



BUYING TECHNOLOGY

By Kelly Parker

Ideas to help your company implement new technology

So, you're looking at some exciting new piece of electronic technology for the business, and you've been doing your homework; the vendor is fantastic, with a service and support agreement that is second to none. All signs point to "Go."

Best to hit the brakes on this one, then, because you might have forgotten to address much more important issues, namely, whether you should be doing it at all; and how to make sure that once you go ahead, you've put yourself in a position to have success with it.

According to Mark Murrell, President of CarriersEdge, the over-riding factor at play when companies have failures with the implementation of new technology is that they don't have the internal organisation ready to make it a success. Without a strong business case for the change, he emphasizes, you're all but throwing money away.

"A lot of people I talk to want to utilize technology, but, from a business perspective, they really don't know how to buy it. Often, they are line managers, and this sort of thing

might not be part of their day-to-day job," says Murrell. "Now they've got to sell executives on something they want to do, and for that they may be out of their league."

The business case needs to include the reason for buying the technology in the first place, complete with measurable objectives. What is the problem that you are trying to solve with this technology and what is it costing you? Are you trying to solve a problem at all, or is this a strategic acquisition that will allow the business to

grow in some way? In short, why do this in the first place?

Once that's done, says Murrell, you can move on to the next step: the presentation, which can be sub-divided into four areas: people, process, plan and payment.

People

The key questions here are: what is the culture of the organization and its approach to operations; and is it a pro-active company or a reactive company?

Some identifiers for companies with proactive cultures are that they put safety first with their fleet, ahead of everything and at all costs. They likely concentrate on preventing problems before they happen and aim for continuous improvement - looking for what they can do better before things break down.

An example of a reactive company, on the other hand, is one that puts delivery schedules ahead of everything else. It will often find itself cleaning up problems and going through periodic housecleaning in order to fix things.

Murrell explains that this is relevant because the person leading the initiative has to look at how established that technology is, and how it matches the company's typical headspace. "Once you understand that question it really allows you to frame how to sell it to management," he says. "If you're going to advocate for cutting-edge technology that is just in the early stages of getting a foothold in the market, but the culture of your company is more reactive, it's going to be a hard sell and you'll want to look seriously at whether it is the right time to do it."

"That's really the most important thing," emphasizes Murrell. "If you have the people side of it covered, everything else can sort itself out."

Process

Process, in this context, involves looking at how you are going to fix the problem at hand, and more

significantly, what else is going to be involved. "A lot of times people will say, we have this problem, and this technology can help us solve it, and that may be the case, but at the same time, there might be a lot of other processes and implications to that decision," explains Murrell. "The organisation must be looked at as a whole; who else within the company needs to be involved, and what else needs to change if the technology is to serve its intended purpose?"

Technology is always based around a set of best practices, with designers creating a system that involves doing things using specific methods and in a particular order. "If you try and shoehorn this system into an existing process, it almost always fails. What ends up happening is the technology doesn't get used, people end up going back to their old processes and you don't see the improvements that were expected," says Murrell. "Successful companies are the ones that recognize that they have to adjust their processes to match how the technology works."

Plan

This part of the buying process looks at the timeline for implementation of a new technology initiative. The key, according to Murrell, is in considering when the implementation is going to take place, and what else might be going on within the company concurrent with that. "Companies need to make sure that there is going to be an appetite to see this thing through. If you get busy with too many things, you can end up not accomplishing any of them."

Communication throughout the organization is very important if all affected parties are to understand how things might overlap, and where plans might need to be devised for those affected to work around or with each other.

Part of the plan phase involves getting the earliest possible buy-in from decision makers. "There are three things that you'll want to do

with respect to executive buy-in," says Murrell. "One; make sure that you have their blessing to go ahead with it. That way, you don't invest a lot of time only to have them say that they didn't want you doing it. Two; understand what their criteria are for approving the proposal once you bring them your recommendation; and three; create a framework for a budget based on their perception of value for the business."

Murrell notes that a common mistake that companies make when buying new technology is in setting it up as a pilot project, which he says sets up the initiative for failure before it has ever begun. "When you think of a pilot project internally you're not getting a commitment from anybody else, and what ends up happening is, you have to go back and re-sell it every time," he says. "If you think of it as a staged rollout with milestones and opportunities present that will allow you to break out of it if it's a real disaster, you'll have much more success because everybody is focused on the end-goal."

Payment

Too often, there is a perception with those who are pushing for the technology that they are pitching for new money from budgets that are already stretched in this difficult economy.

Not so, says Murrell, if your business case for the new technology holds water in the first place. "This goes right back to the beginning and the question of what problem we are trying to solve, and how much is it costing us? If you've done that part of it properly, it will be easy for you to figure out where the money is going to come from to pay for the new thing; it's going to come from the solving of that existing problem. All of that money is already in the budget; it's just in different places."

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