Chapter 5 CHALLENGES FACED DURING IT TRANSFORMATION

5.1 Overview

IT Transformation is an ambitious Program that has far reaching benefits for Operator’s business. However, a large Program of this nature presents significant challenges and is dependent on certain critical success factors. These include below mentioned key challenges like:-

- **Business engagement**

  The business will be required to proactively own and drive change and make dedicated resources available to the Program within reasonable timescales agreed between the business and the IT transformation team.

- **Safeguarding business as usual operations**

  The sheer scale and complexity of the change required under IT Transformation carries the potential to seriously impact the operation of business as usual activities if not managed effectively. A key element of the IT Transformation implementation will be the ability to ensure that all existing business remains unaffected by the transformation activities and that all existing customer products and solutions remain fully supported throughout the duration of the Program.

- **Delivering the architectural strategy**
Standardization and simplification of the business operations will be achieved by following the technical standards that have been derived from Operator Design’s technical architectural strategy – namely the delivery of matrix platform architecture. This lies at the heart of the IT Transformation Program and is the key mechanism for rationalizing across the Operator’s applications estate. The success of the IT Transformation Program will be measured in a large part by the extent to which the Operator Design architectural vision has been delivered.

- Strong top-down mandate

IT Transformation will result in process transformation and will impact the ways the business operates at all levels. IT Transformation will also impact other Programs currently being operated by the business. It is therefore crucial that the top management and key decision makers are involved and support the Program.

- Stakeholder involvement and buy-in

User adoption is one of the most critical deliverables of IT Transformation. To achieve this it is crucial that stakeholders are involved and bought in early into IT Transformation. IT Transformation is dependent on stakeholders that can act as change agents within Operator and develop the required momentum and acceptance behind IT Transformation.
- Genuine and practical ‘to-be’ solution

Acceptability of IT Transformation depends on its ability to articulate a genuine and practical ‘to-be’ solution with demonstrable business and operational benefits. The approach needs to ensure that the Program remains objective and focused on achieving its stated goals for the business. The approach for IT Transformation needs to strike a balance between the practical operational challenges and expected business benefits.

- Alignment with other Programs

IT Transformation needs to be aligned with other current and future Transformation Programs. It is critical to design IT Transformation such that it remains synergistic with other initiatives and results in a coherent transformation Program with reduced cost and duplication for Operator. The success of IT Transformation cannot happen in isolation and it remains dependent on progress and outcomes from other Programs to proactively enable acceleration of product & network rationalization plans.

- Managing Change and Driving User Adoption

The IT Transformation Program will impact on the core processes (C2M, L2C and T2R), systems, operations and resources across Operator, resulting in unprecedented levels of change. As per the systems blueprint,
this will potentially impact on a number of target audience groups within Operator. An effective change management framework and approach is critical to the successful delivery of the Program. This approach will underpin and support many of the Program within the scope of IT Transformation, with the aim of maximizing acceptance and user adoption of changed systems and processes.

5.2 Empirical Analysis of Challenges during Transformation

5.2.1 Inter-relation between business transformation and human resource management

**Hypothesis:** There is no relationship between Success of business transformation and human resource management

Chi square test is applied to find the relationship between two attributes.

**Table 5.1 Summary - Business Transformation and HRM**

<table>
<thead>
<tr>
<th>Operator</th>
<th>Bharti Airtel</th>
<th>BSNL</th>
<th>MTNL</th>
<th>Reliance</th>
<th>TTML</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>%</td>
<td>Count</td>
<td>%</td>
<td>Count</td>
</tr>
<tr>
<td>Independent</td>
<td>18</td>
<td>26%</td>
<td>22</td>
<td>24%</td>
<td>13</td>
</tr>
<tr>
<td>Dependent</td>
<td>52</td>
<td>74%</td>
<td>68</td>
<td>76%</td>
<td>40</td>
</tr>
</tbody>
</table>
Table 5.2 Chi Square Analysis - Business Transformation and HRM

<table>
<thead>
<tr>
<th>Pearson Chi-Square Tests</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship between business transformation and HRM</td>
<td>Chi-square</td>
</tr>
<tr>
<td></td>
<td>df</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
</tr>
</tbody>
</table>

As p value is less than 0.05, the null hypothesis is rejected. This concludes that there is a significant relationship between business transformation and human resources management. IT Transformation in Bharti, BSNL, TTML and MTNL is highly depended on Human Resource Management. However Reliance relies only 50%. It means there are challenges pertaining to Human resource management in case any operator working towards IT Transformation in their Business or Operational areas. Capabilities like skill enhancement of existing employees, Internal or External Hiring’s, resource transition, Staff Training & Skill Transfer, competence training for staff to acquire necessary knowledge and Operations administration and maintenance skills. Basic skills evaluation for individual, On-site training for each individual under the guidance of deployment staff and report to the training progress and result periodically.

5.2.2 Data Integrity

Average level of integrity with respect to customer data, commercial data and inventory data have been captured across all operators in scope and the reliability test was applied to check the reliability of the question of
integrity of various data before analyzing the same.

Hypothesis: There is no significant difference in average level of integrity with respect to customer data, commercial data and inventory data.

Table 5.3 Summary - Data Integrity

<table>
<thead>
<tr>
<th>Groups</th>
<th>Count</th>
<th>Sum</th>
<th>Average</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of integrity of Customer data</td>
<td>323</td>
<td>846</td>
<td>2.619195046</td>
<td>0.8327981</td>
</tr>
<tr>
<td>Level of integrity of Commercial data</td>
<td>323</td>
<td>875</td>
<td>2.708978328</td>
<td>0.5175278</td>
</tr>
<tr>
<td>Level of integrity of Inventory data</td>
<td>323</td>
<td>815</td>
<td>2.523219814</td>
<td>0.7719747</td>
</tr>
</tbody>
</table>

Table 5.4 Anova - Data Integrity

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>SS</th>
<th>df</th>
<th>MS</th>
<th>F</th>
<th>P-value</th>
<th>F crit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>5.5748</td>
<td>2</td>
<td>2.7874</td>
<td>3.9402</td>
<td>1.98E-02</td>
<td>3.005</td>
</tr>
<tr>
<td>Within Groups</td>
<td>683.38</td>
<td>966</td>
<td>0.7074</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>688.96</td>
<td>968</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to ANOVA table hypothesis is not accepted at 5% significance level. This indicates that average level of integrity is different for customer, commercial and inventory data. As per the feedback received from most of the respondents, Commercial Data is scattered across the Operation Support Systems and Business Support Systems. Mean is 2.70 reflecting that Commercial Data usually rekeying during E-2-E Business processes.
Customer Data is also following the same trend with a Mean Value is 2.61 followed by Inventory data having a Mean value is 2.52. Therefore it has been inferred that Integrity level of Commercial Data is a little more as compared to Customer data and Inventory data.

5.2.3 Operator Level integrity of Customer data

**Hypothesis:** There is no difference in opinion of operators regarding Integrity to Customer data

### Table 5.5 Summary - Customer Data

<table>
<thead>
<tr>
<th>Level of integrity of Customer data</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bharti Airtel</td>
</tr>
<tr>
<td>Count</td>
<td>%</td>
</tr>
<tr>
<td>Lowest Level</td>
<td>3</td>
</tr>
<tr>
<td>Low Level</td>
<td>13</td>
</tr>
<tr>
<td>Moderate Level</td>
<td>26</td>
</tr>
<tr>
<td>High Level</td>
<td>25</td>
</tr>
<tr>
<td>Highest Level</td>
<td>3</td>
</tr>
</tbody>
</table>

### Table 5.6 Chi Square Analysis - Customer Data

<table>
<thead>
<tr>
<th>Pearson Chi-Square Tests</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square</td>
<td>141.479</td>
</tr>
<tr>
<td>df</td>
<td>16</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000$^b$</td>
</tr>
</tbody>
</table>
The result indicates that there is difference in opinion of operators regarding integrity of customer data as p value of the Chi square test is less than 0.05 and therefore the hypothesis is rejected concluding that some factor is operating for the difference. It is observed that in Bharti and TTML, this level of integration is from moderate to high level. However in BSNL and MTNL, it is from lowest to moderate. The Reliance integration is from low to moderate.

5.2.4 Operator Level integrity of Commercial data

**Hypothesis:** There is no difference in opinion of operators regarding Integrity to Commercial data

<table>
<thead>
<tr>
<th>Level of integrity of commercial data</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bharti Airtel</td>
</tr>
<tr>
<td></td>
<td>Count</td>
</tr>
<tr>
<td>Lowest Level</td>
<td>1</td>
</tr>
<tr>
<td>Low Level</td>
<td>19</td>
</tr>
<tr>
<td>Moderate Level</td>
<td>35</td>
</tr>
<tr>
<td>High Level</td>
<td>15</td>
</tr>
<tr>
<td>Highest Level</td>
<td>0</td>
</tr>
</tbody>
</table>
Table 5.8 Chi Square Analysis - Commercial Data

<table>
<thead>
<tr>
<th>Pearson Chi-Square Tests</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Data</td>
<td></td>
</tr>
<tr>
<td>Chi-square</td>
<td>48.827</td>
</tr>
<tr>
<td>df</td>
<td>12</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000¹²</td>
</tr>
</tbody>
</table>

The result indicates that there is a significant difference in opinion of operators regarding integrity of commercial data as p value of the Chi square test is less than 0.05 and therefore the hypothesis is rejected concluding that some factor is operating for the difference. It is observed that in Bharti and TTML, this level of integration is from low to high level. However in rest of operators, it is from low to moderate.

5.2.5 Operator Level integrity of inventory data

**Hypothesis:** There is no difference in the opinion of operators regarding Integrity to Inventory data

Table 5.9 Summary - Inventory Data

<table>
<thead>
<tr>
<th>Level of integrity of inventory data</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bharti Airtel</td>
</tr>
<tr>
<td></td>
<td>Count</td>
</tr>
<tr>
<td>Lowest Level</td>
<td>0</td>
</tr>
<tr>
<td>Low Level</td>
<td>12</td>
</tr>
<tr>
<td>Moderate Level</td>
<td>40</td>
</tr>
<tr>
<td>High Level</td>
<td>18</td>
</tr>
<tr>
<td>Highest Level</td>
<td>0</td>
</tr>
</tbody>
</table>
Table 5.10 Chi Square Analysis - Inventory Data

<table>
<thead>
<tr>
<th>Pearson Chi-Square Tests</th>
<th>Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory Data</td>
<td></td>
</tr>
<tr>
<td>Chi-square</td>
<td>133.88</td>
</tr>
<tr>
<td>df</td>
<td>12</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000*</td>
</tr>
</tbody>
</table>

The result indicates that there is a significant difference in opinion of operators regarding integrity of inventory data as p value of the Chi square test is less than 0.05 and therefore the hypothesis is rejected concluding that some factor is operating for the difference. It is observed that in Bharti and TTML, this level of integration is from low to high level. In BSNL and MTNL, it is from lowest to moderate level. In Reliance, it is low to moderate level.

5.2.6 Migration Solution

Migration solution design activity will be carried out by migration designers to define migration solution. The migration solution will primarily provide solution for data migration, user profile migration, user training and closure. The regular communication will be sent to all stakeholders who will be impacted and are supposed to be move to new ecosystem. Migration designers would identify any development impact over e2e solution that may be required temporarily to support actual migration.

- Migration Approach: The key factors that needs to be addressed as a
part of Migration Strategy are elaborated below:

- **Business Impact**
  - Geographical spread of the systems
  - Regional Regulatory and Customer requirements and Product Portfolio

- **Functionality**
  - Multiple functionality supported
  - Customers functional and availability need

- **System**
  - Uninterrupted Service Availability
  - Available migration window
  - Reusable Solution with Optimal Performance
  - Deployments

- **Data**
  - Data Complexity and Duplication
  - Data Quality, Transformation and cleansing requirements
  - Implementation challenges with time-zone and Data security
  - Acquisition of missing information
- Users

  - User Migration
  - Training and Communication
  - Exception Handling
  - Hand-holding and support during production launch

Migration Methodology for Rationalisation under IT Transformation will consider following dimensions to ensure there is no impact on Operator's business continuity and customer experience.

![Figure 5.1 Migration Methodology](image)

In order to execute multiple simultaneous migrations within these programs, the focus requires:

- Dedicated team managing the migration lifecycles
- Thorough Engineering Strategy
- A thorough Execution Strategy
- Robust migration framework and templates

- Governance processes to monitor the people, process and technology elements.

Based on current available information following options for migration implementation are involved:

  - Migration to target with mapped process to existing systems
  - Migration to target with new functionality build on Existing systems
  - Migrate to strategic stack components (new functionality) old processes
  - Migrate to strategic stack components (new functionality) new processes

5.3 Governance

Strong governance is crucial Challenge to the success of IT Transformation. The Governance function will be all inclusive and integrated across the Program so that appropriate information is made available to the management team for executive decision making. It needs to be designed around the transformation methodology and aligned to the overall Milestone Governance structure.
The below diagram shows how Transformation Governance should be aligned to the Milestone Governance structure:

![Diagram showing Governance Overview](image)

**Figure 5.2 Governance Overview**

A key function of the Transformation Governance will be to operate across various work streams and in parallel with other Programs in Operator.

Governance Boards operate across these work streams and Programs we have split the above model up into 2 levels and provided a breakdown of each of the Boards below:
5.3.1 Governance Framework

IT Transformation Governance should be established using a federated and lean governance model where people from all key stakeholder groups aspects. The framework has been presented as above. The Transformation Governance model ensures the right set of information is available to enable and facilitate strategic decision making. The Governance framework is designed to ensure:

**Strong involvement of stakeholders at all levels** - The Governance framework for IT Transformation will ensure that the governance bodies involve the right people, have clear terms of reference and are supplied
with succinct and accurate information on the status of the Program to facilitate informed decision making. The Governance framework will ensure that stakeholders involved in the process are empowered to make and implement decisions.

**Alignment with other critical Programs** - The Governance framework has been designed to ensure that IT Transformation is aligned with other critical Programs within Operator. This can be seen by the alignment to the Milestone Governance framework. Such alignment has ensures cross-Program dependencies are resolved and decision making is objective.

**Close co-ordination within the various IT Transformation Programs** – The Co-ordination Group will ensure alignment across IT Transformation Programs. All cross Program issues will be discussed and resolved with input from the appropriate Program representatives.

**Establish benefit measurement and reporting regime** - The Governance framework will ensure that the benefits model is used to track IT Transformation operational impacts and this information is used to make prioritization decisions. All the benefits will be measured and reported at the appropriate levels.
5.3.2 Governance Groups

Various Level 3 Governance groups have been established for IT Transformation to enable functioning of various areas. These include –

- Program Groups
- Demand Group
- Technical Groups

The objectives of these groups, various meetings that are proposed and their terms of reference have been described below –

- **Program Groups**

**IT Transformation Co-ordination Group** - this group should pull together the leads from each principal area of change in the IT Transformation Program, specifically C2M, L2C and T2R Corporate Functions, Process, Systems and People change. The IT Transformation Program Manager will chair the meeting and representatives from the Transformation Program Management Office will attend to report on benefits realization and key issues identified across the workstream.

**Operational Steering Group** – A group of key operational users chosen from the key operations impacted by the IT Transformation. This group is responsible for assessing all proposed process, system and organizational changes and flagging to the IT Transformation Co-ordination Group any
issues the changes might cause for operational users. It is envisaged that this group will meet monthly and Transformation Program Management Office representatives will participate in the meetings to ensure any outcomes are communicated to other key governance bodies, along with the IT Transformation PMO.

- **Demand Group**

  IT Transformation Demand Management Council – DMC will focus on identifying and agreeing Application development savings for Operator by accepting or rejecting Operator demand into the IT Transformation Program. The board is also a forum for discussion and resolution of risks and issues and reviews of progress.

- **Technical Groups**

  Senior Technical Management Briefing Session - this meeting should be used to provide a briefing on architecture plans to senior stakeholders and to act as the final escalation point. The Terms of Reference for the Senior Technical Management Briefing Session appear below: This meeting should be used to provide a briefing on architecture plans to senior stakeholders and to act as the final escalation point

  **Design Assurance Group** – the role of the Design Assurance Group is to review and approve all key IT Transformation deliverables. In addition, this
group will review progress and provide advice and support to the main transformation teams on any issues and risks highlighted for escalation. This group will also act as the sounding board for any evolving solution designs and identify further SMEs to engage in order to progress such designs.

5.3.3 Managing the Transformation Program

The scope and complexity of the IT Transformation Program means that it requires very close coordination and management. A central Transformation Program Management Office will thus be established to facilitate various functions, track progress and ensure regular reporting. Transformation Program Management Office will work in conjunction with The IT Transformation PMO, which has already been established and is currently operational. The Transformation PMO will re-use all the frameworks and processes established by the IT Transformation PMO, as applicable.

Transformation Program Management office will enable the Governance of the transformation Program. This has been described in the Governance section. Additionally, the Transformation PMO will address the following key functions –

- Transformation planning and reporting
- Delivery lifecycle Management:
- Benefits Management:
- Risks, Issues, Assumptions and Dependency Management:

These activities have been detailed below.

- **Transformation planning and reporting**

The purpose of planning and reporting function is to ensure that various Program and platform plans are aligned and report on individual as well as collective progress made by various Programs. The transformation PMO will work in close co-ordination with the IT Transformation PMO and facilitate reporting on various aspects of the transformation.

The responsibilities include:

- Maintain and govern central planning for the IT Transformation
- Co-ordinate with the Programs
- Track the transformation deliverables
- Co-ordinate with the IT Transformation PMO function
- Facilitate reporting as required by the IT Transformation PMO and larger stakeholder community

- **Delivery lifecycle management**
Programs will result in identification of various packages that will undergo the application build cycle. These cycles will involve both Operator and Vendor resources and will need to be co-ordinated and managed with clear description of capabilities.

The purpose of the Lifecycle Management function is to:

- Introduce a consistent framework for application development
- Introduce and manage stage gate reviews to ensure quality across application development
- Monitor the project management of work packages throughout the lifecycle
- Create and manage appropriate reporting on Lifecycle Management.

The creation of this capability will involve designing and putting in place the required processes, people, governance, and tools to operate and manage the Lifecycle Management function of the Transformation Program. The key responsibilities of this lifecycle management function will be to:

- Identify, define and document the stages in the development lifecycle to include requirements, design, build, test, deploy and operate
• Design and implement an effective governance structure
• Communicate effectively the lifecycle process across Operator’s
  Design and Application Development Services
• Ensure all application development adheres to the Lifecycle
  Process
• Review and update as appropriate the Lifecycle Process to ensure
  it is fit for purpose

The key deliverables from the Lifecycle Management function will be:

• A Lifecycle Management function designed with the necessary
  processes, people, governance and tools
• A maintained and up to date Lifecycle Process for the Program.

The Transformation methodology aims to build upon the existing
OPERATOR operating model, ensure stakeholders are involved, key
decision points are agreed and outputs are tracked throughout the delivery
lifecycle.

▪ **Alignment with Operator’s Operating Model**

Operators have an established operating model. The IT Transformation
methodology needs to be aligned with the Operator’s operating model to
ensure consistency, rigor and provide assurance without sacrificing speed.

▪ **Benefits Management**
The purpose of Benefits Management function is to ensure that IT Transformation meets its short term and long term operational improvement (reduced numbers of systems, reduced TCO, improved CE and SDK compliance) targets. The function will be an integral part of overall Program Management will ensure that IT Transformation delivers tangible operational and business benefits to OPERATOR. This will include both financial benefits, such as reduced TCO, and operational benefits such as improved CE measures and process documentation compliance.

The responsibilities include:

- Define the benefits management process
- Propose prioritization criteria
- Build the workstream schedule model
- Confirm CE measures
- Design benefits dashboard (including all the agreed benefits measure).

The Benefits Management function will use a workstream model to agree the delivery sequence. It will measure and report the benefits achieved through IT Transformation and suggest corrective actions, where required.
The benefit measurement and reporting regime will align with the overall IT Transformation Benefit realization plan.

Elements such as Process Documentation Compliance Score will be identified, measured and reported through Benefits Management regime.

Key principles of the Benefits management plan and approach include -

- **“Baking In” Benefits to the Demand Pipeline**

The potential for benefits delivery is a key input into the priority given to proposed activity and releases. At the work package stage, proposed workpackages should require to assess the potential benefits that will be delivered. This assessment is used to help evaluate the attractiveness of the workpackages.

This process ensures that the mix of workpackages coming through optimizes the delivery of the proposed IT Transformation benefits, be that systems reduction, CE improvement, user story implementation or other benefits.

This is a key step in the benefits management approach for IT Transformation, as it is at this stage that we provide firm forecasts of benefits realization.
• **Managing and tracking benefits**

The Program will work to continually improve the detail and understanding of the benefits delivery potential and timing of the workstream and work packages. It will do this through Benefits Champions developing a detailed understanding of each of the benefits which are enabled or delivered by the work packages delivered.

A detailed description of the process for tracking and managing benefits is set out in Appendix S. In outline, the Program will conduct regular reviews with the work streams to assess the progress of benefits realization against forecast and assess any risks to delivery. Benefits risks and issues will be raised at the Program level so that appropriate mitigation can be developed and fed back into the relevant plans. In addition to this process there are “benefit champions” for each of the core benefits (e.g. systems reduction) who can take a “cross-workstream” view of the realization forecast, delivery and issues for each benefit.

• **Linking to “Milestone” benefits delivery**

OPERATOR is currently developing a benefits management strategy to operate across all of the Programs running under the Milestone umbrella. Once this strategy has been developed, which we currently believe is due at the end of March, we will ensure that IT Transformation benefits reporting provides appropriate information to allow assessment of
Milestone wide benefits realization and will work with the Milestone benefits team to ensure cross-Program alignment.

The Programs within IT Transformation deliver wider business benefits in addition to targeting the IT Transformation benefit deliverables. These are explained in detail within Appendix S – Benefits Management Plan

- **Risks and Issues Management**

The complexity and scale of IT Transformation means that it will be faced with various risks, issues, assumptions and dependencies. We understand that Assumptions and Dependencies are not captured or managed in the Milestone process so, to ensure alignment; we capture them on separate tabs and re-word them as Risks and Issues as appropriate.

As a result the primary focus is the management of Transformation risks and issues, these are categorized as follows:

- those that might happen in the future, i.e. “risks”
- those that have already happened, i.e. “issues”.

Effective management of these risks and issues within IT Transformation will be essential to remove or reduce the impact of the threats so improving the chances of overall Program success. This will necessitate early identification, accurate impact evaluation, and proactive follow through of the remedial actions for all identified risks and issues. As such,
the Transformation Program Management Office will need to follow a best practice methodology for managing risks and issues. It is understood that some risk and issues management methods are already in place within the Operator’s PMO and hence the Transformation Program Management Office is working within the existing framework, processes and tools.

- **Framework for Risk and Issue Management**

**Risks and Issues Register**

At the heart of Risks and Issues methodology is the set up and maintenance of the risks and issues registers. The register is set up as a joint IT TRANSFORMATION Program register. The joint register includes the following type of Risks, Issues, Assumptions and Dependencies:

- Issues that cannot be resolved internally within OPERATOR
- Risks that cannot be mitigated without consulting other parties
- Dependencies of the IT Transformation Program on other Milestone Programs

Further, the above mentioned internal registers will be configured to support the necessary reporting requirements, for instance Program reporting.

It is envisaged that the Transformation Program Management Office will gather all the necessary information on risks and issues. All risks and
issues will be entered into the register, together with associated information such as impact, owners and mitigating actions.

Prioritization Criteria

The Red, Amber, Green priority system will be applied to all risks and issues, with Red having the highest impact/priority, Amber the next level down, and Green having the lowest impact/priority level. As a general rule Green or Low impact issues and risks will be resolved at Program level and will only be raised at the joint Risks and Issues meeting as an update. High and Medium impact issues in Red and Amber will be discussed and updated at the joint meetings.

Escalation of Risks and Issues

The proactive management of risks and issues is a key part of the Transformation Program Methodology. The escalation process, while established, is based on the severity, probability (for risks) and subjectivity of each escalation review for individual risks and issues.

5.4 Managing Change

The IT Transformation Program will impact on the core processes (C2M, L2C and T2R), systems, operations and resources across Operators, resulting in unprecedented levels of change. As per the systems blueprint, this will potentially impact on a number of target audience groups within
Operators and Customer Experience. An effective change management framework and approach is critical to the successful delivery of the Program. This approach will under-pin and support many of the Program Programs within the scope of IT Transformation, with the aim of maximizing acceptance and user adoption of changed systems and processes. This section outlines the overall change management approach for the Program, including:

- **Objectives**
- The guiding principles which shape the change activities
- Key components of the change Program including strategies for:
  - The end-user adoption approach
  - The ‘train the trainer’ strategy
  - The communications and stakeholder management strategy

- **Roadmap for change during the IT Transformation Program**

**Objectives of the change management approach**

The change management approach will support the objectives of the overall Program, but will be specifically measured on following:

- Ensure the Program has a structured engagement and communications approach to develop active senior and cascading sponsorship, to drive the transformation change Program;
• Maximize user adoption of the systems and processes transformed by the Program, ensuring the benefits of the new systems and processes put in place are fully realized;

• Ensure the ‘compelling case for change’ for each stakeholder group impacted by the Program is clear, increasing buy-in to the Programs approach and minimizing the impact of potential resistance to change;

• Put in place the business capability to effectively use the systems and processes put in place, through the successful delivery of the ‘train the trainer’ Program.

### Guiding principles

The change Program will be driven by the following key guiding principles:

**User adoption will underpin our overall methodology** – The change activity will underpin our transformation methodology delivering interventions at every phase, ensuring activities to increase user adoption are incorporated throughout our approach.

**Articulating a compelling case for IT Transformation** – The rationale for change will be clearly articulated and the key benefits for various stakeholders to identify their personal wins.

**Engaging and involving the business in a consistent and coordinated way** – The business will be engaged in a structured and coordinated
manner by the IT Transformation team, to ensure they are involved in shaping its implementation.

**Ensure clear, consistent and two-way communications** -
Communications will be designed to ensure clear and consistent messages are delivered to the various impacted target audience groups. This will provide them with the information they need to understand, internalise and accept the change. This will include messages surrounding:

- The rationale for any change delivered by the Program
- What the change involves and its impact
- Why the change will make the lives of the majority of users easier
- The specific benefits to the organisation and the individual

**Ensuring senior and local management support** - User adoption will be driven top-down, being supported by senior and local leaders. This will require the active sponsorship of the BT GS senior management team as well as cascading sponsorship within the management teams of different geographies.

**Employing a proactive and practical approach, but being sensitive to managing potential resistance to change** – The IT Transformation Program will challenge existing ‘ways of work’, potentially creating uncertainty and resistance to change across many stakeholder groups.
Such resistance must be managed in a structured manner by senior sponsorship and the engagement activities of the Program team.

The key components of the change management strategy

The key components of the change methodology to support the IT Transformation Program are highlighted below. Greater detail is provided on each component in the change management Program in this section of the report. The key components of the change management strategy include:

- Developing and delivering a common change management framework across the IT Transformation Program which underpins the achievement of the user adoption targets.

- Putting in place an appropriate user adoption measurement approach.

- Delivering a ‘train the trainer’ Program.

- Developing and managing the delivery of a stakeholder management strategy.

- Delivering a communication strategy.

- Developing and delivering a common change management framework across the IT Transformation Program.

The impact of the IT Transformation Program requires a common change management framework which all members of the team adhere. All team
members on the Program who manage and interface with stakeholders, are responsible for managing change in a consistent and structured manner to successfully deliver the Program’s change goals. The success and creditability of the Program will be judged on the manner in which it delivers the benefits it originally sort and how it manages its key stakeholder groups. Therefore a tailored change management framework applied across the Program, must ensure all delivery teams and sponsors are aware of their role in delivering change effectively.

5.5 Driving User Adoption

One of the most important measures in evaluating the IT Transformation Program success is the end-user adoption of the new systems and processes introduced by the Program. Operators will only realise the intended benefit of the Program, if its end-users have adopted the new ways of working.

- The approach to increasing user-adoption

The user-adoption target for the Program requires a clear strategy to ensure end-users are motivated and confident to use the new systems and processes put in place. The IT Transformation Program therefore needs to achieve its core objective of process and systems rationalization in a manner that allows users to endorse the changes being made in the IT landscape. The user adoption approach will have critical
interdependencies with the training and communications strategy, which are captured within this section of the transformation plan.

User adoption will be led through a framework that will address both hard (technical issues such as data and user migration) and soft issues around user adoption, change management and training. Specific measures to accurately measure user adoption will have to be defined, which reflects the use of processes and system changes put in place by the Program.

To ensure the change management activities delivered on the Program are focused on supporting end-user adoption, the Program must be conscious of delivering engagement activities to allow end-users to actively participate in shaping the solutions being put in place. This will support their commitment and buy-in to the process and systems change being delivered. The user-adoption framework above highlights the specific activities and outputs that will be delivered by the Program to support this.

- **Key responsibilities in the delivery of user-adoption activities**

The key responsibilities and deliverables to deliver the appropriate levels of user adoption include:

- The approach, measurements and metrics used to assess user adoption
- Ensure a structured change management strategy is put in place to deliver end-user adoption

- Ensure the Programs are actively involving the business in the design and development of solutions being put in place

- Engage senior and local management will actively sponsors the Program, ensuring adherence to the process and systems change

- Measuring the implementation of CE stories

**The train the trainer Program**

The train the trainer Program is a critical component of the change management work stream, ensuring the target audience groups have the skills and capabilities necessary to operate in the expected ways of working. The train the trainer Program will ensure each user group has their training requirements clearly articulated, with a structured approach to delivering their requirements.

**The approach to the train the trainer Program**

The ‘train the trainer’ approach will be led by a structure methodology, ensuring the training outcomes delivered by the Program are appropriate for the skill requirements of the business. Training interventions will be required when existing systems are decommissioned, potentially
transferring those users onto existing systems or when new systems are developed. In both instances, the training approach must ensure the end-users are provided with the skills required to work in their new ways of working, with minimal disruption on their day to day activities.

- **Key responsibilities and deliverables in the train the trainer Program**

The Program responsibilities for the train the trainer work stream include:

- Develop, maintain and deliver the “train the Trainer” Program, including the development of the training material and training plan
- Program manage the delivery of the training to the end users
- Ensure the training plan utilises the appropriate training interventions to provide the trainers and end-users with the skills they require.

The Program deliverables for the train the trainer work stream include Develop a full training Program (the development of the trainers and Program management of training material production)