


So, You Want to Implement a New System?

A 12-step program for successful system selection and implementation

By Claudia Winkler

 The election system that was implemented in Florida during the September 2002 primary appears to be a perfect example of how *not* to select and implement a system. As one of the election monitors wrote to his supervisor, “You guys have NO idea what a mess this has been. The mess was the result of no planning, poor leadership, lack of process ownership and passing the buck”.

Selecting MIS systems and implementing them is a significant undertaking. Those of us that have been through the process multiple times can speak eloquently about Murphy’s Laws:

- If anything can go wrong, it will;
- If anything just cannot go wrong, it will anyway; and
- If you perceive that there are four possible ways in which something can go wrong and then circumvent them, a fifth way will promptly develop.

So what can you do to make the process successful, smooth and as *painless* as possible?

1 Define the rationale and make the case for change.

Will the new system raise productivity, increase revenue or improve customer service? Is the initiative aligned with your business and information technology (IT) strategies? It is important to clarify and clearly communicate why you are changing or implementing a new system.

2 Identify, prioritize and define your needs.

Formalize requirements. What do you need? This is one of the most critical parts of the process. All affected departments must be involved to identify the processes in need of improvement. All the required features and functions need to be documented and prioritized. You must determine if you need to replace the current system or simply find bolt-on software enhancements that can achieve the same goals.

Begin with the end in mind. In other words, reverse-engineer the project from the beginning: What are the deliverables? This would include things like: richer functionality; more flexible, accurate and timely reporting; improved customer service; and automated promotions.

What factors will determine a successful implementation? Define your goals and make sure they are tangible and quantifiable. For example, the ability to: reduce staffing at the Player’s Club by two full-time equivalents; distribute the daily operating report two hours after the daily audits are completed; process jackpot/fill transactions in less than five minutes during peak times.

Document what’s needed. Formalize your requirements in a Request for Proposal (RFP) and stick to it throughout the implementation. This is a detailed, written document of all the required features and functions.

3 Secure executive sponsorship.

A member of the executive committee, preferably a C-level executive, must sponsor and champion the project. Having direction, commitment and involvement from the highest level of

the organization is a crucial success factor. These executives can help address and resolve important issues, including: gaining managerial and organizational buy-in; obtaining the necessary resources; and—most importantly—providing the vision for change.

4 Run demos and conduct your due diligence.

Innovate, test and learn. Spend the time to learn what others are doing. Incorporate the lessons learned. Adopt their best practices and avoid their pitfalls.

Employ and run multiple demos. Develop a demo script to insure that all the requirements listed in the RFP are adequately proven to work, according to your business processes and internal-control standards. Validate all concepts and functionality; and...

- Constantly refine your demos.
- Conduct your due diligence
- Spend time in all affected departments at properties that use the systems you are considering; and
- Talk to customers that are currently on maintenance. They will help you answer the tough questions about vendor support, response times, training, etc.

5 Build the right team.

Are the right resources available? Are they in place? Do you need a full-time project manager?

Make sure you have the right technical resources internally or through a third-party vendor. Obtain commitments for those. Each department affected by the new system must commit the necessary resources. These resources will be involved in the demos, due diligence, training and implementation processes.

Designate a project manager. *This is a full time job.* It is not something that a department manager or supervisor can do on top of their regular job. Plan to augment the selected project manager’s staff during the selection, implementation and post-implementation processes.

6 Introduce change management, training and knowledge-transfer processes.

Build a consensus. Gaining the buy-in and support of all users of the system is another critical success factor. These are the people that will be using the system to improve the quality and quantity of their work. If they are part of the process, they will work with you to find the necessary solutions and resources during the training and implementation process.

7 Manage change.

Nobody likes change. Jim Clemmer, the best-selling author of *Pathways to Performance*, said it best: “Change can be ignored, resisted, responded to, capitalized upon and created. But it can’t be managed and made to march to an orderly process. Whether we become victims or victors depends on our readiness for change.”

Part of the process is getting your employees, team members or associates ready for change. Train users and transfer knowledge. The keys to success are to identify super users and coaches, and to admin-

ister *training, training and more training.* If it is a major, property-wide system implementation, set up a test bed and training location where the system users can perform the new processes and learn the system in a safe, supervised environment.

8 Manage expectations. What are the project's goals? What changes are being proposed? Understand the technological landscape. How do the proposed solutions fit into your existing and future-planned IT framework? Part of the planning process must include a thorough evaluation of how the new system will fit into your IT framework. What platforms (Windows, AS 400 or Unix) can your IT staff support? What are your current technical resources for database management (SQL, DB2, Oracle)?

Develop a user-acceptance checklist. This checklist will identify all the functional requirements and system specifications that your users expect the system to be able to perform after it is installed. Developing this checklist on the front end, as part of the RFP process, is another critical success factor.

9 Establish a timeline. When will we do this? When will the new system be ready for use?

Honestly, in a round-the-clock business there is never a good time to do a system implementation. This is where planning, scheduling and training all come together. Everyone needs to be part of the decision-making process regarding the timing of the implementation. Clearly, peak business periods must be avoided and customer impact must be minimized.

Provide clear and timely communication to all departments on all the details: hardware set up, software installation, training, data conversion, etc. Align resources and secure access to them so they become available as needed.

10 Obtain appropriate and approved funding. Prepare and manage the project budget. Determine how you will track project-cost elements. Should these elements be treated as capital expenses or should they become part of the operational budget? Establish upfront what items should be capitalized (hardware and software) and what items—such as training and the payroll associated with it—should be expensed.

11 Develop contingency plans. For example, build extra days into the project-implementation plan, allocate 10 percent of the overall budget for the unexpected and be prepared to be flexible. If your budget exactly equals your planned costs, you will *exceed* it.

12 Perform post-implementation follow-through. How do we leverage what we've learned? Change is an ongoing process. In the spirit of continuous improvement, you want to be able to go back and learn from prior experience. The project may be approaching final implementation, so you want to be able to centrally collect and manage what was done: the plan, the decisions and the best practices employed. This information is extremely powerful. It can provide the confidence and capability for successful follow-up projects.

Selecting systems and implementing them is a significant undertaking. Going at it haphazardly is a guaranteed blueprint for failure. A concerted, well-thought-out approach that adheres to and follows these top 12 success factors will make the journey a productive one. □

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