

Before you leap...

IT projects often represent a huge risk - so is it time for those involved to start learning lessons from other industries, asks Graham Oakes?



"IT is different to many business activities - the technology does change constantly"

What's the difference between an IT project and bungee jumping? They can both be pretty scary experiences, but at least you can buy insurance to cover the risks of bungee jumping. When you kick off an IT project, it can feel like you've stepped into thin air with only one guarantee: it's downhill all the way from here.

Of course, IT is different to many business activities. The technology does change constantly. Many highly specialist people, each with their own language, are likely to be involved. It can be hard to envision the end picture from any individual snapshot. But is IT really that different?

Consider making a film, for example. Technology moves pretty fast there too. Again you're likely to need a large team of specialists (probably with some pretty big egos). The end result depends on a lot of disparate scenes coming together into a larger whole. Yet Completion Guarantees are common in the movie industry. These are effectively insurance policies that projects will deliver on time and on budget. The financier pays a premium to an

independent third party (the guarantor), who then monitors the project and ensures it stays on track. And if it doesn't, then the guarantor repays the original financing.

The guarantor takes a very active role to manage risks affecting the project. This starts with the "specification". Before giving any guarantee, the guarantor conducts a thorough review of the script, production schedules, budget, and so on. They meet with key members of the production team to confirm appropriate direction and controls are in place, plans are feasible, and that the team has the necessary skills and experience to deliver them.

The guarantor then actively monitors status throughout the production. They receive daily progress reports showing what scenes have been shot, how many people have been on set, what materials have been used etc. They review details of expenditure against budget. If the production hits difficulties, the guarantor may step in to take control of the troubling aspects.

For the financier, a completion guarantee helps bound their investment risk and

provides access to independent expertise. A completion guarantee may cost between 2% and 6% of the total production budget, but that's a price many are prepared to pay for effective risk management.

There's no reason this couldn't happen for IT projects. The premiums might need to be slightly higher - I figure an insurer could make a decent living at a premium level of about 8% to 12%, provided they assessed project risk carefully at the outset. Otherwise, this level of review, monitoring and, if necessary, intervention isn't beyond what the best project teams are capable of.

This will only happen if project financiers ask for it. IT suppliers won't build the monitoring "overheads" into their tenders unless their customers demand it. Even if they did, their internal people can't give a truly independent view. So, would you like a safety net for your IT projects?

Graham Oakes helps people untangle technology, relationships, processes and governance.

Contact through www.grahamoakes.co.uk



Your online brand is under threat from people who want to use your hard-earned brand equity for their own profit - or just want to cause trouble. But with some simple precautions, you can eliminate 95% of the risk says Chris Barling, CEO of ecommerce software supplier, Actinic who offers some invaluable tips...

Protecting your brand - online

Trademark your brand

Trademarking your brand protects your legal ownership. The biggest name on the internet, Google, cannot use its 'Gmail' brand in the UK because someone else already owns it.

Your brand = your domain

Your www. address should ideally be the same as your brand name. If that domain is taken, choose another that contains your brand name. Purchase relevant 'top level' domains, such as .com, .co.uk, .eu, .info and .biz, to prevent 'cybersquatting' - their use or abuse by someone else.

Lock your domain

'Locking' your domain with your domain registrar prevents unauthorised transfer requests. Otherwise, someone else may gain temporary control of your domain by persuading your registrar that you have left the company and they have taken over.

Block the hackers

Hackers can harm your business and damage your reputation. They may deface or replace your home page, or delete files on your site - including orders!

To avoid this use secure passwords that are not in any dictionary. Make them hard to guess, and don't write them down. If anyone who knows them leaves, change them. Also, use a secure ecommerce package for ordering, so that credit card details are encrypted. Then if your site is hacked, your customers will still be secure.

Brand your intellectual property

Claim your brand, and demonstrate your intention to protect it. Include your brand name and logo on every web page and in every downloadable document.

Aim to be first in brand searches

Optimise your home page for your brand name. Use it at least 3-4 times in the text of the page. Include it in the page title, meta description and meta keywords tags, and in text links pointing from other pages to the home page.

Protect your copyright

Put a copyright notice on every site page, and every downloadable document. Search Google for unique phrases used on your site, to see if anyone has copied them. Unless they are partners or resellers, contact them with instructions to remove the content. If they refuse, get a solicitor to write a legal 'cease and desist' instruction.

One online vendor copied images wholesale from The Gentleman's Shop, <http://www.gentlemans-shop.com>. When challenged, he insisted they were his own. Site owner Robert Johnston pointed

out that the images were unchanged. "The show stopper," Robert explains, "was that some images had our garden as a backdrop!" Faced with the evidence, the offender removed the images.

Search advertising

Your competitors may pay search engines to display their own advertisement to everyone who searches for you. This can be confusing for customers, as John Sollars of Stinkyink (www.stinkyink.com) discovered. "Until recently, if you typed 'Stinkyink' into Google, an advert for one of our competitors appeared at the top", he recalls. "We had customers phoning up asking where their order was, when they had ordered from the competitor." In the UK you can prevent advertising against your registered trademark, and Google, Yahoo! and MSN have procedures for dealing with infringements. See www.actinic.co.uk



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