



# Integrated Business Sensing (iBsing) - Newsletter

Volume 1, Issue 2

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## Special points of interest:

- Change Management in Digital Transformation
- External Networking & Learning

## Valuable Mentor Advice: “Nourish your external network!”



Some years ago, I had an exciting job, a lot of responsibility on my shoulders, and I was struggling with my workload. All my focus was on operational priorities, organisational changes, system implementations and team development. I asked my mentor for advice.

I did not expect the answer: “Nourish your external network!”

I was super busy with managing relationships within the organisation with the team and with internal stakeholders. I saw little benefit in investing my valuable time into relationships with people who were not connected to my organisation and who were focused on topics not directly related to my daily challenges.

A few months later my mentor invited me to build the CSCMP Roundtable

Switzerland, a Non-Profit organisation to foster networking and learning between Supply Chain professionals. Despite some doubts I accepted the invitation, and we kicked off the initiative together with other SC professionals.

A few years later I’ve learnt from experience that a strong external network is...  
 -a source of inspiration and learning  
 -opening your mind for new ideas and new initiatives  
 -providing unexpected support and advice when needed  
 -building valuable connections and friendships

I thank James Amoah for that great advice and everybody who is contributing to those fantastic networks. I’m looking forward to seeing some of you in the next monthly iBsing pioneers calls, in the CParity event in Amsterdam or in the next events of the CSCMP Roundtable Switzerland.

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# Do you believe the narrative that 70% of digital transformations are failing?

John Kotter estimated in his book "Leading Change" a 70% failure rate for transformations: *"From years of study, I estimate today more than 70 per cent of needed change either fails to be launched, even though some people clearly see the need, fails to be completed even though some people exhaust themselves trying, or finishes over budget, late and with initial aspirations unmet."*

McKinsey has applied the widely-quoted 70% change failure rate in several articles, however the empirical evidence to support such a narrative may be still questionable.

Failure could be related to the **organisational benefit**. We discussed in one of the iBsing pioneers calls that sometimes E2E Supply Chain Planning solutions may become the reason for poor Customer Service, which is contradictory to the original business case. Failure could be related to **cost**. A recent study\* analysing >5000 IT projects is showing an average cost overrun of 73%. Failure could be related to **timing**. We all have experienced postponements or

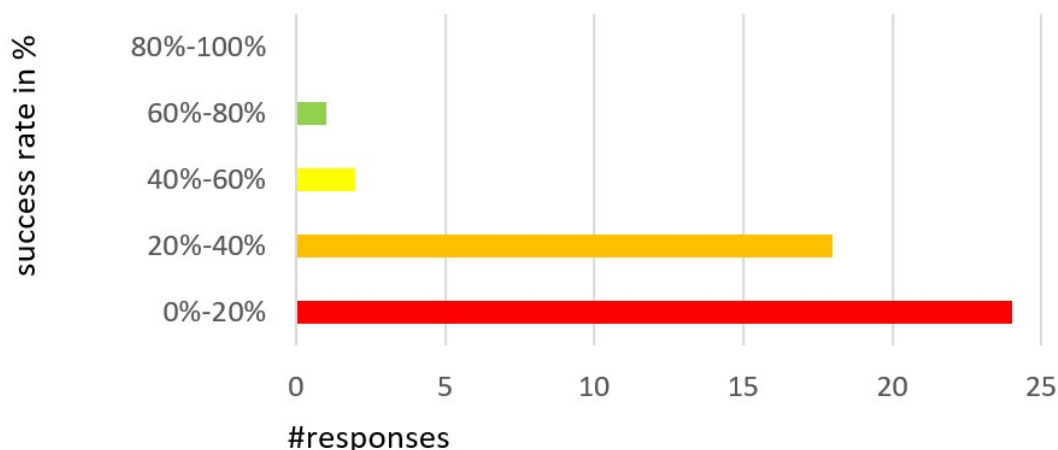
cancellations of Go-Lives. Failure could be related to **team resources**. If the results are achieved but team members are suffering a burn-out or disengaging from the company, then the project was not successful.

In order to get a better understanding of the current situation, I have conducted a survey in my network and 45 people have responded (Thank you!). The responses are by a balanced mix of (Vice-)Presidents, Directors and Managers from several functions, especially Supply Chain and IT.

The results are a wake-up call: Majority is suggesting that the success rate is even lower. Since digital transformations are super critical for any organisation to remain competitive in a fast changing environment, this seems unacceptable.

I am extremely encouraged that the iBsing framework is providing the perfect solution to significantly increase the success rate of digital transformation projects. If you want to make sure that YOUR next digital transformation is a success, please think about applying the iBsing approach!

## How many significant digital transformation initiatives do achieve their business case incl. targets for cost, benefit, timings, workload?



\*LinkedIn survey in Nov 2022: 45 responses from a balanced mix of (Vice-) Presidents, Directors and Managers from big corporate organisations

\*Flyvbjerg, Bent and Budzier, Alexander and Lee, Jong Seok and Keil, Mark and Lunn, Daniel and Bester, Dirk W., *The Empirical Reality of IT Project Cost Overruns: Discovering a Power-Law Distribution* (August 30, 2022). *JOURNAL OF MANAGEMENT INFORMATION SYSTEMS*, 2022, VOL. 39, NO. 3, 607-639 <https://doi.org/10.1080/07421222.2022.2096544>, Available at SSRN: <https://ssrn.com/abstract=4204819>

# 6 Tipps for successful digital transformation



The Consilio Summit 2022 has been a great inspiration and learning experience for two reasons:

- ⇒ Top Experts have shared knowledge about process changes, organisational structures, system capabilities in the context of SAP S/4 Hana and SAP IBP implementations
- ⇒ After my key note about „the human factor“ explaining the iBsing approach, I had insightful discussions with many participants about change management during digital transformation initiatives

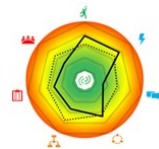
As a summary I would provide the following tips to increase the success rate of digital transformation projects:



Put a balanced focus around the WHY, WHAT & HOW of the digital transformation



Get external top experience for structuring, definition and implementation of the vision



Conduct sense-making interviews to highlight tensions and potential and to create engagement



Invest into personal- & organisational development to foster behaviours aligned with organisational purpose



Choose an evolutionary approach – step by step towards the organisational vision



Support the IBP lead and functional leads with a mentor & navigator

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#ibsing

## CParity Event in Amsterdam

Looking forward to being in Amsterdam on 1-2 December, and catching up with a few iBsing pioneers personally!

## Update iBsing pioneers calls

The iBsing pioneers network is fostering learning and the exchange of ideas within a highly diverse peer to peer network. Supply Chain practitioners who are currently running Sales & Operations Planning (S&OP) and Integrated Business Planning (IBP) processes in corporate companies and who are passionate and curious about the behavioural and organisational aspects of S&OP and IBP are invited to join the group.

Thanks to our recent speakers

- \* Ling Pizzinato (Teva) - "How to connect, simplify and filter information in IBP"
- \* Timo Rantala (Tikkurila) - "State of S&OP in Finland"
- \* Khadidja Bouallaga (Guerbet) - "Allocation Process"

So far we had 36 sessions already!



I am looking forward to the next sessions

- \* Heymen Jansen (ex-Group VP SC at ABB) - "Process analytics, process execution & automation and scenario building by using process mining technology." (28th Nov)
- \* Sammy Desmet (Planning Manager Novartis) "How to master Planning system implementations" (19th Dec)