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HOW TO MANAGE SOFTWARE ROLL-OUT RISKS IN YOUR BUSINESS

By Rich Dale
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# Over 70% of digital transformation projects fail...

Everest Consulting Group

With over 15 years of software implementations, at Flowlens, we have the experience, and scars(!) to get results that are so important to the success of your digital transformation.

In this guide we've assembled valuable and practical knowledge to help you plan for the roll-out of your chosen software product.

However, you might not be surprised to know that the first steps in a successful roll-out happen well before you've selected a software product.

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The Software Buyer Journey

Most people jump in here
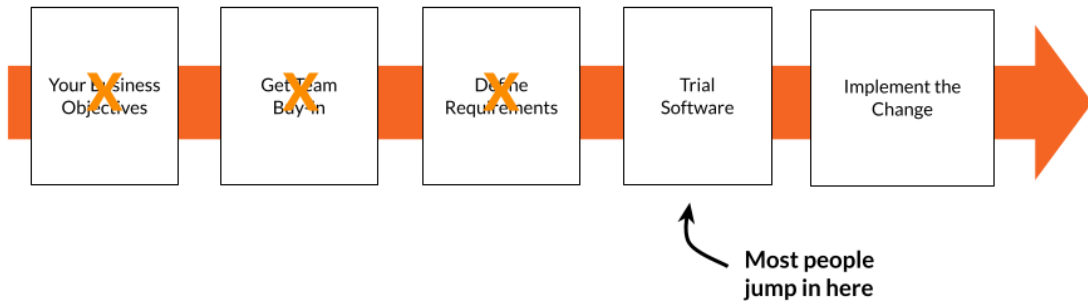
Typical Software Buyer Journey

Most implementations fail to meet expectations due to a lack of buy-in and engagement from the business, or a failure to properly define the business processes that must be supported by the software resulting in poor fit, workarounds, or rejection of the new product.

Meanwhile, competition has never been more fierce, and with digital tools offering businesses the chance to transform their offerings and margins, now is the time to get your business process in fighting shape.

Whether you are looking to avoid shortages and delays, improve cashflow, monitor job profitability, track sales trends, or cut down on duplicated effort, getting the right system in place is essential.

So, let's make sure we've got the basics right...

Business Objectives and Vision

Do you have a vision of the future of your business? If you haven't described what the future looks like, how can your team visualise success? Can they buy in to your vision for the company?

" We wanted to double turnover three years running... "

Wayne Cramer, MD

Connecting your vision with your process and your new software system will help you and your team decide whether the system you choose will actually help you achieve that.

- Write down what it feels like to do your job a year from now, in three years?
- How will the business be performing then? What will your competitors be doing?
- Share the vision with your team. Get feedback. Delegate ownership of elements of the vision.

For a deep read on developing a vivid and actionable vision for your business, we recommend reading 'Double Double' by Cameron Herold.

Translating your vision into a clear set of objectives for the business will drive action across the team. Realistic revenue and profit growth targets, and efficiencies can be stated. Knowing what you are aiming for is essential, so that you can decide the strategy and tactics that will get you there.

Using software will help the business:

- Track sales and operational activity
- Reduce bottlenecks and blind spots
- Identify trends and efficiencies to develop
- Reduce friction between functions and improve customer service
- Report on results

So first step, make sure the business has clear and realistic targets.

Getting people aligned

Your team should understand the business and individual targets, and how their work contributes to achieving them. But does that mean they see the bigger picture?

Understanding of the overall business process, and how teams work together is critical to the success of your software implementation. We find that many businesses, currently operating in silos, are missing out on the opportunity to transform their process.

" It was important to have the whole team try the systems and feedback the positives and negatives. We recognised that it needed to be a decision that the whole organisation owned. "

Oliver Caunt - MD

Getting team alignment on how the process currently works, and how it can be improved is the next essential step. There is no point in introducing a system that will simply mimic your current process.

Depending on the size of your business, getting everyone in a room might be a challenge. But it is worth the effort to bring committed and resourceful people from each department into a discussion about how your business process can be improved.

You may want to get an external consultant to facilitate this exercise, so you can take part. Either way, its important that everyone gets their say as you map out the process.

What is our business process?

It's important to map out your business process from end to end. Get a big whiteboard, or a blank wall and lots of sticky notes.

- Start at the start.
- Capture each action:
    - note the person/people accountable for completing it,
    - note the 'tools' they use to complete the task.
    - note where relevant data is currently stored.

When a new customer enquiries, what happens?
How does that getting followed up, by who? What happens next?
How are they qualified? Who issues the sales quotation?
How do we verify that what has been quoted can actually be manufactured?
What do we tell the customer about expected delivery?

How does the order get handed over from sales to production?

When do we check that we have enough stock to make the product?

How is stock purchased, received and checked? Where are stock levels maintained?

Who schedules the job and allocates it? How is progress monitored?

How is stock allocated to the job? How is labour time recorded?

When does the product get given a serial number?

Who dispatches the order?

Who invoices it and chases payment?
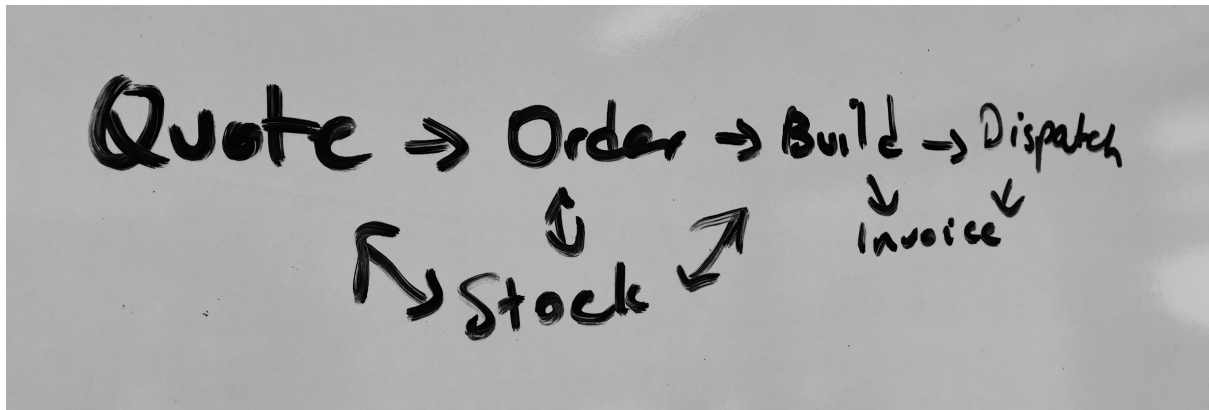
Across your wall or whiteboard, you'll have an array of steps. Now look for duplication, where is information being copied? What about errors, typically where do these happen in the process? And delays - where are the bottlenecks in the process? And where do things simply fall off the radar? Why?

Now you've got a pretty good idea of how your business serves customers, and which tools and people are accountable at each stage.

Not everyone in the room will agree, as there's always be exceptions. Some people might be defensive about steps, but only because they don't realise the impact later in the process.

Seeing the whole thing laid out usually results in people saying "I didn't realise we had so many steps, how can we simplify this?!".

A team exercise like this can energise people to think about better ways of working… what could our process look like if we work together?

Want help mapping your processes? We can help - just email rich@flowlens.com for info.

Okay, let's prioritise!

Now that you have your process all mapped out, it's time to start researching the market, right!? Well, not quite...

Most business software systems can solve problems right across your business – Stock, Sales, Assembly, Service, Accounting. If you are like most businesses, you probably have limited capacity to adopt a new system or devote someone completely to drive the project: so you'll need to prioritise.

Look at your process and, preferably with your team leaders, ask:

- What is your biggest problem? How much is it costing you?
- Where are the bottlenecks? What would you solve first? Can you release valuable team members' time by reducing the admin they need to do currently?
- Where does your current process demand the most admin time? How much does this time cost your business?
- What is the opportunity cost of not investing in a new system?

Often the answer is simple, but by looking at the process with your team, you can make decisions about what will have the most short and longer term impact.

With these agreed, you're ready to test how available software systems will enable you to achieve quick wins and release capacity for the bigger picture.

So we've now ticked off several big wins for your business.
- Alignment on company goals
- Alignment on business process (and the efficiencies possible)
- Alignment on needs.
- Alignment on accountability.
- Alignment on priorities.

This last point is vital. Some people won't be enjoying the benefits of the new system right away. By defining and explaining the priorities, you can manage expectations, and keep people bought in for the longer term.

Don't miss this step!

Failure to set expectations in the business is one of the top reasons why these projects fail.

Choosing the software

With the previous steps, you have armed yourself with a deeper understanding of your requirements – and put yourself head-and-shoulders above most other companies considering the same problem.

Now, you can test these against the options available, and also the suitability of implementation services provided by each one.

- Should we find one system that does everything, or pick packages that do certain tasks well, and integrate them?
- Talk to colleagues in the industry and ask for suggestions
- Watch videos and see what products feel like to use
- Most vendors offer free demos or [trials](). Sign up and try a few in context of your process. <u>Be prepared to use your own data and attempt to work through your process using it, referring to your priorities above.</u>
- Check and examine feature lists of prospective vendors online for essentials and 'nice to haves'. These can include integrations with existing software, like your accounts package.
- Check the support available to get you up and running and ongoing support (and associated costs) that're available
- Figure out your budget. How much will the product save your business? What advantages will it bring?
- Finally, shortlist the solutions that meet your needs.

Picking the Project Leader - This is NOT an IT project

Many companies make the mistake of either appointing a junior person to manage the project, or handing it to IT. Both of these will fail to deliver on the desired results.

This transformation project is a leadership task, aided by senior and experienced people across the business. The new system will support and enable the decision making in your business, never mind the day to day workflows and information capture.

The leader should be part of the senior management team, with a thirst for improvement, a thorough knowledge of the business, and the authority to across the business to effect change. The above tasks of goal setting, process mapping and prioritisation may have been led by this person already. Your project leader will use these to position and reinforce the change project in the business.

Its commonly said "if it doesn't hurt the business to have that person leading the project, then you've picked the wrong person".

" We planned a step by step approach, getting our data ready, moving to Xero, and starting with our purchasing function before moving to sales then operations. "

Iain Smith - MD

Step by Step is Best

You can eat an elephant, if you take it one bite at a time.

Most companies can't afford to stop day to day business while they implement a new system, besides their customers wouldn't let them! Even with everyone aligned on the same goal, it's important to have an achievable series of steps that will move the implementation forward, achieve success and build for the next level.

We've stated above, that you should pick your priorities based on the key challenges and bottlenecks in the business.

Common priorities include:

- Clean Data - Creating a clean base of customer and parts data
- Purchasing Admin - taking the manual effort and errors out of purchasing
- Shortages - Avoiding stock-outs for current jobs
- WIP & Profitability - Tracking time and materials used in jobs
- Order Errors - Avoiding confusion in customer orders
- Stock Levels - Setting an accurate baseline stock level
- Enquiries - Ensuring enquiries are followed up
- Cashflow - Tracking orders that should be invoiced, and payments to be chased

Planning and Execution

As discussed above, it makes sense to identify the top priorities, share these to the business, and then develop a plan. Of course, priorities can change, so the plan, and the software you choose, should be able to adapt as required. Putting a value on the priorities will help to underline their importance to the business.

We have found that a series of 2-week long sprints can be an effective way to split the project into small, achievable chunks. In some cases, if you have capacity, activities could be happening in parallel. This method means that your team will start to see small changes, and results, happening early in the process.

Bespoke Integrations will require additional planning and interaction between parties. Decide if you can live without these for a while, or prioritise them early to ensure systems are sharing data accurately.

Getting the Foundation Right - Good Data
Start with a blank slate can be daunting. So it's essential that you prepare a minimum amount of data. Ideally, be ready to import the following data into the new system:
- Customers & Suppliers
- Parts & Products

Having meaningful and accurate data isn't always possible at the start of the project. However don't let this get in the way of making progress. If you don't have everything, bear in mind that the system will naturally populate as people start using it. For example, you may not have full contact details for every company, that's ok, simply ensure your team are checking records before they send a Quote, Order or PO. This means your data will get updated incrementally.

Should we import historical data?
The answer is, it depends! Data migration can be time-consuming, error prone and expensive. If you can keep historical data in an accessible format, then consider doing so. If you data is clean, and maps easily to the structure of the new system, then talk to your provider about how this can be migrated. Every day your team uses the new system to build up new, structured and reliable information. It won't be long before you have built a useful source of insights.

Start Peeling The Onion
Start using the system based on your priorities. Each business is different, but the critical factor is to focus on 'quick wins'. Don't bite off more than you can chew, and don't expect to stop using your current systems in one 'big bang'.

Lead from the FRONT
Your team are watching you - if you don't take the new system seriously, or see it as a tool for other people to use, then don't expect success. This is a tough change for your business, and as leader and champion of this change project, your behaviour will dictate success.

# In Summary - thanks for reading this far!

- Align your team on shared goals and the need for change

- Understanding you 'as is' and 'to be' process state

- Research options and be ready to trial

- No system will handle 100% of your requirements

- Don't underestimate the effort needed to change

- Appoint a trusted champion and set a good example

- Celebrate the small wins!

Are you worried about getting left behind in the race to digital efficiency?

You don't need to be. We've developed a proven and realistic programme for growing manufacturers that will get results quickly, without putting excessive strain on the day to day business.

Our user-friendly cloud MRP and CRM platform handles stock and materials requirements, sales order processing, quotations and customer care, with a powerful reporting system so you can get useful information in real time.

To book a process mapping workshop with our experienced consultants, or watch a demo, please contact us via flowlens.com, email hello@flowlens.com, or call 028 9099 8597.
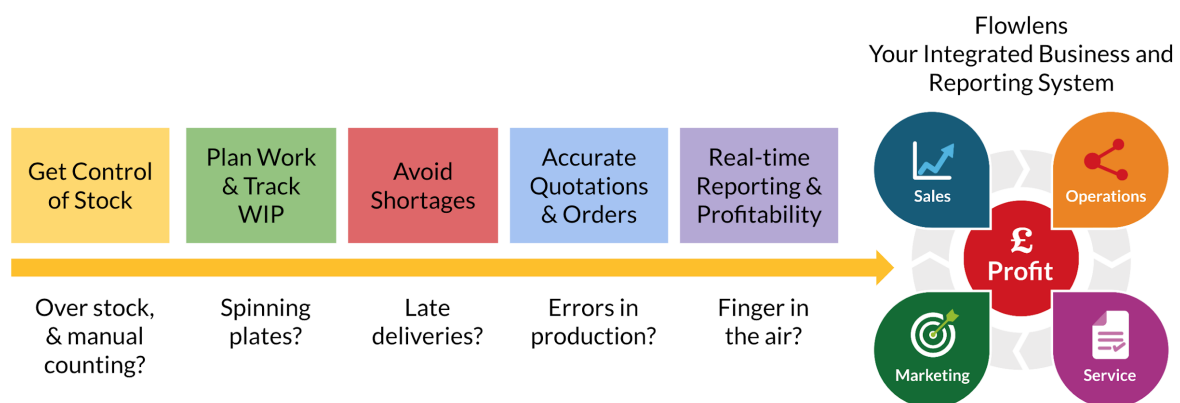
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