

Case Study: A Closer Look Transforms a Business

Abstract

After celebrating the \$5M revenue mark, a small and growing IT company stepped back to see what could be done better.

The Challenge

An IT company founded as a result of an opportunity which, literally, fell in the lap of its co-owner, operated under a "sink or swim", and "squeakiest wheel first" policy. To much of the management team's surprise, the company had achieved \$5M in sales after only 2 years in business. Now, truly committed to the business (and now with 35 employees), the management team decided that in order for the business to rise to the next level, they needed to operate deliberately and with a plan.

How We Helped

Working with the executive management team, T. White Parker helped to articulate the crux of what the client's business was all about. Initially, the deliverables included details such as a mission statement, vision statement, values and principles. These artifacts later served as the foundation for the deeper thinking and planning that was to come.

Engaging the management team as well as key employees across the company, T. White Parker conducted a series of scenario planning sessions to create a visionary depiction of the company's future. Addressing areas such as types of markets served, products/services offered and operational must-haves, T. White Parker assisted the client in developing detailed operating scenarios which served as the foundation for the company's "To-Be" enterprise architecture.

T. White Parker then worked with key resources across the company to develop a "picture" of the company's current architecture or "As-Is" enterprise architecture. Leveraging the To-Be architecture developed in the strategic visioning sessions, T. White Parker developed a Business Transformation Plan for this client which provided a roadmap for how the company would migrate from its existing/As-Is state to its future/To-Be state. The roadmap identified specific programs, investments and activities that must be undertaken in order to achieve the To-Be picture. For each initiative, a timeline, funding source, "owner" and performance measurement was provided to aid in the execution.

In order to ensure that the Business Transformation Plan remained an actionable component of the company's strategy execution, T. White Parker assisted the company in developing and instituting a governance structure that integrated the maintenance of the Business Transformation Plan with the client's budget and operations planning. The Business Transformation Plan is currently serving as the company's *living* operating strategy and is revisited continuously as initiatives are implemented (causing the As-Is picture to change) and the To-Be picture is refined (based on new information the company obtains about the market).

Deliverables: Business Transformation Plan (including supporting documentation), Strategic Management Governance Manual

The Result

The client is now operating deliberately and has cut operational costs by 43% as a result of eliminating activities that do not support the direction of the company. This cost reduction has enabled a re-focus of those resources on activities that align with the company's direction. As a result of cutting costs so significantly, profits have increased many-fold although revenues at the time of the development of this case study remained the same.

