Avoid installation nightmares

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EXECUTIVE SUMMARY

Every real estate and facility management organization uses software to support its operations. Yet implementation of new technology or software still has a high failure rate. The obstacles to successful IT implementation can be overcome with an eight-step process that defines what the business needs and how the new solution will function; makes sure the product does what the company, not the vendor, requires; and trains staff adequately on the new solution.

On balance, the real estate/facility management field is no better or worse than other business operations when it comes to implementing new software. That's the good news. The bad news is that, in a business segment that has been computer driven for decades, the failure rates for implementing information technology in organizations that handle real estate and manage facilities scarcely appear to have changed over the years. Either in whole or in part, more than 50 percent of these projects still fail.

Although promising new technology continues to "crash and burn," implementation failures should not be a mystery. Company management may

Failure is not preordained. have been lulled into believing that failure to deliver on expectations is part of the IT mystique, but failure is not preordained. It's well worth taking a few minutes to learn from those who have implemented real estate/facility management solutions successfully while saving significant dollars. Focusing on the root causes makes it

obvious why good intentions go astray. In turn, the how-to should become self-evident.

Technology for this arena

The pinnacle of software for real estate/facility management organizations is the full enterprise integrated solution, classified in a group known as integrated workplace management systems (IWMS). Like most tactical systems on the market, IWMS solutions can support all core service areas offered by major real estate/facility management organizations. The fundamental difference between the other products and an IWMS solution is the latter's strategic focus and ability to automate fundamental operating processes. They also must be entirely Web-enabled and provide strategic management metrics for performance management at the executive level.

A close cousin to IWMS is computer-aided facility management. Typically, these solutions are more rigid with a strict operational focus, are less expensive and are easier to implement. Their tactical nature means they are used more as a back-office tool to collect data (work orders, costs, people, locations) and generate reports.

At the next level is an array of specialized software, or "tools" in the IT vernacular, focused on areas such as lease administration, space reservations, maintenance management and project management, to name but a few.

The reality is that virtually every real estate/facility management organization already employs one or more of these forms of technology. Why so much frustration and disillusionment with these valuable tools?

Obstacles to success

In IT implementations, the biggest recurring nightmare articulated by a majority of real estate/facility management executives is, "We didn't get what we thought we were going to get." In other words, company leadership typically has a vision charitably characterized as quite naïve in the beginning. This vision embodies what leaders think technology can do to make their life easier and more efficient, but it doesn't comprehend all the moving parts that must come together and work harmoniously.

Another major obstacle is that when the IT solution is implemented, it just might do what the executives thought it would do. However, using the software could be much more difficult than they had assumed. In today's technology-infiltrated world, ease-of-use is an assumed "inalienable right." Most people expect technology to be easy to use, require no training and function logically for the task at hand.

As a result, any bothersome piece of equipment, process or technology is a disappointment at a minimum and, if disruptive enough, generally gets ignored. If used at all, usage level is the absolute minimum required, and personnel build shadow systems or workarounds since doing that is easier. Implementing systems that are difficult to use only accentuates the axiom that nobody looks for anything to make their job harder.

A third nightmare is that implementation requires too much time and costs too much money. Company executives may envision that a brand new system will be in place within a relatively short time and for a comfortably low expenditure. In their defense, this is an all-too-often sales tactic for software vendors — paint an unrealistic but favorable picture to get the sale. To executives' surprise and considerable dismay, implementation drags out to multiple times the original timeline and cost expectation.

One recent group was told that a particular system could be implemented in six months for about $300,000. Its actual metrics were nearer two years at $1.8 million. As a result, think back to a prior observation: Even if the system works, it is not what executives expected. In fact, time, cost and usability rank as the top three reasons for system failures. Actual system failures — such as a system that will not function physically or constantly crashes — are rare these days. More common, for example, are issues with operating slower than expected and lack of support for international sites.

Stop failure at the beginning

Borrowing a popular catch phrase, major solution implementations are a "perfect storm" of many ingredients almost haphazardly colliding. These storms can be navigated, but they need experience and careful planning to come through successfully. In fairness to most corporate real estate and facility management professionals, they typically are not at the vortex of a major IT implementation more than once in their career. As a result, this type of solution deployment may be set up to fail from the beginning.

Most business professionals "do not know what they don't know," and many vendors excel at manipulating this fact: Sell what the clients will buy, not what they need, and then claim the product as delivered is exactly what the clients agreed to contractually. They may be legally accurate in their claims, but the claims are deceptive in that the clients did not get what they needed.

Corporate IT organizations are only slightly more prepared for this because the larger enterprise solutions, particularly the major IWMS products, are more about business process automation than most corporate systems in use today.

Although engaging implementation consultants seems logical, companies must be careful. Some consultants are really just extensions of the vendors themselves; they approach the projects in much the same way as the vendor would, focused on the tool and not the underlying business need.

So how can organizations best get there from here? A good basic formula includes the following critical steps. All eight are business focused.

Step 1. Understand the business. It is of utmost importance for all parties on the business side to understand what they need, not what they perceive as

About half of the projects that implement IT solutions to help manage facilities, including industrial plants, end in failure.

interesting in a demo. This starts with developing an enterprisewide view of critical services that deliver value to the real estate/facility management corporation. Then make sure to understand the "business of the business" fully. Identify the unique and independent service offerings the business either provides or should provide in the future — and how they must interact. Then, make sure to define key performance indicators (KPIs) and metrics completely. Remember the well-known axiom that "What isn't measured doesn't get done."

Step 2. Develop clear and precise definitions of the business requirements. Assess the optimal practice for each operational process in order to streamline, optimize and standardize the business activities. Then, succinctly define the functionality that must be available in a software solution to enable the business to meet its objectives: what data and what reports, what interactions with users, what languages and internationalization requirements must be met. What information from outside systems will be needed? In short, before proceeding to a step that actually engages technology, thoroughly understand what the business will need.

Step 3. Select the appropriate solution. If the first two steps have been executed diligently, the selection

process is relatively easy. It is important to note that there are no bad systems left on the market, but there are lots of bad implementations. Too many companies start with the third step, and far too many of those companies end with a nightmare.

Step 4. Specify the way the system will have to align with business requirements. Knowing how the selected technology meets the business' requirements, the next step defines the detailed step-by-step actions that must occur to execute against each process function. These actions include the specific steps, roles, business rules, data set and interfaces associated with the successful delivery of each process task. Amazing as it may seem, this is still a business activity and not a technology one.

Step 5. Maintain vigilance during the implementation phase. It is easy to start focusing on the technology and forget about the business definition from steps 1 through 3, especially when seeing "cool" features and being bombarded with seemingly logical alternatives to the design. However, be careful with any deviations from the previously set design. That doesn't mean that company officials cannot

consider opportunities to enhance the deployment approach, but do so with a strict assessment of how they will affect the overall business solution and the expected benefits. The bottom line is not compromising the overall project's success based on a flashy feature or alluring shortcut.

Step 6. Test the delivered solution against the business requirements, not a vendor's technical design. This is a critical point. Hold the vendor accountable for delivering against the business specification. Management should not base acceptance of any software implementation on the design documents submitted by the vendor. Instead, base acceptance on making sure the software solution does what management actually wants it to do. One good tool is to create user acceptance test scripts based on the business' specifications. That way, the solution can be tested against the company's stated needs.

Step 7. Give data collection, migration and validation the appropriate level of effort. Many otherwise successful deployments fail not because the tool is conceived poorly but because the data is bad or missing. Data, or more importantly the knowledge that will come from its access and use, must be available and maintained or the very best technology deployment is doomed.

Step 8. Train users in both the business intent and the technology. Implementations of this nature rarely match the way people have worked prior to the technology deployment. Therefore, training must be geared to teach the new way that work will be done and why this new way is important. In other words, train on the new standardized business processes using the technology as the way the process is enabled.

Finally, engage and communicate throughout the entire project. Change management is the most critical discipline involved in a new program. Invest in it and use it to transform the organization so that when the tool is ready, the users of the tool also will be ready.

Base acceptance on making sure the software solution does what management actually wants it to do.

A case in point

A major global player in the high technology industry was preparing a significant restructuring of how it worked to focus more on adhering to consistent best practices. However, since the organization did not have accurate supporting data available simultaneous with the corporate restructuring, executives decided to invest in technology.

With an open mind toward doing it right — not tied to old ways or biases — the company launched the project with outside assistance to document what the organization needed, how the new technology would support the organization and how to define the technological requirements. Officials started with process standardization workshops and gained consensus on how work would be done. From this direction, they developed the functional requirements that needed to be met to deliver on the business need. In the technology selection phase, the clear direction for the approved business processes and functional requirements allowed decision-makers to eliminate many vendors that could not meet the business configurations needed.

As with any ideal model, no vendor was a perfect fit. But using the business definition as a guideline, a product was selected that met approximately 80 percent of the organization's needs out of the box, a product that could be configured, not customized, to meet close to 95 percent of identified requirements. As a result, the deployed solution was regarded highly by the real estate/facilities management team members because it did what the job required and made their jobs easier. All was made possible by a clear definition at the outset of what was needed and how the tool should be configured to support the business.

The business expects a solution that does what it is designed to do.

No one goes into an IT implementation expecting failure. Above all, companies want and need a solution that meets their requirements as fully as possible with the technology giving them the best bang for the buck. The goal is a product aligned to the business, one that works in a way that directly traces back to the business' needs. The business expects a solution that does what it is designed to do.

When this goal is met, both the costs and implementation schedule are optimized. By knowing the cost upfront, management can make a decision based on benefits to be derived. The bottom line is that the company gets a solution that works well, is aligned with needs, has a clearly defined cost/schedule commitment weighed against benefits at the outset, and rolls out with no negative surprises. ❖