Public Sector Projects
- Set Up To Fail?

David Feeny
Oxford Institute of Information Management
Templeton College
University of Oxford
IT Project Problems - Historic Responses

• Use new IT tools
• Improve Project Management
• Outsource to skilled suppliers
• Tighten the contract
Risk Factors in IT-intensive Projects

Project Size

Requirement Uncertainty
High

Technology Inexperience
High

Low
The Private Sector Response

Dolphins, NOT Whales
Definition of a Dolphin

• Multidisciplinary Business Project Team  
  - business, in-house IT, suppliers  
  - full time, shared space

• Identified Business Benefit the Only Goal

• Short Mandated Time-scales  
  - 6 months for traditional technology  
  - 90 days for web-based

• Architecture Constraints

A Paradigm Shift from the Systems Development Life-Cycle
Identifying Project Goals

- Business Idea
- Business Change Components
- Technology Components
- Achievement Metrics
- Financial Impact
Swimming with Dolphins: Public Sector Challenges (?)

- Engaging the Leadership
- Changing the Procurement System vs.
  - SDLC Heritage
  - Public Accountability concerns
  - Supplier Interests
- Building the Core IT Capabilities
- Changing the Culture
## Seven IT Creeds of the CEO

<table>
<thead>
<tr>
<th>METAPHOR</th>
<th>CHARACTERISTICS</th>
</tr>
</thead>
</table>
| HYPOCRITE  | 1. Espouses strategic importance of IT  
2. Negates through personal actions                                           |
| WAVERER    | 1. Reluctantly accepts strategic importance of IT  
2. Not ready to get involved                                                   |
| ATHEIST    | 1. Convinced IT is of little value  
2. Publicly “comes out” with this belief                                        |
| ZEALOT     | 1. Convinced IT is strategically important  
2. Believes he is an authority on IT, too                                        |
| AGNOSTIC   | 1. Concedes IT may be strategically important  
2. Has to be convinced over and over                                             |
| MONARCH    | 1. Accepts IT is strategically important  
2. Appoints best possible CIO to handle IT                                       |
| BELIEVER   | 1. Believes IT is an enabler of strategic advantage  
2. Demonstrates belief by his/her own behaviour                                  |
Practicing
Scanning and understanding new technologies

Living
Creating Context

Believing
IT as first order - not second-order - thinking

Setting priorities

Signalling continuously

Spending quality time

Relating with CIO

Embedding information management processes

Challenging IT’s supply side

Working on a vision of the future

Sponsoring internal and external architectures

IT Believer
CEO
Project Governance

- Project Sponsor
- Project Champion
- Project Manager
  - Business Members
  - Members from Core IT
  - Supplier Members
- Project Board
- Project Team
Case Study - Life Assurance Business

Jul 1994: Business identifies new infrastructure as route to competitive advantage

Dec 1994: Large IT Services group identified as supplier. Tight contract negotiated, including penalty clauses

1Q 1995: Project team of ~200 people assembled

Apr 1995: Supplier advises project requires >> effort. Project Board agonizes

Jul 1995: Project Board tries/fails to resolve way forward

Sep 1995: Supplier brings in ‘audit team’, suggests new plan

Dec 1995: Business exercises contract escape clause

end 1997: Business has achieved nearly all goals, through ‘dolphins’ and judicious ‘middleware’
When Sourcing = Outsourcing

Transaction

PURCHASING STYLE

Relationship

Resource

PURCHASING FOCUS

- Insourcing

Result

- Outsourcing

Oxford Institute of Information Management

- Lacity/Willcocks/Feeny 1996
Nine Core IS Capabilities

- Feeny & Willcocks, 1998
Corporate Level
Intensive Induction

IS Organisation
Focus on Business Objectives

Work Group
Short Delivery Timescales
Delivering Business Benefits
Multidisciplinary Teams
Credible Project Manager
Co-Location
Team Building Processes
‘Right Blend of Team Members

Business/IS Relationship Factors

IS Head on Exec Team
Aligned to Processes
Recruited for Relevant Skills
Personal Development Training

Opportunity for Cross-Fertilisation

Project Based Culture
Multiple Career Paths
Rewarded for Achieving Objectives
Integrated Location

Taylor-Cummings, 1993
Further Readings


Feeny & Willcocks, ‘Core IS Capabilities for Exploiting IT’; Sloan Management Review, Spring 1998

Earl & Feeny, ‘How to be a CEO for the Information Age’; Sloan Management Review, Winter 2000