



Three Process and System Stumbling Blocks Impeding Business Transformation

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With today's businesses increasingly grappling with oversaturated markets, a fierce competitive landscape and competing organizational responsibilities, it's perhaps not all that surprising that priorities like "growth" and "transformation" routinely top the list of core focus areas for business line unit leaders.



Earlier this year, Gartner validated this mentality, stating that growth is the No. 1 priority for CEOs in 2017, up from 42 percent in 2016 to [58 percent this year](#). The second top priority? IT-related initiatives, with 31 percent of CEOs centered on bringing digital transformation to their business—an all-time high in the history of the CEO survey.

But with organizational leaders committed to driving growth—and leveraging technology as a critical component to do so—why do so many companies still operate in environments replete with incomplete processes and broken systems? What’s more, why do companies allow their business to continue “as is” when continuing as is doesn’t allow leaders to move the needle forward?

“Market research and leading analysts paint a picture of business line unit leaders prioritizing growth, transformation and innovation above all else—leveraging the right people, processes and technology to

expedite the path to evolution,” says Trilix CEO and Founder Tim Herbert. “But we know that’s only half the story.”

“The reality is that while we business leaders often recognize the change that needs to be brought into our organizations, we can’t get out of our own way,” he adds. “Instead of leveraging proven, robust workflows and innovative technologies to pave the way toward positive business outcomes, we allow archaic, siloed and inefficient processes and systems to become our norm. And though we may desire to have great growth and transformation, we are not reinvesting back into the business to make sure that is a possibility.”

With technology evolving at a breakneck pace, and organizational challenges seemingly changing by the week, let’s take a look at the top challenges that can get in the way of desired transformation.

1

Organizational Waste

With many businesses operating still-tight budgets and reduced employee counts, there remains laser focus on productivity, profitability and efficiency. Yet, despite this intense focus, organizational waste still crops up daily.

20-30%

Companies lose 20 to 30 percent in revenue every year due to inefficiencies

IDC Market Research

Some of the most prevalent types of waste include:

- **High Error Rates:** When businesses have broken processes and systems, they are more susceptible to a high degree of defect, or error. That could mean that customer orders get misplaced, sales commissions get paid incorrectly or new business contacts don't successfully get entered into a company's customer relationship management system and marketing automation platform. High error rates have steep consequences to the business in the form of diminished public perception, employee morale and productivity.
- **Too Many Cooks:** Think of a process in your organization, like your expense approval process. Do you have too many cooks in the kitchen? How many people must weigh in on that single request before you get approval? One of the most damaging types of organizational waste is the notion of "overproduction," or multiple people having to touch the process before it moves forward. "I like to call this the round-robin of organizational waste," explains Hebert. "It's like a bad math equation where 1 + 1 somehow ends up equaling 10."
- **Universal Processes:** All too often businesses employ a "set it and forget it" approach to process. For instance, their standard contract may be 40-pages of legalese because at the time the business was formed it was going after large enterprises. Today, when the company is going after small- to medium-sized businesses, it's still using the same SOW, though its smaller clients are overwhelmed by the document. Because the process hasn't been amended, the company can fall victim to delayed deals.

Organizational waste creates the need for workarounds and multiple touches just for a business to keep humming along. But, as a result, instead of a company focusing on driving towards transformation, they are essentially surviving an environment rife with inefficiency.

To begin combatting organizational waste, organizations should start considering the following:

- How many team members, on average, touch each of business process?
- What negative feedback do I receive from my stakeholders and how is that feedback directly connected to my existing processes and systems?
- What is the point of breakage... or the point in time in which we move from efficient to inefficient?
- Do words like “redundant,” “bottlenecked” or “incomplete” aptly describe my existing business environment?
- Do I seem to have excessively high employee turnover?
- Where are the top business areas in which I am hemorrhaging money?
- Does there fundamentally seem to be a better way to do business?

“Growth and organizational waste are inherently at odds with one another,” adds Hebert. “For business leaders to even begin to cast an eye towards transformation, they have to perform an honest assessment of the waste that pervades the organization. Until that noise is removed, transformation will always be a few steps out of reach.”

2

Lack of User Adoption

Have you ever worked for an organization that spent years rolling out its new sales automation platform, only to have its reps [still maintain spreadsheets](#) and to-do lists after cutover? What about businesses that invest in collaboration and communication tools—think Skype for Business or Yammer—but their employees still resort to email and phone calls?

Transformation often comes to a screeching halt at the point of cutover because following cutover comes the oft-missed step of user adoption.

“Even the most innovative technologies or processes will fail to positively impact the business if the end user is not accounted for in the discussing, developing and rollout of the initiative,” says Randall Jackvony, Trilix’s Principal of Technology and Client Services. “If the end user is not an active participant and their workflows are not at the center of the project, it is difficult to develop a solution that addresses business needs, elicits solution buy-in and develops a shared investment in success.”

A [study](#) by MIT Sloan Management Review and Capgemini Consulting found that though business line unit leaders believe in technology’s ability to bring transformative change, they feel “frustrated with how hard it is to get great results from new technology.” Specifically, 63% of executives and managers said the pace of technological change in their workplaces is too slow, primarily due to a “lack of urgency” and poor communication about the strategic benefits of new tools.



To begin combatting user adoption challenges:

- **Perform Business Analysis:** A number of companies are starting to recognize the value in beginning with [a deep assessment of current business challenges](#), desired future state and any potential barriers to success before arriving at the technology solution. And many are involving the end user in these conversations. Companies that lead with business analysis, discovery and goals identification create an environment in which planning becomes a shared exercise and the definition of success is clear.
- **Put the User First:** Many times, technology is introduced without considering end user preferences and daily habits. For example, an application may be rolled out functionally to address the IT department's concerns and specifications but doesn't incorporate how end users will consume and use the technology. "Business end user involvement will always be superficial at best when the technology team asserts they know what users need," says Jackvony. Instead of jumping into the technology solution, businesses should start with the end user—uniquely understanding current state challenges, future state desires and how the technology would be incorporated into their world.
- **Focus on the End Game:** Organizations that spend just as much time in the planning and implementation stages as the cutover and transformation phases enjoy greater user adoption. Spend time determining a 30-, 60- and 90-day plan for adoption post cut-over, ensuring that your organization has ample training materials and system walk-throughs. End users need to understand how the technology will directly impact their daily tasks.

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3

Change-Averse Environment

There is no disputing that change, whether at the personal or business level, can be overwhelming and daunting. And though some business leaders have created strong careers and personal brands around the principle of embracing change and innovation (think Steve Jobs, Mark Zuckerberg or Jeff Bezos), others remain change-averse because they think the following:

- “It’s the way we have always done it”
- “We don’t have the time to make a change”
- “We don’t have the in-house talent to determine a different path”

But in business environments where change is not encouraged—or endorsed—business becomes stilted and potential is never reached.

In business, we often experience two types of change regularly, both of which create their own challenges:

- That which we react to
- That which we enact ourselves

The first type can seem ubiquitous, like when macro or economic shifts occur that place sizeable burden on our business, causing us to have to course correct and pivot immediately to keep up with

changing market conditions. Other times, the change that we are forced to react to can hit closer to home, like one of our top executives deciding to move on to another company, or an esteemed client taking their business elsewhere. This type of change can cause real organizational pain.

Yet many times, we create the pain ourselves. For example, a business may have a core business application that only meets a subset of user needs, so the users choose to manage most of their work in a spreadsheet that makes a majority of their work manual. Or perhaps the process is so bogged down in paper, wet signatures, and file folders that it takes two days to complete a task, rather than hours if they had the proper system in place.

“The level of patience that the average human being has for an unwieldy system or a broken process is always admirable, especially when they believe they have no control to change it,” says Dana McInnis, Trilix’s Principal of Business Analysis. “Things can seem dire and employees may lose hope that their jobs could get any better.”

When an organization is reticent to change—or worse, causing the pain themselves—transformation and corporate growth become next to impossible.

70 percent of change programs fail to achieve their goals

McKinsey&Company Research



“It starts and ends with culture”

Dana McInnis, Trilix Principal of Business Analysis



To combat change issues, consider the following:

- **Embrace a Growth Mindset:** In 2006, Dr. Carol Dweck, a leading authority in motivation and personality, posited that individuals basically have either a [fixed-mindset](#), which describes people who believe one’s attributes and abilities are inherently fixed and unchanging, or a growth-mindset that suggests talents and abilities can be improved and developed over time. Business line unit leaders who embrace a growth mindset stretch to take risks, believe there is always a better way and delight in continually learning.
- **Empower Your Team:** “When you work within a culture where employees are encouraged to ‘do better’ and are empowered even in small ways to improve how they and their teams do their work, amazing things can happen,” says McInnis. “Just one shift to improve a process and eliminate the all-to-often manual nature of an office job can be the very thing that makes you want to come to work the next day.” As companies encourage their employees to be the change agents ushering improvement into the business, they take a critical step forward towards transformation.
- **Reject the “Good Enough” Mentality:** When the sea of complacency becomes eradicated from business, a world of possibility for improvement and betterment opens up. Suddenly, with [“good enough”](#) not being an acceptable line of thinking, change happens. Sometimes that change can be small, like tackling and removing that corporate master spreadsheet and tracker. Or it can be bigger, like finally integrating disparate systems or creating a custom application.

“It starts and ends with culture,” explains McInnis. “Employees need to feel empowered that they can offer a better way to operate and be part of the engine that feeds the change. That starts at the top and needs to be perpetuated by company leaders. If leaders emphasize that things can and should get better, then their employee teams will follow suit and begin to transform the way they work.”

An Eye on Transformation

Many organizations are frozen in their ability to reach a transformative state as they are too busy dealing with critical process and system gotchas. And the gotchas range from the seemingly small and innocuous—like a phone system not integrating with a customer relationship management system—or larger and more evidently painful, like a master spreadsheet that is manually updated and audited monthly by a single employee. But each issue prevents businesses from taking the critical step forward toward growth.

Often, growth begins by just one simple change. For some companies, that can mean taking the first step to automate a manual process that is causing top talent to be stuck in the weeds, keeping the lights on. For others, that could mean connecting the dots between two disparate systems containing siloed data.

“Business leaders need to be committed to having conversations about both the obvious and less obvious process and system challenges impacting their organization,” says Hebert. “It’s only when we begin having these conversations that we can start conceptualizing the stepping stones that need to be laid out to reach our desired state of transformation.”

