

Business Transformation – a necessary urgent response to the current pandemic

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The case for change

The global Covid-19 pandemic was unexpected and closed some businesses for 4 months so far. UK GDP fell by 20% in March, which is unprecedented. There was a massive rise in unemployment, and additionally c. 9 million jobs, from 1.1 million different employers, have been furloughed. The rate of business failures was up 70% in March 2020 versus a year before, the first proof of the toll Covid-19 is taking on companies. Many small businesses and entrepreneurs will go bankrupt. It is also expected that market & consumer demand post lockdown will be much lower than before. And Brexit may well happen by the end of December, leading to further challenges. So, for many organisations the main issue is survival! Others may be able to take advantage of competitors' weaknesses, and a number of mergers and consolidations are anticipated in some sectors, but with the expected 'new normal' being vastly different from pre-pandemic conditions, most organisations will be forced by the market to re-evaluate their situation and competitiveness and manage their strategic and operational response.

Key questions keeping CEOs awake

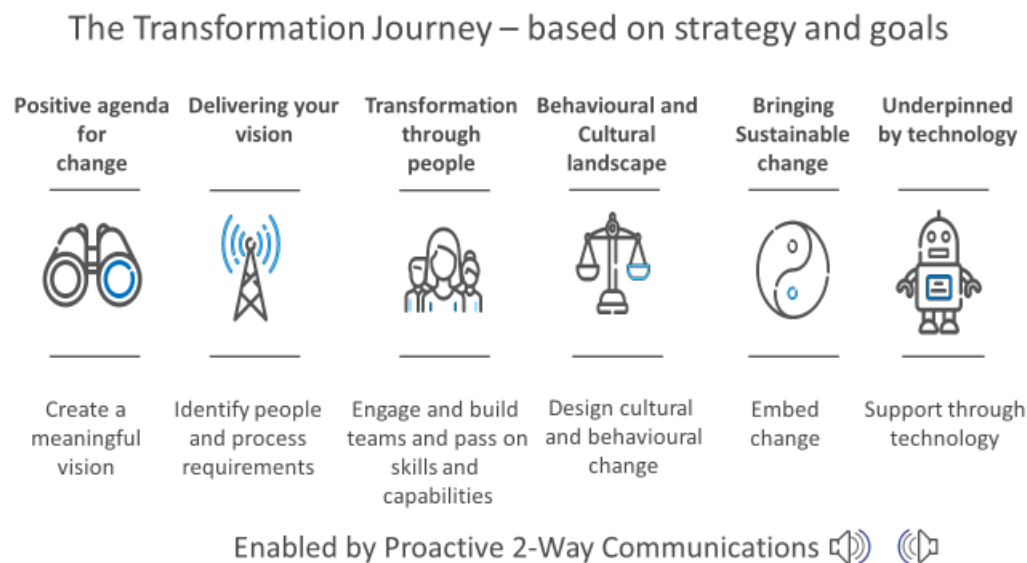
From research, these are the top questions that CEOs and Boards are grappling with now:

- Ensuring the organisation's survival, competitiveness, market positioning and right-sizing
- Protecting the organisation's financial strength and position, accelerating cost reduction and restructuring
- Building business resilience into operating models
- Developing new location/facilities and workforce strategies
- Preparing the organisation for Brexit at the end of 2020
- Increasing digital adoption and innovation to better serve customers
- Rebuilding and optimising the supply chain
- Ensuring the wellbeing and good mental health of all staff, and that the organisation acts ethically in all its dealings with stakeholders (including acting sustainably and environmentally friendly).



And these challenges require significant business transformation and change across the organisation, at a much more urgent pace than has been normal in UK industry.

The following picture shows our overriding principles and approach.



Creating and delivering a meaningful vision

Every organisation now has to review its vision, to see whether it is still appropriate as a strategic response to the above challenges. Often a new or revised vision will need to be created and agreed and then communicated and acted upon. This may require significant internal business change across the organisation.

We know it is important to engage with employees and other stakeholders both to help them see the bigger picture and to address the key business drivers. We believe that you can maximise the value of the solutions to the big questions by creating a meaningful vision and then creating a wider programme of change in which employee engagement brings ownership of the transformation. This implies a single change programme, no matter how many different solutions and projects it incorporates. It also ensures that your employees have the complete picture and can understand how different solutions form part of the whole change programme. This maintains a focus on the business challenges that enable the organisation to realise early business benefits.

Transformation through people

To achieve the vision the organisation must take ownership of any transformation programme and leadership of this starts at the top. Leaders must always be aligned with the programme, and prepared to craft and deliver agreed communication messages, especially when the going gets tough.

The employee engagement necessary is achieved through building a network of change champions drawn from the business and the utilisation of joint teams where we work together to create and deliver the vision. We understand the power of effective communications and we work with our clients to engage your teams and measure success.

We will partner with you and pass on the skills and capabilities necessary to deliver successful change where there are gaps. We enable this transfer through adopting a coaching approach as one of our transformation leadership skills.

Behavioural and cultural landscape

We see that the cultural aspect of change is fundamental to its success. The introduction and impact of something new, such as a new technology, will usually alter the business processes and ways of working.

This can often be stressful for employees, resulting in change resistance, and a fear of the unknown – especially when the market demands rapid organisational change.

Our approach to involvement and partnering helps to off-set some of these fears, as employees are helping to shape their own futures. Training and education programmes help to improve the adoption processes and again, this includes an element of coaching leaders and managers in new styles of working, motivation and engagement. This helps ensure the transformation is as rapid as the organisation can cope with.

Sustainable change

Our overall approach to change promotes sustainability. If an employee has been involved right from the start, understands the reasons why change is necessary, develops and implements the solution then the change is more likely to be sustainable and the transformation achieved.

Change also needs to be reflected in many of the policies and procedures, in the reward strategy and many of the overall people policies, if it is to be sustainable. Change needs to be supported by structure and reflected in the way the organisation works.

Another key, and often overlooked aspect of change, is the process necessary to ‘let people go.’ If retraining is not possible and severance is the only other option, then how this is planned and managed can have a lasting positive or negative impact on the organisation’s culture and the credibility of its leaders.

It is key to the success of this that the employees are treated fairly, with respect and dignity. Otherwise change and transformation within the organisation will always be treated with suspicion and is unlikely to ‘stick.’

It is also particularly important to address the possibility of ‘survivor syndrome’, the guilt sometimes felt by employees who retain jobs, if you want to improve performance and business results.

Underpinned by technology

Most of the change and transformation programmes are likely to be underpinned by technology as new technology such as Cloud, robotics and AI does, of course, lead to efficiencies and cost reduction. Our whole transformation approach focusses on people, process and technology and we field digital experts to work with you to bring about the change.

We work with you to understand the technology challenge, we develop lots of ideas and potential solutions and help you to choose the most appropriate ideas and solution for you, and then prototype, test and validate.

At all times, we will work in conjunction with the wider transformation programme to understand the impact on your employees and what that means in terms of tools, methodologies, training, and potential job losses and as a holistic programme there are fewer surprises and, in the partnership approach, your employees are already bought into the change.

Even so, technology is not always a ‘magic bullet’, and its implementation needs clear objectives, ROI, effective leadership, and user training.

Business success

With our experience of undertaking transformation programmes of this nature and delivering them through this partnership approach we have seen organisations driving real business success and delivering against the business case.

We believe that the transformation programme needs to be structured and properly governed and managed to bring about these successes. In the UK, many of these projects will need to deliver and show real changes and benefits by December, when UK is expected to leave the EU.

By embracing this journey, you can achieve sustainable change owned by you and your employees across the whole organisation.

By embracing this journey, organisations will find that.....



Leading to lasting and sustainable change

Positive agenda for change

We have an overriding philosophy that governs our approach to transformation and change – we will work collaboratively with you to achieve the change you need in the optimal way. The business change approach is an end to end collaborative methodology focusing on people, process, and technology, even when driving fast paced and significant change, which is designed to take your vision and strategy through to implementation and sustainability.

Conclusions

This global pandemic has stressed, damaged, or closed many organisations, and so it is imperative that leaders ensure that their organisations become stronger, more resilient, more agile, and more ready to face the post-lockdown market situation. The 'new normal' may well be quite different from the pre-virus situation and will challenge leaders to adapt and to shape/change/transform their organisations appropriately to survive and thrive.

Business is changing at a rapid pace due to business drivers built on the need to grow against the background of a renewed economic downturn. Organisations are driven to improve the customer journey, increase employee engagement, increase revenue and profit. They often turn to technology for the answers and use technology programmes to transform their businesses.

We believe that technology has a huge part to play in transforming organisations but only as part of a holistic transformation approach which involves and enables employees to take part in identifying and addressing the outcomes you need to achieve.

We know how to plan and manage 'normal' business transformation programmes of 1-2 years. We can also drive change much faster with the client to deliver positive ROI (and client survival / prospering) in accelerated timescales, using effective portfolio prioritisation and significant quick wins.

We would be happy to talk to you about your organisation and its drivers for change as well as help you to articulate the urgent outcomes you want to achieve as our proposition is that by working with you to drive through the benefits of the transformation journey you will achieve lasting and sustainable change.

Please contact Lindsay by email on: lindsay.murdoch@intaconsult.com and we will be happy to have a chat with you.