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The Big Sleep

With the economy on the upswing, business managers look to revive IT projects. It's not always easy.
[John Edwards](#), CFO Magazine
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In the completely fictional Museum of Business Technology, the displays are amazing. Down one hall they've got a Quadricycle, down another the original Telex. One wing is devoted entirely to computers. There, Hollerith Desks, Apple 1s, and IBM 650s sit perched on ivory cubes, encased in acrylic panels, motionless and muted, forever frozen in time.

Back in the real world, Kim Autrey says he knows a little something about technology behind glass. Three years ago, Autrey, vice president of business systems for Orlando-based CNL Restaurant Capital, a subsidiary of CNL Restaurant Properties Inc., had just developed a bold new tech plan for the company. At the core of the plan: build a data warehouse that would help CNL, a restaurant-industry financing provider, operate more productively and efficiently. The project was well received by Autrey's bosses, who gave it the green light.

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But then, in 2002, Autrey's plan abruptly came to a halt. With the restaurant business still in the doldrums, and with other projects at the company being moved up, CNL management decided to suspend the project. "The priorities changed," says Autrey.

Such a rethink is not uncommon. Over the past few years, thousands of corporate IT projects—including those once thought vital to ongoing business success—have been relegated to some high shelf, victims of laggardly revenues and a lingering recession. Tech budgets, ramped up by so many companies during the go-go days of the late 1990s, were reined in. Indeed, Gartner Dataquest says global corporate spending on software and hardware actually dropped from 2001 to 2003—a rare occurrence (see "Once More With Feeling" at the end of this article).

With corporate revenues now improving (and with IT budgets plumped up), a growing number of companies are looking to revisit old proposals. Some are finding, however, that jump-starting a stalled project can be a complicated affair. "You can't just gas and go," says Rick Brenner, a principal at Chaco Canyon Consulting, a Boston-based company that provides project-consulting services. "You can almost never resume a project from where you left off."

Mash Unit

Consultants often advise corporate clients to appoint a team leader to assess the difficult work ahead. "You need one person who can conduct a project triage," asserts Troy Edgar, CEO of Global Conductor, a Los Alamitos, Calif.-based management consulting firm that helps large companies implement and integrate projects. "This person can then lead a group of people to finding the right answers."

It's not surprising that a worker with experience restarting stalled projects makes the best choice for the job. "You may find someone like this inside," says Brenner, "but it's unlikely." Why? Some industry watchers point out that tech workers with good project skills often command high salaries—exactly the kind of salaries employers have been eager to dump in recent years.

Occasionally, businesses turn to project-consulting firms to revive old initiatives. Many companies, though, eventually hand the keys back to the employee who first ran the program. A smart move, particularly if the worker has continued to champion the project during the big sleep. At CNL, Autrey says he never lost faith in his data-warehouse proposal. "I didn't want to let it die," he says frankly.

The result? As soon as CNL's business picked up, Autrey's project was sitting at the top of the corporate to-do list. "The homework was done," recalls Autrey. "So when we were ready to pull the trigger, we could pull it and move quickly."

Often, the first action after pulling the trigger is reassembling the original project team. That's no small task, given the high turnover in many IT departments. Plus, funds are almost always reallocated following a project cancellation. But many restarted projects can move forward with just a core of former participants, claims Ian Campbell, CEO of Nucleus Research, an IT research and project deployment consulting firm in Wellesley, Mass. "In most cases, it's just the evangelist and one or two of the former team members."

That proved to be the case at CNL. When the "go" signal arrived late last year, Autrey moved quickly to reassemble the project team. "It wasn't a large group at that point—three or four people," he says. "But we brought them back together."

Perishable

Some companies may have a tougher time reassembling the old crew. Experts point out that team members, burned by the initial postponement of a project, could be reluctant to return. That's particularly true if the workers have moved on to other successful ventures at a company. "People generally blame management when things go wrong," observes Brenner, "although most companies don't acknowledge this fact."

To rebuild trust, a company's management needs to be honest with team members about why a project was yanked. More important, say consultants, executives overseeing the revived project—whether IT managers, CFOs, or other finance executives—should set a time line that minimizes the chances of another delay. "It's never a good idea to spend a long time deploying something," says Campbell. "It's far better to have 80 percent functionality—going back to work on the details later—than to make sure everything is 100 percent up front."

In truth, some on-hold projects may not offer the benefits they once did. Technology projects have a notoriously short shelf life, and experts warn that there is a big difference between restarting a project that has been shelved for a couple of months and one that has been moldering since the 20th century. Notes Brian S. Sommer, vice president of field research services at Aberdeen Group, a Boston-based technology research firm: "If it's been more than 18 to 24 months, you need to look at the business case behind the project."

A close examination may reveal serious flaws. For starters, the technology driving the project will likely have changed in the intervening years. Autrey says he had to reexamine the providers in the data-warehousing space before relaunching his project. "Not only their products, but the leadership," he notes. "What

Once More with Feeling

Worldwide IT spending (in \$billions) is primed for a rebound.

	2001	2002	2003	2004	2005	2006
Computer Hardware	353	345	349	366	381	389
Software	78	76	77	83	90	97
IT services	538	536	579	606	641	683
Telecom	1,218	1,235	1,298	1,366	1,429	1,498
All IT spending*	2,187	2,192	2,302	2,421	2,541	2,666

*Figures may not add up to total, due to rounding.

Source: Gartner Dataquest (December 2003)



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