WHITEPAPER

4 ways to ensure your PSA implementation is a success

Our guide to avoiding the most common pitfalls



HARMONY PSA

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Introduction

Implementing a PSA solution is a serious decision. Get it right and it will transform your business, providing efficiency, clarity and visibility across everything. Get it wrong and it can prove an expensive, frustrating and time consuming distraction away from making money.

Too often, companies dive in head-first when implementing a PSA system, without taking time to get the details right. Not taking the process as seriously as needed is a sure-fire route to failure. This is your company - it is a serious process that is not to be rushed. A rushed purchase of a PSA tool, drinking the sales person's snake-oil and signing up driven by a month-end sales target is only likely to end one way: badly. You may feel you're OK as you can cancel, but what about your time and the wasted implementation fees they are unlikely to refund? To say nothing of the staff disruption and loss of new business that may have arisen out of the distraction.

So, how do you avoid this happening to you? We believe there are 4 key ways to ensure your PSA implementation is a success:

1. **Don't invest in software that is still catching-up with changing business needs**
2. **Make sure you get sufficient engagement**
3. **Make sure your data model and quality threshold are both good**
4. **Don't be too ambitious**

Now let's explore them in more detail.

1. Don’t invest in software that is still catching-up with changing business needs

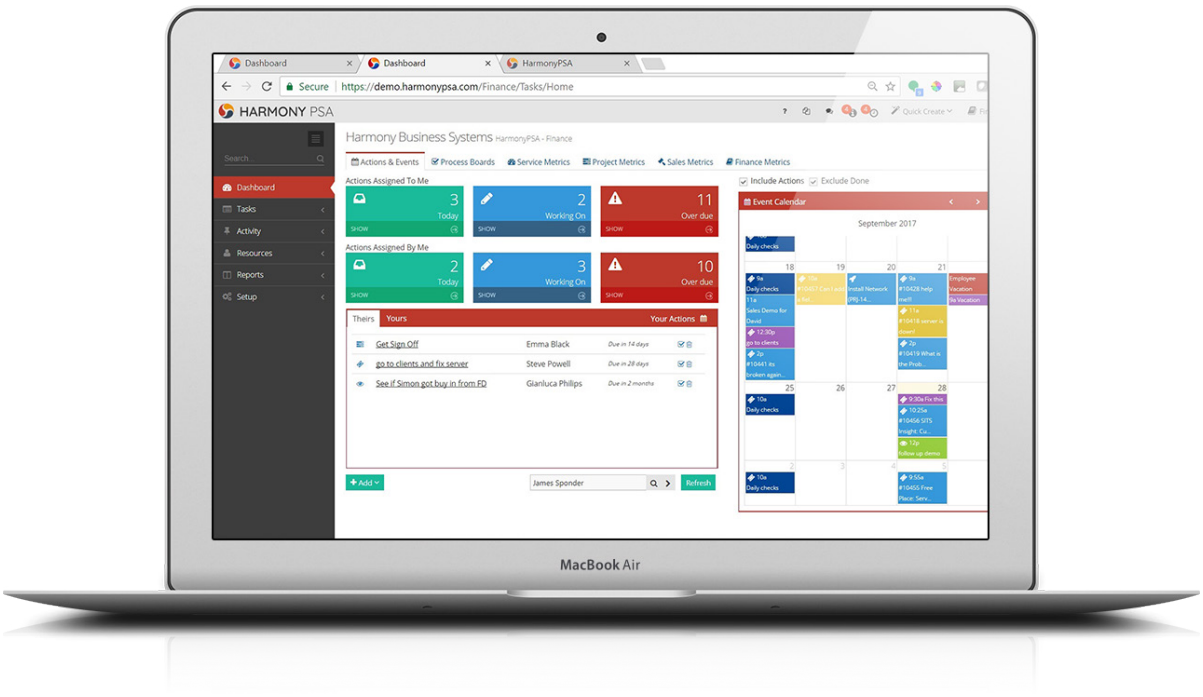
ERP implementation failures became endemic (almost apocryphal) during the 90’s and onwards as expansion in the adoption of business software reduced prices. The driver for this was the change from bespoke instances (all with significant localisation code changes), to a more configuration-based commoditised offerings.

The customer specific code-base support model of the 80’s was great, if you could afford it. It was certainly cheaper than 100% bespoke business solutions of the 70’s. If you wanted a feature, you paid for it on your instance, the only compromise being cost. Once you bought commoditised software, you lost the ability (money or no money) to have exactly the features you wanted. A lesson not learned by everyone, then or now.

ERP systems learnt this lesson the hard way with the first generation tools not being sufficiently configurable to really work in every case. A key reason sighted for failed implementations.

Current generation ERP PAAS (Platform as a Service) offerings have now emerged to address this issue.

Like ERP, a PSA tool is bought to operate your business, from sales, through operations to finance, all functions should have a stake in the success of the tool. The early generation of PSA tools aimed at MSPs were addressed at specific business operating models. Far from selling configurability, part of their attraction was that they included business training to help you run an MSP in the optimum manner, using their software, as designed.



So, they were selling a full business environment (even including telling you how much to charge!) not just software. And that's great if everyone is the same, which in the early years of MSP's they were.

But what happens when the MSP decides to change their offering under competitive pressures of the cloud?

They can find that the software which worked well for the narrowly-defined early-days model is not really flexible enough to model today's products practices and services. So the customers end up writing additional systems to compensate, breaking the core benefit case for the PSA tool.

It is only now that newer PSA systems are emerging with enough PAAS thinking built in to deal with this problem.

So, to the question, "Does the tool do XYZ?" Increasingly, the answer will be "Yes, but you need to configure it yourself with our rules engine/workflow engine/ custom fields etc" and inevitably this will require more training and some degree of compromise on the part of the user. That mind-set of compromise is not only important when looking at the market, it matters hugely during implementation and preventing failures.

Enquiries often ask about a single non-critical feature out of the thousands available, indicative of a mind-set designed for failure, a lesson not learnt. So, to avoid this pitfall, set your goals to a reasonable level and look to the benefits for the business of adopting the overall solution, don't allow the team to focus on moaning about one of two nice-to-have features that may be missing.

2. Make sure you get sufficient engagement

A PSA system changes people's lives, hopefully for the better. Irrespective, it will certainly change your employee's working practices and to succeed, they all need to be engaged, to varying degrees.

This is a serious commitment, one to be entered into with a clear vision of the end-point in mind.

So, while it's easy to see that engagement is critical, we'd like to suggest 5 key areas where engagement makes the difference between success and failure:

1. **Get and maintain employee buy-in:** so while of course this is always essential, any lack of employee buy-in really comes to the fore where the size of the company is between 10 and (say) 30. Below 10, generally this is an owner managed business and what the owner says goes, above 30 the company is likely to have established functions with clear(ish) segregation of duties and that buy-in should have been covered off in a well-run selection process (if you're in that size range and that didn't happen, beware there are rocks ahead). In between these two we have challenging companies which are struggling to get to the size where segregation is essential and where conflicts are not easily resolved.

   Often in businesses of this size, differing pressures and jockeying can drive opposition (to the choice) that will stagnate adoption and lead to failure. If you're in this bracket, ensure the whole management team sits together on the demos and engages in the trial. The shame is that it is these companies that most need a good PSA to help underpin further growth. So agree the objectives, the overall scope and any functional red-lines (but don't indulge a niche feature list); be clear what success looks like and get everyone to agree before talking to your first vendor.

2. **Clarify responsibilities:** someone must be in charge of the project to implement the new platform. Easy to say, but once again, in our difficult size range, often the culture of these growing business does not even support "in charge" as a concept. So decisions being made by the person in the lead (decisions that will impact other people's jobs) must be communicated discussed and nurtured, not imposed. Just one person, team or area refusing to use the platform (or wishing to use it in a totally different way) can wreck the whole venture, communicate decisions and deal with outliers early.

3. **Avoid distractions:** small businesses do not run with any slack, they don't have people on the bench, each new hire is a key decision that takes guts to make. So you will be using people to implement that also have day jobs and are already busy (remember you're probably doing this because of growth plans). So, this rule is just a problem, getting enough time to make it work. The first step in countering a problem is to recognise it exists, it does and it will impact you. Run this like any other project, with time allowances, updates, communication (daily stand-ups are good). You need to keep the pressure on yourself and the whole team to just make this happen, or it won't. And don't get distracted (easy for me to say). I don't know what the cost of a failed implementation is, but let's say, fees plus staff time, maybe its $10,000 – at least. So you get distracted and that's like getting 10k in bank notes taking it to the car park and burning it, you wouldn't do that so don't do it. This one is tough, but the benefits are real, stay focused and stick to the plan.

4. **Make decisions at the time:** these projects need a pile of decisions, many of which you will not have thought of. When they arise, don't delay, act. Almost everything can be altered later, pausing progress to consider a decision will destroy momentum and open the project to distractions. All that focus will be lost and the implementation will falter and may fail. It will certainly increase your budget. So be unusually decisive, and get to the end so you can start using the platform as early as possible.

5. **Lead from the front:** remember the key beneficiaries of a right-sized, correctly configured, smoothly running and accurately implemented PSA tool should be the management team. It will let you scale the business fast with reduced cost drag, provide unparalleled visibility around client, contract and employee performance and ensure that you stay on top of all the myriad details of running a business. Your employee's jobs should improve as well, but you get the real benefits. So, while this goes on, stay on top of it, attend training and daily stand-ups, engage the vendor for advice, get involved in the configuration, for once don't over-delegate, be decisive and a passionate champion for change.

Follow these five engagement rules and your business will transform, turn your back on the project and you'll be back to burning bank-notes in the car park....

3. Make sure your data model and quality threshold are both good

Why data? That should be the simple bit.

Well there are two aspects of data to consider in your PSA plan:

1. **Data quality**
2. **Data model**

But first let us consider two starting positions for this aspect of the process, both of which have good and bad aspects.

Firstly, if you've come from world of spreadsheets and fragmented point solutions, this may well be your first PSA venture. Here the main concern will be data quality.

As an example, let's start with counterparty data, do you have a clean customer list? And if you do, what do you mean by a customer list? Let me give you some options to help you decide. You could have a customer list that:

- only contains customers with active current contracts; or
- includes those plus customers you regularly do business with but not on a continuous basis; or
- includes those that may have recently come off contract but you hope to sell more to again; or
- includes those that are close to signing; or
- includes those that you hope will sign; or even
- includes all those that you have ever done business with (this is probably the one you use in your accounts but not the right one to load)

And that's before we get into the aspects of parent company, separation between business and financial counterparties etc, definition and de-duplication of sites and contacts. Now if you have this separated across many systems (which themselves may have differing counterparty data structures), you will need to both de-duplicate, clean and agree state on each customer record in each operational system. Also, sitting in your CRM system your will have companies that have not bought anything yet, even leads can exist as companies, are they worth populating?

If you are coming from an existing system, you must also consider the data model differences between the two systems and make sure that's been taken into account in the data cleaning. If you have a system that only allows one site per customer but you have customers with multiple sites, it is likely that you will have created duplicate customer records (this is quite common). Moving to a system that supports multiple sites, you must de-duplicate to have the right model. The same issue frequently occurs with contact records, whether they are attributes or independent objects makes a difference to data population.

So, the simplest data issue turns out to be quite complex, needing consideration and external data cleaning plus population of any custom fields you may need to analyse performance. Not focusing on these data population/data model differences early on, asking the right questions, getting the differences clear and building the right lists to populate will lead to you building an instance on bad data. This can be a cause of frustration in the implementation project, enough for it to fail.

So, don't rush this stage, it is a great opportunity to re-baseline your data and build on a clean foundation.

4. Don’t be too ambitious

The context here is that the PSA sales process will have set you up to fail if you’re not careful. And, worse, you may have pitched this story internally, setting your ambition in stone with your boss.

Your sales rep will speak on a continuous basis about how wonderful their solution is and how automated things will be, how easy your life will become and of course, how much money it is going to save you. “PSA’s are really free, because they save (or help you earn) more than they cost, the ultimate free lunch! Sign now, don’t delay etc. etc..”

Is it true? Well, let’s say it’s not a lie, but it’s also not the whole truth.

Get it all correct, bedded in, running smoothly, other systems switched off, think of a Swiss watch of business and then yes, it’s probably better than free and it’s certainly not a cost. It is a far better way to run a company and it will help you scale the business with significantly less cost drag. But 2-3 months in, no, it will still be costing you money, don’t trust anyone who tells you anything different.

And this is where ambition can cause projects to fail.

As I’ve said before, PSA’s change working practices, they change lives and not everyone likes that. In particular in the early stages when you’ve probably not got everything right. Don’t expect the sun to come out the day you go live; expect rain and tell your boss the same. No matter how careful you’ve been, how well you’ve documented processes, how much training you’ve done, how clinical you’ve been with the data load, suddenly joining everything up in one system will throw stuff up you didn’t think of. This is not a failure, it is the most vital lesson to learn because now comes the stage that’s probably not in the plan, trouble shooting the install.

Make sure your plan has the post-live fix period included, don’t consider these early issues a failure, the sooner they come out the sooner you can get on with aiming for the vision you started out with. Make sure your ambition (and messages to management) recognise this.

It is such a shame when early issues cloud what is otherwise a successful implementation and generate a failure message when all that is needed is a little more tuning. So, don’t allow this to be seen as failure, stick with it and work the problem to the end.

What we also see is issues at this point causing a reduction to the scope. In effect, you use what works and abandon what doesn't. This really is a failed implementation, because even though you may be live, you'll have lost the full benefit case. The temptation to do this is really strong, in particular if your plan doesn't include the trouble shooting phase.

Expect there to be issues, have this stage in mind from the start and you will overcome it.

Conclusion

So, when choosing a PSA tool, make sure it does what you need it to, and has the capacity to change as you do in response to market pressures. Ask every hard question you can, not about the vendor's roadmap but existing features and how adaptable they are. Ideally, you only want to do this once every 5 years, max. Don't be afraid to challenge and confirm. If you take a trial, take it seriously, test the boundaries of the configurability and then decide if they give you the room for your business model to flex and grow. If you plan on a move overseas, how good is the multi-currency aspect? If you plan on acquisitions, can you add multiple legal entities? etc.

Future-proof your choice, there are platforms out there that do all these things, so there is no longer any need to buy one that is limited.

Setting unrealistic deadlines and/or not making space or priority in people's diaries to do this properly is not a path to success. Remember, it's not done once it's live, it's done once it's all working properly. Make sure you pay attention to data cleaning; don't build on a weak foundation.

And, lastly, set achievable goals. You have to run and change the company in parallel, don't think this is a normal project, it's not. Lead from the front and be not only decisive but also pragmatic.

Done correctly, a solid PSA implementation will place a rocket under you to propel your business forward. Do it badly and it will hold you back.

HARMONY PSA

How Harmony can help

Harmony's configurability is unprecedented in the market, enabling you to model your business with far fewer compromises than other software. This is a key advantage towards adoption by staff as it will help to minimise business change. Harmony's counterparty model is the richest amongst our peers, enabling you to nail your counterparty data from sales through operations to finance without compromise or double entry.

Our implementation assistance adopts a collaborative, customer driven approach. We want you to understand the system and your use of it completely, but with us acting as a safety net so that problems and issues can be quickly resolved. Implementation doesn't stop with go-live, we are available to step in at any time to help you make the most out of your investment in the product and achieve the goals you had set for the purchase.

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