

**CHAOS DEMOGRAPHICS**

The results of our CHAOS research are the most widely quoted statistics in the IT industry and have had far reaching effects, including major government changes. The cumulative research presents a decade of data on why projects succeed or fail – representing over 50,000 completed IT projects (9,236 this year), plus 450 workshops, focus groups and project group therapy sessions. All the CHAOS research is internally funded and is aimed at providing an understanding of the scope of application software development failures; the major factors that cause these projects to fail; and recognizing the key ingredients that can reduce failures.

CHAOS results provide a global view of project statistics but do tend to have a heavier concentration on the United States and Europe. Fifty-eight percent (58%) of respondents are US-based, 27% are European, and the remaining 15% represent the rest of the World. Forty-five percent (45%) of these companies are considered Fortune 1000 type companies; another 35% would be considered mid-range and 20% are small range. They span a diverse number of vertical industries.

The research includes projects of many types broken down as shown in Figure 1.0.

Developed from scratch using traditional languages and methods	<b>36%</b>
Developed from scratch using object methodologies	<b>19%</b>
Developed some components and purchased others	<b>16%</b>
Purchased application and modified	<b>13%</b>
Purchased components and assembled the application	<b>6%</b>
Purchased application and modified extensively	<b>6%</b>
Purchased application and performed no modifications	<b>4%</b>

Figure 1.0

**RESOLUTION OF PROJECTS**

This year’s results show that 29% of all projects succeeded (delivered on time, on budget, with required features and functions); 53% are challenged (late, over budget and/or with less than the required features and functions); and 18% have failed (cancelled prior to completion or delivered and never used), as shown in Figure 2.0.

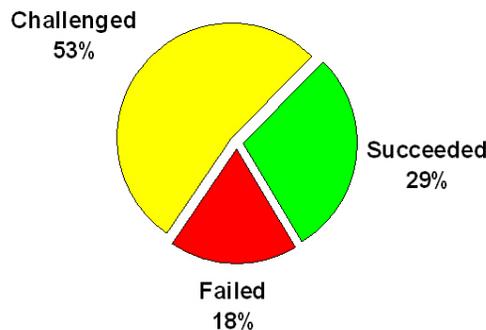


Figure 2.0