

BATON



Trending Topics:

How to Improve Client Onboarding and Fight Churn from Day One

Part II - Implementation Project Monitoring and Measurement

In Part I, we talked about the unwelcome impact of inferior software implementations on churn rates, how revenue can be lost forever when client onboarding fails, and the importance of clients experiencing the value of your software quickly. If you missed Part I of our Trending Topic series, here's [the link](#).

In this second segment, we'll look at the importance and challenges of closely monitoring and recording client onboarding project activity, specifically during technical implementations. We'll also look at a growing and significant trend in measuring the performance of your software implementation projects at the individual project level and at the macro level, employing new technologies to gain insights into how your entire operation is performing, learning and ever-improving.

The Rise of the ‘Project System of Record’

“... the concept of a secure system of record for all project activity serves the entire implementation team.”

Two age-old concepts have found their way back into today’s business world and for good reason: Trust and Accountability. Every day business relies more and more on a web of highly fragmented yet loosely connected software services, stacked purposefully to conduct critical transactions and run mission critical operations. Each time a new provider enters into the software market, the list of potential integration points also expands. Today’s B2B SaaS companies (new and veteran) must show up ready to prove they can go into any business environment and implement with **minimal disruption to the client’s day-to-day operations**. And the client isn’t the only participant demanding better ways to understand and track project activity. Of course, the software vendor benefits greatly as well.

The fact is, the concept of a secure system of record for all project activity serves the entire implementation team; clients, software vendors and third-party service providers. These projects have become too important to daily operations to not secure a reliable historical record of all tasks, project phases and interdependencies. A single source of truth, as the saying goes. This is the next step, moving beyond spreadsheets; a system that won’t bottleneck scale or operations.

Implementation is no different than most business endeavors, in the sense that the **speed of trust earned is difficult to increase**. Fortunately one thing that helps accelerate trust is the guardrails of true accountability. Demonstrating an impermeable audit trail for all project activity promotes greater accountability, simply because all participants know where the project stands at all times. Every team member can see all task events, deadlines, the impact of date shifts and their complete status history. These project maintenance mechanisms speed implementations, which impacts:

1. Your client’s time to value - how quickly they’ll realize the ROI of buying your product
2. Revenue recognition. If you cut your implementation by two months, that’s two extra months of revenue from that client (and perhaps each client)
3. Incremental revenue - many large enterprise customers buy multiple products from a vendor, the faster you get the first product up and successfully running, the sooner you can get the second or third order revenue

On the flip side, the costs associated with not having a secure record of project activity can negatively impact any implementation project. In the past decade billable hours for technical expertise have skyrocketed, which makes stalled projects more expensive than ever before. Add to this the challenge of scheduling **problems that occur when deadlines for hard-to-book talent are unexpectedly revised**. When such costs escalate without warning or authorized approvals, relationships quickly become stressed. And of course, we’re back to what can cause churn.

SaaS Vendors Guide - Project Auditing - Suggested Actions

- Investigate 21st century technologies built specifically for managing technical implementations. This says to your client that your firm has come to the table with a keen sense of the importance of a successful project.
- Make sure that the status reporting is always “current,” by default; meaning that status updates occur in the system in real time and that all authorized project participants have visibility into where the implementation stands.
- Don’t confuse impermeable and secure with inflexible. Modern management systems for software onboarding do allow changes and edits. However they also track every change, deadline and the impact to interdependent team members.
- Expect the requirement for implementation auditing to increase very quickly, especially in vertical markets like Fintech, Healthcare and the Public Sector, as well as industries such as manufacturing where system replacement delays can translate to massive financial losses.
- Look for technologies that track project budgets and associated person-hours spent by task, project milestone, phases and the impact of schedule date shifts. This ability to track project budgets from start to finish helps ensure that delayed projects get back on track faster. This happens because all project participants can see the impact of delays and course-correct swiftly.

SaaS Implementation Measurements and Metrics

Before we get too far down this path, let’s point out a key distinction for this topic. While ‘measurement’ and ‘metrics’ are often used interchangeably, for this guide **we’ll define ‘measurement’ as the capture of specific data in a single point in time**, such as the number of tasks assigned to a single engineer in April. And **we’ll define a ‘metric’ as the capture of quantifiable data in context to other ideally relevant data**, such as number of services projects managed in Q1 versus Q1 goal.

Trending is SaaS Implementation

If you work for a software company that’s not interested in measuring their organization’s productivity, then you can skip this section and go directly to Indeed.com. This quote, “You cannot improve what you can not measure,” attributed to Lord Kelvin, Peter Drucker and others, has caught fire in the software business. It’s become one of the driving forces for countless SaaS companies, as savvy investors push for new ways to evaluate the performance of their portfolio companies. Ironically, many of these same VCs regularly sit on quarterly board calls, listening to SaaS CXO’s talk about the challenges they face scaling their customer success processes as they add new logos, yet fail to apply measures to their process.

This paper asks CS leaders to think about SaaS businesses as organic machines strengthened and regulated by systems and processes that eliminate single points of failure. Resources are added only when genuinely needed and processes are predesigned to scale at varying speeds and in balance. So, not measuring your effectiveness at any of these areas of “machine operation” is detrimental, as the aim should be to increase the value of the company as opportunity presents itself.

“... one thing that helps accelerate trust is the guardrails of true accountability”

Getting more specific about measurements and metrics in customer success, we’re predicting that as more software executives begin to see how their implementation processes can negatively impact their churn, growth and time to value, you’ll see a trend to apply metrics to the technical aspects of software onboarding. You should also expect to see these new metrics focused towards [implementation project performance and their related business outcomes](#).

Performance Metrics for Implementation Projects

Here are three important and related questions to consider:

1. Is your client onboarding team requesting additional headcount to manage and enable your software business growth?
2. What measurements and metrics are you tracking to understand the factors associated with client onboarding workload capacity?
3. What are the best and most cost-effective ways for implementation teams to understand, manage and enable such growth?

Monitoring the performance metrics of your team matters. As covered in [Part I](#), improving the implementation process impacts client satisfaction and churn levels and helps keep staffing costs in check. And while there are plenty of customer support tools that track bugs, product issues, etc., our industry needs greater emphasis on the process of getting software up and running so the client experience can actually begin.

Connecting Business Metrics to Business Outcomes

“Correlation does not imply causation.” Of course that’s Statistics 101. But it’s also said that it does “gesture furtively while mouthing ‘look over there’.” The requirement for today’s SaaS leaders to not simply estimate business outcomes but to understand cause and effect as best as possible.

As the pressure increases for implementation project teams to deliver faster and with fewer problems and delays, [expect the demand to measure every aspect of client onboarding to increase rapidly and for new requirements for client feedback and not just survey data collected from internal product deployment teams](#). Further, expect an increased demand for measurement captured at the individual project level to be aggregated and analyzed in the aggregate, so leaders can gain visibility into their whole business and see client onboarding trends, repeated obstacles and opportunities to improve their processes.

SaaS Vendors Guide - Project Measurements and Metrics - Suggested Actions

- Adopt the mantra that ‘you can not improve what you can not measure’ for your entire client onboarding team
- Get ultra-granular in tracking your implementation activity at the project level. Drill down into each client onboarding project to the task creation and ownership level.
 - Record task assignment, fulfillment, delays and status reporting activity
 - Capture time allotment information about each project, to understand each participant’s contribution to its success, delay and staffing costs
 - Set milestones for every project and compare the actual completion dates to the projected completion dates
 - Capture ongoing measurable client feedback throughout the duration of each project, so that no single issue or one point in time determines the client’s overall assessment of your product
 - Keep a project dashboard that gives your managers a unified snapshot and let’s you quickly see where things are with the implementation’s health
- Move away from using spreadsheets. To be frank, they capture unreliable and stale project status data and offer little in setting and tracking metrics.
- Go macro as well. Consider moving to new technologies that allow you to set metrics for your entire implementation team
 - Compare onboarding projects and overall results

Wrap up Part II

Baton wants to again invite you to experiment with some of the concepts we covered in Parts I and II of this series (ideally while they’re still fresh). Our CS Team will even help you set up a few projects to run at no cost. Click [here](#) to request a demo and we’ll get you started. 100% risk free

Coming in July, Part Three:

1. **The Metrics Matrix:** Part III of this Trending Topics will take a deeper dive into measurement and metrics