



VISION TO VALUE, REALIZED:

ADDRESSING THE CULTURE, PROCESS, PEOPLE, AGILITY, AND MEASUREMENT ELEMENTS THAT POWER TRANSFORMATION OUTCOMES

Based on a compelling business case, your company's leadership team has approved a significant investment in a new strategic direction. The transformation involves an internal reorganization, new technology platforms, cross-functional teaming, and employee upskilling. You have been asked to oversee all these activities supporting the transformation.

What do you need to consider to ensure the day-to-day work brings leadership's vision—and business strategy—to life?

First, you should acknowledge an important reality: Transformation success means much more than an "on time, on budget" implementation, and much more than a delivery-first focus that relegates value and desired business outcomes. It's also about much more than an internal communications campaign that tells employees "how" to work while leaving out "why." Successful transformation must encompass the culture, process, people, and measurement elements that are integral to adoption. It calls for embedded agility to ensure teams stay laser-focused on value and can pivot as needed to drive outcomes. Sounds logical enough, right? Yet, in our experience, we've found that so many transformations fail to go about it that way.

If your goal is to achieve value (we're sure it is!), how can you approach transformation differently? It starts by anchoring your transformation to a clear definition of value, relying on responsive governance structures that tightly bind executive vision to day-to-day work and realized results. This essential structure is responsible for explaining the "why" to commission the "how." In turn, it strengthens the entire organization's capability and capacity to plan and manage strategic initiatives. It also offers leadership the visibility and insight to learn and pivot continuously, helping them maximize value throughout the transformation journey.

UNLOCK YOUR VALUE POTENTIAL WITH THE TRANSFORMATION VALUE OFFICE

We call this structure the **Transformation Value Office (TVO)**. The TVO combines best-in-class program and change management to execute your transformation in an integrated and people-focused fashion. It helps your business move beyond viewing “deliverables” as an outcome to “value” as an outcome. Anchored to your organization’s shared definition of value, it strengthens leadership alignment and unlocks the potential of your executive team’s vision. How? By ensuring strategy is tied to the work that gets done. To make the most of your TVO, we recommend a focus on five pillars that we’ll explore in this perspective:



PURPOSE



PLACE



PROGRAM



PRINCIPLES



PEOPLE



PURPOSE

Purpose is all about establishing why your TVO team exists, relative to your business’s strategic context. Those playing a role within the TVO need to articulate a compelling narrative that reinforces why the team has assembled, and the approach it will use to help the TVO realize the organization’s overarching strategy. Consider applying your team’s existing strengths, needs, and challenges to guide your “why”: The successful implementation of the overall strategic vision.

For instance, one of our clients was set to undertake a global, multi-year transformation. The business had a history of successful small-scale change, but its penchant for perfection hindered value on a larger scale. The CIO asked us to bring a TVO team that could collaborate with the in-house team. We were charged with developing stronger implementation practices and processes, and driving the cultural change to sustain those practices. These fundamental components became the core purpose of the TVO team.

An understanding of the current state—and how it needs to change—can also guide the TVO team’s purpose. For example, does the TVO need to hold existing teams accountable—those that have the people, methods, and tools for successful transformation—but lack the motivation? Or does the TVO team need to be the conductor that orchestrates transformational change across a complex ecosystem of initiatives and stakeholders? Or both?

Here are some key questions to consider when defining a purpose:

- How well do we define, measure, and monitor business impact and value for transformation initiatives? periodically as the market changes? Or pivot in the face of an emergency?
- How much agility do we have and need as an organization to assess trade-offs and re-prioritize
- How does our organization’s culture influence how change can be achieved or how it is challenged?

Because the purpose is an essential foundation for your TVO, we recommend investing the time to define and articulate it thoughtfully and purposefully.



PRINCIPLES

To manage the TVO team, and the expectations of its stakeholders, the leader must define the principles for how it will operate and enable success. These steps must be taken with the team and its input, of course.

The TVO will not succeed if it tries to address every challenge in every area at once. Instead, agreeing on key enablers of success helps to determine the priorities that will maximize impact. A recent client found that 80 percent of its growth (the goal of the transformation) was resulting from 40 percent of the active programs across the organization. To maximize impact, one of the TVO's principles involved supporting that 40 percent, and simply providing reports on the remaining programs. The TVO must regularly revisit these principles and enablers to ensure they remain relevant. For this client, that is a review each year to see if the distribution of the expected outcome of the active programs remains consistent with the focus for the TVO. After all, it will need to continuously evolve with the needs of the business.

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Here are some key things to consider when defining principles of the TVO:

- What are the success criteria for the TVO? How does your organization define value and how do the success criteria for your TVO align to that?
- What are the guardrails and foundational truths in TVO ways of working and decision-making? Through what lens will you view decisions to best support your company's transformation strategy?

Establishing the purpose and principles of the TVO team are foundational for success. Allocating the appropriate time here ensures your TVO aligns with the organization's vision for transformation.



PLACE

Once you have established the purpose and principles of your TVO, you'll need to consider its placement within the organization—where it will have the greatest influence and ability to collaborate. When addressing this pillar, it's important to acknowledge your unique culture. That means considering many of the elements that drive day-to-day motivations, mindsets, and behaviors, including existing organizational structure (centralized or federated), funding structure (who controls the investments), and sponsorship (who is accountable for the transformation).

To find out the best placement for your organization's TVO, consider the following:

- How does the TVO align to other corporate governance and control bodies?
- To whom does the TVO report?
- What location will enable optimal stakeholder collaboration?
- How does the TVO's relationship with other groups enable accountability?

The TVO's placement will influence how it interacts with other teams and leadership. Ultimately, it's about how the TVO can be best positioned to influence and hold the organization accountable to its objectives.

 **PEOPLE**

Many organizations are inclined to view transformations as transitory efforts—those that do not require new and different skills. If you want to achieve value in your transformation, that sort of mindset poses a significant risk. To combat this risk, you'll need to be deliberate in how you manage people through the TVO. This includes developing transformation management skills, aligning people to the right roles, and fostering employees' appetite for transformation.

Accomplishing these objectives requires much more than selecting the right candidates for roles within the team. It's equally about establishing the right structure—the kind that sets people up for success. In this process, you'll need to recognize that moving people from line-management roles to transformation leadership roles is a big change. It will require them to reimagine how they lead and operate. They'll need to expand their horizons in how they make decisions day-to-day. When agile principles are involved—meaning more empowerment, fewer hand-offs, flattened hierarchies, and more—an even more substantial leadership mindset shift is necessary.

As you identify the people for TVO roles, consider the following:

- Do the roles within the TVO and their ways of working support effective leadership of the TVO and collaboration with the rest of the organization?
- What are the leadership profiles and communication styles needed to lead transformation?
- Does your team have the future-proof skills that will be required to grow and support your TVO now and into the future?
- How can, or will, you acquire or develop the TVO's skills, capabilities, and thinking styles to meet the organization's transformation needs now and into the future?

 **PROGRAM**

Once you've defined the purpose and principles, and situated the team with place and people, the TVO is in a prime spot to plan and execute the transformation program. Transformations are, by definition, complex, so the TVO's charge is to provide the team with the ability to achieve incremental success over time. It will need to offer strategic direction and foster accountability, helping multiple teams inform and align their individual planning. The TVO facilitates collaboration on scope, dependencies, tradeoffs, decision rights, and roles and responsibilities. It also helps teams align their ways of working to drive incremental success. Finally, it offers a top-down view of the program, so teams can assist with prioritization, planning, and execution collectively.

Here are some considerations when designing the TVO program:

- How does the organization define value? Are the organization's leaders aligned on what drives value? What metrics does (or should) the organization use to measure that value? How will you measure the impact of transformation over time?
- How have you aligned the TVO's portfolio management to ensure the TVO will deliver on that value?
- Do TVO ways of working promote consistent execution? At the same time, are they flexible enough to adapt as the market and business strategy changes?

If value is the goal in your next strategic initiative, the TVO will help you get there. It addresses the culture, process, people, agility, and measurement elements that are integral to adoption, incremental improvement, and outcomes. When designed and used well, the TVO offers the visibility that executives need to prioritize activities, assess trade-offs, and maximize ongoing value. The result? Those at the helm can quickly assess new information and pivot with the breakneck pace of change—all while bringing employees along for the ride. **Vision to value, realized.**

**LET'S
CONTINUE THE
CONVERSATION:**

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Mark has over 20 years of consulting experience with a focus on the U.K. transportation industry. He has a proven track record as a project, portfolio, and PMO manager, successfully leading transformations and governing complex programs.



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Monique has over 29 years of experience working with clients across industries. Specific areas of her expertise include PMO creation and maturity, demand management and governance, program planning and execution, and budget management.



ABOUT NORTH HIGHLAND

North Highland makes change happen, helping businesses transform by placing people at the heart of every decision. It's how lasting progress is made. With our blend of workforce, customer and operational expertise, we're the world's leading transformation consultancy. We break new ground today, so tomorrow is easier to navigate.

Founded in 1992, North Highland is an employee-owned firm—regularly named one of the best places to work. We have more than 5,000 consultants worldwide and 65+ offices around the globe. Meanwhile, we're a proud member of Cordence Worldwide (www.cordence.com), an international consulting alliance. For more information, visit northhighland.com and connect with us on [LinkedIn](#), [Twitter](#) and [Facebook](#).

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