



EXECUTIVE SUMMARY IT IMPLEMENTATION EVALUATION

BACKGROUND

A Fortune 100 company implemented a strategic initiative to restructure, integrate and standardize their planning processes. A key business unit had been the early proving ground for testing new approaches and change management practices. Collaborative Action was engaged to take a “snapshot” of the organization’s progress and current state with respect to implementing new processes, with particular emphasis on a new IT implementation. We utilized in-depth interviews to provide a cross-section of perspectives and experience.

The interviews focused on uncovering and beginning to address any previously undetected barriers that there may be to the complete, successful implementation of the new technology. Of particular interest were barriers that had been previously undetected because they are difficult to discuss or undiscussable. “Complete, successful implementation” was taken to include effective daily use of the new methods, processes and supporting software by the organization’s planners and other end-users.

The detailed report reviews the findings from the interviews. It describes barriers to implementation that were discovered, the conditions that give rise to the barriers, the patterns of thinking and action that keep them in place, and the consequences and business costs currently attributable to them. The final section contains recommendations for addressing the patterns and issues we uncovered. In this executive summary, only labels are offered for key findings.

GENERAL OBSERVATIONS ABOUT THE FINDINGS

The reader is invited to keep the following in mind as s/he reflects on the findings. These caveats apply not only to this specific client intervention, but can provide important guidance to IT implementation in general:

1. The problems reported are, as best we can tell, all problems of *how* things are being done, not *why* things are being done; i.e., they do not result from any lack of good intent. In fact what we saw in the client organization was a group of highly professional, highly competent people dedicated to making the IT/change effort work. We saw people going “above and beyond,” in many cases. Our contribution here is to point out some of the barriers we found that are keeping this good intent and hard work from paying off for the organization.
2. From our perspective all problems of the sort discussed here are co-created by all the stakeholders involved. In other words, everyone involved contributes something to either creating the problem or keeping it in place. This is an important concept because it implies that problems that are collaboratively created must be collaboratively solved. In other words,

if one stakeholder unilaterally tries to fix their part of the problem without involving the others in that solution, they will almost always wind up creating a new problem.

3. None of the change management problems we found are insurmountable given the will to overcome them (of which we saw plenty) and the right collaborative tools (of which we saw relatively few).

FINDINGS

Our findings are of two kinds: systemic patterns and business issues. A systemic pattern is a deeply-rooted, recurring set of assumptions, strategies and actions that characterize a particular organizational system. Business issues are specific problems or opportunities that arise in the course of running a particular business. The systemic patterns that operate in an organization will determine how and to what level of effectiveness the business issues will be addressed by that organization. In other words, we should look to the systemic patterns for the underlying “root cause” of problems the business encounters in working the day-to-day issues. Although both patterns and issues needed to be addressed in the project, we wanted to stress that all our experience indicates that attempting to solve the specific business issues without addressing the systemic patterns is likely to result in partial solutions that reinforce the patterns and create a new set of problems and associated business costs. Moreover, because the patterns and issues were collaboratively created by all involved, they must be collaboratively solved. To restate these points more positively, if the four patterns below are addressed, the nine issues that follow will be much easier to resolve, and in some cases may resolve themselves.

SUMMARY OF PATTERNS

Collaborative Action identified four interlocking systemic patterns from the interview data, each summarized below

1. **The Pilot Isn't a Pilot: Conflicting Measurement Systems.** As the first business unit to implement new IT system, the client was expected to encounter and overcome difficulties while learning as much as possible for future implementations. However, the organization perceived that senior management also communicated that it was unacceptable for the implementation to fail; i.e., its ultimate feasibility was made undiscussable, even though one of the defining purposes of a pilot is to iteratively test feasibility and business value.

As a result of the mandate to succeed:

- Serious problems are downplayed;
- Learning is sacrificed;
- Energy is focused solely on incremental solutions to problems instead of root causes; and,
- Individuals' performance is measured as though they were operating under historical (“normal”) business conditions instead of a major transition process.

2. **The Executives Know Best: Change Driven From the Top.** While executives and senior managers may ask for some input on key issues, decisions and implementation directives are perceived by the organization (and possibly by the executives) as the private prerogative of the executives and therefore unquestionable. This helps set up the other three patterns.
3. **Two-Way Filtering of Information.** While people espouse openness and frankness of communication, there are many issues that are difficult to discuss or undiscussable, including strategies for engaging with co-workers at all levels. The typical approach we observed to dealing with difficult issues was to filter and withhold one's true response (perhaps without realizing the extent of the filtering), particularly when communicating upward to higher levels of management. However, there is also filtering from higher levels to lower levels when communicating expectations, decisions and future prospects. This pattern has many unintended consequences; in particular, managers do not have all the information they need to manage the business, and employees do not have all the information they need to be productive in the new environment.
 - Individuals at the top of the organization do not receive important information they need to make competent business decisions.
 - Individuals farther down in the organization do not have all the information they need to understand how to be productive in the new environment.
4. **Economy vs. Quality: The Resource/Quality Bind.** Management gives mixed messages about the relative importance of achieving quality goals and observing resource limitations. Management directives about scheduling, budget, headcount, etc., are privately interpreted by the organization and are believed to be unquestionable. One result is that quality is sometimes unnecessarily sacrificed.

SUMMARY OF OTHER ISSUES

We identified a number of specific clusters of implementation issues, listed below and detailed in the actual report. As previously mentioned, if the four patterns above are addressed, the nine issues that follow will be much easier to resolve, and in some cases may resolve themselves.

1. Not Examining Underlying Assumptions
2. Mistrust of the IT system and Its Outputs
3. Work Pressure
4. Unmet Expectations of Value from the IT vendor
5. Structural Issues
6. Lack of Communication Between Stakeholders
7. Little Organizational Learning
8. Performance Measurement Issues
9. Resource Issues