

Selling change

Planning tools can be essential to secure an organisation's future success. **David Parmenter** explains how to sell their acquisition to a reluctant management team

Last month I argued that there should be a limit of 100 rows for a spreadsheet used within the finance team. This article looks at how to sell the concept of a planning tool to the senior management team.

Acquiring a planning tool is a major step forward, and one that needs to be pursued, not only for your organisation's future, but also for the future careers of the finance team. Soon, a career prerequisite is likely to be planning tool experience, and, conversely, being a spreadsheet guru is likely to be career-limiting.

Emotional drivers

Rarely is anything sold by logic. Sales are made with emotional drivers. Many finance team initiatives fail because the team attempts to change the culture through selling by logic and issuing commands. It does not work. The planning tool project needs a public relations machine behind it. No presentation, email, memo or paper should go out unless it has been vetted with the help of a PR expert. And all your presentations should be tailored to suit the emotional drivers of your different audiences.

Here are some emotional drivers to use in selling senior management on a planning tool acquisition:

- * 'Spreadsheet solutions for forecasting involve many long evenings and weekends away from family and friends.'
 - * 'Spreadsheet forecasts are expensive to run.'
- Provide an estimate of

the huge costs (because costs motivate boards).

- * 'Spreadsheet forecasts are likely to be materially wrong and could possibly lead to legal action by investors because experts have already stated publicly that large spreadsheets, with more than 150 rows, are not appropriate for forecasting.'
- * 'A planning tool can improve the quality of reporting and often incorporates performance measures such as balanced scorecards.'

Getting the green light

One important step in selling change is to get the people who matter, the organisation's sages, behind you before you sell to your senior management team. These sages are the individuals who, although often buried deep in the organisation, almost everyone turns to for advice.

This can be done in a focus group workshop. The aim of the day is to get a collective understanding of the issues of the past, present the new solution and listen to the 'wisdom' from the sages.

Then in the final session of the workshop, ask the attendees: 'In your opinion, is this project to move forecasting and planning to a planning tool a green, amber or red light?'

This focus group workshop is important for the following reasons:

- * Such a project can have many pitfalls and many have failed to deliver.



NEXT STEPS

- 1 Visit some organisations in your sector that are using planning tools and absorb their advice
- 2 Start a campaign pointing out the weaknesses of using spreadsheets, using in-house war stories
- 3 Create a sales pitch using the advice of a PR expert
- 4 Hold a focus group meeting for your organisation's sages – if you want a template, send me an email (parmenter@waymark.co.nz).

The focus group and workshop can help assess whether this project has a chance and ascertain the hurdles and barriers.

- * A wide ownership is required throughout the organisation, and a focus group can have a huge impact on achieving this ownership.
- * The foundation stones of forecasting and planning must be understood and put in place early on in the project.

* A 'green light' from the focus team will sell the senior management team on the need to invest in this process.

- * The focus group can give valuable input into an implementation blueprint, a vital step towards a successful implementation. ■

David Parmenter is a writer and presenter on measuring, monitoring and managing performance

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