Implementing Global IT Systems: Don’t Play the Shell Game

by Ted Farrington

With over 30 years of experience working in research and development (R&D) for a variety of companies and industries, I’ve seen my fair share of information technology (IT) systems implemented to support various global processes such as product lifecycle management (PLM), phase-gate, portfolio management, legal and finance.

Having observed these projects from all angles, I began to notice a pattern behind some of the most common mistakes being made during the implementation of large global IT systems in support of R&D or other business processes.

This series provides leading practices for avoiding the top ten most common mistakes.

Mistake #2: Don’t Play the Shell Game

Make sure your project actually improves global productivity.

Financial benefits from global IT system implementations, especially those seen as productivity improvements, often take the form of headcount reductions. But, these reductions cannot only be accounted for by the team sponsoring the initiative. They need to be calculated globally across the entire enterprise.

I once saw a global system that was justified by the elimination of 20 positions in one location who performed the job manually. However, the system was so time consuming and hard to use that other parts of the enterprise needed to add at least 20 temporary full time equivalents (FTEs) to keep the system running and not consume all their time. When asked for help in covering these costs, the project management office (PMO) replied,

“We didn’t budget for that; you’re on your own.”

So even though the sponsoring team was able to claim a local cost savings, the system actually hurt productivity.

Similarly, at one time, all employees in my company received the following email from one functional team that had just installed a new global system:

“To allow our team to focus on higher order activities, we’re launching a new software tool for your use. Instead of having us enter and own your data, this tool empowers you to enter and take responsibility for your own information. Mandatory online training starts next week.”

In other words, it’s not a good use of our time to do data entry, but it is a good use of yours... These “offloading of work” projects are just another shell game, with the offloading organization potentially saving the time of a junior clerk at the expense of more senior personnel around the organization.

One of the most telling statements I’ve ever heard after a new system launch is,

“Now that we’ve gone live, we need to collect end-user requirements.”

Unfortunately, this is the norm more often than folks want to admit.

Obviously, none of these projects engaged all their stakeholders at the beginning of the process. To avoid making the same mistakes for your next project, follow this simple but effective principle:
Anyone who touches the new system will see—at worst—no net increase in workload, and usually a net decrease in their workload.

Stay tuned to discover leading practices for avoiding these ten common mistakes. Being mindful of the challenges and solutions discussed in this series will greatly increase the chances of your next project becoming a sustainable success.

The Entire Top Ten List:

<table>
<thead>
<tr>
<th>1. The &quot;Global&quot; Roll Out</th>
<th>6. Jumping the Gun</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Playing the Shell Game</td>
<td>7. Skipping Stakeholders</td>
</tr>
<tr>
<td>3. The &quot;Fix All&quot; Solution</td>
<td>8. Skipping the Dress Rehearsal</td>
</tr>
<tr>
<td>4. Ignoring Inconsistencies</td>
<td>9. Self-Gathering Data</td>
</tr>
<tr>
<td>5. Missing the Point</td>
<td>10. DIY Projects</td>
</tr>
</tbody>
</table>

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Top Ten Mistakes Made Implementing IT Systems and How to Avoid Them

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What's your view? Add your question or comment
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Ted’s 35 years of research and development experience were built in the CPG industry, where he held leadership roles in advanced research and R&D. As a fellow at Kalypso, he uses his years of experience in breakthrough innovation, research foresight and R&D business processes & systems to support clients.