

Organizational development and change management of ucs



The purpose of this paper is to choose an organization and prepare the first section of a detailed Organizational Development Proposal. Section 1., consist of describing the chosen organization in terms of primary purpose, location(s) and size, mission and vision, history as well as the internal and external conditions in which the organization operates. Additionally, this paper will conduct an internal and external analysis of the organization in terms of competencies and competitiveness through the use of relevant analysis tools.

Section 1: Organizational Setting

Name of the Company

Universal Consulting Services, Inc.(UCS)

Primary Purpose

According to Bloomberg (2017) business profiles, UCS, Inc. provides business and information technology (IT) consulting services for government and industry. It offers consulting services, in areas such as federal acquisition that includes contract close-out, wide area workflow program support, and standard procurement system program support services. It also provides enterprise IT solutions, such as customizable solutions, requirements design and development, testing and evaluation, implementation and training, and help desk and production assistance, as well as system integration, development, and architecture. Additional services include program management, project management advisory services, financial analysis and services, and administrative support for government agencies. Its clients

include Department of Defense, such as Department of the Navy, Department of the Army, and other defense agencies; as well as federal civilian agencies, including Department of Treasury, Department of Homeland Security, Department of Justice, Department of Veterans Affairs, and Peace Corps.

Location(s) and Size

UCS is headquartered out of Fairfax, Virginia with a satellite office in Frederick, Maryland. The company currently has 265 employees with the majority of the employee working in the Washington, D. C. metro area, and multiple other States across the country, Hawaii and overseas in Japan and Spain (Ascentis UCS, 2017). UCS has experienced a three year growth of 43% with a reported 2015 revenue of \$48. 3 million (INC. 5000, 2017)

Mission and Vision

Mission. According to Universal Consulting Services, Inc.'s website (2017) their mission is as follows:

“ Launched in 2000 by a couple with a vision, UCS has evolved into a robust health and IT service provider armed with a solid reputation for quality and core capabilities aligned with the Government’s requirements. Since our founding, we have prided ourselves on employing smart people who give their best to the customers we serve by creating smart solutions that save the Government time, money, and stress. The industry has recognized our services by awarding us with CMMI Level 3, ISO 9001, ISO 20000, and ISO 27001 certifications - all of which underscore the quality, ingenuity, and

reliability of both our services and our people. In that vein, our goal is to deliver innovative solutions that enable our Government clients to transform their missions into reality.”

Vision. According to Universal Consulting Services, Inc.’s website (2017) their vision is as follows:

“ Our vision is to be a top brand name for federal consulting services that’s known for our people-driven culture, innovative perspective, and results-oriented mindset. We will:

- Be an agent of change for our customers by combining forward-thinking technology with practical problem solving, ultimately creating a distinct, lasting improvement in our customers’ performance.*
- Empower our employees to develop their unique strengths, build strong teams, and make a tangible impact on the direction of both the company and our customers.*
- Develop a brand that continues to catapult our company to the top of our industry, achieved through winning large, complex opportunities.”*

History

UCS is a woman owned business that was founded in 2000 by Mrs. Charu Dhumne and her husband Abhijit Dhumne with the mission of becoming a highly professional and trusted provider of business and technology solutions to the government and industry. Until 2015 UCS was a registered 8(a), minority owned, small disadvantaged business. In 2015 they graduated the Small Business Administration’s (SBA) advantage program and now compete

outside of the SBA programs. The 8(a) program offers a broad scope of assistance to firms that are owned and controlled at least 51% by socially and economically disadvantaged individuals and allows participants to receive sole-source contracts up to a ceiling of \$4 million for goods and services and \$6.5 million for manufacturing (U. S. Small Business Administration, 2017). The majority of UCS' growth was realized under this program. UCS has consistently developed their quality programs and currently hold certifications for ISO 9001-2008, ISO 20000, ISO 27001 and CMMI Level 3 DEV.

Conditions in Which the Organization Operates

External. UCS currently operates as a mid-sized government consulting firm with limited to no protection or advantages afforded them as an 8(a) small, disadvantaged business which allowed them to receive direct contract awards without having to compete for them. The completion of the 8(a) has placed new economic challenges on the company in that they must now openly compete for work, or partner/subcontract with other small businesses under small business development programs, to gain new work or to retain current work as a re-award. Being located in the Washington D. C. metro area places even greater challenges as it is a highly competitive market for government contractors not just for work, but recruiting talent as well. This is in part due to higher wages and competitive benefits for highly sought after skill sets.

Internal. UCS is structured as a typical functional organization which is one of the most common of the organizational structures (Galbraith, 2014) and are set up so that sections of the organization are grouped according to their

purpose. Galbraith (2014) discusses how under this type of organizational structure companies divide out into sections and may for example, have a marketing department, a sales department and a production department. UCS is organized by functional and support areas. Under the support areas there is Operations (Administration, Human Resources, IT Management, Security, Facilities Management, and Contracts Management); Finance (Accounting and Payroll); and Business Development (Proposal Management, Graphics, and Marketing). The functional areas consists of client services grouped into Enterprise IT Services (Systems Engineering and Application Development, System Implementation, System Integration, Infrastructure and Operations, and Information Assurance and Security Compliance); and Health Services and Solutions (Strategic Development and Performance Improvement, Advisory and Assistance Services, Portfolio and Program Management, Biomedical Services, Clinical Research and Development, and Health IT and Informatics. The structure is fairly straight forward and is a structure that works very well for many small to medium sized businesses (Galbraith, 2014).

The senior leadership is comprised of the President, CEO, Executive Vice President, one support Vice President and three functional Vice Presidents. The culture is one of small business (family) but has recently been feeling the strain of growth and unclear guidance with the appointment of a new Executive Vice President. The workforce is one of diversity in characteristics and talents. The average age of the workforce is 32 (Ascentis UCS, 2017), of which the majority are located on client sites.

Internal and External Analysis

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According to Burk (2014), in order for leadership to identify problems or issues impacting the organization they must understand the environment in which they operate and be able to analyze areas of strengths and weaknesses. Senior leadership and management teams must then determine how to respond to what the environment is telling them and how to establish a more effective alignment for their organization which can allow them to maintain or gain competitive advantages (Burk, 2014).

External. One of the tools often used to provide such an analysis is one developed by Michael E. Porter of Harvard Business School, called Porter's Five Forces of Competitive Position Analysis. It was developed in 1979 as a simple framework for assessing and evaluating the external environment by focusing on the competitive strength and position of a business organization (Grundy, 2006). Grundy (2006) states that Porter's theory proposes that there are five forces which determine the competitiveness of an organization by helping to determine the strengths of an organization and their current competitive position. Identifying strengths of an organization may then be used to align the organization to its current direction or move in new directions. Analysts often use Porter's five forces to predict whether a new product or service will be profitable and to identify areas to improve weaknesses and to avoid mistakes (Porter, 1980). The justification for the use of this tool is that it provides an easy to understand method of analyzing some of the biggest areas of external impact on virtually any organization. According to Porter (1980) the five forces to analyze are:

1. Threat of new entry: This is an analysis of new entrants to the market

that may dilute the customer base and erode profitability. It also looks

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at the organizations durable barriers to entry like patents, cost of entry, and external factors like government regulations and policies, all of which can impact profitability.

2. Supplier power: an assessment of how easy it is for suppliers to drive up prices. This can be driven by the number of suppliers for each product, the number of suppliers in an area, the size of the supplier, the uniqueness of their product or service, or even the cost associated with changing from one supplier to another.
3. Buyer power: an assessment of how easy it is for buyers to drive prices down. Key factors here are; the number of buyers in the market or area that can dictate terms, the relevant importance of the buyer to the organization, the cost to the buyer associated with changing from one supplier to another.
4. Competitive rivalry: This is an analysis of the number and capability of competitors in the market to determine how many competitors are offering the same products and services and their strength which could reduce market attractiveness to the product or service being offered.
5. Threat of substitution: This is an analysis of products or services that exist in a market that may be close to what the organization is offering, thereby increasing the ability of customers switching to alternative sources in response to a price increase. This reduces both the power of suppliers and the attractiveness of the market.

Applying Porter's five forces technique to UCS would yield the following analysis:

1. Threat of new entry: Given the market and location in which UCS operates (government contracting in the Washington D. C. area) there is constant threat of new entries to the market. These new entries have relatively low barriers in the form of cost due the service nature of the business. Most new start-ups begin by offering their personal knowledge and skills. Additionally, new entries to the market can most often take advantage of SBA assistant opportunities in helping to succeed in the market. The strongest barrier benefiting established companies is the bureaucracy (time it takes) associated with establishing/registering for certain credentials such as 8(a), Veteran Owned, Service Disabled Veteran Owned, obtaining and meeting security clearance requirements etc. Additionally, it takes time for new entries to build a reputation and past performances in order to expand their services.
2. Supplier power: Suppliers abilities to drive up prices are relatively negligible in that the buyer drives the market more so than the supplier. However, that being said there are certain niche areas in the market such as the newest and hottest programing and development skills that the buyer is looking for and only specific competitors or individuals have, coupled with security clearance requirements, that can in fact drive up prices for talent and drive competitive recruiting/bidding wars for the individual talent to offer to the client.
3. Buyer power: the primary client for UCS is the U. S. Government and as such is subject to extreme scrutiny in pricing as well as performance. Pricing is based on what the client/buyer determines to be fair and reasonable for the services requested. This accomplished through what

is known as Independent Government Estimates and level of effort of services being requested. All of which are dependent upon the government's budget and funding levels that are being made available for the requirement. Additionally, the procurement strategy can also have an impact on the pricing (i. e. is the government looking for lowest price for technically acceptable bids or for best value of services based on what they receive for the amount bid).

4. Competitive rivalry: For UCS this one of the primary concerns. The number and capability of competitors in the market are vast. Given that UCS is no longer under a SBA small business advantage program they must now compete with globally recognized companies such as Deloitte, Booz Allen, Northrop Grumman, CACI and more, all of which are offering the same services and have significant resources and brand recognition not just to the clients but to potential talent as well.
5. Threat of substitution: Threat of substitution for UCS is significant due to the buyer's ability to determine the procurement strategy and the requirements to assist small businesses in receiving government contracts. As such, the buyer could choose to accept a company that is technically acceptable but not as capable or proven as UCS in order to comply with the procurement strategy and check off their requirement to provide work to small disadvantaged businesses. Basically substitute a lesser qualified competitor in order to demonstrate adherence to procurement guidelines.

Internal. My preferred method of analysis would be targeted surveys to collect data on areas where we are strong, weak or perceived threats. Burk

(2014) discusses how psychologists have long relied on questionnaires for data collection, diagnosis and assessment of various studies. He goes on to discuss how leadership and Organizational Development are also leveraging this tool for data collection and has spawned what is known as the Organizational Survey Feedback Method. He also noted that when discussed the survey results with subordinates, particularly through group discussion, positive change typically occurred. The justification for use of this method is that it is a low cost, simple to use, customizable method of collecting a great deal of information. Additionally, once a survey is sent out, it sets an expectation and a responsibility within the organization for follow-up actions. However, for the purposes of this paper, it would be virtually impossible to conduct an organizational survey in time, so instead I would recommend getting much of the same data through the use of a SWOT analysis. Bradt and Davis (2014) discuss a SWOT analysis as a tool used to analyze the Strengths, Weaknesses, Opportunities, and Threats involved in a project, product or service venture, or the organization as a whole. It analysis the internal and external factors that can impact the objective being analyzed. A SWOT analysis can be used to help understand the factors that drive or hinder success in an organization and helps to think through potential scenarios to complete the question of “ so what?” and set up the actions of “ now what?” (Bradt & Davis, 2014). This in turn can help get members aligned with the organization’s vision and strategy and has been often used in executive brainstorming sessions.

For UCS the SWOT Analysis must first define a desired end state or objective and in this case it would be to position itself to compete in a larger pool of

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competitors. The following will provide the basic analysis criteria as interpreted from Bradt and Davis (2014) and then followed by the specific UCS application.

1. Strengths: These are characteristics of the business, team or individual members that give it an advantage over others in the industry. In the case of UCS the following would apply:
 1. Young energetic and dedicated workforce demographic.
 2. Ability to attract hard to find skill-sets.
 3. More organizationally flexible and able to adapt to change quickly.
 4. Focus on low overhead expenses allowing for better rates.
2. Weaknesses: These are characteristics that place the firm at a disadvantage as compared to others and can include those found in business, team or individual. In the case of UCS the following would apply:
 1. Weakened communications from senior leaders.
 2. Inexperienced member in top leadership position.
 3. Lack of strategic focus on NEW clients outside of current client base.
 4. The start of disharmony among other senior leaders.
 5. Too much focus on biggest client which detracts from the many other clients.
 6. Fear of dedicating resources to potential new opportunities.
 7. Hyper-focus on reducing already good overhead costs, to the possible detriment of losing talent.

3. Opportunities: These are external chances that can make greater sales or profits, improve market position or stakeholder perception. This can be applied to “ external” from the team, business objective or members. In the case of UCS the following would apply:

1. Use of senior business development leader’s talents to open new doors outside of current client base.
2. Rely more on experienced leaderships input to accomplish strategies and change.
3. Be less risk averse in going after new market segments.

4. Threats: These are external elements in the environment that could cause trouble for the business. This can be applied to “ external” from the team, business objective or members. In the case of UCS the following would apply:

1. Hyper-focus of overhead cost reduction policy of making overhead personnel billable.
2. Up and coming companies participating in the SBA small and disadvantaged business programs that can redirect contracts UCS is going after to direct (non-competitive awards to the smaller companies.
3. Employee dis-satisfaction that can result in a damaged reputation thereby impacting recruiting and retention.

Summary of Analysis. Review of the external and internal factors impacting UCS show that the company faces its greatest challenges from external forces and should be concerned with the new arena of competition it finds itself in. The loss of the SBA advantage programs significantly impacts the

ability to gain new work or retain re-awards without a strong strategy to overcome the barriers it now faces. From the internal perspective UCS has some considerable strengths to leverage in its talented workforce, predominantly experienced leadership and ability to adapt to change. In its new highly competitive environment its ability to be lean and control overhead cost is an advantage and will allow them to be more competitive in pricing. However, while controlling cost is a strength, it can also be a weakness if cost reductions are at the risk of reputation, comfort and confidence of employees, and the ability to attract and retain the needed skills. Additionally, companies must grow and achieve new heights through controlled risk. By being overly risk adverse in order to conserve resources, a company may end up moving backwards instead of forwards.

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