Against the Odds
How an executive project sponsor influenced a project to succeed despite an unsupportive environment

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Abstract

This is a case study of a difficult project in an organization with a reputation for consistent success.

It describes how an executive project sponsor influenced a very understaffed IT project to achieve a modest success in spite of very little support from the rest of the organization. The project succeeded despite a poor project plan, little user support and malicious political opposition. This confirms the critical role of an executive sponsor for project success and it provides extensive background information to explain how top managers really influence projects to succeed. The case is particularly valuable for its detailed description of how important it is to build commitment and trust over the length of a project. It highlights the subtleties related to the communication of priorities and the need to seek out, listen and respond to unanticipated issues.

The case is part of a set of five studies undertaken to explore the relative importance of top management support and to understand how they influence projects to succeed. It is reproduced in full in a handbook (HB280:2005) on IT project governance planned to be published by Standards Australia.
Background

The Agency is a public sector organisation providing scientifically derived information services. It is recognised as a world leader in its field and Agency personnel lead the international coordination to further the science.

The Agency recognised the potential of computing from its earliest days. It has successfully used computers since the early 1950’s when the Agency was closely connected with the third or fourth modern computer ever built. The Agency staff are constantly at the leading edge of technology (eg. high-end super computer projects) but their focus has always been to improve operations rather than simply exploring the technology. Their business achievements include the reduction of staff numbers by over 30% (over the period 1976 to 2003) while simultaneously providing more information at higher levels of accuracy.

The Agency has a track record of success in its core business and deserves its reputation for doing ICT better than most. However, Agency staff have different opinions\(^1\) on what are the crucial elements that lead to its consistent success. This case study has been undertaken to try to clarify which aspects of the Agency’s ICT practices have the most impact on success. It is of a difficult non-strategic project undertaken in a non-operational department of the Agency. The case is particularly interesting because the relative success of the project can be attributed mostly to the support of two senior managers. This is particularly significant because although there were some good staff, the project overall was quite understaffed and not particularly well planned.

The Finance Department

Most Agency staff outside the Finance Department have professional or scientific backgrounds. The work is very specialised and the quality of their work is reflected in the observation that ‘once you join the Agency, you never want to leave’. In contrast, most of the Agency’s finance staff have clerical backgrounds. They also have long

\(^1\) Because there were so many different opinions, and even though many direct quotes are used, the presentation of the case necessarily reflects the understanding of the author and is not necessarily the view of the Agency.
average tenures (of around 15 years or more), but in the finance department this was not for positive reasons:

'We were one of two organisations [in Australia] who used the previous computer system ... and we were cash based which is significantly easier than accrual accounting. After a few years that was all you knew and you couldn’t get a job in another organisation’

Most Agency staff considered the finance department something of an inconvenience and largely irrelevant to the operational business of the Agency. This position was somewhat justified because the Agency had reached world-class standards through a focus on other ‘core’ areas of its business over many decades. However they were being forced to broaden their focus to make a bigger role for financial reporting. Other public sector agencies were not as focused as the Agency and many were very inefficient. The government was demanding more financial information from all public sector organisations and the Agency had no choice but to comply.

The Agency Head was not against information that supported requests for funding or helped the Agency to strategically allocate resources but he was strongly opposed to the ‘management fads … being imposed’ where such activities impacted on the overall objectives of the agency. The Agency operated in an era of government cost cutting and the Agency Head had ‘quite fixed ideas’ on the information required. The finance department was to comply with the government requirements but the Agency had a separate Executive branch to produce management information. It was effective for the Agency, but the finance department felt neglected.

'We’re not 2nd class citizens, we’re 3rd or 4th class’

Project Failures Within Finance Branch

The Finance Branch were left alone to do their job. Top management were reactive as opposed to proactive to their activities and paid attention only if there was negative publicity from the government, the national audit office or some other outside source.

The Finance Branch implemented five separate information systems (AP, AR, GL, Inventory, HR). They worked, but they were not integrated and significant manual intervention was required to produce the statutory financial reports. Budgets were
managed and audits were passed without qualifying comments but there was significant unease about the quality of the information provided. They frequently had to ‘apologise to executive for being late with reports and had to delay ministerial requests for information’. The feeling was they were only just avoiding external scrutiny and they were running the risk of incurring significant embarrassment. This would have been unacceptable given that the Agency was seeking Executive Agency status in an effort to gain more control over their destiny.

The situation was compounded by a number of information system project failures or perceived failures.

- The Agency was tolerating a ‘bug-ridden’ inventory system ‘inflicted’ on the organisation in 1983. It had been customised to perform financial reporting but after almost 20 years ‘there was still no end in sight’ to how much more would have to be spent to either fix or enhance the system.

- There was a large cost overrun followed by the outright failure in the implementation of a General Ledger system in 1993.

- The Management Information System (MIS) initiated through the Executive Branch ‘failed’ to deliver high-level information (to complement the financial reports required by government).

All 10 members of the senior management team had sat on the steering committee for the MIS but it proceeded slowly, with many initiatives and proposals being rejected, and it took almost 10 years to produce the system. It was a technical success (providing expenditure and revenue reports against budget for a wide range of line managers) and was possibly the first data warehouse ever developed in Australia. It was widely used within the Agency, but because it did not meet the high-level reporting expectations eg. performance reporting, its successes were not acknowledged.

This situation was extremely frustrating to senior management. The Agency has consistently succeeded with high-risk super computer and leading edge ICT projects
so it was difficult for them to accept ‘failures’ with ‘easy systems’. The feeling was such that ‘top management despaired that anything could ever be done right in the Finance Branch’. The situation was tolerated because the shortcomings in the finance department did not affect the ability of the Agency to reach and improve world-class standards in its core business.

**Accrual Accounting & Other Drivers For Change**

Around 1997, a number of government initiatives changed the situation. The most significant was a directive for accrual accounting to be introduced by 1999/2000. A second directive was to standardise computer systems across the whole of government. These two drivers had serious implications because Agency financial management systems were neither standard nor capable of handling accrual accounting.

A new Finance Director was appointed. She had some financial background but she was unfamiliar with how to get things done within the Agency. She was the first senior manager to be appointed from outside the Agency in many years and the only female senior manager. She had a difficult decision to make and it was made more difficult when her peers would stop her in the corridor and ask her when she would make a decision about the financial system. She realised:

‘It was a tough project ... on the bottom end of the totem pole’

‘I didn’t get a lot of time with the Agency Head ... I knew wouldn’t be able to change them [and get their support]... so I had to reach the point where I was convinced the project had to succeed and then ... I would do it with them or without them’.

The new Finance Director reports that it took her some time to get to grips with the issue. She ‘would not be panicked into making a decision’ and needed to reach the point where ‘there was real ownership’ on her part. The problem was that there was ‘a serious lack of skills’ in the finance department (who did not understand accrual accounting) and there were conflicting and strongly held opinions for the best way forward.

Henry Tell, her senior financial officer, was of the strong opinion that the existing system should be upgraded. However, this option would result in a non-standard
system and was risky because ‘so much money had already been spent on the existing system without providing a satisfactory system’.

Henry had commissioned a consultant to explore the issues but the computer support manager felt strongly that the main recommendation (to develop a new system in-house) was beyond the capacity of the Agency. Mark Black the project manager of the ‘failed’ MIS project commented in writing that the consultant’s advice to develop a new system was more complicated than might first appear.

**The Right Advice And The Right People**

The new Finance Director needed advice she could trust. She turned to chairman of the MIS steering committee who had been instrumental in appointing her to the Agency. The chairman firstly helped by reaffirming his confidence that she had the ability to drive the initiative through. Then he helped her to see that the organisation’s poor perception of Mark Black was largely unjustified. This was confirmed very strongly by Mark’s former manager’s high opinion of him and his confidence that ‘[Mark] shouldn’t have to wear this criticism’.

It was an important clarification for her that the MIS did not fail technically but because of a lack of sponsorship. The MIS project ‘failed’ because no one from senior management had taken the risk of championing the project even though the Agency Head himself had initiated it. She realised that she faced the same risks but all that was needed was ‘more direction [at a senior level]’.

This played to her strengths as a hands-on manager but still there was considerable personal as well as organisational risk in undertaking such a project. Before she could commit to the project, she ‘needed the right people to bring along with her’. The Finance Director describes her role in this way:

‘You have to stand between the CEO and the workers ... and have enough faith to believe it is going to work ... and take the flack (to protect the team) ... but you have to let the team know something of what is going on, so they are aware of the sensitivities.’
‘You have to have confidence in your team and back them. On occasions (when they make mistakes) you may bruise them up a little (but not to the extent that they lose confidence)’

‘I’ve learned if you back staff … they will rise to the occasion … (unless they are clearly unsuitable, in which case you need to find someone else)’

With respect to this last point, the Finance Director said that it takes her time to commit this level of support to her staff.

**Initiating Project – Request Funding**

The first overt sign that the Finance Director was committing to the project came almost a year later in April 1998 when she formally requested funding from the MIS steering committee. The request was to undertake the first of the consultant’s recommendations (to determine the data requirements and functionality needed) with the intention to replace/upgrade/outsource the Agency’s financial systems.

The MIS steering committee approved the decision to go ahead. A small project team including Mark Black and Henry Tell (the senior financial officer) was assembled to determine the data requirements and functional specifications of a new financial management system. This was undertaken over the second half of 1998. The technical strength of the Agency was shown in the latitude and confidence given to the staff and their technical background. Consultants were not used and staff were given the time to ‘read a couple of textbooks’ and work out what to do. Key stakeholders down to operational levels were interviewed and business processes were mapped along with dependencies and planned enhancements.

The project team members made the comment that it helped enormously when the Finance Director made it clear she was ‘absolutely committed to the project’. They were aware of the poor esteem in which the Finance Branch was held.

**Winning Allies**

The request to initiate the replacement system was a positive move, but it must also have been received with some angst at the senior management level. Funding had been set aside for the upgrade of the financial systems, but (1) senior management and
the Agency Head in particular did not like to ‘waste money’ on financial systems (2) the track record in Finance Branch was poor and (3) there was no reason to expect the Agency would not be the next ‘horror’ story given the bad experience of their colleagues in other public sector agencies.

The Finance Director said that although no one ever confronted her with these fears directly, her peers in the corridor were ‘quick to say how the existing system was inadequate’. It had become apparent that the major risk was not technical but the potential lack of support. The Finance Director was still relatively new to the Agency and was still learning the rules for how things were done.

Another person became ‘very important to her’ – Brian Minister. Brian had served for several years as the Agency Head’s right hand man in respect of budget matters, had Finance Branch experience and is an organisation trouble shooter often assigned to the most difficult assignments. His high esteem is reflected in his subsequent promotion to a director position and at the time was perceived to understand the Agency Head well enough to represent his opinion.

When Brian openly supported the project by joining the finance system steering committee it sent a clear signal to the rest of the organisation.

**Overcoming Dissension In The Ranks**

The Finance Director worked steadily at increasing support and putting the governance structure in place. In the meantime the working group reported to the steering committee that the option to outsource or to develop a new application was not viable. The main reasons were that there was nothing to outsource and there was not enough time to develop a system in house that would be capable of full accrual accounting reporting by July 2001.

The steering committee accepted this recommendation and agreed that a mini-scoping exercise be undertaken to evaluate various commercial off the shelf financial packages. The option of upgrading the existing system was also to be evaluated.

These options reflected a major issue that had been simmering in the background. Mark Black (the project manager of the technically successful but poorly perceived MIS project) and Henry Tell (the champion of the existing bug ridden system) had
very different and very strong opinions of what the final solution should be. Mark felt that the system should not only report financial data for external purposes but also provide information for internal purposes. Henry opposed any additional complexity and believed that the best option was to enhance the existing system. The issue was initially resolved when the steering committee supported Mark’s view. Henry however did not agree with this decision and continued to actively promote his views. Some of the documented incidents suggest a high level of tension:

- Henry refused to participate in the formal evaluation of some packages despite direct instructions in writing to attend.
- A file note recorded a conversation where Henry accused a colleague of interfering and ended with verbal abuse.
- Henry lodged a formal accusation of impropriety (in the selection process for packages to be evaluated) against the Finance Director.

During this period there was a great deal of corridor talk. There were undercurrents at one level suggesting the viability of the Agency was being threatened because the new system would not work and at another level by suggesting that they were being unpatriotic by not supporting a local developer. Senior managers were never confronted directly with these misgivings but they ‘picked it up in the corridors’.

The Finance Director dealt with the undermining rumours by calling meetings to air issues ‘not knowing what would come out’. In the case of the formal accusation, the Finance Director arranged for the two accusers to have the chance to present their grievances directly to the MIS steering committee and then for the Agency to seek an external audit to clear itself of the accusation.

This period ended when both Henry and another opposer took leave, and finally left the Agency. The issue was managed sensitively to show respect to all parties and while difficult to handle at the time, became relatively unimportant in the grand scheme of things. However resolution of the issue delayed the project by 6 months.

**A Cautious Phased Approach — Phase 1: Proof Of Concept**

The working group recommended that the Agency purchase SAP. The recommendation was made because the Agency although small in transaction volume
had many complex transactions ‘similar to a merchant bank … [and] needed rich functionality’.

The recommendation was logical, well justified and documented but the unspoken feeling in the MIS steering committee was ‘that other government agencies had tried and failed with SAP … why would we be any different?’ The recommendation was even harder to accept because the expected budget was a relatively large sum for the under-funded Agency.

The MIS steering committee approved\(^2\) the project but they directed a cautious route. It was very important to them to avoid being the next disaster. The experience of the Agency is that projects go wrong when insufficient thought has gone into the preparation and they wanted to undertake (1) an initial proof-of-concept phase to give them the option of terminating the project before committing to (2) a full purchase and implementation.

This proof of concept phase was undertaken primarily by Mark Black. Mark believed that the project risks, in particular the acceptance of the system by users, would be minimised by making as few changes to the existing business process as possible. His task was to prove SAP could be implemented in the Agency with all the required functionality with minimal customisation and minimal changes to the business processes. It is significant to note that the decision to defer process changes in some ways conflicts with Mark’s own evaluation of SAP\(^3\) and it is possible that in focussing on tactical issues, the long term benefits were compromised.

Mark spent the next six months (Jan – Jul 2000) with SAP consultants and the software manual. Mark reports that the SAP consultants were very surprised to see the level of detail he wanted to explore before validating each functional requirement. He says that the ‘the consultants were used having their clients accept their advice at face

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\(^2\) It is difficult to know exactly what tipped the balance to proceed with SAP, but three factors stand out. Firstly the government. The Agency was one of the last to provide full accrual accounting and the Agency Head was getting more and more pressure to comply. Secondly the strength of conviction of the project team. Mark Black says ‘I knew why we had made our recommendation and I just stuck to my guns’. The final factor is probably the quality of the team. ‘I’d like to think that our executive would be smart enough not to do it, if they didn’t think they had the right people’. The Finance Director was told, ‘Mark can do it’.

\(^3\) The mini-scoping evaluation stated: ‘SAP R/3 will require considerable cultural change in current attitudes to processing financial transactions. More care will be enforced by SAP R/3 … a reference site identified this is causing initial resentment. The point to make, however, is that the Agency’s current approach to coding and entering transactions is inadequate’.
value’, but ‘they can’t know your business as well as you.’ He valued the consulting advice but did not over rely on it.

‘When consultants tell you they know how to configure their software, they mean they know a way of configuring the software, but they may not know the best way’.

‘When consultants say it can’t be done, they mean they don’t know how to do it’.

Mark feels that the Agency made a very good decision by appointing SAP as the prime contractor with overall responsibility for all other contractors. SAP introduced an implementation consultant but when the consultant said ‘it can’t be done, it will have to be a customisation’ Mark would sometimes call on SAP to provide an expert to work out if it actually could be done. Mark was seldom wrong and he based this judgement call on his best understanding of how SAP worked. Mark felt the dynamics of this phase arose because consultants do not know your business, they have a conflict of interest between wanting to help the customer and making a profit and because some consultants don’t know the product as well as they should.

The proof-of-concept was relatively trouble free because Mark had been intimately involved in the preparing of the functional specifications, he understood the business processes well and his years of experience within the Agency prepared him to anticipate future needs. He was also aware of the major difficulties other agencies experienced.

The end of this phase produced the Blueprint, a conceptual map of how each business process could be configured in SAP.

**Phase 2—Implementation**

The Blueprint proved that conceptually SAP would work. It was completed by July 2000, three months longer than originally planned. The delay was not a problem because there was no significant cost involved and the main objective had been met (i.e. to be sure it could be implemented in the Agency environment). The implementation phase to follow was quite different because significant costs and resources were required. A detailed project plan had to be prepared to avoid budget difficulties.
The detailed project plan relied heavily on the advice of the external consultants. Mark knew he had to take detailed advice because he operated more at a conceptual level and this was not his area of strength. He said, ‘I had to. We had never done it before, so how would we know?’ Unfortunately the plan that was prepared did not reflect the organisation realities at the Agency.

- The project plan was unrealistic in the Agency environment because it was too labour intensive, with too many activities occurring in parallel.
- Insufficient time was allocated to training.

The first issue was hard to detect because it was presented as a list of activities rather than schematically. The consultants plan required eleven full time and four part time project staff with the majority of activities occurring in parallel. It recognised ‘the provision of this level of support to the project is … one of the high risk areas’ but the extent of the risk was not fully anticipated.

It became a major issue because the consultants could not have realised the antipathy with which the Agency viewed their financial system. The consultants were on a fixed price contract and they fully expected the activities to proceed according to the project plan. When slippages started to occur they put enormous pressure on Mark and other project staff to complete planned tasks, even though they were already working very long hours.

The problem was that of the fifteen staff required by the plan, only seven staff were really available to make any significant contribution to the project. Mark knew better than to ask for the ‘best’ staff to be allocated to the project. He reports that Agency managers would incredulously ask ‘you want more?’ to his requests for a basic level of representation. Some project team members described themselves as a ‘second eleven’. Mark defended a few colleagues but he acknowledges ‘he would have liked more senior people on the team’.

The understaffed project had almost no chance of following the consultants project plan.
Creating An Environment To Succeed Against The Odds

To make matters worse, morale had been particularly affected by the opposition of the senior financial officer Henry Tell and one of his peers. Their views had created significant doubt about the project, doubt that had reached beyond the Finance Branch to touch many in the organisation. Many tried to avoid it by responding with a wait-and-see attitude but expectations were low and few volunteered.

The deadlines looked very shaky and the viability of the project was being challenged. Mark recalls how important senior manager support was to him at this time and their intimate knowledge of the organisation. Brian Minister describes his role in the following way:

‘To be available as a sounding board especially for the project sponsor and the project manager ‘to help work out what the real problems were’ and to ‘explore possible solutions.’

Mark would discuss issues with Brian and the Finance Director as he needed. With the issue of staff shortages they either (1) developed strategies to ask for alternative resources or (2) reduced the scope of the project in a way likely to be acceptable to the board.

Both Brian and the Finance Director offered significant levels of support by making themselves easily available to discuss issues, ratifying decisions or contributing to alternatives and helping to sell decisions. Mark particularly valued the strength of the Finance Director’s commitment to the decisions made and she made sure Mark had the confidence to know that she would personally fight for them. They had by then developed a good working relationship, understood how the other thought and “could communicate on the same wavelength”.

The Finance Director had an office on a different floor of the building, but she made special effort to visit the project team as often as possible to ‘shine on them’. She worked at creating a positive environment where people could rise to the challenges. She continued to call meetings to air issues whenever she sensed unease. She said ‘as time went on, people started to want to come on board as they could see it starting to work’. She did such a good job she even had to manage ‘some jealousy because [the perception was that] the project team got all the attention.’
The feeling it was going to succeed may also have come from observing the quality of some of the key decisions. These decisions were in no way trivial and they reflected both the experience of the team and the seniority and confidence of the decision makers.

To resolve the first problem of the missed deadlines Mark said to the consultants:

‘Look there are some problems [with the schedule] ... but I’m not going to accept that we are holding you up. [I don’t know how but] we can catch up later. You’ve got to allow us some more time at this stage for us to come to grips with what we’re trying to do …’

The consultants rebuilt the schedule but they said ‘you’re going to be in trouble later.’ Mark replied ‘maybe, but lets at least rebuild the schedule so that we are making progress rather than just panic stricken and hitting each other over the head’.

Revising the project plan

The revised project plan was presented and signed off by the steering committee without difficulty. During the implementation the team worked out how to meet the deadlines through a number of significant decisions. It is notable that no one mentions them as a major issue and it reflects on the effectiveness of communication and the transparency of the decision-making between Mark, Brian and the Finance Director.

- The time allocated for training was inadequate and the major factor leading to the eventual delay of the project. When it was finally recognised, it was decided that external trainers were needed and Agency staff would accompany the trainers to help answer agency specific questions. Because so few staff were available, and because there was ‘time up their sleeve’, the go-live date was deferred to the start of the new financial year (30 June 2001) to ‘give it a chance to do it properly’.

- A senior project team member said ‘I think a lot of the sign-offs are to protect the consultants rather than to add value’. In the Agency environment it was difficult to get people to pay much attention to financial systems, so it was decided that apart from the project plan itself, not to seek the majority of the sign offs.
• We had enough experience to know that the hardware was going to work, so ‘we decided to skip the load testing’.
• It was decided not to implement the HR modules, and to defer some work till later.

One project staff member observed these decisions surprisingly and learned ‘you don’t have to do everything you are supposed to do’. This staff member was widely praised for his efforts in change management yet he found he did not have to work very long hours to complete his core tasks. He explains that it is more necessary to work well with the key decision makers to scale activities to fit the resources and time available to do it.

**The User Experience**

There are two levels of users in the Agency, the day-to-day users and less frequent users. Their perspective of the project confirms much of the story above, but it is less clear because their expectations were so varied. The expectations may have been set too high by the project team in their attempt to get more participation:

‘I initially took a wait-and-see approach, then I was sold on this all-singing-all-dancing product giving me as much control as I wanted from my budgets. [I was disappointed when] it didn’t deliver’

‘If there is one thing I would fault on this project, it would be that expectations weren’t managed properly’

The majority of the day-to-day users acknowledge the system was a success and point to the successful production of the accrual accounts required by government. The infrequent users point to the fact that suppliers get paid and parts get delivered. In all but one of the interviews, the success is acknowledged without enthusiasm because users as a whole derived no benefit from the system. Some users have a bigger workload because of the demands of accrual accounting.

Accrual accounting is conceptually much harder than cash based accounting. The difference ‘is like the gap between high school and university’. The first time most users got involved was three months before ‘go live’ for training on the new system. Some users were trained a little earlier because they were asked to participate in user
acceptance testing\textsuperscript{4}. In all cases, the experience was challenging because there were so many new concepts that they had not confronted in a cash based accounting system.

The training was organised such that they had to learn new concepts and how to operate the new systems at the same time. They mainly learned how to process the same transactions as the old system, and in this sense was not difficult, but they also had the much more difficult task of understanding why additional information had to be recorded and the implications of not doing it properly. No one believed they mastered the inter-related tasks.

\textit{‘We felt like trained monkeys’}

The problem was compounded because the period leading up to the go live date was also when staff were at their busiest preparing year-end reports. There was also a delay between the training and go-live, a period of up to three months. A test system was made available for users to practice on, but few had the time or inclination to try. Users complained the system they learned was not identical to the go-live system.

This aspect of the project suffered enormously from insufficient resources. Originally the equivalent of three full time staff had been proposed for change management and training but in the end there was only one person. Training was ‘considered to be easy’ and originally was all going to be done in-house. When the project manager eventually realised that there were insufficient resources he then appointed a second consulting group that specialised in training.

It was a very common experience for users in the first three months after go-live to stay behind for many hours ‘trying to work out what was going on’. SAP is a complex system and according to the training consultant ‘will never be simple’. Even printing a document required working through many keystrokes on several screens. The documentation was very good but each person seems to have created an additional ‘cheat sheet’ summarising the main keystrokes to process a routine transaction. After a time an ‘official cheat sheet’ was published.

It took most users around 12 months to understand variations on the routine transactions. During this period the focus was on getting parts delivered and suppliers

\textsuperscript{4} Both the implementation consultants and the users challenged the quality of the user acceptance testing. The main reason given was that users didn’t understand what they were accepting.
paid. There was almost no reporting for management activities because users had to work out ‘why a transaction would work when you do it one way but not if you did it another way’. They wrestled with ‘the implications of coding transactions in different ways.’ The infrequent users do not have the expectation of ever understanding what they are doing and one clerical assistant said his job was to fix mistakes at the point of data entry because ‘they are miscoded all the time’. He added

‘It doesn’t matter because people don’t use it anyway’.

This last comment is very significant. Participants in the study asked that the organisation be kept anonymous because ‘the jury is still out’ in determining the success of the project. In this sense the outcome is not unlike the earlier MIS project.

One of the main reasons for choosing SAP was to produce information for internal management as well as external compliance. Mark had championed ‘the [internal] aspect of reporting’ as far back as the MIS system in 1985. It had always been recognised that ‘there will need to be a significant upgrade’ to staff skills and that ‘considerable cultural change was required … because the Agency’s current approach to coding and entering transactions is inadequate’. These considerations were largely ignored in the implementation and a user commented that ‘we were slow to get up to speed … The project team was young and keen and not afraid of change … but we never considered what are we going to do with people who aren’t going to make it?’

Various quotes illustrate the ambivalence of the organisation to the new system:

The change manager said, ‘within the Agency, if you don’t want to do something, you don’t have to … and training was like that. People were finding excuses not to attend’.

Users would say, ‘there was not enough training’, yet there is very clear evidence that much more training was delivered than ever intended. One user said ‘resources should have been increased not decreased after go-live’ but that is in fact what happened. (More of the training budget was spent after go-live rather than before.)

One of the more knowledgeable users said ‘I didn’t bother to go [to the user acceptance test] after the first few times … It was a pure waste of time because it was already cast in stone’. This user, when asked why he didn’t get involved earlier replied said he offered to help by saying ‘any time you want a hand, just give me a
call’. Another user in a similar role said ‘we were invited to participate, but we didn’t really understand what was going on so we left it.’ Mark Black commented that he just didn’t have the resources to convince more users to contribute.

Quite a few users in the same breath would say ‘it is better than what we had’ and then go on to list all the faults and all the problems with the new system. On 1 July they reported being ‘excited that the system worked’ and then in the months that followed became extremely frustrated because ‘we couldn’t do what we could do before’. A major ongoing issue, two years after the implementation is that users still cannot easily reconcile what is spent against their budgets.

**The Outcomes**

When people were asked whether the project was a success, no one gave an unqualified yes or no answer. In Agency terms, nothing remarkable happened. The project didn’t fall over, it was live and working from day one with no major dramas. It met the revised go-live date and was within budget. Mark said, ‘I didn’t expect anyone to thank me, because in the Agency this is normal’.

The Finance Director remembers however a very subtle indicator of appreciation. ‘The Agency made a modest contribution to costs associated with the celebration lunch.’ It was symbolically very meaningful because this almost never happens and to her it indicated that the Agency recognised the achievement was out of the ordinary. One of the main concerns of the executive was to avoid as disaster and it is significant that every member of the project team has subsequently been promoted.

In terms of the external benefits, it is now complying with accrual based reporting requirements in a timely manner and audits have been completely unqualified. There is a high degree of confidence in the information produced.

In terms of internal benefits however, the weakness in management reporting even two years after the implementation mars the overall success. Only one senior manager said anything positive. He appears to be a voice in the wilderness, with not even the sponsor or project manager recognising the potential with such enthusiasm.

‘This is the best thing that has happened to the Agency ... I can now justify making provisions to replace my assets and I could never do that before.’