

ERP Failure #1: Introduction – Succeed at Software or Best Prevail in Court *Transcript* © 2015-2016 by Warren S. Reid All Rights Reserved

YouTube Link: <https://youtu.be/gr6LnQ6qUWA?list=PLMMKTnyuGmlxQMoTbDyr5CN2A4NVdsyP9>

Hello. I'm Warren Reid, founder and Managing Director of WSR Consulting Group, LLC, Consultants and Expert Witnesses in Computer Systems and Software Projects. I am creating a series of videos to share my 40+ years of personal experience and lessons learned in the arenas of both successful and failed large-scale systems and software implementations, including ERP systems.

I spent my first 15 years in IT planning, designing and implementing large enterprise-wide systems, (including approving the Go-Live of California's Lotto Lottery Games). I am still an expert witness today, after spending a significant part of the last 2 1/2 working in large-scale system failures in 100+ cases around the world in courts, special tribunals, arbitrations, mediations, and even once representing President Bill Clinton in the U.S. Court of Federal Claims regarding a failed system built during Desert Storm.

I want to offer you my insights, cautions, predictions and lessons learned as an A) PM, software developer, tester, and implementer, B) as a software project turnaround consultant, and C) as an expert witness in failed systems in court for three purposes:

- 1) To show you how your failed systems litigation case will likely play out in court.
- 2) To give you some ideas for determining whether you have a strong or weak case
- 3) To help you prepare for possible systems failure litigation

Why is this important to you? Because, on average, over the past 20+ years:

- **30% Succeed** only approximately 30% of all such large projects succeeded –
- **40% Challenged** another 40% were challenged (i.e. well over budget, schedule & delivering ~only 2/3rds of the expected functionality).
- **30% Failed** the final 30% failed (either outright, never going live, or taken out of service shortly after G-L.)

[% are corroborated from several respected reports incl: The Chaos, Robbins-Gioia, KPMG Canada, Conference Board, OASIG, and more]

Per the above, your chances are 2 out of 3 that you will be in court or at least unhappy and not enjoying the promised rewards you contracted for.

In court cases where I have testified – **challenged and failed** systems have resulted in:

- loss of project costs and critical expected benefits
- loss of revenues, customers, market share and/or reputation;
- loss of inventory, financial, management, and quality control;
- increases in staff and product costs; almost impossible staff overtime; excessive staff turnover
- bad press; loss of market value; and more.
- failure to meet critical quality and functional requirements.
- a system that is unusable and/or doesn't meet its intended purpose.

Significantly, in most cases, the customers were Fortune 500 companies or state and federal

governments, and the system integrators/vendors/consultants were representative of the top firm in their fields.

All parties contribute to the failure, but my work involves helping counsel and the triers of fact determine which party(ies) contributed the critical action or inaction which started the dominos falling, inevitably dooming the whole project. Please note, while everything I tell you here is true, your situation may have nuances, constraints and special characteristics that will require deviating from the information shared in these videos. Please discuss your case with the appropriate counsel or expert.

You will also note that many of the insights, cautions, predictions and lessons learned are repeated in different ways: through real case analyses, lists of guidelines, frequently asked questions, what to do and what not to do. This is because ignoring these truths have caused repeated failures for parties involved in large scale software development implementations over and over again.

After the first five or so videos, feel free to view the rest in any sequence you wish. New videos will be posted periodically. Each video script and notes are on our website with expanded graphics and information.

With that – let's get started.

We are here to help. More information about WSR Consulting Group, LLC, is available at <http://wsrcg.com>

Questions or comments?

Please reach out to WSR Consulting Group, LLC:

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