

SOFTWARE IMPLEMENTATION

MANAGING CHANGE AND
CUSTOMER EXPECTATIONS



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INTRODUCTION

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BBA - Accounting from UW-Madison

10 years with Cargill, Inc.

2 years with Wen Products

Consulting since 1997, started Compass in 1998

QAD Certified, Certified Technical Trainer

Software Selection, Software Implementation

System Customization, System Integration

Project Management



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MANAGING CHANGE AND CUSTOMER EXPECTATIONS

Slowness to change usually means fear of the new – *Philip Crosby*

People don't resist change.

They resist being changed! – *Peter Senge*



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MANAGING CHANGE AND EXPECTATIONS

IMPLEMENTATION TEAM

Closely involved in all
aspect of the project

OTHER USERS

Aware of project
through status
updates and
milestone events



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WHY IS THIS IMPORTANT?

Most IT experts agree that software implementation failures occur far more often than they should.

What's more, the failures are universally unprejudiced: they happen in every country; to large companies and small; in commercial, nonprofit, and governmental organizations; and without regard to status or reputation.

The business and societal costs of these failures--in terms of wasted taxpayer and shareholder dollars as well as investments that can't be made--are now well into the billions of dollars a year ~ IEEE Spectrum



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MANY OPPORTUNITIES FOR FAILURE

1. Software Selection
2. Data Migration
3. Training and Implementation



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SOFTWARE SELECTION

How to choose the software for your business process

Review business processes – who should be included in review?

Musts versus Wants – What technology will improve your business?

Scripted Demos – see what you want to see, not what they want to sell you.

Demo Evaluation Forms – evaluate what is important, not what looks cool



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SOFTWARE SELECTION

WHY REVIEW BUSINESS PROCESSES?

- Customer's requirements change
- Identify current system work-arounds that are in place – and why
- Identify potential improvement areas

- Project Manager should *begin to manage customer expectations* already at this time. Identify improvement areas, but communicate that new software will not be the magic bullet



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SOFTWARE SELECTION

MUSTS VERSUS WANTS?

- What is a need versus “the way we do it today” – *Start offering ideas on new ways to do thing – set expectation for change*
- Identify key critical business processes – document and review with users – what do you really have to have to function?
- Deliverable – documentation of key processes for demo script
- Project Manager should understand what is needed and why



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SOFTWARE SELECTION

WHAT IS A SCRIPTED DEMO? WHY USE THEM?

- Provide scenarios covering multiple MUST have requirements:
 - Process a work order using at least one lot controlled component and a serialized component. Report in-process scrap. Use a substitute component. Over-issue one component. Show WIP values throughout process. Complete work order and show lot traceability reporting. Show variance reports.
- Allows software vendor to understand what is really needed and provide the best possibly demo
- Allows evaluation team to compare apples to apples



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SOFTWARE SELECTION

DEMO EVALUATION FORMS

- List each demo process and requirements to be evaluated
- Allows users to “see” what they will get – *setting expectations based on actual scenarios and seeing the software in action*
- Allows evaluation team to compare apples to apples



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DATA MIGRATION

- Cost of data migration
- What to convert to new environment
- Process for successfully converting data



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DATA MIGRATION

Cost of Data Migration

- In 2001 84% of data migration projects were late and over budget. Today that is closer to 20% 😊
- Number ONE reason for delayed and over-budget data migration projects....
 - **Low user involvement and support**
~ BLOOR study, 2001, 2007, 2011

* Data Migration costs can run up to more than 1/2 total implementation cost *



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DATA MIGRATION PLAN

What to convert to new environment

- Master data
- Open Transactions (AP, AR, PO's, SO's)
- What about history???

Cost benefit analysis of accessible trend data versus cost to convert

TYPICALLY...

Transactional history should not be converted

Key monthly balances – possibly convert



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DATA MIGRATION

Data Conversion/Migration Process

USER INVOLVEMENT

- Train Conversion team on new system
How will data be used? Key classifications/configurations
- Set Expectations of time needed
 - Time for data cleansing
 - Time to create logic to remove obsolete data
 - Time to define new classifications for existing data
 - Time to validate test loads of data



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DATA MIGRATION

Setting user expectations...

USER INVOLVEMENT

Users help determine data set-up

Users review data and “see it in action”



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TRAINING AND IMPLEMENTATION

Train the Trainer – Implementation Team
same group that “setup” the system

- Develop Expertise
- Evaluate Effectiveness of New Processes
- Communicate Changes and Train All Users

Team defines the change, Team owns the change



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TRAINING AND IMPLEMENTATION

Unit Testing

- Review processes by functional area
- Implementation Team & others to test

Conference Room Pilot (Integration Testing)

- Test all processes together, start to end
- Users to develop scripts to be used in testing

Team owns the process. Team owns the change.



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TRAINING AND IMPLEMENTATION

Conversion “weekend” – involve EVERYONE in planning for cutover

- Communicate cutover plan repeatedly
- Identify impacts/disruptions expected and contingency plans
- Easily identify Implementation Team (shirts, caps)

Reduce fear of the unknown...



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TRAINING AND IMPLEMENTATION

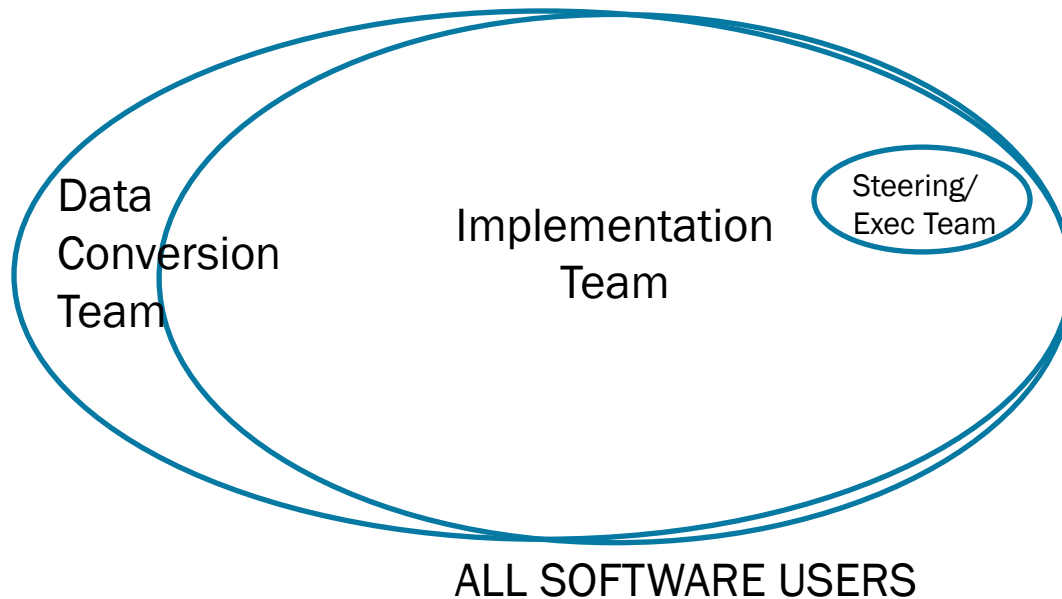
Follow-Up

- Review impact of new software with each department
- Identify Phase 2 opportunities
- Provide additional training as needed
- Be open to positive and negative feedback



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MANAGING CHANGE and EXPECTATIONS



MANAGING CHANGE and EXPECTATIONS

Steering / Exec team

- Decision makers, able to clear roadblocks, open to feedback from employees.

Implementation team

- Doers and visionaries, know how things are done and WHY, ability to determine how things COULD or SHOULD be done.

Data Conversion Team

- Implementation Team PLUS additional users, data keepers, detailed task individuals



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MANAGING CHANGE and EXPECTATIONS

Software Selection – Implementation Team

- Review existing business processes – *plant seed for change, but not magic bullet*
- Scripted demos – *see existing processes in new environment – see what the change will be*
- User Evaluations - *be part of the change*



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MANAGING CHANGE and EXPECTATIONS

Data Conversion – Data Conversion Team

- Receive initial training
- Setup System – *decide how to implement change, understand how new environment will work*
- Develop New Business Processes – *OWN the change*



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MANAGING CHANGE and EXPECTATIONS

Implementation / Testing / Training

- Team develops process documentation
- Involve more users in integration testing
- Involve ALL users in Training – *reducing fear of unknown; allowing for feedback*



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MANAGING CHANGE and EXPECTATIONS

Status Updates – to entire company

- Kickoff Event – prior to Requirements Gathering
- Software chosen – communicate evaluation process and selection made to ALL employees
- Implementation – communicate high level plan and milestone accomplishments
- User Acceptance Testing / Pilot – Major Company Event
- Conversion – Major Company Event



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MANAGING CHANGE and EXPECTATIONS

Leaders must actively involve the people most affected by the change in its implementation

~ Torben Rick



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