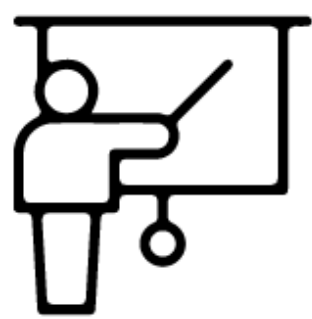




TRANSFORMATIONAL Disciplines

As business transformation consultants, Encompass brings our expertise, experience, and data-led approach when partnering with your organisation.

Reach out to our Transformation Lead, Ravi Ramachandran to discuss your transformation Ravi@encompassconsultingservices.com



Are you looking to transform your organisation but don't know where to begin?

Are you overwhelmed by the number of transformation frameworks and struggling to find a simple and easy approach?

Every organisation has realised the need to transform the way they work, especially during this period of the pandemic with crippling lockdowns. However, a common question facing the leaders of today is around the starting point for transformation. A simple google search would provide countless frameworks around transformation, however the efficacy of these frameworks and models remains debatable.



At **Encompass**, we aim to simplify the transformation journey and through this article, we will share a simple framework that helps businesses to operate effectively and efficiently, whilst adapting to the changing needs of our customers, stakeholders or citizens.

Encompass Transformation Framework Details

All transformation disciplines need to feed from the company vision and strategy which is set top down. No transformation journey should be undertaken unless this has been clearly defined through a structured, annual planning process.



The two core sections of the disciplines are **Plan the Work** and **Work the Plan**.

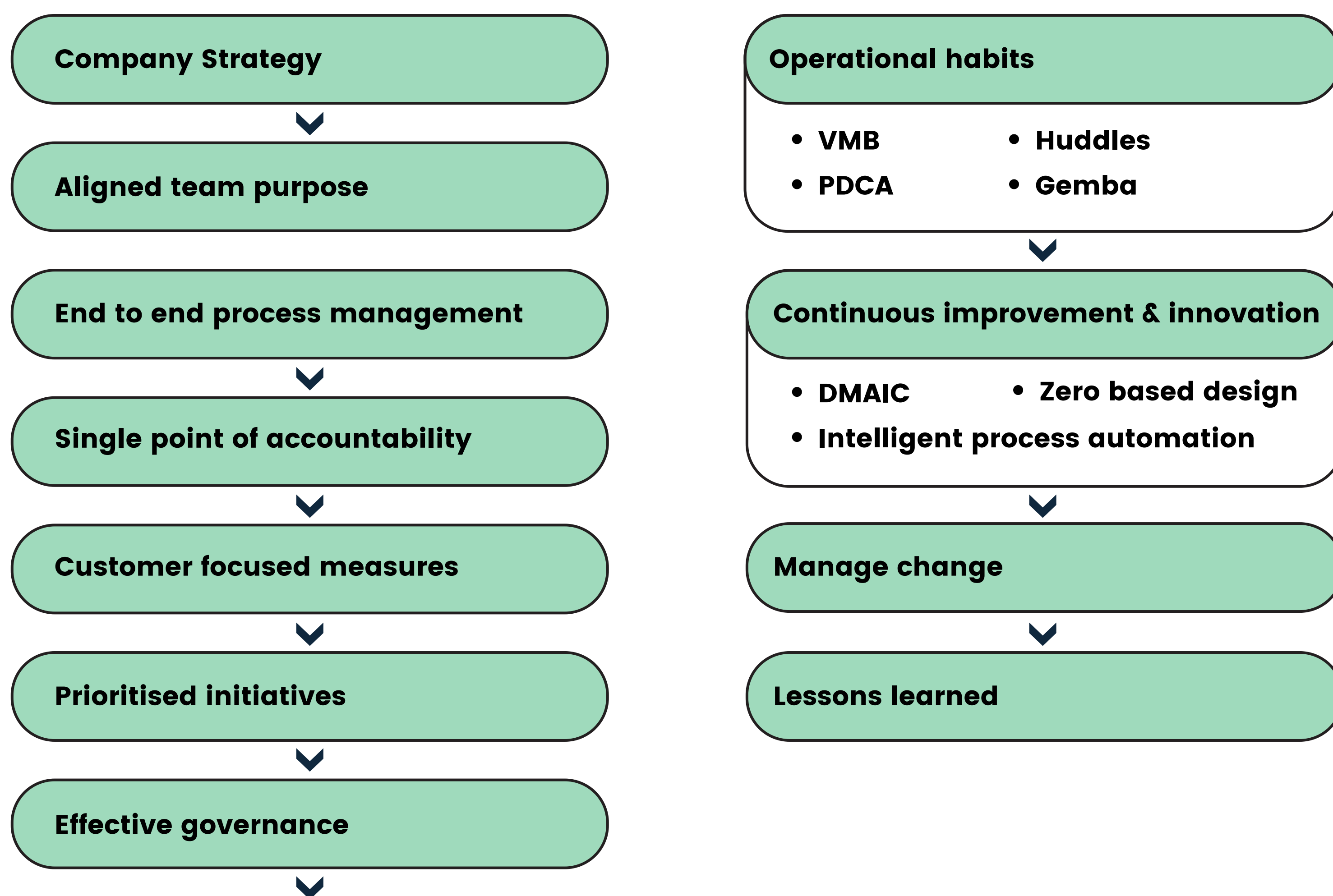
The first phase around planning the work gives leaders a simple recipe to get the basics right before any major transformation. This phase might seem like an endless planning cycle but must be done to ensure the business is set up for success in the next phase.

The second phase around work the plan builds on the basics that have been

established and focusses on solving obstacles that impede the business from achieving its goals. This is where the rubber hits the road in transformation and requires serious 'doing' to follow through on the plan.

These disciplines have been developed by Encompass team members, leveraging best practices and years of successful transformation experience across significant scaling programs in corporates, state, and federal government.

PLAN THE WORK > WORK THE PLAN



Plan the work



• PURPOSE

Every organisation leader needs to translate to their teams the way the strategy will be brought to life within their business. A simple purpose statement can



• PROCESS

Once the team has a clear purpose that

go a long way to galvanising teams to unite behind what the company is trying to achieve. This purpose statement clearly and powerfully expresses the team's reason for existence. In its simplest form, it defines why someone should get out of bed and come to work for the team. If done correctly, it inspires commitment and provides meaning to daily tasks and activities.



has been agreed and communicated across the business, the leader must then focus on defining the processes that bring the above purpose to life. Processes identified here would initially be at a high level (e.g. procure to pay) and then drilled down via process maps to understand flows, efficiencies, etc.

Defining the process enables leaders to understand:

- Their customers' requirements (business outputs)
- The way these requirements are delivered (processes)
- What they use within the business to deliver the requirements (inputs)
- Where they get the inputs from (suppliers)



• ACCOUNTABILITY

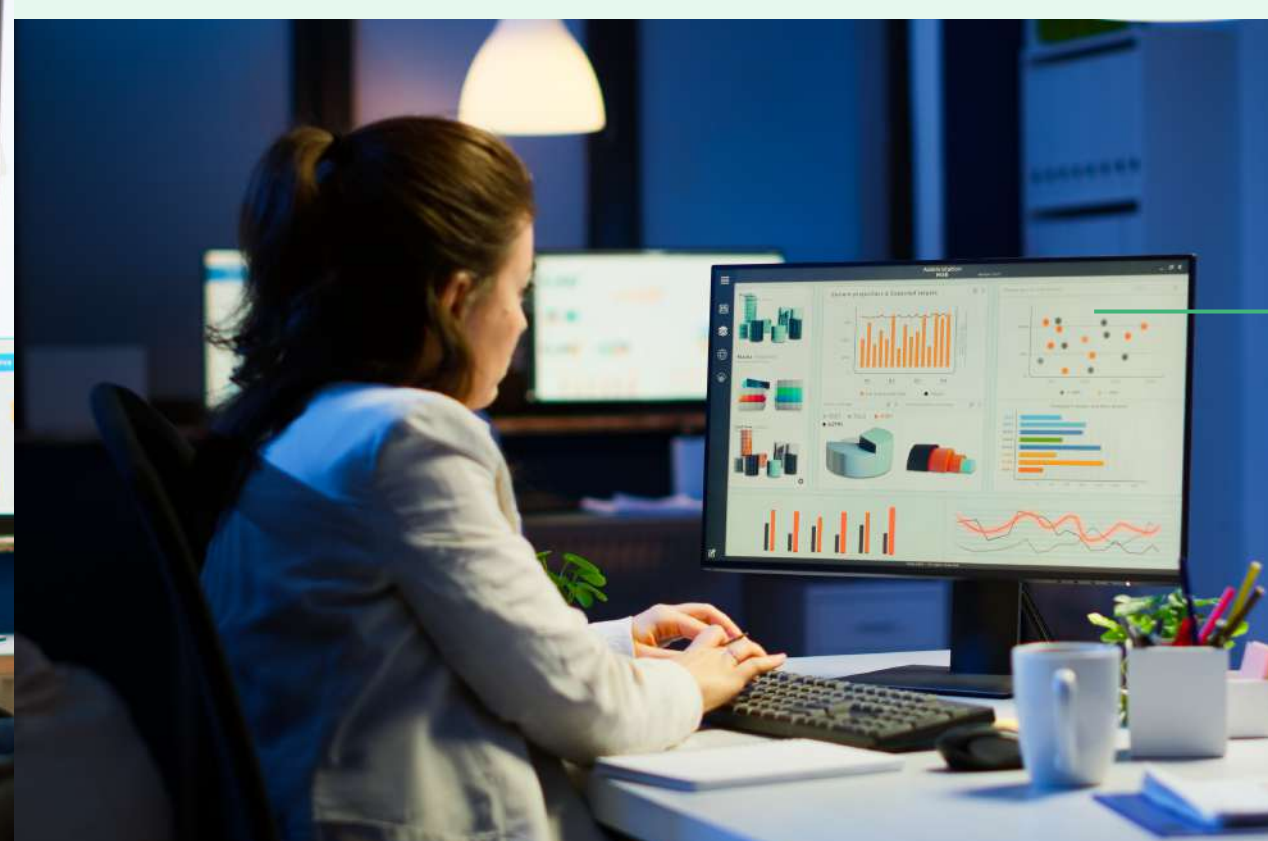
Process ownership requires that each process being performed by the business has a single person with accountability for the performance of the process and the necessary authority to make changes to the process. In simple English, this means that if a leader is accountable for a process, they now own its end-to-end performance and are not bound by organisational silos. If they identify a bottleneck in a different department which affects the performance of their process, they need to take ownership and escalate as required to resolve the bottleneck.

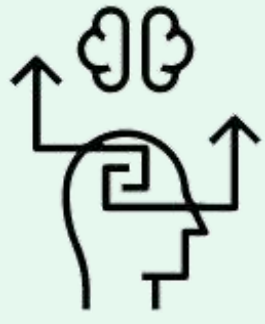


• METRICS

Once process and accountabilities are defined, each process owner needs to understand their customer requirements and frame up the relevant metrics that will be used to measure the success of the process. These metrics should measure the performance of the end-to-end business processes from both the customer and business perspectives.

Leaders typically conduct a Voice of Customer exercises which provides customer requirements that get converted into lagging and leading measures.





• KEY INITIATIVES

Once metrics for processes have been identified, leaders review them to understand their performance against customer requirements (current performance vs target performance). New initiatives should be deployed where gaps exist between the current and target metrics. Leaders should also use this opportunity to conduct a stocktake of all the current initiatives within the business to see how many of them contribute to the metrics identified in the above step.



• GOVERNANCE

Once initiatives are finalised, a formal governance structure should be established to ensure the initiatives get the right level of executive attention they deserve. This is important to improve alignment and visibility across the company, reduce overlaps and re-work, improve the speed of execution, and ultimately improve the quality of our decisions.

PLAN THE WORK



Work the plan



• OPERATIONAL HABITS

Once leaders have initiatives identified and governance established, they need to ensure that the company is ready and equipped to tackle problems at the coal face, which is often where customers interact. We recommend every team embeds the following four operational habits:

Visual Management Boards :

To enable teams to see how they are performing

Huddles :

An avenue for teams to gather around the board and identify performance issues



• CONTINUOUS IMPROVEMENT AND INNOVATION

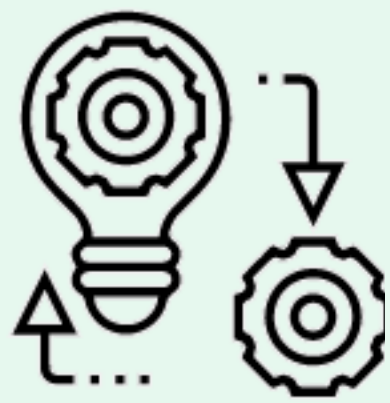
Whilst the operational habits inculcate the discipline of problem solving across the organisation, the initiatives identified when planning the work may be complex and require more sophisticated problem-solving techniques. This is where companies usually embark on the DMAIC (Define, Measure, Analyse, Improve, Control) methodology to

PDCA (Plan, Do, Check, Act) :

A simple and structured way for teams to solve business problems. It is usually applied at a huddle around the board

Gemba :

Japanese for 'the real place', it is a discipline that forces teams to go to the actual place where a process is conducted to better understand their workings. This is even more pertinent in modern day service organisations where staff may come from other industries without ever seeing the process in action. Gemba walks improve the team's ability to improve the process as they gain a better understanding of how the process runs.



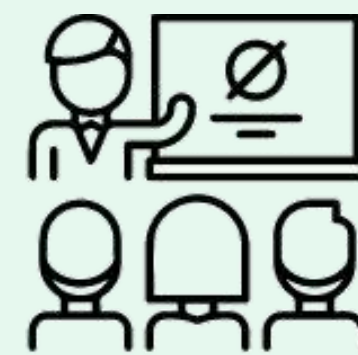
• CHANGE MANAGEMENT

Every transformation on the planet is ultimately a change exercise which moves an organisation from a current state to its future state. Change can occur across processes, systems, people, reporting structures or locations and leaders must be cognisant of the impacts of poorly managed change. We all have seen what happens when change is rushed. Keeping it front and centre will drive leaders to continuously evaluate how they respond to a change. A strong change management methodology is critical to ensure leaders win the hearts and mind of their people through the transformation journey.



provide structure and rigour to deal with the complexity. Once improvements are made and the processes are streamlined, automation should be considered to further enhance customer experience.

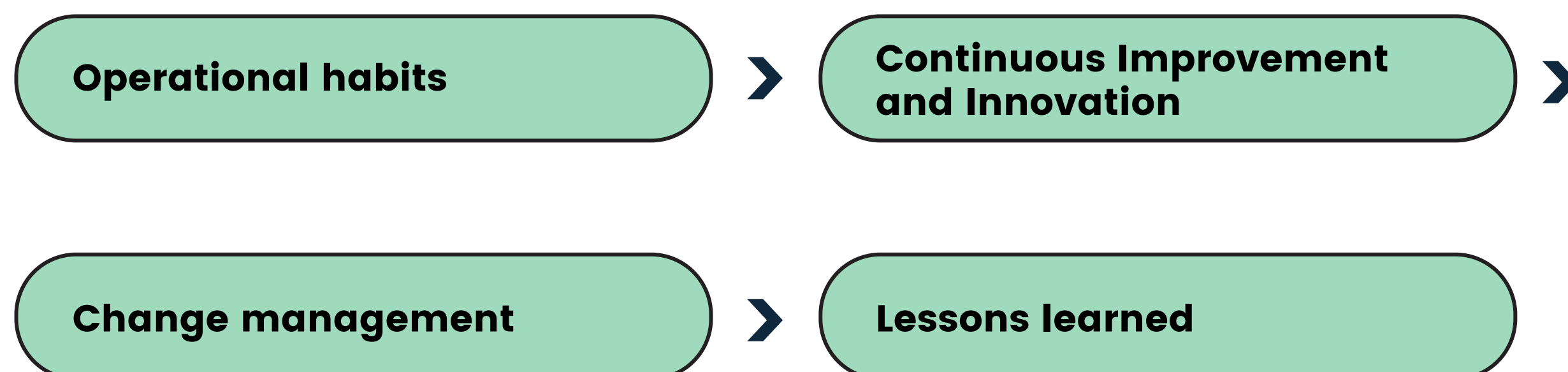
In some instances, processes may be broken beyond repair, or the business may be facing a significant scaling challenge which doesn't lend itself to a traditional improvement approach. In such scenarios, a Zero-Based Design approach (ZBD) which uses agile ways of working to define the ideal end state and then scaled back to a strategic optimum. However, it is important to note that all these methodologies are deployed once the basics have been set up via the previous steps (i.e. process, metrics, etc.).



• LESSONS LEARNED

There are many organisational lessons learnt through the transformation life cycle. However very few companies have a mechanism to capture them and feed them back into the business to ensure best practices are repeated and costly mistakes are avoided. We strongly recommend the use of Pre-mortems, Retros and Lessons learned sessions to drive a culture of continuous learning and innovation.

WORK THE PLAN



Conclusion

The transformation disciplines can never be the panacea for successful transformations. They need to be complimented by executive sponsorship, alignment to company mission, values and above all, simplicity in its execution.

At Encompass, we work with you to understand your business drivers and customise the disciplines to achieve successful transformation.

Get in touch to discuss how these disciplines can be customised to your business.

