



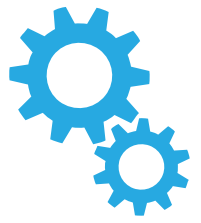
HCM UNLOCKED

Whitepaper:

Why The Best Software  
Companies Utilize

# Implementation Partners





# Implementations by third-party experts result in faster go-live, higher customer satisfaction and fewer failed projects.

## Introduction

The majority of the largest and most successful companies in the technology sector use certified partners to implement and manage complex projects for their customers. And they have good reason to do so; companies that employ a consultant strategy can extend their reach, leverage a vast pool of outside expertise, and increase customer satisfaction.

SAP, Microsoft, Oracle, Workday, and countless other technology companies have recognized that professional services firms can extend their capabilities in ways that would be prohibitively expensive to do in-house. Third-party partners offer strategic advice, detailed needs analysis, change management, vertical expertise, and local presence. This collectively contributes to faster time to go-live, maximum benefit from system capabilities, and higher long-term customer satisfaction.

With a trusted partner managing your customer's implementation, **you can focus on what you do best: finding qualified prospects and closing deals.**

## ..... What do Other Successful Companies Do?

SAP is known for the robustness of its enterprise solutions. Why does SAP choose to engage with partners for implementation and support services? The short answer is that service partners add value. Dion Hinchcliffe of ZDNet refers to their role as “the last mile of customer success.”<sup>i</sup>

SAP has a well-deserved reputation for delivering robust software that can do it all. But robustness is a double-edged sword ; it implies a high degree of complexity. Services partners are SAP’s solution to that challenge.

SAP’s partners, Hinchcliffe explains, ensure that “the more advanced capabilities of SAP’s platforms are actually differentiating results in reality to provide additional business value for the customer.”

He attributes the success of this approach to three factors. First, implementation partners “have a nuanced understanding of the history and needs of local customers and SAP products both, plus the ability to bring them together effectively.” Second, they can “[build] additional unique capabilities and solutions on top of SAP’s many platforms,” and finally, they “[integrate] all of these elements together, along with 3rd party legacy IT systems, into workable enterprise IT portfolios.”<sup>ii</sup>

Likewise, Oracle has recognized the vital importance of implementation partners in serving the needs of their customers, especially in the SMB space. Warren Wilson of Ovum Research describes it this way: “the concept of a defined ‘SMB market’ is misleading—SMBs differ so greatly in size, geographic focus and industry expertise that they actually constitute a vast collection of sub-markets.”

For Oracle, third-party service firms play a critical role in addressing the critical distinctions for each of those sub-markets. In the end, it translates to faster and more successful projects.

## ..... Benefit #1: Faster and More Successful Implementations

The technology landscape is littered with examples of projects that have fallen short of expectations, or worse yet, have failed altogether. According to the Society for Human Resource Management (SHRM), over 70% of payroll/HR implementations are considered a failure. Of the customers that are successful, many are under-utilizing their systems' capabilities.

Research indicates that the vast majority of failed technology projects result from poor management or lack of executive support. Failures resulting from technical reasons are rare. Moreover, success is highly correlated to effective change management and “neutralization of [other] inhibitors.”<sup>iv</sup> In other words, expert guidance in organizational change, strategic context, and a focus on project methodology is critical to success. HCM implementation partners specialize in delivering customer value that goes far beyond a “lights-on” system.

An on-time go-live is just the first milestone. Third-party implementation partners are able to achieve lasting value because their entire business is built around ground level support and follow-through with their customers. Even more importantly, independent implementers are able to deliver the kind of transformational value that takes full advantage of the underlying technology's potential. This, in turn, results in higher reference ability, as we will discuss below.

## ..... **Benefit #2: You Can Focus on Sales, not Implementations**

Independent implementation consultants survive and thrive on delivering positive results for their customers on time and within budget. Sales reps who have a relationship with a trusted implementation partner can reduce time spent managing accounts through go-live and beyond , leaving them free to focus on generating new sales.

Sales professionals who excel at prospecting and closing new deals will create the greatest value when they can spend most of their time on those activities. Marketing Consultant Chris Hamilton puts it this way: “You need to say to yourself, ‘If someone else did this, would it allow me to focus on those activities that will make me money?’”<sup>v</sup>

The conclusion is simple: working with reliable implementation partners with a proven track record allows reps to focus on sales and generate higher commissions.

## ..... **Benefit #3: High Referenceability Builds Your Future Pipeline**

Sales professionals stand to benefit when customers achieve high value from their technology investments. Clearly, reference-ability is a key factor in the decision process. SMB customers rely heavily on the opinions and experiences of colleagues.

High reference-ability also drives repeat business from existing customers, as well as from C-level decision makers who have moved to a new company or organization.

As more and more companies shift to a SaaS model, the concept of Lifetime Customer Value (LCV) has emerged as a critically important factor in long-term success. In years past, it not especially problematic when customer licenses were left unused. But in a SaaS economy, so called “shelfware” is symptomatic of a long-term problem that predicts declining revenue and profitability.

In contrast, companies that encourage their customers to optimize the benefits and take full advantage of system capabilities will benefit from increased long-term customer satisfaction. For example, in its cloud SMB business, SAP has created a new role focused on ensuring that customers are taking full advantage of system capabilities. The company has recognized that full utilization of their software platform will generate increased revenue from existing customers and higher reference-ability.

IBM was an early adopter of the LCV concept. Over a decade ago, the company undertook a pilot program to focus additional marketing resources on customers with a high potential LCV. The short-term result was a \$20 million increase in revenue. When expanded beyond the pilot phase, the company projected an increase in revenue of over \$1 billion.<sup>vii</sup>

A quality implementation partner will not only ensure that a customer can optimize their ROI today, they will also nurture that customer relationship and provide value for years to come.

## ..... Conclusion

An investment in HCM technology should never be a mere turnkey process. A simple “lights on” approach to implementation will (at least) result in the customer achieving mediocre results. All too often, it will result in a failed implementation.

Businesses of all sizes should view HCM software as a strategic investment and, as a result, they will reap the full benefits of that investment if they partner with a specialist who can work with them to achieve maximum value.

Are your customers harnessing the transformative potential of your product, leading to competitive advantage? Are they working with a specialist who can offer strategic advice, detailed needs analyses, change management, vertical expertise, and local presence?

In a world where companies are recognizing that Lifetime Customer Value (LCV) is the key to long-term success, - *are you positioning your customers to be in the winner’s circle?*

**To learn more about working with an HCM partner with a proven track record, visit [www.hcmunlocked.com](http://www.hcmunlocked.com)**



<sup>i</sup> Hinchcliffe, Dion. How SAP's partner ecosystem is built for long-term growth. Enterprise Web 2.0. <https://www.zdnet.com/article/how-saps-partner-ecosystem-is-built-for-long-term-growth/>. Accessed January 16, 2020.

<sup>ii</sup> Ibid.

<sup>iii</sup> Wailgum, Thomas. Inside Oracle's Plans to Conquer the SMB Applications Market. CIO. <https://www.cio.com/article/2435796/inside-oracle-s-plans-to-conquer-the-smb-applications-market.html>. Accessed January 16, 2020.

<sup>iv</sup> Samir et al., (2003), Liberating HR Through Technology, Human Resource Management 42(3).

<sup>v</sup> Ibid.

<sup>vi</sup> Hamilton, Chris, “How I Outsourced My Non-Core Sales Tasks”, Small Business Trends, Jun 17, 2019. <https://smallbiztrends.com/2013/05/outsourcing-sales-tasks.html>. Accessed January 16, 2020.

<sup>vii</sup> <https://ideas.darden.virginia.edu/the-value-of-a-lifetime-get-and-keep-the-right-customers>. Accessed January 16, 2020.