ENKI®
Success unlocked

# Transformation Insights

## Article Series #1
## The Art and Science of Transformation

March 3, 2023

# Transforming Transformation
# What it means

## The problem with transformations

- Seventy-Three percent (73%) of transformations fail to deliver[1]
- 93% fail if quality improvement is a desired outcome[2]
- 99.5% of IT projects fail to deliver the intended outcome[3]
- When these efforts fail the leadership is changed out, and it starts all over again

## Actions to consider to improve success rate

### Result of successful transformations

Transformations fail to deliver because the leaders of these efforts believe they can do it themselves or they believe their teams can do it. Obviously, they are wrong. Structuring, funding, and managing business transformations require skills developed over decades. Additionally, running transformations for the first year or two requires full-time attention, and executives and their teams must keep the business running. So they will need help.

### Transformational structuring and management skills.

Ability to create a transformational business case with a mutually exclusive and collectively exhaustive financial model.

It is obvious that 73% of transformations fail to deliver intended results because management doesn't know how to define and execute enterprise transformations. Nor should they know how to do it because their expertise is in growing and managing a business, not changing it. If it were their expertise, they would be a short-term leader by definition because they will move on when changes are complete.

The history of transformation efforts that fail to achieve desired results is evidence that something is required in addition to changes in technology and the design of processes. Technical changes do not assure that people will or can change their ways of working to achieve results. Transformation requires a combination of technical change and adaptive learning. While technical change may be quick to identify, adaptive learning focuses on the change journey of the people in your organization. The people will make the technical change possible once they have engaged and believe in the change; otherwise, it will fail.

The focus on people is not the "fluffy stuff." It is the foundation of performance.

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[1] Candido & Santos, 2008; Bridgeforth, 2000, Standish Group, 2021

[2] Ibid

[3] Bent Flyvbjerg and Dan Gardner (2023). How Big Things Get Done. Penguin Random House LLC

*Why don't people just follow procedures and use the new tools?*

As performance-minded consultants helping clients across industries implement transformational change, we know that people going through transformation are on a learning journey. Extensive scientific research on adult learning proves that the concepts underpinning the transformation learning journey apply equally from the classroom to the boardroom. We integrate these concepts with technical changes through innovative, fit-for-purpose approaches to help our clients define and attain their goals.

Our approach is pragmatic, action-oriented, and grounded in proven adult learning principles. It combines the Taylor (2021) Metacognition Model with the framework of Adult Learning Theory (Knowles, 1978) to create a practice of inquiry that drives learning agendas and transformation outcomes. We refer to this approach as *"Freedom within Fences,"* which is the backbone of our Learning Architecture.

The **Taylor's Meta Model for Adult Learning in an ENKI Transformation (2022)**[4] is a three-part integrated instructional model that articulates the need for adult learners to have the space to think about their thinking, i.e., metacognition. Initially developed for implementation in higher education teacher preparation programs, it applies equally to the preparation of adults in any environment to become proficient in new ways of working.
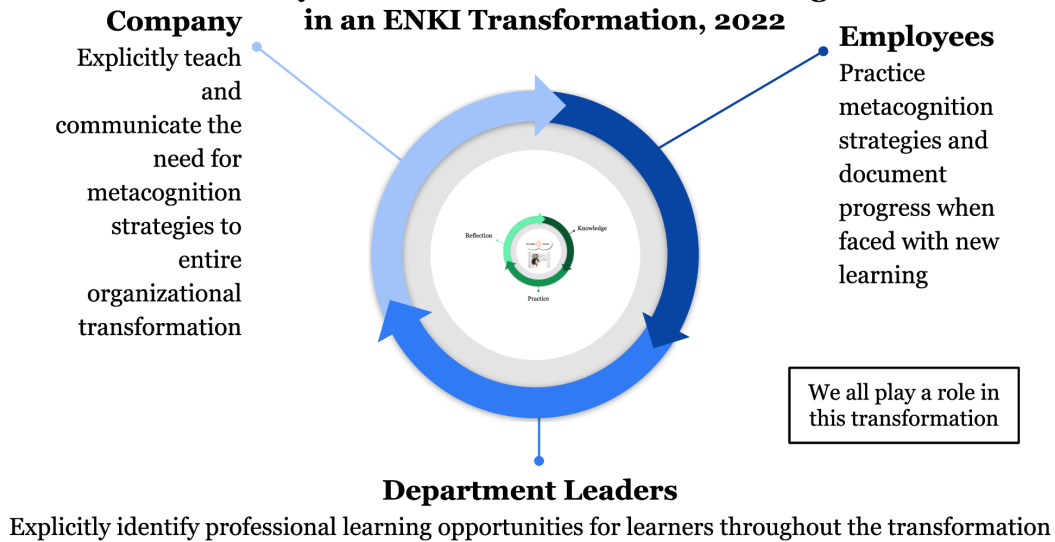
This body of research and practical application of metacognition practices require adults to reflect and adjust in order to learn. That process is at the heart of any transformation. The model highlights the need for the company, leadership, and employees engaged in the transformation to integrate metacognitive strategies.

In short, we know that children learn by exploring the world around them. They are vulnerable learners, open to learning from mistakes and moving forward. Adults learn that mistakes result in consequences.

Adults are not always open to making mistakes after being taught that mistakes equal consequences. Hence they find learning scary, and it becomes a challenge to integrate learning into their daily work. The opportunity is that integrating learning into daily work would manifest a change in behaviors and result in "failing fast" and expediting faster solutions. This can present even more stress in a professional context. To engage adults in a learning process and culture, we work with our clients to create a safe and formative space for reflection and metacognition. For example, retrospectives are built into our processes to review projects and learn how to improve. Sadly this is a step often missed when the desire for a technical change rather than enterprise change drives client decisions. As a result, companies are left with yet another unsuccessful enterprise transformation effort. The ENKI approach accounts for the learning architecture needed to ensure positive client outcomes.

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[4] Taylor, S. (2021) *Bridging the Teacher Knowledge Gap a Phenomenological Study of Undergraduate Teacher Candidates' Perceptions of Readiness for the Classroom*

**Taylor's Meta Model for Adult Learning in an ENKI Transformation, 2022**

**Company**
Explicitly teach and communicate the need for metacognition strategies to entire organizational transformation

**Employees**
Practice metacognition strategies and document progress when faced with new learning

We all play a role in this transformation

**Department Leaders**
Explicitly identify professional learning opportunities for learners throughout the transformation

ENKI's Education Practice assigns adult learning experts to engage with our Business Architecture and IT Strategy / Architecture experts to deliver adult learning with business model optimization, a purposeful culture, and a supporting technical roadmap to ensure the transformation is sustainable. This combination engages and guides all stakeholders to achieve the changes they help define. Our approach is to create "Freedom" to address mistakes quickly to achieve the goals set by the leaders. We also provide the "Fences" to keep the team(s) focused on managing costs and achieving promised outcomes.

The first step of the transformation journey is common to most firms. We create a data-based understanding of the strengths and opportunities of the current state while also creating an aspirational view of what is possible. This combination generates the creative tension that constitutes the energy for the change journey[5]. It provides stakeholders with the "why" for the change. How we do this is different from other firms. We engage stakeholders on the first day and bring them with us on the journey of understanding.

As illustrated in the aforementioned Taylor meta model, stakeholders will learn and create sustainable change through reflective iterative steps: clear assessment of gaps; defined learning objectives; feedback through metrics and data with reflection; and then capture and apply the lessons learned.

Stakeholders must be fully involved in creating their own Learning Architecture for the transformation. Members of the organization must be fully aligned on the priority goals and the nature and root causes of gaps. For each stakeholder to be motivated to achieve the vision, they must envision how their work will be accomplished in the new environment.

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[5] Senge, P.M. (1994) *The fifth discipline*

## Additional skills required

Other critical components of transformation that may seem at odds with one another are program management, the ongoing adaptation of change, and leadership.

In our experience, best practice program management and tools provide opportunities for innovation and adaptation within a structure that maintains alignment on the overall goals. A crucial element is a purposeful culture or environment. Leaders must provide the intentional "Freedom within Fences" needed for differing parts of the organization to progress toward the goals.

The scaling framework must go beyond classic program management as it would apply to a construction or a traditional IT project. Yes, it must include a robust program plan describing what needs to happen in what order. Interdependencies between tasks and deliverables must be captured and managed to maintain an evergreen view of the critical path – which is bound to shift over time. Unlike a typical construction project, the scaling framework for a transformation must incorporate ongoing learning, knowledge management, and stakeholder engagement elements. All of this must be delivered through an efficient and effective platform, with robust, accessible reporting for information sharing, combined with carefully crafted meetings to assure ongoing alignment.

## What does this look like in practice?

We helped an oil and gas client turn around an inventory reduction project supported by three major consultancies, all creating deliverables with an unclear track to results.

We helped leaders create a learning architecture that guided leaders to change key mindsets: that inventory didn't matter, that any amount of inventory was better than creating any risk to production, that the only way to use the enabling enterprise technology was the current state - which precluded understanding inventory age or condition.

## Client Results

With the addition of organizational change management, the client achieved a 30% inventory reduction within three months, with ongoing goals to reduce inventory by half within a year.

## Conclusion

With these insights in mind, ENKI has assembled a unique combination of **Business Architecture** (processes, stakeholders, organization change management), **Technical Architecture** (IT strategy, tools), and **Learning Architecture** (people, engagement, learning). These allow us to successfully guide leaders and their organizations through any transformation journey.

ENKI is Success Unlocked because we have walked in your shoes.