

WHY DO THE MAJORITY OF PROFESSIONAL SERVICES ORGANIZATIONS **UNDERPERFORM?**

TSIA Virtual Summit - July 2020

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tsia



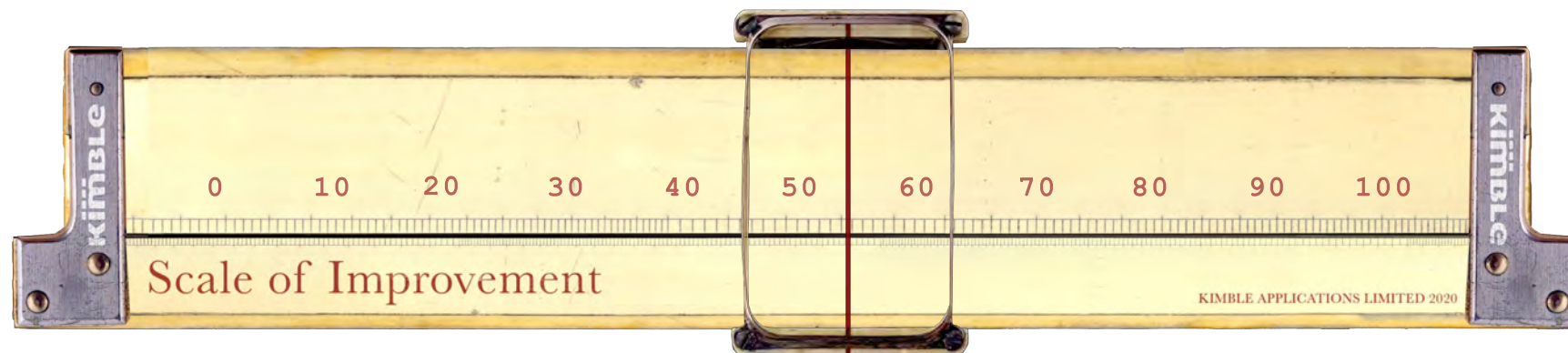
Mark Robinson
Co-Founder, Kimble



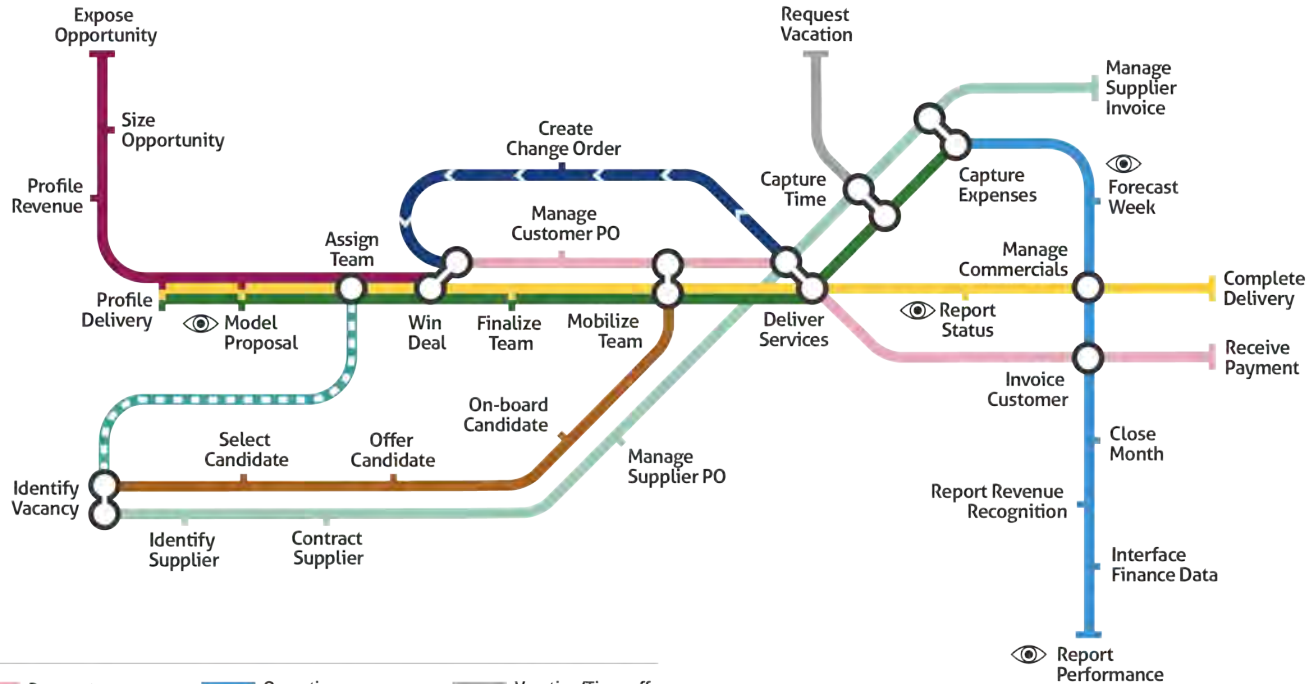
Measuring the gap in performance between the best and worst

PERCENTILE	25 TH	50 TH	75 TH	PERCENTILE
Actual billable utilization	52%	60%	68%	Actual billable utilization
Project gross margin	37%	49%	57%	Project gross margin
Attach rate	10%	15%	20%	Attach rate

Source: TSIA Core PS Benchmark Study, Q2 Snapshot



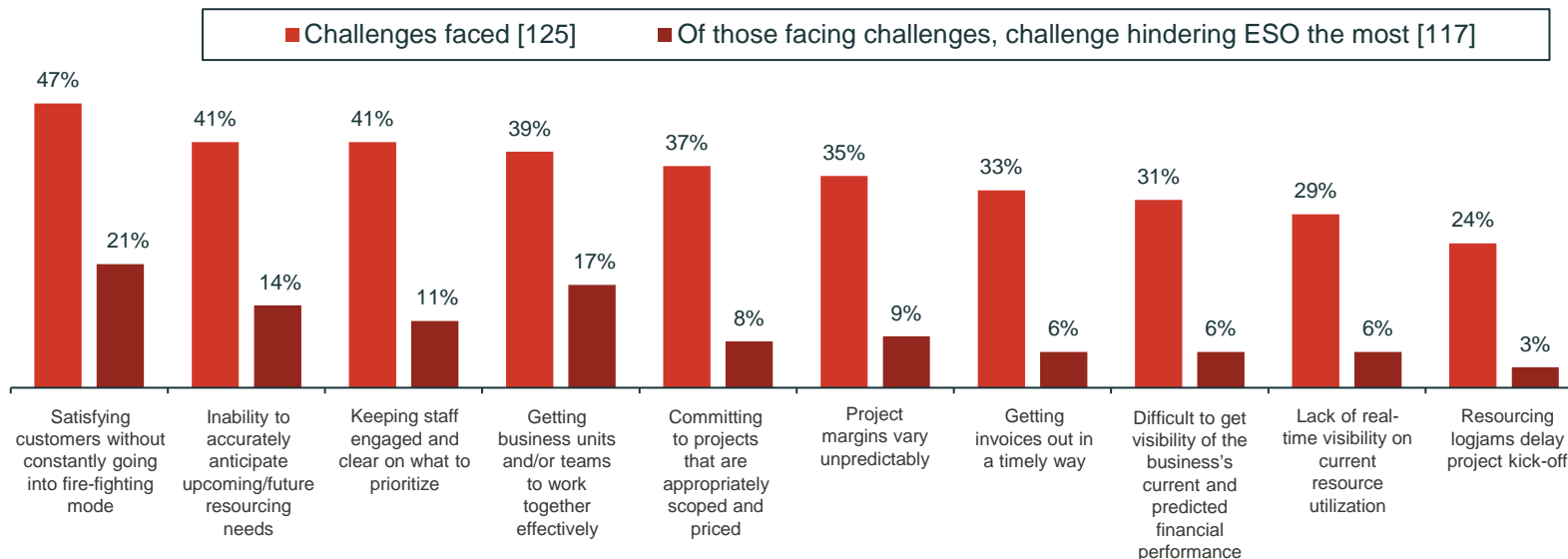
Driving round the Kimble subway map



KEY

Scoping	Payment	Operations	Vacation/Time-off
Delivery	Manage Change	Recruitment	Insights
People	Suppliers	Demand Planning	

What challenges stand in the way of higher performance?



Source: Vanson Bourne survey of professional services organizations within technology companies January 2020

Predictable performance

- ▶ Predictability is the key to high performance
- ▶ Predictability requires reliability
- ▶ Recognize you are in an endurance race rather than a sprint
- ▶ Determine what needs to happen to win and what could go wrong – mitigate to achieve victory
- ▶ Understand in advance the optimal balance that will drive success and execute with precision on a plan that gets you there
- ▶ The relative degree with which you're able to predict your performance and adjust the way you operate accordingly is what separates the high performers from the rest.

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Fire-Fighting Mode

- ▶ Since PS usually runs hot, easy to slip into fire-fighting mode
- ▶ Able to put out fires, but not enough bandwidth to take proactive measures and prevent fires
- ▶ Customer satisfaction is still possible, but it's precarious
- ▶ PS is only able to respond to the loudest voices
- ▶ Cycle of reactive interventions means projects aren't finishing as quickly as needed to meet the targets of the business

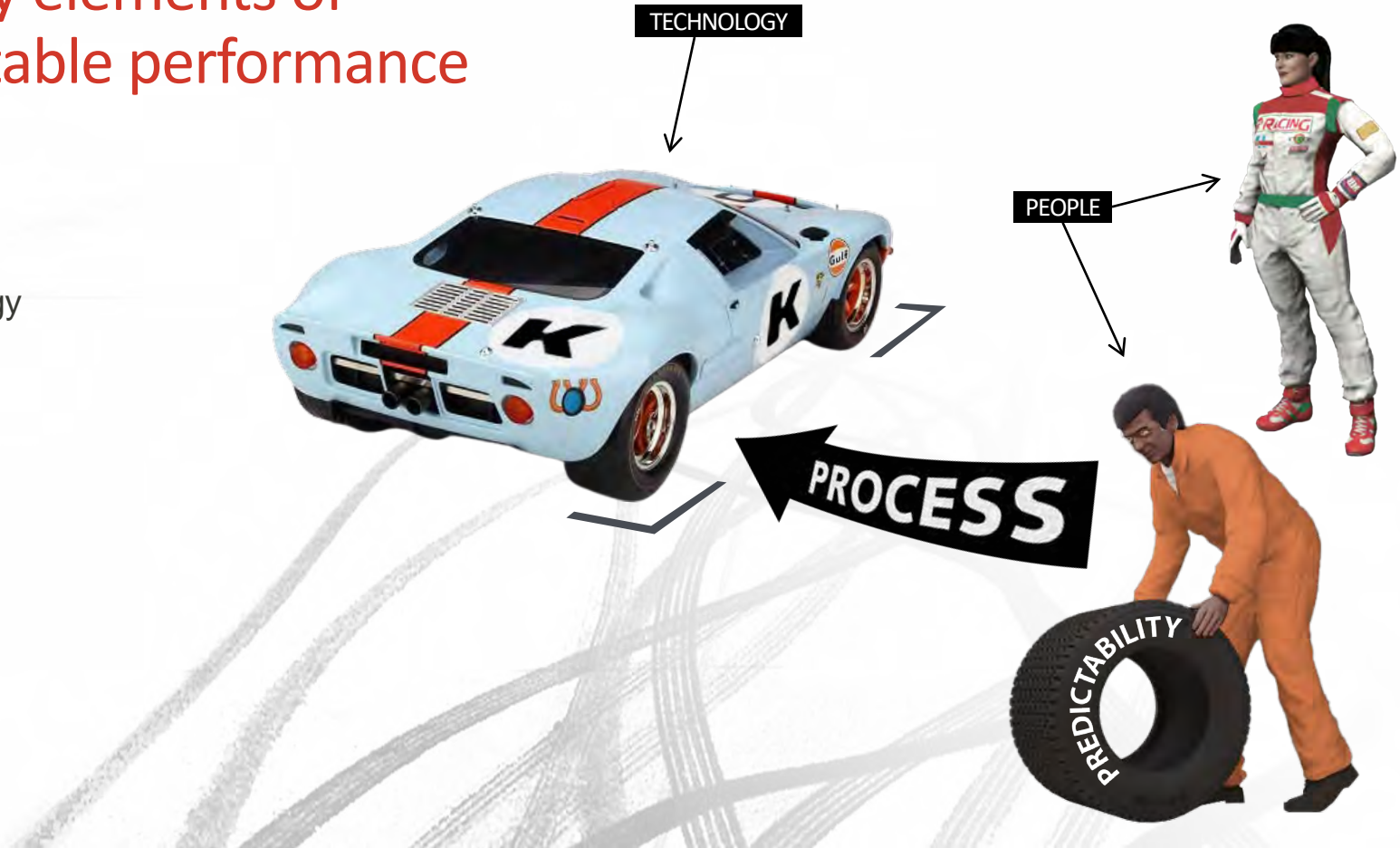


**“Too busy saving the
saw to sharpen the saw.”**

*Stephen R. Covey – The 7 Habits of
Highly Effective People*

The key elements of predictable performance

- ▶ People
- ▶ Process
- ▶ Technology



Technology – first or last?

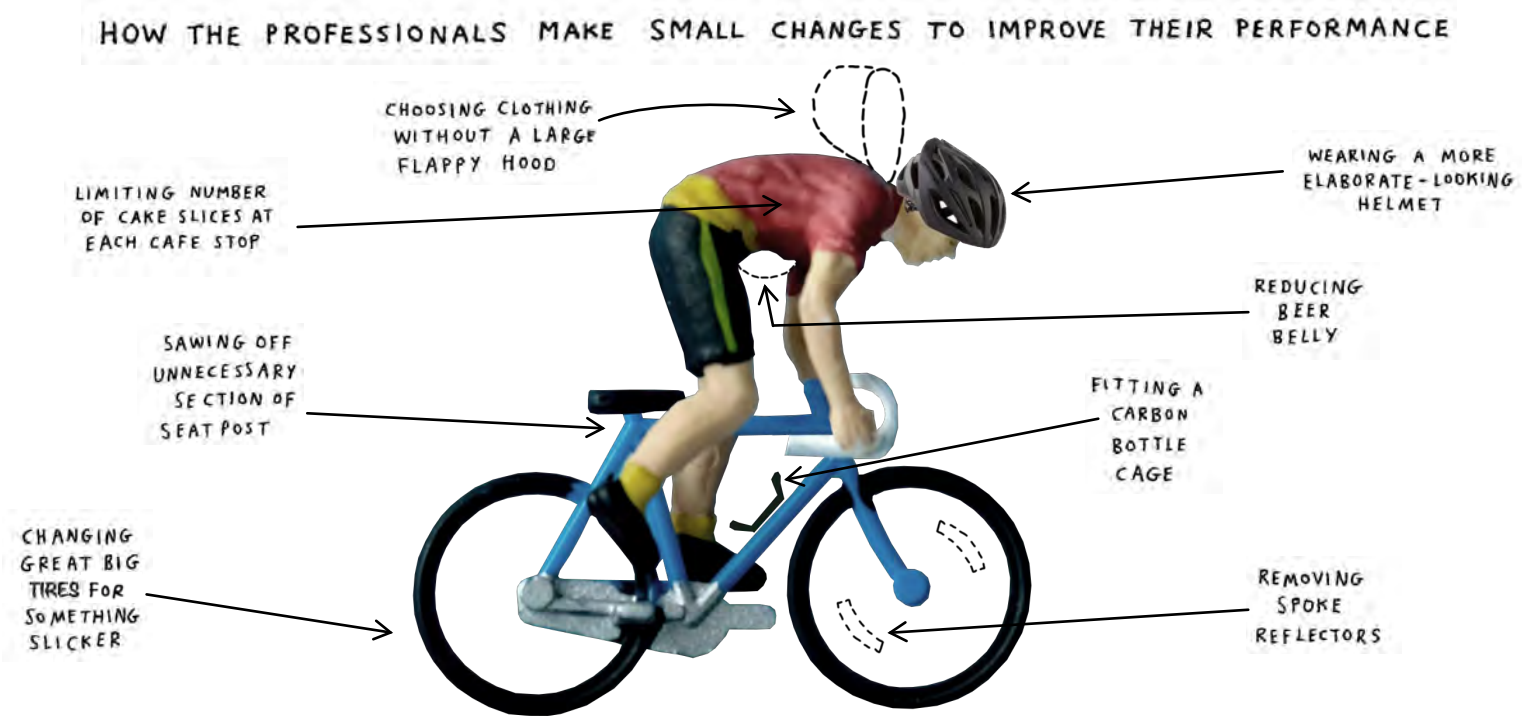
- ▶ Recognize new technology is not the only solution
- ▶ Move from manual into automatic
- ▶ But don't automate sub-optimal processes
- ▶ People collaborate on a plan to optimize performance of the technology

**“It's not a systems challenge,
it's a behavioral one.”**

Kimble Customer – June 2020



Process – adding up the marginal gains



What are the 1% changes you can make to everything you do?

Process – leveraging the technological art of the possible

- ▶ Always question the “we’ve always done it like that” response
- ▶ Don’t let the limitations of your ‘existing’ technology inadvertently drive your process design
- ▶ Leverage what the ‘new’ technology is capable of to design an optimized process
- ▶ Consider whether your technology can automate **all** the admin tasks



Process – changing by addition and not subtraction

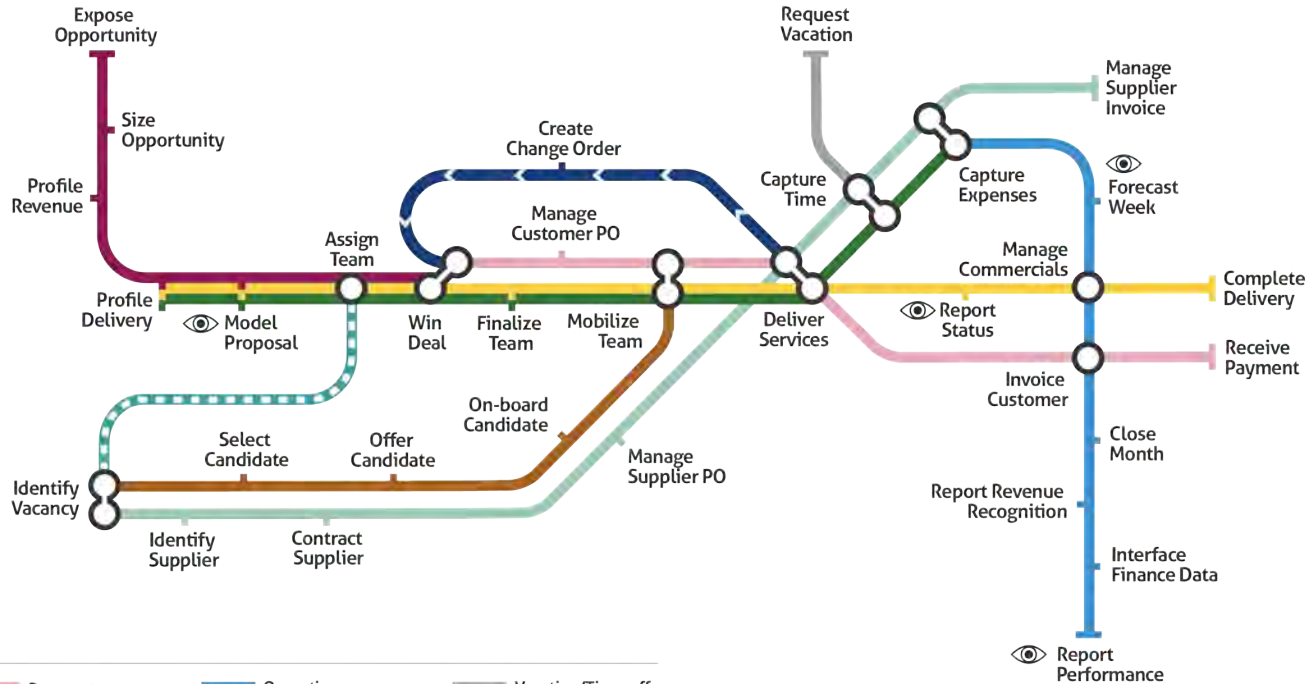
- ▶ Don't blame people for poor process
- ▶ Don't blame technology for poor process
 - ▶ An application is only as good as the behavior it drives
- ▶ Avoid changing process by addition and not subtraction
- ▶ Competing priorities and perceptions leads to chaos
 - ▶ Bottlenecks
 - ▶ Delays
 - ▶ Customer escalations
 - ▶ Revenue leakage

**"A PERSON IS SMART.
PEOPLE ARE DUMB, PANICKY
DANGEROUS ANIMALS
AND YOU KNOW IT."**

- AGENT K



Process – anticipating the way ahead



KEY

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People – raising the performance of everyone

- ▶ Executives don't make all the important decisions – eliminate red tape
 - ▶ Adopt an agile decision-making process
- ▶ Goal to create repeatable, consistent, predictable decisions by everyone
- ▶ Mitigate risk
- ▶ Predictive analytics guide people
- ▶ Push information to people, don't expect them to go and find it
- ▶ Raise performance to consistent level

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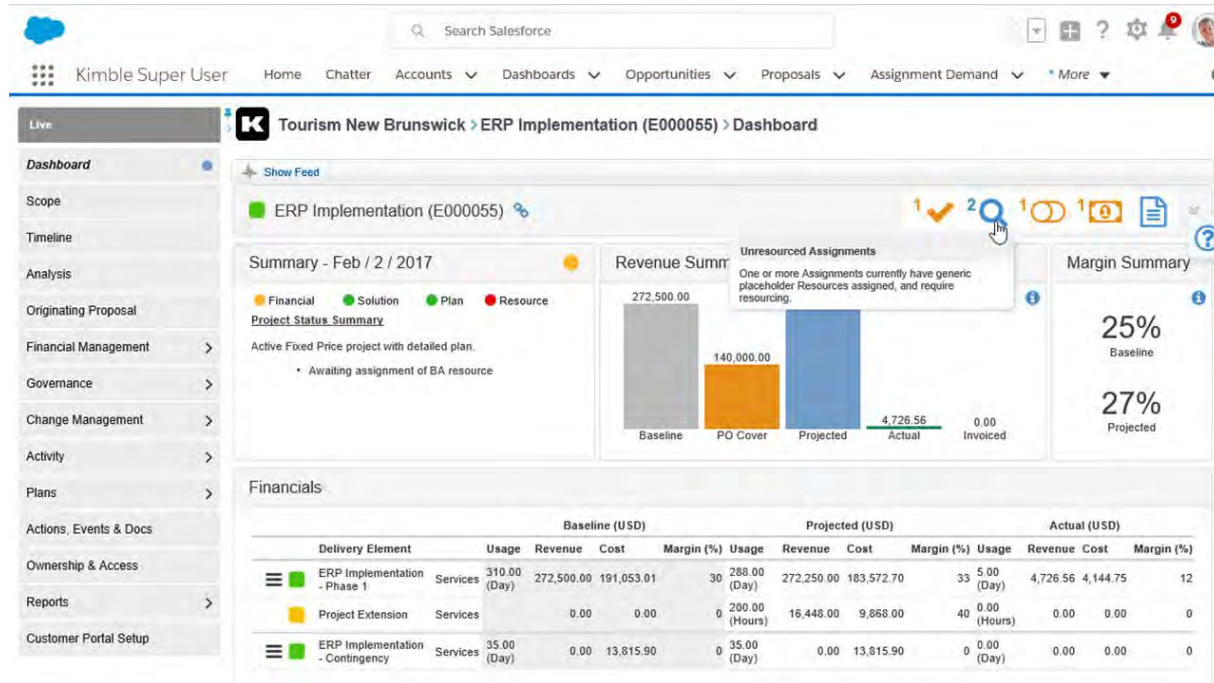
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People – driving the right behaviors



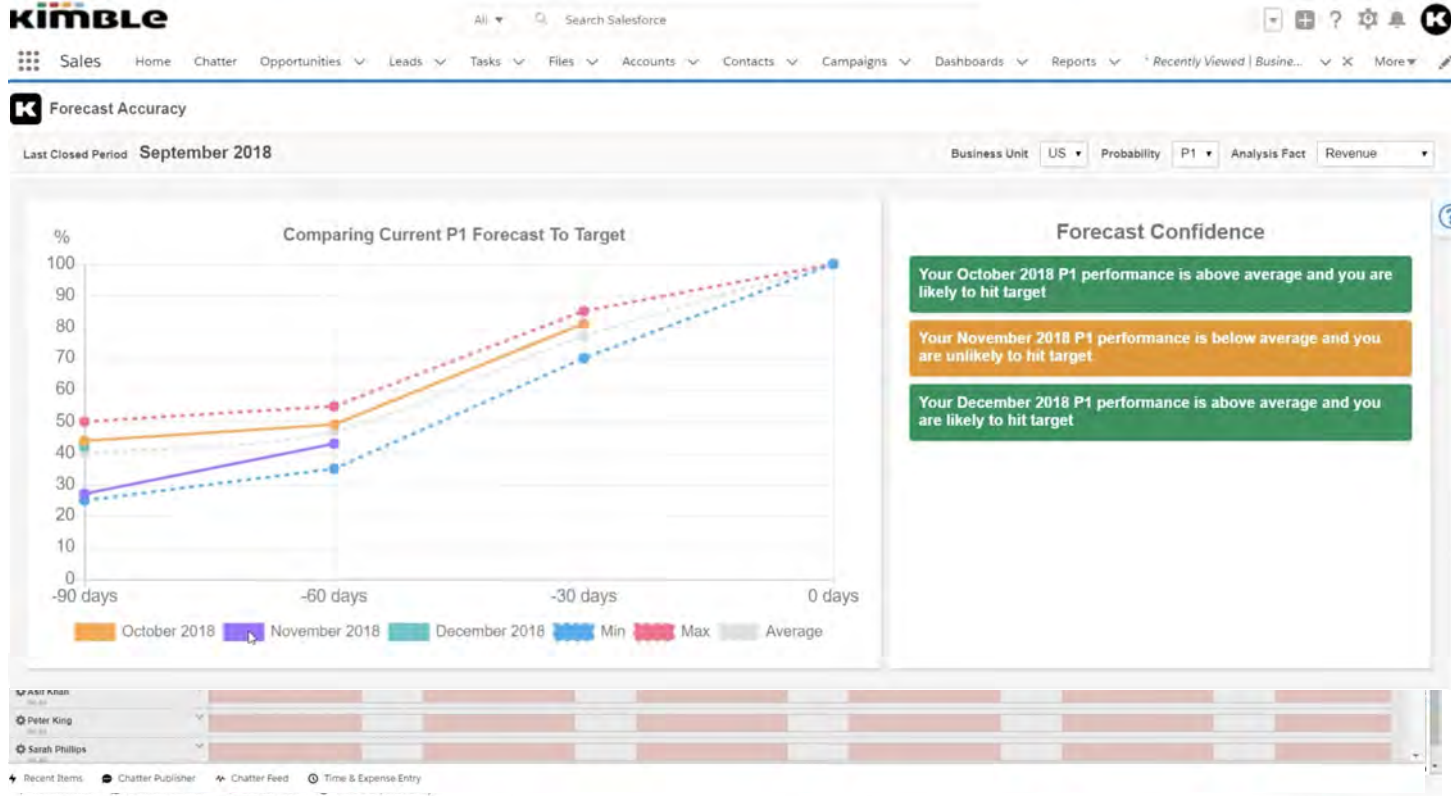
“Any application is only as good as the behaviors it drives.”

Keys to building predictability

- ▶ Process before technology – kick the tires on legacy processes
- ▶ Switch from automatic to manual – added value from core duties
 - ▶ Real time link supply/demand, automatic resourcing, rev rec, approvals, period end
- ▶ Measure what matters
- ▶ Frequency drives change
- ▶ Leverage AI technology – driver aids
 - ▶ Predictive insights, diagnostics, forecast accuracy
- ▶ Review your decision-making process – continuous improvement cycle



Kimble helps drive predictability



Summary

- ▶ High performance isn't the same as going fast
- ▶ Predictability is the key to high performance
- ▶ Recognize you are in an endurance race rather than a sprint
- ▶ Run the organization through the windshield not the rearview mirror
- ▶ Understand in advance the optimal balance that will drive success and execute with precision on a plan that gets you there
- ▶ Predictability isn't the same as being predictable
- ▶ The relative degree with which you're able to predict your performance and adjust the way you operate accordingly is what separates the high performers from the rest

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CELEBRITY SPECIAL PRESENTATION IMAX

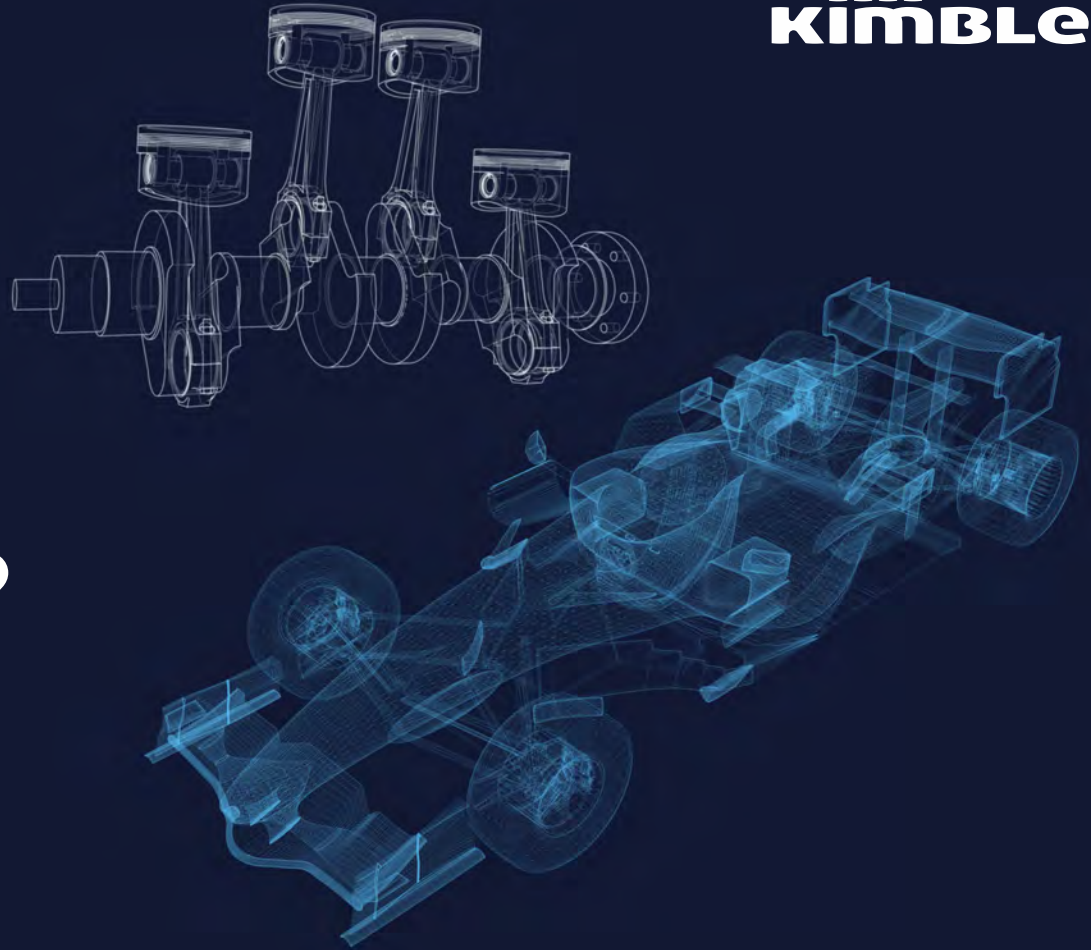


“Kimble has been a godsend for us in this period because we have been able to re-forecast & re-budget in a short period of time.”

Kimble Customer – June 2020

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Questions?



Upcoming Virtual Events

A headshot of Mark Robinson, a middle-aged man with short, light-colored hair, smiling. He is wearing a dark suit jacket over a light pink shirt. The background is a plain, light gray.

Mark Robinson

Co-Founder

VitalSigns Workshop – Chat With Kimble Co-Founder Mark Robinson

August 12, 2020 – 11:00am ET / 4:00pm BST

Kimble co-founder Mark Robinson will address business performance challenges that are sent in by the audience. This is not a webinar, it's an office hours-like informal and interactive discussion. Come have your own business needs addressed live. These workshops re-occur monthly.

Learn more: kimbleapps.com/event

See how Kimble can help your services team drive success...

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