

# Aligning Your Business For Local Success

## 帮助您本地化成功

Winning C-Level Project Sponsorship?  
赢得管理层对项目的支持

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### Preview 概要

Sun Tzu once said:

"The enlightened ruler is heedful, and the good general full of caution."

孙子曰：明主虑之，良将修之。非利不动，非得不用，非危不战。

In China, good project management plans and arranges details around the project "with caution", and ensures his executives are both "enlightened" and "heedful" of what a project can deliver. To do this, the thoughtful project team will thoroughly develop a value proposition with a compelling investment case; and use these to recruit management commitment and align the organization. When aligning a business for local success in China, it is not enough to gain budget and arrange consultants to deliver an ERP project. A well-prepared project will have a solid value proposition, a confirmed investment case, and "rulers and generals" who knowledgeably lead the way.

在中国，一个好的ERP项目应该是高层介入，项目经理坚定执行。项目经理应该全盘考虑，宣扬ERP带来的价值，投入产出比，并协调高层的介入。仅仅有项目预算，并安排咨询顾问的参与是远远不够的。

#### Winning C-Level Project Support

- Simple concrete value proposition (qualitative) 确认ERP带来的价值
- Investment case (cost + investment concept - quantitative) 投入产出
- Recruiting C-Levels (CEO/CTO/CIO into) "the team" 管理层介入
- Setting the Vision – Agenda (directing you management) 设定目标
- The Road Ahead – After Implementation 实施后的计划

#### Case: a global consumer electronics manufacturer

- Background
- The Problem
- Repositioning and Recruiting
- The Outcome



### Article 正文

#### Forming a concrete value proposition 确认ERP带来的价值

When seeking to secure senior management commitment, creating a message that clearly, simply explains how the organization will benefit is critical to success. As IT professionals, it is easy to understand how ERP can positively influence a business. However, for general executives and finance professionals, the case often must be proven. This need for proof is not doubt, but rather a predisposition for risk aversion and cost reduction to defend an organization's finances. Individuals like these, often understand and agree with the theory of ERP, but are unconvinced how the theory will be realized. In such cases, it is imperative that we create a clear, descriptive picture of the improvements ERP will provide to an organization if we are to lead a successful project.

Specifically, we need to convince executives to endorse a project in which they confidently believe will succeed. Furthermore, we need to prepare a message for executives to use to influence and mobilize the organization to embrace the project. We articulate this vision for a project result through a value proposition. Some simple examples of ERP value propositions might be:

- Value Proposition A: ERP will assist our organization to reduce supply chain costs through better inventory management which leads to reduced inventory levels, improved procurement decisions, and reductions in supply chain errors.
- Value Proposition B: ERP will improve our organization's financial management activities by providing tighter linkage between operational activities, and by automating many financial activities such as consolidation during monthly closing and workflow for the approval of business activities.
- Value Proposition C: ERP will strengthen our organization's ability to provide top quality order fulfillment to customers, which will raise customer satisfaction through more accurate and timely orders, and by providing better support for account receivable follow-up activity.

A value propositions should be reinforced with supporting evidence and examples. These examples should be able to tell a compelling story and also provide a documentable, quantitative case.

#### Forming a Compelling Investment Case 定义投入产出

When formulating the investment case, two issues should be considered. An investment case to provide a financial model, which demonstrates financial returns clearly derived from the stated value proposition. In addition, this investment case should clearly show how the organization's performance is linked to the value proposition and its achievement.

Investment cases for the value propositions above might consider:

- Cost savings from inventory turns and carrying costs,
- Performance improvement in man-days required to handle monthly closing or in handling administrative approval activities, and for
- Increase profitability from reduced time required fulfilling orders or the number of days are required to recover receivables.

The fundamental reason for well developing the value proposition and the investment case is to pre-align the business for successful implementation of ERP. For local implementations in China, these are critically important. Why? In the midst of the intense Chinese competitive environment, local executives and organizations often lack time and really need reliable reasons and reminders to maintain discipline and commitment to long-term projects. The value proposition and investment case are tools that can assist executives maintain confidence when projects are difficult by helping to motivate an organization and keep it on target.

#### Aligning Management with the Project Agenda 管理层的介入

With a qualified value proposition and a solid investment case to support the project proposal, an organization is well prepared to gain

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approve senior executive sponsorship. However, more importantly, with these tools an organization is prepared to recruit C-levels to "drive" organizational alignment with the project.

By recruiting key, influential C-level executives in line with a project, a project sponsor gains: 1) visibility for the project by raising its importance, 2) multiple communication channels to align the business with the project, and 3) authority and power to enforce organizational change required to complete the project.

Generally speaking, the best method for winning C-level support is through informal methods. ERP projects can change power structures in organizations; and sometimes, introducing these changes in large, formal meetings can be controversial and counterproductive. Recruiting alignment among C-levels is often best attained by introducing the value proposition informally to like-minded audiences. This takes time and effort on the part of a project sponsor. It takes time and care to sit-down for tea to talk through the benefits a project and to address concerns.

This informal recruiting should be done with not only the key person, but also those who significantly influence this individual. Often is it

useful to identify these influencers as promoters, detractors, or neutrals and then to plan how, what and how much to explain the project to these people. Again, the key message in recruiting the C-levels should be guided by the value proposition and support by supporting rational and the investment case.

### To Sum Up | 综述

In this article we looked at key tools to recruit management support, namely the value proposition and the investment case. In more than one way, these tools should be considered as much more than simply the rational for a project. These really are living concepts that, if designed well, are strategic to guiding an organization throughout a project's lifecycle. The value proposition and investment plan are active tools for leadership. These provide management with a telescope to more clearly see the project's future. These also provide management with a lever to move the organization. When seeking to align a local business for success, ERP projects require active C-level participation. This is most effectively recruited through a well-developed value proposition and a solid investment case.

## Case 案例

### Background | 背景

The China CIO at a global consumer electronics manufacturer had a problem. The current ERP solution was not providing the information management required. The new boss, the CEO, and the new C-level management team required better information. They wanted to better understand sales and how its distribution channels operated in China. The well-respected, successful CIO, who felt vulnerable to being blamed for the situation, quickly hired a top-tier consultancy to review the problem and the IT systems. At first glance, the issue seemed simple enough to the CIO. However, he did not know that great trouble was waiting. He did not realize that the simple need for information would risk reputations and cause him to confront the national organization, its new executives, and the way they did business.

### The Problem | 问题

The CIO hired the consulting team to "fix" an information problem. However, early on in the discovery process, the CIO and his team realized the problem was much more than information. From reviewing system capabilities with the company's information requirements, he understood the problem was not the system, but a change in the information the executives wanted. This information was not only beyond what the system was handling. It was also beyond what the organization, its processes and its distributors were doing.

To better understand these issues the CIO's team "innocently" decided to begin interviewing mid-level managers in other business departments to "craft" a new solution. This was when the "lightning" struck and the CIO and team found themselves in great trouble and controversy.

From operations, sales, marketing, and strategy teams, nearly every corner of the business, C-levels complained bitterly to the CEO of how "technical people and outsiders" (the consultants), who supposedly did not understand the business were raising unneeded issues, causing conflict and creating controversy. Since this occurred when the new management team was beginning to "take control", feelings were even more inflamed. Immediately, the CIO was in trouble. The consulting team was "kicked out" and the project halted.

The CIO and the project leader were shocked, depressed and upset. "We had done nothing wrong. We were only trying to help!"

### Repositioning and Recruiting | 重新安排

A few days later the CIO and consulting manager met for tea to consider what went wrong. In many ways they just wanted to understand and feel a bit better about their efforts. After all, their intentions were good! However, this meeting would turn out to be much more than just reviewing a "failure", it became the doorway to the future, reinstatement of the project, and most importantly the beginning of redesigning the business.

The two managers decided they would work on repairing their reputations. They would: 1) visit offended executives, 2) apologize for invading their business areas, and 3) explain how they only intended to improve the business. To complete their reputation "rebuilding" they visited the CEO as well. During this meeting while explaining why IT and consultants were "meddling" in other business departments, the CEO became "enlightened". He not only saw how the current IT solution was limited by the organization, but also realized that this issue could be the gateway to change. Unknowingly, the CIO and the project, had just secured their champion. The project and future direction for development were restored.

### The Outcome | 结果

The CEO took active, outward "ownership" of the project. During the weeks that followed, the other C-levels were brought "on board" with the project and encouraged to cooperate. The CEO led other C-level department leaders and their subordinates to work with the project

team. The door to interviewing mid-level management to identify "gaps" and suggest potential new solutions was reopened.

The CIO's consulting team completed the study and presented these results in a meeting to the C-level management and influential middle management. During the meeting, many management personnel openly challenged the findings, and yet because of the backing of the CEO and other managers assistance the group constructively recognized how incompleteness in information came from how the business functioned rather than the CIO's team and the systems.

The major outcome of the meeting was group agreement to redefine the business operated (process engineering) and redeploying ERP to support the new business.

### Lessons Learned | 经验

Conspicuous activities started by the CIO, although started with good intentions, nearly lead to disastrous results for him and his team. However, by recruiting a project champion, the CIO was able to save his reputation, provide a better information model, and genuinely drive improvements in the business.

In this case, although the CIO was correct, he was very fortunate that his new boss understood the situation and was responsive with leadership and commitment. In many cases management would not be so responsive. When initiating projects like ERP which effect multiple parts of a business. It is critically important to ensure project management and sponsors have organizational "buy in". Gaining and maintaining this "buy in" or commitment almost always requires a champion to motivationally lead the way.

When planning projects in China, a champion inspires employees, bridges cultural misunderstandings, provides the legitimacy "authority", and at times uses pure power to drive change. Significant projects, designed to improve an organization, require champions to align a business for local success!