

BTOES 2019 IBM Submission for Best Achievement in Operational Excellence to deliver Business Transformation

IBM Global Business Services Transformational Leadership Development Program

Tech Disruption in Your Industry – We Can Help

Executive Summary

The consulting industry is ever changing with our clients' industry developments and new technology. IBM strives to be at the forefront of managing these changes. In 2013, IBM's Transformational Leadership Development Program (TLDP) was founded. TLDP's purpose is to provide consultants with background in both industry and technology that serve as change and process management experts. The added benefit is twice the business impact at half the cost. This is a result of the selective nature of the program, hiring only top performing talent at IBM. The key differentiator of TLDP versus other consulting units is a focus on industry knowledge in relation to technology and growth areas (RPA, Watson, Security, etc.). With this detailed knowledge, we can bridge the gap between clients that are struggling to keep up with new technology demands. We've all heard the phrase "Jack of all trades, master of none". This phrase is often associated with consulting; TLDP is changing this association.

So what does this mean for our clients? In 1997, Clayton Christensen published "The Innovator's Dilemma" arguing that companies failed due to not appreciating and responding to, "new concepts of value in their industry". To avoid being disrupted and made irrelevant, Christensen recommended that established companies should set up their own "start-ups" or "disruptive innovators". Consulting is not exempt from these disruptions. To combat the implications of disruptions, TLDP is IBM's "start-up." Consulting clients face the challenge of being able to navigate the growing pool of technological innovations and applying them to their operating model & product.

Strategic Objectives & Scope

TLDP is a competitive program within the consulting industry that encourages practitioners to challenge themselves through rotations of demanding projects, a stimulating education curriculum, and a focus on in-depth knowledge of an industry of their choosing. They must prove to leadership that they possess the skills necessary to quickly learn and adapt not only to the technological aspects of the job, which is IBM's overall focus, but that they are willing to take copious amounts of time outside of their core responsibilities to learn the principles of a specific industry. Once mastering those fundamentals, they must commit to rotations within that industry as well as remaining up-to-date on relevant industry changes. It is during these rotations that TLDP consultants implement process engineering and change management principles to bridge the gap between industry and technology.

In addition to the strict requirements of the program, practitioners must also contribute to the program through "giveback". TLDP is a self-sustaining program, meaning the consultants working within the group are the ones running the show. Because of the self-sustaining model, TLDP provides \$0 in additional overhead to IBM. This allows IBM to offer clients practitioners with professional certifications, industry knowledge, and formal management consulting

experience for an extremely low cost rate. This is something that other key player management consulting firms have yet to master.

IBM employs over 375,000 employees. TLDP accounts for about 60 employees globally. Though we are a small percentage of IBM overall, we are active within more than ten industries. Our practitioners hold more than twelve unique degrees and certifications in various aspects of technology, industry, and management consulting services.

The Operational Excellence Implementation, Timeline, and Project Size

This approach has resulted in many successful deliveries, the most prominent being the delivery of Operational Excellence to a Fortune 500 Insurance provider. The client found itself rapidly aging in an industry with new competitors, lower costs, and innovative solutions and technology. Part of the client's response to these changes was to create a foundation to encourage change by implanting Lean Management Principles across their organization. TLDP's senior consultants fashioned a relationship with the insurance carrier's internal transformation group to implement Lean.

The Client Impact of the Operational Excellence deployment

Through a successful first wave of deployments, TLDP has crafted a dynamic partnership with the insurance client. Below are the results in numbers...

- A culture shift within our client's operations touching over 2,000 employees and countless of our client's customers
- 15% time savings per deployment; 6 deployments completed to date, 4 more signed for Q1 2019

The organizational results of Operational Excellence deployment

Of course, there are benefits to IBM as well. These include...

- Over \$3M in work signed with a single insurance client for our management consulting expertise in Lean
- Increase of TLDP resources on client facing engagements
 - TLDP's presence has grown fivefold on client site, ultimately surpassing the number of internal transformation experts employed by the client
- An ever-growing Lean & Agile practice within IBM
 - Lean Office did not exist at IBM prior to this project
- Billable client work, such as our Insurance Lean deployment, has allowed TLDP to grow from 12 to 30 consultants in North America
- TLDP has expanded from its original scope of North America to a global model
 - New model includes Latin America, Asia Pacific, India, and Canada

Industry Portfolio

Industrial
Insurance
Commercial Retail
Mobile
Technology
Banking & Financial Services
Government & Public Services
Pharmaceuticals
Education
Food Services
Publishing
Healthcare

Certification Portfolio

Certifications
MBA (multiple disciplines)
Green Belt
PMP
Design Thinking
Lean Coach
Value Stream Mapping
Agile Certified
Scrum Master
Robotic Process Automation
Intelligence & Analytics
Change Management

Sources

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3. <https://hbr.org/2018/01/how-likely-is-your-industry-to-be-disrupted-this-2x2-matrix-will-tell-you>