



25 KEY ORGANISATIONAL CHANGE & BUSINESS IMPLEMENTATION ACCELERATORS TO DRAMATICALLY IMPROVE YOUR PROGRAMMES



A GUIDE FOR PROGRAMME SPONSORS & CONSULTANTS WHICH INCLUDES:
Operating Model Transformation, Technology Transformation & Third Party Outsourcing

Voyager Solutions | ALIGN | PLAN | IMPLEMENT

BACKGROUND AND HOW TO USE BOOKLET

THIS IS HOW WE DO IT

Over the last 14 years, we have had the pleasure of working with great clients across a number of industries and most regions of the world. Our journey together often starts when they have made a decision to undertake one of 3 types of journey.

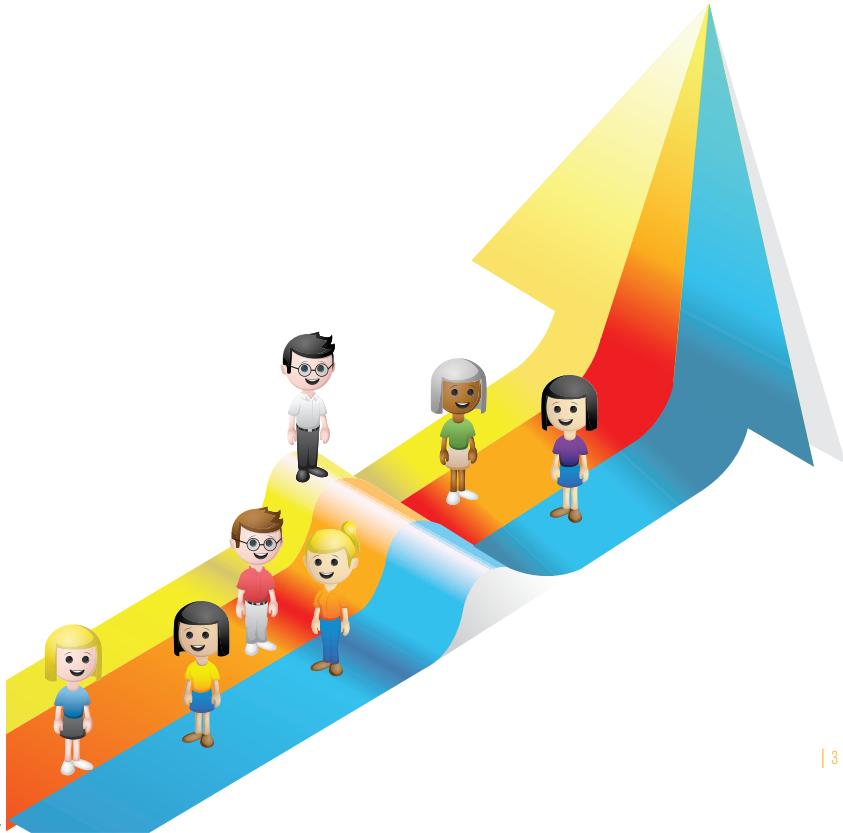
What typically happens next forms the structure of this guide. We initially discuss the business case and drivers for the project and what key activities they currently have planned. They are often using a specialist company who have provided a lifecycle which will form the structure of the journey.

At this point we often discuss the change risks and opportunities that they face on those types of journey, and how we can use the 25 accelerators in this guide in response to these.

Decision makers and project sponsors should use this guide to understand the change risks, and what types of activities can minimise them.

HR professionals, consultants and change management practitioners should use the accelerators to plan activities that will minimise these risks and maximise the benefits of such journeys.

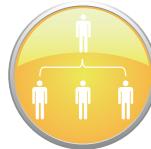
Our consultants use these techniques everyday to support some of the biggest global companies in the world – we hope that you are able to use them in your journeys too.



TYPES OF CLIENT JOURNEYS

THERE ARE 3 BROAD PROJECTS THAT WE OFTEN SUPPORT

Operating Model Journeys focus on defining an organisation from strategy to purpose; a set of operating principles and the enabling changes on people, process and technology. Operating Model Journeys often precede the other 2 journey types (Technology Driven & Outsourcing). Typical Operating Model Journeys include implementation of Shared Services, Centres of Excellence, Business Partner models or Business / Process Transformations.

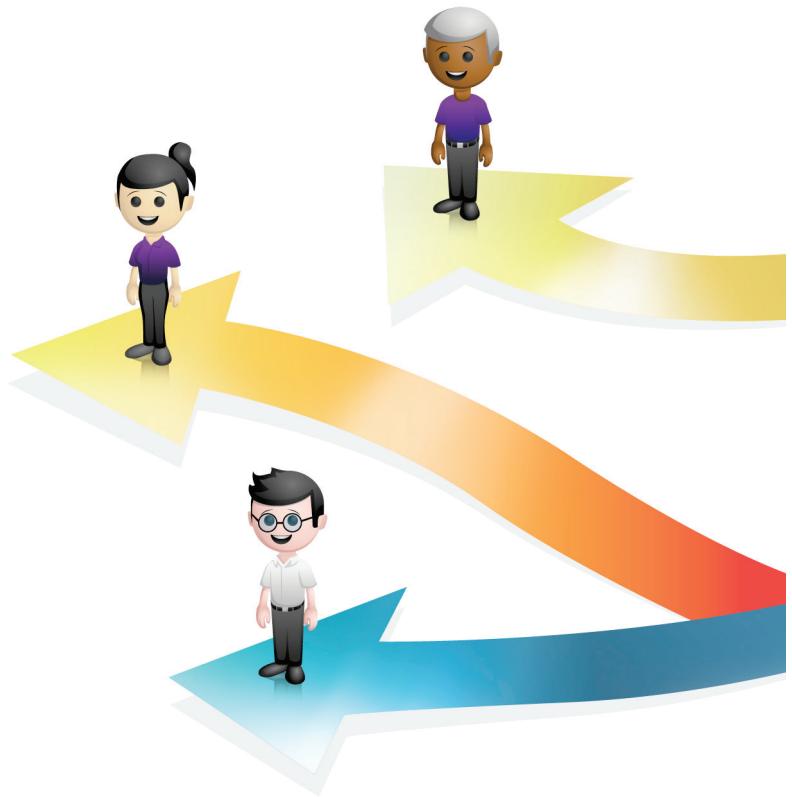


Technology Driven Journeys focus on implementing a packaged solution, normally across a number of functions, businesses and geographical areas. Enterprise Resource Planning (ERP) systems are typical programmes which deliver Oracle, SAP, JD Edwards or other software. Application based Cloud implementations are also examples of these.



Outsourcing Journeys are often based around allowing a third party organisation to manage a defined set of processes or services. Finance, HR and IS are well established functions that use this model, but it can apply to almost any function.







BACKGROUND - OPERATING MODEL JOURNEYS

OPERATING MODEL JOURNEYS HAVE A NUMBER OF FORMS

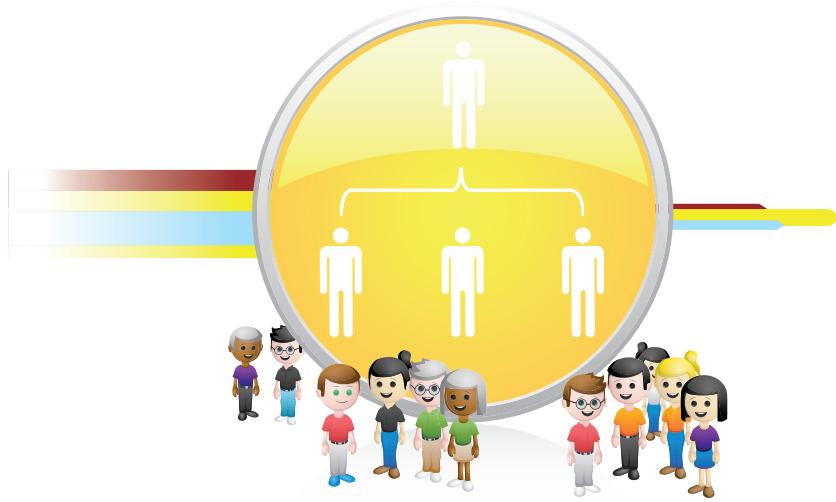
A new operating model could be a set of processes or services, a pre-defined organisation structure, or a standard industry model.

The types of operating model journeys that we have supported over the years are varied, but include:

- *Finance Shared Services*
- *HR Shared Services*
- *IS Shared Services*
- *Centres of Excellence*
- *Service Model Delivery*
- *Business Partner Role Implementations*
- *Specific structures such as Health and Safety Organisations or Diversity Organisations*

The lifecycles for implementing these are equally as varied, but they follow a typical journey.

OPERATING MODEL JOURNEYS





BUSINESS CASE FOR OPERATING MODEL JOURNEYS

THE COMPELLING CASE FOR AN OPERATING MODEL JOURNEY

Clients typically improve or change operating models for the following reasons:

To adopt best practice standard models. There are many industry standard organisational models, process models and ways of working. These are seen to represent best practice in terms of efficiency and effectiveness.

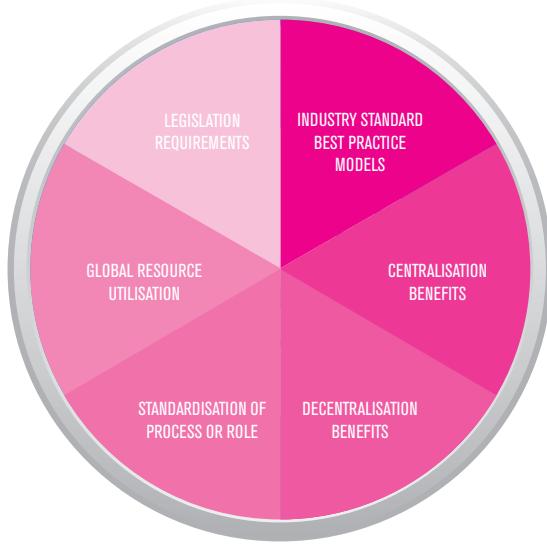
Centralisation or decentralisation. The debate about whether to pool resources or to have local expertise is one which is constantly shifting. The business case drivers for these include resource economies of scale, the cost of process handovers, the customer experience, and the speed and responsiveness required.

Standardisation & global resource utilisation. Large organisations often have significant variation in services, processes and roles across geographies or divisions. Agreeing and implementing the 'best' way of doing things can achieve significant improvement in performance and efficiency in terms of being able to pool and share resources.

Customer service improvement & legislation. Changing the organisation and the business processes can improve service to both external and internal customers.

Compliance and legislation. Ensuring that operating procedures and ways of working are consistent across the organisation in terms of risks and controls can also provide the drivers for such journeys.

OPERATING MODEL PIECHART





OPERATING MODEL JOURNEY – ORGANISATIONAL ACTIVITIES

TYPICAL ACTIVITIES

For an operating model change which is focusing on an organisational model, the typical activities planned are varied, but often follow the pattern outlined in the diagram.

A vision stage will confirm the new principles, based on the company strategy and objectives, which are the basis of the change. The decision making mechanisms (governance) are agreed, and the specific problem areas or gaps are documented.

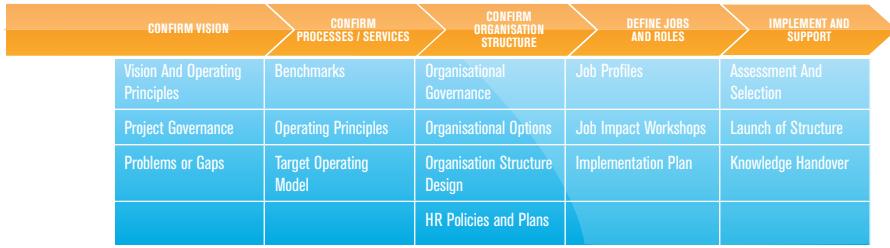
A process stage ensures that everyone is clear on what the future state should look like in terms of measures and broad operating principles. Often a framework process model, called a Target Operating Model (TOM), is used at this stage.

The organisation design stage will use the process models as a basis to layout organisational structure options, and use the decision making processes (governance) to make the structural decisions. Human Resources (HR) make plans for impacted business areas.

The jobs and roles within these organisational structures can be designed, often layer by layer, and role profiles (job descriptions) developed. A launch / implementation plan can also be defined.

During implementation, HR activities such as recruitment, redeployment and assessment take place, the new organisation structure is launched, and responsibilities are transferred.

OPERATING MODEL JOURNEY – ORGANISATIONAL LIFECYCLE





OPERATING MODEL JOURNEY - PROCESS ACTIVITIES

TYPICAL ACTIVITIES

For an operating model change which is focusing on a services process model, the typical activities often follow the pattern outlined in the diagram.

A vision stage will confirm the new principles, based on the company strategy and objectives, which are the basis of the change. The decision making mechanisms (governance) are agreed, and the specific problem areas or gaps are documented.

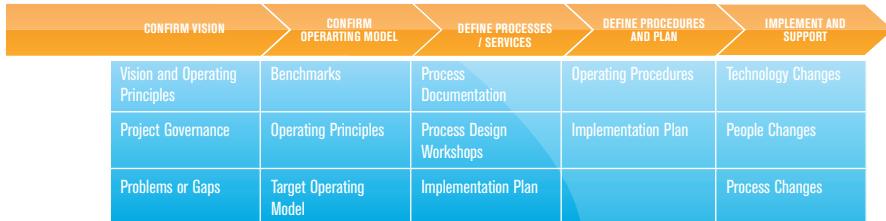
An operating model ensures that everyone is clear on what the future state should look like in terms of measures and broad operating principles. Often a framework process model, called a Target Operating Model (TOM), is used at this stage.

The process design stage will take the TOM framework, and conduct a series of workshops for each area, to design or adapt the process model. An implementation approach is also defined.

From this, procedures can be developed, and a more detailed implementation plan is put together.

During implementation, technology and system changes are made, people changes such as job change / training and process changes are rolled out through operating procedures or education.

OPERATING MODEL JOURNEY – PROCESS LIFECYCLE



MITIGATING OPERATING MODEL RISKS USING ACCELERATORS

RISK / ISSUE

Focusing on only the design can be false economy. Operating model changes often focus on a set of processes or a part of the organisation. As they are delivered into an operating business, it is costly to cut corners and not sort out people changes that are vital to the business case.

The wider operating model impact needs to be considered. Operating models are often represented as either process, organisational or technical models, but rarely all 3 at once. Failure to recognise the interdependencies and the 'bigger picture' can lead to compromises and can sink the business case.

Operating models need to be practical. Some operating models are great in theory, but fall down in practice where they need to be applied to an operating organisation. This can lead to compromises in the design, and costly delays.

ACCELERATORS

Change Programme Management

Use the planning tools in this section to identify the full scope of the operating model change in terms of people, process and technology and to create a practical change management plan to align all the required components.



Process Change

Use the practical process format outlined in this section to ensure that everyone is clear on process standards and that they can be used as a basis to consider impacts. Where improvements are required, use flightdecks to deliver them.



Organisation, Job and Role Alignment

Use the organisation and role design tools to deliver the organisation that is required, layer by layer, with maximum stakeholder involvement. Use the launch tools to make sure that the people changes are launched with a bang and that they deliver.





MITIGATING OPERATING MODEL RISKS USING ACCELERATORS

RISK / ISSUE

Lack of engagement will delay the project and reduce the benefits. Engagement needs to come from leaders who contribute resources, effort and key decisions, and from the people who are part of the new model. Failure to engage causes delays and business case shortfalls.

The changes need to deliver specific activities at specific points. Many operating model projects fail because they drift and do not deliver the step change that was first planned for. The bigger the project and business case, the more people directly and indirectly impacted that will need to contribute.

ACCELERATORS



Engagement and Learning

Use these tools to deliver a great engagement and learning programme from leaders who will need to sponsor the changes through to every role that will need to do something different – minor or major.



Business Implementation

Use these tools to understand the impact of the operating model on the businesses, and to involve and engage businesses with visible Go-Live checklists to ensure that every detail is delivered.



TECHNOLOGY JOURNEYS BACKGROUND

TECHNOLOGY JOURNEYS HAVE A NUMBER OF FORMS

The whole range of technology journeys that clients might embark on range from implementing a single system change within a single department, through to a global Enterprise Resource Planning (ERP) system that impacts every part of the business.

The types of technology journeys that we have supported over the years are varied, but include

- *ERP Implementations such as Oracle or SAP*
- *Single systems across customer, planning, finance, procurement, manufacturing, supply chain, HR and IS*
- *Global ERP projects across every world region*
- *Upgrades*
- *Cloud based systems*
- *Employee Self Service*
- *Managers Desktop*
- *e-Procurement*
- *Forecasting, Planning and Scheduling Systems*

TECHNOLOGY JOURNEYS





BUSINESS CASE FOR TECHNOLOGY JOURNEYS

THE COMPELLING CASE FOR A TECHNOLOGY JOURNEY

Clients typically upgrade, improve or change technologies for the following reasons:

Optimised Resource Planning. The business case for many ERP systems centres around eliminating duplication, improving the planning and use of all types of resources including people, assets, products and services. Specific benefits of this include faster response times, reduced inventory, headcount reduction and pooling of resources.

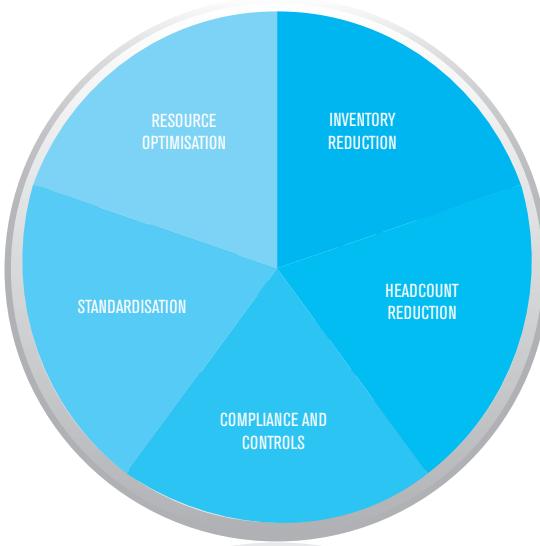
Enablement of Operating Model and Third Party Outsourcing Journeys. We often hear the word enabler being used, as technologies are one of the components that are often required to deliver the business case for the operating model and third party outsourcing changes.

Standardisation. Using common technologies across a set of countries or businesses has secondary benefits which include reduced costs of pooled resources, gaining revenue benefits from combining customer activity, and being able to manage the company as a common pool of resources

Customer Improvements. Many technologies are implemented to improve the customer experience, and to use customer knowledge to develop revenue opportunities further.

Data and Information. Often technologies are deployed to improve the decision making of a company, which can contribute to both costs and revenue. In some cases, technologies are deployed to provide self service access to speed up data entry for employees, managers, customers and suppliers.

TECHNOLOGY JOURNEY





TECHNOLOGY JOURNEYS – TYPICAL ACTIVITIES

TYPICAL ACTIVITIES

For a technology change, the typical activities often follow the pattern outlined in the diagram.

A vision stage will confirm the new principles, based on the company strategy and objectives, which are the basis of the change. The decision making mechanisms (governance) are agreed, and the specific problem areas or gaps are documented.

A conceptual design ensures that everyone is clear on what the future state should look like in terms of process, data, interfaces, systems and a technical architecture often showing a system map. Process workshops are often used to validate the future design and capture requirements. An implementation approach covers how the system will be rolled out to businesses.

The standard design stage consists of a series of workshops for each area, to design or adapt aspects of the solution. Detailed requirements are locked down.

On some projects, the last 2 stages are repeated for each individual roll-out, in which case a fit and impact workshop would be conducted to understand local variations. A local design is created for each area and implementation planning occurs for every area.

During implementation, data is prepared and transferred, local testing occurs and a cutover will ensure that all the system, data and interfaces are changed. Support may also need to be defined and provided.

TECHNOLOGY JOURNEY LIFECYCLES

PLAN AND PREPARE		CONFIRM EXISTING SERVICES		SHADOW AND PREPARE	IMPLEMENT SERVICE TRANSFER	STABILISE AND SUPPORT
Vision and Operating Principles	Technical Architecture	Detailed Design	Fit and Impact Workshops	User Testing		
Project Governance	Conceptual Design	Design Workshops	Local Design	Data Preparation		
Problems or Gaps	Implementation Strategy	Requirements	Implementation Plan	Data Clean		
	Design Workshops		Testing	Cutover		
	Gaps and Requirements				Support	

MITIGATING TECHNOLOGY JOURNEY RISKS USING ACCELERATORS

RISK / ISSUE

Technology projects can see the people element as a delivery barrier. Technology projects over the years have improved in focusing on processes as well as systems. But many still do not consider the full scope of people and indirect process impacts. Gaps can be misaligned and expensive to operate.

Process models beyond the technical documents may be needed. The future state design documentation that is used in technology projects does not always cover the full scope of the impacted businesses. Indirect process changes are often needed to ensure that the full business case can be delivered.

Full scope technology projects often need a restructure to be successful. Technologies often require the business to make decisions about restructuring departments or about who will perform which roles. If we don't address these issues, the technology can often be a more costly way of running the same way.

ACCELERATORS

Change Programme Management

Use the planning tools in this section to identify the full scope of the services impacted and the indirect process impacts. The tools should be used to plan change for all impacted stakeholders.



Process Change

Use this section to identify the documentation that will be needed as a basis for the impact discussions, ways of working documentation and communicating role based training. Use the future state design documents as a basis for this.



Organisation, Job and Role Alignment

Use the job and role impact alignment section to understand the impacts on key roles, and to consider changes to responsibilities, relationships, objectives and behaviours that will be needed to deliver the business case.





MITIGATING TECHNOLOGY JOURNEY RISKS USING ACCELERATORS

RISK / ISSUE

If you don't engage the people, they may not use the system as planned. Technology projects require engagement during the project, to design and test the system, and afterwards to make sure that key roles do what they need to when they run the system. This avoids project delays and unplanned operating costs.

Getting early visibility of business readiness gives us time to fix problems. Technology projects will need people, process and system actions to take place in the impacted businesses for them to be a success. The business case will assume that all these activities have been done for a successful Go-Live.

ACCELERATORS

Engagement and Learning

Use this section to plan for the activities that are needed to engage people who need to support and sponsor the project, and those who will need to understand the future state principles, processes, reports and ways of working.

Business Implementation

Use this section to identify those people who will need to sign off Go-Live, and to plan the implementation activities that will be required to deliver the people, process, technology and support changes that the businesses will need to do.



OUTSOURCING JOURNEYS - BACKGROUND

THIRD PARTY OUTSOURCING JOURNEYS HAVE A NUMBER OF FORMS

A client undertaking an outsource journey is often transferring processing / service provision for a defined set of services to a third party. Many of the outsource providers have geographical hubs where they are able to operate cost effective centres (e.g. India, Poland and Brazil). Outsourcing became popular 20 years ago, in Finance, but are increasingly supporting other functions such as HR and IS.

Voyager have supported projects which often involve 50+ countries and four hubs on this basis. Internal Shared Service Centre implementations have some outsource characteristics as they migrating activity to a centre. The types of outsourcing journeys that we have supported over the years are varied, but include:

- *Finance Business Process Outsourcing (BPO)*
- *HR Outsourcing (HRO)*
- *Service Outsourcing*
- *Internal Hubs and Centres of Excellence*
- *Facilities Management Outsourcing*

OUTSOURCING JOURNEYS

