5 Keys to a Seamless Tech Upgrade

with CEO Coach Mike Klaus

Steve Sanduski:	Mike. Welcome to the show.
Mike Klaus:	Steve. Thank you. It's great to be with you today. Appreciate this.
Steve Sanduski:	We are happy to have you here. And you are a coach here at CEO coaching international, and of course you didn't start your career out as a coach. In fact, you have more than 35 years of experience as a senior executive in a lot of different roles over the year. So I'd like to start here before we jump into our main topic is tell me a little bit about you.
	Why don't you hit some of your career highlights, if you would please.
Mike Klaus:	Thank you, Steve. Well, I've spent over 35 years, as you said. Mostly in high and professional services companies. I spent the last 12 running large businesses for Hewlett Packard. Prior to that, I was in a consulting business with Ernst and young and cap Gemini and led a lot of transformation.
	It strategy efforts with. Fortune 500 clients I've worked with over 30 fortune 500 clients in 26 different countries during that period.
Steve Sanduski:	So you've got a wide diversity of experience here in the area that we really want to zero in on today is in the it area. And really talking about how do you get the most out of your technology? Investment because today, obviously technology is everywhere. It's ubiquitous. And in order for companies to grow fast, to grow exponentially, we've got to make sure that we are making the best use of our technology.
	So let's walk through a plan. How do you. Define the kind of technology you're going to use. How do you plan for it? How do you execute and implement a technology system? And then how do you review everything to make sure that everything is working the way that you hope it will? So where would you start with that? What would say be the first step there?

Mike Klaus:	Well, ultimately the first thing you have to do is validate and confirm what problem you're trying to solve. It's critical to, to understand the reason for this very important investment that you're going to make, and to clearly set your expectations, your outcomes, and what you think the benefits would be from this investment going forward.
	I think then, you need to understand, you know, are you addressing large systemic problems or you're just trying to solve for a particular problem, like a manufacturing system in your plant versus integrated financials and HR to run your business. can be solved in so many different ways.
	And this is very important too. To illustrate understand and take that down and into consideration. And then you have to, as you build your understanding, make sure that the solution you're looking for meets those outcomes. And as part of your business objectives, as you determine the potential business benefits, as you make this change.
	It's really important to do the hard work of understanding, you know, the, your efficiencies that you're going to go after in terms of time and labor, but also in many cases, the opportunities for growth and expansion of your company, all of these crucial assumptions must be part of your business case, you know, before you go off and make this investment.
Steve Sanduski:	Is there any problem that a company might have any business issue that a company might need to solve for that cannot be handled by technology? When is technology not the right solution?
Mike Klaus:	There are elements of technology that can assist in almost every problem, but look, when you're trying to manage people and you have people expectations Technology can give you insight. It can give you data, but ultimately it's not going to make those decisions for you.
	I think that's important to consider. It provides you data and insight management and leadership, and still needs to make the decisions that. Are aligned to those insights that the technology may generate for you. Certainly though, it's going to improve your process in many areas and speed up your time and your ability to innovate and make those decisions.
Steve Sanduski:	Working in this area of technology, as you mentioned for more than 35 years. What is the latest technology that gets you most excited? Of course, we're talking about AI and those sorts of things, but is there anything in particular that gets you really excited that you're seeing with, people that you work with that are implementing today and having good success with.
Mike Klaus:	You know, I am very excited about the internet of things and what I mean by that is, is the ability to access insight and information. From the edge as we call it of the technology spectrum. So for instance if you're an oil company, the

ability to understand through technology in the oil field what your opportunities are for drilling to improve that efficiencies.

We think about. Retail success. The ability to understand what's on ships that are coming from overseas and the ability to divert that cargo based on your knowledge of current customer demands and where that product is. So that edge technology integrated into your decision-making process is what I think is really cool.

I mean, I really did. You know, psyched up about the ability to really make clear decisions almost on the fly as the band singles change and markets change.

Steve Sanduski: How do you decide then as a business owner, as a leader, as a CEO, how do you decide for your company, whether you want to be on the bleeding edge or just the leading edge or just the edge as you talk about here?

Mike Klaus: Well, I think that goes to the culture of the firm and the business that you're in, Look, there are what we would call core versus non-core capabilities and competencies in an organization. If you're trying to solve a problem, that's on the, the edge of your core competencies.

I think then you can tilt more towards the bleeding edge because that's going to differentiate you in the market. It's going to make you. Better able to respond to the demands of your customers and to be more competitive. However, you know, there's no reason to be on the bleeding edge of your financial systems for reporting processes.

So some of it is aligned to your core competencies and where you see value into the marketplace and others are in terms of like cost time those elements of the, of the decision making process.

Steve Sanduski: So this first step here is really about understanding and validating. What problem you're trying to solve with technology. What would you say is a second step or a next step here?

Mike Klaus: This isn't written in many books, but I think this is great tool. Look at. We all have. Fabulous networks. We have partners that. We work with like CEO coaching international, for instance, that have even expanded networks. And I think the first thing to do is to really just go out and talk, talk to people about what you're trying to do.

People that have faced similar challenges, and I've had similar problems and have used technology to address them. It just asks all the questions, the questions that. That you know, that are running around in the back of your head, about what they faced and how they made the decision and know what went right.

What went wrong? What would they do different they had the opportunity to do it again and understand if they met their goals why they did or why they didn't. I think just, just doing that will make you more comfortable with this decision process because it's important and it can be confusing at times.

Steve Sanduski: There's an old saying something along the lines of the highest form of learning is to learn from other people's mistakes. So I think that's, that's similar to what you're saying here.

Mike Klaus: Well, yeah, that it's not, it's not a time to make the mistake and learn from it yourself when you're making this technology investment. It's good to gather all the insight and information that you possibly can before you leave.

Steve Sanduski: Yeah. And I mean, I love that you've added this here because we can learn so much from other folks. I mean, typically when we're talking about and tell me if you think different, but if you're doing some new type of it, investment, chances are someone else has done something similar. They've been down this road before.

So if you can network with them and get some feedback from them, get some guidance from them on what to do, what to avoid. I think that is super helpful. And. Will help steer you in the correct direction. So love the second one here about really leveraging your network and talking to other folks who have been down a similar path as you so good. Do you have a third one here?

Mike Klaus: Well, I think it's really important. To assign someone from your team that's fully responsible and accountable for this project or program, depending on the size. Right. But it's really important to identify within your enterprise. Somebody who owns this, somebody who is going to stand up in front and says, I got it.

And this is my job. We used to say back in the days of re-engineering, this is the time to bring your best and brightest to the table. Get, you know, a very highly respected in the firm, up in commerce, someone on your team, that's going to have a direct line into you. This does a couple of things. One it's really a good way to evaluate and test those new leaders in your firm are those people that want to expand their roles and their capabilities.

Certainly it gives them the opportunity to work at a larger level they may have in the past. I think it's really important though, that you know, you give them what they need to succeed and let the organization. No, the importance of their success and the success of this program. I have seen several failed attempts, both large and small, where companies didn't invest in the resourcing and the people.

To make this a successful effort and really just delegated it off to someone or a team that didn't have good line of accountability up to senior leadership. It's

really important that you call that out and you put a focus, put a light on this as really important to the company and really important to the people engaged.

Steve Sanduski: Okay. So number three here is really to make someone responsible and accountable for the project. how do you evaluate these providers and what your different options are and what's the process through that? How would you frame that?

Mike Klaus: Well, one let's connect our leader part of this will be this new leader who's going to be responsible for. This is going to be part of, his or her tasks to help do this evaluation. And fortunately, there's just a wide spectrum. Of options and choices out there today. I mean, technology has been, as you said, very ubiquitous, but it's also can be used different ways and can be applied in many different ways that spectrum runs from, you know, complete outsourcing of the process and the technology itself.

So literally you turn that over to an outside entity and they manage that Payroll process for you or that HR system process for you and it all the way from SAS environments to cloud applications, to the what I would call the, maybe the old way, but with new technology, just managing and owning that technology yourself and running it through your it department.

So there's a wide spectrum of choices out there. So certainly. In the decision process as a team, there's a number of factors you must consider, like certainly the cost, the costs. Do you want to own this yourself? Which implies additional assets costs and carrying costs associated with that or to completely outsource it?

Security, And we know everything was, needs to be very secure, but what kind of data, what kind of information is going to be exchanged in this system to determine the security, which would help lend your discovery of the type of provider or the type of software? I don't know if you to use the time you have, how much time do you have to, to implement is the current technology outdated, no longer going to be supported by a provider or.

A code is old and it doesn't give you what you need. What are the skills in your organization and the solution itself as part of your business, case and assessment. So these are all important considerations. And is this. Technology going to be core, as we discussed earlier, a non-core to your business that helps inform you and the type of investment or the type of technology you may want to purchase.

I mean, I think a great investment that I like to use today, and everybody's kind of familiar with this. One is the investment that, you know, Amazon made is logistics technology as core to its success in differentiation. They own that, you know, it's cloud based of course, Running on their cloud, but it is their own

technology that they deploy because it is a differentiator in the marketplace to them.

So that's, that's very critical in terms of what type of technology investment you're making. and once you're clear on that model and you have a couple of options that you want to look at in terms of that deployment, there's several ways to determine who. Might be the best provider for you. There's a very traditional model of, you know, you develop request for information or request for proposal that outlines your needs, what you expect your requirements.

And you ask for feedback that list of those providers that you may have identified. Certainly there's leveraging outside. People who have done this before, you know, at CEO coaching international, many of our partners have been fully engaged in large implementations, large and small frankly, and have used providers and they can help and assist you to streamline.

And speed up that process because, you know, time is money. And certainly then as we, talked earlier, go back to your network and leverage analysts reviews to help you determine the best providers for your situation. And then of course, once you, have that list and you have those options and opportunities, it becomes very traditional management process to determine what's best fit for your organization as you go forward.

Steve Sanduski: Aas you think about when to upgrade a technology system, how do you decide whether or not, you want to be proactive and you want to upgrade the technology. I'm going to say, well, in advance of when you think your firm will grow into needing that level of technology versus waiting to upgrade until you're bursting at the seams, let's say.

And if you wait later, maybe you save a little bit of money in the short term, but maybe it costs you a lot in the long run. So how do you think about that? From a strategic standpoint, the timing of an upgrade to be ahead of growth, equal with growth or lagging, a little behind growth.

Mike Klaus: Yeah, upgrades and interesting use of terms. certainly, yeah, I'm gonna sound like a broken record here, but it's really critical to understand is this culture your business. So are you, going to run out of the capability to respond to your customers? Well, that's an easy decision, right? You need to invest now.

If you can't respond to your customers, you can't respond to the marketplace because of some technology challenge that you're facing today. you need to invest today. If in fact it's a, what we used to call back office system it's financials, it's some of your HR systems, it's other systems that, not impact your.

Ability to grow and to drive efficiencies like supply chain or manufacturing systems, you can hold out and make sure that you're looking at the new technologies as they evolve to find. better set of applications or tools for you

that will better serve you in the future may be easier to implement may cost less over time.

So I think the critical point there is, is what's critical to your business success in terms of. those systems or technologies. And don't wait until, as you say, you're bursting at the seams, be proactive, be in front of that at all times that can go into your original assessment too, in terms of, you know, the adaptability of the Technology as you're looking to implement out in the future, make sure that your technology solutions have the ability to be flexible and adaptable and can grow and expand as your business does.

Steve Sanduski: I suppose you could take zoom as an example, that as a result of the pandemic, their business just exploded. So obviously in order to continue to deliver their service and not have people not be able to log in to do their zoom calls, they obviously, and to expand their ability to do that through their tech platform, they're probably using AWS, let's say so.

    Yeah, obviously there, they have no choice. If they want to expand their business, they've got to get more of their platform bandwidth available. But as you say, Maybe they could lag a little behind upgrading their HR system, which is just more for internal purposes, doesn't necessarily affect client outcomes.

    So you can pick and choose there. What is going to affect the growth of the business versus what might be more internal. That won't be client-facing. Is that what I hear you saying?

Mike Klaus: Yeah, but I want to be very cautious on, on one point, on HR systems. HR systems are critical. They help you manage your employees, help you understand your talent. They may be part of your succession planning and your leadership. They may help you evaluate promotion of your people.

    So I don't want to leave anyone with the impression that HR systems. Aren't important, but they just may not be that critical to the driving forces of your business in terms of that change. I think you can be a little more planful in terms of your approach to those technologies than some of the other ones where you're literally in front of your customer and trying to, for instance, deliver on orders and customer expectation.

Steve Sanduski: Let's say that we have made a decision here. We're going to upgrade. We're going to get some new technology. We've identified who it is that we're going to be working with. That's going to help us implement all of this. What do we do?

Mike Klaus: Well, this is where you have to establish clear accountability and management through a process of review all the way from, you know, engaging initially. Through implementation. And then literally beyond that implementation, it's very critical to, you know, assign your team, milestones and responsibilities and to track those daily and weekly and to.

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Always always make sure that everyone's involved, that needs to be involved. I've used a framework in the past called RACI framework, R a C I it's for responsible accountable. Communicate and inform. And literally it's a framework that helps keep all constituencies informed or involved or accountable for all activities associated with the implementation of a technology.

Now, if you have leveraged An outside provider, some of those responsibilities and accountabilities fall on them, but ultimately this is your technology, your system, and you have to be continually informed of the status. I think one thing that works really well I've seen successfully is.

Is to have incentive programs for both your internal and your external resources as a best practices. In other words, as you achieve milestones, celebrate those milestones. You may even incent people as they deliver the project on time and on budget or They accelerate the timeframe there's ways to incentive, evaluate those successes as, as you go forward.

And I think they drive a lot of camaraderie and they make the team feel good. And then ultimately you're doing this because it's going to drive some benefit to your enterprise. And it's really important that you are able to measure those and understand those, then that what makes the incentive program much easier To develop into frankly, live with because your benefits are going to come faster and sooner.

Steve Sanduski: Can you give me an example of the incentives? I mean, we could give people money, but I'm imagining, you're thinking of things beyond just giving people some type of bonus.

Mike Klaus: Well, these can be very simple and, and little things. These can be team dinner for hitting a milestone successfully a gift card. Very simple thing, certainly acknowledgement of the success in terms of what we used to call shout outs, the CEO or the president the company, you know, calling out individuals on the team who are really, truly making a difference and are. Ensuring that we're going to have a successful implementation and a successful rollout of the program. we have given, you know, achievement awards quarterly And year end that are simply acknowledgement. We have done plaques, et cetera, that have you know, simply awarded people for a great experience.

You know, people love to be acknowledged amongst their peers. It doesn't always Have to be monetary. But certainly that acknowledgement makes people feel good about what they've done, their job coming to work. And certainly there are always, always promotional opportunities that can come as a result of successful implementations. And those opportunities come up very often in terms of these, these programs.

Steve Sanduski:	Yeah, this whole idea of recognition. I think as humans, we all want to be recognized, so you don't have to give people. Well money, like you say, sometimes we just want that Pat on the back, we want that recognition in front of our peers have a job well done. And the amount of satisfaction that we get as a result of that public acknowledgement is huge.
	And I think that's a real underutilized. tool for lack of a better word that leaders can use is to recognize their people, put them in front of their peers when they're doing something really well when they're exemplifying the culture that you're building and that you want to reinforce. So I appreciate that you shared that.
	Now me just summarize where we're at so far, we've been talking about how to get the most out of your technology investment. And if I took some good notes here, I think you identified about five points. The first one was to understand. And validate what problem you're trying to solve with the technology.
	The second was to leverage your network and talk to other folks who have been down this road before and try and get from them. What went well, what maybe didn't go so well, what would they have done differently? Third is you said to make someone responsible and accountable for the project. Fourth, you talked about how to evaluate the providers and what your options are and what your decision-making process is.
	And then fifth, we were just talking here about. Developing this clear accountability and having some type of management review follow up process just through the implementation period and beyond that. So that's great. Now at the risk of raining on the parade here, what could go wrong? What are some things that we need to watch out for in this process?
Mike Klaus:	Well, I think one thing that everyone acknowledges in. technology implementations is it's a change. It's a change to the firm. It can, it can literally be a change to the way things were done in the past. It probably will be, it will change process, it'll change people's jobs. The, so the most important thing that I watch out for is the people.
	There will be change resistors in your organization, that people have always done it a certain way. What wants to leverage the new technology that is designed to create efficiencies and, and maybe change their jobs. So the first thing that I always look for is. who in this program is, you know, going to be on board with this change and, and who frankly won't, and you will have a spectrum of those people in your organizations.
	So it's critical. It's critical to identify, acknowledge and understand that that is going to happen and that you clearly build. Communication plans that help people understand why this is going to improve our performance. As a company

enable us to attract new customers and go to new markets or streamline our process.

So we can take out some costs and reinvest them into new areas of the business. And ultimately. know, there's going to be some squeaky wheels. You have to work through those and you may have to make some changes relative to their role in the organization or the things that you're expecting out of them, but the clear and concise, compelling communication plan.

Is what will help you early on, hopefully prevent those change resistance from disrupting your program. I mean, I think after that, Well, we've all heard of lengthy time overruns and cost overruns that are the bane of poor implementations or ultimately implementations that don't result in the benefits.

So it's very, very careful that you manage those timing. cost changes, scope creep that may come into one of these programs, very proactively and very effectively and understand that when something does happen or some change must occur in terms of the timing of the project, then all the dependencies for all parties are clearly identified and we've made the adjustments to the plan.

And it's been again. Clearly clearly, clearly communicated to all those people engaged. But the best way to manage these things that go bump in the night is open, clear. Communication and making sure that that team that is, you know, really down in the engine room, making this happen uh, as engaged and enthused about this and that you're regularly checking in on them.

You're asking for updates and you're making sure that they feel good about the effort they're putting in and what they're, experiencing as they go through this change. But this is a change program. There's nothing better than really open and honest dialogue about that. As we go forward,

Steve Sanduski: Excellent. Well, as we get ready to wrap up here, just a couple more things. One is, is there anything else Mike, that you want to share that we haven't talked about yet?

Mike Klaus: I think that the overarching thing is look at technology is evolving and changing. So one of the things we talked about that I want to reinforce is if you have critical technology challenges, it's time to address them. Now it's not time to wait and look for a cheaper alternative or something that might be better in the future because.

You could be losing business. You could be losing customers. You could, right. We losing employees. So quickly do your evaluation of the importance of this to your business. and then actually go out and execute. As we've discussed earlier, the technology is evolving. It's flexible you will be able to adapt to it.

Don't be fearful of it. Embrace it.

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Steve Sanduski: Okay. Are you ready to jump into the hot seat here with a few rapid fire questions? All right. Let's start with some personal core values. What are some values that you live by?

Mike Klaus: I live by honesty integrity and loyalty

Steve Sanduski: All right. We've been talking a little bit about leadership here and the importance of leadership and accountability. What would you say is one leadership trait that brings success?

Mike Klaus: Well, I'm going to say there's a combination of, so I'm going to say there's two, I think, back to integrity and then I think self-awareness the importance of understanding what you do really well and what you don't as a leader and making sure that you maintain a high level of integrity with your people that will make you a better leader.I think.

Steve Sanduski: What has been most helpful to you as you think about you developing a greater self-awareness? Are there any things that you've done? That's been here. Helpful to help shine a light on who you are as a person.

Mike Klaus: Yeah. There's a lot of tools that have helped me, Steve. So certainly I have been through many of the evaluations we at CEO coaching international use TTI disk, and. Driving forces. that's been a tool that I've used in the past really understand what motivates me what drives me, what kind of behaviors I exhibit and then how that.

It helps me to interact and discuss and listen to other people in the organization that has really opened up myself for us. And it's certainly reading. I love to read. I love to listen to podcasts probably more than I love doing them. But certainly um, Thank you. But you know, just always engaged in, in learning. and then the hard part is applying that, you know, I picked up a couple of tools and I try to apply those every morning, every morning as I think through my day. and what have I done in the past day that I, you know, I really wanted to do?

And what are the things I did that I didn't really want to do that I need to, to focus on a little more.

Steve Sanduski: I love that you mentioned learning because we are definitely all about learning here at CEO coaching international it's through the podcasts that we're doing is through having conversations with experts in. Tremendously experienced leaders like you and coaches like you. And it's about the books that we read.

We're often talking about different books and recommending books on these podcasts. So I appreciate you reinforcing that. Let me just wrap up with one final one here. I'm going to start a sentence and I'd like you to finish it. So the start of the sentence is what I know to be true is.

Mike Klaus: We only get one shot at this.

Steve Sanduski: All right. Well, Mike, I think we're going to go ahead and leave it right there on that high note. So I appreciate you taking time to be with us and love having you as a coach here at CEO coaching international. And for those of you listening, if you want to learn more about what we're doing here, you can visit us at ceocoachinginternational.com. Thanks Mike. And we'll talk to you soon and get you all on the next podcast.

Mike Klaus: Thank you, Steve. It's a pleasure.

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