



Building Confidence to deliver transformation program success

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How confident are you in your organisation's ability to transform? Delivering results from expensive and complex transformation programs continues to be elusive for any organisations. Taking a risk intelligent approach to planning and managing offers a path to improving confidence – both for those responsible for delivery as well as those accountable for the results.

Transformation programs come in many shapes and sizes – covering a breadth from full organisational restructure to the reshaping of technology to deliver improved digital outcomes for end users. The constant factor though is that all involves step change to capability and process. With that significant level of changes comes complexity in delivery and management. This in turns creates potential risks and pitfalls that often derail the transformation.

Intelligent application of risk management principles – both through the planning and implementation stages can help organisations better prepare and govern delivery and safeguard their critical transformation efforts. Sadly, given the complexity of the task at hand, it far too often that while project leaders understand and recognise sources of risk they inevitably only deal with the outcomes of the risk event when they have occurred and are impacting the program schedule or budget. Building confidence requires a more proactive and agile approach to the identification and treatment of the root cause of key risks to reduce their likelihood of occurring and potential adverse impact.

Key Confidence Areas

Experience at supporting a range of client organisations in navigating transformation journeys has helped identify some opportunities to improve deliver those transformational benefits being chased and some common risks that can cause things to go wrong. These common areas that impact confidence in the organisational ability to deliver can be summarised under five areas.

1. Leadership

Over and over again, the most important ingredient in the transformation success recipe involves those special leadership

spices – with three particularly critical aspects:

1. Alignment and agreement from the steering group on the purpose and objectives of the program;
2. Clarity of responsibilities and accountabilities of the key roles across the program leadership;
3. Concern with management of impacts of change on their people; and
4. On-going engagement and support to ensure the transformation objectives continue to be aligned to the organisational direction.

Building the engaged leadership necessary to drive transformational outcomes can be enhanced by conduct of forming workshops in the formative planning stages of the program to provide an opportunity for those important players to contribute and develop confidence in their ability to influence the transformation agenda. Such workshops will be most effective when challenging definition of program benefits and outcomes and risk identification and mitigation plans. Ideally, through the early engagement, clarity of roles of the key governance groups and key program roles (Pm and sponsor) will be achieved.

2. Capability and Capacity of Resources

All organisations start and finish transformation journeys in different places, but it is critical to understand as a starting point how ready the business is to deliver projects and programs. Does the organisation have clearly documented and consistent processes for managing a portfolio of projects and programs? Are project leads and support staff familiar and experienced in using these? Too often, organisations embark on complex programs without having a mature

capability team to deliver the elements of the program. This can be mitigated by early investment in both project and program management and governance practice development and training to key staff.

Through the design and build stages of a program, the input and support of the people of the business will be critical to ensuring the outcomes are fit for purpose. This inevitably will involve the support of staff from within and across the organisation to help in designing requirements, user stories and in assessing outputs from the design and development activities. Availability, capacity and capability of these people will be crucial to ensure these important tasks are completed and the people are on board and prepared for the imminent changes.

3. Agile Mindset to Planning

Agility is a key feature to successfully negotiate the turmoil often associated with significant reform and transformation – this is not necessarily a complete adoption of the Agile manifesto often associated with software development but a recognition that the course set early in the planning stage is unlikely to be the path actually followed as things change. The principle of action first is important here though and remaining constantly alert to opportunities to identify quick wins and help the organisation adapt to better deliver meaningful results is crucial. This requires always keeping close to the business - engagement of business process owners is important in adapting and changing the plan to meet new opportunities and challenges.

Allied to the imperative to remain nimble in planning is the need to have consistent scope change processes and approval events that are taken seriously and involve the business owners – and not just project management and development team members. Ideally, scope change requests should be challenged to consider and recognise potential impacts on time, budget, quality and benefits across the whole reform and transformation program. Too often, the management of change requests is considered or treated as an administrative task and not given the recognition necessary to ensure the impacts and wider ramifications of changes agreed are fully understood.

4. Transition and Adoption

Simply stated, organisational culture refers to the ways things are done around here. By definition, transformation programs are aiming to create significant disruption to the status quo and, therefore, involve significant cultural change. Accordingly, in order to realise this change requires more than the last minute design and establishment of some training courses for affected people. Instead, the idea of change and consideration of the impacts upon staff, customers and processes must be in built throughout the entire program.

Typically, this means as a minimum there is a responsible and recognised change leader engaged as part of the program and the impacts of changes across the process and people lens' are considered in the initial design and then as part of the scope change governance processes.

Establishing a strong change program early addresses more than just the risk of a failure to gain necessary adoption though – it presents a great opportunity for the program to engage widely with the business and customer communities to test ideas around the transformation program. Harnessed correctly, this can provide valuable insights into the effectiveness of specific program elements and direction of the overall program.

5. Proactive Assurance

They say 'prevention is better than a cure' – this applies equally to the use of an assurance function in complex program delivery. Too often, the application of independent assurance is left to too late to prevent failures in the establishment and design of programs. Rather than wait until the program is months into the design and deliver phases, having an independent and experienced program assurance agent in place from the start of the program to challenge and test the veracity of the governance establishment and planning activities can enhance confidence that the program is set up to succeed. This level of proactive assurance should extend to regular involvement – potentially in and around key governance and reporting events – to provide an independent eye on events. However, for this to work there are a couple of principles that should be followed.

First, the independent assurance agent must be provided the opportunity to make suggestions with fear of negative repercussions, and these must be acknowledged and responded to from the top by the program sponsor.

Second, the advice and suggestions should be constructive and genuinely independent – ie not made with any suggestion of increased role of the assurance agent.

Established correctly and early in the program cycle, program assurance should provide significant confidence in the design and delivery of the transformation. Sadly, too often, it merely provides a summary of what went wrong – or worse, fails to have sufficient involvement or visibility of the program to identify the risks confronting the delivery.

TMO Led Transformation

Confidence in the ability of an organisation to manage the complexity associated with transformation can be greatly enhanced if there is a clear home for the coordination of the transformational delivery aspects. Typically, this involves some form of Transformation Management Office (TMO) charged with governing and organising delivery of the program.

Cast aside thoughts of a staid central reporting function or centre of excellence that seem to have become the norm for

many PMOs – the TMO should be an action orientated body that drives results with a focus on up to date tracking of progress in the delivery of outcomes and benefits from the various streams of activity underway. Set up correctly, the TMO will be recognised as the single source of truth on progress and will facilitate decision making from the executive team – particularly around the make up of the transformation portfolio and prioritisation of resources against this. To achieve this, the TMO must be recognised as acting for the executive and, by default, have a mandate to challenge upward as well as downward in the quest to ensure the transformation journey maintains positive momentum.

An effective TMO will also play a significant role in the effectiveness of the overall change program - in reports and in communications across organisation the TMO should be reinforcing the key change messages and direction of the transformation that is underway. These messages – built into the fabric of program reporting - should encourage positive recognition of what is changing and inform people across the organisation as to the likely timelines for change and help facilitate those lightbulb moments in which people in the business understand how the changes will impact them (and in doing so, help them to prepare or contribute more into the design of the change).

Summary

Managing complex transformation is difficult as it involves a wide array of stakeholders, significant cultural change and often significant technology adoption based on uncertain requirements. Uncertainty on how to progress through this journey can be the death of the dream and confidence is critical to ensure the organisational momentum can be maintained. Taking a risk intelligent approach to identify and address the potential barriers and opportunities offers a pathway to build confidence in the organisational leadership and impacted people in a structured and repeatable manner – importantly this approach can begin and continue at end stage of the transformation journey.



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