



Business

Transformation

in the Digital Age

An introduction to Quantum Intellect™ —
A New Way of Thinking



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Foreword

The dawn of the digital era has brought with it dramatic changes to the way individuals, communities and organisations function and interact with one another.

While digital technologies have produced incredible advances and in many cases made doing business easier and faster, there is no denying that the digital era has irrevocably altered the international business landscape and created new sets of challenges for many industries and organisations.

In the fast paced 21st century, businesses face new challenges to remain competitive. The digital era favours innovative, responsive business models that can adapt and evolve within a constantly changing marketplace. Businesses which fail to keep up with the pace of change and think differently about transformation, risk losing customers, revenue and even potentially their actual market.

There is no doubt that this time in our history is a real game changer. Even those companies once considered ‘too big to fail’ are now truly under threat. In the United States for example, public companies now face a one in three chance of being delisted

in the next five years — that’s six times the delisting rate of companies 40 years ago.¹

Businesses must be agile, flexible and innovative, constantly evolving and building capability to adapt in this fast moving digital age. Old ways of operating and transforming business are too slow, and the planning is too linear, for a dynamically changing marketplace.

Coupled with this, customers have an expectation of fast and responsive service. Digital innovation is meeting this need for the customer, whilst disrupting existing business models.

Through this paper we will introduce the Quantum Intellect™ (Qi) mindset, which supports the dynamic nature of the world in which we now live. It is more critical than ever that organisations apply a new way of thinking to transformation. They must be able to design and deliver this change dynamically, to remain relevant and competitive in this digital era.

A new way of thinking, designing and delivering transformation is needed.

‘In our disruptive digital age, businesses must not only be agile and able to adapt quickly, but must be innovative and think differently about how they introduce change to survive and thrive.’

¹ Martin Reeves, Simon Levin, and Daichi Ueda, The Biology of Corporate Survival, Harvard Business Review, Jan Feb 2016.



You snooze, you lose

All industries are now under constant threat due to the innovation that is being introduced to the marketplace and the speed at which it's being delivered.

We don't have to look far to witness the impact of the introduction of disrupters like Uber, Airbnb, Tesla and Bitcoin and the threat that they pose to established business. It is more critical than ever that organisations are listening to their customers and challenging their approach to market. They must be constantly innovating and ensuring that their operating model is adaptable and can evolve quickly with changes in this dynamic marketplace.

The ability to transform organisations dynamically and rapidly is critical in this digital era.

The change and transformation models of old are too slow and not dynamic enough to support the speed of change in the modern world.

The way transformational change is currently approached within organisations has often not kept up with the dynamic environment of the 21st century. Most organisations continue to follow a very 'linear' approach to thinking, planning and delivering change.

Yet the world today no longer sits around and waits for projects 10 years out. By the time you implement your project, the marketplace will be totally different and your solution will more than likely be well out of date.

Despite this new reality, many organisations continue to follow an old approach to design and delivery, thereby underestimating the speed of change and the associated pitfalls that come with that.





Major stumbling blocks

The inability to think differently about transformation, and then design and deliver that transformation successfully, will often impact organisations in different ways. Yet there are common challenges that organisations struggle with when trying to transform.

These include:

1. **Ineffective and unclear organisational solutions that do not achieve what was envisioned.** The vision and target operating model has not been clear and therefore the associated planning has struggled to deliver to the solution.
2. **Designing organisational transformation around technology solutions.** So often we witness organisations trying to transform their business model around a technology solution. Technology should be the 'enabler' for the operating model.
3. **Business case and strategy that do not operationalise as they have been planned.** This is often a compounding effect from a poorly articulated vision and target operating model. Often, the business case has not factored in the organisational and environmental impacts, which may result in over inflated revenue results, underestimation of associated cost, time and effort to implement.
4. **Inability to transition to the future state.** An inadequate understanding of current state can result in an underestimation of the requirements to move to a future state model. If the current state of an organisation is not clearly articulated, major problems will occur trying to transition to a future state. This will often be evident through time and cost overruns, or result in a poorly embedded solution that impacts not only customers but your employees as well.
5. **Lack of transformational thinking, planning and capability within the project delivery team.** Unless the team has a strong organisational transformation background with the right skills and capabilities, the design and delivery of the solution may be underestimated and will therefore be more likely to face challenges which often appear during implementation.
6. **Poor governance and decision making models.** Many programs stall or experience lack of progress due to poor governance and decision making models. This will often be seen through 'analysis paralysis': waiting until an organisation or department has all the data before something is started. We still witness organisations that spend months and months scrolling through data to work out what they might want to do in the future. The world is changing so rapidly that by the time you finish going through all the data, it has probably

changed again and you will need new data! Decisions need to be made understanding the world today and acknowledging the possible future state.

7. **Rigid project planning which does not account for fluid changing scope, design and delivery.** The plan has been built on the basis that the organisation will not change while the design and build is underway. The planning often works on a principle that everything **MUST** remain static to ensure what is being built will fit 'together' with the other pieces of the 'jigsaw'. This is unrealistic in this dynamic digital age.
8. **Inability to deliver organisational solutions quickly.** This is often due to an inability to manage all the multiple dimensions of the transformation and plan and design accordingly.
9. **Unsupportive organisational culture.** A poor organisational culture of change.

Experience has taught the organisation that transformation is not managed well, and the expectation of the culture is that this too, will fail. The result of such a culture is that expectations of the organisation are low. They expect delays, cost over-runs and that the solution will be poor when it is finally delivered. Culturally then, this becomes the norm and accepted standard and therefore hard to embed new solutions.





Welcome to Quantum Intellect™

A new way of thinking, designing and delivering

In order to adapt, survive and thrive, businesses must think differently about how they constantly transform in the digital era, where the speed of change and innovation must mirror the dynamic nature of the marketplace.

To manage the speed of this change, and be able to design and deliver that change dynamically, a new way of thinking is required.

To achieve this we adopt a Quantum Intellect™ (Qi) Mindset.

What is Quantum Intellect™?

Quantum Intellect™ is the cognitive ability to understand, assimilate and manage the interaction of multiple dimensions of systems, the environmental factors that interact with those systems, and the interplay between these.

How does a Qi Mindset support successful 21st century transformation?

Using a Qi Mindset to innovate, design and deliver organisational transformation means being able to constantly analyse, assimilate and manage all the organisational and environmental systems that are interplaying at the same time.

In the past, a business would develop a strategy and project plans that were very linear and followed a planned and agreed

path. We now know that many dimensions need to be approached and designed together and they also need to be quickly and easily implemented and iteratively changed as they are implemented. They must be dynamic and constantly evolving.

Environments do not remain static and therefore plans cannot remain static. They must be dynamic which means the planning, the design and the delivery also needs to be dynamic.

How is a Qi Mindset used to achieve transformation?

In using a Qi mindset for transformation:

- We take a holistic and multi-dimensional view of the organisation and the environment within which it operates
- We understand interconnectedness – if we impact one thing we will impact everything
- We understand that our environment and organisation are dynamic and constantly changing
- We understand there is a connection between the micro and macro nature of the organisation and environment
- We understand the systemic impacts on an organisation that are constantly impacting on the environment and the environment that is constantly impacting on the organisation

By using a Qi Mindset we understand all of these factors and can then design and deliver transformation managing these dynamics.



Beyond systems thinking

Systems thinking taught us that an organisation should be viewed as an entire system, a body that is totally connected and interrelated.

A Qi Mindset creates a totally new lens through which to view this system. It builds on systems thinking but takes the level of interconnectedness and interdependence to a much deeper level.

A Qi Mindset acknowledges the organisation as an integrated, multi-dimensional and deeply interconnected organism, constantly interacting with the environment within which it operates.

Using a Qi view of the world we move from our paradigm of linear thinking and cause and effect to one of multi-dimensional cause and effect. As organisations operate in a dynamic world that is constantly changing and interacting across multiple dimensions instantly, so must our thinking, design and delivery models be framed within a complementary mindset. All dimensions need to be understood and managed as we adapt and transform.

Organisational operating models of the future must be able to constantly adapt and evolve, to match the dynamic nature of the marketplace.

Innovative thinking must be used to develop strategic solutions that can constantly evolve with the organisation and marketplace. These solutions should be able to be designed and delivered quickly and then changed if they do not support the organisational goals. Such an approach will also ensure that new designs can be quickly and easily implemented and iteratively changed or adapted as the organisation continues to evolve. As environments do not remain static, planning, design and delivery cannot remain static – they must be dynamic.

Long term projects should be reviewed constantly to ensure they have not become 'out of date' due to the constant changes within the marketplace and ongoing digital innovation.





How Quantum Intellect™ supports organisational transformation

Nine critical elements:

1. **Clearly articulated vision and target operating model that acknowledges all environmental dimensions and has an ability to evolve.** The solution and operating model may be designed within the current 'system' or may be challenging and creating a new 'system'.
2. **Technology is leveraged as an organisational 'enabler' and phased accordingly.** Designs integrate technology solutions, phased depending on the design and deployment strategy.
3. **Strategy and planning is aligned and acknowledges all environmental dimensions, especially in the transition approach.** This ensures strategy and business cases are written and designed, acknowledging the dynamic nature of the marketplace and therefore the dynamic impacts on the overall target operating model. The transition approach acknowledges the dynamic requirements and associated design and delivery methods and therefore any impacts on the financial modelling.
4. **Transition planning from current state to future state accepts the dynamic nature of the transformation** and can cope with fluid changes to the operating model as changes are made.
5. **Transformation capability is critical.** Often a large core project team is not required, rather a small core project team that is made up of transformation specialists who can guide and direct the broader team to manage the dynamic nature of change.
6. **Governance and decision making models** are designed on the 'dynamic principle' and support rapid decisions, design and delivery.
7. **Dynamic design focused on an evolving model.** The planning and design accepts the dynamic nature of the business and environment, therefore the planning involves constantly designing, delivering and evolving literally at the same time. This method supports constant 'learning' and an evolving culture.
8. **Rapid deployment and delivery** is possible due to the dynamic approach to design and the understanding of all organisational and environmental dimensions.
9. **Organisational culture is built on an 'evolving state' mentality** that supports constant innovation, design and delivery. The culture is one where the mindset of change, evolution and adaptability is embraced.



Case Study:

Quantum Intellect™ in action

The Service NSW story: innovative thinking, dynamic design and delivery

Background

Removing complexity

In 2012 the NSW government committed to creating a new customer service culture in the NSW public sector to deliver the best possible services to the people of NSW. The government's Simpler Government Services Plan objectives, made a commitment to simplify customer access to government services and to design services to meet customers' needs.

The NSW Government Service Delivery model was complex and confusing for customers having:

- 380+ government operated shop fronts
- 30+ government call centres
- 8,000+ information lines and government contact centre phone numbers
- 900+ individual government websites

Listening to their customers

Research had shown that NSW customers found it hard to make sense of government service delivery structures. Public confidence and trust had eroded through a lack of clarity and simplicity.

Common customer complaints included:

- 'It's so hard to find what you are looking for and the wait times are terrible.'
- 'You ask the same question to three different people and get three different answers.'

The Service NSW vision and mission – simplifying the way customers do business with government

The Service NSW vision was to create one-stop access across multiple channels for all NSW government services and to do this, they would complete a Proof of Concept to provide:

- A single 24/7 NSW government phone number.
- A customer friendly government web portal.
- Service Centres where multiple transactions are carried out efficiently for customers.
- Mobile applications that provide real-time information, as customers need it.

Starting point	Proof of concept
380+ government operated shop fronts	➤ 15 SNSW one stop shops across the state
30+ government call centres	➤ A 24/7 contact centre
8000+ information lines and government contact centre phone numbers	➤ 1 single phone number
900+ individual government websites	➤ 1 digital transactional portal/site

Making it happen

Innovative thinking and design

Rather than establish Service NSW as part of the existing NSW Government operating model, it was designed separate to the current agency models, whilst ensuring this still aligned with the State requirements.

The design included a clear vision and target operating model, coupled with a strategic approach focussed on the customer that allowed for dynamic design and delivery.

The customer-centric approach, focused on putting the customer at the 'heart' of all decisions that were made, ensuring a clear guide and principle for decisions.

Their people and culture was clearly articulated and it was acknowledged that this would be a critical factor to ensuring the solution was successfully embedded.



Service NSW successfully employed a customer-centric approach that put the customer at the heart of all decisions made.

The future state target – rapid and dynamic delivery

The Proof of Concept was required to be designed and then delivered rapidly across the NSW region. This included:

- Design and delivery of a Service NSW Service Centre model: a one stop shop.
- Design and delivery of a dedicated Contact Centre model for government services, 24/7
- A transition to a single phone number
- Design and delivery of a digital transaction portal/site model.
- Design and delivery of all job roles to operationalise the centres

- Recruitment and training of all personnel for the centres
- Design and delivery of all supporting, process, procedures, and associated technology to support operationalising the models.

All channels (Service Centre, Contact Centre and digital) were launched within the same week and were followed by 15 more Service NSW Service Centres. These were opened right across the state of NSW.

Innovative thinking in action: rather than create another agency within the already overcrowded NSW government, a totally new operating model was established – Service NSW.



Quantum Intellect™ – managing organisational and marketplace complexity

Critical to the successful delivery of the Service NSW model was the ability to manage multiple dimensions and complexity of interacting organisational systems while designing new ones.

The Proof of Concept relied on the ability to integrate a new operating model, alongside an existing operating model and within an existing marketplace and then constantly evolve that model.

Critical to the design and rapid deployment of the Proof of Concept was the ability to assimilate the organisational and marketplace complexity, and then be able to plan for the delivery within that system and environment. The other critical factors that supported the successful design and delivery of the proof of concept were:

- A dynamic design and delivery model
- Strong transformational capability
- A clear governance and decision making model
- Establishing a culture of constant evolution and adaptability.

To support the rapid, dynamic and evolving nature of the delivery, Service NSW designed an initial blueprint for its Service Centre deployment. The basis behind the blueprint was to ensure constant learning could be undertaken as Centres were deployed and future ones were designed.

Due to the speed of deployment to launch the Service Centres within a short time period, Service NSW committed to constantly learning from the experience and continually evolving their model. This proved invaluable to the success of their accelerated deployment, which continues today.

Since the initial deployment on 1 July 2013, Service NSW has continued to scale and evolve.



Service NSW continuing to scale and evolve

The Service NSW model has been built with the ability to constantly design, deliver and evolve.

This ensures it continues to learn and then apply those learnings into new designs and manage that implementation dynamically. This has allowed Service NSW to continue to scale and evolve. Service NSW has now:

- Served in excess of 34 million customers across various channels since 1 July 2013
- Opened 52 Service Centres across the NSW region that have now served more than 10 million customers with an average wait time of less than 8 minutes.

- Opened digital stores and continues to scale with new models constantly being designed
- Contact Centres have interacted with over 6 million customers and continue to enhance their overall call offering
- Transitioned 800+ one stop shops with access to over 16 different NSW government agencies
- Achieved a customer satisfaction rating of 97%.

Service NSW highlights what can be achieved using innovative thinking with a dynamic design and delivery model.





Conclusion

Innovative thinking, design and delivery is critical in this constantly changing marketplace.

The 'too big to fail' businesses of old are now under threat by the emergence of new business models that are dynamic and able to meet the ever growing demand from a society that craves speed and instantaneous outcomes.

Innovative thinking, design and delivery are required to create and support business models of today and tomorrow to succeed in this dynamic, evolving marketplace.

To do this, a new way of thinking, designing and delivering that transformation is required. A Quantum Intellect™ Mindset is critical to manage the multiple dimensions constantly at play.



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