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Why IT Projects Fail

(United Kingdom Lead Paper)

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INTRODUCTION

It has been proved that decentralised approaches to government procurement of IT systems, has not maximised the benefits of technology as a whole. As a result, government departments and other bodies delivering services, often have systems that are not fully integrated. Senior management and co-ordination of projects and activities also seem to play a crucial role in successful development of trans-sectoral IT-projects. If IT strategies that have been developed for individual parts of different sectors are only approved on the departmental level in the Ministry, this can entail a risk of insufficient attention being paid to overall matters and inadequate connection to the first-order objectives for the sector as a whole.

MANAGEMENT AND CO-ORDINATION OF IT ACTIVITIES

IN THE NORWEGIAN JUSTICE SECTOR¹

From 1 January 1995, the IT organisation was in operation along with a reorganised Norwegian Police Data Processing Service (NPDSP) and three newly established IT units: the IT co-ordination unit for the justice sector (JUS-IT), the Professional and IT Services for the Judicial System (RIFT) and the IT unit for the prison and probation services (KITT).

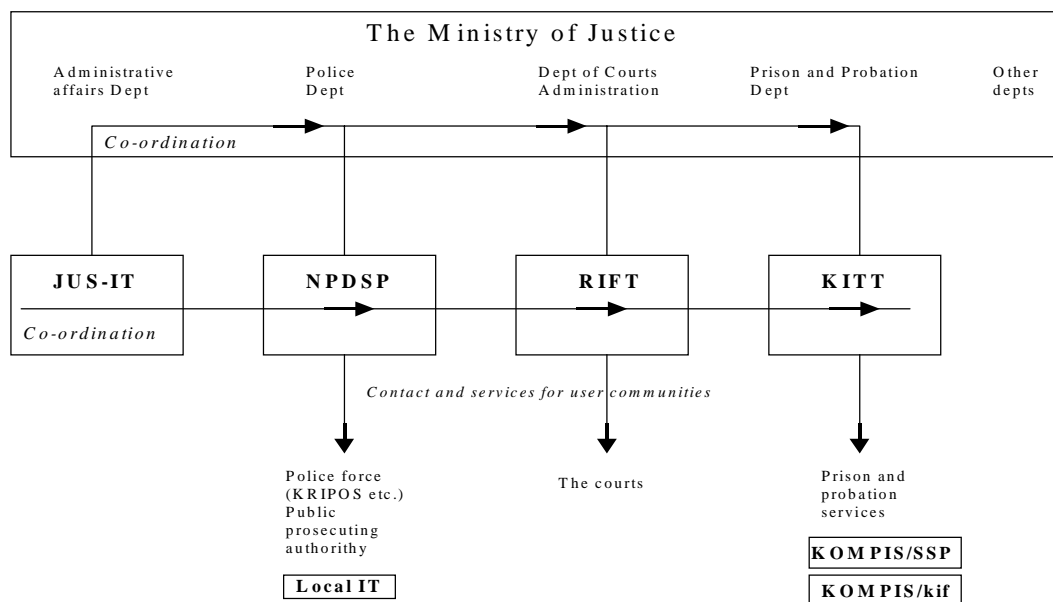


Figure 1 Organisation of IT activities in the justice sector.

¹ The project "Organisation of IT activities in the justice sector" was undertaken in 1992–93, partly against the background of the fact that information technology was perceived as an important resource in connection with the Ministry's realisation of central objectives for the justice administration.

Each department sets the framework for its subordinate IT units and has direct authority and responsibility for the policy instruments and the results of the IT projects in the service(s) within its area. In this way, there should be correspondence between the authority and responsibility for performance and attainment of targets within the individual parts of the sector.

THREE SELECTED IT PROJECTS INVESTIGATED BY THE OAG: KOMPIS/SSP, LOCAL IT, KOMPIS/KIF

KOMPIS/SSP

Background and objectives

The purpose of the KOMPIS/SSP project was to automate and improve the flow of information between the Prison Service and the National Bureau of Crime Investigation (KRIPOS). This constitutes some 60 000 notifications per year.

Overall management, project management and profit planning

The Norwegian Police Data Processing Service (NPDPS) has had the overall responsibility for the work to develop a client that will request and receive information from KOMPIS (the prison and probation services' information system), perform quality controls on the data and automatically update the Central Penal Register. An expert group based in the National Bureau of Crime Investigation (KRIPOS) was assigned the task of ensuring that the necessary data was received from KITT (the IT unit for the prison and probation services). It was found that KITT needed to improve the quality of the reports from KOMPIS, and according to the Norwegian Police Data Processing Service, problems arose as a result of incompatibility between the systems. No plan has been prepared for realisation of the profits yielded by this project, nor are there plans to prepare such a plan. No cost-benefit analyses have been carried out in connection with the project. However, both the Prison Service and the National Bureau of Crime Investigation (KRIPOS) carried out tests beforehand to ascertain the profit potential and measured the profitability after the system was introduced.

Costs

KITT had the necessary development work carried out within the framework of the agreements entered into without incurring any extra costs. A greater part of the work was connected to the development of routines, user

participation etc. In connection with the development of the client, the investment costs came to just under NOK 1 million.

Local IT

Background and objectives

Local IT came about as a continuation of the project to develop policing systems for the Winter Olympics, which Norway hosted in Lillehammer in 1994. The objective of the project Local IT was to implement these systems throughout the entire police force in Norway. Local IT consists of four part-projects, each of which has its own project leaders that report directly to the head of the Norwegian Police Data Processing Service, namely:

- *Infrastructure (total renewal of the infrastructure and appurtenant systems in the police)*
- *Introduction*
- *BL (basic solutions – the administrative system for the handling of criminal cases)*
- *Managers and IT (better leadership opportunities in a new technological reality)*

Overall management and project management

Local IT was organised with a steering committee (appointed by the Police Department in the Ministry), a project leader (the head of the Norwegian Police Data Processing Service) and a central project team in the Norwegian Police Data Processing Service. The Chief of Police was responsible for the execution of the local introduction projects and for ensuring that the conditions necessary for the local introduction of the system are satisfied. The basic documents “Guidelines for IT in the justice sector” and “Information model for criminal cases” have not been employed actively in this project. No special management signals have been issued with regard to co-ordination with other systems in the criminal justice chain. The project instead gives first priority to co-ordination internally within the police.

Costs

The total costs framework for the project was NOK 369 million. According to the plan for the period 1996 to 1998, all the police districts were to have introduced Local IT by 1 April 1998. However, at the beginning of January 1998, the system had still to be installed in 28 of 54 police districts in total.

Profit planning and profit realisation

The Ministry of Justice has made the NPDPS responsible for monitoring profit realisation and the execution of Local IT. The introduction of the computer systems that make up Local IT has been divided into the following areas with regard to profitability:

- *strategic profits (which contribute to the fulfilment of the general, long-term objectives)*
- *management profits (in the form of opportunities for improved performance and attainment of targets by means of better management of an area)*
- *rationalisation profits (in the form of direct reductions in workloads in connection with the execution of tasks)*

The general, first-order objectives for Local IT is:

- *efficiency enhancement and optimum exploitation of resources in the police districts*
- *better monitoring and management on all levels*
- *better opportunities for analysis of developments in criminality, strategic planning and choice of preventative and retroactive measures*

KOMPIS-Kif

Background and objectives

In its budget proposition for 1996 (Proposition no. 1 to the Storting [1995–96]), the Ministry of Justice said that from 1996 on, a computerised client administration system would gradually be introduced in the Probation Service (Kif). In accordance with the plan for the execution of the project, which was prepared by KITT, this register would perform four different, but related functions:

- *gather statistics for the Ministry*
- *function as a management tool*
- *provide an overview of details of the administration of clients' cases and the execution of criminal sanctions*
- *promote simpler and better administrative routines*

Overall management, project management and profit planning

From 1995 on, the project was organised with the Ministry as the contracting party and with the executive responsibility ascribed to the project leader of KITT. The project plan embraced plans for system development, technical solutions, introduction, training and operation and user support. The project plan from 1995 was revised in 1997. The original plan had indicated faster progress than what it had actually been possible to achieve, in terms of both the development and the installation and implementation of the system. To date, no concrete profit calculations have been performed; nor has a methodology been devised for profit planning and profit reporting for the project.

Costs

According to KITT, in the period 1994 to 1998 a total of approx. NOK 15.5 million was spent on the execution of the KOMPIS-Kif project.

THE NEED FOR AN EFFECTIVE ORGANISATION TO PROMOTE CO-ORDINATION

In 1996–97, the Ministry performed an evaluation of the IT organisation that was established on 1 January 1995. The evaluation report, which was prepared by consultants from Considium Consulting Group AS, contains a number of descriptions and assessments of the preceding few years' work on co-ordination of computer systems in the justice sector. Both the documentation and interviews revealed indisputably that the agencies (the services and the courts) had given cross-sectoral IT schemes low priority. The agencies claimed that neither the profiling of the schemes nor the existing project proposals had been satisfactory. According to the evaluation report, the technical infrastructure was dogged by inadequate comprehensive planning and insufficient focus on uniform development across the sector.

A steering committee has been set up for trans-sectoral IT projects. The committee was charged with ensuring that investments in and the use of information technology yield the maximum benefits for the sector and working to facilitate efficient and safe exchange and reuse of information and a comprehensive, functional IT structure.

According to the Ministry of Justice, the steering committee has not managed to take full advantage of the opportunities afforded to it by virtue of its mandate. The minutes from the meetings of the steering committee

demonstrate that few concrete decisions have been made and few concrete projects have been initiated as a result of the committee's work. In its evaluation, Considium Consulting Group AS proposed that the steering committee should be maintained as a cross-service information body and an advisory forum for the Administrative Affairs Department in matters to be decided by the executive committee.

MANAGEMENT SIGNALS, SCHEMES AND USE OF RESOURCES IN CONNECTION WITH CROSS-SECTORAL IT COLLABORATION

The co-ordination of IT activities had previously been concentrated on areas within the criminal justice chain (i.e. the police, the public prosecuting authorities, the judicial system and the prison and probation services).

The main focus areas for co-ordination efforts were:

- *Information model for criminal cases*
- *Harmonisation of concepts and codes*
- *Guidelines for IT in the justice sector*
- *The sector IT plan*
- *Data security*
- *Electronic communication*
- *Joint regulations and processes for acquisitions*

According to the Ministry of Justice, co-ordination of the information technology used in the justice sector will lead to faster flow of information in the criminal justice chain, better cost-effectiveness and higher quality in the work processes. However, the Norwegian Police Data Processing Service holds that the need for co-ordination is greatest within the police and that the potential for co-ordination across the criminal justice chain is relatively small. The Professional and IT Services for the Judicial System (RIFT) and the IT unit for the prison and probation services (KITT) refer to the fact that there is a need for co-ordination both across the criminal justice chain and in the individual parts of the sector. The individual police districts expressed the opinion that there has been inadequate co-ordination to date. They felt that there is a huge potential for profit in increasing the co-ordination between the different bodies in the justice sector, and primarily through co-ordination with the courts and the prison and probation services. Similarly, the Probation Service expressed the opinion that there was a

great need for computerised communication with both the police and the courts. The services' IT units referred to inadequate co-ordination, unclear signals and poor overall management on the part of the Ministry.

Key lesson:

- *A general IT strategy will contribute to ensuring that all parts of the sector receive the same management signals and give priority to the same areas. This applies in particular in connection with the communication to subordinate agencies of the signals regarding collaboration to facilitate the flow and reuse of information across different IT systems.*
- *Poor overall management entails the risk that the services give priority to projects within their own sphere at the expense of trans-sectoral schemes. For instance, if the IT strategies that have been developed for individual parts of the sector are only approved on the departmental level in the Ministry. This can entail a risk of insufficient attention being paid to overall considerations and inadequate relation to the first-order objectives for the sector as a whole.*
- *If bodies that is delegated responsibility for the co-ordination schemes have only limited resources at their disposal, limited authority to make decisions and few opportunities to implement comprehensive schemes. This can entail the risk that the objectives of cost-effectiveness and quality are not defined precisely or as concrete tasks in the form of pertinent requirements in the letters of allocation to the agencies.*

CONCLUDING REMARKS

Also the evaluation carried out by the Ministry demonstrated weaknesses that coincide with the findings of the audit. The development of cross-sectoral information technology schemes have been given low priority. Furthermore, the trans-sectoral targets have not been very ambitious or interesting and were not obligatory for the agencies. There is also a tendency that the trans-sectoral projects were not ascribed priority in the annual performance plans for the services and the courts. The evaluation also suggested that there was no comprehensive management process and little focus on development and information technology in general. The evaluation also established that the technical infrastructure was characterised by a lack of uniform designs and systems, and inadequate importance was attached to cohesive development.