

How to avoid this list in **2016**



Large IT Modernization Projects Often Fail What goes wrong?

According to the 2011 Institute for Defense Analysis report (pdf) business transformation projects are routinely "over budget, behind schedule, & have not met performance expectations."



Large IT Modernization Projects Often Fail What goes wrong?

Why?

Analysts point to:

- Large projects are complex, both technologically and financially
- Reporting negative findings is perceived as weakness; obstacles are therefore not removed
- Focus is often on technology instead of business needs
- Difficult for smaller, more agile companies to access government projects
- Lack of incentives that encourage completion versus stretching the project (cost plus arrangement)



Overcoming Government IT Failure

According to <u>PMI</u> (May, 2015)

The annual cost of failed U.S. government IT projects is estimated to be as high as **US\$20 billion.**

OpenLegacy

Overcoming Government IT Failure

To overcome challenges:

- Make it easier for smaller companies to bid
- Reduce project size if it takes too long, it may be obsolete before completed
- Provide training so the teams are skilled at what they do – both technologically and financially



Complexity Makes Large Legacy Modernization Projects Risky

"There is going to be so much more complexity and unperceived risk associated with larger projects as compared to smaller ones...and they are more likely to fail."

> Niam Yaraghi, a fellow at the Brookings Institution's Center for Technology Innovation

> > OpenLegacy

There are many examples of Failed IT projects over the last decade

	ett.			
HP has had trouble with large projects. Losing over \$266M	U.S. Air Force Spends \$1 Billion on Failed ECSS project (pdf)	Avantor Sues IBM – \$13M project	California's DMV IT Project Cancelled (\$134M)	Healthcare has many similar examples



HP has had trouble with large projects



HP - Department of Motor Vehicles projects cancelled, Michigan State (\$49M), <u>Rhode Island</u> (\$16M+), California (\$135M), Minnesota (\$48M), Vermont (\$18.5M), <u>New Jersey</u>, and more

Lengthy timelines as well.

Michigan State cancelled project lasted over 10 years!!!



U.S. Air Force Spends \$1 Billion on Failed ECSS project

8 years!!!



According to <u>Spectrum</u>, between 2004-11 the US Air Force failed to complete an ambitious and risky effort to replace 240 outdated Air Force computer systems with a single integrated system.



Avantor Sues IBM – 13M\$ project

According to <u>Reuters</u>: HOUSE



- IBM SAP's solution did not meet needs, as promised
- Avantor is claiming disastrous damages, including:
 - Lack of crucial functionality that Avantor needed to run its core business processes
 - Errors ranging from failure to track or process orders correctly to directing "that dangerous chemicals be stored in inappropriate locations".



California's DMV IT Project Cancelled (\$134M)



According to <u>Spectrum</u>, the project's dashboard status was "yellow" (meaning that the project is slipping) right up until the day it was cancelled. As far as I can tell it never reached "red," meaning "a project that is in need of immediate intervention."



There is evidence from Canada too

In Ontario, for example

- An \$80M laboratory information system that costs at least \$15M annually to operate has languished largely unused for years
- A \$46M diabetes information system that was intended to serve as the centerpiece of a \$150M chronic disease registry has proven impossible to build.
- Progress is dependent on the implementation of health information plans



Invested Time and Money May Not Yet Be Paying Off in Ontario



According to the <u>Globe and Mail</u>:

- Projects were centered first on constructing massive provincial databases rather than on the basic need to connect physicians to each other and to patients.
- New technologies, like using tablets to enable patients to do their own data entry, are waiting, despite being proven effective.



Time and Money Costs

From these case studies, it is difficult to know exactly how much longer or how much more expensive the projects actually were

They share

- multiple attempts
- at multiple-year projects
- with budgets ranging from millions to hundreds-of-millions and billions of dollars.



Today's solutions



"17 percent of large IT projects go so badly that they can threaten the very existence of the company,

Source: McKinsey/Oxford study on reference class forecasting for IT projects http://www.mckinsey.com/insights/business_technology/delivering_large-scale_it_projects_on_time_on_budget_and_on_value



OpenLegacy makes it easy and fast





One-click model Generation One-click Deployment

IN DAYS INSTEAD OF MONTHS

Benefits

Rapid	Risk Free	Out of the Box content-aware	Workload/	Effortless	Leverages	Fully
Days instead	No changes to		MIPS	Scalability	existing assets:	customizable,
of months	existing applications	Security and API management	Reduction ("Deep caching")	automatically deploys to Docker cloud containers	presentation, business, data or service	rule based, completely open standards





Secure

API

But exactly how do we compare to the competition



Provides automated integration and multi-tenant delivery

- Content and context aware security
- Platform agnostic
- Out-of-the-box API management
- Deep caching can reduce existing / future workloads
- Automatically deploys to Docker based cloud containers or on premise
- No changes to your applications
- Leverage your existing assets: presentation, business or data
- Open source based, completely open standards
- Fully customizable, rules based

TIBC



Traditional ESBs

Provide integration and governance

- Some API interface, no API architecture
- Hard to migrate
- Standard security
- No automation
- Black-box design
- Not cloud ready

Cloud Based ESBs & Multi-tenants

🚫 MuleSoft"

IEM

TIBC

ORACLE

(D&LL) Boomi

Provide integration and cloud deployment

- Vendor locked and Cloudplatform locked
- API interface, no API architecture
- Hard to migrate
- Standard security
- No automation
- Black-box design



API platforms

Provide API management, analytics, security

- No integration
- No delivery
- Existing governance investment not used



How to Avoid Failure in 2016





Integrate your Backend Systems faster with OpenLegacy

We help you: Remove all obstacles for innovation and allow the business to set the pace





Thank You

Rolin Zumeram, VP Sales Email Rolin.z@openlegacy.com **Call.** +1.844.OPENAPI (<u>844.673.</u> OpenLegacy Gartner, 2015 Coo/Vendor USA 103 Carnegie Center, Suite 300, Princeton, New Jersey 08540 USA Connect on Social Media www.openlegacy.com Twitter.com/openlegacy LinkedIn.com/company/openlegacy-inc Facebook.com/openlegacy