

**CHANGE**

**VS**

**TRANSFORMATION**



**CHANGE IS DOING  
SOMETHING  
DIFFERENTLY**

**CHANGES  
PROCESSES &  
BEHAVIOURS**



**TRANSFORMATION IS  
A COMPLETE  
NEW BEGINNING**

**CHANGES  
VALUES &  
DNA**

**INTERCHANGEABLE TERMS**



**TRANSFORMATION**

**INFLATED DESCRIPTIONS**

# WHAT IS TRANSFORMATION

Organisational level change which reshapes how a whole organisation operates and behaves

Encompasses change to Technology, Processes and People

Suited to substantial strategic goals such as profitability challenges, market shifts, or brand pivots

Requires a forward-looking vision for what the future state should look like



Takes significant time and investment to develop, test and deliver

Return on investment typically takes between three to five years




Likely to create business disruption due to level of change

High proportion of projects fail to fulfil the initial vision and incur both time and cost overrun

# TRANSFORMATION SUCCESSES

	<b>NETFLIX</b>		
<b>BEFORE</b>	CONTENT SHARING PLATFORM	HEAVILY DIVERSE PRODUCT OFFERINGS	ONLINE BOOK STORE
<b>AFTER</b>	LARGE CONTENT PRODUCERS & SHARING PLATFORM	LEANER BUSINESS MODEL WITH BRAND PARTNERS	GLOBAL ONE STOP SHOP AND TECHNOLOGY POWERHOUSE
<b>DRIVER</b>	CHANGE OR DIE	PERILOUS FINANCIALS	GROWTH
<b>RESULT</b>	<p>FOUND A NEW PURPOSE WITHIN SAME MARKET FIELD</p> <p>LEADER IN DIGITAL CONTENT</p>	<p>STREAMLINED BUSINESS WITH INCREASED MARKET APPEAL</p> <p>STRONG FINANCIAL GROWTH</p>	<p>WHOLESALE CHANGE IN DNA</p> <p>TOP GLOBAL FIRM</p>

# TRANSFORMATION FAILURES

			
BEFORE	HIGHSTREET TOY RETAILER	MARKET LEADER IN INSTANT PICUTRE FILMS	HIGHSTREET VIDEO AND GAME RENTAL
AFTER	HIGH STREET TOY RETAIL WITH 3 <sup>RD</sup> PARTY E-COMMERCE SALES	FURTHER INVESTMENT IN INSTANT PICUTRE FILMS	INCREASED HIGH STREET PRESENCE WITH LATEST MOVIES
DRIVER	ENTERING E-COMMERCE SALES CHANNEL	CHANGE OR DIE	GROWTH & CHANGE OR DIE
RESULT	CONSTRAINED E-COMMERCE ABILITY AND STIFLIED PRESENCE ENDED IN BANKRUPTCY	FAILED TO COMPETE WITH DIGITAL TECHNOLOGY ENDED IN BANKRUPTCY	EXPENSIVE OPERATING MODEL & OVERTAKEN BY ONLINE BRANDS ENDED IN BANKRUPTCY

# WHAT IS CHANGE

Changes how something is done today within a Department or Business functions

Changes as little as one aspect of Technology, Processes and People

Clear, tangible and well-defined goal, may even be part of Transformation programme

Fixes problems from the past and supports changing the future

Frequently quicker to design, test and implement

Return on investment is quick as changes are typically less intrusive

Implementation is controlled and less dependent on other factors

Poorly scoped changes create problems and have a negative impact which can produce rework

# CHANGE SUCCESSES



BEFORE	WEBSITE AND ONLINE EXPERIENCE REQUIRED UPGRADE	ALL ITEMS WERE MANUALLY SCANNED AT A CHECKOUT	USED HOTEL BEDS & PILLOWS
AFTER	MADE AMENDS TO WEBSITE TO MAKE EXPEREINCES BETTER	ALL ITEMS AUTOMATICALLY SCANNED BY RFID TAGS	SAME MATRESS & PILLOWS AT ALL TIMES REGARDLESS OF LOCATION
DRIVER	IMPROVE CUSTOMER EXPERIENCE	IMPROVE CUSTOMER EXPERIENCE, STRONGER INVENTORY MANAGEMENT	BE THE BEST – 1% MARGINAL GAINS
RESULT	<p>INCREASED CUSTOMER EXPERIENCE</p> <p>AWARD WINNING CHANGE</p>	<p>UNIQUE CUSTOMER EXPERIENCE WITH CLASS LEADING LOGISTICS MANAGEMENT</p> <p>BRAND AWARENESS AND CAPACITY CREATION</p>	<p>CREATED BEST PROFFESIONAL CYCLING TEAM</p> <p>7 TOUR DE FRANCE WINS</p>



# CHANGE FAILURES



			
BEFORE	ASKED CUSTOMERS WOULD THEY LIKE A "LESS CLUTURED STORE"	HAD A WINNING DRINK FORMULA	
AFTER	REDUCED STOCK INVENTORY BY 15%	DEVELOPED A NEW "SWEETER" FORMULA	
DRIVER	INCREASED CUSTOMER SATISFACTION & SALES	INOVATION	
RESULT	<b>\$1.85<sub>BN</sub> LOSS IN SALES</b> <b>REVERSED DECISION</b>	<b>DECREASE IN SALES BY 20%</b> <b>NEW RECIPIE REVERSED</b>	

# CONCLUSION

## CHANGE

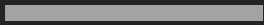
- Smaller activities usual focused within a Department or Business Area
- More agile in nature and provides quicker but incremental gains
- Change is happening in almost every business on a regular basis to keep developing
- Not a fashionable term, but provides most consistent value

## TRANSFORMATION

- Significant shift in how an entire business operates
- Time consuming and requires perseverance to achieve vision
- Technology is ever present in successful transformations, those who neglect it typical experience hard times
- Term frequently overused as it has become fashionable



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