

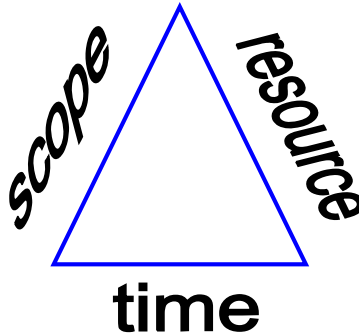
WHY MOVEX PROJECTS FAIL

By Laurie Hester, Tribex Consulting

Movex modification projects often fail, either increasing in cost, or ending in frustration and dissatisfaction. I believe this is due to poor management and poor communication with the customer. First, some background:

Three components of an IT project:

Scope
Resource
Time



Like an isosceles triangle, if any one of these components change, the others must be adjusted. If you take the MOD260 estimate, then:

- If the scope is increased, either the resources or time must be increased.
- If time is decreased, resources must be increased or scope must be decreased.

If resources are decreased, time must be increased or scope must be decreased.

This is as unchangeable a rule as the laws governing geometry, and any project which ignores these rules will fail.

It is the responsibility of the project manager to make this clear to the customer. It is in neither the service provider's nor the customer's best interest to side-step this rule, as you will be setting the project up for failure.

Myth about resources

Throwing more resources at a project doesn't mean time decreases proportionately. If you have a project of 120 hours for one programmer, then you assign 3 programmers, it won't get done in 40 hours. Communication, planning, management, analysis and learning curve all increase, as do the logistics in 3 programmers trying to modify the same program(s). Because of the well-written, modular code of Movex, you are often better off planning more time and letting the same person finish the project.

Time & materials vs. fixed price

You are all businesspeople and so many of you want a fixed price in order to limit exposure to costs. However, you must realize that programming service providers are also in business to make money and far too many lose money on fixed price projects.

For a fixed price project to be profitable for the provider, they must do 4 things. Make the estimate big enough to cover the unforeseen and define, define, define. If the project isn't defined well enough, the provider cannot convince the customer that a change in scope requires a change in time or resources (and price). Both covering the unforeseen and a proper definition of the scope will raise the cost of the project if done properly. Changes also become cumbersome, hav-

(Continued on page 2)

(Continued from page 1)

ing to be taken through the proper channels for approval for increased cost. The customer ends up paying much, much more for a project this way.

This is not to say that a time and materials project doesn't need to be well-defined; the more defined it is, the fewer changes will need to be made, and the lower the cost to the customer. In my experience, a time and materials project **managed well**, will always come in cheaper than a fixed price project, with less frustration on the part of the customer.

Conclusion

Too many Movex projects have the time component fixed first, before the analysis and scope definition have been done, and it is more difficult to adjust resources and scope to fit time constraints. Yet letting the scope and resources determine the due date (time) is the hardest thing for IT managers to sell to the rest of the company. How many times have we heard "This change must be in place by such-and-such date"?

The best way to handle an unchangeable time component is to change the scope by phasing and prioritizing the modifications. Or, plan the additional resources from the beginning (reducing problems with logistics, planning, learning curve, etc) instead of "hoping" for a miracle, then having to add more resources last minute. Proper understanding of the scope/time/resource relationship will make your Movex project run more smoothly.



Tribex Consulting is a coalition of Intenia-trained Movex Business and Technical consultants, who have joined together to provide expertise in training, modifications, installations, and support of Movex customers. They offer low rates, fast implementation and turn around, and excellent communication at all times. Small jobs to large projects.

Contact them at 650-366-4627, 866-461-6927 (toll-free), or www.tribex.biz.