TAA SERVICES
Transforming the Organization

Transforming the Organization:

The Architecture for Change™

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Transforming the Organization: The Architecture for Change

Enterprise change initiatives promise many benefits. Such initiatives vary widely in scope and complexity. However, they often involve large-scale technical and/or business transformation projects that are aimed at improving the organization. They are appealing because they can enable the organization to function more smoothly, faster, leaner, more expansively, and simply, better.

Despite the obvious benefits of undertaking enterprise change initiatives, the path to success can be extremely challenging. Even the most positive change results in business disruptions and both positive and negative responses to change. Successful enterprise-wide, large-scale change takes time, typically years, to embed. There is a need for committed leadership. As well, organization-wide involvement is essential. Successful change relies upon management practices that involve the entire organization in the change. Large-scale change is driven by strategic objectives that may result in the need for new procurement strategies, significant business model innovation, restructuring or performance improvement, and operational change.

Leadership must take several considerations into account when contemplating a major transformation. First, it is important to establish a clear vision to describe the organization's aspirations, or what it hopes to be post-transformation. Second, it is critical to consider and plan for the transformation's impact on all aspects of the business and its employees. Leaders must remember that even positive change is disruptive. Enterprise or "big bang" change affects the culture of an organization. Changing a culture is naturally challenging and requires perseverance, sensitivity to stakeholders' equities, and a systematic approach to avoid failure and affect positive change.

A roadmap to affecting enterprise transformation combines a variety of disciplines that increase the likelihood of a positive result. These disciplines coalesce under three areas as depicted in Figure 1:

- Organizational Change Management
- Program Management
- Information Technology Project Management/System Integration

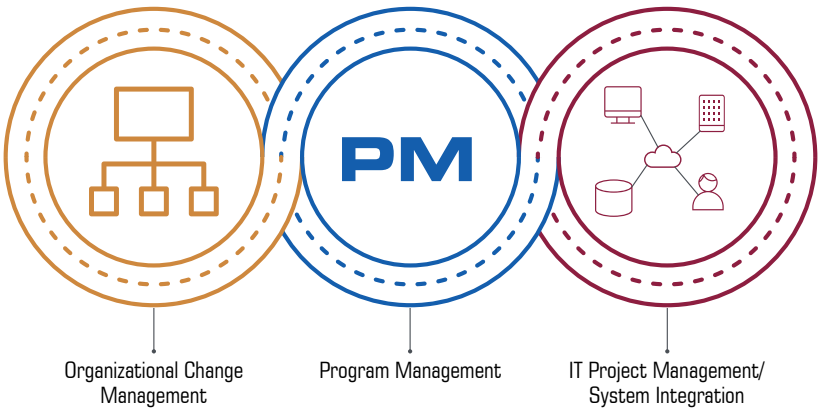

Figure 1. The Architecture for Change™

Organizational Change Management

Enterprise transformation or change should begin with two critical strategies in place:

- A clear vision of the new state along with the reasons or basis for the change, and
- An approach or adapted methodology for how the change will be implemented.

The organizational change management approach provides a shared framework for structuring activities and responsibilities, a road map for laying out their proper sequence, and a set of guiding principles to govern the organizational transformation. Adopting such an approach is key because not everything occurring on the path to change is foreseeable. Everyone experiences some level of panic when surprised, confronted by the unforeseeable, or lacking an explanation and strategy for "what now?"

As the graphic in Figure 2 depicts, user perception is more accurate and productivity is higher when an effective change management program is implemented. Three key components of an effective change management program include: a multi-faceted (strategic) communication plan; the targeted new way of operating (improved business processes and continuous process monitoring and improvement); and ongoing workforce acclimation (training).

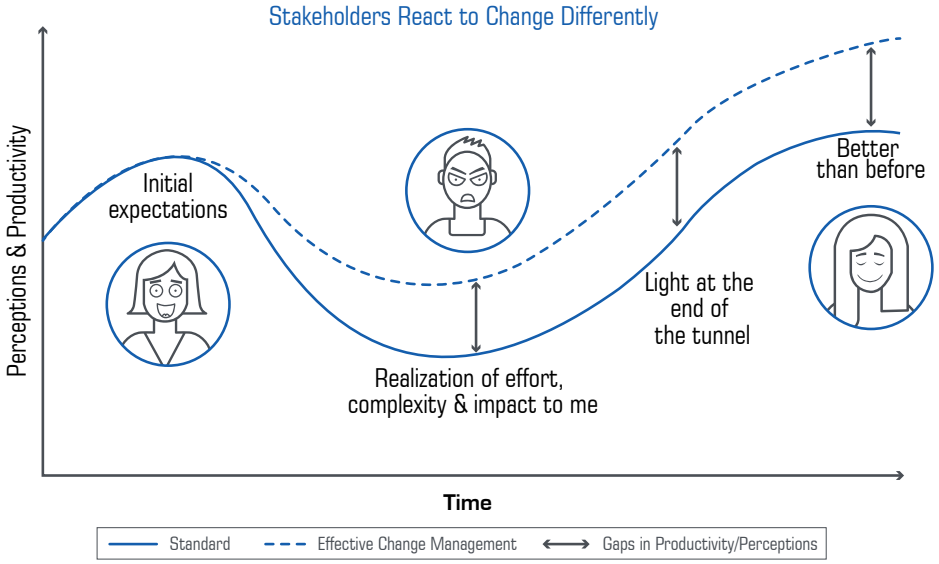

Figure 2. Change Management Opportunity Curve

An enterprise change initiative typically starts with communicating the reason, vision, or case for change. Such communication provides a compass for navigating through the chaos created in the wake of the change journey. The change management communication component should involve active engagement with those affected by the new processes or systems throughout the planning, development, and implementation phases. Active engagement creates awareness by informing stakeholders of the change. It addresses their concerns during the planning and development phases. And it helps them create understanding by allowing them to participate actively, or to "be in" the change process (versus having to be "sold" to buy-in). Participation helps those affected by the new processes or systems to commit to them, to create a shared framework, and to prepare for a successful transition.

Strategic communication increases the efficacy and ease of change as the organization adapts to a new process or system implementation. It is a critical component of a change management plan. Without effective communication, the natural chaos of change and the myriad of questions and concerns that accompany it remain unaddressed and unanswered. A void such as this is often filled with fear, misinformation, and lower productivity. Targeted communications help organizations keep customers and stakeholders informed using frequently–disseminated, clear messages aligned with the vision and program outcomes. Following best practices, communication is customized to each customer and stakeholder faction.

Business process improvement is a critical element of enterprise change that accomplishes three key objectives as depicted in Figure 3. Business transformation initiatives often include the need to redesign operational processes. There are a number of different methodologies an organization can use to redesign a process, e.g., Six Sigma, Business Process Re-engineering, Appreciative Inquiry, etc. Whichever methodology is used, the overall goal should be to optimize process performance while reducing cost or the use of human resources.

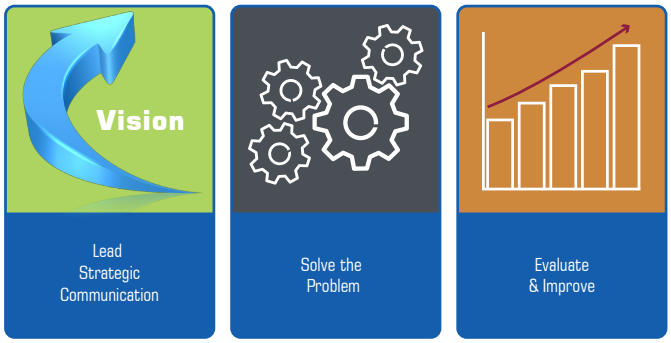

Figure 3. Business Process Improvement

Several strategies are very effective when undertaking initiatives to improve business process:

- Prototype and pilot programs. Prototyping and pilot programs are excellent strategies leadership can use when undertaking business improvement processes. It is best to begin with an easy-to-use technology (such as ServiceNow) that takes only a few days or short weeks to develop and evaluate. Such prototypes and pilots may give organizations the opportunity to see if a technology solution can benefit the process without a large time or financial investment. This approach can be extremely successful when managed properly, and is highly recommended.
- Training strategy and plan. A carefully-crafted training strategy and plan ensure that end-users successfully make the transition to the new processes and/or software. To develop the strategy, the organization needs to determine its training goals and understand the technical skill level of the end-users who need training. An important goal of end-user training should be to minimize productivity loss during the transition to the new system. A best practice is for training to be both developed and delivered to end-users with similar technical skills, based upon assessment results. Realistic timeframes should be established so all end-users can be trained prior to but also close to deployment. Feedback from training sessions should be used to improve training content and delivery.

- Continuous training and updating. An often-overlooked training requirement is continuous training and updating over the life of the new process or system. It is not sufficient to have the initial training for transition. New staff must also be trained in the relevant portions of the process or system. Only then can the transformation be embedded into the everyday operation and culture of the organization. Furthermore, organizations require succession planning for team or business unit leaders moving on after the initial transformation effort is completed.

Program Management

Organizations undertaking large-scale enterprise change initiatives must establish a Program Management Office (PMO). The PMO will oversee and manage the initiative. It will also help to prioritize and drive successful strategic Information Technology (IT) and business transformation projects with more consistency, efficiency, and transparency.

Determining the kind of PMO that best suits your organization, whether consultative, centralized, or a combination of the two, is the first step to prepare for organizational transformation. A PMO:

- Aligns and prioritizes a diverse portfolio of projects with specific organizational objectives and key milestones.
- Incorporates organizational change management at the enterprise level to drive transformation.
- Allows leadership and management to have a clear understanding of portfolio and project performance.
- Increases the project team and stakeholder understanding of the linkages and dependencies within the project portfolio.
- Provides greater assurance through increased accountability that projects will be delivered on time and within budget.
- Provides necessary oversight.

Figure 4 depicts the interrelationship of PMO functions.

Figure 4. Program Management

Portfolio management can be a powerful tool to keep organizations focused on their core objectives related to strategic projects, transformational efforts, and operational needs. Portfolio management:

- Helps ensure an organization's investment works effectively to deliver measurable business results.
- Includes the management of scope, time, resources, skills, cost, procurement, communication, reporting and forecasting, training, and risk management functions.

Portfolio management and reporting gives management needed insight into project status, schedule, risks, and financial and personnel resources to support decision making.

A governance program provides a powerful guiding coalition that gives stakeholders, sponsors, management, and the internal project team(s) needed insight into key program activities. It establishes accountability for program outcomes. Successful governance programs include leveraging current board structures and councils to set standards and leading principles to facilitate effective collaboration and data sharing within and outside the program.

The PMO is the coordinator and a key component of the governance required to satisfy sponsor and key stakeholder needs for being informed and in control. The PMO:

- Analyzes information from each project to address escalated issues,
- Makes timely decisions,
- Understands the impacts of those decisions to the entire program portfolio, and
- Changes course as necessary.

Program reviews help the organization meet program goals and objectives. They provide visibility into project interdependencies, and allow management to manage project financial and personnel resources responsibly.

Communication is an essential function within the PMO, focusing internally on the sponsors of the transformation. Any business transformation effort requires rethinking current practices and processes. Creating a complex structure such as a PMO requires effective communication at the strategic level. Through the use of frequent, consistent, and high–quality communication, PMOs can bring about positive change and achieve outcomes that are new, different, and even unique to the customer experience.

In short, the PMO's effective communication and management of internal and external stakeholders affected by change is critical to success. Management and key stakeholders must be, or at least appear to be, in sync about the changes being made. This is particularly true during the peak period of anxiety along the pathway to change. Enterprise-level strategic communication tailored to keep stakeholders informed and to foster greater teamwork will yield a shared vision and drive forward project milestones that lead to tangible and measurable change.

Project Management/System Integration

Most enterprise-wide transformation efforts involve new technology development and implementation to support process improvement efforts. There is normally a significant gulf between leadership and its critical stakeholders, and the technology and IT providers that are tasked to implement new IT applications and infrastructures to make change happen.

Technology changes faster than budgets and implementation typically allow in large organizations, thus elevating the risk that what is delivered is not what was envisioned. A quick assessing, quick reacting approach that connects leadership, users, and IT works best to keep end results in line with visions. In other words, enterprise change management and the IT implementation that supports it both need to be agile.

Agile, in the IT methodology sense, has its own tenets, issues, and considerations to include in an organization's transformation. Using an Agile approach to achieving the vision:

- Engages motivated and creative team members to support the vision,
- Fosters innovation and creativity,
- Immerses business leaders and customers in development of the solution,
- Allows for agility and flexibility for evolving expectations and requirements, and
- Encourages highlighting roadblocks for more immediate remediation.

Agility is key when using an agile approach in project management since an agile project manager responds to change daily to keep multiple aspects of a project moving to reach expected goals. Project management in traditional, agile, or hybrid (a bit of both) environments requires the ability to balance flexibility and stability to stay on track to meet project and overall program goals.

The Agile way in transformational efforts as depicted in Figure 5 is often medium to large in size and complexity where specialized resources address specific tasks at different points in the project. The project team is a highly motivated, collaborative group focused on continuous improvement as it conducts the release, iteration, and daily planning cycles, while the PMO is heavily involved with the top three levels of Agile project planning (strategic, portfolio and project planning).

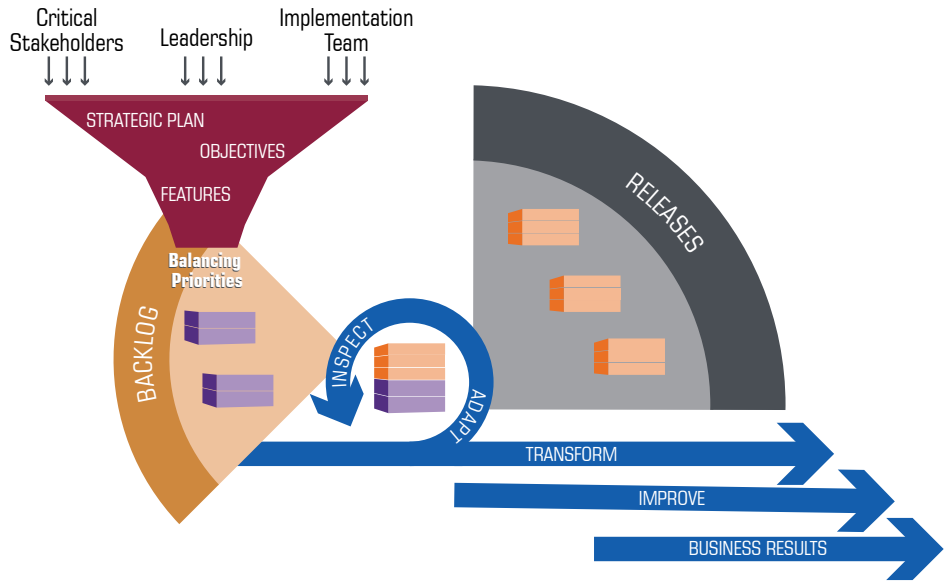

Figure 5. The Agile Way

Agile teams are masters of communication who focus daily on teamwork, problem solving, and technical development skills. They strive to improve work within practices each iteration. Daily stand-up meetings highlight daily work plans, address issues, and realign resources to complete work planned in the planned sprint cycle (typically two to three weeks). Agile teams are composed of self-organized, cross-functional, highly effective groups of people. The three primary roles are:

- Scrum Master. A Scrum Master, often a System Integrator (SI) or Project Manager (PM), is trained in agile principles. The Scrum Master facilitates the team's progress, helps plan iterations, gathers/analyzes metrics, and facilitates collaboration/communication among team members to work together to remove roadblocks (i.e., risks and issues) and meet sprint goals.
- Product Owner. A Product Owner (PO) is the subject matter expert who defines the core features of the new system and/or business processes that support it. The PO prioritizes work, defines criteria for acceptance, approves delivered work, and participates in user acceptance testing. This person collaborates with business users, including the project sponsor and executives, often with the help of a business analyst, to confirm that the software or new business process being delivered meets expectations.
- Agile Team Members. Agile Team Members represent a group of generalized specialists. This may include architects, business analysts, change agents (business process or change management team members), system analysts, programmers, developers, system integrators, testers, trainers, system administrators, user interface/user experience specialists, database administrators, etc. Team members are responsible for proposing, building, delivering, and testing the best solution possible in each iteration.

Agile development delivers an application or updated business process faster with increased value and adaptability. Overall project risk is reduced due to the incremental delivery of system capabilities.

Organizations should consider engaging a PM or SI who is trained in Agile principles or who is a Certified ScrumMaster® (CSM). If planning a large-scale enterprise-wide Agile program, then a Scaled Agile Framework (SAFe) Agilist (SA) helps to align teams to a common vision based on an enterprise's significant value streams so that solutions are built to deliver benefits to the end–user. These professionals embrace the principles of Agile and combine their understanding of the IT development life cycle with a firm grasp of the project's needs and goals. They provide common sense intermediary services to agency leadership so projects can be effectively managed and goals and objectives met.

An experienced PM or SI, who often is a CSM, is responsible for the overall success of the program, including the challenges unique to organizational change. The PM:

- Manages across executive stakeholders,
- Removes obstacles,
- Provides regular executive leadership updates on roadmap progress, execution, and risks or issues facing the program,
- Reports on the program schedule and budget, and
- Helps to ensure that the work is truly transformative and meets business objectives.

A PM or CSM in an Agile environment leads and coaches the Agile team directly involved with the transformational change. This team uses iterative, highly collaborative Agile processes and finishes each sprint with a customer "demonstration" to allow the PO and other stakeholders to inspect and adapt the product/processes being developed. This immediate feedback leads to the necessary adjustments to software, documentation, key messages, or even the process change itself to continue to build upon the success of the last sprint. Through these efforts, the organization can enjoy the benefits of transformational change and the desired business benefits.

Conclusion

Making large-scale change happen within a large or complex enterprise touches the very fabric of the organization. The culture is changed. Such cultural change is messy, chaotic, and takes lots of time.

That means it consumes lots of resources, all of which are valuable. Such high-profile risks are undertaken because there is, or should be, a vision or case for change that holds the promise of benefit over and above the costs to be incurred or in staying the present course.

The three pillars of The Architecture for Change (Figure 1) overlap and work together to provide a methodology and roadmap to help guide an organization through the disruptions occurring on the path to the new desired organization originally envisioned. Many organizations focus on only one or two facets of the change management architecture for reasons of expediency, budget constraints or ignorance of the change complexity. To be sure, not going "all out" in all three areas does not necessarily equate to failure. Some items or objectives of the change may be implemented without going "all out". However, in many such cases, the degree of accomplishment may not outweigh the cost of achievement or result in the benefit hoped or planned, or have any long–lasting effect.

Just as sure, there are other components of implementing change that are important; some would say they are just as important or more critical than any of these three. Probably the most impactful is performance measurement:

- How is the organization or targeted area of improvement performing currently? If unknown, how well can you assess any improvement?
- How is performance affected by the change process itself? If unknown, how do you accurately assess the payback or progress beyond the break-even point of the undertaking?
- How, in fact, do you know if you are attacking the area of the organization that may best benefit from change?

In a more ideal setting, the undertaking of performance measurement will be included in a large-scale transformation effort, incorporated as an integral part of any process improvement effort and managed and reported via the program management function. We strongly recommend including performance measurement, though we find it is too often not included due to budget and time constraints.

Last, there is much more to consider in the details of each of the three pillars of The Architecture for Change. This whitepaper is just a start to a more in-depth level of consideration when planning and undertaking an organizational transformation.

TAA Services, Ltd

TAA Services, Ltd has developed an architecture for supporting enterprise-wide, large-scale transformation and change. This Architecture for Change has three intertwined pillars:

- Organizational Change Management
- Program Management
- Project Management/System Integration

This Architecture for Change addresses:

- How large-scale, enterprise-wide change will be achieved
- How well the change process is proceeding, and, since it is typically a critical, if not the most critical component of the change,
- How effective the new technology will support the new order.

TAA Services, Ltd has experience in all aspects of The Architecture for Change. We have implemented all facets in various combinations of inclusion. Proof of TAA's capabilities and success rests in the fact that in TAA's 12 years of existence, 100% of our work has been referral from one satisfied client to another. Stated goals and objectives for the changes have been achieved.

TAA's team of professionals bring the breath of strategic, technical, and tactical support skills needed to manage, develop, and implement the transformation of your organization. With a strong foundation in the intelligence community, we have a proven track record of building trusted business partnerships with organizational leadership and other contract teams to deliver the business outcomes organizations need and expect. Our team of professionals averages over 20 years of experience each, bringing leading industry practices and unique perspectives to provide the integrated business solutions to drive business transformation across the organization.

TAA is rooted in organizational change management, with its founder having worked in key change capacities to government, corporate, and change-resistant industries for over 30 years. Our seasoned professionals provide the full range of organizational change management services that include:

- Organizational Assessment
- Vision, Alignment, and Communication
- Organizational Design and Plan for Change
- Business Process Engineering
- Training Strategy
- Workforce Transition

Program and management support services are a cornerstone of our suite of professional services and are key to driving business transformation efforts. Our services include:

- Tailoring, implementing, and managing effective Program Management Offices (PMOs) including increasing organizational effectiveness through governance.
- Designing, executing, and maintaining a strategic portfolio to best achieve organizational objectives.
- Jump-starting major projects or PMOs.

- Establishing lean, agile foundations to respond to fast-paced environments.
- Assessing chaotic or ineffective programs and/or projects and organizing for success.
- Creating enterprise-level risk management programs that include a range of performance and risk reporting services that increase the effectiveness of the governance process.
- Providing experts with Project Management Professional (PMP)® certification and Agile certifications —CSM and SA.

We have developed enterprise-level risk management programs and can provide a range of performance and risk reporting services that increase the effectiveness of the governance process.

TAA provides IT Project Management/System Integration services to:

- Lead and manage multi-faceted enterprise-wide IT large scale application implementations through complex policy, infrastructure, technical, security, and organizational change challenges.
- Lead Information Technology Infrastructure Library (ITIL)-based transformation efforts to transition from a siloed to a streamlined, integrated organization.
- Align IT and business to create IT service management (ITSM).

TAA offers automated business process analysis and re-engineered process modeling. These services include the creation of customized prototypes using various COTS applications such as ServiceNow. Process modeling helps organizations evaluate the benefits that technology can provide in improving a business process.

Testing and training services include customized solutions that integrate key stakeholder, customer, and engineering input to deliver accurate and thorough testing results and top-notch training solutions. Our breadth of training includes the development and delivery of executive, end-user, and customized training solutions, as well as the delivery of existing training materials in support of a COTS system implementation.

TAA values the role it has established as a trusted business partner and team member to its clients. We have been praised for our ability to work seamlessly with clients and other contractors to meet the organization's goals and objectives. TAA will use its extensive experience and intelligence community knowledge to review your organization's current operational landscape and provide you with the best approach to achieve the business transformation results you want and expect.

For more information on TAA or The Architecture for Change, contact:

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