

Agile Change: The Key to Successful Cloud/SaaS Deployment



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By Robert Staeheli and Gregor Marshall

The rapid adoption of Cloud/SaaS is upending traditional enterprise resource planning for IT. Cloud/SaaS has accelerated development cycles, increased innovation, and reduced costs. But it has also created significant challenges.

It puts the business in charge with a clear responsibility to achieve a return on investment. But when new IT solutions move from concept to rollout in weeks rather than months or years, the anticipated benefits can be significantly delayed or lost if users aren't brought up to speed quickly.

Successful Cloud/SaaS adoption starts with three required changes in the way your organization thinks:

- IT needs to be viewed as an accelerator that gives you more control, rather than as an obstacle that limits your control
- The business organization needs to gear up to be able to utilize each new system in half the usual time
- The enterprise needs to adopt an “operating state” in which rapid change is a core capability

Change Management is a key discipline that must be applied in order to obtain the many benefits of Cloud/

SaaS. Without it, those benefits may be lost. The key to success is Agile Change.

Agile Change

In our experience, a specific change approach is required, using techniques and interventions that support fast-cycle change and can deliver measureable benefits over traditional methods, as shown in Figure 1.

Reaping these benefits requires Change Agility—the ability of your organization to be flexible, adaptable, and able to operate in a state of constant flux. Change Agility is built on five principles that guide the way change is managed:

I. Use Business Engagement to Create Early Momentum

The promise of a new IT deployment creates a high sense of anticipation, but interest starts to erode when the process spans six months or more. One of the strengths of Cloud/SaaS application development is its short concept-to-deployment

Figure 1: Benefit of Cloud/SaaS

Business Result	Key Indicator	Traditional Model	Cloud/SaaS Model
Speed of User Adoption	Time to reach positive perception by >50% of users	3-4 Months (if ever)	6 weeks
Minimize any dip in performance	Level of error or rework	Steep learning curve and compressed training time lead to higher performance risk	Greater learning ahead of 'Go Live' increases proficiency and reduces risk
Cost-effective deployment	Support Costs/Per	Often reduced effectiveness due to cost pressure	Cost of achieving proficiency reduced due to increased self-learning
Accelerated time to obtain results	Time to maturity	2-3 months to reach steady state	Ongoing change driven by product roadmap

timeline. You can use this timeline advantage to create momentum among user groups that will support positive anticipation, user readiness, and high levels of adoption.

2. Embrace Peer-Based Learning Systems

You'll benefit from your new systems only when a critical mass of employees can work with them effectively while adapting to the continuous learning curve that Cloud/SaaS requires. To reach that tipping point, each new system must be intuitive and easy to learn quickly. You can achieve this with the knowledge exchange and support experienced between peers, as shown in Figure 2, which illustrates the desired agile adoption path in contrast to a typical ERP implementation.

Intuition and peer support won't be enough for everyone, which means you must develop a users' learning platform that's tailored to suit different groups. This can be in a classroom or via online webinar classes or tutorials. Your learning platform can also include vendor forums in which your employees can get assistance and tips. Vendor forums can be two-way, providing

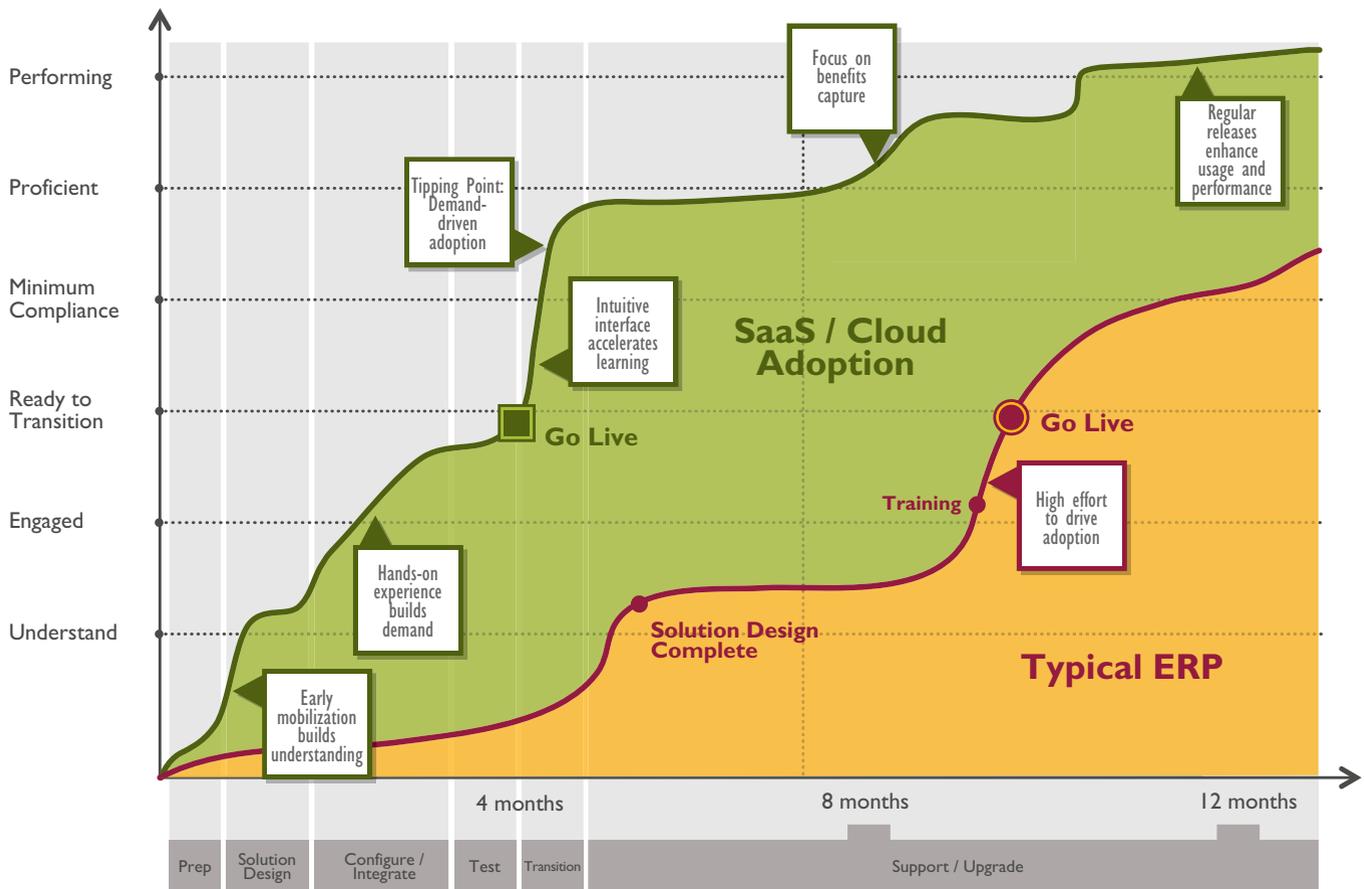
a unique channel of influence over vendor development priorities.

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3. Adopt Agile Change Methodologies to Support Increased Rate of Change

Another advantage of Cloud/SaaS is that the reduction of typical time and cost barriers can drive faster business evolution. But your business has to keep process change in sync with the new, accelerated system upgrade path. This is supported by agile methods that include constant feedback

Figure 2: Adoption Curve



and learning, more frequent smaller releases, user pull at each stage instead of a central project push, and creating a highly collaborative work environment. The shorter the feedback cycle, the faster you can adjust to the customer's need, eliminating the time required to build features that aren't needed.

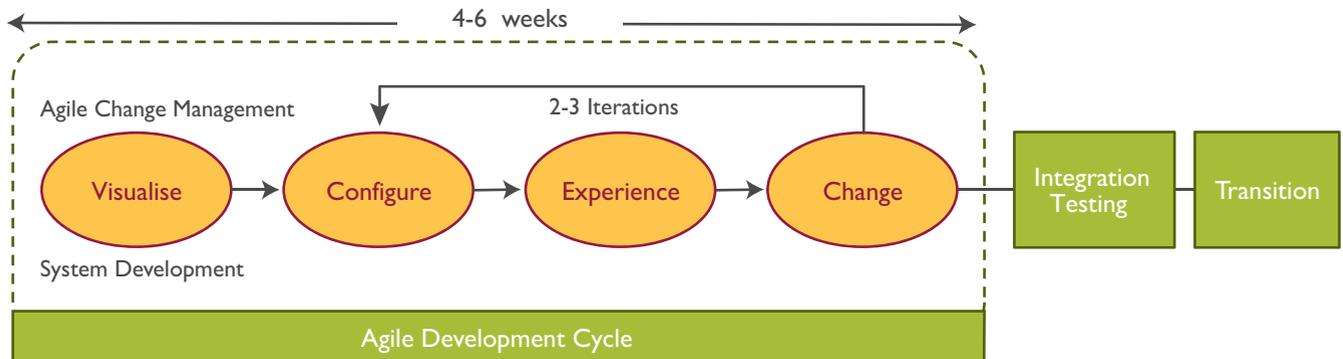
The Agile Change approach will follow the same principles by creating a learning environment in which the prototype can be developed with input from a wide range of stakeholders and access to the necessary technical expertise. Using

workshops that engage stakeholders in each part of the process will result in a solution that is designed to achieve your specific business outcomes.

This will happen in a series of iterations, as shown in Figure 3.

The first iteration creates a prototype that helps each user group understand the impact on the organization and individual roles. Subsequent iterations capture core requirements and good practices, while the final iteration addresses issues uncovered through testing.

Figure 3: Agile Development Cycle



Effective communication with staff and between groups of staff and those running the program is essential for this type of iterative development to succeed. A good way to establish and encourage good communication is by mastering blogs, forums, and other online channels.

4. Treat Change as a Core Capability

With Cloud/SaaS, the old project mindset is no longer relevant, and business leaders must learn to manage change as an ongoing process. The business must develop the ability to maintain a consistently high and successful pace of change. You can accomplish this by creating a change function in the organization—one that establishes the roles, processes, and tools needed by each part of the business to work through the change cycle. For example, there are five fundamental change roles:

- The Change Visionary who understands the end state and helps staff understand the impact and rationale
- The Agile Lead who is responsible for establishing the agile development cycle providing a solution through a number of iterations
- The Change Champion, who is responsible for readiness and adoption of the solution for that area of the business
- The Change Agents who act as the communications channel to user groups
- The Product (or Subject Matter) Experts who can provide guidance on resolving issues in which the business requirements aren't matched by the standard SaaS configuration

While these roles aren't new, they must be embedded in the organization centrally and at the local level to align the business with the ongoing upgrade and development program. Filling and sustaining these roles may pose a resource challenge for

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many organizations, so working with an external partner who can provide the appropriate tools and resources can provide a long-term solution.

5. Encourage Collaboration to Maintain Alignment and Make Change Stick

The rapid pace of change, freedom from traditional central IT constraints, and local business ownership can cause initiatives to overlap or be poorly aligned across the enterprise. To avoid this, decision processes are needed during and after the deployment to balance local opportunities with central benefits.

Traditionally this balance is achieved through a project management office with rules, standards, and compliance reviews. In this new agile environment, harmonization and alignment are realized through collaboration rather than a single decision authority (although central decision-making and coordination roles are still essential). There are three ways you can support collaboration: through forums that quickly spread best practices and better ways of working across business areas; through knowledge management systems that make it easy to publish and share resources; and by developing a culture that seeks collaboration and alignment rather than independence.

Agile Change as the Underpinning of Success

Cloud/SaaS is facilitating a new approach to using and upgrading software and applications. The rapid pace of development and implementation and its constant iteration have significant implications for business. It can reduce costs and increase innovation and, thus, competitiveness. But if your business isn't prepared for the speed of this new environment, you won't capture the value.

Agile Change can help ensure the viability of Cloud/SaaS by creating a transitional path and instilling a culture of constant confident adaptation to change. By adopting the five sustainable levers of Agile Change, any organization can enjoy a greater return on investment.

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