Chapter III
Why Implement Very Large IT Projects

ABSTRACT

The basis upon which the objectives and policies for managing a VLITP are formulated is the need to achieve the project objectives on time and under budget. However, benefits for investing in the underpinning activities may not be sufficient to ensure long-term viability for the host organization. This chapter gives a detailed explanation of why very large IT projects are implemented costing the host organization billions of dollars. It also breaks down the management process of VLITPs, giving clarity to procedure and policies.

INTRODUCTION

The implementation of VLITP may demonstrate that profit maximization is a short-term goal of business activity. Investing in activities that affect the society in general show long-term interests of the organization. This explains the alternative view that profit maximization can only be achieved over the extreme long-term participation of the organization. Investing and underpinning VLITP activities sufficiently to ensure long-term viability of organizations can achieve this. These are therefore the basis on which objectives and policies for managing VLITPs are formulated. These are not only the purpose of organizations managing VLITPs but also the means by which their business objectives are to be achieved.
The management team of VLITPs takes seriously their responsibility for the overall direction of the project. This often requires taking strategic decisions, which are then implemented by individual team leaders for sub-projects working in their own particular ways. Members of the management team usually have great access to organization information as well as very good understanding of the value and contribution of various aspects of VLITPs. Work on the management team is better carried out with mutual understanding and mutuality of interest, rather than blind obedience to orders from one individual even if that individual is the chief executive or a well-known project champion.

**PROJECT CONCEPTION**

Before beginning a VLITP the following goals should be achieve as part of the initial decision to go ahead with the planning stages:

- Obtain top management support for the estimation process often based on an experiential-analogy approach, in order to obtain better adherence of estimated efforts against the actual ones.
- Ensure the necessary skills are available to in order to satisfy the needs of specific aspects of the VLITP, which will in turn improve the quality ranking in the eyes of customers.
- The introduction of standardized and objective techniques, supporting sub-projects by size as the main input for the subsequent effort towards the project estimation process.
- The introduction of a relationship, across different phases of the project, between different techniques.
- The setting up of projects’ historical database and ensuring that shared and access are made available to people making initial preparations for the projects.

A VLITP is a collection of logical stages that maps the life of a project from the beginning to the end (see Figure 3.1). This logic is used to define, build and deliver the final outcome of the VLITP. Each stage should provide one or more deliverables, which are needed to move on to the next stage of the project. Deliverables—usually tangible and verifiable outcomes of work that serve to define the work and resources that are needed for each stage—are means of the host organizations evaluating the progress of the project and determining the need to take action to correct errors or mistakes (Cleland, 1990). Figure 3.1 also demonstrates how VLITPs are broken into various stages to make the project more manageable and reduce the risks that
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