

It's Not You, It's Me

How You, the Client, Impact the Success
of Your PSA Implementation

Marc Lacroix



Introduction

A long-time collaborator of mine in the PSA space often said that implementing Professional Services Automation is not just a technology project, but a significant business event for the customer. I agree with him. We also agree that any systems implementation effort comes with many risks. When these risks result in an implementation that falls short of expectations, clients tend to blame the vendor. My view, after years of seeing dozens of implementations firsthand, is that customers control the most critical factors that determine implementation success. This white paper will explore the role customers play in deploying their PSA and the steps they can take to mitigate the risks and constraints they are likely to encounter.

NOTE: This paper is intended to assist customers before, during or after their PSA deployment. If your PSA is live and not fully meeting your expectations, the recommendations below can be applied through a post-launch optimization exercise.

Risk Factors that Customers Control

There are many risks to an implementation project. The list below, in my view, represents the most impactful risks that customers have the most control over.

Low Process Maturity – For many underlying reasons, the organization lacks clear, standard or simply good processes. “Paving the cow path” is not the answer.

The Business is in Flux – Organizations might be in a high-growth phase, adjusting to acquisitions or other convulsive business events. These situations are distracting but also cloud the view of what the right target state should be.

Lack of Bandwidth and SME Commitment – The people who know how things work and how they should work also have day jobs and often get project responsibilities added to their workload.

The Learning Curve – On day one, the client team knows very little about the PSA application that has been acquired. Conversely, your vendor has very limited knowledge about your business. This knowledge gap is a challenge but must be overcome.

The Organization’s Commitment to Change – A closer look at the messaging from leadership or the inherent organizational culture can expose unforeseen resistance.

Impact to the Wider Technology Ecosystem – Your PSA will not implement in a vacuum. It will, and should, interact with front-office and back-office systems. Data harmony is critical.

Assessing Your Situation

The preceding list is quite hefty. It is common that customers deal with many of these risks at the same time. Like overcoming any challenge, it starts with recognition of the situation and an honest assessment of where your organization stands. To assist you in a quick self-assessment, ask yourself the following questions:

- “What are the most important needs I am trying to solve for?”
- “What is the state of my current processes? How mature (established) are they?”

- “Does my team have the knowledge and bandwidth to do this effectively?”
- “Do I have a good handle on the level of impact this will have on the organization, the company?”
- “Do I know the right questions to ask to know what is possible?”

These questions should help you assess and quantify your level of risk associated with your implementation and recognize the activities and investments that need to mitigate them.

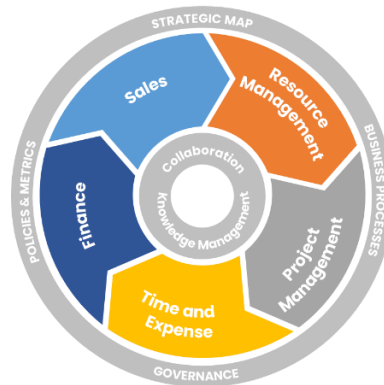
Solutions for Success

By now, you should have an understanding of the risks and taken an honest look at how they pertain to your organization. This should give you a sense of what can negatively impact your PSA deployment. Next, it’s time to determine what can be done about it. Let’s look at some solutions and actions that address one or many of the risks highlighted.

Get Consensus on Critical Business Needs

I have never liked the term or use of REQUIREMENTS. I recommend focusing on business NEEDS. Business needs are spoken in plain language and can be expressed as Use Cases, Scenarios or even as a high-level workflows. Requirements lead us down a path of laundry list of hundreds of requirements. The reality is most PSA vendors will meet 90% of your requirements out of the box, so you are wasting time with this exercise.

As part of defining your NEEDS, prioritize them. There are two reasons for this 1) you must reconcile needs across functions and departments (PMO, RMO, Finance, etc.), and 2) you need to rank the ‘must haves’ from the ‘nice to haves’ for when you need to make tradeoffs down the road.

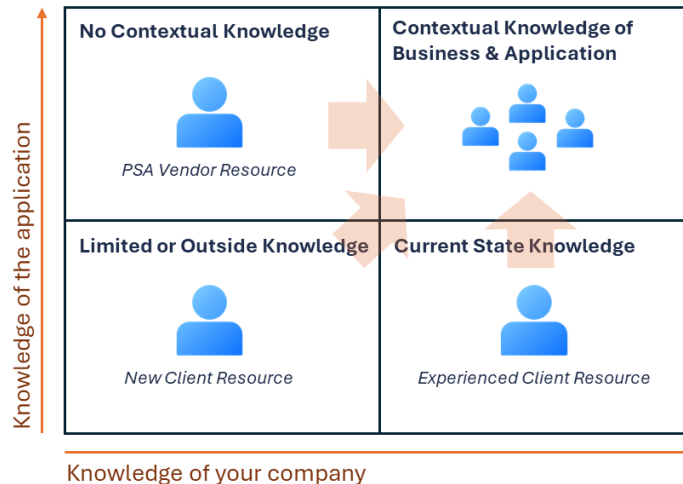


Once you have prioritized needs defined, do **feasibility checks** on these critical needs. Have your vendor(s) demonstrate the application’s capability and the **“art of the possible”**. If you have a function or process difficult to implement, consider changing your business process. And remember, **there is not just ONE best practice**. There is just the right best practice for your organization.

I strongly recommend a Business Needs Assessment, or “Phase 0” before or after vendor selection. This short (2-4 weeks) project phase is a small investment to make and will save you immeasurable time, money and risk.

Overcome the Learning Curve Challenge

As I stated earlier, the learning curve challenge lies in the fact that you, the customer, are not familiar with the PSA application and the vendors are not that familiar with you. This is illustrated in the diagram below.



Ultimately, we need both customer and vendor implementation teams to be in the upper right quadrant. It is only then that the team can make informed and forward-thinking design and configuration decisions and understand the implications of these decisions. Two dynamics I often see exacerbate this problem: vendor resources who function as order takers and client resources who do not invest the time to get trained. To address this, do the following

- Take the vendor training early in the process.
- Challenge your vendor to understand your business and present options. (Hint: there is not just ONE best practice)
- Most importantly, **YOU** define how you want to see the PSA application initially. Define Use Cases that best capture your unique needs and workflows. Drive the conversation. This dynamic can start with a Phase 0, but should carry into the initial design sessions.

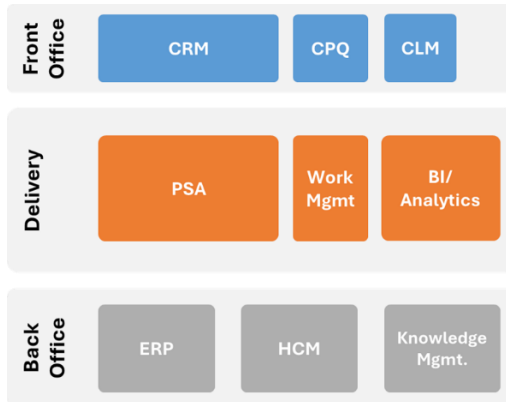
A leading practice is to quantify the time investment of your team to support the deployment project and build a resource plan and schedule to know how much time will be required by your team. From this, you can more realistically plan how to allocate resources to the project without overworking them.

Integrate PSA with your Technology and Data Ecosystem

Your PSA is not a bolt-on or standalone application. It is central to the quote-to-cash operation of your organization and company. With that, you cannot ignore the other elephants in the room when it comes to how the PSA application will impact the business systems ecosystem. There is great opportunity here, but I see clients often overlook or significantly delay addressing these integration opportunities. Areas such as:

- Front-office integration enables greater visibility to future work and integrates a key link in the customer life cycle.
- Back-office integration with ERP aligns critical financial processes that reduce errors and improve revenue predictability

- Other systems like HCM and Work Management present great opportunities for automating end-to-end processes.



Finally, all these integrated systems must be complimented with a **master data strategy** for your enterprise. In order to eliminate duplicate and redundant data, you need to map out where primary data entities will be mastered and how that data will flow from one system to the next.

Get the Organization Ready

I have always been a bit cavalier about the subject of change management (CM). I often treated it as a nice to have. Recently, however, I was the customer in a significant PSA/ERP implementation and saw firsthand the importance of change management practices.

While there are many aspects to CM, the primary functions are **communication and training**. All impacted parties must be aware and prepared for what is coming. These two elements are essential to achieving this. Simply said...have a good plan!

Another element of organizational readiness is ensuring there is **top-down advocacy** and sponsorship. It sounds cliché, but if the executive team is not onboard and leading by example, your entire deployment is at risk both now and in the future.

Finally, the question always comes up ... what roles and how many resources do I need to operate and manage the application. The answer varies depending on the application, the customer and a host of other factors. It is, however, critical to **define the steady state operating model** and organization at the beginning of the project. This allows those individuals to get all the knowledge transfer during the project. It also can alleviate some of the bandwidth issues by hiring or allocating these resources during the project vs. at the end.

Conclusion

Implementing a PSA is an exciting inflection point for your organization. It is essential that you get the most value from your investment. Missed expectations and undervalued PSA use pains me. More often than not, this can be traced back to a poorly executed deployment. Take the learnings from this paper seriously and know that cutting corners will come with consequences. If you are trying to figure out where to get started, reach out to me. My info is below.

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Broad Street Advisors helps professional and technology services organizations improve how they deliver services for their customers. We advise clients on all aspects of service delivery, including strategy, organizational design, sales and marketing, delivery execution and global resource planning. With expertise in PSA applications, interconnected business systems and opportunities with AI, we combine advisory and technology services to unlock meaningful ROI and lasting operational improvement.

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About the Author:

Marc Lacroix is an experienced technology industry leader with a proven record of driving revenue growth and profitability for global professional and consulting services organizations. In addition to holding various PS leadership positions, Marc has helped a wide range of companies improve their services delivery execution and operational performance as co-founder of RTM Consulting, and now Broad Street Advisors. Marc has over a decade of experience in Professional Services Automation (PSA), having built a PSA practice specializing in full automation of PS ecosystems.

marc@bstreetadvisors.com