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The industrialised rollout approach: a short guide to successful digital transformation

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Abstract

Worldwide spending on digital transformation is expected to reach $2.3 trillion in 2023. While more and more companies are recognising the need to move into the digital age of the 21st century, they often find themselves confronted with organisational and technological challenges that prevent them from addressing new and dynamic markets – especially when undertaking large-scale, global transformations. Our experience in IT consulting has clearly shown the importance of adopting an approach to rolling out your solution that allows for both standardisation and flexibility across different regions. An approach like this also provides a fast go-to-market strategy to avoid the solution from becoming costly and obsolete. In this viewpoint, we will examine today's biggest challenges in global, digital transformations, explain how digital transformations can benefit from our industrialised rollout approach, and offer some food for thought on best practice in digital transformation.

Challenges

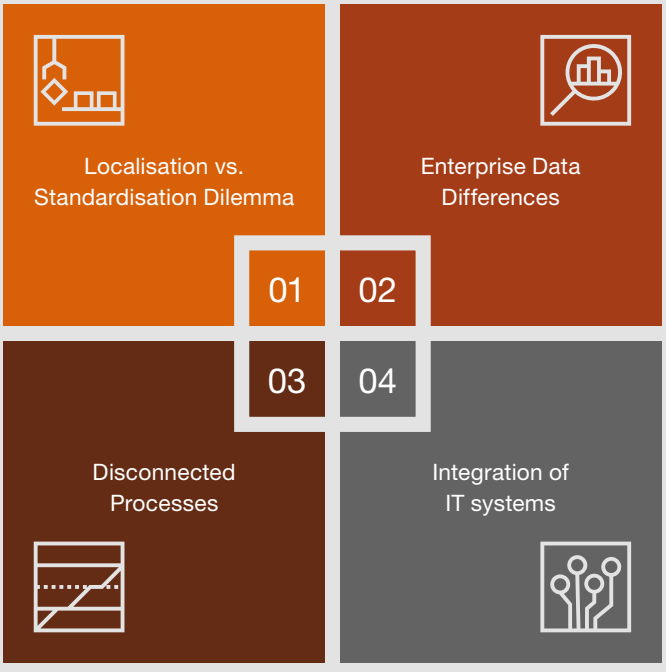
There are a number of pitfalls to watch out for when undertaking a digital transformation project. In this chapter, we'll take a look at scientific findings on technological and organisational challenges of digital transformations.

1 Technological challenges

Global companies are usually confronted with the dilemma of localisation vs. standardisation: they either adopt local processes and IT systems, giving rise to local development and maintenance costs; or they introduce a standardised, one-size-fits-all solution that supports global needs but doesn't always address the concerns of local stakeholders.

Another type of challenge is the vast differences in business data across countries and sites. Whether the difficulties lie in the format (different templates) or the language, cleansing data and establishing a single source of truth is time-consuming. However, having this source is essential for data analysis on a global level, increased collaboration, and transparency.

Fig. 1 The primary technological challenges in large-scale transformations



2 Organisational challenges

Disconnected processes across business units create conflicts between local and global requirements, while poorly defined processes give inadequate results when configuring business models and developing system solutions to reflect best practice within the organisation. Therefore, a certain level of flexibility and adaptability to changes are essential.

Global corporations – with different legal entities subject to different requirements – often face the challenge of integrating multiple IT systems into a single enterprise application that supports the entire organisation. Use of less common IT systems in different parts of the world, compatibility issues between IT assets, lack of integration interfaces, and use of systems that are not always compliant with global laws require considerable levels of adjustment and represent a barrier for organisations looking for central reporting tools. In fact, 84% of businesses planning to undertake digital transformation projects are being held back by integration challenges.

These challenges, if not properly dealt with, will result in overspending and delayed implementation. Nevertheless, our experience and research have taught us that technological challenges are usually surpassed by organisational challenges.

Similar organisational challenges arise when setting up most large-scale transformation projects, regardless of the industry or type of project involved – whether you're making a shift from traditional methods of working to new ones such as agile working, or a shift from legacy systems to modern solutions such as Salesforce. Transformations that address a company's core business require a lot of work, starting from the project team leading the change and extending right down to the customers and end users of the new system.

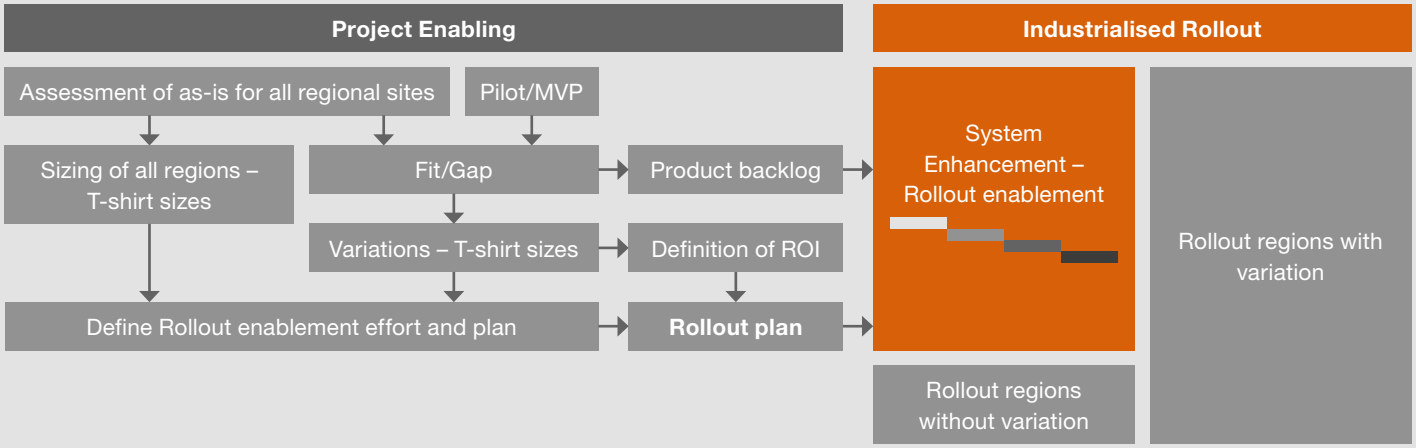
Unfortunately, the lack of literature and documented research on initiating and successfully implementing transformations like this means that very little guidance is available on the process. One mundane consequence of this is that the transformation itself becomes difficult to implement, mainly because of the complexity of processes within the company and the challenge of properly documenting all requirements. Requirements can only be recorded and defined in a holistic fashion if functional departments not involved in developing the transformation are integrated into this process. However, integrating these departments is another challenge. In many cases, functional departments are not properly planned into the project, and/or they exhibit a high degree of resistance to change. Tackling this unwillingness to change is crucial for a successful large-scale transformation, since every employee of the company must become a part of it and, therefore, must accept certain changes in ways of working.

Fig. 2 The major organisational challenges in large-scale transformations

Principles of the industrialised rollout approach

Embarking on a complete global transformation is not easy; research has shown that digital transformation is successful in only 30% of companies. To help our clients mitigate risks and overcome the challenges mentioned above, we have developed and introduced PwC's industrialised rollout approach, which is preceded by a project enablement phase. We call this an industrialised approach because it utilises the advantages of industrial manufacturing – standardisation, predictability, and repetition throughout the process. Our approach enables regions to use newly implemented digital solutions after only six weeks, speeding up go-to-market and global rollout. The initial enablement phase prepares and tailors the industrialised rollout to each region, and helps you navigate through business processes and data variations in each region.

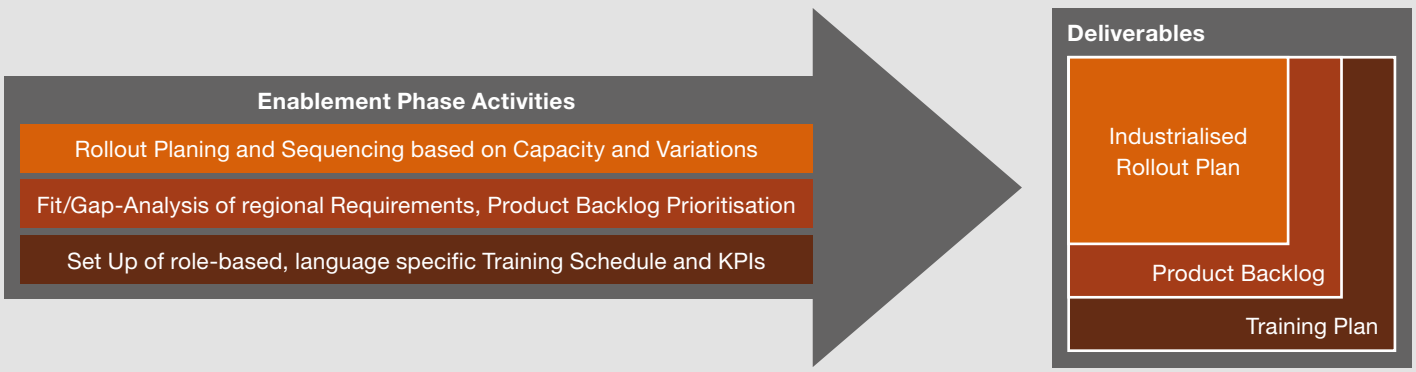
Fig. 3 The industrialised rollout approach framework



1 The starting point: 'as-is' assessment and alignment

As mentioned above, the enablement phase and process harmonisation take place before the actual implementation of the system and rollout to all regions. This preparatory work is critical to address the localisation vs. standardisation dilemma; it also helps to mitigate and reduce the complexity of disconnected processes within the organisation, and it keeps costs under control by streamlining activities. During the enablement phase, an 'as-is' assessment is conducted by collecting, filtering, and assessing inputs coming from the different regions where the company operates. These inputs enable a fit/gap analysis to identify gaps in functionality and business requirements, as well as helping to evaluate each region's complexity, prioritise specific regions and sites, and estimate the effort and expense required for rollout. The outcomes of this phase are a detailed rollout plan, a role-based training schedule, and a prioritised product backlog for delivering the solution. Once these plans have been completed, industrial rollout can begin.

Fig. 4 Project Enablement phase activities



2 The setup: backlog and development sprints

The product backlog is created based on the functional and technical requirements that the solution needs to fulfil to be useful. Product backlogs are constantly augmented, updated and sorted in multiple iterations for designing, building and testing. These iterations are called sprints: short, time-limited periods to complete a set amount of work, which improve quality and time to market – this is the main characteristic of the agile methodology. To meet rapidly changing market requirements and improve the product, companies must be flexible and interactive in their development; today's fast-paced world and digital environments are leading to higher expectations from customers and stakeholders. Agile implementation methodologies therefore help companies undertake continuous innovation and reprioritisation to drive a successful digital transformation.

3 Conducting and structuring the rollout process

The first official rollout starts once an initial, proven minimum viable product (MVP) has been developed, rolled out in a pilot region, and provided tangible benefits for that region. Following the development of a usable MVP and the successful pilot rollout, PwC's industrialised rollout framework is installed to structure and automate the global rollout. To achieve a smooth transformation in global rollouts, reducing variation between different regions is key; as a result, low-variation regions are prioritised at the start of the rollout to help establish standards for following regions with higher levels of variation.

At the start of the rollout, rollout readiness checks are made in all regions. These readiness checks are questionnaires that determine the status and level of variation of a site in terms of key factors influencing the rollout, such as data readiness or compatibility of local business processes and IT systems. If the region passes the readiness check, the onboarding phase and the data migration process follow. During the onboarding phase, regional representatives are onboarded, trained, and walked through the solution and the data collection template to start input data collection. A data collection and migration template is a tool to facilitate the collection and uploading of data into the system. It helps address the challenges with differences and variations in data from all regions that many global rollouts face; it also allows for rapid validation before each data upload. Our approach focuses on uploading data in sets and stages – this facilitates testing during the different phases of the data collection process, reducing the margin of error. Once all data is collected and uploaded into a test system, a user acceptance test is conducted, along with end-user training, where users learn how to use the newly implemented solution with their own data. If the data and configurations pass the acceptance tests, the data is deployed into the live production environment. The final, post-deployment phase is called hypercare, and is designed to handle the increase in enquiries that will arise after the go-live. Hypercare runs during the initial deployment and provides knowledgeable white-glove support to help users adopt the new solution and facilitate the transition to the 'business as usual' support model.

4 The roles: tasks and responsibilities

One of the most important aspects across all roles involved in industrial rollout is that they are all in constant communication with the change management team, which is in charge of training and communication. This constant strategic alignment aims to transmit a unique message across all regions, while also closing skills gaps among employees and communicating the purpose and benefits of the transformation – not only on the global level, but also on each individual level. Focused change management ensures structured cooperation and acceptance of new processes and technologies by the various regions, which is key to addressing the organisational challenge of resistance to change.

Fig. 5 Global rollout roles and responsibilities

Global Rollout Steering

Global Rollout Manager (Client)
- Steers all regional rollouts from a global perspective
- Monitors planning and budgeting
- Manages rollout plans, KPIs and goals
- Reports to the Project Lead and the Board of Management

Global Rollout Manager (PwC)
- Steers all regional rollouts from a global perspective
- Monitors planning and budgeting
- Provides system knowledge and best practices
- Manages pending issues and developments
- Reports to the Project Lead and the Board of Management

Regional Rollout

Regional Rollout Lead (Client)
- Rolls out the system within a specific region (e.g. country)
- Preparing the logistics for Onboarding, User Training and Go-Live
- Provides operational knowledge and best practices
- Communicates with all internal stakeholders
- Supports the data collection process
- Reports to Global Rollout Managers

Regional Rollout Lead (PwC)
- Rolls out the system within a specific region (e.g. country)
- Conducts Onboarding, User Training and Go-Live
- Provides system knowledge and best practices
- Collects feedback and requirements for additional revelopment
- Supports the data collection process
- Reports to Global Rollout Managers

Regional Power User (Client)
- Acts as transformation project advocate
- Supports regional end users with retaining and best practices
- Supports locations during the rollout in the data collection
- Reports to Regional Rollout Leads

Site Manager (Client)
- Takes part in trainings and act as role model
- Steers the rollout at the location
- Provides data and specific location information
- Reports to regional Manager and Regional Rollout Leads

Head of Region (Client)
- Selects most suitable locations to roll out
- Identifies most suitable resources
- Reports to Global Management

Data Migration Analyst (PwC)
- Validates and uploads collected data
- Provides data migration knowledge and technology improvements
- Reports to Regional Rollout Leads

Business outcomes and benefits

Using our industrialised rollout approach to conduct large-scale transformation projects in global companies helps combat many of the challenges described. Including both global members from headquarters and regional users in the project team significantly increases buy-in from all regions involved and breaks down initial resistance to change. The rollout leads and power users learn to speak the same language within the rollout process by having the same roles, responsibilities, process steps and deliverables across all regions. This significantly streamlines and automates the documentation required for internal project updates, since templates and reports can be prepared by the global rollout leads. A standardised top-level setup also helps prepare and define reliable KPI reports to support global project management. This enables the efficiency of goals that have been achieved to be better measured and gives rollout teams useful tools to monitor user adoption within their rollouts.

Even though data structure and operational processes may vary across regions and sites, each regional rollout team is flexible enough to adapt to these differences while adhering to the overall rollout process. If certain regional operational processes cannot be performed within the digital solution, the regional rollout team can forward these requirements to the development stream and have them designed and implemented instead of disregarding them. This might lead to pausing the rollout for some regions or changing the sequence of the rollouts, but the majority of rollouts can continue in parallel with ongoing developments. This caters directly to the need for all regions to be integrated into the ongoing transformation instead of implementing a global, standard solution without any options to adapt to local requirements. New users can also provide feedback on usability and suggest possible improvements while the transformation is still underway, creating a constant cycle of improvement that integrates not only the project team and power users, but also all end users that interact with the system. The resulting new developments, features and improvements to the apps are then tested on a global level and deployed soon afterwards to ensure minimal disruption. In turn, seeing their suggestions being implemented helps end users to feel empowered.

Conclusion

More and more companies are investing in digital transformation projects – but unfortunately, most of them do not succeed. PwC's industrialised rollout approach enables companies to set clear requirements, goals and KPIs that holistically address both regional and global viewpoints. Our approach emphasises the importance of people to drive change within an organisation, as technology by itself cannot transform the way people work and behave. An agile approach and a set of standardised guiding processes must be part of every digital transformation, as they help people in the organisation communicate more efficiently and guide the digital transformation from a global perspective while still allowing each region to tailor the solutions to their needs. Ultimately, this kind of innovation and interaction with all parties involved is the only way to ensure that a digital transformation will be accepted and improved.

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