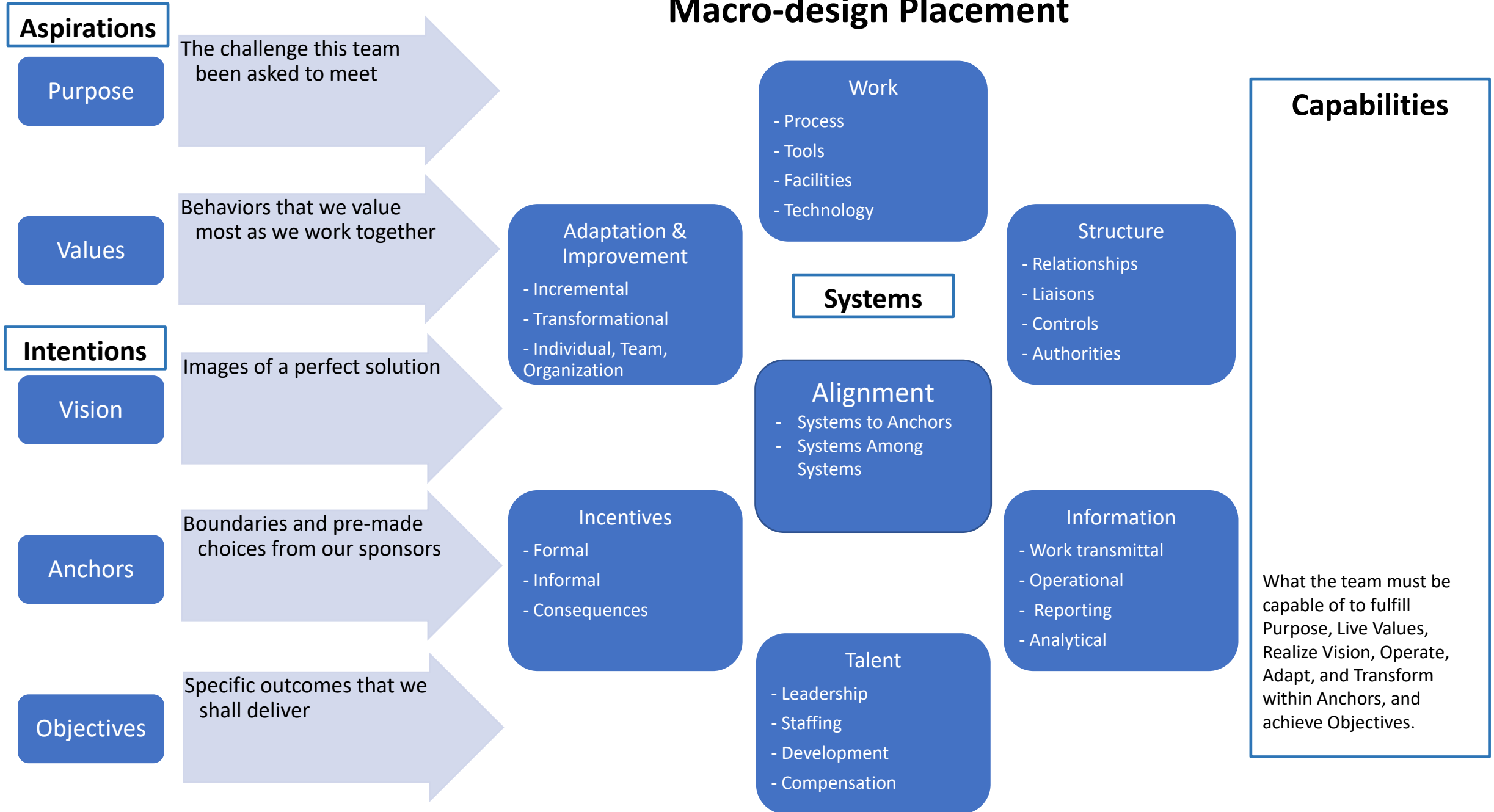# Macro-design Placement

Aspirations

Purpose

The challenge this team been asked to meet

Values

Behaviors that we value most as we work together

Intentions

Vision

Images of a perfect solution

Anchors

Boundaries and pre-made choices from our sponsors

Objectives

Specific outcomes that we shall deliver

Work
- Process
- Tools
- Facilities
- Technology

Adaptation & Improvement
- Incremental
- Transformational
- Individual, Team, Organization

Systems

Alignment
- Systems to Anchors
- Systems Among Systems

Incentives
- Formal
- Informal
- Consequences

Talent
- Leadership
- Staffing
- Development
- Compensation

Structure
- Relationships
- Liaisons
- Controls
- Authorities

Information
- Work transmittal
- Operational
- Reporting
- Analytical

Capabilities

What the team must be capable of to fulfill Purpose, Live Values, Realize Vision, Operate, Adapt, and Transform within Anchors, and achieve Objectives.

Situation:
A top three US Insurance company contracted an IT benchmarking firm who reports that the IT Function is seriously capability deficient in three areas and financially it spends in the 95th Percentile.

Client: Prescription:
Contract an OD firm, at a fixed price and specified time-frame to redesign the IT organization and its interfaces with operating units. Success to be defined as a minimum 30% Annual budget reduction with no negative impact on operating unit performance. Note: 11 months till annual budget cycle.

Pre-proposal Assessment:
- The CIO has seen this coming for years and the Executive CFO has been providing air cover, holding off for delivery of an operating strategy from the Board, CEO, and rest of the Executive Team.
- The CIO is all in: "Turn over every rock and give me a 40% Cost Take-Out proposal with impact and risk assessments to choose from."
- Operating Unit Presidents went all in and committed to be active supporters and partners.
- The twelve Directors of IT can see that 10% will come easy, another 10% will hurt, another 10% will be crippling, and the last 40% is unachievable. Note that spend approached $Billion per year.
- Directors identified the following Organizational Systems shortcomings:
  - Work System:
    - Too many starts and stops, "We work like a long train. By the time the caboose starts moving, the locomotive is a mile away and beginning to stop."
    - Cherry-picking team members: "Clients only want specific people on their projects. They either wait of hire, mostly capable, contractors at twice the cost.'
    - Twenty-year-old systems that only a few people are familiar with, some not even in the company anymore.
  - Structure System:
    - "Our RACI charts give vetoes to everyone."
    - "Project Authorization takes place twice a year. We prepare more than 200 Project proposals, get about 150 approved and work till the money runs out then pause."
  - Information System:
    - Working in the Dark Ages:
      - "Requirements come in by messenger crow (Game of Thrones]. They take a week to get from the front line to the Solution Architects."
  - Talent System:
    - "Our HR Business Partner does all of our recruiting."
    - "We have our own L&D Department, but they only work on the systems that we deliver and support."
  - Incentives:
    - "Pay and benefits are so good nobody leaves except when we offer early retirement."
    - "Operating unit execs are bonused on overhead as a % of Product (Insurance or Financial Instrument) revenue."
    - "Our bonus is on Operating Unit Satisfaction."
  - Process Improvement and Adaptability:
    - "What?"

Breakouts (Subject to adjustment)

1. 15 Minutes Breakout
   a) Discuss the case and Jim's and introduction.
   b) Create questions to clarify understanding of the case.
   c) Create questions about the "placement"

15 Minutes Q&A and comment

2. 10 Minutes
   a) How would you best transition the "redesign the IT Function and its interfaces with operating units" to _____ and meet the 11 Month timeframe?

20 Minutes Q&A and comment

3. 10 Minutes
   a) What methods or tools in your toolkit might help others in such a situation?
   b) What methods or tools presented by Jim might you add to your kit?

20 Minutes Q&A and comment