

Our Chordiant Implementation Strategy

I. We start with business strategy (not software technology)



Our effective CHORDIANT implementation approach starts with a multi-pronged approach that includes executive strategy, specific CHORDIANT requirements, understood business processes, software technology goals and an enterprise-wide focus that cuts across locations and divisions. We ensure to recognize CHORDIANT as both a business strategy and a technology effort. Else it is analogous to paddling a canoe from only one side of the boat - the boat moves quickly; however, you make no forward advancement.

We understand that virtually all businesses face the challenge of moving from a product to a customer-oriented model in order to effectively compete. The instrument to effect that change is CHORDIANT. However CHORDIANT is more than a set of technologies. It is a business strategy designed to create more profitable customers through the integration of services. Executed effectively, CHORDIANT maximizes the lifetime value of existing and future customers. In order to succeed, we help businesses to recognize the total CHORDIANT equation and then design implement and manage their solution and re-align their people, processes and technology to the new customer-centric operational model.

A lasting business strategy solution will likely include organized processes at every customer touch point, coupled with the technology that will consolidate every piece of information the organization has about its customers.

A historically successful approach is modeled after the experience and research which suggests that high-performance organizations are building value and winning the battle for customers by:

- Implementing sound and well understood customer processes which are then automated with CHORDIANT
- Systematically acquiring deep insight into customer needs and preferences
- Efficiently translating these insights into actionable events and deliverables

II. Assemble the Right Project Team

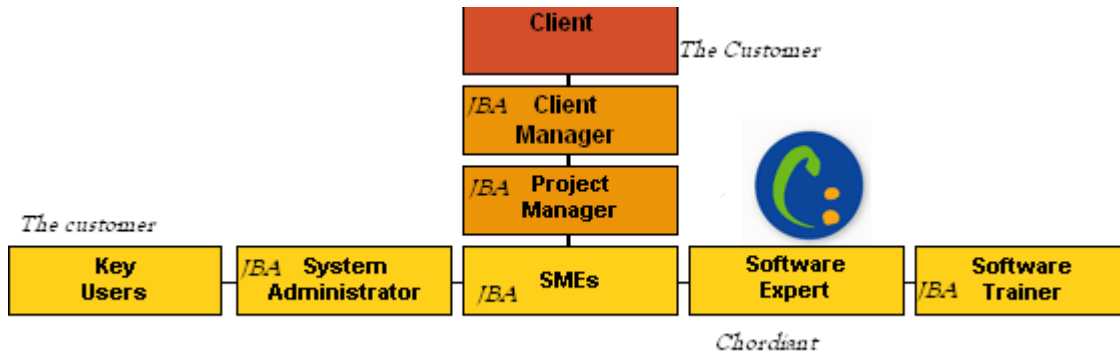


- **Roles and Responsibilities**

- 1.1. Client
- 1.2. Client Manager / Account Manager – JBA personal
- 1.3. Chordiant Project Manager – JBA personal
- 1.4. Chordiant SMEs – JBA personal
- 1.5. Software Expert - JBA personal / Chordiant

Unsuccessful software implementation projects and weak project teams have been inextricably linked throughout countless CHORDIANT failed project post mortem analysis. However, getting the right team members is often an exercise in political jockeying and making staffing compromises. Seldom are the right team members idle for any period of time and often they are viewed as the producers that can least afford to leave their primary roles. Coincidentally, those staff who do seem to have availability and can be sublet away from their core jobs often find themselves on these types of projects. Don't confuse availability with capability. As the old adage says, 'if you need something done right give it to a busy person.'

Roles and Responsibilities



CHORDIANT implementation projects require dedicated and organized resources. The roles and size of the project team will vary based on the scope of the implementation, the number of users, the level of sophistication and the amount of change introduced. The proposed hierarchy above should be considered a baseline project team assembly needed to achieve project success.

III. Leverage An Implementation Methodology



There are several application implementation methodologies built from repeated experiences and regarded as proven roadmaps to success. The better implementation methodologies are disciplined, objective-oriented, fact-based and combine the needed ingredients for enterprise-wide systems success, which include people empowerment, process implementation, specialized tools and Chordiant software automation.

This is an area where you can get a great deal of leverage from JBA.



Shouldering project management responsibilities isn't for the average Joe or the fainthearted. It requires people who have a relentless, or one might say obsessive-compulsive, attention to detail. They must also be thick-skinned individuals, willing to withstand verbal barbs, insults to their genealogy and possibly some old-fashioned assault from people tired of being prompted for their part of the project. At JBA our project managers and subject matter experts ensure that each implementation success factor is methodically addressed each and every time, resulting in consistently delivered solutions of the highest quality.

IV. Insist Upon Structured Project Management



We find there are as many varied definitions of project management as there are CRM. Through our experience in Chordiant project turnarounds, we have also observed a clear pattern between a lack of project management and unsuccessful implementation projects. Much of the problem stems from confusion between project administration and project management; with the former being little more than administrative bookkeeping and the later consisting of proactive, results focused actions which drive predicted results.

Formal project management is normally embodied in a Project Management Office (PMO) and staffed with trained and certified project managers. Proactive project management should include, at a minimum, a project team with defined roles and responsibilities, a project charter, a well defined project schedule (with baseline, work breakdown structure, etc), an issue

tracking database, a risk management method, a change management plan, a communication plan and regular status reporting.

The Chordiant Project Manager must understand and plan the Chordiant project from the standpoint of the forecasted results. The role of the Chordiant Project Manager varies greatly depending upon the objectives, constraints and timeframe of each implementation, however, responsibilities generally include:

- Directing the project toward business goals (focused on obtaining business benefits, not focused on tasks)
- Issue resolution; interprets issues and recommends resolution
- Monitors and communicates project performance
- Facilitator of people and evaluator of processes
- Providing QA and control over the project
- Monitoring the status of the project in relation to the project plan
- Communications to all stakeholders (executive management through user communities)

V. Prepare For Change Management

Change Management Methodology and Change Control Program



Change management is about introducing change successfully. Too often business changes suffer from strong employee resistance, reduced productivity, dissatisfied employees and unwanted turnover. In many cases these changes produce over budget, delayed or failed projects. Change management is the application of processes, tools and techniques to minimize the resistance to change and to achieve the desired business results, on time and on budget.

While new software applications can bring rewarding changes to the organization, they won't remedy all of the organization's challenges. In many Chordiant implementations, managing change of both systems and business processes can be one of the greatest challenges. Any implementation approach should consider and plan for change obstacles and incorporate a formal change management mitigation strategy.

Successful change management turns those affected into motivated creators and effects change in the minds of the employees. It is about creating conditions for the organization and employees so that they can take responsibility for shaping their own future. The critical success factor for organizations is that of people. The effectiveness and efficiency of the organization increases with the active participation and change in attitude of the employees. Improved internal communication allows support for personal development objectives and increases team spirit. Successful and stable anchoring of a change management processes will lay the foundation for the transition into becoming a Learning Organization. A Learning Organization is the vision of a company capable of shaping itself actively through constant improvements.

VI. Plan Early For Dirty Data



Inconsistent and incomplete source data for conversion to the new Chordiant system is a common occurrence which often unnecessarily delays project schedules. To mitigate this potential delay, extract a sample of data very early in the process to validate the data cleanliness. Other data integration pitfalls include the following:

- Not thoroughly understanding data definitions (particularly down to the account activity and task levels)
- Lack of data quality (dirty or unscrubbed data)
- Data not synchronized between different systems (timing differences, multiple versions of the truth)
- Different or incomplete business rules (incomplete data in one system moved to another system; referential integrity breakdowns)
- Failure to vision and prepare for application software updates and upgrades

- Integration scope creep (particularly regarding data specification)

VII. Consider Best Practices Utilization

Why Do We Use Best Practices?

Best practices are techniques, tips, and tricks that have evolved over time through research, planning, and historical deployments. The process of yielding best practices typically involves a series of trial-and-error stages implementing a technique or methodology and then evaluating its effectiveness. If the result is positive, the technique is kept, refined, and distributed to other members of the organization or other organizations. If the result is negative, the practice is thrown out and another technique is tested. This substitution repeats until a positive result is reached. In the end, the organization is left with a group of techniques and methodologies that when employed will increase the productivity and effectiveness of the implementation effort or production system as a whole. Best practices save organizations from spending valuable time figuring out what somebody else already knows. In other words, don't reinvent the wheel.

This is again where you can get a great deal of leverage from JBA.

VIII. Don't Forget Risk Management

Whenever you undertake a Chordiant project you expose yourself to risk. Risk is an inherent component of any Chordiant project and every project carries with it a certain amount of risk. This includes the risks and uncertainties encountered throughout the project life cycle, as well as the business risk associated with not doing the project.

Risk is the net negative impact of a vulnerability exercise, considering both the probability and the impact of an occurrence. A risk management exercise is the process of identifying risk, assessing risk and taking proactive steps to remove risk or reduce risk to an acceptable level.

Risk management is the continuous process through which the relative risk of harm to an application or project is evaluated, mitigated, and continuously monitored. A team led by the Risk Manager and consisting of other interested parties first performs a risk assessment for all new projects and systems undergoing major modification. The risk assessment team identifies the controls in place and additional controls needed to provide confidence for the project or system and reduce the level of risk to one acceptable to the stakeholders. The Risk Manager then performs periodic vulnerability testing of the controls to monitor the continued adequacy of system confidence.

Structured risk management activities conducted by the project office seek to identify at an early stage any critical success factor that appears unfulfilled. This allows the project management team to raise the issue in the appropriate forum and begin efforts to mitigate any potential risk.

Top 10 Chordiant Implementation Project Risks

Through dozens of risk analysis projects, we've prioritized common risks below.

1. Invalid project assumptions (different expectations among stakeholders)
2. Project planning omissions. Significant delays incurred not because project planning tasks were underestimated but because project tasks were completely omitted (forgotten)
3. Data conversion delay. Unanticipated data scrubbing due to poor data quality
4. Lack of continuity or consistency of business processes among multiple locations (as well as the introduction of sub-optimization by some locations)
5. Failure to proactively anticipate and mitigate user adoption challenges - fear of change, sub-optimization and/or sacred cows. Closely aligned with failure to recognize the change in cultural due to a CRM implementation
6. Missing or infrequent active and visible executive sponsorship
7. Failure to backfill project team schedules/workloads
8. Failure to recognize weak (basic PC operation) user skills assessment prior to training
9. Failure of Risk Management and proactive risk mitigation