

Business process harmonization and solution implementation in a diverse multi-culture organization

PML 2009

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Table of Contents

1. Abstract	3
2. Introduction	3
3. Process Harmonization	3
4. Solution Implementation	5
5. Case Study	9
6. Conclusion	10
7. Reference Materials	11
8. Author's biography	11
9. Appendix	11



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1. Abstract

Implementation of a centralized process model across the organization and across multiple geographies and regions is one of the key operational decision organizations are facing in today's challenging business environment. The objective is to maximize operational efficiency and at the same time increase business revenue. Coupling of business with an Information Technology (IT) solution and subsequent implementation is a huge investment that must be undertaken to achieve this goal.

However the success of delivering high-quality software within time and budget constraints requires impeccable planning and process adherence performed right from the project initiation phase.

This paper covers the critical aspects and success factors for business process harmonization alongside a large, complex solution implementation in a diverse organization and reveals how strong program governance can facilitate the entire process.

2. Introduction

In today's challenging business environment, uniformity amid operational diversity is a strategic imperative. Companies across the globe are concentrating on harmonization of varied functional and operational processes spanning locations, time zones, people and cultures. Organizations need to address diverse needs of regional or local businesses, spread across multiple business lines by inculcating industry standard best practices blended with the latest technology and innovations. The continuous challenge is creating a cohesive solution that combines the best business and technology elements to achieve success.

3. Process Harmonization

Based on real-time project implementation experience and project outcome it has been observed that the entire execution must undergo a proven path defined by **Core Identification** and **Market Assessment**. The outcome is the **Harmonized Process**. This is depicted in Fig 1 below:

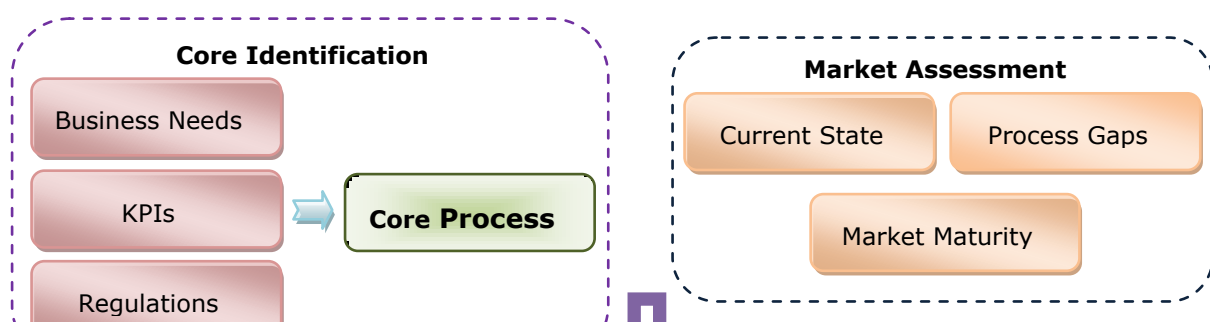




Fig. 1 – Process Harmonization - Aspects

Core Identification - The initiative starts from accurate identification of both short-term and long-term business needs and current pain areas. Top-down and cross region information gathering of organizations “as-is” functional and operational business processes. This is followed by in-depth analysis, which results in the definition of the core process containing industry standard and proven best practices and regulations. It is important to recognize the key performance indicators as well as prioritize and focus on common processes that provide maximum improvement and impact.

Market Assessment - The current state of process and technology across different countries, markets and regions is analyzed before deciding the new solution and implementation strategy. This offers insight into the process gaps that exist across markets as well as a true idea of the diverse nature of business from region to region. The variance is the result of different financial strategies, rules and legal regulations, user adoption and execution model across regions. Importantly, this signifies that a “one-solution-fits-all” strategy does not work. Localized requirements emerge from this assessment, which is an important factor in application and data consolidation. Market maturity and readiness is studied and recorded during this phase.

Harmonized Process - Based on the identified critical processes and functional details, the future harmonized solution evolves in the form of “Refined Core” and “Localization” processes. This is represented in Fig. 2, below. The “Core” business process represents an appropriate level of commonality across business units, product lines and regions. To manage an optimal balance of standardization and regional innovations, “Localization” scope is defined and plugged-in to the “Core” solution. Relevant legal and regulatory processes are essentially considered in the “Core” and “Localization” solution. It is recommended to analyze and incorporate the business reporting needs in the new process map. Proper organization structure and hierarchy to control application data processing, functional flows and reporting requirements appropriately are also conceptualized during this phase.

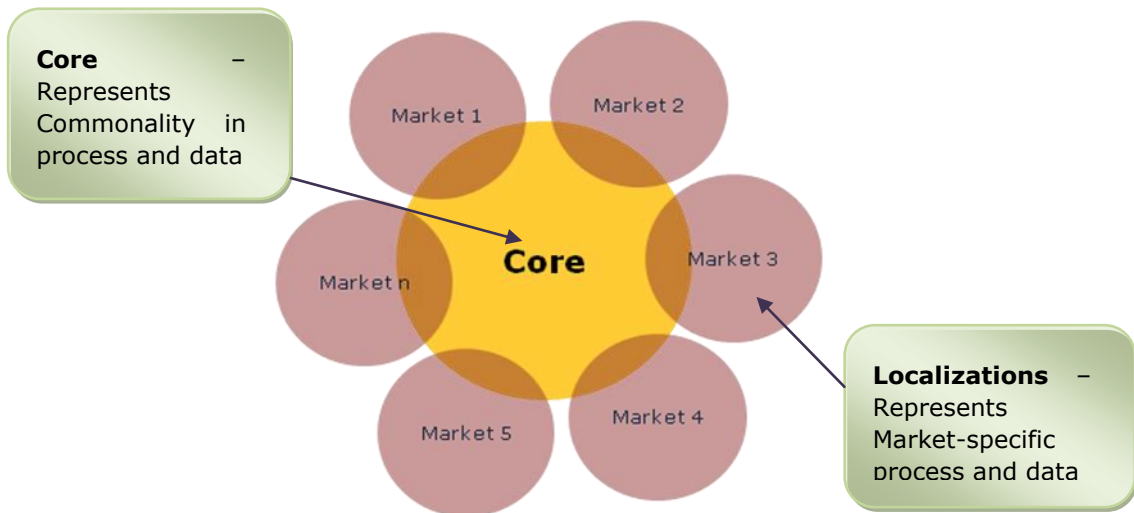


Fig. 2 – Harmonized process – Core + Localization

4. Solution Implementation

The return on investment (ROI) and success of the new harmonized business process can only be realized and measured through a standardized IT solution implementation. The path forward for the new harmonized solution rollout in all markets across the organization is achieved through **IT Standardization** implemented through strong **Governance**. IT standardization is achieved through **Evaluation** and **Implementation**. This is represented in Fig. 3, below:

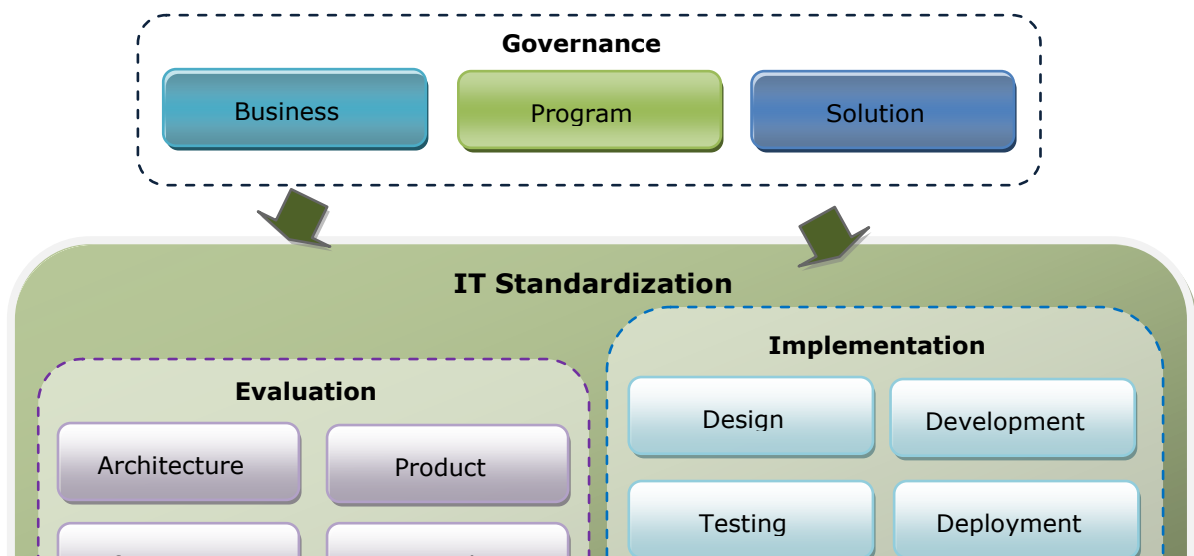


Fig. 3 – Solution Implementation - Aspects

Governance - This large-scale implementations typically contains multiple programs each consisting of multiple projects. As per industry practice, the entire program should be governed by a Program Management Office (PMO). The PMO provides framework for governance and assurance at a program level as well as cross-program level. The major areas of PMO governance are: **Program, Business and Solution/Technology**. Program governance ensures clarity, transparency and consistency in operations, stakeholder communication and progress reporting, as well as creates an effective financial tracking and vendor management process. Business governance defines and harmonizes roles, responsibilities, standards, business processes and tools across all the programs. Solution governance is performed by the Centre-of-Excellence (CoEx) team. CoEx provides direction on important aspects of the application like sustainability, scalability, performance, integration, high availability, maintainability, extensibility, upgrade and adaptability. For effective orchestration the CoEx team should work in close coordination with the enterprise architecture team and all relevant vendors and product teams and participate in all phases throughout the project lifecycle. CoEx team owns the technology roadmap and templates, frameworks, best practices. Solution and technology governance ensures solution quality and excellence.

Evaluation - Enterprise architecture design and infrastructure assessment play a pivotal role in designing a flexible foundation for the new application landscape. This kind of solution implementation is usually hosted in a connected environment and accessed by thousands of users. Hence network bandwidth, speed and high-availability assessment to benchmark hardware and networking is vital. Infrastructure decentralization and accordingly network planning and budgeting must be done at this phase to facilitate multi-zone operations and support in future. Product study and fitment analysis is done with respect to the harmonized process requirements and functionalities. The first level of investigation is done to evaluate whether the current inventory of the in-house applications can be extended to implement the new technology and solution. Depending on the scope and nature of requirements, the technology path is selected. Commercial-Of-The-Shelf (COTS) product and third-party applications, if they fit, usually provide quick time-to-market and scalable solution. COTS product are usually equipped with in-built best practices and quality adherence. Another important aspect that is often overlooked during product assessment is requirement detailing and the actual solution flow may differ with the selected product and technology. Multiple product selection

might also be required depending on specific objective of the transactional and analytical systems. All these options must be factored in during the evaluation phase. The product selection process is followed by selection of an appropriate system integrator (SI) vendor, product alliance and partnership strategy.

Implementation - The solution implementation process follows the software development life cycle. Some of the key factors of a successful implementation include:

- **Rollout Strategy** - The success of the solution implementation process in diverse scenario largely depends on the rollout strategy across markets. In several implementations it has been observed that wave rollout methodology is more effective and successful than a full big-bang approach. The wave roll-out concept is depicted in Fig. 4, below. The core solution is first rolled-out for core business group and head-quarter users. Specific representatives from different markets can participate in the user acceptance testing of the core solution. Based on budget and situation, a pilot version of the core solution can be rolled out for an identified group of market representatives. Next the solution is rolled-out in waves across markets. Each wave represents a milestone within the entire program giving it a full shape progressively. Depending on the complexity of localization and scope, number of markets in each wave is determined whereas order of roll-out in markets is decided by business criticality and market readiness. Industry evidence shows, in long-term there is a major reduction in development and rollout effort across waves through reusability factor.

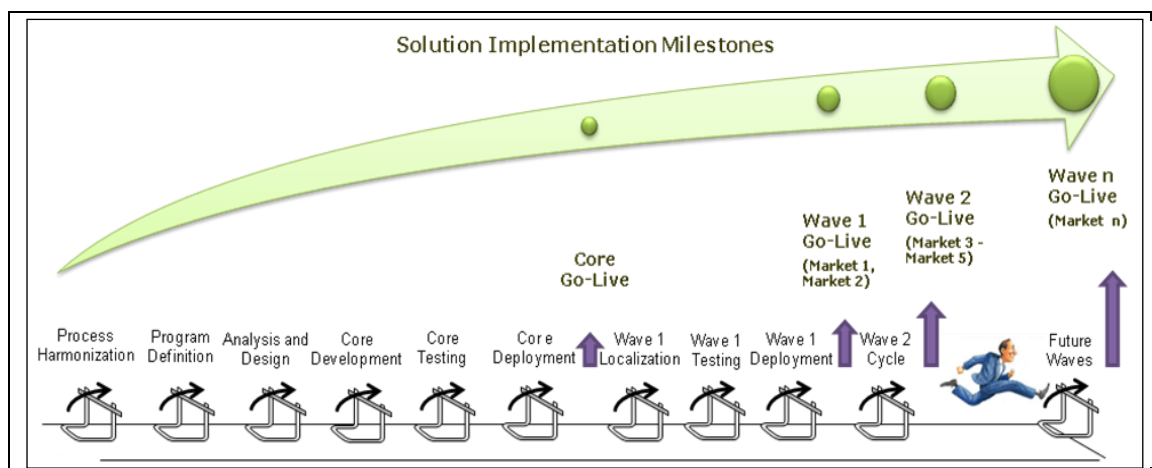


Fig. 4 – Wave Rollout – Approach

- **Gap Analysis** - The newly defined harmonized process serves as the foundation for the requirement analysis phase. Requirement elicitation and detailing is done accordingly. In the case of COTS product implementation, gap analysis with respect to product capability and functionality is performed and detail requirements are then documented.
- **Iterative Prototype** – It is strongly recommended that requirement validation and review is done through application prototyping (paper, presentation or executable)

with a group of business users and end-users. This is an iterative process typically conducted in the requirement, design and development phases. This validation process -

- Helps the user community to get a very early view of usability (look and feel) of the end application
- Allows business users to have a better understanding of how their requirement would be addressed by the solution
- Acts as a means for validating requirements from a very early stage and helps in prioritizing the requirement
- Obtain quick changes needed for localization specific requirements

Finally the outcome is improved and accurate requirement elicitation.

- **Localization Considerations** - In the design and development phase, consideration for parameters like encoding and character set, locale, time zone, language, translation is factored in.
- **Unified File Format** - Data migration and interface development requires standardization of data exchange format and processes.
- **Retrofit Strategy** - It is observed that roll-out of new waves usually require application and data retrofit and hence regression testing for already rolled-out markets; this should be part of the plan. Automation testing helps reduce the regression testing effort significantly.
- **Sustainability Analysis** – Sustainability of the new application must be analyzed to validate its conformance with upgrade, performance and maintainability requirements.
- **Performance Testing** – The new application performance and load testing plays an important role as the new solution will be accessed by multiple users with concurrent usage.
- **Integration Strategy** - The integration strategy of the new application with downstream and dependent applications should follow organization roadmap and should be as per industry-standard.
- **Support Model** – Support transition and proper support model definition is important. The overall operational efficiency and effectiveness of the new implementation highly depends on the support strategy. There will be factors like multiple time-zone, varied user-base, training and inquiry needs; level 1, level 2 and level 3 supports should be planned accordingly.

CoEx involvement throughout the implementation life cycle is essential to validate and ensure application sustainability and instill in-built best practices within it.

The harmonization process for emerging markets is often challenging due to inadequate maturity, process-orientation and IT awareness. The effectiveness and vision of PMO plays an important role here. Some critical factors for the emerging markets are –

- Business executives, senior management, as well as all key players and stakeholders should be encouraged to participate in important forums such as steering group, leadership and market engagement meetings so that they can collaborate and provide the necessary sign-offs and guidance. Interactive

sessions with markets through road-shows, workshops and training enable proper end-user education.

- The application flexibility and scalability should be very high and well-designed as user growth and process change rate is usually high
- Decentralization of entire program both operational processes and architecture is important
- In absence of centralized data provider, special considerations and efforts must be planned for data cleansing and consolidation

5. Case Study

The following case study examines the implementation for a Fortune 500 global organization. A standardized Sales Force Application (SFA) solution across multiple countries achieved through process harmonization, solution architecture and implementation.

The business situational analysis started with the Identification and Assessment phase. It revealed that the organization has disparate sales processes across countries, making it difficult to adhere to a coordinated sales effort. Sales force operations were found to be high cost incurring, engaged in self competition and experiencing diminishing call effectiveness. Moreover, disparate applications were being used by each market increasing the total-cost-of-ownership. A common harmonized sales process was defined to deliver more value to sales representatives in terms of information and education and to build a long- term relationship with customers.

The solution implementation started with the evaluation of solution architecture, as well product and vendor assessments. A Customer Relationship Management (CRM) based approach was needed for proper targeting and customer segmentation; an appropriate product and SI vendor was then selected. The PMO and CoEx were established to provide strong governance and solution assurance across the program. The SI vendor developed a global CRM SFA application which was adopted by more than ten thousands sales people across multiple countries. The solution provided strategic direction and governance through vendor, stakeholder and local country coordination. Process harmonization was realized through uniform application design, multi-lingual development and data consolidation coupled with business intelligence and analytical reporting. The application was rolled out through multiple waves based on market readiness and criticality. The harmonized global CRM solution and well-governed methodical solution implementation successfully generated huge investment benefit for the organization.

6. Conclusion

A company can establish standards across various divisions and geographies. Standardization and harmonization can greatly improve process performance, reduce costs for process maintenance, and give senior management more control over

organization's operations. Harmonization is not a one-size-fits-all approach. It makes the trade-off between too many and too few process standards and thus is best conceptualized through "core" and "localization" processes.

Process harmonization is followed by IT standardization and solution implementation. A flexible and agile solution landscape aligned with the harmonized process defines the perfect solution. The Harmonized Process is defined through Core Identification and Market Assessment. IT standardization is achieved through Evaluation and Implementation. In the overall process, the critical success factors are well-defined and long-term vision, clear strategic objective and governance, seamless synergy between business process, technology and solution.

7. Reference Materials

Channel One: Internal repository of Cognizant Process
Project Management Body of Knowledge – Third Edition
Siebel Global Deployment Guide.pdf

8. Author's biography

Poulomi Ghosh is a Senior CRM Consultant at Cognizant Technology Solutions. She has around 7 years of experience and is one of the veteran members of the CRM Practice at Cognizant Technology Solutions. She has been involved in multiple global rollout assignments and CRM consulting. She has played a key role in a number of major engagements, including the practice's most successful engagements and implementations in CRM. She has experience in Sales, Service and Marketing solution implementations for Life Sciences, Insurance and Retail verticals. She is also part of the CoEx group of Cognizant's CRM practice. Poulomi holds a Bachelor's degree in Electrical Engineering. She is a certified professional in Siebel.

9. Appendix

IT: Information Technology

ROI: Return on Investment

PMO: Program Management Office

CoEx: Centre-of-Excellence

COTS: Commercial-Of-The-Shelf

ST: System Integrator

SFA: Sales Force Application

CRM: Customer Relationship Management

Core: The core process represents business functions commonality coupled with Industry standard best practices

Localization: The localization process represents market-specific variations due to legal and operational differences