

Realization Technologies helps keep projects on track

BY ELLEN LEE

SAN JOSE — The Boeing Co.'s satellite division had lost money for four consecutive quarters when it decided to deploy Realization Technologies Inc.

Using Realization's project management software, Boeing sped up the production of its antennas, a critical component for its satellites. Within six months, its satellite division had turned itself around and was profitable.

"We could build them faster, and build more of them," said Charles Toups, vice president of engineering for Boeing Integrated Defense Systems. "It made a dramatic improvement on our performance."

San Jose's Realization's technology is used by customers such as Boeing and the U.S. Air Force to make sure their projects are completed on time and on budget.

Naturally, businesses need to get things done if they want to be profitable, especially in this economy. But managing a project can be harder than it seems.

That's where Realization's project management software comes in.

"When you're doing projects, a lot of things have to happen at the same time in a coordinated fashion," CEO Sanjeev Gupta said. "If you're not synchronized, the project will stop and go and stop and go. This is a tough problem. If you have a few hundred people, and multiple departments (working on the same project), how do you make your priorities synchronized?"

Realization's system aligns the priorities of each employee, so that they're all working toward the same goal. It tracks budgets, schedules and resources, and it adjusts each person's tasks depending on what's needed at the time.

That's important because, despite the best laid plans, something inevitably changes or goes wrong — someone quits, a supplier doesn't deliver the necessary materials on time, the budget is slashed, a team falls behind schedule. Realization's technology identifies the problem and reorganizes each employee's job as necessary. When an employee is assigned multiple duties on more than one project, it also helps prioritize which one needs to be completed first, even if it's not the most obvious task.

Realization's system was born out of a book,



REALIZATION TECHNOLOGIES INC.

Location: San Jose
CEO: Sanjeev Gupta
Revenue: \$16.5 million
Founded: 1999
Employees: 110
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VICKI THOMPSON

ALIGNING PRIORITIES: CEO Sanjeev Gupta says his company helps businesses like The Boeing Co. find problems that are holding up projects and get them back on course.

"Critical Chain," by Eliyahu M. Goldratt in which the author outlined his theory of project management. Goldratt theorized that the ability of any manageable system is limited by a very small number of constraints that need to be identified and worked around.

Translating theory to software

Realization was formed after a company in Israel wanted to use software that took advantage of Goldratt's concept. Since then, Realization has gained more than 200 customers, from government agencies to medical device companies. It offers not just the technology, but also consultants who go in and help the organization implement the software and its project management system. Last year, it had \$16.5 million in revenue and it expects to grow 20 percent this year. Eventually, Gupta said, he'd like Realization to become a \$1 billion company.

Project management software is now an estimated \$1.2 billion business, according to Gartner. Realization is one of hundreds of smaller players in a field dominated by Oracle Corp., Microsoft Corp. and CA. But though the market has steadily grown over the years, it's expect-

ed to remain relatively flat this year, given the economy and businesses curbing spending.

"Convincing a company that they have to spend more money to save money in the current situation is harder," said Laurie Wurster, a research director at Gartner.

Amdocs, a software developer in Israel, however, knows how the technology can help even as the economy is sinking.

"It enabled us to finish the year in better profitability than the previous year, although it was a declining environment," said Shalom Passy, senior vice president and head of delivery group and operations at Amdocs.

Amdocs, which develops software for telecommunications companies such as AT&T Corp. and Comcast Corp., uses Realization's technology to manage more than 3,000 employees, who are all working on multiple projects at the same time. The software has allowed them to finish projects faster and on budget, which in turn satisfies their clients and leads to additional work.

"We found ourselves in much better control," Passy said. "We have better mastery of the project."