

# Strategies to improve organizational effectiveness information technology essay

[Technology](#), [Information Technology](#)



## **Introduction**

This document sets out formal requirements for the implementation of Business Outsource Plans to facilitate the operation, update, reporting and running of existing operating models. Our company is seeking the best in class that will meet its requirement to facilitate both obligations and commercial necessities. This project is viewed as a corner stone that will enable granular up to date information to be used for strategic and managerial decision making.

## **Strategic requirements**

Business looks to business process outsourcing as a strategic enabler -not only for cost savings In order to meet the increasing demands and respond effectively to competitive pressures a number of strategic and long term transformational initiatives have been launched. A major initiative is the realignment of organisational structure in order to streamline the business for greater operational efficiency and create a platform from which new and innovative services can be launched into the market. Ultimately, the company's strategic priority is to create value for its shareholders, derived by enhancing its profitability, through superior services expected by the rapidly growing and demanding economy. This transformational program of Outsourcing will further develop already advanced information technology to achieve world-class operational efficiencies. In line with this initiative greater focus has been placed on costing and service profitability, which have been identified as strategically critical areas that require addressing immediately. The company wishes to develop and implement a costing and profitability

framework for its products and services, business units, main processes, key commercial and operational activities etc. This information will be used to improve executive strategic and managerial decision making, objectives on improving the overall efficiency of the organisation and maximise financial returns. The outsourcing model will have to meet the requirements and form the cornerstone of this wider organization initiative to enhance efficiency.

## **Strategies to Improve Organizational Effectiveness**

It includes details of business case analysis, and network of contacts to define distinct and significant performance measures for an organization and the tools to precisely monitor and manage recurring improvement.

Benchmarking of operations, costs, and competitors will help to establish standards and qualitative standards of internal operations and functions.

Identify best-of-yield practices and objectives for performance, build up key metrics for examining spending of outsourcing with internally generated processes. Perform this analysis both internally and across market segments and the factors that drive them. Analyze internal and external markets for organizational impressions of marketing, correlation, expend, brand management, operation management, and reliability programs to maximize marketing effectiveness. Define distributing channels and channel partners to proficiently grow returns by preserving and further getting through high-class and high-efficacious customers by perceiving channel preferences and differential channel strategies for various segments. Channel Optimization identifies the vital customer interaction points, their delivery demands and preferences, and the suitable operational drivers and measures. Integrate

channel efforts across different groups working toward a stable target, resulting in maximum profitability achieved through better-controlled operations.

## **Achieve Operational Excellence**

Organizations today, are inquiring to be operationally outstanding for three main reasons: costs, customers and competition (the 3 C's of Operational Excellence). They are continuously searching for the best methods to reach operational excellence (increase income and money flow, minor operational budget, improve tractability, speed to market, quality, consistency, and customer gratification/worth) in order to get good profit and success against the race. Operational excellence is the basis of business development, cost-effectiveness and economical improvement. An organization can only begin to mould new growth strategies and business prototypes after it has established a full-fledged proficiency for managing its existing business operations competently and efficiently in the sequence of meeting the requirements of its customer's and stakeholders. Effective analyzing and super visioning business operations, organizations can generate the right products with the true features at the exact cost. Operational Excellence practice encompasses the entire business and operational processes; while handling the risk and complications inborn in transformation. The approach should build customer satisfaction, increase in revenue and cost management for as a strategic objective of the company. The efficient, integrated business and operational processes, and supporting technology should all gear to achieve the desired results.

## **Key Benefits**

Operations Excellence practice is focused on clients' unique requirements and includes the following benefits: Increased returns, money flow and customer happiness  
Decreased expenses  
Sustainable competitive benefit  
Faster service provisioning  
Decrease in errors and required revise  
Faster, more effective operations  
Entirely incorporated business and operational processes and system

## **Business Transformation**

The competitive environment combines to force the company to make massive changes in the way they operate their businesses. Everything is dynamic and real time. And everything is about the customer experience. The focus on technology evolution is now being traded for business transformation. As the company pursues strategies to keep pace with these market dynamics, they are reassessing every part of their existing business operation and transforming their operational background. Regulatory issues, the economic atmosphere and intensified competition add additional pressure to realign their businesses to meet business goals and objectives. Transformations will require a combination of redefined processes, organizational change, and systems that support rapid product development and create business agility. Careful orchestration of these initiatives will result where business processes and operations are inextricably linked to corporate strategy and business plans. Transformation is not about a specific technology, solution or activity. Rather, it is a disciplined approach to improving the effectiveness and efficiency of your technologies, business

organization and actions to achieve and maintain justifiable business growth and yield optimal performance. Analysis of processes and tools to assure strategic business goals are met. Top challenges to transformation: execution and implementation. The key metrics of cost reduction, customer satisfaction and revenue generation are prime considerations for an organization to plan Outsourcing Strategy. The ultimate goal is to enable the company to become more market-oriented, successfully exploit the present and prepare for the forthcoming, to change and adjust, to enhance processes and reduce CAPEX/OPEX (Capital Expenditure or Operational expenditure).

## **Business Requirements Analysis and Vendor Selection**

Well implemented business requirements analysis enhances worth to your business by guaranteeing that your applications and organizations meet your customers' demands and make the most of your venture. In a business atmosphere that is highly dependent upon fast access to operational and legal information, the auxiliary business systems and applications that process and convey that data are strategic resources and significant drivers of perfect business performance. The company needs to carefully analyze the decisions to succeed. The causes for failure can vary, but naturally include inadequate or changing requirements, incompatible planning, lack of perfect vision and goals, and incomplete user participation. The undeviating, disciplined congregation of business requirements is a dynamic part of any successful dealer/system selection process. The ability to capture, investigate and give priority to users' necessities, to generate a high quality

specification, and to provide an objective and assessable analysis of dealer responses will result in useable, robust and sustainable decision that give the organization a competitive edge. An extremely organized and disciplined approach to the process of assembling and prioritizing the business requirements are essential to finalize the outsourcing decisions and ensure relevance and completeness. It is invaluable to a disciplined and efficient assessment of operational effectiveness and efficiency. It will provide greater proficiency, lower budgets, and improved quality.

## **Key Trends in Innovation**

Innovation is speedily becoming an important strategic driver for organizations. Conversely, most organizations seem to struggle with perceiving what it is, what's preventing them from being more innovative and also how to take a step forward on their expedition into innovation. The following have been identified as main trends that will have an encouraging impact on organizations and how they are able to succeed Innovation and gain a cut-throat competition edge.

## **Organizations will define what " innovation" means in their environment.**

An organization recognizes that innovation is a collaborative process where people from various parts of the organization contribute to the formation and execution of new ideas.

## **Organizations will create a Strategic Innovation Plan**

Organizations will craft strategic tactics that include innovation as one of their significant strategic requirements. This is the imperative to get the

innovation instrument in working progress. They will develop the activities necessary to implement the strategic requirement and they will crop organization backing through their communications of this crucial initiative.

### **Organizations will focus on long-term strategies**

Organizations frequently struggle with the on-going compromising dispute between business growth and revenues, short and long-term objectives, etc. They spend more time discussing how to reduce expenditures in order to meet periodic revenue targets and a little time discussion about the longer-term opportunities and how the short-term resolutions are likely to influence these.

### **Organizations will re-shape their values and principles**

Many organizations have evidently expressed values and principles. As organizations re-build their cultures to enhance innovation they will also re-examine their values and principles to make sure these are the "right and accurate" values and principles that acceptably reflect the 'innovated' culture. Organizations in the upcoming time period will modify their performances to confirm that, they live in the alignment through their own values and principles.

### **Organizations will create clear processes for innovation.**

Innovation is the development of new values and principles through resolutions that meet fresh necessities, incoherent requirements, and market needs in new methods. Innovation happened through various steps and it doesn't just happen and it lying under the people's responsibility. There has



to be no restrictions. There are several models of pronounced organizations that touched this level and remain to develop the process. Innovation cannot be compelled, but it can be elaborated to perfect shape. That is, we can increase our ability to create ideas and innovations. Organizations are commencing to identifying the innovation is a mutual process where people from various departments within the organizations meet together to create innovations and to yield these from vision to reality. The process of implementation make certain that one and all knows how to work in a diverse group, face struggles as mere variances of opinion, understand how to hold innovations, create choices, research potentials and generate the activities necessary to bring to reality.

### **Driving Change with Confidence**

Understanding company's needs  
Use of outside expertise  
Near term financial justification  
Careful attention to personnel issues  
Senior executive support and involvement  
Open communication with affected individual / groups  
A properly structured contract  
Ongoing management of the relationships  
Selecting the right vendor  
10. A strategic vision and plan

### **Rationale Behind Change**

Strategic Fit: Which structure will best help us meet our strategic and operational goals given our core capabilities, competitive background, and growth targets?  
Required Timing: What is the required timeframe to reach steady state and achieve payback on investment?  
Economic Impact: What are the required investments (time and money) versus the anticipated benefits (savings and service level improvements) of each option to our

shareholders and stakeholders? Operating Model: Which structure will best enable us to achieve best-in-class performance in our required timeframe? Cultural Fit: Can we view an outsourcer as a partner and will an outsourcing partner offer best-in-class competences vs. In-sourcing? Risk Management: What are the supervisory, functional, socioeconomic, and financial threats of each choice and how can they be moderated?

## **Facilitate Outsourcing Decision Making**

Importance of ownership  
Driver of competitive advantage  
Extent of risk if process fails  
Relative competence  
BU-specific knowledge  
Benefits of outsourcing  
Focus on core  
Low fixed cost  
Quality  
Lower cost  
Revenue impact  
Remote serviceability  
Physical presence  
Process interdependencies  
Local knowledge  
Regulatory issues  
Readiness for outsourcing  
Contemporary documentation, training backing, period of training  
Is the course followed or are there equivalent shadow processes  
IT issues  
Vendor capabilities

## **Reasons to make the decision to outsource**

You are buying in industry best practice and leading edge skills; ● Specific supplier benefits. For example, enhanced security, stability, consistency etc; ● Better risk management; ● The buyer gains market access and business opportunities through the supplier's network; ● The buyer improves their credibility and image by associating with superior providers; ● New ideas - innovations come with working with fresh, expert eyes.

## **Identification of Advance Opportunities**

The first action will focus on consolidation of the critical and reliable data existing in the in the form of segmentation and analytical modeling projects. For the consolidation data from different source systems, a unification mechanism needs to be in place. Hence this first step will also cover unification methods. The second action will focus on the collection of missing information by turning into a data collection opportunity. Where data would be stored and in what form? What will be the standards on data repositories? The third action will focus on preventing further data quality problem right at the source of data entry. The standards will also be used to fix the existing data quality issues in existing source systems through standardization of the data. Organizations must launch criterions and guidelines for all workforces to follow to guarantee that data excellence is addressed during the whole lifespan of a system. Training and adaptation with the principles and guidelines should be essential of all data entry crews, developers, data officials, and information customers. Benchmarks and guidelines should also comprise strategies and measures, such as functional procedures, change-control procedures, dispute management procedures, and data contest resolution procedures. Supplementary policies and actions should be reflected for the communication processes, assessing guidelines, contributions and responsibilities, and typical documentation formats. The aim is to transform data quality, data strategy and segmentation requirements into a process with which a vendor can build a proposed solution and do the solution implementation accordingly. In order to build a roadmap that will be used to manage the overall action executions, the listed

actions will be grouped into major project initiatives, each of which will require dedicated resources and planning. This roadmap will be the high level guide for implementation, having individual actions as details for which the initiative implementation teams will be responsible. This approach ensures more effective follow-up of action executions for large projects, with leveled responsibility and accountabilities.

## **Development of Approach**

The success of the Outsourcing will depend heavily on high priority initiatives . The Quality of implementation, based on initiatives provided; will be highly dependent on the approach taken in execution. Although the action details and initiative definitions will provide the organization description of tasks to be accomplished, the team needs to take an extra step and build formalized approaches for critical initiatives, supported by their implementation expertise. These approaches will become guidelines for specific project teams, thus ensure that the work being done will be aligned with the intended purposes and content. After the initiatives are prioritized, the tasks are identified and approaches for high priority ones are developed, the project team will develop an implementation roadmap based on these priorities and considering dependencies between initiatives. Also, a detailed work plan will be prepared and assigned to individuals responsible with deadlines for execution. Once the initial roadmap is prepared, it will be presented to related business departments to receive their feedback to get in line with their resource availabilities and planning. After their feedbacks

and discussions with project sponsors, the roadmap will be finalized and posted to all related parties.

## **Critical Analysis of Outsourcing**

**Loss of Managerial Control:** Since the performance of the functions of the department are in the hands of another company the management and control will be under your purview. Your outsourcing company will not be forced by the same criteria and assignment that drives your company. They will be directed to make revenue from the service area that they are contributed to you and any other businesses venture like your company.

**Concealed Costs:** You will sign an agreement with the outsourcing company that will incorporate the details of the provision that they will be supplying. Anything not concealed in the contract will be the foundation for you to pay bonus charges. In addition, you will experience legal fees to preserve an advocate to evaluate the contracts you will sign. This is the analogy to outsourcing company's business. The outsourcing companies have finished this earlier and they are the ones that compose the bond. Therefore, you will be at a drawback when discussions start.

**Risk to Security and Confidentiality:** The vital factor of any business is the material information that retains it running. If you have workforce and payroll, medical proceedings or any other confidential data that will be communicated to the outsourcing company, there is a threat that the confidentiality may be negotiated, hence compromised. Evaluate the business outsourcing enterprise carefully to ensure your data is safe and the contract has a penalty provision if an event occurs.

**Quality Problems:** The business outsourcing company will be

enthused by profit. Since the agreements will decide the value, the only method for them to maximize profit will be to reduce expenses. As long as they encounter the terms and conditions of the contract, you will compensate. Additionally, you will lose the capability to quickly react to changes in the business atmosphere. The contract will be very explicit and you will pay additional for changes. Tie-Up with Financial Well-Being of Another Company: Meanwhile you will be moving over part of the procedures and operations of your trade to another company, you will currently be bind with a knot to the financial welfare of that company. It would not be the first time that a business outsourcing concern could go insolvent and depart or set off you holding-the-bag. Bad Advertising and Ill-Will: The name "outsourcing" brings to mind different stuffs to different people. If you are living in a community that possesses a business outsourcing company and they enlist your friends and neighbors in the payroll, outsourcing is noble. If your friends and neighbors expelled from their occupations because they were transported across the state, across the nation or across the world, thus outsourcing will bring wrong publicity. If you outsource fraction of your operations, thus attitude, self-esteem and confidence may experience in the remaining work force.

### **Analysis and impacts of change- An evidence based analysis**

To ease these pressures and decide if outsourcing is the best path to take, an enterprise must first examine its own capabilities and ensure it has the right organizational structure and processes in place. Only then can it decide whether investing in an outsourcing arrangement will deliver what it needs

better and cheaper than if it were to keep the function in-house. No matter the enterprise's position on outsourcing, the amount of spend is one of five critical strategies underlying transformation to enterprise value. It is critical that any enterprise looking to outsource a function or process place as much spend as possible in order to make the best informed decision on what may be a critical undertaking. The bottom line on deciding whether to outsource is this: It doesn't matter how your organization is organized or how it processes its work. If your enterprise has a complete or close to complete picture of its operations and a strong handle on spend, it can make a more informed decision on whether outsourcing is the right way to go. Conversely, if you do not have good spend visibility, you may make a hasty decision either way, possibly leading to regret – and lost opportunities.

## **Reasons Enterprises Will Not Outsource**

Perceived loss of control - Low tolerance of change : Sense of insecurity  
Fees for outsourcing services too costly - Economic implications  
Company strategy: Build capability in-house  
Fee structure for outsourcing services unclear  
Inability to measure savings, improvement opportunities  
Unable to build compelling business case - Disagreement over the need for change.  
People are the crucial factor in overpowering resistance to change  
Already invested in applications/systems  
Fear of the unknown

## **Managing Resistance to Change**

It is familiar to experience confrontation whenever there is change.

Understanding that there will be opposition to change will help you expect resistance, recognize its sources and motives, and transform your efforts to

be able to handle the issues of change to confirm the triumph of your change efforts. Resistance is essentially fit and healthy. The defensive reaction against the change process gradually gives a way to adapt to the system. It is evident that the better perceptions make you check your assumptions and it drives you to make clear what you are doing. You should always explore the objections and barriers to find the real motive for resistance. Moreover several times, it comes down to individual fear. You must take the time to realize opposition and you may have to derive at it from numerous different angles before it is dominated. You must understand what your staffs or working personnel are feeling, hoping as well as thinking.

### **Ways to reduce resistance to change:**

Participate interested groups in the planning of change by inquiring them for recommendations and integrating their ideas. Obviously define the requirement for the change by communicating the strategic pronouncement personally and in printed form. Address the " people requirements" of those involved. Dislocate only what needs to be changed. Accommodate flexibility into change by staging it in wherever possible. This allows people to complete present efforts and integrate new behaviours along the new progressed way. Allow workforces to re-define their roles during the development of executing change. Be honest and straightforward. Do not leave beginnings for people to coming back to the prestige quo. If you and your business organization are not prepared to consign yourselves to the change, don't declare the strategy. Emphasis constantly on the positive phases and aspects of the change. Be precise and specific where you can.



Bring training programs that develop basic talents as contrasting to processes such as: directing meetings, easy communication, team-building, activities, working with groups, self-esteem, and coaching.

## **Successful Change Management**

Occasionally organizational change efforts do not produce the promised outcomes. These change attempts fail to produce what had been expected for and thus far always create a stream of unplanned and unsupportive consequences. Need to develop strong strategies around re-design, reorganization, new competences, efficiencies, and so on, expecting to acquire everyone to share their vision and generate change packages around these strategies. Peoples express strong resistant to change. They have little believe in the change. They habitually feel demoralized by the proposed change initiatives. The failure to withstand significant change repeats again and again, despite substantial assets consigned to the change effort; plenty of which are invested by top level management, skilled and committed people forcing the change, and high risks. Executive officials feeling a critical need for change are right; nevertheless, organizations that fail to endure substantial change end up facing crises. The most common lesson to be learned from the more profitable and fruitful cases is that the change course drives through a sequences of phases that, overall, typically have need of a significant length of time.

## **What Drives Change?**

Some of the forces of change: Innovation Mergers & acquisitions Technology Globalization, development and

growth  
Reorganization/ Reformation  
Declining sales and/or market share  
Sense of urgency and resolution

## **Cause for Change Initiatives**

Workforces move through the state of rejection, conflict, resistance, investigation and commitment towards a change occurs. Nevertheless, mostly, management flops to recognize that regulation to change takes time. They very rapidly anticipate staff personnel to move from the denying phase to the obligation phase and flop to distinguish that each personal will drive through all of the levels at diverse steps, not uniform. There are several things that can generate crisis in the management of change: Not engaging all workers/staffs  
Managing change only at the managerial / executive level  
Not giving time for staff to perceive change  
We must admit the fact that two change processes will not be looking same. Each and every change is different and distinct, each business organization is different and each discipline is different, because the conditions currently are different. The consumers are different. The buildings blocks and structures are different. The forces of change are different.

## **Steps required for acceptance to change**

Accept that change is a process  
Move forward step by step  
3. Assess potential risks and generate motivation  
4. Form a powerful guiding team  
5. Communicate the plans  
6. Empower others  
7. Consolidate improvement and keep the momentum  
8. Obtain approval from higher-ups for new approach

## **Recommendations for the Change**

The successful accomplishment of new working methods and practices or blending and harmonizing new businesses is dependent upon the effective co-operation of employees and management. The important part of successful change is, therefore, constructing and communicating the reasons and the vision for change. More rigorous studies of change management success and failure are demanded to estimate the impact of each of these actions, in addition, each of these elements and aspects does not crop up separately from the others. They do not happen in a forecasting sequence. Recommendations for resource management require better strategic approach.

- First, gain as much visibility into spend as possible.
- evaluate the potential of outsourcing; know what you're throwing over the fence before you throw it. Only then will you have the information you need to decide whether outsourcing is the right path for your enterprise.