

Why are you not getting better margins on your IT implementation?

The big system integrators get the better funded clients, score the higher value engagements, get to do more of the strategic work, set higher rates, and work on more profitable projects. I know. I used to work for them.

That leaves a sea of mid-tier technology implementers clawing and scratching for what remains: less well-funded clients who can only offer engagements with tighter budgets, providing tactical implementation work, and at lower rates. I have worked with these technology implementers. I have experienced this first-hand too.

But that situation does not have to apply to you, if you are one of these mid-tier implementers.

You too can win more, and more profitable, business. Why couldn't you?

You should have your teams work on more exciting, prestigious and strategic engagements. Why shouldn't you?

You can have your company involved in higher margin projects. Why wouldn't you?

The real question is, why don't you?

The answer is you can, and you can start today. It is not external circumstances, but a choice you need to make.

Your company is just as deserving. Imagine winning higher margin work and having your team doing strategic engagements at prestigious, well-funded clients. How would that make you feel?

Quality of Resources

Just before you go there, a voice is going to pop into your head and say, "But they have better, more expensive, resources." It is true that some of their partners or senior executives may have written books and articles, and maybe even teach at some university. But so what? Those are not the people they bill out as project resources. The resources they bill out are the same calibre that you have.

For example, at CGI and Cap Gemini, where I used to work, someone like me would be billed out to a client at between \$300 and \$450 per hour, depending on different variables. If I worked for you, the best you could bill me out is at \$180-\$200/hr. The difference? You get less margin when you hire someone like me. So better resources is not the reason. I am the same person whether working at CGI or for you.

Think of what it would mean for your bottom line if you could charge 25%-50% or more for the very same resources you are paying today. Your company would look and feel very different than it does today, and your life would be better.

Global Presence

Then the same voice in your head might argue, “But they are global.” True, but so what? I have worked for these global companies (as have some of you), and you know that is only marketing. For example, when I was at E&Y or CGI, if I needed a difficult problem solved, I didn’t call someone in Singapore or Sweden. I didn’t download materials from Milan or Mumbai. I contacted someone local. And if they couldn’t help me, they would reach out to their resources – also local.

As a matter of fact, I have seen successful “solopreneurs” operate more smoothly on a global level than the companies I worked for ever did.

You don’t need to be global to compete with the global companies. You can have your own advantages that far surpass the claim to global resources that the big system integrators like to tout as some kind of vapour-ware advantage.

Deeper Pockets

“Yeah, but”, that voice might now say, “They have more money than us.” Again, true. But they also have much higher fixed costs, and in the end having more money does not matter. Of course they can marshal the resources to focus on impressing a client, but very, very few clients buy from a vendor just because they have more money at their disposal.

Clients buy because the vendor can meet their needs the best. They are looking at a combination of factors that has very little to do with how much money you have. They look for someone whom they trust the most to implement the technology, integrate it with their current processes, get their employees to adopt it, and convince their organization sustain it over the long term.

Just picture what it would mean for your company if you could get more prestigious and well-funded engagements. Since your fixed costs will stay low, it means a lot more dollars going to your bottom line.

Arguments or Excuses?

So, really, that voice in your head is not making rational arguments. It’s making what sound a lot more like excuses. Don’t let it. Those excuses are only effective because they are founded on that awful four letter word that begins with “F”:

Fear.

And yet, however, something inside you that is not fear driven but is rational, is telling you there is a difference. There is a reason why the system integrators are able to get the better

engagements and charge higher rates. And you're right, but the reason has nothing to do with those excuses listed above.

What Clients are looking for

The real reason is linked to what clients ultimately want. And what they want, regardless of what technology they buy, is that their people use it.

That is not a technology problem, but a business and strategic challenge. And that is where the system integrators have the advantage. That's why they market themselves as *integrators*.

They integrate the technology with their clients' business processes.

They integrate both of those with their client's people and culture.

They give their clients the whole solution, not just a tactical, technical fix.

And that's why they win more business, charge more for their resources, and get better margins on their projects.

But wait...

That voice inside you may say again, "But we do that already! When a client asks for organizational change management we have, or hire, resources to do that."

However, that is not the same thing. That is actually the opposite – it reinforces the tactical nature of fixing a technology problem. Your technology sales, planning and delivery approach is not integrated with your client's people, process and culture challenges.

It's a bolt-on, and clients can tell the difference. And they are going to pay you accordingly.

Integrating your implementation

You can present a fully integrated solution to your client, and there are two ways you can do that.

One is, you go out and hire an internal organizational change management leader, have them set up a team internally, and work to integrate OCM into all of your sales, marketing and delivery methodologies. But that takes time, lots of money, and there are many risks along the way. None-the-less, if you have the money and time, which may be a good, permanent solution. However, there is another faster and less costly way.

That other way is that you team up with someone who already has the expertise, experience and credibility to combine your technology implementation sales and delivery approach with their OCM methodology. Take a look at what working closely with us could mean for you.

Win more business

Any system integrator expects to win 20% - 25% of high end, strategic pursuits. A mid-tier IT implementer is likely to pass on this type of opportunity because their chances are low - unless they can win through competing on costs, which means even lower margins. Model what it would mean for your business if you could start winning this type of work, and be able to charge an additional 25% for the same resources you have now.

Get add-on business

A system integrator expects to get on average 15%-30% of add-on work, whereas a mid-tier IT implementer is happy to get a good reference. They do this by focusing on building a trusted partner relationships, which gives them insight into other potential solutions their client needs. And a seasoned Change Management expert is effective because they identify those C-Suite issues and nurture those relationships. These additional opportunities also have a much higher conversion rate of BD to sales, and it means you get a higher return on initial BD investment. Think of what this would mean to your top line results and BD costs if you were able to do this as well.

Expend less effort

A system integrator uses different experts to handle different components of their total business solution. Working together with you, your IT implementation project will become a business change solution. We'll manage the planning and delivery of the change activities, which means that your project manager and team actually end up having less to manage and worry about. Picture running managed business change projects that are implemented more efficiently with fewer issues raised by your team, and which ultimately cost less and lead to better results.

Deal with less resistance

You will get less resistance from employees and more support from managers and executives. Resistance can be a project-killing obstacle if it isn't managed properly. OCM helps you identify it and manage it systematically and proactively. That means less stress for your project manager and team, and lower costs for you and your client.

Deliver successful projects more often

OCM is tightly linked to project success and smooth implementations. [Studies show](#) that including an excellent OCM program results in a greater than 90% likelihood of project success. By delivering more successful projects you'll develop excellent client relationships, get additional referrals, and eliminate giving your client cost breaks and keep them happy.

More Business. Less Effort. Better Results.

With over 20 years' experience with IT implementations at large to mid-size clients we can help you win more business, with less work for you, and we will help you deliver better results to your clients. We can help you stand out from the crowd.

Here is how. We'll...

- Enhance your marketing materials, proposals and bid presentations so that technology and adoption look seamless, as they should
- Give you that all important intangible: credibility when it comes to talking about employee adoption and organizational sustainability to your prospective clients
- Take a load off your project manager by seamlessly integrating OCM activities into your implementation plans and managing those activities to your client's full satisfaction
- Provide you with the right OCM resources and manage the quality, cost and timeliness of their work
- Help you navigate your client's culture and power dynamics so that your project team feels like a great fit from the perspective of your client's management and staff

Finally, you'll find we are easy to work with. With our years of experience working on project and business development teams, collaborating, integrating and sharing is in our DNA.

De-commoditize yourself. Give us a call today. Let's talk.

[Contact us](#) to learn more and start the conversation, or email us at letstalk@hadaspartnersinc.com