

The shape of euro projects

It has recently occurred to me that projects have a shape. Some projects are short and thin, others long and fat, others long and thin and so on. And this seems to me to reflect one of the most important features of the euro, especially as it differs from the millennium problem.

I suppose it's a matter of duration and staffing. A euro project, typically, is a long drawn out affair, which tends to involve either a large number of people to a limited degree, or a small number of people to a large degree. But typically, it's a long project with few involved at any one time, with a lot of activity in the last few months. However, it has proved next to impossible to involve large numbers of people for a long time – as is evidenced by the number of e-mails I receive from (usually) Indian software companies looking for the next well-defined set of problems on which they can turn the intellectual horse power of a ton of PhDs.

By contrast, Y2K projects frequently involve large numbers of people for a pretty extended period. Because the project is well-defined from the outset, it's not hard to set a large team off in a particular direction (“Go and find the date fields and fix ‘em”).

The euro though, as veterans of the City of London conversion will attest, leaves large numbers of questions until the last minute (“Just how are the Austrians going to accrue interest?” was a favourite in December 1998, and no one, apart from some seriously dozy Austrian officials could answer). Anyone who claimed to have a euro programme completed in July 1998 was lying, deluded or did it all manually (and the last are pretty rare these days).

And it will probably be the same for most other euro projects in other industries. They will go on for a long time, at a relatively low level of activity, until there is enough information “out there” for meaningful decisions and developments to take place, and only then can they claim to be in any meaningful sense ‘euro ready’.

The euro project is thus a ‘thin’ project. It requires constant but relatively low intensity effort. Y2K is a ‘fat’ project – it can take large numbers of people working in parallel, and is constrained more by the skill of the project manager than any external environmental constraint (apart from, say Microsoft delivering or failing to deliver a Y2K-safe version of NT4).

As well as thin, it will be a long project, for even in those industries where it is possible to define the changes which the euro will bring, there will be plenty of areas (say, tax, and dual pricing or marketing in a euro market) where it will be a matter of waiting for someone else to call out the rules and conforming as rapidly as possible.

There will be a few ‘fat’ euro projects, but they are likely to be in those few institutions which are, in effect, defining the environment for everyone else. These will be the banks, the major ministries (especially tax ministries), and a few large players in major supply chains. For everyone else, it is a matter of waiting for the crumbs from the table of the fat guys, and remaining anorexic until unpleasantly late in the day.