Chapter 8

Business Transformation Workbench:
A Practitioner's Tool for Business Transformation

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ABSTRACT

Business transformation is a key management initiative that attempts to align people, process and technology of an enterprise more closely with its business strategy and vision (Lee, 2005). Business transformation is an essential part of the competitive business cycle. Existing consulting methods and tools do not address issues such as scalability of methodology, data and knowledge management, method enforcement, asset reuse and governance, consolidated views of upstream and downstream analyses well, to name a few. This paper presents Business Transformation Workbench which is a practitioner's tool for business transformation addressing these problems. It implements a methodical approach that was devised to analyze business transformation opportunities and make business cases for transformation initiatives and thereby provides decision-support to the consultants. The Business Transformation Workbench builds on a component-based model of a business and offers a consolidated view into clients' operations, organization, staffing, processes and IT. It provides an intuitive way to evaluate and

understand various opportunities in staff and IT consolidation and process standardization. It embodies structured analytical models, both qualitative and quantitative, to enhance the consultants' practices. The Business Transformation Workbench has been instantiated with data from finance management domain and applied to address a client situation as a case study. An alpha testing of the tool was conducted with about dozen practitioners. The feedback has been encouraging. 90% of the consultants who tested the BT Workbench tool felt that the tool would help them do a better job during a client engagement. The tool is currently being piloted with customer engagements in a large IT consulting organization.

INTRODUCTION

Business transformation is a key management initiative that attempts to align people, process and technology of an enterprise closely with its business strategy and vision. Business transformation is often achieved by taking a holistic look at various dimensions of an enterprise such as business models, management practices, business processes, organizational structure and technology and optimizing them with best-practice or differentiated methods to reach a strategic end state. For example, business transformation in the enterprise finance area would, among others, optimize financial processes such as accounts receivables, eliminate non-value-added tasks, improve efficiency and productivity of people, and reduce errors by using technologies. Business transformation is considered an essential part of the competitive business cycle.

Consulting service companies in the business transformation area brand technology and consulting as their core product and service offerings. These offerings include models, methods and tools devised for facilitating business transformation. While the state-of-the-art business transformation consulting models and methods are useful, there are a number of general problems that need to be addressed to make them more effective. First, the current approaches are often limited in scalability because they demand subject matter experts to work with a variety of disconnected data, tools, templates and other assets. It is often cumbersome and difficult to streamline the data gathering and management manually. Data and documents often reside in multiple folders distributed among several machines. Consistency checking across data can only be done manually, and the process requires experts. Additionally, it is hard to capture a structured thinking process without a tool which enforces the process or method. Furthermore, it is difficult to disseminate and reuse knowledge effectively, if it is not captured systematically. In addition, assets such as knowledge, models and methods are not necessarily managed. For example, more often than not, there is no version control in place, and updating the assets is hard to do consistently across the board. Also, it is difficult to visualize multiple views with scattered documents of a process view, a metrics view, a component view, a resource view, etc., which, in turn, makes it hard to link up upstream and downstream analyses.

This paper presents a practitioner's tool for business transformation addressing these problems. Business Transformation Workbench is a productivity tool for business consultants. It is a tool to analyze business performance, to identify transformation opportunities and to assess the business value of specific transformation initiatives. The tool helps visualize the linkages of various enterprise models such as the business component model (CBM), the business process model, the value driver model, the organization model, the IT application model, and the solution model. It captures the direct linkages between these models and infers and presents the indirect linkages, thereby, providing valuable insight on how changing one aspect of an enterprise impacts the others qualitatively.

Using this tool, consultants can examine which business functions and components are underper-

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