

Software, hardware and orgware

You can have the sexiest, most sophisticated IT in the world, but if your staff don't want to use it, you have wasted your time. To link man and machine get 'orgware', says Dr Leandro Herrero

A complete transformation of the company's business processes. A new way of integrating finance, HR, marketing and sales data. A budget of a few million dollars and a two-year implementation plan. But it's now year three. The project is 60% over budget and the 'systems' aren't quite integrated. HR continues to have its old but 'more practical' system and, while marketing and sales data are integrated company-wide, Sales is using a 'parallel' – read duplicate – system because the field force never got round to doing any proper training.

A corporate portal that delivers all the information you need, whenever you want it. It contains, or provides access to, all the databases you might ever need. It holds the company telephone directory, a repository of best practices and sub-sites where departments can post their news. It's the sexiest thing ever provided by the sexiest portal-technology-delivery company. It was 25% over

budget, but it was worth it. Small problem: staff usage is just 25% in the second year of its implementation.

A 'knowledge-management solution' full of 'collaborative tools' that allow staff to talk to each other, hold virtual meetings and access real-time information. The suite, a combination of tools, databases, facilities for accessing information, search engines, virtual rooms and so on, contains no fewer than 35 modules or applications. It's widely used in the company, no doubt about it. Unfortunately, 75% of the applications are not used but the good news is people love two or three of them. Of course, you can get these programmes as self-contained applications for a fraction of what the total solution cost.

These three vignettes have several things in common: a sophisticated technology was introduced that either re-engineered processes to make them theoretically more efficient or allowed a complex organisation to have common ways of

accessing and dealing with information. They could have resulted in a serious rethink of the way business was done. But they were all fiascos. Their levels of usage were disastrously low and the amounts of money wasted were huge. Sorry, I forgot another thing that binds them: the managers who approved these systems and supervised their implementation have not been fired.

In fact, the common denominator in all these cases is a bit more complex than a superficial reading may lead you to believe. We can label it in many ways: poor supervision, lousy implementation, poor programme management and so on, but such explanations are as obvious as the diagnosis of 'emotional instability' in a child whose mother takes him to a psychiatrist complaining he has dozens of problems. So what is she to do about it? Labelling a problem is easy; understanding what's behind it is not.

The managers implementing these systems ignored a fundamental but inconvenient factor: people. In most of the cases I know of, the technology really was sexy and the potential for business changes enormous. But the users had their own attitudes, expectations, 'antibodies' and behaviour, and this is where the problem lies. And yet this factor is ignored.

There are several reasons for this. Number one is that promoters, sponsors, vendors and implementers may suffer from 'Fatal Attraction Syndrome', which translates into 'it's very sexy, beautiful, fantastic and can do anything you want, ergo, people will adopt it' or 'when presented with a new more logical, more rational, more cost-effective way, people will adopt it'.

Number two is the 'training-as-last-stop fallacy'. People were taken into account and training was provided. So why didn't it work? Because training in what the new system does and doesn't do, and how to use it and make the most of it, is the baseline, not the endpoint. Technical training is needed but it's not enough. Systems like the ones described here transform the way we do business day to day, disrupt our routines, behaviour, expectations, and ways of dealing with information and relating to others. They change an organisation's ecosystem, the balance between the flow of internal forces and dynamics (of power, control, collaboration, sharing and trust) and therefore require a change in people's mindsets, not just the knowledge of how to upload, download, retrieve, post, integrate, search, report and access information.

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Illustration by Rob Wilcockson

Hardware: a fact of life

Hardware has become a given, something that only IT people talk about. We expect to have it, use it and see it, with the same degree of familiarity we experience when we catch the 8.35am. It's there, in the shape of little boxes, or flat screens, or piles of cables in that obscure room in the basement. It has something called processors. My belief in the existence of these devices is close to an act of faith: I haven't seen any but I know that they are 'inside'.

We were told software mattered and that what mattered even more was that you and I used the same sort. The world uses similar kinds of software for a high percentage of its business processes. Everything else is a variation on them or plug-in applications. Think of a business process problem and the chances are that there is software somewhere to deal with it. So, yes, we can have all the software we want, providing we can afford it.

Orgware: the missing link

What's really missing is 'orgware': the process that not only trains people to use the new system but also analyses and takes care of the organisational implications beyond the problems of installation. It looks at people's mindsets and behaviour, the old ones and the new ones that are needed to accommodate a different way of working. Hardware and software without orgware is the major cause of fiascos.

So, how can orgware be implemented? While traditional training and implementation programmes look at how processes will change with the installation of a new system and help people adapt to them, orgware focuses on behaviour and mindsets, and how these must change to accommodate the new systems. Such an analysis must be followed by the inclusion of specific tools to change behaviour: simply telling people to adopt this new behaviour and

hoping they will change is naïve. Certain types of behaviour are associated with rewards – money, recognition, fulfilment, sense of achievement and peer admiration – and it is important to identify what is sustaining this behaviour and to stop rewarding it. This is it in a nutshell, albeit a terribly simplistic explanation. But it can be done. It's pure psychology and should be an adjunct to traditional training methods. The problem is that most trainers and implementers of new enterprise solutions – be they customer relationship management (CRM) systems or broader enterprise resource management (ERM) systems – are simply not equipped to train people in orgware. They usually don't have the background in psychological or organisational development needed. The strategy they implement is, in the worst case, characterised by a total disregard for these 'soft', psychological factors and, at best, embodies a hope that the technical training will instil a Fatal Attraction Syndrome to do the trick. And the end-product of their labour is basically unstable, a two-legged table instead of a three-legged one.

Readers who have been involved in some sort of large or semi-large scale implementation of new business processes (and software) may be familiar with many of these things and feel that in their case the 'people aspects' were not ignored, and that some sort of change management process was associated with the implementation of CRM, ERM and other ambitious projects. I have two comments to make about this. First, they may have been lucky. The reality is that in most cases people don't get that sort of treatment and are usually stuck with learning the new system, with no real work on mindset or behavioural change management. Second, many so-called change-management processes use the word 'change' in a rather generous way. After all, it's appealing in itself and triggers feelings of seriousness, the end of one way and the start of a new way. But sustainable change that endures and alters the future – be it the future of a person, an organisation or an enterprise – for good, can only be behavioural change. Rationally, most of us understand that it makes sense to change to a better process or system or to have greater efficiency. But the emotions involved are another matter and they do not necessarily follow a rational course.

So next time you are offered the chance to keep your hardware and embark on the introduction of new software that will take you to the next level of complexity and possibility, you need to shout: where is the orgware? It may be the most important question you ask. SM

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