Not satisfied merely to draw up growth strategies, we stay around to help you put them into practice – with measurable, verifiable results
- > It is very important to us to fully understand your industry. Drawing on our in-depth industry expertise, we help you improve your performance wherever the need arises. That can involve launching and completing efficiency drives (based on customer acquisition/retention programs, for example), optimizing specific processes (in product development or IT support, say) and even handling full-blown transformation programs in the context of ICT mergers
- > We do not see "content meets access" as an academic argument in the convergence debate. We join with our clients to actively build and launch entertainment platforms and develop specific solutions. Our services stand or fall by the quality – and business success – of the resulting information, communication and entertainment products

Our team of more than 100 InfoCom consultants is embedded in Roland Berger's entire international network. As an independent consultancy, our sole commitment is to serve your best interests and see our collaborative efforts succeed. Everything we do is focused on achieving this goal. We do so by combining excellence and creativity with pragmatism, forceful impact and a true entrepreneurial spirit.

Apparently we're doing something right. Along with our clients, we are growing even faster than the attractive markets in which we operate.

**Why not e-mail us or give us a call?
We look forward to hearing from you.**

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