

Case Study 4 Change Management

Organisational restructuring and team optimization for cost reduction – Part II

Objective:

A service provider, providing a suite of middle and back office services to clients across the globe did an organizational restructuring with a view to reduce costs, maximize profits and improve the quality of deliverables. However, soon they recognised that in order to successfully implement this initiative, it was crucial to manage this change well.

In Part I, we spoke about the immediate steps we had taken to make sure our client was able to meet their commitments vis-à-vis their customers.

In the second phase, the requirement was that we truly integrate the process and take the synergies to the next level.

Background Recap:

As part of organisational restructuring, a business decision was taken to merge two departments into one – Team I was doing business which had work all through the year while Team II was providing specialized services, which were cyclical in nature. It was becoming increasingly difficult to expand the services that Team II was offering, as it was hard to find so many temporary staff to meet the cyclical

demand and it was also difficult to pick up more mandates given the limited resources available.

Both the teams had members with similar professional qualifications; hence, it was a skill that could be acquired by Team I relatively easily. The expectation was that this synergy would help in building a scalable product with better and timely delivery of services.

How to bring synergies:

While the first quarter's deliverables were done, the true objective was to make the most of the synergies.

We chalked out four SMART goals to achieve this:

1. Improve knowledge base across the team; both at preparer and reviewer level
2. Standardise the process
3. Improve quality of deliverables
4. Create a Management Information System to track the status of deliverables.

Our Approach:

The entire process of standardisation was broken down into small projects. We increased the engagement of staff by more than 4x times by having them lead these small projects. As a wider audience was involved in this process, we were saved of any resistance that teams display towards change.

There was a positive effect of this initiative and the team was now independently suggesting innovative ways of improving the quality of deliverables. Team camaraderie had improved. There was a sense of accomplishment in the personnel and the vibes on the floor had completely changed.

As the team had direction and the broad framework, it was no longer challenging to meet our goals; which for all practical purposes were the goals of the group.

As an additional benefit, this entire approach helped the management team in evaluating the year end performance of the individuals.

Results:

While this change brought about significant discomfort among the group initially, by the end of it, they emerged as stronger, happier and more knowledgeable beings. They realised the value that this change brought to all the stakeholders – the staff, the company, its investors and the customers.

As an icing on the cake, each one of their client had a common thing to say in their feedback – the deliverables in that cycle were cut above. They also appreciated the vision of the management team in revamping the process.

On completion of second successful phase of this project, management confidence increased and we were entrusted the responsibility of building a new product.