



Five Keys to Successful Software Implementation

For Door, Frame & Hardware Distributors

KEYS TO SUCCESS SERIES

Software
FOR HARDWARE

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Introduction

Software for Hardware's "Keys to Success" research series tackles various business issues facing door, frame and hardware distributors. In recent years, SFH published "**Keys to Success**" whitepapers for: Managing Millennials, Ownership Succession, Purchasing Software, and IT Projects. This "**Keys to Success**" whitepaper focuses on an area routinely overlooked but often the biggest cause of failure with regards to software and technology for door, frame and hardware distributors. Specifically, the keys to successful implementation of new software.

As a software company serving DFH distributors for 25 years, SFH has observed too many DFH distributors spending significant money on technology but failing to ever successfully implement the new system. Often, clients call SFH after a failure with another vendor. While our experience

in successful implementation pertains to software/technology, the key success factors highlighted in this whitepaper apply to virtually any major project in your business; ie. an HR initiative, Finance Project, or an Operations overhaul. Regardless the project, the keys to success across these different disciplines are largely similar.

Research indicates that nearly 30% of funded and initiated new technology/ software projects completely fail to be implemented. An additional 40% result in only partial implementation and lower than expected benefits. In total, research indicates that 70% of all new technology or software projects fail to reach full implementation success. The result being wasted budget, wasted time, and typically a large amount of increased stress endured across the organization. This paper provides the key factors to help you avoid such a situation.

The 5 keys to successful project implementation:

1. **Find a Vendor Partner** – resources for your long-term success
2. **Set the Priorities** – leadership must create clear priorities
3. **Set Aside Time** - implementation requires time
4. **Document Action Items** – a formal plan all can see and follow
5. **Communicate** – share the news with staff, vendor and your customers

Implementing new software can be a huge productivity gain for your business. In addition, software will reduce costly errors and ultimately drive much higher profitability. Planning for a successful implementation will facilitate realizing all these benefits.



The Cost of Failed Implementations

New software can drive huge benefits for your business such as increased productivity, reduced errors and increased profitability. We demonstrated these benefits via research and real life case studies presented in our whitepaper: *Does Software Investing Drive ROI for Door, Frame and Hardware Distributors?* published December 2021. To review this whitepaper, go to softwareforhardware.com/softwareROI.

Unfortunately realizing the ROI benefits only happens after successful implementation of the system. Far too often, companies struggle to implement the software they purchased. The industry respected *Boston Consulting Group* estimated in 2020 that 70% of IT software projects fail to fully implement. The *Standish Group, 2020 Chaos Report*, concurred with BCG and estimated a 66% failure rate. In terms of dollars, this represented approximately \$260M spent by US companies on failed software and IT projects.

McKinsey & Company conducts annual research on technology project implementation and interviews 1,500 business leaders about their experience with technology and software new initiatives. Only 37% reported success in full implementation. This data remains quite consistent dating back to 2014. As a software company, Software for Hardware™ finds these statistics quite disappointing and a critical area of improvement for our industry. At Software for Hardware we are pleased to report our new customer success rate far exceeds these industry averages. Several of these customers are highlighted in this whitepaper.

Why Do So Many Technology Implementations Fail?

The data suggest a disturbingly high failure rate for technology and software project implementation. The question becomes, "Why?" The businesses pursuing new

technology are presumably successful organizations, well funded and led by smart hardworking employees. So, why the high failure rate? Simply put, failure relates to three specific areas: experience, leadership and time.

Implementing a major new software project requires professionals with specific training and skills. Typically, this experience does not exist in the company and quite frankly, it shouldn't. A DFH distributor should employ staff with specific DFH skills and experience, not software project implementation skills. Leadership, specifically executive leadership, must support, manage, cheerlead, and set an example for the staff. However, leadership often maintains the "old school" mindset and even though the leader approved the project and the budget, they remain unenthusiastic and resist prioritizing the new implementation. Lastly, time **become** the final struggle. Most companies today struggle with shorthanded staff and a lack of time in general. A new implementation requires focused and dedicated time to be successful.

Why Even Pursue Implementing New Technology?

Given such a high probability of project failure, why would any pragmatic minded company even consider pursuing a major software initiative? Two big reasons. First, the research classifies a project as "failed" if not fully implemented or delivered short

of the initial scope. But a partially implemented project still produces large benefits even if implemented to a level below initial expectation. Second, the need to remain modern, productive and efficient leads companies to no other option than pursue new technology projects for profitability and competitiveness reasons. Not pursuing new technology won't stop competitors from becoming more cost efficient, productive and competitive. Simply put, either pursue advanced technology or you competitors will. In the long run, avoiding new technology will result in an outdated business that struggles to survive.

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As noted in the Software for Hardware whitepaper, *Does Software Investing Drive ROI for Door, Frame and Hardware Distributors?* DFH businesses can certainly successfully implement software and improve productivity, reduce costly errors and increase profitability. Every year, DFH distributors across the nation, many of them SFH clients, successfully implement new software initiatives. The remainder of this paper examines the keys to successful implementation and achieving high ROI for your new technology initiative.



Real Life Stories

As stated previously, industry research suggests that implementing new technology comes fraught with potential failure. This certainly applies to the door, frame and hardware distributors

as well. As a software vendor, Software for Hardware works with dozens of DFH companies every year implementing our software and observing the installation of new technologies from other vendors.

SFH conducted interviews with DFH professionals during the summer of 2022; the following excerpts represent common themes about implementing new technology.

We recognized the importance of software toward increasing our productivity and accuracy, so we just made it happen

Kyle Bird, President, US Interiors, reflected on implementing a new project management and estimating software platform late 2021. *"We've experienced hyper-growth this year and our challenge became finding dedicated training time for our staff. We recognized the importance of software toward increasing our productivity and accuracy, so we just made it happen."* Bird also commented on the value of in-person training, *"Zoom and online trainings are convenient, but, if your vendor provides in-person training definitely choose that option. I've seen in-person training speed up everyone's learning curve."*

Cheryl Orsi, Senior Customer Relations Manager, and veteran of the door industry, commented, *"In my prior roles, and now working with SFH clients, I believe the biggest factor driving project success or failure is time. Companies*

often purchase new technology without considering the time required to install the technology and train the staff. As a result, often the new purchase collects dust on a shelf because no one has time to deal with anything new."

Jon Sorenson, Commercial Sales, Arrow Building Center, firsthand confirms Bird's and Orsi's comments. Sorenson states, *"Time and training are critical. Plan for formal training and in the end you will save yourself a lot of time."*

Michael Schecter, Director IT Services, observes from the technical perspective. *"Small and mid-size distributors rarely possess in-house IT resources. Hence, they rely on outside contractors which may or may not be prepared to quickly implement a new technology platform. The solution is planning and time. I advise clients to schedule time with their IT folks, pre-purchase, to discuss technology issues. For example, should the software be installed locally on their own server or in the cloud?"*

Many door, frame and hardware distributors learned lessons the hard way, unfortunately losing time and money on failed implementations. A Texas based DFH distributor recounts wasting thousands of dollars with vendors that provided great technology but lacked the resources to help them through the implementation and training. *"It cost us time and money to backtrack and re-examine our vendor options. But, there really was no option, we had to get back on the right track."*

5 Keys To Success

The following 5 keys to success generally apply to most any major project initiative but are geared specifically for the small to mid-size door, frame and hardware distributor. Larger companies possess a greater level of internal resources and implementation scope not addressed in this whitepaper.





1. Vendor | Find a Partner

Successful implementation begins with the vendor you select for the project. Of course identify the specific functionality your business needs and the vendor that provides the best technology solution. Before you decide, demand a live demonstration of the technology in an environment similar to your business. For example, ask the vendor to demo the software with your data, not the vendor's ideal sample dataset. This improves your odds that the technology delivers exactly what YOU need.

Beyond the technology functionality, and maybe even more important, investigate the vendor as a long term partner. Ask yourself if their staff are knowledgeable and exhibit both the desire and sense of urgency to help you long term? Does the vendor provide ongoing training, video tutorials, and ad hoc consultation? Ask for specifics. Also ask for customer satisfaction survey data and client references. Your best vendor partner will be happy to provide these answers as well as customer references.





2. Time | Set Aside Time

These days, everyone is busy and most companies are short-handed. No one has unscheduled free time at their disposal. Hence, a new project that requires significant time to setup and train often gets pushed down the priority list given a shortage of time. Lack of time is the top reason why most technology projects fail to fully implement. Lack of time results in cancelled training sessions, inability to test and learn the new system, and staff default to the old ways. To combat this, time must be set aside, protected, and

prioritized by senior management. Do not start a major software implementation project if you cannot dedicate the necessary time. If during normal business hours becomes simply impossible, you may need to set aside the time in the evening or weekend. Accordingly, you may need to allocate overtime pay as part of the project budget. Better to spend a small incremental amount than waste a large vendor expense on a system that no one ever has the time to learn.





3. Leadership | Set the Priorities

Only the company leadership can prioritize and protect the time for staff to setup and learn the new technology. Staff will rightly react and prioritize the immediate daily business items as most important of their time and energy. Leadership needs to communicate the long term benefit, the company direction, and impart the importance of implementing this new system for the long term growth of the business,

and everyone's careers and job security. Good leaders help their staff understand the long term benefits and provide the support needed to achieve those long term goals. Far too often, leadership believes they approved the budget spend and the staff will get it done. Not so. The leader must remain involved and manage the project to insure that staff has the time, tools, and support to achieve implementation success.





4. Plan | Document the Actions

Success typically doesn't just happen. You grew your successful business because of a plan of attack and a list of actions that you aggressively pursued, making necessary adjustments along the way. Maybe this plan wasn't formally documented but it was well cemented in your head. Similarly, the success of this technology implementation requires a well thought out plan of attack and list

of actions. Creating this plan becomes an outstanding opportunity to involve your staff, especially Millennials who typically excel at technology project and staff coordination. Delegate the project planning, identifying the stages, training, timeline, goals, and measurements. Planning is a key to success. Involving a larger team insures participating and further improves odds of full success.





5. Communication | Share the News

You've now purchased the system, trained your staff, and have begun realizing gains in productivity, accuracy, and company profitability. Success! But, your implementation project is not over. Now amplify your success with a broad

based communication strategy. As part of your project plan, create a **three-prong communications plan** to your staff, your customers and your vendor partner. This "key to success" is often overlooked but can truly boost your results and ROI.

Staff communication. Set time, every week, to discuss the new system. A separately scheduled weekly meeting or an agenda item on your regular team meeting; either method works. Focus discussion on your staff's current comfort level with the new system, their learning curve status, specific training needs, etc. Talk about what's working and what's not. Take this time every week for the first 4-6 weeks post implementation.

STAFF

VENDOR

CLIENT

Vendor communication. Setup follow-up conversations with your vendor relative to your staff's feedback. Work with your vendor to provide additional training sessions as needed, adjustments to the technology, and consultation time. A true vendor/partner eagerly participates in these follow-up activities to ensure your gain the most payback from their technology.

Customer communication. You invested and implemented this new software technology for internal productivity and business reasons. But, your investment will also be of interest to your clients. Whether via a newsletter, email or live conversations, let your customers know that the business invested in state of the art technology to improve customer responsiveness and customer service. Take the opportunity to toot your own horn and create a bit of separation from your competitors.

Conclusion

Hall of fame basketball coach **John Wooden often said, "By failing to prepare you are preparing to fail."** This adage holds true when implementing a large technology or software project. Specifically, preparing your staff for the new system remains imperative to avoid a failed project implementation. Industry researchers including *Boston Consulting Group*, *McKinsey & Co* and *Standish Group* all concluded that nearly 70% of major technology initiatives fail to fully implement due to a lack of proper preparation. Proper preparation involves **five keys to success: vendor selection, dedicating time, senior leadership, documented plan and consistent communications.**

Given the importance of technology to remaining competitive, as well as improving project accuracy and staff productivity, many companies today race to purchase software.

While certainly a forward thinking action, these same forward thinkers often fail to think forward relative to planning and preparation for the system implementation. As a result, the staff often under-utilizes, or completely ignores the new technology.

Prior research by Software for Hardware, and confirmed by dozens of industry studies, demonstrates a high Return on Investment (ROI) for software/technology investment. However, this assumes proper implementation of the system which the research shows often fails to occur. Fortunately, the steps necessary to ensure success are not difficult. Any door, frame and hardware distributor can achieve new technology implementation success by following the five keys to success outlined in this whitepaper.



To download:

Does Software Investment Drive ROI for Door, Frame & Hardware Distributors

go to:

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Based in Atlanta, GA since 1996, Software for Hardware® provides productivity and project management software to commercial door, frame and hardware distributors across the U.S. and Canada. Nearly 1,000 door industry professionals rely on Software for Hardware® to improve their business productivity, client responsiveness, and bottom line profitability. As a result, Software for Hardware® has become the fastest growing software company in the industry and the software of choice for door distributors.

Distributors across North America contact Software for Hardware® seeking new technology and advice to help manage these transitions and position their business to operate more efficiently and profitably.