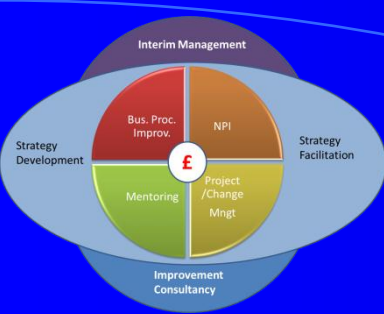


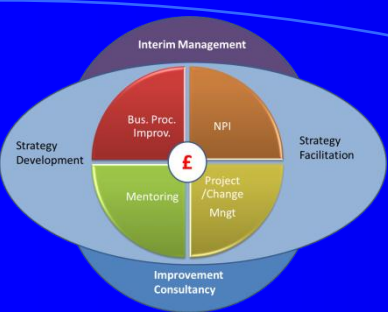
Why Change and Innovation Fail to Deliver £

Some causes of project failure



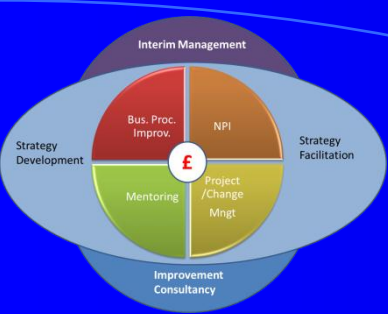
The Challenge of Change

- Business Change is a fact of life
 - Upsize/Downsize
 - Business Process Change
 - New Products/Markets
- All changes have the goal of improving the business but:-
 - Average failure rate is 60%-15% totally abandoned*
 - inexperienced organisations have 92% failure rate
 - experience can reduce failure rate to 20%



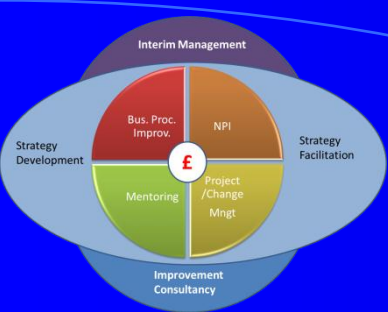
Common Causes (1)

- Upsize/Downsize
 - Break in business processes due to change of personnel
- Business Process Change
 - Poor mapping of associated processes
 - Inadequate training
 - Lack of KPI's
 - No Overview of Process



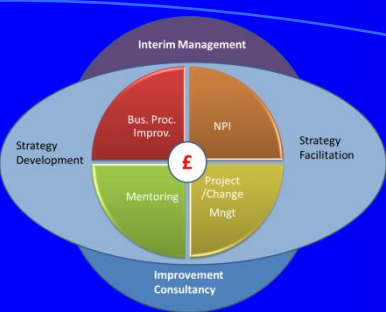
Common Causes (2)

- New Markets
 - New clients with
 - differing expectations
 - different contract terms
 - different business models
- But perhaps the most challenging is
New Product Introduction



New Product Challenges

- Up to 95% of New products Fail (post-feasibility study) – even 85% of product improvements/extensions fail.
 - Of the failures:-
 - Only 16% are due to technical problems[†]
 - ~24% are due to poorly market understanding[†]
 - ~60% are due to failures in other parts of the[†] organisation such as:-
 - Project Creep
 - Inadequate Cost Control
 - Excessive Lead Time
 - Inattention to Regulatory Compliance
 - People issues (NIH etc.)
 - Effective IP strategy
 - Inadequate Quality Control
 - Poor Contract Control
 - Lack of Focus
 - Lack of Metrics



We can help!

● Pre-Project

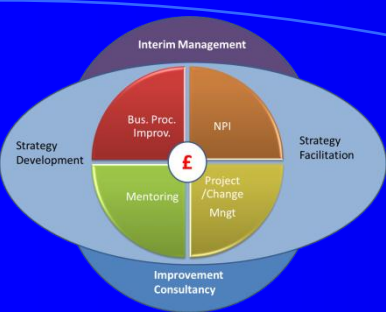
- Technology due diligence & other support for funding rounds
- Company health check before committing to a major project
- Develop and facilitate business strategy (product or whole business)

● Project Delivery

- Define and execute projects & manage through to market.

● Getting Back on Track

- Project/Business recovery/support at any stage.
 - Performance specification – terms and conditions – warranties – returns policy – installation strategy – negotiation with customers/suppliers – cost/lead time reduction – special processes – compliance – KPIs – IP
- General business improvement



Business Transformers Ltd

- *Works to improve business performance especially when associated with change such as new technology, products, facilities, markets, or processes, including “start-ups”; we strive to give the lie to the old adage that we in the UK are good at ideas but bad at extracting value from them hence the tag line “transforming innovation into value”. Most of our results are achieved via interim engagements, but we also do stand-alone consultancy work if we feel we can add value.*
- *We also have recently introduced a commercial mediation service (as some of our clients are experiencing tense relations with stakeholders due to the general economic climate) and “Free to Client” business growth support funded by the ERDF.*

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References:-

* Making Change Work, IBM 2008

† New Product Failure, Invent Vermont 2005

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