

ALIGNING & OPTIMIZING SHARED SERVICES

AN EKS CASE STUDY

Situation Analysis

A major electronics manufacturing firm was addressing a number of performance concerns in their IT Shared Services initiative. Both internal and external (vendor and partner) customers of its services were complaining that their needs were not met. These needs included requests for system modifications or augmentations, business requirements inadequately translated into system specifications, appropriate budgets and/or milestones, compatibility between new and legacy systems, appropriate resource planning and allocation, and proper prioritization of projects. IT Shared Services was missing objectives and had a continuing pattern of cost and schedule overruns.

Desired Outcome

They needed to unravel the complexity of the shared service organization's interface between external and internal customers. This involved:

1. Identifying where and why disconnects occur in the interface
2. Aligning multiple business interests to manage delivery of valued yet cost-effective output

Intervention

Over eight weeks, the consulting team utilized the EnCompass® software toolset. EnCompass expedited the collection of data, gathered through a survey-style method, that it then used to create sophisticated organizational process maps.

Based on the data, EnCompass mapped the operational processes around project "drivers". Using EnCompass, the consultant team captured how tasks are performed within and between organizations and were able to flag ineffective processes between departments. "Virtual hierarchies" showed the level of impact that individuals or organizational elements had on key issues or processes. These views also revealed exactly how information gets to decision makers, and how decisions influence the enterprise.

EnCompass enabled the constants to analyze the way the shared service captured needs. One organizational view from above showed how the majority of shared service liaisons were out of touch with their customers, in spite of co-location. In addition, they had limited linkage with their parent shared service organization. Unknown to senior managers, only a few members in all organizations had any real input into need identification.

EnCompass also delved into resource allocation, illustrated in the issue view to the right. Individuals were displayed in a hierarchy based on their influence as perceived by other participants. The view uncovered a highly fragmented decision making process with many subject matter experts isolated from each other and the process. The large number of unconfirmed interactions also meant that many top-level influencers directly impacted by changes were out of touch with actual communications.

Results

The findings detailed how execution was in reality quite different from the process plan. This enabled the client firm to drive change initiatives to successfully re-align liaisons and stakeholders. EnCompass provided the key visual benchmark reports revealing performance gaps between groups and individuals that were recognized and accepted by all stakeholders. After just 4 weeks of follow-on collaborative working sessions, client executives developed a blueprint that drove the implementation of solutions that resulted in key projects being back on track by the end of the engagement.

