



E-Paper

Implementing Digital Projects Successfully

Why Software Projects Fail

The research firm Gartner regularly reports on the proportion of AI projects that fail and the main reasons behind this. The latest estimates suggest that 40 per cent of agentic AI projects and 50 per cent of GenAI projects are discontinued without success.

However, it is not just AI-related projects – which are, in any case, of a rather experimental nature for many companies. The situation becomes truly critical when transformative digital projects involving key software solutions at the operational heart of a company are at risk of failing. Whether it is an SAP S/4HANA migration, a PIM replacement project or an MDM implementation: it is not uncommon for these projects to drag on for years and often cost millions.

Whilst the risks can at least be clearly identified to some extent, project managers usually struggle to quantify the benefits. A modern PIM system can, for example, generate efficiency gains across a wide range of business areas – provided the framework conditions are right and the solution has been implemented correctly.

Software Projects – The Four Most Common Mistakes

The most common fundamental errors that can cause software projects to fail are:

! Unclear project scope

A lack of clearly agreed and transparently documented expectations and objectives often leads to additional effort spent on clarification, rework and repeated adjustments as the project progresses. This results in significant delays, as well as frustration within the project team and dwindling user acceptance. In an agile setup, we deliberately use short, planned feedback cycles to refine the scope and priorities at an early stage and to avoid precisely such costly, delayed loops.

! Lack of alignment between IT, business and management

Software implementation normally follows a lengthy decision-making period during which requirements are defined and the technology market is explored. It is essential to ensure strong alignment between the business units involved during this phase – and later in the course of the project. The overarching project objectives must be clearly agreed upon and understandable to everyone; otherwise, there is a regular risk of internal escalations, friction between the responsible departments and, not infrequently, even a (temporary) halt to the project. A transparent roadmap, developed jointly and regularly adjusted, is crucial to ensuring this alignment.

! Poor communication

It is therefore true – and not just for internal stakeholders – that open and transparent communication across all stakeholders is a key success factor for digital projects. Mistakes happen – what matters is that the team discusses them at an early stage, deals with them in a solution-oriented manner and works together to overcome obstacles.

! Cost-benefit analysis is missing or incomplete

As difficult as it is to calculate the ROI of a digital project, this step is vital for internal alignment. Ideally, a comprehensive ROI analysis should highlight multidimensional benefits without making unfounded promises. It must be made clear that the software purchased is just one component among many required to ensure that these potential benefits can actually be realised.



“Experience shows that the technical implementation is the smallest part of digital projects. What is crucial is a shared understanding of the project objectives and open, transparent communication. That is why thorough scoping, a clear roadmap and regular coordination meetings are our top priorities for our projects.”



Stefan Gander

Head of PIM/MDM
at Advellence

The 5 key competencies for successful digital projects

In addition to these fundamental framework conditions, there are a number of areas of expertise that are essential for successfully delivering a digital project from the scoping phase through to go-live.

1 Technical skills

The most obvious core competence is the technical expertise required to implement a specific piece of software into a company's system landscape. In addition to general technical expertise, specialist knowledge of the selected solution is also required to ensure it is correctly configured and integrated into the existing digital value chain throughout the course of the project.

2 Experience and best practices

Those who have already carried out similar projects are familiar with the key pitfalls and have tried-and-tested best practices that help to achieve initial project successes at an early stage. Industry-specific project experience can also have a positive impact on the overall project, as relevant requirements, data models and processes can be realistically assessed and addressed from the outset.

3 A holistic view

In today's interconnected business world, it is becoming increasingly important that software projects are no longer viewed in isolation. The introduction of a new PIM or PXM system has implications for the data output processes to downstream systems such as middleware, online marketplaces or web shops.

The question of which system is responsible for which data, processes and tasks should also be re-evaluated whenever changes are made to the information supply chain, in order to identify potential for optimisation and synergies.

4 Consultancy expertise

Modernisation projects never take place on a greenfield site. Even when introducing a new system, there are existing processes, Excel spreadsheets and responsibilities that must be taken into account during implementation. This requires a trained eye for existing processes and a clear consultancy approach to highlight new and better ways of working and to effectively support the change management process.

5 Market knowledge

A sound understanding of the market is not only important for selecting a system that meets requirements and is future-proof. During the implementation project, there may well be a need for complementary tools such as digital asset management solutions, specific AI tools, or even onboarding and syndication solutions. Anyone who is familiar with the technology market and knows which tools can be seamlessly integrated with the chosen system has a clear advantage here.

Creating measurable added value

But how can project success be measured? In reality, there is no one-size-fits-all solution for project reporting. Every company has its own unique starting point and its own pain points, which were the primary factors leading to the decision to undertake the project. Accordingly, different aspects must be documented, optimised and made quantifiable using a suitable measurement method for each individual company.

Some typical examples are listed below:

The existing solution has reached the limits of its functionality.

The most common consequence of this is an increasing number of workarounds. Outsourced workflows, in-house developments and a bewildering number of user interfaces are clear indications that the system in use is becoming outdated and that a more powerful solution should be procured. In this regard, the success of the project can be measured, for example, by the proportion of out-of-the-box functions or by the number of internal system processes compared to the initial situation.

Core processes are too complicated and time-consuming.

Workflows such as translation or approval processes are part of the day-to-day work of product management and PIM teams. This makes it all the more important to keep these processes as simple and intuitive as possible. However, legacy systems in particular – some of which have been in use for decades – often fail to impress with their user-friendliness. Suitable KPIs here include the number of clicks required for a process or the actual time taken to complete a process.

The system's performance is no longer state-of-the-art.

Performance, penetration and load tests can provide clear figures here and demonstrate the extent to which system performance has improved compared with the legacy system.

Product performance across sales channels.

Software decisions are now increasingly driven by e-commerce objectives that cannot be achieved without a modern PIM or PXM system. This is an indirect measure of success that must be assessed over a longer period of time, taking into account other measures such as campaigns and additional tools. Indicators for measuring success can include sales figures in the individual channels or the number of returns.



How to find the right digitalisation partner

Digital projects are anything but simple. On the contrary: as businesses become increasingly interconnected, the complexity of implementation projects also rises. This makes it all the more important to have a digitalisation partner at your side who possesses all the necessary expertise and brings a whole range of methodologies, best practices and frameworks to the table, helping to strengthen the positive business impact in the long term.

Use this checklist to assess whether the software integrators under consideration are suitable for your next digital project. The more statements that apply, the greater the chances of success for your planned project:

✓ Software expertise

The service provider is a certified implementation partner of the software vendor and has therefore demonstrated a thorough understanding of the technology.

✓ Complementary expertise

In addition to the relevant software discipline, the service provider demonstrates compelling expertise in complementary technology areas such as PIM, PXM, MDM, DAM, AI and data & analytics.

✓ Relevant experience

The service provider has sufficient experience in the relevant industry. This ensures that not only is project expertise a key strength, but that industry-specific requirements are also taken into account.

✓ Consulting expertise

A consultative approach is increasingly becoming the key to success for digital projects. A service provider must therefore be able to understand its clients' business cases and translate them into sustainable data flows and digital workflows using the software solution.

✓ Project expertise

A large number of case studies and client references are a good indication that a service provider performs well in terms of project methodology, collaboration and communication. Do not hesitate to contact client references directly and ask them about their experiences with the integrator.

About Advellence

As an experienced digital transformation partner for companies of all sizes and industries, Advellence supports organisations in the sustainable development of their digitalisation strategies – building on their existing IT landscape and process structures. With extensive technical and domain expertise, Advellence provides both strategic consulting and hands-on support in the implementation and integration of systems, data, and processes.

With our strong and continuously growing network of technology partnerships, we identify the ideal solution for any starting point – from data and information management to modern work solutions and advanced data and analytics scenarios that give your company the competitive edge it needs.

We connect all your data so it can tell your story. Technical precision is our craft; project execution is our passion. Consulting, technology selection, implementation, development, and integration: At Advellence, you get everything from a single source – with the Advantage of Excellence.

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