Foreword

A number of Parliamentarians, both individually and through Select Committees, expressed concerns about information technology (IT) projects – time, cost and performance – during 1997 and 1998. The Executive responded to these concerns by strengthening the monitoring regime, particularly through the central agencies.

We did not think it useful to duplicate the detailed work and consideration being given to the specifics of project monitoring, but believed it would be valuable to review the overall governance and oversight arrangements in place. We appointed Innovus Limited to interview 35 people with an interest in IT projects – including Ministers, other members of Parliament, central agencies, departmental chief executives, IT managers and project managers, suppliers, specialist contract managers, and interest groups – to prepare case studies and to draft this report.

The project team also reviewed the available literature on success and failure of IT projects, and that work is reflected in the detail of the report.

We received valuable insights that helped shape the final report from Ross Tanner (Deputy State Services Commissioner) and Jack Percy (Managing Partner at Andersen Consulting) as external advisers to the project team, and from Doug Bailey (SIMPL Group) as an external reader of the report.

The report is in three main sections, each addressing the issues from a different perspective:

- **Governance and accountability** is covered in Part One. It identifies the key players and roles in major IT projects, and discusses current practice and issues with these roles.

- **Understanding IT projects** is the subject of Part Two. It describes the environment within which IT projects operate, and the normal stages of projects. It discusses key issues with the conduct of IT projects, and concludes by commenting on project risks.

- **Reasons for project success and failure** are covered in Part Three. This part opens with an inventory of typical reasons for project success, and goes on to summarise the issues identified during the interviews on which this report is based. The issues are grouped under the headings of skills, behaviour and information; and we draw together the threads from the previous parts.

Finally, in the Appendix we propose a list of questions which each of the three key audiences for this report might use to test the validity of plans for, or progress reporting on, major IT projects.

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Controller and Auditor-General
20 April 2000