

Transforming Customer Success: A Data Driven Look at SAP SuccessFactors' Project Success

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Introduction: Project Implementation Success Matters

Customers on the journey to transform their businesses need to do more than acquire enterprise software; they need to acquire the ability to successfully implement them. Good software can't do its job if it's not successfully implemented in a timely and cost-effective manner and configured to meet the customer's business goals.

This dynamic is playing out across the enterprise software services market, and one of the most interesting market segments for this dynamic is Human Capital Management (HCM), which SAP SuccessFactors has renamed Human Experience Management (HXM) as a way to differentiate its SAP SuccessFactors offering. Over the last few years, a new research firm, Raven Intelligence, has compiled authoritative and verified post-implementation data, directly from customers, on a wide range of projects in the HCM space. This peer review data – currently comprising more than 1200 reviews from 40 countries, and growing – provides customers, vendors, and partners a unique lens into the essential question of implementation success.

A close look at Raven Intelligence data on the relative success of the three HCM leading vendors, SAP SuccessFactors, Oracle, and Workday, shows how critical the issue of implementation success can be. In fact, the Raven Intelligence data upends some common misperception about enterprise software: Having what is perceived as a top tier product in terms of functionality neither guarantees a cost-effective implementation nor does it guarantee customer success. Success can only come when the vendor and its service partners fully understand the customer's goals and appropriately position the right solution and configuration to meet those goals.

In particular, the Raven Intelligence data from SAP SuccessFactors customers showcases the hidden impact of implementation success. While Raven Intelligence data shows that SAP SuccessFactors scores relatively well on the overall issue of product quality, the company scores even better when it comes to the critical issues surrounding project success, particularly with respect to the role of the implementation partner in that success. Indeed, when it comes to the factors that go into a successful implementation – timeliness, adherence to budget and functional goals, partner and project team quality, among others -- the leader amongst the “big three” in these important categories is SAP SuccessFactors.

“The software has a lot of features, and the partners know them well. It's important to have a strong vision for what you want to achieve and what success looks like to drive the work forward and be successful.”

- SAP SuccessFactors customer (Retail) and Raven Intelligence Reviewer

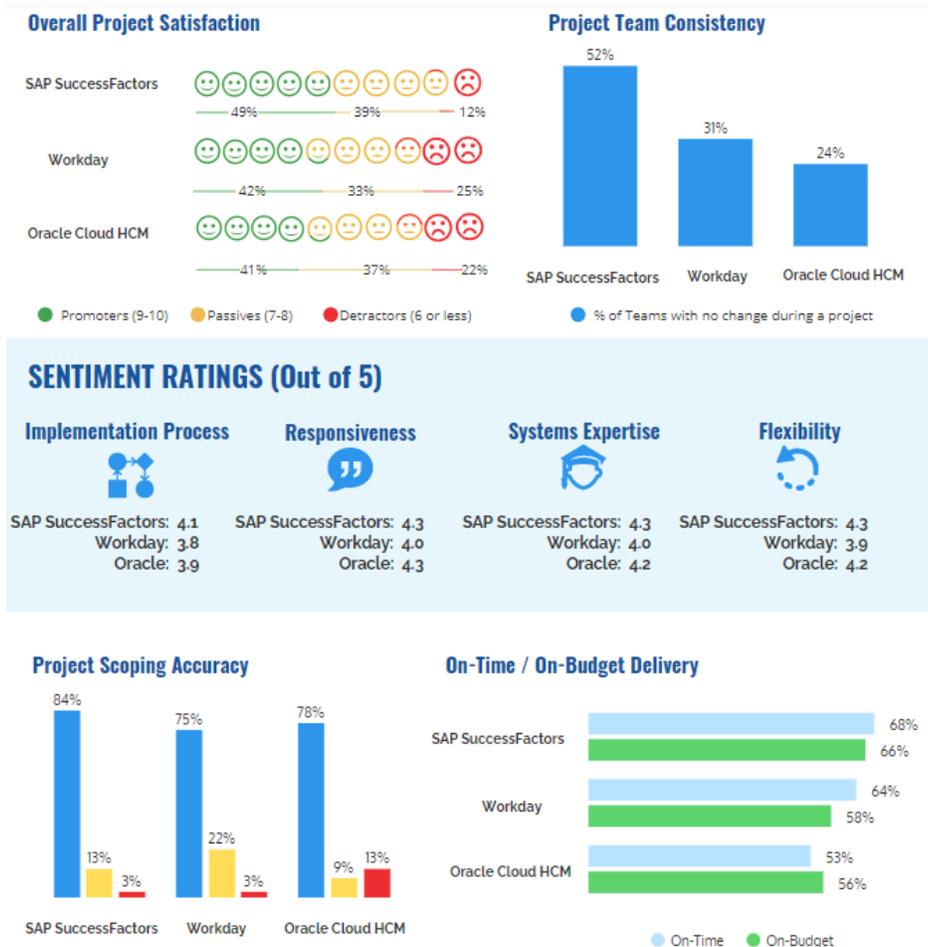
Importantly, as those who study project and customer success know well, feature/functionality turns out to be much less important than many would believe. Having the right features is of course important, but if they can't be implemented and optimized correctly the customer is at risk for going live with a mediocre implementation, if not an outright failure. Indeed, Raven's data highlights how customers should be looking beyond just pure functional fit and consider that the cost and effort of implementation may be the more important factor in end-user adoption and overall success.

Why is it so important for customers to look at how well a vendor and its partners implement the software when it comes time to choose a software vendor? In many situations, particularly in the "fit-to-standard" SaaS world of today, most of the functionality supported by HCM software is based on standard industry best practices. The real uniqueness – and value-add – are expressed during the implementation process, when a general-purpose "fit-to-standard" product is configured to meet the needs of a specific company. When that implementation is a problem, and the implementation partner has failed to configure the software to fit the company's business and technology needs, the actual value of the software to an individual company is minimized. As the long history of implementation failure has shown time and time again, the very best software, when implemented poorly, is a bad investment all around.

RAVEN INSIGHT ENTERPRISE SOFTWARE IMPLEMENTATION:

Raven Intelligence is an independent review site that helps Enterprise Software customers make informed decisions about their implementation partner based on verified customer reviews.

The data here show 400+ vetted reviews from Human Capital Management (HCM) implementation projects completed from 2018-2021. The summary of customer feedback is broken out by the critical measures of implementation.



SAP SuccessFactors' strong showing in the critical category of implementation success is the direct result of a growing awareness at SAP of the importance of having a solid, open, and competitive partner ecosystem. Unlike many of its competitors, SAP SuccessFactors has worked in recent years to exercise stricter quality checkpoints with implementation partners and set up methods and best practices intended to achieve a greater degree of project, and, ultimately, customer success. While not perfect – no enterprise software vendor can legitimately boast that their customer satisfaction ratings are perfect, or even close to perfect – SAP SuccessFactors' efforts to provide greater transparency and accountability in its projects is proving to be a clear win for customers.

Anatomy of a Successful Project and the Role of the Implementer

The process of going from vendor selection to implementation is a relatively well-understood phenomenon, which makes it all the more telling that implementation success is often an elusive outcome. The reason for this gap is simple: a lack of transparency and accountability in the processes that lead up to project go-live has made it relatively simple to sweep a host of problems under the rug and otherwise proceed without proper metrics and guidance. Organizations always track and measure project timeline and budget, but larger questions around how successful a project was remains elusive. It is exactly that gap which Raven Intelligence was formed to address.

The need for transparency and accountability – other than the obvious issue that it is largely impossible to improve a process that hasn't been carefully measured – is that projects entail the interplay between at least three parties: the software vendor, the services partner, and the customer. These stakeholders are not just from different companies and may never have worked together as a team, they often are tasked with interpreting the goals of a project without having actually been in the room when the project – not to mention the contract – was scoped out.

While all three parties share responsibility for project success – and failure – the role of the services provider is paramount. The vast majority of HCM projects are done by a third-party services provider that has been engaged by the customer precisely because of that partner's expertise – expertise that by definition exceeds that of any customer. While the customer also has responsibilities in the successful execution of a project, the onus is on the partner to provide the knowledge and the people needed to push the project over the finish line.

What about the vendor? The vendor's job traditionally has been to provide excellent software that is designed to fit the needs of its customers, and for most of the last several decades, that's where the vendor's major responsibilities started and ended. As project problems began to trouble the customer ecosystem, vendors began to implement partner programs and certification programs intended to provide oversight into their ecosystems. Unfortunately, these initial steps have never appreciably moved the needle on what is an industry-wide project success and failure problem.

This is why SAP SuccessFactors' embrace of a process to improve project outcomes by working with independent third parties like Raven Intelligence is so significant. Raven's ability to provide a level of post hoc transparency and accountability into HCM projects across all the major vendors in the HCM ecosystem provides much needed benchmarks for SAP SuccessFactors – and, hopefully, all the vendors in this space – to understand where projects go wrong and how to improve them. (This imperative applies equally to the partner community, which has a similar imperative to embrace transparency and

accountability. This issue will be explored more in the *Role of the Customer in Customer Success* section below.)

Like all human endeavors, choreographing the work of project teams is complicated by issues that boil down to a basic, fundamental question: what expectations were set at the time of the contract signing, and were those expectations met as the project unfolded?

There are three fundamental components of a project that fall under this rubric:

- 1) **Project scope:** How well was the project initially scoped to meet the customer's technical and business requirements? Was that scope within the purview of the capabilities of the software?
- 2) **Partner team deployment and comportment:** How well did the team deployed by the partner understand the job they were there to perform? And how consistent was the makeup of the partner team that did the work and how responsive were they to day-to-day issues that came up during the project?
- 3) **Adherence to schedule and budget:** How well did the partner adhere to the agreed-upon timeframe and budget for the project?

The reasons these issues are important can be seen in the results from the over 1200 projects that have currently been surveyed by Raven Intelligence. Not only are these issues critically important in ensuring a successful project, they correlate directly with overall customer satisfaction and future buying intent.

"Based upon the 1200-plus customer reviews we've seen at Raven Intelligence, partner satisfaction is intrinsically linked to overall project satisfaction, and has a direct correlation to a customer's likelihood to buy more software in the future," Raven Intelligence CEO Bonnie Tinder told EAC. "The higher the overall satisfaction rating on a project, the more likely the customer said they were able to realize value."

This sentiment is well-documented in the comments Raven's customer reviewers make as part of the survey process. As one reviewer put it: "Your chosen implementation partner is everything. You get what you pay for so choose wisely."

A Growing Focus on Partner Quality

Enterprise Applications Research (EAC) has explored the parameters that drive implementation success at SAP SuccessFactors over the years and the results highlighted by Raven Intelligence's data are no accident: the company's increasing focus on partner quality is paying off and beginning to set SAP SuccessFactors apart from its main competitors.

There have been a number of ways in which SAP SuccessFactors has been working on improving the quality in its partner ecosystem. SAP SuccessFactors has recently begun to focus more on promoting best practices and guidelines for implementation, such as those embedded in its *Activate* methodology, that are intended to not just educate the partner base but, by doing so in a very public, open way, incent these partners to use project quality as a differentiating factor in their own go-to-market actions. Similarly, SAP's Global Partner Organization (GPO) and its Learning organization are in the process of rolling out additional programs and features in order to promote greater quality in the partner ecosystem. Importantly, the nascent nature of these programs means that it is unlikely that their impact

can be as yet seen in the Raven Intelligence data. This augurs well for a continued uptick in project quality for SuccessFactors as these programs gain traction among its partners.

The result of SAP SuccessFactors' growing focus on partner quality can be seen in the overall project satisfaction ratings Raven Intelligence's data gives to the top three vendors (see figure 2.). SAP SuccessFactors not only outscores its rivals in the percent of respondents who identify as net promoters in the project by a significant margin, the number of respondents who see themselves as "detractors" is almost 50% lower than Oracle and Workday. The SAP SuccessFactors project NPS score is currently 8.32 for all SAP SuccessFactors projects in the database, as opposed to an average of 7.39 for all vendor projects from across Raven database. Oracle, by comparison, has an average project NPS of 7.50 and Workday's average project NPS is slightly better at 7.92. A possible explanation for these differences between vendors is that SAP SuccessFactors' efforts at certifying partner consultants and otherwise improving the professional capabilities of its partners have begun to bear fruit. This topic will be explored further in *The Role of the Customer* section below.



RAVEN INTELLIGENCE REVIEW METHODOLOGY & VETTING

Raven Intelligence is a public peer review site that provides a forum for Enterprise Software customers to review their project(s) and partners. Our review covers a wide range of Key Performance Indicators and are completed in an average of 5 minutes. Customer reviews are publicly available at RavenIntel.com

100% of reviews are verified. Raven knows the identity of every one of our reviewers (work email & LinkedIn), their company and have validated their company uses the software they have reviewed. We disqualify approximately 20% of the reviews submitted and do so when we are unable to verify full credentials or reviews are incomplete.

At no time can a partner, software company or other party pay for favorable data, for Raven Intelligence to delete negative reviews or for favorable reporting.

1200+

Vetted Customer Reviews

40+

Countries Represented

100%

Reviews Verified via 2-Steps Method

"The software has a lot of features and the partners know them well. It's important to have a strong vision for what you want to achieve and what success looks like to drive the work forward and be successful."

SAP SuccessFactors customer (Retail) & Raven Intelligence reviewer



As we shall see in the section below, despite Workday's very public claim that it enjoys a 97% customer satisfaction rate, that number is belied by Raven's data and the large number of project failures, particularly in the public sector and education markets, that hint a potentially larger problem for Workday than Raven's data has revealed.

When Things Go Wrong: Inside Problems with Workday Projects

The Raven Intelligence data comparing the top three vendors provides an interesting lens on the otherwise opaque success rates of the projects undertaken by the partners. It's important to note that opacity is the norm in the world of project failure: historically, all three main stakeholders – vendor, partner, services partner – have an interest in making sure information about failed projects never sees the light of day.

However, the safety of mutual opacity is largely wiped out in the education and public sector verticals, where public disclosure laws and regulations function as a vehicle for the publication of details about project failures. The openness that results can provide some interesting clues as to the differences in what vendors might claim about their customer success and satisfaction rates and what is actually happening on the ground in real projects. It's important to note that there are differences between the education and public sectors and the commercial side of a vendor's customer base that might have an influence on project success. Some public sector entities have trouble recruiting top tier IT staff, for instance, and that may have an impact on these entities' ability to adequately contribute to a project's success. Nonetheless, while a pure apples-to-apples comparison between how a university and a manufacturing or distribution company implements software might not be possible, there are enough similarities in the fundamentals of project management and execution as to make a valid comparison. A look at the similarities can provide important information on which to base a buying or partner selection decision, regardless of the industry.

A focus on Workday's track record on this issue is important for several reasons. While every HCM vendor has had its implementation issues – Raven Intelligence data clearly show no vendor is immune from problems relating to finding the right partners and ensuring complex HCM processes are correctly implemented to meet individual customer needs – Workday's recent negative experiences among its public sector and education customers stand out among the three largest vendors. The fact that the public record includes virtually no recent project failures in projects that deployed SAP SuccessFactors and Oracle HCM Cloud (though there have been major issues in the PeopleSoft line of business in the past, such as the Canadian Federal Government's spectacular [Phoenix PeopleSoft payroll project failure](#) in 2009) is an indication that Workday customers' experiences deserve specific scrutiny. It's not too much of a stretch to assume that the large number of public failures in Workday's education and public sector lines of business – where public disclosure laws often mandate transparency – could be a proxy for a larger problem in its commercial lines of business, where the consequences of failure incent customers and vendors alike to hide these problems from public scrutiny.

Workday in the Public and Education Sectors

Workday counts the public sector and education among its most important industries. Data on customer acquisitions from analyst firm Apps Run the World positions them in top tier for most of Workday's product categories, in particular core HCM, recruiting, and payroll. That is why Workday's recent negative headlines in its public sector and education customer bases (EAC's research has unearthed published articles on over two dozen troubled projects over the last three years) are so remarkable and provide a strong counterbalance to Workday's claim of a 97% customer satisfaction rating. Interestingly, while Workday continues to boast of these basically unattainable numbers, the company has [acknowledged](#) the need to change its methodology to include more direct input from its customers.

It's impossible to definitively discern how common these problems are in its vertical industry sectors – Workday doesn't publicly disclose those numbers. But it's safe to assume that, based on the data from Apps Run the World, and with many of the same Workday partners serving multiple industry sectors, if there are a significant percent of customers dissatisfied with their partners in public sector and education, other sectors in the Workday customer base could be having problems as well. Whether the rates of failure across sectors is identical is hard to tell – Raven's data isn't as yet extensive enough to make statistically valid estimates one way or the other.

But it is possible to extrapolate: Raven' data set has 143 Workday reviews, and there are examples of poor partner performance from a variety of industry sectors. One company in the pharmaceutical/chemical industry gave its partner a NPS rating of 0, and the comment section merely

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Workday Customer, Real Estate Vertical

listed the name of the partner followed by 😞 -- the “frown emoji.” Another Workday project with a low partner rating – this time in the real estate industry – clearly had some serious problems with its partner: “Ensure the consultant is fully fluent in the product from all aspects of the software. There were too many specialists in one area of the product as opposed to experts. There seemed to be not that much cross collaboration within their organization.” Not surprisingly, this same partner has an even lower NPS rating for a project in the mining sector.

A finance sector customer provided a multi-faceted analysis of their troubled project that is both a summation of Workday's partner problems as well as a recipe for how a project can be run off the rails: “We are finding post go-live that our configuration

wasn't always Workday standard. I think our partner configured to how we were doing things in our old system versus pushing us to move to more industry standard. This has caused complications when we try and take on new features with Workday. We are going back and relooking at some of our original configuration. I also think there is a gap with implementation partners and testing. In two implementations we have done with Workday partners we experienced the same thing. They didn't really help with testing and cutover/go-live planning as much as I would have expected. We utilized boutique Workday consultants to bridge that gap.”

These reviews from outside the education sector give credence to the assumption that public data on education are not only indicative of problems in that one sector but of a more systematic problem across the Workday customer base. With no public disclosure laws forcing implementation problems into the public eye, there is scant reporting on the broad swath of Workday's industries. As we have a much better view of the public sector woes of Workday's customers from extensive press reports in recent years, extrapolating from the public sector to other industries has considerable merit.

A look at the Raven Intelligence data on Workday's relative success and failure rates in education help clarify the issue. Whereas Workday's overall

project rating is 7.92, the project rating in the education sector is a 7.00. This is in contrast to SAP SuccessFactors' overall education sector project rating of 8.62. (Both of these measures are on a scale of 1-10.) Workday's partner ratings are indicative of the magnitude of the issue, particularly when looking

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Workday Customer, Finance / Banking Vertical

at consultant quality: For Workday the rating for consultant quality rating is 3.56, whereas SAP SuccessFactors' consultant quality rating is 4.00. (Consultant quality is measured on a scale of 1-5.)

Interestingly, comments left by Workday customers tell an important story about the role of the partner that correlates with information in the public domain about Workday's troubles: the partner ecosystem is a key part of the problem. Two comments: "[we] would have made sure [the] partner knew the full scope of the project before we hired" and "If the project manager is bad, immediately demand a new one" are emblematic of the influence bad partners can have on a vendor's customer satisfaction.

These problems are reflected in several earlier Workday project failures that appeared in the press in recent years. The 2018 Sacramento Public Schools lawsuit against Workday is a case in point: According to a [report](#) by UpperEdge, the services partner, and by extension Workday, "took advantage of them by not providing qualified consultants." Another 2018 Workday project failure, [Algonquin College](#) in Ottawa, Ontario, suffered a similar problem with its partner, one that caused a major delay and was egregious enough that the college administration was forced to issue a press release about the failure and its consequences for the partner: "Unfortunately, , a number of these targets have not been met and we have decided to part ways with our implementation partner."

The fact that the Raven Intelligence data on Workday's education sector failures recapitulates a problem that was well-known to the company and its partners three years ago is a strong signal that Raven's data is indicative of a broad, systemic problem at the organization.

The fact that the Raven Intelligence data on Workday's education sector failures recapitulates a problem that was well-known to the company and its partners three years ago is a strong signal that Raven's data is indicative of a broad, systemic problem at the company. As recently as February of this year, Joshua Fannon, a local firefighter's union representative, had this to say about a Workday payroll project in Baltimore, MD that prevented employees from being paid.

"Having reported all of the issues the first time and getting another paycheck and having worse issues on top of the issues we had the first time, it just doesn't bode well for the future of this thing. We need answers now. We need solutions now," Fannon told the [Technical.ly website](#). The Role of the Customer in Customer Success: Choose Your Partners Wisely

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Joshua Fannon, President, International Association of Firefighters Local 964

The Raven Intelligence data for both Workday and SAP SuccessFactors highlights an important issue in the continuous quest for measurable customer success. While the enterprise software market tends to focus considerable energy on rating the potential value of software based on often subjective feature/function comparisons and "Magic Quadrants", the issue of implementation success – and by extension partner quality – may be the more salient issue to focus on. Certainly, features and functions are important – as is user experience – and companies should definitely evaluate HCM and other products in terms of how well these products can best fit their needs.

But those needs can *never* be met if an implementation fails to deliver on its expected value, and in many cases delays and budget problems create additional barriers to the full realization of a given

product's value. Indeed, troubled projects don't just interrupt timelines and budgets, they can undermine the confidence of users in the product. In the case of Workday's project problems at Brock University in Ontario, the union local representing the university's employees published a [document](#) outlining their concerns about a troubled Workday implementation that included the following observation:

"Since its rollout during the summer of 2018, there have been a number of serious problems that have affected the level of stress within the various departments and the workers of the university. This has had a detrimental effect on the work environment that in turn will negatively affect students."

Judging from comments left by Raven Intelligence reviewers from across the vendor universe, including those that had successful implementations as well as those who didn't, the potential downstream impact of a poor implementation is one of many important issues that need to be part of the overall selection process. The above document goes on to state what is one of the worst outcomes outside abject failure that could happen to a project: an end user community that would like the newly implemented software to be replaced.

"The consensus with workers is that Workday is not an appropriate system for a university.... it is the desire of the workers to find a better application tailored to the needs of the university..."

A Call to Action: Embrace Success

The sum of the issues highlighted by Raven Intelligence's reviews clearly define a new imperative for prospective customers of HCM or any other enterprise software or service that requires a professional implementation team. The first part of that imperative is simple: **customers need to be more proactive in advocating for their own success.** Too often the road to implementation failure starts with a customer that walks into a new HCM selection blindly, trusting that Magic Quadrants and assurances from a vendor about capabilities – of the software and the recommended partner – are to be taken at face value. Customers need to be critical consumers of these recommendations and seek out ways in which outside perspectives can be brought to bear on these decisions. That includes bringing in a third party consultant to help evaluate vendor and partner claims as well as look into Raven Intelligence's reviews.

Which leads directly to the second part of that imperative: **to choose a partner as carefully as possible.** Raven Intelligence's data make a strong case for partner choice as a critical factor in project success. That in turn means customers need to understand as much as possible about a partner's track record in a particular vendor's products in order to make the best decision.

Ideally, that understanding should be driven down to the industry and region in which the implementation will take place. It's a given that in the larger firms there are clear differences within large service provider organizations as to their specific industry and geographical focus. Smaller firms tend to specialize along precisely these lines. While any service provider can earn good ratings on Raven Intelligence if it's doing well, in general it is the boutique firms that tend to do better across their limited practices than the larger firms with their massive, matrixed organizational structures.

This imperative is for the moment harder to embrace than it should be, particularly because of the collective resistance of many vendors and their service provider partners, both of which believe – wrongly – that transparency and accountability are dangerous to their sales and profit margins. Which is

why SuccessFactors' de facto endorsement of using Raven Intelligence's data in its customer base, and the growing number of partners signing on to use Raven Intelligence data as a way to benchmark their work, are so important.

Which brings us to the third imperative: **choose a vendor that supports transparency and accountability in the selection process.** Obviously, that's a short list for now, and with that in mind for the time being Raven Intelligence's ability to provide ratings information for a range of top tier HCM vendors can largely fill the need for an independent voice of the customer. But in the not-so-long term, it behooves customers to put the onus on vendors to be active participants in the Raven Intelligence process. All vendors have some sort of internally generated and generally self-serving review process – such as the one that produces Workday's clearly hyperbolic “customer satisfaction” data. But all of these internal efforts suffer from deeply ingrained conflicts of interest and internal biases that make them for the most part useless. Simply put: if these internal review processes were as effective as they should be, Raven Intelligence's data would show it and a search of enterprise software implementation failures would yield few if any results.

This also highlights the need to look beyond facile product reviews and vendor ratings that look solely at perceptions of product “quality” without taking into account the larger issue of what happens when that highly rated software is implemented by a partner ecosystem that may or may not be as dedicated to quality as the vendor – and certainly the customer – would like.

This is why SAP SuccessFactors' embrace of Raven Intelligence's process – despite the fact that not ever review provides a rosy picture of unequivocal success – is a welcome breath of fresh air in a market that is stagnating on the subject of customers success and project quality at a critical moment of accelerating customer uptake for all enterprise software. As noted above, SAP SuccessFactors is moving forward with plans to significantly improve its partner ecosystem, and the use of Raven Intelligence data is a key part of that effort.

CUSTOMER'S CALL TO ACTION

- Be Proactive in advocating for success
- Choose a partner based on objective data
- Choose a vendor that supports transparency and accountability in the selection process

SAP SuccessFactors' ability to look at the Raven Intelligence data as both an opportunity to showcase a relatively positive project success rate, while doubling down on the need to improve on that success, in particular through engagement with its partner community, is perhaps not as important as it might first appear idea: SAP SuccessFactors has begun a full embrace of the concept that customer success is a journey that can only proceed with the transparency to see the good and the bad and the accountability to fix the problems that surface along the way. Even if this means at times dragging reluctant partners into the uncomfortable glare of an independent review process, the goal of true customer success – not just partner success, particularly when it's at the expense of customers – should be every vendor's north star.