5 key building blocks in an organization's transformation strategy

Transformation is integral to any organization's business strategy, thanks to the ever changing digital business landscape. While organizations across board realize the need for transformation, what sets the leaders apart is their unwavering focus on the five building blocks that form the core of a robust transformation strategy (Figure 1).

1. Transformation enablement forum

The organization should ensure that a transformation enablement forum is setup. It should ideally be headed by the organization transformation lead and would comprise of business unit heads, business process owners and IT system custodians. The core duties of this forum should be:

- Setup vision and strategy for transformation
- Sponsor transformation programs
- Conduct steering meetings on transformation
- Drive governance standards
- Nominate process SMEs for coordinating with service providers on the ground
- Record and track functional & technical risks
- Review of project-plans with service-providers

2. Identify top priorities for transformation

The business and IT units of an organization must chart out the top pain-areas they want to be addressed. Different transformation levers have different benefits and outcomes. Hence, the business unit must involve their process SMEs (subject matter experts) to document the top issues in each process.

The process SMEs should conduct pareto analysis in each process to understand the top-issue drivers:

- **Processes that are highly fragmented or non-standardized**: Business Process Management (BPM) solutions like BASE™ or Camunda are required for standardizing process workflows, digitizing the data-points, recording approvals and exceptions, and generating meaningful metrics. Implementation of a BPM solution would enable an organization to bring-in process efficiencies e.g.

  i. Creating a single source of truth for all processes
  ii. Framework for continuous improvement
  iii. Foundation for further transformation levers like automation
  iv. Promotes consistency and eliminates non-standardization across business-units &/or locations
  v. All changes in processes are recorded ensuring accountability

- **High-volume processes**: If the processes have high volumes leading to impacts in SLA achievements or accuracy issues, then automation is the way to go. Automation can have following variants depending on process and input-data types:
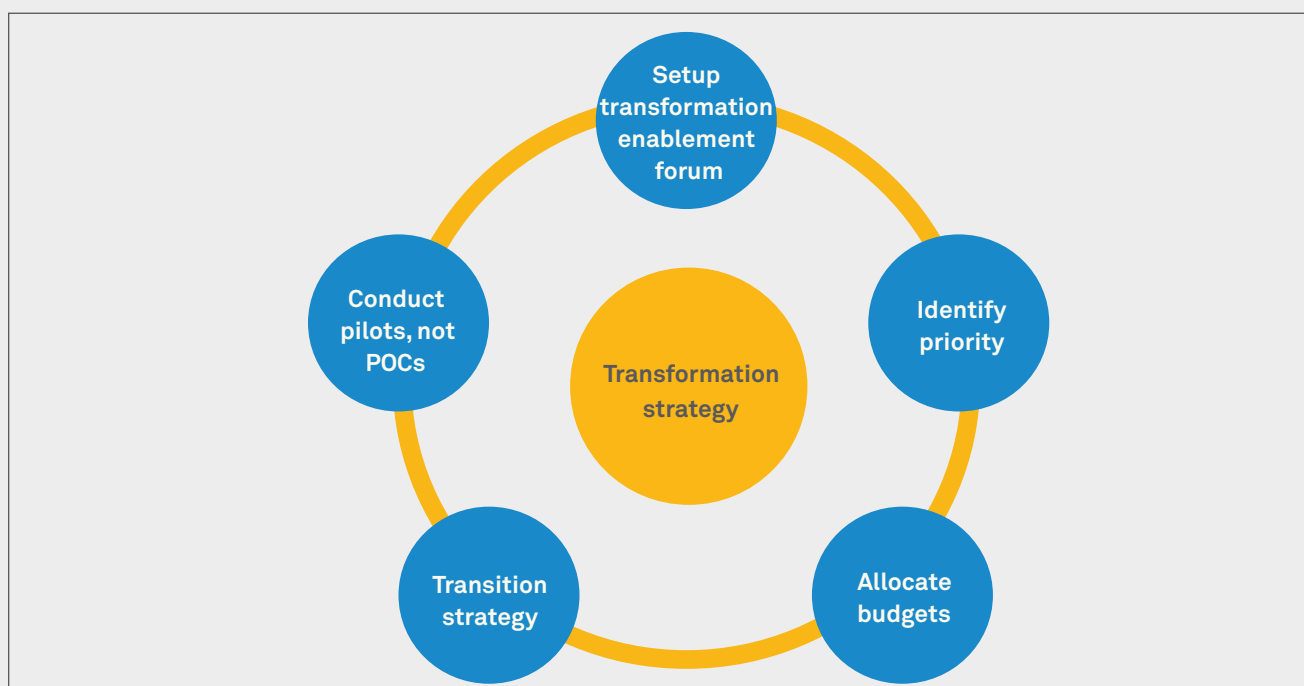

Figure 1: The key building blocks in an organization's transformation strategy

Data	Recommended solution	Common illustrations
Structured data	RPA	Automation of rule-based steps by mimicking human actions e.g. extraction of data from a structured data-source (like a spreadsheet or an XML file), and data-entry into an SAP t-code.
Semi-structured / Un-structured	AI (Machine learning, Deep	Automation of rule-based steps requiring that data is either semi-structured or unstructured e.g. • Extraction of data from email involves Machine Learning and Natural Language Processing • Extraction of data from a scanned document like invoice may involve Computer vision, Machine Learning and Natural Language Processing • Enabling Self-service through Chat-bot or Virtual-Assistant • Fraud detection in financial transactions through deep learning • Automation of KYC/KYV processes through ML, NLP & deep learning

- **Enhancement of customer experience:** In case, the objective is to delight the customer, it is recommended to implement an immersive experience solution like NGCE (Next-Gen Customer Experience) to inculcate benefits like:

  i. **Unified user interface**: to provide data from different screens & applications in one single screen to user
  ii. **Next best action**: Personalized next best action and alerts to improve customer's satisfaction and provide resolution steps
  iii. **Customer 360° data hub**: Single view of customers engagements and preferences across multiple touch points
  iv. **Omni-channel view:** Single view of customer interactions across all channels such as voice, email, chat & social media & previous action history
  v. **Issue anticipation:** Forecast the reason behind an interaction even before it reaches an agent

3. Allocation of budget

Once the top focus areas for automation and transformation are identified, the next crucial step is to arrange funds for it. In its state of the digital transformation survey conducted by masergy through webtorials, budget-commitment has been identified as the number 1 challenge for a successful digital transformation. Key points to be followed:

- **Get a project sponsor aligned who would support the transformation journey**: It is crucial that a CEO, BU Head or CIO is aligned as the project sponsor who would oversee financial support for the projects

- **If the budgets have quarterly or annual validity:** discuss the deliverables with your service providers and seek commitment in contract to ensure there are no delays

- **Estimate the ROI for each initiative and pursue accordingly:** ROI may be long-term or short-term and could be in terms of cost or productivity savings, efficiency improvements, AHT reduction, CSAT improvement or volume reduction. Strategize with your business partners and customers about your key objectives. Rank the projects with greater ROI and allocate the funds to top contenders giving maximum returns

- **Seek realistic budgets**: Rather than guesstimating, conduct market research to estimate the probable expenditure

4. Transition strategy

One of the most critical actions for an organization is to communicate the change to their customers and staff in a transparent way. For this, the organization should setup a change-management strategy comprising of two main parts:

- **Engaging staff:** To avoid spread of rumors, demotivation and uncertainty, organization must take following steps:

  i. Communicate organization's strategy and highlight why change is important for growth and to keep in pace with changing business landscape
  ii. Identify the upskilling areas needed
  iii. Enable training programs and roll-out to target employees
     • Self-learning modules can be enabled for all employees
     • Specialized training and certification programs can be enabled for specific employees
  iv. Motivate employees and track status of learning

- **Engaging customers:** To ensure customers and end-users don't have an unenthusiastic response to changes, organization must take both proactive and reactive steps like:

  - Communicate organization's strategy and highlight target objectives from customers' perspective like improving efficiency and productivity, reducing error-rates, improving CSAT etc.
  - Conduct surveys and capture the feedback
  - Rollout changes in a phased approach
  - Conduct parallel-runs for customers to adjust to changes
  - Reward customers/end-users opting for changes

5. Conduct pilots and not Proof of Concept (POC)

Whenever your organization is trying to test the applicability of a new tool or a solution, ensure it is done through a pilot and not through a POC. This is because the challenges and dynamics of a production environment cannot be replicated in a development environment. A pilot may not be a full-blown all-feature-encompassing production-ready module, however if you want to observe how a technology behaves in your environment, then have it deployed in production. The more critical the process, the more important it is to conduct its pilot in a transformed state. Usually, POC is conducted to show service-provider's ability to deliver the outcome or to test a product's suitability for a customer's application landscape. However, POC deprives both service-provider and customer of crucial learnings about impacts on people and technology that constitute the process.

About the author

Varun Tandon

Deputy Manager, Digital Operations and Platforms, Enterprise Operations Transformation, Wipro Limited.

Varun is a seasoned digital and automation leader specializing in RPA, machine/deep learning, AI and smart operations pre-sales, solutioning and consulting. He brings to the table both technical acumen and business transformation consulting expertise based on over 12 years of experience in operations, IT and Enterprise Operations Transformations (EOT) for clients in US, Europe and India.

Summary

Today, almost every organization understands that to sustain and grow in an ever-changing ecosystem it must continuously disrupt its processes and adapt to the radical technological changes. Transformation for the sake-of-transformation without detailed thought-through approach would adversely affect the health of the organization itself. Hence, it is very critical for an organization to seek-out & document responses to following key questions while strategizing the transformation journey:

- Who will monitor and support the objectives of transformation?
- What are the top priorities and focus areas that need to be accomplished?
- Who will sponsor the different transformation initiatives?
- What would be employees' role during and post-transformation state?
- How will customer's feedback be monitored and what safe-guards would be put in place to avoid dissatisfaction (DSAT) and increase user-adoption?
- How are processes and applications expected to behave in a transformed state?

As the organization matures in its transformation journey, the responses to these questions should be continuously re-visited and refined with the learnings from failures and successes gained through the experience.

Wipro Limited
Doddakannelli, Sarjapur Road,
Bangalore-560 035,
India

Tel: +91 (80) 2844 0011
Fax: +91 (80) 2844 0256
wipro.com

Wipro Limited (NYSE: WIT, BSE: 507685, NSE: WIPRO) is a leading global information technology, consulting and business process services company. We harness the power of cognitive computing, hyper-automation, robotics, cloud, analytics and emerging technologies to help our clients adapt to the digital world and make them successful. A company recognized globally for its comprehensive portfolio of services, strong commitment to sustainability and good corporate citizenship, we have over 175,000 dedicated employees serving clients across six continents. Together, we discover ideas and connect the dots to build a better and a bold new future.

For more information, please write to us at **info@wipro.com**