

This booklet describes a common pattern across all geographies and industries we term “Installation” versus “Implementation” and explains why sub-optimized projects are so prevalent. See if your organization has fallen into the “Installation trap,” and what actions you can take to change your own definition of “success.”

Beware. The Installation Trap Leads to Sub-Optimized Projects!

Enormous investments are being made in technology, process improvement, business transformation, new patient care models—all designed to drive efficiency and increase competitive position in a fast-paced, global and digital environment.

There is significant emphasis on designing the front-end strategy needed to thrive competitively. But getting strategy right is not enough. In fact, the resources your organization spends on strategy and planning represent only about 15% of what will be required to fully implement that strategy. 85% of the resource investment and work effort you will need to get to Implementation still remains!

So what happens? Getting to launch, cutover, or go live becomes a project’s endpoint. It’s what we call “Installation.” Organizations check the box a project is “done,” when the fact is the project falls short of achieving its intended value. The project ends prematurely with no structure, resources or organized effort to get to the sustained behavior change required for full Implementation.

As a result, those strategic investments fail to achieve full value realization. The financial business case that justified the investment on the front-end is not achieved at the back-end.

At a time when there is more need than ever before to extract maximum value from projects, far too many are sub-optimized.

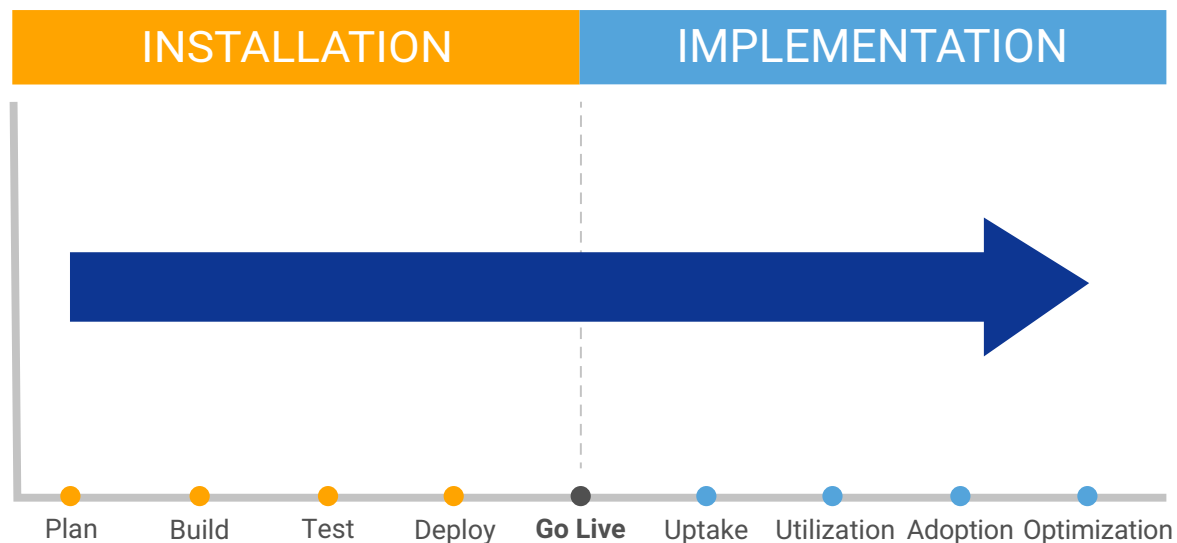
Installation is Critical. But it's Not Enough!

Most organizations focus on getting to launch or go live. But that is *not* the finish line for projects. No matter the type of project or strategic initiative, you are not “done” when you get to what we call “Installation!”

It's easy to understand why Installation promotes a sense of accomplishment. Installation is seductive. True, there is a lot of activity. True, some results have been achieved. It may *look like* change, but it's at the surface level. There is no long-term behavior change!

This premature project completion has significant financial impact, too, because if you only get to Installation, the organization fails to achieve benefit realization for its investments. The financial business case established at the front-end is *not achieved unless and until you get to optimization, also known as Implementation.*

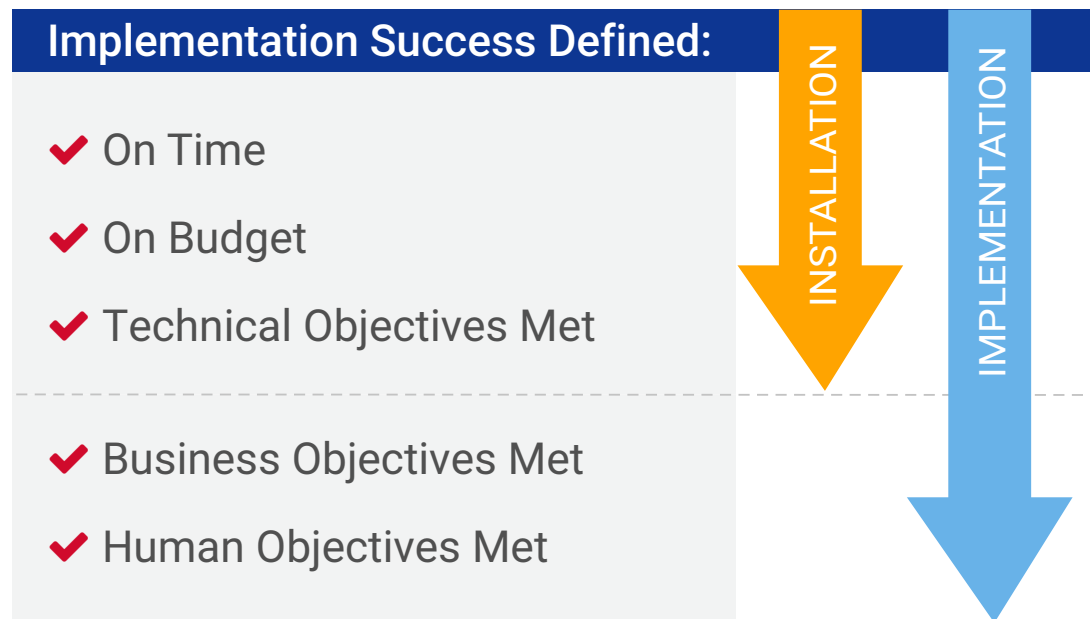
Stages of Project Implementation



Installation Does Not Equal Implementation

So instead of considering launch or go live as the strategic goal, organizations should re-frame their definition of success. The goal should be achieving Implementation and value realization.

Installation vs. Implementation



INSTALLATION does not equal **IMPLEMENTATION**

5 Success Metrics for Achieving Implementation

To get to full Implementation, or optimization, your organization should re-frame its definition of success to include all 5 critical success metrics:

Is the project delivered on time, on budget, and the technical objectives met? That's "Installation."

But you must also fully achieve the business objectives for the change, and the human objectives. These human objectives are the behaviors you seek to see in the future. In other words, what will all the people who are impacted by the change be doing differently in the future—not just people at the front lines, but also leaders, managers, and supervisors?

Why Do Organizations Have an Installation Mentality?

In most organizations there are powerful reasons why an Installation mentality is sustained. These include:

- **Scarce Resources.** The need to do more with less has never been greater. This puts enormous pressure to take resources off of one project and move them to the next project prematurely.
- **Budgets** are developed based on getting to the launch date rather than on achieving value realization.
- **Ease in Quantifying Installation.** It's much easier to measure and monitor whether a project is on time and on budget. It's much more difficult to measure outcomes in terms of behavior change.
- **Rewards for Installation are Prevalent.** Project Teams and the leaders themselves are typically rewarded for getting a lot of things "done." Everyone feels a great sense of accomplishment when you can look at a list of dozens of change projects that all have a check next to them.

But the reality is the Installation mindset is a trap!

Research Shows There are Costs to an Installation Mentality

While there is an often quoted statistic that 75% of projects fail, it's not necessarily that they fail outright. Typically, they fail to achieve on time, to spec what the project intended. This statistic can be debated, but there is recent research that validates a definite issue when it comes to "success," even when that definition focuses on Installation!

The Costs Are Real

63% of ERP projects are judged to be successful.

Harvey Nash/KPMG Creative CIO Survey 2016

\$122 Million is wasted for every \$1 Billion USD invested due to poor project performance, a 12% increase over last year.

PMI 2016 Research Report

55% of businesses surveyed reported an IT project failure in 2015.

Innotas

25% of technology projects fail outright; 20-25% don't show any Return on Investment; 50% need massive re-working by the time they're finished.

Bernard Marr Forbes Blog

50% of all Project Management Offices (PMOs) close within three years.

KeyedIN

33% of projects fail because of a lack of involvement from senior management.

University of Ottawa

75% of IT executives believe their projects are "doomed from the start."

Geneca

Fewer than 1/3 of all projects were successfully completed on time and on budget over the past year.

Standish Group, September 2016

“Getting started with advanced analytics is as much about changing mindsets and culture as it is about acquiring tools and skills. Failure to make these changes can be fatal to success.”

Gartner Research, 2015

Human and Cultural Elements Pose Significant Risk to Project Success

Our own research suggests what is true of big data projects is equally true when it comes to every type of strategic change. Yet despite the data, organizations continue to put much more emphasis on the achievement of technical and even business objectives than on the human and cultural elements of changes.

These critical elements are delegated to the Change Management team, or Human Resources, or even outsourced to technical consultants rather than led from and managed from the top.

Even when the organization invests multi-millions of dollars in hardware, software, or other transformational change activities, the human side of changes is overlooked or lacks the level of rigor and discipline common to managing the financial and operational sides of the business.

The Installation Mentality is Common Across All Project Types

It's easy to focus on technology changes and see that getting to launch or go live is not the same as getting full adoption for that technology. But what is true for technology is also true for every other type of change.

Now consider your own projects. Are you getting to system optimization (full Implementation), or stopping short at Installation?

Project Change Type	Installation	System Optimization
ERPs and other Technology	Hardware/software is up and working; new business processes have been defined and introduced	Complete adoption by all users taking advantage of full capacity of system; no work arounds
Lean/Six Sigma and other Operational Excellence Initiatives	Team trained; leaders express support; new processes identified and put in place	All new processes are fully adopted by everyone impacted; organization is continually thinking in Lean terms; new behaviors are observable at all levels
Re-structuring	New organization designed; people are in new roles	Roles and responsibilities are re-defined with new performance measures defined and communicated; new job descriptions drafted; skill gaps, motivational issues identified and addressed
Transformation	Strategy designed; project teams in place; processes, technology, people changes complete	All changes are fully adopted; Sponsors behave differently; new reinforcements match radically different ways of completing organization work

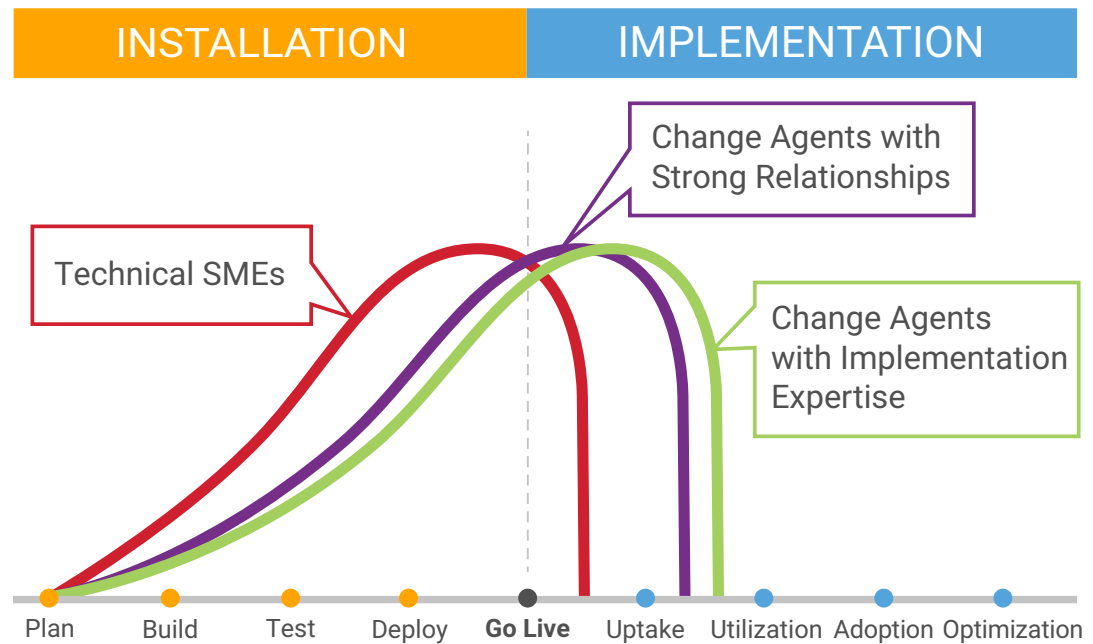
Moving from an Installation to an Implementation Mindset

To increase likelihood of Implementation success, organizations must begin all projects with an “Implementation mindset.” There should be:

- A common vocabulary and framework for Implementation
- Success that is measured by achieving benefit realization for all projects
- Discipline and rigor on the human side of changes
- Projects that are resourced to get to full Implementation, and include the right people at the right stage of the project lifecycle—technical SME’s; Change Agents with strong relationships with both project Sponsors and those impacted by the change; and Change Agents that have Implementation experience and expertise

While the level of commitment is different depending on the stage of the project, all should have some level of involvement even at the initial Plan stage.

Type of Resources Required at Project Stage

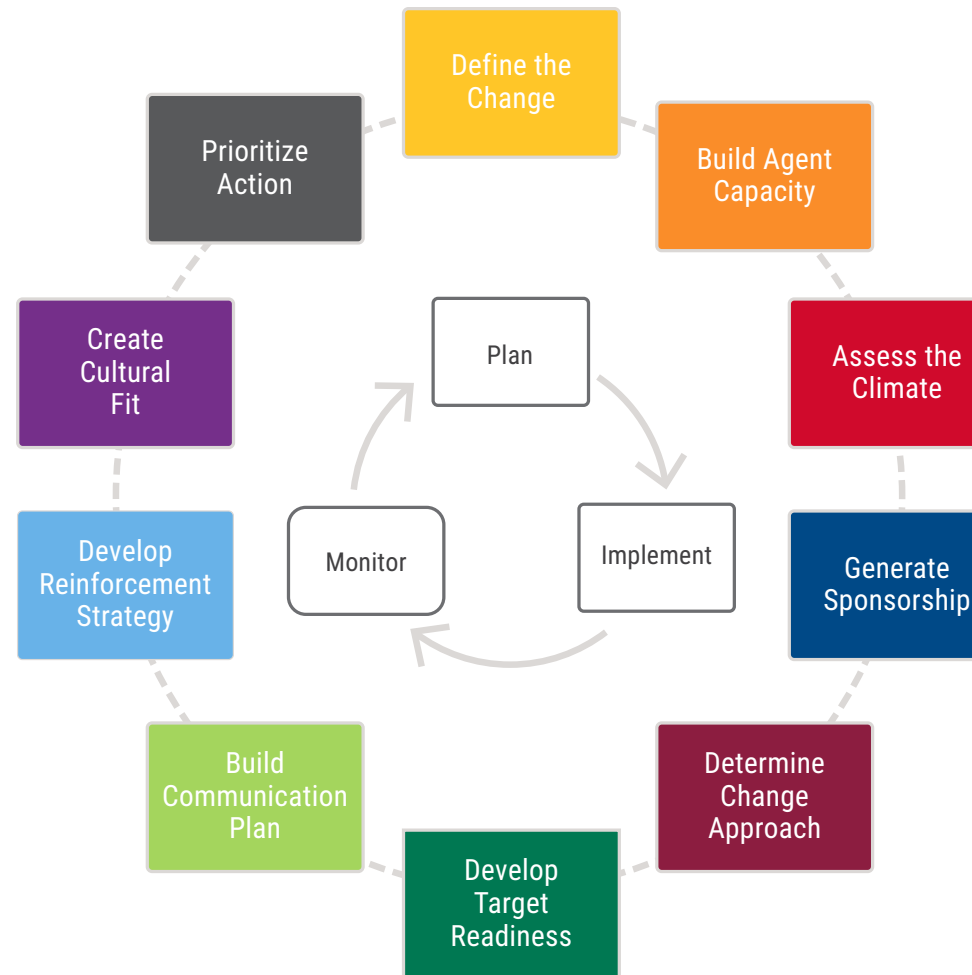


The AIM Structured Change Framework is the Foundation for Moving from Installation to Implementation

The Accelerating Implementation Methodology (AIM) is an integrated system of activities, principles, tools, strategies, tactics and measurement diagnostics that provide a common Implementation approach no matter the scale or complexity of the project.

While other frameworks are “activity-focused,” AIM focuses on targeting your limited resources for maximum impact, driving toward business outcomes—your business, technical and human objectives.

Let’s look at the critical factors for each of your projects and strategic initiatives in moving from Installation to Implementation.



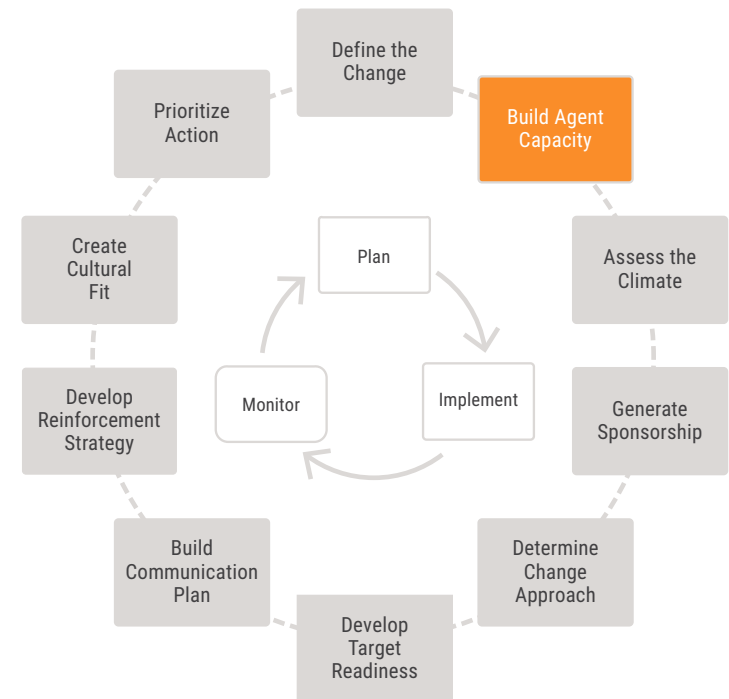
Contrast Installation and Implementation in Your Own Projects: Chartering and Defining the Change

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Chartering limited to: <ul style="list-style-type: none"> • What • Timeframe • Budget • Sponsors lack common agreement on scope 	<p>Focus is on fully Defining the Change:</p> <ul style="list-style-type: none"> • What • Timeframe • Budget • Why • Consequences of not Implementing • “Human Objectives” by Target group • Business Objectives • Degree of disruption by Target audience to identify sources of resistance 	<ul style="list-style-type: none"> • Business Case for Action • Project Overview Tool or Project Foundation Document



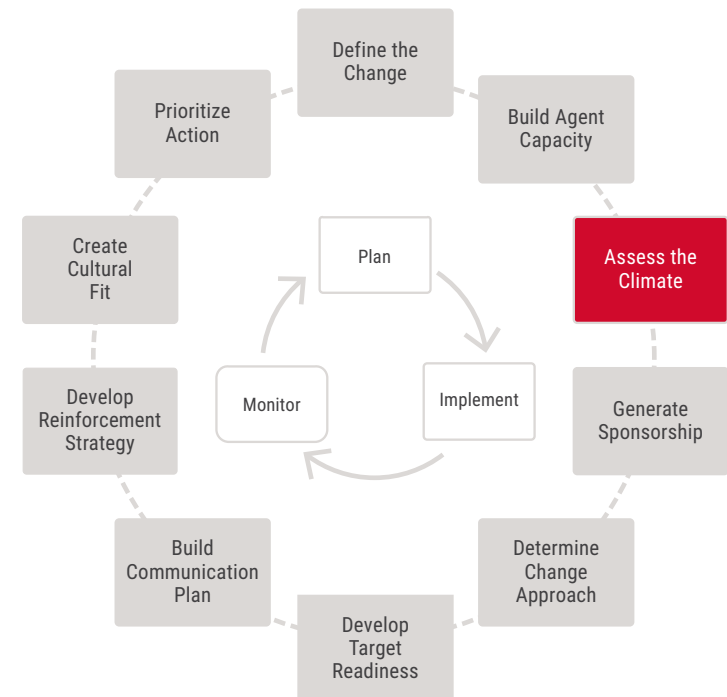
Contrast Installation and Implementation in Your Own Projects: Team Selection (Change Agents)

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Agents selected solely based on technical knowledge • Use who is “available” • Unclear expectations for role • No skill development • Poor distribution of Agents • Weak or no reinforcement/rewards 	<ul style="list-style-type: none"> • Both technical knowledge and Implementation skills of Agents are evaluated • Agents have credibility with both Sponsors and Targets • Use mapping to identify where/how many resources are needed • Agents have clear expectations for role • Skill development part of project plan • Reinforce desired Agent performance 	<ul style="list-style-type: none"> • Key Role Mapping • Change Agent Assessment Tool



Contrast Installation and Implementation in Your Own Projects: Prioritization and Sequencing; Assessing Change Climate

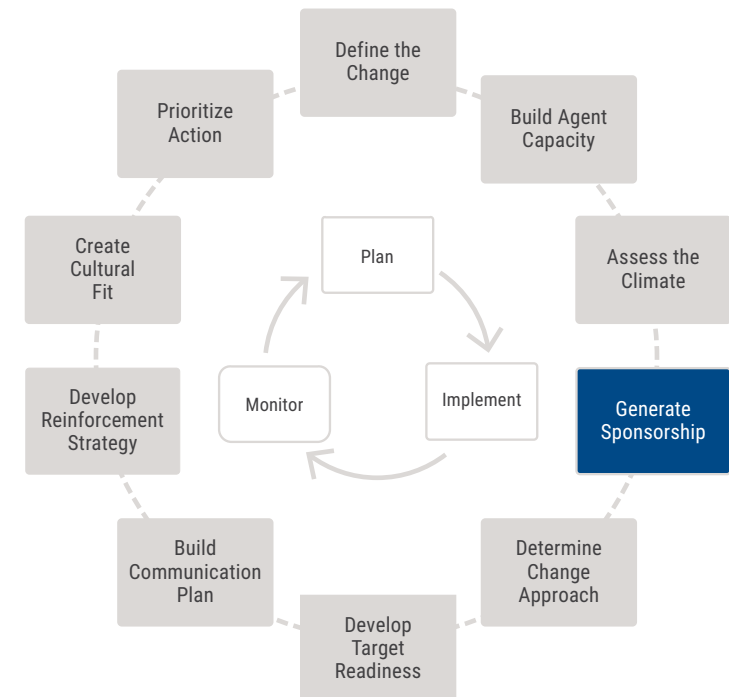
Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • High stress based on number of changes; inadequate resources; lack of sequencing • Poor track record on implementing change but history is ignored • Repetition of same behaviors • No attention given to change climate for the project 	<ul style="list-style-type: none"> • Carefully managed prioritization and/or sequencing • Diagnostics used to pinpoint potential barriers and risks are managed proactively • Continuous improvement based on lessons learned • Projects mapped and sequenced by Target group to measure cumulative disruption 	<ul style="list-style-type: none"> • Implementation History Assessment Diagnostic Tool



Contrast Installation and Implementation in Your Own Projects:

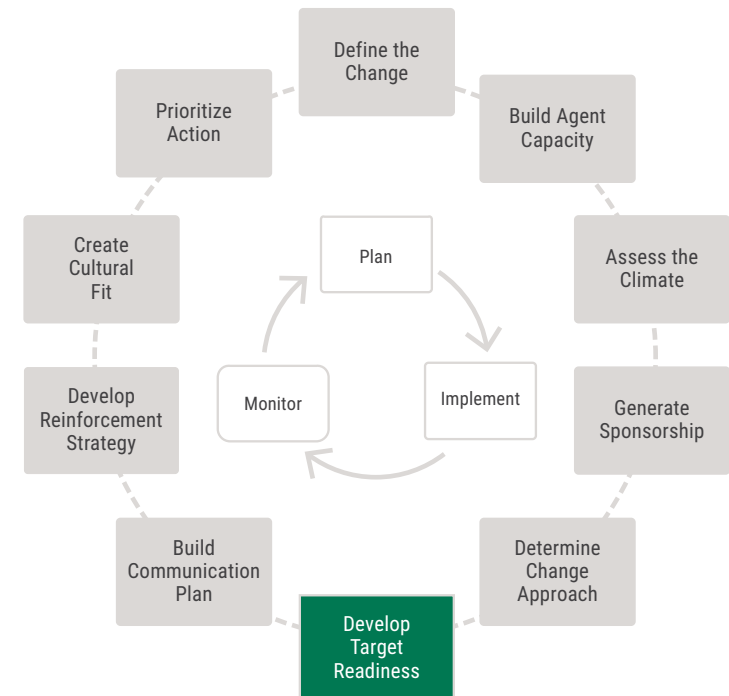
Role of Leaders as Sponsors

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Single “Authorizing” Sponsor who “signs the check” • Leaders talk about their support, but don’t commit time from beginning to end • Leaders focus on maintaining their own power rather than solving critical issues • Steering committees substitute for visible, active Sponsorship • No rewards/ consequences for leaders who don’t demonstrate personal commitment 	<ul style="list-style-type: none"> • Build a “cascade” of leaders who Express/ Model/Reinforce public/private commitment • Sponsors are aware of actions needed individually/as group • Sponsors held accountable for both their actions/non-action • Sponsors work closely with Agents/ Targets through entire change • Leaders don’t delegate Sponsor responsibilities • Sponsors are aligned on strategic intent, priority, and inter-dependence 	<ul style="list-style-type: none"> • Key Role Mapping • Sponsor Assessment Tool • Sponsor Contracting



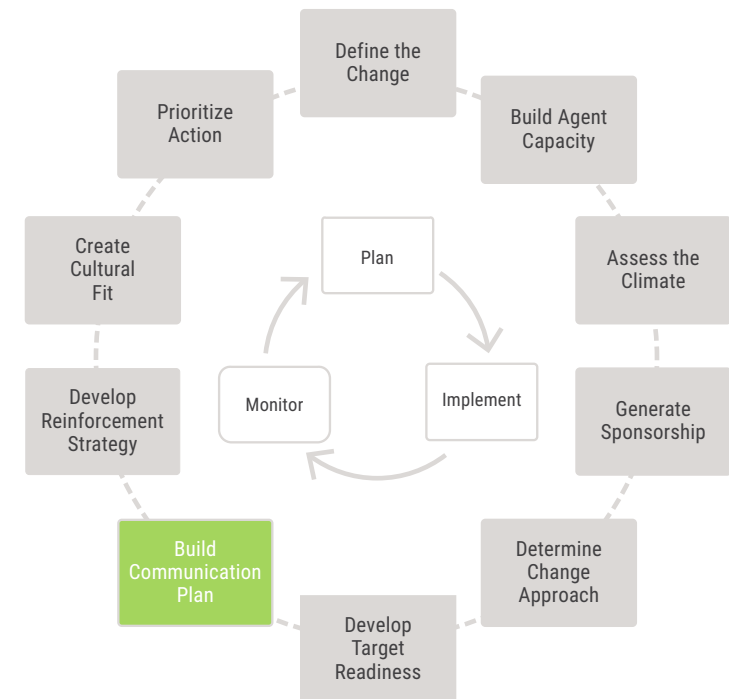
Contrast Installation and Implementation in Your Own Projects: Build Readiness and Manage Resistance

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Top-down, one size fits all messages • Unmanaged resistance • Leaders who try to force compliance rather than gain commitment • Attempts are made to beat down resistance • No investment in building Readiness 	<ul style="list-style-type: none"> • Invest time and resources in building Readiness, especially where disruption is greatest • Gather feedback on sources of resistance when communicating with Targets • Sponsors and Agents surface/manage resistance well before go live • Use involvement strategies appropriately • There is consensus on what “change ready” means, and how to achieve it 	<ul style="list-style-type: none"> • Impact Mapping • Individual Readiness Assessment • Readiness Model



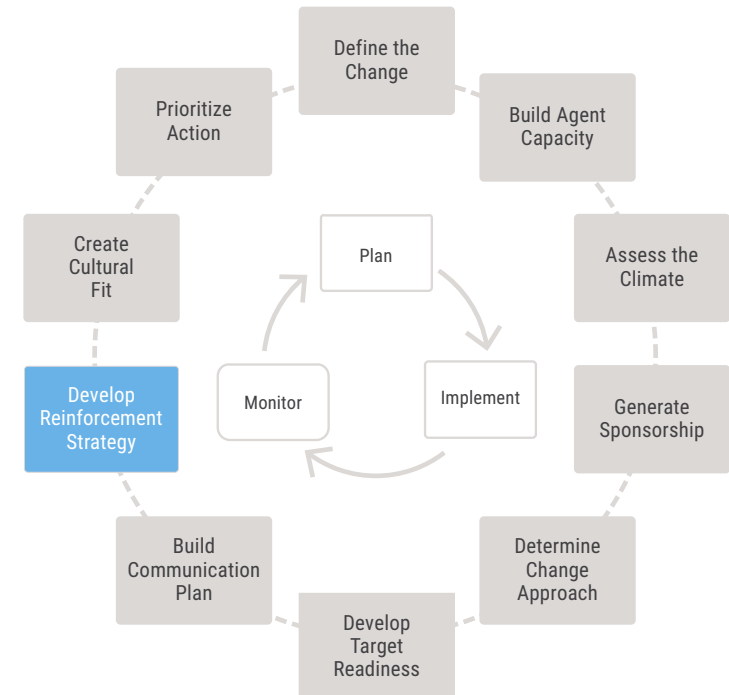
Contrast Installation and Implementation in Your Own Projects: Build and Implement Communication Plan

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Equate Communication Plan with Implementation Plan • Reliance on top-down, single message Communication, primarily by email • No feedback loops • Communication focuses on over-selling benefits and under-selling impacts/disruption 	<ul style="list-style-type: none"> • Sponsors and team understand Communication is just part of managing change • Use of multiple vehicles and formats, with two-way Communication • Messaging is Target-group specific • Communication effectiveness is consistently monitored • Communication is honest and when answer unknown is stated 	<ul style="list-style-type: none"> • Communication Audit



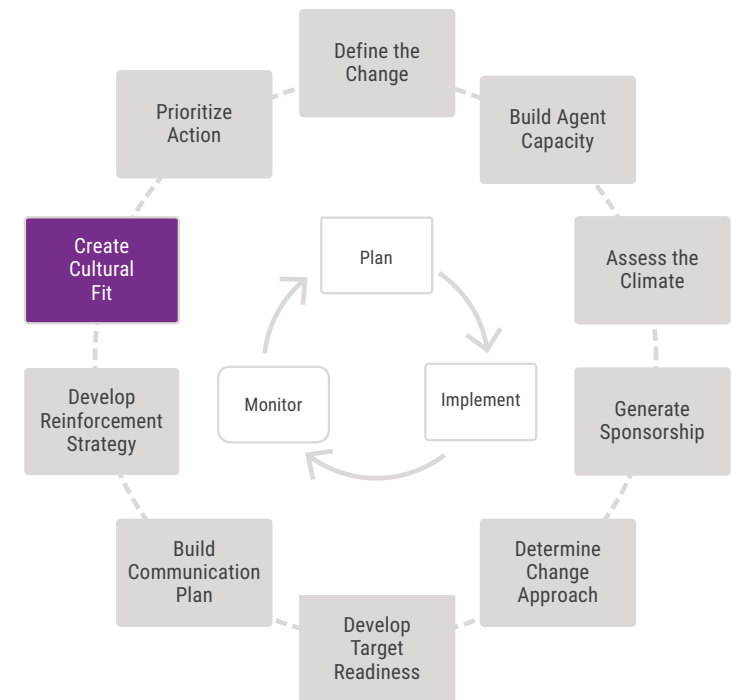
Contrast Installation and Implementation in Your Own Projects: Gain Sustained Adoption through Reinforcement

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Formal and informal reward systems don't match new performance expectations • Sponsors unaware and/or unprepared for role in Reinforcing changes with direct reports • Reinforcement is not immediate or certain • No attention paid to what is meaningful for Targets • Unbalanced mix of positive and negative rewards 	<ul style="list-style-type: none"> • Sponsors and Agents work together to design Reinforcements • Sponsors are accountable for Reinforcing new behaviors with direct reports • Balanced mix of positive and negative rewards/ consequences • Formal and informal reward systems aligned with new expectations • Reinforcements designed to be meaningful to Targets, not one size fits all 	<ul style="list-style-type: none"> • Targeted Reinforcement Index



Contrast Installation and Implementation in Your Own Projects: Addressing Culture Change Requirements for Implementation

Installation	Implementation	AIM Deliverable/Tool
<ul style="list-style-type: none"> • Culture issues are ignored • Current culture/ values conflict with desired outcomes • “Unwritten Rules” directly conflict with the change 	<ul style="list-style-type: none"> • Explicit effort is made to ensure new formal and informal Reinforcements are used to mitigate culture change risks • Sponsors and Agents understand culture change requirements can’t be ignored, or the current culture will prevail • Alignment with each sub-culture is managed as a project risk 	<ul style="list-style-type: none"> • Implementation History Assessment



5 Steps to Moving to an Implementation Mentality and Achieving Benefit Realization

So now what? How do you actually start to get your organization to change the strategic goal from Installation to Implementation?

- 1 Have a common Implementation framework and vocabulary that are universally shared across the organization.
- 2 Require every project to have an “Implementation Plan” that minimally includes:
 - A complete Change Definition
 - A Sponsorship Strategy
 - A Readiness Strategy
 - A Communication Plan
 - A Reinforcement Strategy

The Implementation Plan should be blended into the Technical Project Plan, rather than exist in parallel.
- 3 Ensure Sponsors and Agents have clear expectations for their respective roles, and hold them accountable for Implementation success. Provide them with the necessary skill development for maximum effectiveness.
- 4 Adjust the definition of “project success” so that a project isn’t deemed to be fully complete unless and until it gets to optimization.
- 5 Monitor ongoing project success (using the *AIM* Implementation Risk Forecast) and organizational Implementation success (using the *AIM* Implementation History Assessment) as part of a continuous improvement process.

Our Advice?

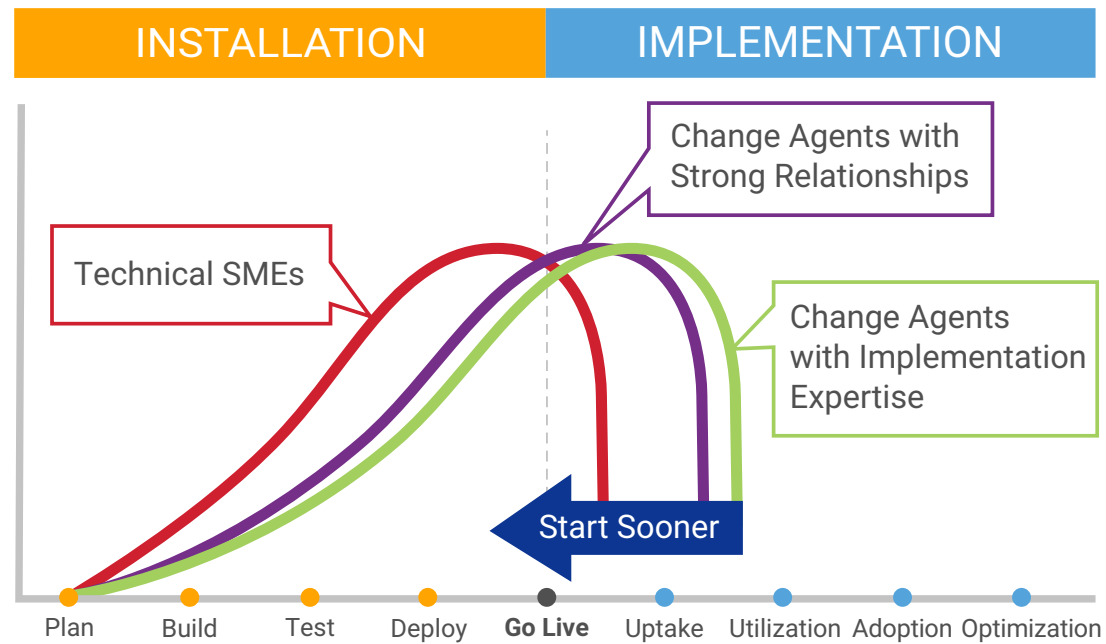
Start Small.

Take a project approach. Begin applying these lessons on a few selected projects. People will notice, and your results will improve over time.

Start Sooner.

Deploy your SME's, Change Agents with strong relationships, and Change Agents with Implementation expertise in the Installation phase of the project. If you plan with an Implementation mindset, you will actually accelerate and use your resources much more effectively.

Type of Resources Required at Project Stage



Learn More!

This guide is just the start. We can help you and your organization build your capacity to fully Implement with Action Learning, Consulting, Certification, and a full suite of Tools and Measurement Diagnostics.

Visit our website at www.imaworldwide.com for much more information and many complimentary resources, or call us at +1 303-996-7777 or 800-752-9254.

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ABOUT IMA IMA is an international consulting firm that guides organizations through all types of large-scale change and implementations. Since 1989, our proprietary *Accelerating Implementation Methodology (AIM)* has been used extensively worldwide to ensure business-critical projects are delivered on time, on budget, and all business, technical, and human objectives are met.



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