

Business Transformation 101

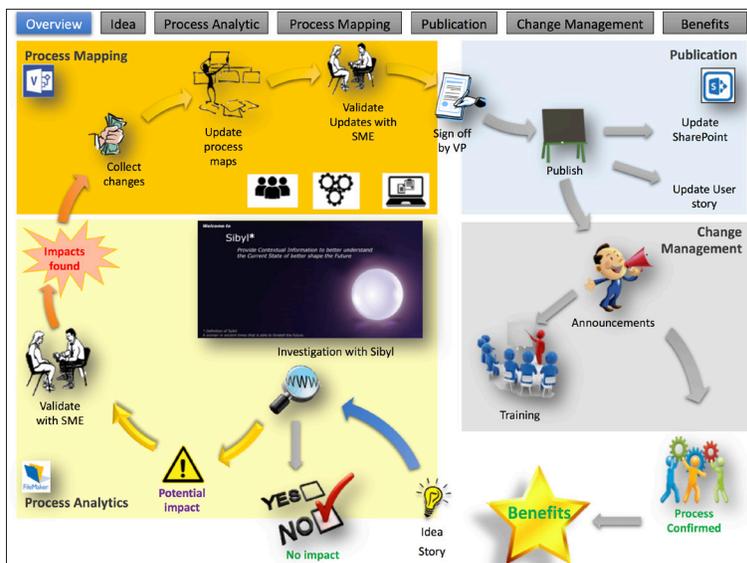
Translate strategic objectives into tangible operational results.

In an ever-changing environment, organizations are facing multiple emerging strategic challenges which are requiring various degrees of transformation at the operational level. Typically, these transformations are most likely impacting, with various intensities, the **People, Process** and/ or **Technology**. If applied with discipline and rigour, the following **5 simple methodology steps** have proven to deliver tangible operational results in short time frames for transformational projects of various importance.

Step 1. Documentation - Business Process Mapping Current State

The same way it is critical to have a **blue print** of **existing conditions** before engaging in a construction renovation project, the same applies before designing an organizational transformation.

Ensuring that all the stakeholders of an organization have a common understanding of business process ownership [*1 People*]; business rules associated with preventive or detectable control points [*2 Process*] and technological vehicles used to record structured vs unstructured data [*3 Technology*]. Participation of an organization's subject matter experts is critical to differentiate the official process from a current practice. Finally, documentation of key pain points is also essential to further enrich the process analytical activities [*Step 3*].



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continued



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Step 2. Ownership, Key Operational Metric and Change Management – Early Engagement

Impact on **People** is the most critical consideration and early engagement of subject matter experts and process owners is essential. This step cannot be skipped, therefore identification of business process owner(s) is paramount to obtain their sign-off on the current state of their business process before engaging in any transformation. Also, identification of operational **quantitative** and **qualitative key performance indicators** constitute a baseline that will be useful to measure the impact once the transformation is completed. From a change management perspective, this step is also important to engage key stakeholders early in a transformational initiative.

Step 3. Process Analytics – Assess Impact and Opportunity of Proposed Changes

To assess the potential impact of any proposed strategic or operational change, process analytics is required to better assess the **potential intensity of change**. In the event that inter-dependencies with other existing business processes have been found, then adequate mitigation measures must be taken to reduce the risk of interference.

Step 4. Simulation or Prototyping Exercise – Validate Solution

Depending on the nature of the transformation, a **simulation** or **prototyping** exercise is beneficial to validate if the proposed solution would effectively and efficiently achieve the strategic and operational objectives that were initially identified. A **negative result** would permit **corrective actions** that are generally less costly than at a later date. These simulations and/or prototyping exercises are also another opportunity to engage in change management sessions.

Step 5. Control Deployment and Benefit Realization Benefit – Business Process Map Documentation Update

To facilitate any transition, communication is a key success factor. An updated documentation of the business process and supporting documentation will facilitate this communication. Finally, after a reasonable stabilization period, benefit **realization** can be measured **against** operational quantitative and qualitative **key performance indicators** previously identified.

Meet our Subject Matter Expert – Francis Pelletier | MBA | CIA | CCSA | OAA



Since 2005, Francis has been providing consulting services to senior management of organizations such as University of Ottawa, Bell Canada, Export Development Canada and multiple federal departments such as Public Works and Government Services Canada. The scope of these mandates covers Business Transformation, Risk Assessment, Project Management, Process Mapping, Internal Control and Quality Assurance Reviews involving large IT initiatives that typically encompass Financial, HR, Payroll and Procurement activities.

Francis' 25-year career demonstrates a solid ability to quickly understand business processes and environment and systems integration to resolve complex issues by creating innovative solutions leading to new processes. He rapidly adapts to a variety of challenging environments and exhibits perseverance with a strong capacity to engage, motivate and lead multi-disciplinary professional teams.

Case Study | Export Development Canada

Structured and Project Finance – Business Process Map Documentation Update

Structured and Project Finance is designed specifically for limited recourse financing of long-term, capital intensive projects. Structured and Project Finance teams finance the world's most challenging projects that can involve billions of dollars on the line and multiple parties. The main objective of financing a project and structured transaction is the benefit to Canadian exporters.



Over a 9-month period, a productivity platform named POLARIS was conceptualized and implemented to support Structured and Finance team members in their underwriting activities. This platform facilitated the collaboration and the application of standardized procedures. It's providing contextual on-line guidance which is based on a team's knowledge catalogue covering the entire underwriting and asset management processes. To ensure a coherent application of the business process, this solution is also designed to operate in tandem with Standard and Poor's risk rating model. In a systematic manner, POLARIS is formalizing and standardizing the quality and efficiency of the due diligence activities during the entire life cycle of a loan.

The two main challenges of this mandate were to structure data which had initially been decentralized in an unstructured fashion and to facilitate the integration of a systematic risk-rating methodology to simplify and strengthen the audit trail through a risk scorecard matrix.

This mandate was successfully delivered with the application of the 5-step methodology described in this white paper.



**If you are interested in learning more about Business Transformation 101
please email Heather Buchan at hbuchan@therightdoor.ca.**



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100 Gloucester Street, Suite 401, Ottawa, ON K2P 0A4 T 613.627.2158
M 613.447.5505 hbuchan@therightdoor.ca www.therightdoor.ca