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# **FOUR TENETS FOR SUCCESSFUL TECHNOLOGY TRANSFORMATION**

**BY V. RAMKUMAR,  
IBS RESEARCH THOUGHT LEADER**

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## THE FIRST RULE FOR SUCCESSFUL TECHNOLOGY TRANSFORMATION IS UNDERSTANDING THE NEED AND NATURE OF THE CHANGE.

Large technology transformations always come with a set of expectations. The ideal projects that succeed in delivering maximum value are those that get executed in the expected timeframe, within defined budgets, and more importantly meet the business's requirements. Simple as it may sound, the complexity can be appreciated by just looking at how many such projects get delivered.

The biggest challenge in change management is in comprehending the change itself. While people are expected to resist change, in most circumstances, the reality is that the quantum and quality of large technology transformations is not fully appreciated till the enormity daunts - and that is usually much later, after embarking on the journey.

Having assisted more than 20 banks in the region through large core banking transformations and having successfully managed technology integrations of multiple bank mergers, Cedar Management is sharing the four tenets that are essential to making a successful technology programme delivery.

### TENET 1: SET EXPECTATIONS AT THE OUTSET

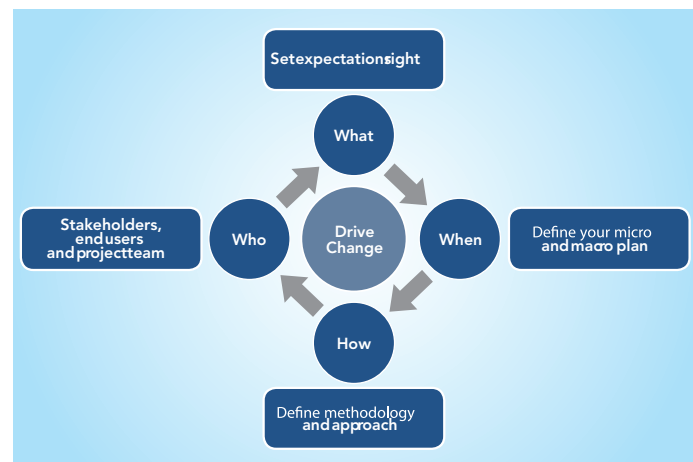
The most important aspect of a large programme is not in its execution, yet almost always in its communication. Just having a 2000 line Microsoft Project plan, will not do. Knowing your goal post is one thing and ensuring it is the same

goal post for all stakeholders is another. Therefore, a common qualification of end objective becomes important. A very clear articulation of what the programme will entail - what involvement is expected from whom, how much time will be required, what operational impact will be felt during such period, what the key milestones are - all of these matter.

Most transformation programmes are triggered due to a primary underlying need: either the current platform is outdated, or out of support and needs an overhauling. However, that is not reason enough to drive ownership. Putting in that extra effort to make stakeholders aware of the benefits - customer impact, simplified processes or operational efficiency is critical. Even more important is to clarify any misplaced expectations and being transparent on what is 'not' in the scope of transformation. This avoids much dissonance later.

### TENET 2: CLARITY ON WHAT, WHEN, HOW AND WHO

While having a project plan and end objectives is the first step to driving a transformational change, it is also equally important to define the timelines, how this will be delivered, and by whom. The more clarity on how each activity of the





programme will be executed, the higher the likelihood of ensuring it gets done. The devil is in the detail, and having visibility on each of the building blocks.

Each of the building blocks of the programme need to be well thought through and deconstructed to a point where it becomes easy for anyone to understand what is planned to be done, how will it be done, what are the pre-requisites, when it is scheduled to be executed, who will play what role in such execution and what is the exit-criteria for the activity.

### **TENET 3: BUILD RIGHT GOVERNANCE TO DRIVE OWNERSHIP**

Ownership levels gain momentum when participation levels are increased. This is not only true at an operational level, but even more so at the leadership and board level. Having a steering council that includes members of all business unit heads, and having a direct and visible sponsorship by the CEO becomes a very important success factor, especially when implementations involve multimillion dollar transformations. i.e. what is important to a boss is important to the organisation. Management buying plays a very critical role for the organisation to embrace change and responsibility lies at the top.

Driving the right governance structure brings three key benefits:

- a) Keep all stakeholders up-to-date on what's going on, what is expected and pre-empting any disappointments later. While good news takes the stairs, bad news takes the elevator.
- b) Seek timely decisions and interventions. Have a governing body that can help in deciding on key matters of the programme, approving any variations to the plan on a timely basis. A stitch in time does save nine.

- c) Facilitate enhanced participation. Business participation becomes a key bottleneck in most technology assignments - it's always a tight balance between business-as-usual requirements and long-term programme requirements. Having an active steering council facilitates timely stakeholder interventions.

A good frequency for steering council meetings is typically once a month. This gives the right space for having a meaningful update, and also helps provide directions and preemptive measures on a timely basis.

In addition to the steering council, it is generally recommended to have an operational working group constituting the execution team that meets more frequently for operational decisions, and also engage business and technology teams on a collective, active forum. Third party vendors engaged in the programme are required to be fully participative too.

Where there is a direct benefit to businesses and they can see an impetus to their revenue it is easy to get ownership. It becomes more challenging when it is a change like core, which is driven by strategy and vision, and hence needs board level ownership”

### **TENET 4: CELEBRATE SUCCESS**

Focus is usually more on areas of issues that need a fix, than so much on areas that have been delivered well. Challenges and risks always get more management focus and mindshare than success does. Equally, if not more critical is that we pause to celebrate every cause that was successful in a large transformation engagement. The benefits are two-fold

- a) It sends a very positive message across the project team and the stakeholders that progress is monitored and appreciated. People respond more to what is inspected, than to what is expected!



b) It helps to have a balanced view on what is done, and what remains to be done. The climb gets steeper as one nears the peak, and having a sense of how much has been done is very important for the team to rise up to the occasion.

So how do you know if the tenets are indeed working? Quite simple. Remember, it's not the pat on the back, but the noise of dissatisfaction that is always generally the loudest. When you have all key stakeholders aware of what's going on, and are bought-in on your decisions, when the original plan, timelines and methodology are broadly holding good throughout the execution, when there is enough ownership to drive participation and the success thus far is celebrated well to motivate the team, you can be fairly assured that you are on the right track. If not, then you may need to go back to the first line and start reading this carefully again.

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