

Stopping Runaway IT Projects

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In *Business Horizons*, 47/1, January/February (2004), pages 73-80.

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Given the amount of time and psychic energy the average corporate employee puts into his or her job, it would be a shame to realize that all that work was for nothing. But in many Information Technology (I.T.) projects that businesses take on, this is exactly what is happening. There is a new buzzword in corporate management – “runaway project,” which means that the assignment in question has started to go in its own haywire direction – using up valuable resources with no end in sight. And a runaway I.T. project? This could be truly wasteful, because often unfinished projects that are either “off track” or have neglected essential elements have no real value to the corporation at all.

Why would a company or its workers continue with something that is obviously failing? First, it is rarely “obvious” that a project is not going as planned. For one thing, in the “current age of multitasking,” there are often five or six assignments that are in the works simultaneously; assignments with different goals, at different stages, of different degrees of complexity. So this means that since the manager has to supervise so many projects at one time, each only gets a piece of his attention, which can lead to the “inability to identify potential issues.” Linked to this is the fact that project managers are daily deluged with information. Their Inboxes are flooded with emails, faxes, and reports. The one stray warning from an employee about a potential problem can be easily lost in the melee. There is also the “overconfidence trap” – namely that the employees or project managers are so certain that their mission is going smoothly, without a hitch, that they fail to see warning signs of possible failure.

To continue, why is it hard to stop in one’s tracks – after the project has been flagged for having a potential problem? The authors see this problem as largely psychological, with the ego getting in the way of efficient cancellation of projects. When faced with a choice between terminating a costly yet unfinished project, or escalating financial commitment and forging ahead, issues of cognitive dissonance, prospect theory, and principal/agent theory come into play. Employees and managers alike hate to admit their own errors – and so often simply proceed with the project in question, hoping that the problem will just disappear. Also, admitting to a mistake would interrupt the normal flow of things. “Continued support of a project until its resources run dry [is] due to the procrastination of dealing with reality.” There is also the common belief that seeing a failure in a project and scrapping it is wasting all the money and time put into it – and that it would be more efficient to just see it through. But once there is a hitch, seldom can things get turned around, and so more time and money are wasted in the delays. There are also the interdepartmental conflicts that come up – stubborn competitors who continue with projects simply to win a “power battle” – or uncertain project members who simply continue to preserve inter-office harmony.

While these reactions are certainly understandable, they are detrimental to the project and the company, and need to be remedied. There are definitely ways to avoid these corporate project pitfalls. First, put the task of troubleshooting or finding errors in a positive light. “Without the

potential of becoming a scapegoat, a manager has more incentive to identify issues before they get out of control. ... Project managers should be challenged to search for negative or dissonant information in their assignments.” This way, catching mistakes becomes a positive challenge, not a negative one. Also, don’t let project managers put themselves in charge of too many things at once, because this may yield projects of inferior quality.

It is truly difficult to run an office and to make sure every aspect of things is running smoothly at all times. Yet, there are things that every project manager can do to make sure errors are found and dealt with as efficiently as possible. They should be proactive rather than simply reactive, build in checks and balances, and formalize channels for dissonant information, because then more time, resources, and energy can be devoted to projects that are sure to be successful, and to advance the corporation itself.