

Delivering Successful Solutions in a Complex Business Environment – It Is All About People

Microsoft Services Organisation is well known for using innovation and deep technical skills to build and deploy cutting edge solutions. Less well known is its extensive experience of working with people at all levels to understand the requirements of business change, which is essential for successful implementation of those new systems.

Executive Summary

New technology must be accompanied not just by changes in processes and procedures, but also by a shift in culture and people's attitudes. Enabling business change is not about putting in new IT systems. New systems will bring no benefits to the organisation unless people manage the business differently. And this will not happen unless people affected by the change embrace it.

Change can only start at the top, so the first step is for the board to articulate a clear understanding of what the organisation is trying to achieve, how it is going to achieve it and what impact that will have on its business operations. This should be reflected in a clear and concise long-term strategy document and communicated to all employees.

The technology implications of the business strategy should then be considered by a joint team of IT literate business people and IT people who understand the business, business change and how technology can support it. This team of people is tasked with creating innovative ways to use technology to support business change, achieve the organisation's goals and solve the business problems that must be overcome to achieve the strategy. This will ensure that the resulting IT strategy, which is not just the responsibility of the IT department, is fully aligned with the business strategy.

Systems that emerge from the IT strategy must involve critical users at a very early stage. An application development workshop will allow them to brainstorm what the new process could achieve and identify existing problems that it must solve. People on the ground are very familiar with the issues and understand how things could be done better. Given the space to think creatively and without limits, they will produce imaginative solutions that software can help to implement.

However, they must be encouraged to think in terms of an abstract vision of what a system could do, rather than limit themselves to thinking about current solutions. Expert technologists must use their input to create innovative system designs. Otherwise, the replacement for a 'green screen' will simply be a better green screen!

People should also play a major role in the build phase, giving input into how the process should be operated to improve usability, productivity, and customer service. A successful solution must be user-friendly, not just for users but also for the IT support staff who must ensure that it is always available.

Delivering successful solutions in a complex business environment is about providing the tools to enable business change. Microsoft has some great technology that will help organisations to achieve their objectives and that is flexible enough to change and grow with the business, but only if people at all levels are put at the centre of the solution. They know the business and they are the ones who have to bring about change by doing business better.

Foreword

It is all about people.

Large businesses are under increasing pressure to be more competitive. They want to gain advantage in terms of increasing market share over their rivals, customer satisfaction levels, and ultimately increase their top-line turnover and bottom-line profitability.

Innovation, along with flexibility, agility, and best practice have become the watchwords of business strategy in a world of increased competition and muted financial markets. In an environment where opportunities are hard to come by and threats are plentiful, only the fastest, smartest, and most nimble companies will survive. For large companies with thousands of employees in multiple geographies this can prove a challenge as being fast, smart, and nimble are some of the hardest characteristics for these companies to demonstrate.

But business innovation is often mistaken for invention. Innovation is not necessarily about new products and services, hiring the most creative employees, or completely reengineering your business strategy. Through the use of collaborative and communications technologies, being innovative is about changing the way that the people in organisations work—whether in the office, on the road, or at home. It is also about how those employees work across teams, departments, and even geographies to share business critical information, skills, and knowledge so the best people are put in the best positions and use the best technological tools to make the best business decisions. It is about how people within companies can become quicker, smarter, and more targeted at grasping opportunities.

I am pleased to introduce this white paper that takes some of these themes of innovation and collaboration to highlight the importance of people to large businesses. IT is only a tool, but the way that employees—from the most senior director to the most junior administrative assistant—implement and use it is where the value in that tool lies. So, when a board of directors decides on an IT strategy it should do so with the requirements and skills of the users of that IT in mind. Likewise, the armies of people working in large businesses—who are the ultimate customers of business IT—should be encouraged to use technology to share information, develop virtual teams, and communicate with each other. This will help ensure that the IT they are using is right for their needs and allows for streamlined processes and effective decision making.

In turn, it is the duty of the software and hardware vendors to ensure that their technology is secure, robust, and well supported. In the case of Microsoft Services Organisation, it is also our duty to share the knowledge and experience of our employees to provide the best consultancy, as well as technology, to our customers.

You can have the most expensive systems in an organisation, but if they are implemented without employees in mind, or used inefficiently (or not at all) by staff, then the billions of pounds spent on business IT every year will be wasted.

Only by empowering people and sharing knowledge through IT will large companies be able to take advantage of business opportunities with an agility that belies their size. Think about people first and value-generating IT will follow.

Innovate—make your people business ready.

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Introduction

In the high pressure modern world, successful private and public sector organisations must constantly strive to achieve and maintain competitive advantage. With status quo no longer acceptable, they face constant change. This means that they must constantly review their strategy and continually innovate to improve their business processes.

In the digital era, these changes are entirely dependent upon information technology. New and better ways of using the latest technology enable innovative new business process to be built. These create a competitive advantage for some time, but in time the competition will catch up. The goal is to stay ahead.

However, business change and competitive advantage are not created just by putting in new IT systems. The benefits to the organisation are only realised when people use those systems to manage the business more efficiently and effectively and to satisfy customers even more.

New technology must be accompanied by changes in the processes and procedures that surround them. However, more importantly, they must be accompanied by a shift in culture of the organisation and in people's attitudes. Critical for success is ensuring that change is embraced by all the people affected by it.

It is people who make the business operate differently and realise the benefits. They know the business and they are the ones that have to implement change, so it will only happen if they are willing to embrace it. The latest technology will only be successful if these people are put at the centre of the solution.

However, changing culture, people's attitudes, and working practices takes longer than it does to build a new system. This means that long before a new system can be deployed, management must carefully plan the change, taking into account the whole lifecycle of new systems and processes (see figure 1).

Firstly, they must align business and IT plans so that they can focus on the highest priority projects. They must then prepare the organisation for the changes that will be introduced. Only then will the organisation be ready to build a flexible solution and put it into operation.

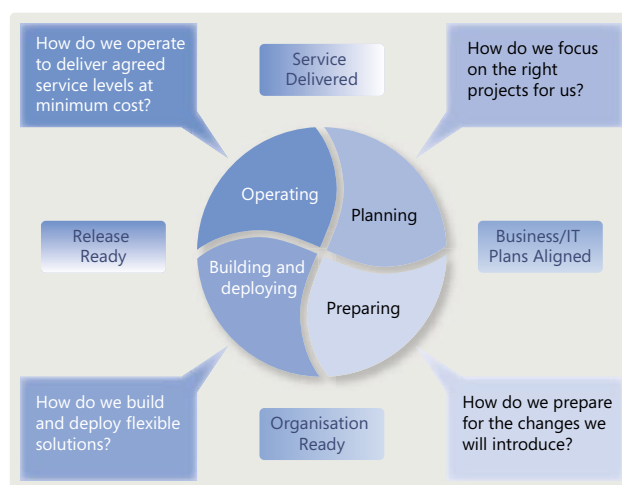


Figure 1

As the process unfolds, it involves working closely with four different groups of stakeholders:

1. **The board and management team**
2. **The IT function**
3. **Partners**
4. **Users**

The Board and Management Team

Change can only be achieved successfully if it starts at the top, so the first step in planning is for the board to have agreed a clear strategy. It must agree what the organisation is trying to achieve, how it is going to achieve these goals, and what impact the strategy will have on its business operations. This should be reflected in a clear and concise long-term strategy that can be communicated to staff in a meaningful way.

The impact will be expressed at a high level, such as quicker response to changes in consumer demand, reduced time to market for new products, lower design costs, increased customer satisfaction, and so on. The board's role is to energise change, not to impose it. Board members will leave senior management to drive the change that results.

They will not be concerned with technology at this stage. Indeed, many boards have a preconceived notion that the IT aspects of this change will be delivered late, will overrun their costs, and will not meet the original requirements. Their main requirement will be that change is delivered on time, within budget, and with the lowest risk.

However, unless they communicate a clear strategy against which to develop and prioritise plans, any new system has no criteria for success. It cannot bring about change and will not meet these three key requirements.

It is important that when detailed plans are developed to implement the board's required change, that managers clearly communicate back to the board a shared vision of how the new systems will improve the business at an acceptable risk.

IT Strategy

The technology implications of the business strategy should then be considered by a joint team of business and IT people. The business people chosen must be those with some understanding of IT and how it can contribute to and support competitive advantage. The IT people chosen must have an overall understanding of the business. They must also understand the process of business change and how technology can support it.

This team is tasked with creating innovative ways to use technology to support the business change set out in the overall strategy, in order to achieve the organisation's goals and solve the business problems that must be overcome. The team must develop the strategy jointly, so that it is not just the responsibility of the IT department. This will ensure that the resulting IT strategy is fully aligned with the business strategy and the organisation's objectives.

Many people talk glibly about 'the need to align the business strategy with the IT strategy,' but it is actually quite difficult to achieve. The two groups of people developing the IT strategy have very different backgrounds, but must work together using their broad set of skills. They must develop a shared vision of how technology can be used innovatively to support the business change required by the business strategy.

This can only be achieved if they really do understand what the business is trying to achieve and how it is going to achieve it. Only then can they consider what impact that will have on future business processes and the IT systems that support them. This only happens if they think in the broadest business terms, such as new product offerings, radical ways of working, creative location and configuration of premises, or the human resources implications of the overall strategy. If they do this, the technology implications will flow naturally as an output from the business planning.

In practice, it can be difficult for team members to think strategically. There can be quite a distance between an overall business objective and a tangible IT output. IT staff on the team may have to accept that the business strategy may not lead to discrete major projects. Rather, the required outcome could be a change of approach in the use of technology, leading to a series of smaller co-ordinated projects that each contributes to the overall change required.

For instance, the organisation must think carefully about whether any desired changes should be delivered globally or nationally. Some change programmes, such as enhancing the organisation's ability to manage its knowledge, are best imposed enterprise-wide through a single overall standard solution. Others, such as improved financial reporting, may be best implemented nationally, by making the necessary changes to diverse financial systems that each meet specific local requirements. Each approach requires a different set of IT thinking.

IT Function

Little effective change can be achieved without the support of staff in the IT department. Forward thinking organisations have split their IT departments into two—development and operations. The development staff are focussed on achieving change through the introduction of new systems. In contrast, the operations staff are tasked with achieving the maximum availability of business systems by minimising risk, as well as minimising the cost of supporting them.

However, many IT organisations still reflect a more traditional organisational structure that is based around the technologies they support. This often leads to preconceived prejudices, based upon the specialist set of skills in which each group has invested considerable time and money and upon the limited technologies and processes with which they are familiar.

Each group focuses in on maintaining existing systems so as to ensure maximum availability, as well as to enhance current processes. They are naturally risk averse and mitigate disruption to the business by making only small incremental changes that are as limited in scope as possible.

They are dealing with systems that may have been in use for 20 years, so their group may have no experience of making major changes. They have lived with processes that have grown up over a long time to solve a set of problems that may no longer be appropriate in the current business climate.

In their mind, change is necessarily limited to the set of technologies and processes they are comfortable with, as this will minimise risk. These technologies will have proved their reliability and existing skills will be easily available. While that reduces the risk of disrupting existing business processes, it will also minimise benefits and will not take the business forward to the next level of performance that is needed to achieve its objectives.

To overcome this, they must be fully involved in the planning process. They must be encouraged to think in terms of the benefits and opportunities for business change that newer more creative ways of thinking and innovative new technology can bring. This cannot be achieved by further small incremental enhancements to the old systems. They must be encouraged to grasp the personal advantages of undertaking training in order to acquire new skills. Most of all, they must be taught that it is possible to make radical changes without disrupting the existing business.

Many organisations have relegated their IT staff into silos, so they are the least connected to the real shared business vision. They must be given confidence in their ability to embrace different practices as part of the change process.

Partners

Most organisations have an IT ecosystem of partners, including suppliers, resellers, value added resellers, consultants, managed service providers, and outsourcing contractors.

This situation arises because a combination of internal and external skills and resources best ensures successful delivery and support of the organisation's IT infrastructure.

This fragile ecosystem has usually been built up over many years of tortuous negotiations. They are often based on a complex set of interlocking service level agreements.

Each partner was chosen because it has a good reputation in the organisation's sector and fully understands its business — and these reasons still remain valid. They will have developed some very strong relationships, so it is important to work with these partners and involve them in the change process.

However, the change process often exposes their weaknesses. They can often be very focused on the penalty clauses that could be invoked if new systems disrupt existing systems. Even worse, new technology could be based on a new platform that the partner is not comfortable with. They will often propose alternative solutions that are based on their existing skills and are lower risk.

The biggest challenge is to move them away from being contractually focused to being solution focused. They must be encouraged to look at what the technology can deliver. In a complex business environment, existing contracts cannot be allowed to come in the way of change. In a close relationship, if the partner's first thought is to refer to the contract rather than solving the problem, then it is not really a partnership and it cannot be expected to deliver significant value.

In order to overcome any defensiveness, it is important for them to see change as creating an opportunity for them to take a new direction. It is important for the organisation to understand and address their problems, which concern practical issues around experience, process, and people that are geared around one set of technologies.

The change programme must embrace the entire extended service delivery network. It is important to build on existing relationships, rather than losing partners with a proven track record of customer care. It is important to retain these partners and ensure that they can support the infrastructure that underlies the new business processes during the operational phase that follows the change programme.

They must be encouraged to extend their business skills to a new platform. They must understand that it is not about comparing one technology platform with another, but about the ability of a new platform to support the level of innovation that the organisation requires. Their contracts must be rebuilt around the new system to avoid them constantly returning to their existing contractual framework.

Users

Design

The biggest challenge faced by the change process is to make new technology usable by people who are not technologists. This means that technologists must take a user-centric approach to designing and building the new system.

The people who use the systems to operate business processes are very familiar with the problems and usually have ideas about how things could be done better. Unfortunately, many organisations use a traditional 'waterfall' methodology for systems design. They tend to talk to managers and supervisors to establish the user requirements on behalf of all users in their department. And they do this early on, before technology can be demonstrated, which misses the opportunity for 'live' creativity to play its part in the development process.

It is much better to conduct application development workshops with the users themselves, who will be the change programme's ultimate customers. This will allow technologists to identify existing problems that any new system must solve. Because the end user is not a technologist, the project team members avoid being threatening and must engage with them at their level to understand the issues that concern them.

These workshops will also allow them to brainstorm what the new process could achieve. However, the discussion should be kept very much at the conceptual level. If users are allowed to get into detailed design issues they will be constrained by their knowledge of existing systems. They must not be allowed to design a better green screen, when a totally new approach will transform their efficiency and effectiveness.

They must be encouraged to think in terms of an abstract vision of what a system could do, rather than limit themselves to thinking about current systems. The challenge is to get information out of them in a way that can be used by technologists in the design process. Given the space to think creatively and without limits, they will often produce imaginative solutions. Expert technologists can then use their input to create innovative system designs that implement their ideas.

A user-oriented approach must be maintained throughout the design process in order to make the system usable and useful to them. Technologists must sit with them and observe as they use their existing systems in order to identify problems and opportunities.

It is important that the whole process puts them at their ease and helps them to see change as a positive experience. They will be relatively easy to deal with if they understand that the change programme and the new system will deliver benefits at no cost to them. The only exception will be risk-averse employees who resist all change.

Build

Users should also play a major role in the build phase, so the technologists must work collaboratively with them and their managers on a daily basis, rather than just letting them review the completed system.

Technologists must watch them using mock-ups of the proposed new system to test its critical usability features. Similarly, they must be given prototypes to try. These are small parts of the system being built, often populated with limited data. They are essential for providing early testing of the usability of the final system.

Towards the end of the build phase there will be limited time and resources left to meet the project objectives, so the remaining activities must be prioritised. Users' input is invaluable, because technologists could easily make decisions based upon technology or the ease or speed of solving the problem. Informed business decisions must be made by people who know how the business process works and what is critical and what is not critical.

These activities will also give input into how the process should best be operated. It is important during the build phase to think about the operational phase of the system. A successful business solution must be user-friendly, not just for users, but also for the IT support staff who must ensure that it is always available. This will help to improve usability, productivity, and customer service.

Operational support staff must also be included in the overall change process. They are just another group of users and the system must be friendly, helpful, and informative for them.

At the same time, the system must contribute to the overall agility of the business. It must be flexible enough to change and grow with the business, but that can only happen if people at all levels are put at the centre of the solution. They know the business and they are the ones who have to bring about change by doing business better.

Operate

The best technology and the best designed systems will not support the required change unless they are reliable, available, supportable, and manageable. It must have been designed and built to be deployable. It should not require excessive investment in new servers or software, which will only add to the support burden.

The new system should be supportable by the existing IT staff, after any necessary retraining. This is best achieved by involving support staff in early review of the proposed system and then in early testing. This will help to design out operational and support problems at an early stage.

Microsoft Services Organisation

Microsoft Services Organisation has extensive experience of delivering successful solutions in a complex business environment. It does not come in at board level to advise on strategy and objectives. Rather, its experience and skills are in working with users and technologists to help implement the change that is required to achieve that strategy, especially when current systems and technologies cannot effectively support further change. Microsoft Services Organisation doesn't drive business change; rather it enables it through innovation, deep technical skills, and a people-centric approach.

Its consultants start by understanding the business, working with users to create new ways to solve particular business problems, helping to architect solutions, and working with people at all levels to deliver and implement them. It executes in a full partnership with its clients, and its clients' partners, working together to achieve change. Having delivered a successful solution, it stays with the business to support change where it is needed.

Innovation

Microsoft Services Organisation has a lot of business experience. It is staffed by talented consultants with a business background. They don't just solve technical problems, but create and build systems that are used by people to solve business problems. They do this by innovating new processes that exploit the latest technology to be more customer-centric, efficient, and effective.

The consultants specialise in 'the art of the possible.' Given a clear business plan, they create innovative ways to turn business needs into deliverable solutions. They draw together a breadth of experience from numerous industries and technologies to understand the business change and consider the options for delivering it. They are able to link that thought process through to the organisation's existing IT infrastructure, because they are all passionate believers in the importance of good execution.

There is no point in turning green screens into better green screens. The consultants help their clients to open up their thoughts and dramatically shift their thinking. They turn "if only we could..." into "we can!"

Deep technical skills

Microsoft consultants have deep technical skills because of their exceptional knowledge of Microsoft's own software products. They are very skilled and experienced at integrating different products to create deliverable solutions. They bring real experience of working in challenging environments to help people get the best out of their Microsoft software.

Those skills stretch to the support that Microsoft provides for its products and the way they work with customers to resolve issues.

Partners

Microsoft Services Organisation usually works closely with partners. This includes bringing in Microsoft's own partners with specific expertise, as necessary, to help build the solution. Microsoft retains sole responsibility for the work, but harnesses whatever expertise is needed for a successful solution.

Microsoft also works with the organisation's own partners, to harness their knowledge and skills and to improve their capability. In reality, the organisation's partners are frequently Microsoft partners as well.

If the customer desires it, these partners can remain to support the system for the rest of its life. This enables the organisation to get the most value out of its investment in its IT infrastructure and partner relationships.

Microsoft consultants are skilled at working through these existing relationships to ensure that change can be introduced without disrupting existing systems and does not compete with existing long-term relationships. However, it is often important for it to act as a change agent to work through the partners' problems and concerns discussed earlier.

Involvement

Microsoft's partnerships with clients typically last between three to six months. It would only be longer if it involved a discrete set of iterative releases of a new system.

Its strength is to deliver successful business change to the organisation and then transfer responsibility for operating the solution to the customer. The main objective of Microsoft Services Organisation is to prove how Microsoft's technologies can provide innovative business solutions that are a source of sustained competitive advantage.

Risk

The needs of an organisation under competitive pressure require high returns, which are often associated with higher risk. The more an organisation seeks to maximise the impact of its business processes, the more it ventures into new territories. This new ground is inherently uncertain and subject to change, as exploration and experimentation results in new solutions. Without planning, uncertainty and change can increase risk.

The risk of deploying a new technology may be higher than that for tried and tested solutions. However, a new use of an old technology may also increase risk, as it can stretch software in a way never envisaged by its product development group. Microsoft Services Organisation helps to manage the risk by demonstrating its balance against the value of business benefits associated with the new technology.

Its consultants' deep knowledge of the new technology being deployed helps to mitigate the risk considerably, along with their ability to quickly refer to a global knowledge base and back to development groups. However, it is their ability to bring about change through people that contributes most to risk reduction.

Conclusion

Microsoft Services Organisation understands the differing needs of the four main stakeholder groups—business managers, IT function, partners, and users. Its consultants have the experience to draw them all successfully into the change process and to address their different concerns.

Its consultants have built innovative systems that people are using successfully to achieve competitive advantage. Although it takes time to build such a solution, it takes longer to prepare the organisation and the people who will make it successful. Planning and preparation for change must start long before a new system can be designed.

To find out more about how Microsoft Services Organisation can help you to deliver successful solutions in a complex business environment, visit www.microsoft.com/uk/services or email the Microsoft Services Organisation team at ukcons@microsoft.com

For More Information

To find out more about Microsoft Services Organisation, please visit www.microsoft.com/uk/services or email the Microsoft Services Organisation team at ukcons@microsoft.com

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