nitro

MODERN
CHANGE
MANAGEMENT

A Research Report on
Misperceptions, Trends,
and Strategies for Success

INTRODUCTION

There's a significant discrepancy between the way IT leaders talk about handling change management and the strategies put in place to actually execute these initiatives, according to recent market research among over 330 IT Managers, Directors, Vice Presidents, and CIOs from around the world.

In an anonymous survey, these technology experts shared insights into how their organizations manage the changes associated with new software implementations—from revealing how they measure success to evaluating the level of change management support provided by today's software vendors.

This report presents the survey's results, which reveal a variety of interesting disconnects between IT's perceptions of effective change management, the associated success metrics, and a vendor's expected role throughout implementation. Based on this research, we've compiled specific recommendations for organizations seeking to strengthen and streamline their change management strategies.
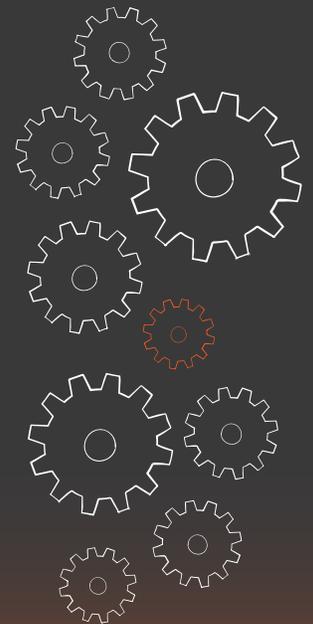
We asked IT leaders . . .

Has a vendor's level of change management support ever played a role in your decision to sign an agreement?

What challenges have you experienced during a software implementation?

How do you measure the success of a software implementation?

What change management strategies have been effective when implementing new software?

In your organization, **who** typically leads software change management initiatives?

What are the most important factors you consider when evaluating a software vendor?

Change management is a top concern for IT personnel evaluating software partners.

Three out of four respondents stated that a vendor's level of change management support has played a role in their decision to sign an agreement (or not).

87% ranked customer support resources as an "important" factor in a software vendor evaluation, including 43% who said the offering was "critical."
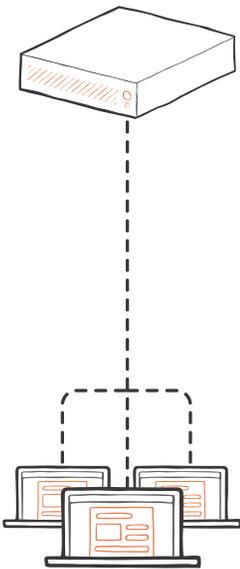
What are organizations currently doing, or not doing, in the realm of change management?

Organizations currently have the most success with user testing, with 95% saying it's an effective strategy.

Insufficient user training is a common pain point, with 42% of organizations identifying it as a challenge.

A collective 37% say user training, whether led in-house (19%) or managed by a vendor (18%), was ineffective during software implementations.

The most neglected change management strategy is user adoption tracking—one in four organizations do not effectively watch this metric.

How do organizations define change management success, and what are the common pain points?

User satisfaction (71%), productivity gains (67%), and user adoption rates (57%) are the most common goals for new software implementations.

The most common challenges to face respondents are the strain on IT time and resources (67%), user resistance to change (55%), and having multiple user groups with varying needs (53%).

Nearly half of respondents feel software vendors have room to improve upon the quality of change management resources they provide.
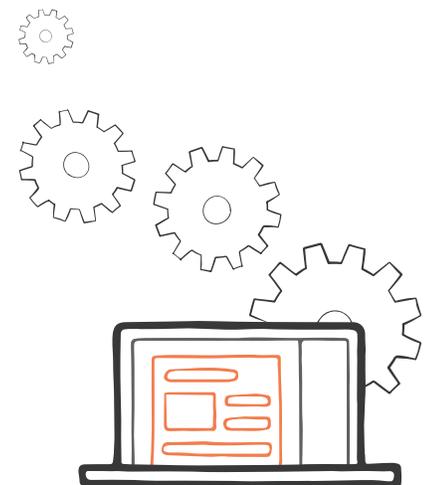
Disconnect between goals and strategies

Over 50% of respondents reported user resistance to change as a main challenge of software implementations—an important hurdle to overcome, considering user satisfaction was the top success metric cited by our respondents (71%).

However, onboarding/rollout and user training—two valuable change management strategies that can improve a user's experience with new software early on—ranked among the least important factors that respondents hold vendors accountable for during a software evaluation process.

Success metrics, user adoption, and tracking

While 57% say user adoption is a key success metric to observe, fewer than one in 15 track this—and even those who do find it ineffective.

Nearly 25% of respondents said they struggle with lack of visibility into usage and adoption during a software implementation, even though CIOs ranked usage analytics as the most critical vendor offering (tied with ease of adoption at 62%) to evaluate.

The role of a vendor

The most common challenge with software implementation is the strain on IT time and resources (67%), and over 75% of respondents said a vendor's level of change management support has impacted their decision to sign an agreement.

However, only 27% of surveyed organizations rely on the software vendor to lead change management initiatives, even though the majority of respondents (55%) strongly agree that vendors understand their needs in that area. When it comes to change management resources, 14% of respondents believe vendors don't provide enough.

User training

User training is a pain point for organizations. Forty-two percent of respondents found insufficient training to hinder the success of software implementations, with nearly one in five saying user training is ineffective overall, regardless of whether it's managed by an internal team or by software vendors.

However, training doesn't seem to be a top priority for some organizations—nearly 15% say a vendor's offerings in this area are only "somewhat important" or "not important at all." This could prove problematic for the 57% of respondents who consider user adoption a key success metric for software implementations and the 54% concerned with ROI.

Largest organizations struggle with communication

Thirty-five percent of respondents have been challenged by ineffective or insufficient communication to users. The largest organizations surveyed (5,000+ employees) identified communication as the most common difficulty for successful software implementation, with 26% reporting that internal communication plans proved ineffective during software implementations, making them the least effective change management strategy.

RECOMMENDATIONS

Don't overlook your goals.

Like any project, IT-driven or otherwise, clearly establishing the success metrics for your software implementation is critical. These metrics will serve as reference points for making future decisions and keep each contributor's focus on the right objectives.

To take an example from our research, if user satisfaction—identified as the top key performance indicator for software implementations—is your goal, what policies or processes could your organization establish to help ensure users are ultimately happy with their new tool?

Backtracking is difficult, so it's imperative to give users a positive experience from the start. To limit the potential for frustration, begin by implementing a rollout and onboarding plan that does not disrupt users' daily work. Then, provide adequate training resources to help get users up to speed quickly and effectively. Making strategic choices at the outset of your implementation will play a crucial role in achieving your ultimate goal of high user satisfaction.

Combine forces with your vendors.

You know your users—their workflows, their temperaments, and their technology needs. A software vendor knows their product and its potential to help the end user. Rather than take a blanket approach to implementation, your vendor should partner with you to leverage this collective knowledge to create a comprehensive, custom change management strategy that tailors the software's benefits to your users' pain points. The need for such an individualized approach is reinforced by the fact that over 50% of respondents find it difficult to address the multiple user groups—and their varying needs—across the organization.

IT teams should also be holding their software vendors more accountable for providing change management support. The majority (55%) of those surveyed feel that vendors do understand their needs with regard to change management, but a mere 27% hold vendors responsible for leading change management initiatives.

Therefore, you should demand that vendors assume a larger role in this area, ensuring that their product expertise helps your organization achieve the implementation goals you initially established.

Don't underestimate the importance of communication.

Data from our study shows that 53% of respondents have faced user resistance to change during a software implementation. If you put yourselves in the shoes of a user, it's not hard to understand why some are unwilling to adopt a new tool—especially when they are already feel comfortable with something that works for them.

The right communication plan, however, could greatly ease this pain point. Develop some messaging around why the new software is being put into place; i.e., how does this change benefit the organization overall? Is there a significant cost-saving aspect that will enable the company to redirect funds to a different initiative or area, or will the new solution help the company scale better and faster?

Additionally, take a look at the different groups of users that will be required to adopt this new tool and map out the unique ways they will benefit. For example, how will this improve certain processes in the Finance department, and how will it impact HR's new hire processes? Communicating these benefits to the various groups, rather than sending out one mass email to everyone, will show users that you understand their needs and will help reduce the inevitable resistance to change.

CONCLUSION

Though there are many possible approaches to change management, the ultimate goal for most organizations is a common one—get users to adopt the new tool, and make sure they're happy with it in the long run.

Vetting vendors based on their ability to be a true change management partner as well as the quality of their product offering should both be vital components of any software evaluation process. If held accountable, your chosen vendors can play a valuable role in managing the changes associated with new software implementations, accelerating adoption, and driving satisfaction across your user base.

To learn more about Nitro's approach to change management, please visit gonitro.com/customer-success. Or, contact our sales team directly at gonitro.com/business.
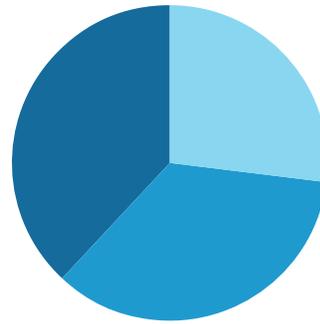
APPENDIX

Nitro commissioned a third-party research firm to survey IT leaders from around the world working in organizations with 1,000 or more employees. The survey was conducted in November 2016 and responses were collected using a web-based tool.
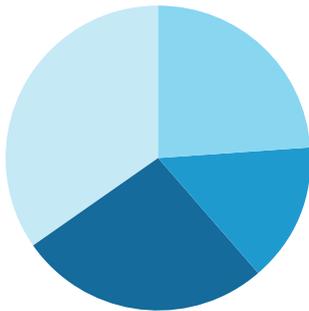
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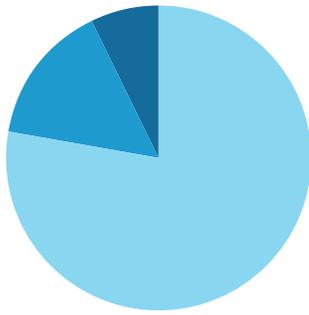
Geography:

- United States – **78%**
- UK–**15%**
- Australia – **7%**
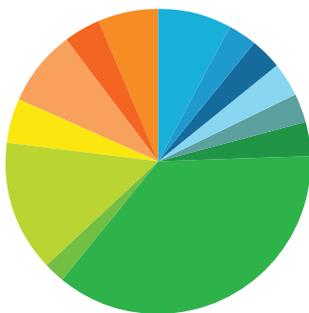
Company size:

- 1001-2500: **27%**
- 2501-5000: **35%**
- 5000+: **38%**

Job role:

All respondents work in their organization's IT department and/or in a software buying role.

- C-Level / Executive: **24.04%**
- VP / Senior VP: **14.84%**
- Director / Senior Director: **26.71%**
- Manager / Senior Manager: **34.42%**

Industry

- Banking / Financial Services: **8.01%**
- Computer Software: **2.97%**
- Construction / Engineering: **3.26%**
- Energy / Utilities: **3.56%**
- Health Insurance / Insurance: **2.97%**
- Hospitals / Health Care / Pharmaceuticals: **3.86%**

- IT Services: **36.2%**
- Logistics / Transportation: **2.08%**
- Manufacturing: **13.94%**
- Professional Services: **4.74%**
- Retail / Wholesale: **8.01%**
- Telecom / Comms Services: **3.86%**
- Other: **6.23%**