BUSINESS TRANSITION FOR VALUE

Technical Field

The invention relates to field of business management and in particular to business change.

Background Art

Accountability and effectiveness in managing holistic organisational change has become more important.

United States and European consulting firms have developed methodologies, which go some way to explaining to customers how the consulting process is carried out. These methodologies include the dimension of Change Management and they almost always embrace the notion of measuring the value of the change. However, the integration of these two aspects of managing organisational change has never been addressed, yet both issues are regarded as important. Further more, the scope of Change Management is often limited to managing the people side of change and does not focus on the holistic management of all the components of an organisation that are impacted on by the change. The business value on the other hand is often limited to quantification of shareholder value and does not measure the delta value of enhancing and changing human capital networks.

There is also a general lack of management tools in the market to help assess readiness for change in a holistic manner. There is also a lack of tools that enable the proactive identification of the gaps that exist and what activities are required to bridge the gaps, and manage the scope of the change.

The present invention recognises the need that management and consultants have to manage large-scale business transitions in a value-based, holistic and disciplined manner to increase the probability of a successful business change.

It is an objective of the present invention to implement an improved method of managing business change or at least to provide the public or industry with a useful choice.

Summary of the Invention

Accordingly in a first embodiment the invention consists in a method for managing business change said method providing assistance with change management, said method comprising the steps of:

quantifying the business value of change;

identifying the organisation components affected by change;

measuring the organisation's readiness for change; and

providing a stage by stage guide to the transition, said guide linked to the change required.

Preferably said method including:

identifying the desired business value to be achieved;

identifying the desired outcome in said business value;

identifying the time to deliver said outcome; and

identifying the stakeholders in said outcome.

Preferably said organisation components affected by change including:

vision;

processes;

applications and infrastructure;

facilities;

stakeholders; and

policies and law.

Preferably said stage by stage transition includes:

defining the value of change;

realising value from the change; and;

sustaining the value created by the change.

Preferably defining the value of change includes:

reviewing the business direction;

assessing the current business state;

defining the value-based business blueprint and strategic value network;

quantifying the business value of business change defined in the blueprint and strategic value network; and

defining a business transition plan.

Preferably realising value from the change includes:

defining detail change requirements;

developing value based design; and

deploying the business change based on said design

Preferably sustaining the value created by the change includes:

managing the operations of the new business; and

measuring said value.

Preferably measuring the organisation readiness for change includes questing said stakeholders and assessing current state of organisation on said change.

Preferably said stakeholders are questioned using a computer based questioning suite.

Preferably said computer based questioning suite is web based.

Preferably said method is targeted at one or more change focus, each said change focus being managed by a methodology selected from the group consisting of:

Business Value Management;

Process Re-engineering for Value;

Technology Transformation for Value;

Stakeholder Transition for Value;

Facilities Innovation for Value;

Policies & Law Definition and Compliance; and

Business Transition Programme Management.

Brief Description of Drawings

Business Transition for Value in accordance with the invention will now be described by way of example with reference to the remaining accompanying drawings in which:

Figure 1 is an illustration of the basic model of the present invention,

Figure 2 is an illustration of the full model of the present invention,

Figure 3 is an illustration of the transition stages of the present invention,

Figure 4 is an illustration of the organisation components undergoing the transition stages of the present invention,

Figure 5 is an illustration of the processes during each stage of the present invention,

Figure 6 is an illustration of the link between organisation components and the suite of methodologies implemented in the present invention,

Figure 7 is an illustration of the Strategic Value Network used to identify and quantify Business Value implemented by the present invention,

Figure 8 is an illustration of the Business Value Matrix implemented by the present invention,

Figure 9 is an example of a readiness scorecard of the present invention.

Figure 10 is an illustration of the Process Reengineering for Value sub-model of the present invention,

Figure 11 is an illustration of the Technology Transformation for Value sub-model of the present invention,

Figure 12 is an illustration of the Stakeholder Transition for Value sub-model of the present invention, and

Figures 13 to 19 are example activity charts of an implementation of the present invention.

Detailed Description of Invention

With reference to the figures business transition for value is a suite of methodologies, frameworks and the business transition diagnostics tools that provide organisations going through business change with a business method and management tool to:

Help management explicitly articulate what change is to be and then measure the value of change in the strategic value network that the organisation operates in.

Help management view and manage their organisation transitions in a holistic manner by ensuring all the critical and impacted organisational components are identified and managed.

Help transition teams manage the scope of change in a disciplined and structured manner by explicitly linking a financial modelling approach to the definition of what change is required and providing a stage-by-stage guide to their business transition

Help management assess and track the readiness of change.

Integration does not mean putting the two elements of key change management concerns on the same page or in the same diagrams. Instead, it means working out a way in which to ensure that the measurement of value associated with a new programme of organisational change is undertaken in a holistic way and it is a part of the process that actually makes the change happen.

The business transition for value suite of methodologies is a holistic and systematic approach that guides the entire organisation in its transition to the new business model - in deriving maximum value and benefit that this business transition promises to deliver.

Referring especially to Figure 1 to enable management and consultants to appreciate the organisation in a holistic manner and understand the implications and impact of business change to organisations, a model 101 is created. The model is designed to provide a diagrammatic way to integrate the three key management dimensions to deliver business value 120:

The three key management dimensions are outcome focus 102, stakeholder centric 103 and time to value 104. Outcome focus 102 ensures clarity of vision towards the end objectives, outcomes. Shareholder centric 103 is about ensuring the stakeholders in the business change are committed to the change goal. Time to value 104 concerns the urgency and time frame of change; reduce time taken to deliver value by creating the sense of urgency required to gain cooperation.

Business value 120 is optimised when all three key management dimensions are being focussed on. Business value 120 tightly integrates the business change. Business value 120 is the focal point of this value-based approach and is the driving force in ensuring that the transition delivers the desired results. It is defined by value-based performance measures that quantify business value derived in a strategic value network and ensure progress is made and expected results are achieved.

Holistic business transition 121 focuses on the big picture; each organisation can be represented by 6 components (vision 110, processes 111, applications and infrastructure 112, stakeholders 113, facilities 114, policies and law 115); each of these components needs to be individually assessed to determine the implications/

impact of change to the business and collectively aligned and managed to ensure synergy across the business and create optimal value.

Vision 110 is the desired destination the organisation aspires to achieve. Business processes 111 are the collaborative activities that deliver value; that may be streamlined, and/ or re-engineered to increase organisation effectiveness, efficiency and agility. The applications and infrastructure 112 include applications, systems, infocomm & engineering infrastructure that are required for business operations and to enable processes. The stakeholders 113 are the persons, teams, communities, organisations or parties, etc. who are directly or indirectly affected by the change and who need to be supported. The facilities 114 include the office premise, office layout, building infrastructure and equipment, etc. that are required for successful business operation. Policies and law 115 is the society in which the business operates, including legislation both statutes and regulations and internal business policies that have to be complied with during business transition or defined to cover new areas of the business.

The six components (vision 110, processes 111, applications and infrastructure 112, stakeholders 113, facilities 114, policies and law 115) of the organisation are further decomposed into the building blocks that can be seen in the full model illustrated in Figure 2.

Methodology Suite

Once the "big picture" or holistic view of the organisation that is changing, has been identified the integrated set of activities can be followed. These activities are to be performed in a disciplined manner to effectively and systematically manage the business transition that an organisation is embarking on and to deliver the predicted business value.

There are three stages that an organisation needs to go through in order to move from the organisation's current state to its desired future state to deliver the target business value. These are define value 301, realise value 302 and sustain value 303 that can be seen in Figure 3.

Define value 301 is the planning and mobilisation stage when the scope of change is being defined, the business value is being quantified and the business transition plan is being defined. Realise value 302 is the implementation stage when the change is being implemented. Sustain value 303 is the operational stage when the change has been implemented and the business is moving back into its "Business As Usual" State. An example can be seen in Figure 4 where for each of the organisation components 110-115 the three stages 301-303 are gone through.

The stages 301-303 that the business goes through could be simple or complex depending on the complexity and magnitude of the business change. The organisation will have to go through one to five phases in each stage 301-303. An example can be seen in Figure 5 where multiple phases 501-503 are gone through for each stage 301-303.

Referring to Figure 6 at the high level, each of the organisation components 110-115 is required to go through the 3-stage transition journey. The lower level details of the specific activities that each of the components go through are documented in a separate methodology each for ease in reference and use. These 6 methodologies and a 7th that integrates the 6 components form the suite of methodologies. The 6 methodologies are Business Value Management 601, Process Re-engineering for Value 602, Technology Transformation for Value 603, Stakeholder Transition for Value 604, Facilities Innovation for Value 605, and Policies and Law Definition and Compliance 606. The seventh methodology that integrates the other six is Business Transition Programme Management 607.

It is critical to have a structured business transition approach, which ensures that all the organisation components impacted are managed and led through the process of change in a manner that builds confidence and commitment to the new business model and operating environment. This will then lead to smoother acceptance of the eventual implementation and ensuring the success of the business change.

In the transition journey all six components (vision 110, processes 111, applications and infrastructure 112, stakeholders 113, facilities 114, policies and law 115) of the organisation are required to go through all the three business transition

stages 301-303, business value for each of these components will also be required to be quantified to establish the overall business value of what is to be created and delivered.

The differentiating element of the Business Transition for Value methodology is that each step along the way, the transition team is required to focus on the Business Value 120 of the Change. This value is explicitly linked to a financial modelling approach which provides a mechanism for the management and consultants to explicitly articulate what the business change is and what the desired change outcomes are. These outcomes are then translated to "Business Value Metrics" (BizVal Metrics) which are factors of revenue growth and cost reduction and are explicitly linked to the strategic value network of stakeholders. In other words, the benefits of the change will be identified and quantified according to revenue and cost by assessing the value to be derived for each stakeholders in the strategic value network that can be seen in Figure 7.

A Strategic Value Network 701 for the organisation undergoing the business change is defined. The change, benefits and costs of the change and the BizVal metrics are defined for the organisation 702. Subsequently, the change, benefits and costs and the BizVal metrics are defined for each and every stakeholder 703-706 of the organisation. Each stakeholder's respective outcomes 707 are translated to the Business Value 708 representing the value enabled and/ or created by the network of stakeholders.

An example "Business Value Metric" can be seen in Figure 8. The x axis 801 represents the time taken for value to be achieved, with the time increasing from the origin. The y axis 802 is the business value of the improvement with value increasing from the origin. Each opportunity 803 is plotted on the graph and the business value of the various improvement possibilities can be compared.

All the key stakeholders affected by the change will go through a business transition diagnostics. The diagnostics help to assess if the business is ready for the transition at key checkpoints of the business transition journey. The diagnostics provides a disciplined approach for assessing the gaps and provides the basis for refining the business transition activities.

The diagnostics will enable the organisation undergoing a business change to reduce the business transition risks, increase the success rate and essentially reduce the overall costs of the business transition.

The diagnostic tool measures and tracks the readiness level of the business transition. The tool also identifies areas that management needs to focus on. As a result the business transition plan may be revised to provide more focus on identified areas.

The diagnostics is preferably a web-based application with a database of questions (in the form of a checklist) to lead the stakeholders through a series of questions relating to their current experience in the business transition. Categories of questions and an example of the diagnostics scorecard can be seen in Figure 9. Each stakeholder will be required to answer a series of questions and rate the responses. There are 3 pre-determined types of responses to the questions, Yes/ No choice, Level of Agreement or pre-determined list of choices (multiple choice questions).

Factors focused on include Business Value 901, Individual Readiness 902 and Business Readiness 903. Typical diagnostic checkpoints are; Baseline 904, Interim 905, Pre-Implementation 906 and Post-Implementation 907. Overall readiness levels may also be represented 920.

As a result of this method business value is not only created but optimised in the business change.

The present invention includes a method to quantify the business value for the change in any one, a few or all of the six components of the organisation and the business transition diagnostics to track their transition progress. In addition, the present invention includes a specific framework and accompanying methodology for each component to guide the management and consultant to focus on areas that enable value to be created:

Business Value Management ("BVM") 601;

Process Re-engineering for Value ("PRV") 602;

Technology Transformation for Value ("TTV") 603;

Stakeholder Transition for Value ("STV") 604;

Facilities Innovation for Value ("FIV") 605;

Policies & Law Definition and Compliance ("PLDC") 606; and

Business Transition Programme Management ("BTPM") 607

Business Value Management Methodology ("BVM") 601

Vision 110 is the desired destination the organisation aspires to achieve. It sets out the organisation's aspiration of its position in the future and the reason for its existence. Most of the time, the vision 110 is described as a single statement. However, to achieve the vision 110, a single statement is insufficient. The vision 110 needs to be explicitly described so that the organisation's stakeholders know what is required to be done. In this present invention, the vision 110 is further elaborated by defining its blueprint (i.e. desired shape and form and as seen in Figure 2) for each organisation component 110-115.

These components are the enablers of change and function together to operate and move the organisation towards its vision. The vision 110 is also translated to a set of measurable value-based outcomes, i.e. the business value 120 the organisation intends to create and realised when the vision is achieved. A structured set of tasks are defined to identify and calculate this business value 120:

develop the "Strategic Value Network Map" 701 for the change (i.e. new vision enabled by the changes in the organisation components);

identify the value-based outcomes (in terms of the benefit and cost levers) of each stakeholders in the "Strategic Value Network Map" 701;

define assumptions and provide the actual dollar value for the benefit and cost levers in the strategic value network map 701; and

calculate the business value 708 (i.e. using financial measures that include internal rate of return, return of investment, payback period).

Once the business value is calculated, it is a means to ensure focus on the transition and to manage the business transition process.

Process Re-engineering for Value ("PRV") 602

Processes 111 exist at the heart of every organisation and are the means by which an organisation creates Business Value 120. Recognising this, the present invention includes a methodology to operationalise business strategies and improve the efficiency and effectiveness of an organisation through processes.

Referring to Figure 10 the PRV 602 methodology ensures that consultants can enable customers to achieve business value through dramatic value-based improvements by, focusing on the 3 key objectives of achieving. These are, enhanced effectiveness 1002; superior efficiency 1003 and improved agility 1004.

Enhanced effectiveness 1002 focuses on enhancing the ability of a process to fulfil its objective, improvements made will result in greater business value. In other words, the process must "Do the right thing". Superior Efficiency 1003 focuses on minimizing the resources used and time spend, improvements made will result in costs or time reduction. In other words, the process must "Do things the right way". Improved agility 1004 focuses on improving awareness of the situation and reducing the reaction time, improvements made will result in better business agility when responding changing customer and business needs.

Applying the six best practice-guiding principles, the present invention seeks to aid consultants to help customers to:

align 1010 to their strategic direction and ensure that processes are aligned to strategic direction and process measures are aligned to business targets;

benchmark 1011 with the best by measuring processes against the best to ensure that the processes meet or exceed the highest expectation;

listen to customers and ensure that the outcome of the processes focuses on providing customers with what they need, in other words an outside-in approach 1012;

challenge assumptions 1015 of existing rules leaving no stone unturned in challenging current assumptions to achieve breakthrough improvements;

innovate 1014 by thinking out-of-the-box, using creativity techniques to find better ways of doing things; and

identify the value-creating processes 1013 so that efforts can be focused on processes that deliver the most value to the business through prioritization.

When the present invention is applied the PVR 602 framework is particularly effective during Stage 1 of Define value 301 Phases 2 and 3, allowing an assessment of the current business processes and in defining a blueprint for business processes that will create business value 1020,120 for the organisation.

Technology Transformation for Value ("TTV") 603

The Technology Transformation for Value ("TTV") 603 methodology consists of three groups of methodologies to enable the delivery of ICT and Engineering solutions according to the business transition stages:

During Stage 1, Define Value 301 the Technology Architecture Design Methodology (TADM) guides the assessment of the business requirements for ICT and Engineering by reviewing the business processes and information flow. It provides a framework to define the technology blueprint by identifying the ICT and Engineering components that support the business processes, recommending the relevant systems and enabling technologies to support applications needs. Referring to Figure 11 the architecture design includes design for Data/Information Architecture 1102, Application Architecture/Solution Architecture 1103, Technical Reference Framework/Technical Infrastructure 1104.

Applying the six best practice-guiding principles, the present invention seeks to aid consultants to help management to: Align Architecture Goals 1110; Enable the Business Processes 1111; Reduce Technical Risks 1112; Improve Technical Agility 1113; Improve Interoperability 1114; and Achieve Cost Controls 1115.

During Stage 2, Realise value 302, this is broken into two parts, Applications and Infrastructure 112.

In relation to Applications, they can be provided by using either off-the-shelf package software or custom-build applications, two separate methodologies are provided to cater for the two types of applications to be built.

Packaged Software Implementation (PSIM) provides a common terminology and a consistent framework for the implementation of packaged software solutions It is fully scalable and can be adopted for the implementation of package software ranging from shrink wrapped software, which require minimal configuration, to highly configurable packaged software, such as commercial ERP packages.

Application Development Methodology (ADM) provides a common terminology and consistent framework for the implementation of an application system from scratch or by applying reuse. ADM addresses the system implementation processes from validating the business requirements and high level blueprint to defining the detailed design, building, testing and implementing the application.

In relation to Infrastructure Infocomm Infrastructure Implementation (I3M) provides an integrated approach to implement infocomm infrastructure which includes hardware, system software, network, system security and database management systems.

During Stage 3, Sustain Value 303, to ensure that the value derived from applications and infrastructure is sustainable, the applications and infrastructure need to be operated and maintained. Two methodologies are provided to guide the continual operation and maintenance of the applications and infrastructure.

Application Maintenance (AMM) – this methodology provides a systematic approach to take over, maintain and handover the maintenance service for a single application system or a group of application systems. The maintenance service provided includes supporting day-to-day system operations (such as customer queries handling and problem resolutions) and incorporating change/ new functionalities in the system.

Infrastructure Service Management (ITSM) provides a structured approach to support and manage IT services to meet the customer's requirements. It is based on the industry best practice, Infrastructure Technology Infrastructure Library (ITIL)

requirements and includes Service Delivery (e.g. Service Level, Financial, Capacity, Service Continuity, Availability, Security Management), Service Support (Incident, Problem, Configuration, Change, Release Management) and ICT Infrastructure Management (e.g. Network, Systems, Database, Data Centre, Desktop Management).

In application during Stage 1, Define Value 301, Phase 2 - Current State Assessment: the Technology Transformation for Value framework is used to guide consultants and customers in assessing the current ICT and Engineering landscape and environment.

In application Stage 1, Define Value 301, Phase 3: the consultants use the Transformation for Value framework to define a blueprint for ICT, i.e. defining the ICT and Engineering components required to support the business and that will create business value 1120 for the organisation.

Stakeholder Transition for Value Methodology ("STV") 604

Managing transition has always been a challenge. It is crucial to plan, implement and manage change well so as to contribute to the overall success of the change. The starting point for managing business transition is to define who will be impacted by the proposed changes, i.e. to identify the stakeholders.

Stakeholders in the present invention are defined as parties or groups of people impacted directly or indirectly by a change, have a vested interest in outcomes or can influence the organisation's performance in one way or another. Key stakeholders are individuals or groups within and outside the organisation who can significantly influence or are important to the success of an implementation.

Stakeholders are the focus in this approach and play a crucial role to the success of the organisation change. When it comes to making important decisions, it is necessary to know about the expectations of different stakeholders, their interests, impact and extent of their influence.

Referring to Figure 12 In the present invention six disciplines are focused on, each discipline focuses on the proactively addressing the specific needs faced by stakeholders during transition periods:

stakeholder definition and development, focuses on identifying, analysing and defining the different groups of stakeholders on 3 levels: individuals 1204, the organisation 1203 and its strategic value network 1202 and then defining customised programmes to develop and help manage the change for the said stakeholders in their change roles 1210 in the strategic value network;

transition experience management 1211, focuses on making the change attractive. It includes generating excitement and encouraging buy-in to the change by creating a positive experience through interactive and high profile events and activities. Demand is driven and a sense of urgency and need for the change is created;

communications management 1212, seeks to define and execute a communications plan that delivers the right messages using the right mediums at the right time to the right people and by the right people;

organisational/HR alignment 1215, seeks to align the organisational structure, roles and responsibilities, culture and human resource policies and processes to support and sustain the desired future state;

capability development 1214, seeks to develop a training plan to equip stakeholders with the necessary skills and provide the necessary transition support tools to ease the transition; and

to implement the stakeholder transition for value methodology a key tool is used to assess stakeholder's readiness to change 1213. This is done using the readiness diagnostic tool discussed previously to enable an understanding of an organisation's readiness for change and to measure progress periodically through computer based and in particular web-based diagnostic tool.

The guiding principles of Stakeholder Transition for Value Methodology are cultivate change roles 1210; make change attractive 1211; communicate and facilitate participation 1212; align organisation/ HR 1215; develop skills/ knowledge 1214; and measure change readiness 1213.

To apply the stakeholder value methodology in Stage 1 - Define Value 301, Phase 2 a current state assessment is made using the STV framework to guide the consultants and customers in the assessment of the current stakeholders, their profile and readiness to change.

In Stage 1 – Define Value 301, Phase 3 a Value-based Blueprint using the STV framework to define the blueprint for helping stakeholders manage the change, i.e. defining the stakeholder transition management strategies and approach to facilitate the creation of business value for the organisation.

Stakeholder Transition for Value methodology 604 defines the stakeholders in the strategic value network that is required and imperative to make the change happen. It provides the underlying framework for this present invention to quantify the business value 1220 of the organisation change created by the value network.

Facilities Innovation for Value Methodology ("FIV") 605

In defining the changes in the organisation, the location of the business, the premise and facilities that support where the business or organisation operations from needs to be defined, built or installed and managed to ensure that business value will be created for the organisation. The FIV framework helps to identify and define the requirements for the business location, premise infrastructure, layout, utilities, furniture equipments and fittings, intelligent building features, health & fire safety features, premise facilities and physical security of the premise to support the organisation change.

In application during Stage 1 – Define Value 301 Phase 2 – Current State Assessment: the framework is used to guide the consultants and customers in the assessment of the current state of facilities and how well they currently support the organisation.

In application during Stage 1, Define Value 301, Phase 3: the consultants and customers use the framework to help define the blueprint for Facilities required to support the business and that will create business value for the organisation.

Policies & Law Definition and Compliance Methodology ("PLDC") 606

Policies and law is the society in which the business operates, including legislation both statutes and regulations and internal business policies that have to be complied in any business transition. For key business transition scenarios, a toolkit of legal implications is used to guide management and the consultants during the business transition. Policies and law governing the respective areas of the businesses are to be identified. If a business change is expected for a particular area of the change, then the relevant policies and law needs to be assessed to determine if the desired changes continue to comply with these existing policies and law. If not, decisions are to be made to decide if the policies and law needs to be updated or if new ones need to be defined to support the required

In application during Stage 1 – Define Value 301 Phase 2 – Current State Assessment: the list of legal implications is used to guide the consultants and customers in the identification and assessment of the policies and law governing the respective areas of the business.

In application during Stage 1, Define Value 301, Phase 3: the consultants use the toolkit to help define the changes required of the policies and law to support the required change.

Business Transition Programme Management Methodology ("BTPM") 607

In any large scale business change, the organisation components will be managed as individual work streams (or projects) with possible different consulting and customer teams. For example, one work stream focuses on business processes – reviewing processes, assessing gaps, identifying process improvements and subsequently implementing the processes. A second work stream focuses on business applications and infrastructure – reviewing existing applications and infrastructure, assessing gaps, identifying process improvements and subsequently building and implementing the applications and infrastructure. A third work stream focuses on stakeholders – reviewing stakeholders' profile, assessing stakeholders' change readiness, identifying stakeholder transition plan and subsequently implement the stakeholder transition.

Business Transition Programme Management is the methodology that ties all the different work streams, projects and components in business transaction for value together. Its focus spans across all six organisation components and ensures that they are well integrated during the 3-stage business transition.

While Business Transition Programme Management Methodology (BTPM) 607 provides the framework and methodology for managing the overall business transition, Project Management Methodology (PMM) provides the framework and methodology for project managers to plan, track and manage individual work streams or projects. PMM is applicable for the management of any project that consists of a sequence of activities having one goal that must be completed by a specific time, within budget and according to expected requirements.

Process-Oriented View (Activity Charts)

The present invention can also be understood with reference to a set of activity charts seen in Figure 13 to 19. During business transition, different considerations are made for each of the 6 components 110-115. However, though different, the business transition stages that each of the 6 components go through are similar. A process-oriented view of the details in these stages is provided in these Activity Charts 1 – 7. These activity charts define the set of activities that should be performed at each of the stages in the Business Transition for Value suite of methodologies.

In the detailed description of the activity charts, the objective for each activity is clearly defined coupled with a detailed description of what is to be performed and the expected deliverables for each activity. This provides a structured and systematic process to ensure that the present invention delivers consistent high quality results.

Each activity chart identifies the stage 300 and the activities to be performed for the stage 1300. The activity charts list the activities for each of the 6 components (vision 110, processes 111, application and infrastructure 112, stakeholders 113, facilities 114, policies and law 115) of the organisation.

The following sections describe the key activities that businesses and consultants need to go through:

Stage 1 **Define Value 301**

Objective Define the value that will be created through the desired business change. It includes:

- Reviewing the organisation's vision, mission and strategic objectives to provide a focus and direction for change
- Assessing current state
- Defining the value-based business blueprint
- Quantifying the business value
- Defining the business transition plan

Outcome:

- Outcome Focus – clarity of outcomes:
- Outcomes of the change clearly defined and aligned to the overall business vision, mission and strategic directions
- Clear understanding of the gaps between the current state and desired future state of the organisation
- Blueprint defined to provide a clear picture of the desired future state
- Time to Value – timeframe of change defined
- Stakeholder Centric – stakeholders identified and involvement strategies defined to encourage commitment to change
- Holistic Business Transition – holistic view of the business change required in each key component of the organisation
- Blueprint covers all components of the organisation
- Business transition plan – defines all the activities required to

implement the business change in each organisation component

- Business Value - desired business value as a result of the change quantified

Stage 1 **Phase 1: Review Vision, Mission & Strategic Objectives**

Refer to Activity Chart 1 referenced in Figure 13.

Objectives Understand the focus of the organisation and it's strategic direction and objectives

Activities The activities to be performed in this stage include gathering information from the customers:

- Understand the vision, mission, strategy and objectives for the organisation
- Understand the existing strategic direction, business challenges and priorities to determine the current constraints and important areas to focus on
- Define the objectives of the business change and the desired business value
- Review specific objectives, business principles, management philosophy, guiding principles, direction for each of the following organisation components:
    - Process – review and understand the expected process improvement objectives, outcomes, and performance measures
    - Applications & Infrastructure – review and understand ICT strategy and ICT architecture directions to determine the management's principles towards the use of proven and/ or

leading technologies

- Stakeholders – review and understand the HR mission, objectives and strategy
- Facilities – review and understand the management philosophies and business principles on facilities
- Policies & Law – review and understand the management philosophies and business principles on policies and law

- Assess if strategic direction is still relevant in today's context and recommend changes if not

Deliverable

- Strategic Business Review Report

Stage 1 **Phase 2: Understand Current State**

Refer to Activity Chart 2, referenced in figure 14.

Objectives

- Appreciate the current operating environment of the business in terms of the organization components defined in the Creation Model (as seen in Figure 1)
- Assess and identify business value and improvement opportunities

Activities

Conduct surveys/ interviews/ workshops/ brainstorming sessions with management and key users to:

<u>Processes</u>

- Assess current state of the organisation's business processes:
  - Identify and understand the current concept of operations & processes

- Identify the current process objectives, KPIs and purpose
- Map current processes using the Process Definition Document template
- Identify the current systems that support the identified processes
- Identify the process owners

- Assess current processes using Process Re-engineering for Value (PRV) framework and systematically review and challenge each identified process in terms of:
  - Reducing processing cost
  - Reducing processing time
  - Improving output quality (in terms of accuracy and to customers' requirements)

  Typical areas of focus for this review will include:
  - Low value added activities
  - Duplicated activities
  - Processing bottlenecks
  - Multiple hand-offs
  - Ineffective levels of delegation
  - Overly manual processing
  - Data re-entry

- Identify current bottlenecks, problems and performance gaps, challenges, redundancies and constraints in operating existing

processes

- Identify process business value/ improvement opportunities and requirements for improved organisation effectiveness, efficiency and agility
- Evaluate, prioritise and shortlist work processes for redesign
- Document current state assessment findings in the "Current State Assessment – Processes" report

Applications & Infrastructure

- Assess the current state of the organisation's applications and supporting ICT infrastructure
- Identify current internal systems
- Identify current external systems
- Identify ownership of the systems
- Identify processes that each system supports
- Identify information associated with each system
- Identify the supporting infrastructure (including hardware, software, and network)
- Assess current ICT landscape and challenges
- Document current state assessment finding in the "Current State Assessment – Application/ Infrastructure" report

Stakeholders

- Identify stakeholders using Strategic Value Network Framework

- Assess stakeholders' change readiness
- Assess HR related policies and procedures
- Assess change impact of changes in processes/ application/ infrastructure/ facilities/ policies and law to stakeholders
- Identify stakeholder transition requirements

Facilities

- Identify current facilities
- Assess conditions of existing facilities
- Identify facilities improvement opportunities and requirements to support new processes/ applications/ infrastructure

Policies & Law

- Identify the current business principles, policies and related laws
- Assess the constraints of existing policies and law
- Identify requirements for changes to new policies and law

Deliverables

- Current State Assessment Report:
- Process Definition Documents comprising the current process maps
- Current process performance level in terms of achievement of targets, indicators and process objectives;
- Process gaps & redundancies (Objective fulfilment gaps/redundancy, alignment, assumptions, constraints, bottlenecks)

- List of Business/ System/ Technical Applications
- Current ICT landscape
- Inventory of facilities and conditions relating to required business change
- Inventory of relating policies and law and constraints
- Potential business value/ improvement opportunities

Stage 1 **Phase 3: Define Value-based Business Blueprint**

Refer to Activity Chart 3, referenced in Figure 15.

Objectives

- Design the blueprint for business change
- Provide a holistic "big picture" of the desired end state for the organisation

Activities

Based on the requirements of change and improvement opportunities defined in stage 1, phase 2, a blueprint for the organisation will be defined. The consultants will work alongside the customers to facilitate the definition of the value-based blueprint using the Value Creation Model building blocks, BVM, PRV, STV, TTV, FIV, PLDC frameworks.

- Define the vision of the desired state and its desired outcomes
- Design and define the Process Blueprint by applying the PRV methodology and framework
    - Confirm process objectives and performance measures
    - Generate ideas and conduct research to incorporate into the design of the processes

- Design the selected processes based on the improvement opportunities and gaps identified to illustrate improved workflow and information flow

- Document "to be" process maps for the selected processes which include ascertaining roles & responsibilities of staff and defining the information flow/requirements between the various processes, ICT, facilities and resource requirements

- Define the Technology (ICT & Engineering)Transformation Blueprint by applying the TTV methodology and framework:

  - Consider the following policies, standards and guidelines

    - Government Network Policy
    - IT Security Policies and Standards
    - Desktop Security Policy
    - Firewall Security Policy
    - Infocomm Security Standards

  - Review the "to be" process maps defined to assess the key information flow

  - Define the Data and Information Architecture - for selected business processes, the information flow and the existing data model (with data dictionary) will be reviewed and gaps identified; the data dictionary of the new model will then be defined

  - Define the Application Architecture – by identifying the key ICT components that could facilitate and enable the processes more effectively and efficiently; the focus will be on the conceptual architecture and application

portfolio based on the business value. These applications are designed to support the inter-department business processes. The functional specification of selected application will then be defined

- Define the Solution Architecture - translates the requirements determined in the application architecture to implementable solution
- Define the Technical Architecture - recommending the relevant enabling technologies required to support the business processes identified
- Document any best practices that are suitable to guide the team who are responsible for building and modifying the system

- Define the Stakeholder Transition Blueprint by applying the STV methodology and framework
  - Define Stakeholder Development Plan
  - Define Transition Experience Plan
  - Define Communications Plan
  - Define Organisation/ HR Alignment Plan
  - Define Capability Development Plan
- Define Facilities (Intelligent Building) Blueprint by applying the FIV methodology and framework
- Define new policies and/ or law to support the business change

Deliverables Value-based Business Blueprint

- Vision of Desired State
- Process Blueprint
- Technology Blueprint
- Stakeholder Transition Blueprint
- Facilities (Intelligent Building) Blueprint
- New Policies & Law

Stage 1 **Phase 4: Quantify Business Value**

Refer to Activity Chart 4, referenced in figure 16.

Objective

- Quantify the business value that could be derived based on the defined blueprint

Activities

- Define the strategic value network by identifying all the stakeholder groups
- For each stakeholder group, identify:
    - the benefits that they will obtain from the business change (i.e. from the process/ applications/ infrastructure/ facilities improvements, stakeholder transition, new policies & law)
    - the costs (one time and recurring) they will incur for the business change
- For the whole strategic value network, identify the common benefits and costs
- Translate the benefits and costs (one time and recurring) into

dollar value

- State and agree assumptions used to define the dollar value of the benefits and costs
- Enter the values in the Business Value Template and calculate the Internal Rate of Return

Deliverables

- Benefits and cost items and assumptions
- Quantified business value

Stage 1 **Phase 5: Define Business Transition Plan**

Refer to Activity Chart 5, referenced in figure 17.

Objectives

- Determine the activities to be performed and the proposed schedule and responsibilities in order to implement the business change and move the organisation from its current state to the desired future state as defined in the blueprint

Activities

- Review the value-based business blueprint
- Assess the change impact to the business
- Define the implementation strategy and/or migration approach
- Define implementation activities, schedule and responsibilities
- Identify the risk factors and categorise them
- Assess the risks
- Define the risk mitigation plan

- Finalise the business transition plan

Deliverables

- Business Transition Plan
- Implementation/ migration strategy
- Responsibilities for implementing the change
- Resources required for transition
- Risk mitigation plan

Stage 2 **Realise value 302**

Refer to Activity Chart 6, referenced in figure 18.

Objective Create the value by implementing the business transition plan. It includes:

- Simulating and implementing the "to be" business processes
- Design, constructing, testing and deploying the new applications and/or infrastructure
- Helping the stakeholders to understand, accept and commit to the change
- Designing, constructing and implementing the new facilities
- Defining, validating and implementing the new policies and procedures

Outcome:

- Outcome Focus – kept focus and delivered the value-based business according to the defined value-based blueprint and transition plan

- Time to Value – business transition plan implemented on time
- Stakeholder Centric – stakeholders committed to the change and accepted the outcomes
- Holistic Business Transition – all organisation components impacted are managed successfully and changes are implemented according to the blueprint
- Business Value – on track to delivering the desired business value

Stage 2	**Phase 1: Define Detailed Requirements**
Objectives	• Review requirements and define detailed requirements
Activities	• Review value-based blueprint and change requirements • Define detailed requirements for: o Processes o Applications and Infrastructure design o Facilities o Policies & Law
Deliverables	• Detailed Requirements Specifications • Applications/ Infrastructure: Functional Specifications • Facilities Specifications
Stage 2	**Phase 2: Define Detailed Design**

Objectives

- Define Detailed Design

Activities

- Document processes and relating procedures
- Design new applications and infrastructure and document technical specifications
- Design facilities and document specifications
- Define and document detailed policies and law

Deliverables

- Design Specifications

Stage 2 **Phase 3: Develop Value-based Business**

Objectives

- Implement the value-based blueprint

Activities

Processes

- Simulate and refine to-be processes

Applications and Infrastructure

- Construct/ program/ build applications and/ or infrastructure
- Test applications and/or infrastructure

Stakeholders

- Develop stakeholders as change sponsors, agents and targets
- Implement transition experience initiatives to create positive experiences of change to stakeholders
- Execute communications plan to communicate to stakeholders and ensure understanding and commitment to change
- Align organisation structure and HR policies/ procedures to

ensure change is sustainable post-implementation

- Develop capability of stakeholders to equip them with the relevant skills and knowledge to perform in their new roles with new processes, applications/ infrastructure and in their new work environment (facilities)

Facilities

- Build and refine facilities

Polices & Law

- Align/ implement new policies and law

Deliverables

- Trialled and tested processes, applications and infrastructure, facilities, stakeholders

Stage 2 **Phase 4: Deploy**

Objectives

- Implement the value-based blueprint

Activities

Processes

- Rollout business processes

Applications and Infrastructure

- Implement new applications and infrastructure
- Support implementation

Stakeholders

- Deploy stakeholders to new roles
- Obtain feedback on stakeholder transition progress
- Monitor stakeholder transition plan and adjust plan accordingly

Facilities

- Rollout facilities

Polices & Law

- Rollout policies & law

Deliverables

- New business deployed:
    - Processes in place
    - Applications/ infrastructure ready for operations
    - Stakeholders trained and ready for operations
    - Facilities ready for operations
    - Policies and law in place

Stage 3 **Sustain Value 303**

Refer to Activity Chart 7, referenced in figure 19.

Objectives

Sustain the value continually monitor the performance of the newly implemented business change and rectifying performance gaps

It includes:

- Measuring the business value to determine if the target business value has been delivered
- Putting in place mechanisms to ensure that change is sustainable

Outcome

- Outcome Focus – Outcome realised
- Time to Value – Business change is sustainable over time

- Stakeholder Centric – stakeholders committed to the change
- Holistic Business Transition – all organisation components impacted are managed successfully and changes are sustainable
- Business Value – desired business value delivered

Activities

- Implement management processes and feedback mechanisms to maintain and control the new business operations

Processes

- Measure and manage new processes

Applications/ Infrastructure

- Measure and manage new ICT

Stakeholders

- Assess stakeholders and obtain feedback
- Rate commitment level and continually improve

Facilities

- Measure and manage new facilities

Polices and Law

- Measure and comply to new policies and procedures

Deliverables

- Business as usual:
  - Management processes in place
  - Feedback mechanisms in place
  - Management reports in place

Stages 1, 2, 3 **Business Transition Diagnostics Checkpoints (904-907)**

Objective Assess the readiness level of the organisation for change. It includes a review of:

- Business Value Factors – how well is the management/ transition team performance against the business value factors
- Individual Readiness – how ready is an individual stakeholder for the change
- Business Readiness – how ready is the business/ organisation for the change

Outcome:

- Outcomes – ensured focus on outcomes
- Time to Value – ensured time to value
- Stakeholder Centric – ensured stakeholders are managed
- Holistic Business Transition – ensured holistic management of business change
- Business Value – ensured delivery of business value
- Readiness level of individuals and organisations determined
- Transition gaps identified
- Recommendations for refinement of transition plan provided
- Business transition risks reduced
- Success rate of business change increased
- Additional costs for the business transition efforts avoided

Activities

- Identify list of stakeholders to be surveyed

- Send email to notify stakeholders of the diagnostics and provide link to the diagnostics web-site
- Stakeholders to access and complete the diagnostics from the web-site
- Generate statistics based on the responses provided by the stakeholders
- Analyse and interpret results
- Document findings and recommend improvement areas

The foregoing describes the invention including preferred forms thereof. Alterations and modifications as will be obvious to those skilled in the art are intended to be incorporated in the scope hereof as defined by the accompanying claims.

What is claimed is:

1. A method for managing business change said method providing assistance with change management, said method comprising the steps of:

quantifying the value of change;

identifying the organisation components affected by change;

measuring the organisation's readiness for change; and

providing a stage by stage guide to the transition, said guide linked to the change required.

2. A method for managing business change said method providing assistance with change management as claimed in claim 1 including:

identifying the desired business value to be achieved;

identifying the desired outcome in said business value;

identifying the time to deliver of said outcome; and

identifying the stakeholders in said outcome.

3. A method for managing business change said method providing assistance with change management as claimed in claim 1 wherein the organisation components include:

vision;

processes;

applications and infrastructure;

facilities;

stakeholders; and

policies and law.

4. A method for managing business change said method providing assistance with change management as claimed in any one of claims 1 to 3 wherein said stage by stage transition includes:

defining the value of change;

realising value from the change; and;

sustaining the value created by the change.

5. A method for managing business change said method providing assistance with change management as claimed in claim 4 wherein defining the value of change includes:

reviewing the business direction;

assessing the current business state;

defining the value-based business blueprint and strategic value network;

quantifying the business value of business change defined in the blueprint and strategic value network; and

defining a business transition plan.

6. A method for managing business change said method providing assistance with change management as claimed in claim 4 or claim 5 wherein realising value from the change includes:

defining detail change requirements;

developing value based design; and

deploying the business change based on said design.

7. A method for managing business change said method providing assistance with change management as claimed in any one of claims 4 to 6 wherein sustaining the value created by the change includes:

managing the operations of the new business; and

measuring said value.

8. A method for managing business change said method providing assistance with change management as claimed in any one of claims 1 to 7 wherein measuring the organisation readiness for change includes questing said stakeholders and assessing current state of organisation on said change.

9. A method for managing business change said method providing assistance with change management as claimed in claim 8 wherein said stakeholders are questioned using a computer based questioning suite.

10. A method for managing business change said method providing assistance with change management as claimed in claim 9 wherein said computer based questioning suite is web based.

11. A method for managing business change said method providing assistance with change management as claimed in any one of claims 1 to 10 wherein said method is targeted at one or more change focus, each said change focus being managed by a methodology selected from the group consisting of:

Business Value Management;

Process Re-engineering for Value;

Technology Transformation for Value;

Stakeholder Transition for Value;

Facilities Innovation for Value;

Policies & Law Definition and Compliance; and

Business Transition Programme Management.