

BREAKING THROUGH TO TRANSFORM

WHITE PAPER

AWARD WINNING
CHANGE CONSULTANCY

SMALL BUSINESS
MASSIVE IMPACT







CONTEXT

Many areas of Australia's public services need to significantly improve, even transform. This is driven by a range of factors; changing demographic in the population; new threats from other countries; a growing population that needs more infrastructure and advancing expectations of people who want to be able to access services quicker; and, in a place and way that suits them best.

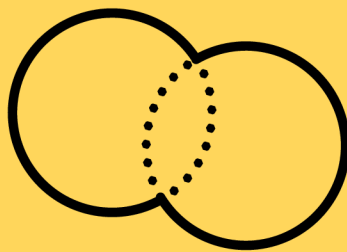
These programs of change require significant funding. In 2022-23 the Australian Government spent \$4.6bn on delivering major transformational programs of work. However, there are numerous claims that only 30% of transformation programs succeed.

“There are many different reasons why transformation programmes fail. (However), the root cause of all failed programmes lies in a fundamental imbalance between the ‘art’ of change leadership and the ‘science’ of project management.”

(Difronzo)

Our experience in numerous large-scale transformation projects shows one of the key success factors is an effective hub, often referred to as a transformation hub, a collaboration hub or a program control center.

These respond directly to Difronzo's observed root cause of failure, where bringing together change leadership and project management promotes the environment for success.



OUTCOMES OF A TRANSFORMATION HUB

TRANSFORMATION HUBS CAN SUPPORT PROGRAMS TO:



Align everyone on a compelling case for change and the outcomes



Drive accountability, clear responsibility and most importantly, ownership



Create the environment for true engagement, involvement and critical discussion



Drive continuous improvement through constant, real time feedback and data



Focus on removing blockers and accelerating delivery



Save substantial waste and money



Pulls everything together, so you deliver holistic change

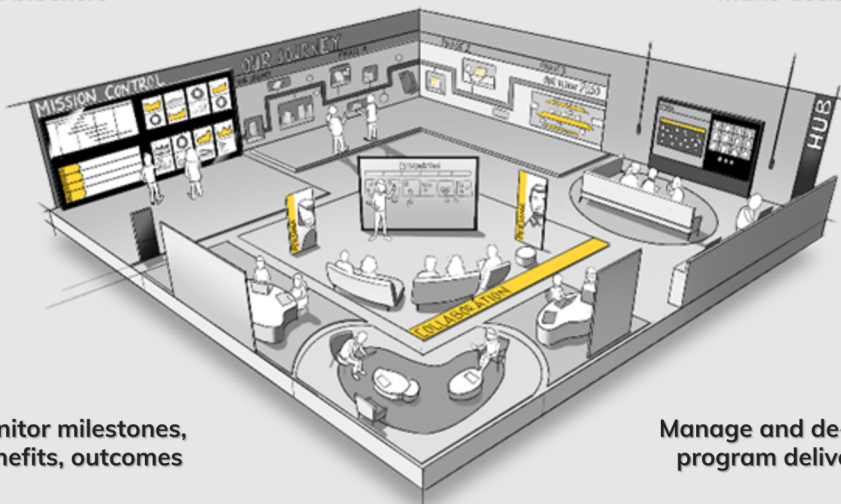
SO WHAT IS A TRANSFORMATION HUB?

The transformation hub provides a central point for planning, coordinating and overseeing all the initiatives of a program. It draws together key stakeholders, project teams, and subject matter experts by providing efficient and effective conditions for collaboration. This allows a program to easily:

Track delivery and remove blockers

Co-design solutions to complex problems

Use data and visuals to make decisions



Monitor milestones, benefits, outcomes

Manage and de-risk program delivery

COMPONENTS OF A TRANSFORMATION HUB

A transformation hub is purpose-built tailored to the organisation and the program. They typically are physical spaces, however it can be delivered virtually or supported by an online instance. The components of a transformation hub are the Mission Control, Performance centre, program journey and customer-centred codesign environment.

A **mission control** ensures alignment across the program and supports weekly stand-ups. The mission control typically contains several elements:

- A visual schedule by workstream of what work is happening and when
- Key upcoming deliverables
- Risks to upcoming delivery
- Stakeholder engagement and communication activity
- A register of successes and celebrations

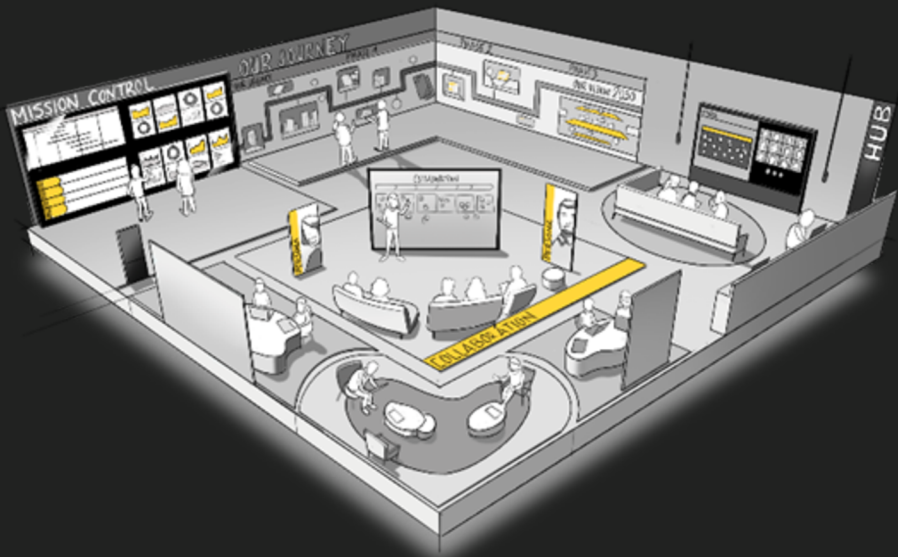
Displaying this information increases transparency and promotes the sharing of challenges, enabling quicker problem solving and decision-making.

The **performance centre** is the home of strategic performance conversations. The performance centre visually displays a dashboard of data to support leaders in tracking performance against program objectives. It enables strategic conversations and focuses leaders on the areas required for program success.

The performance centre typically displays:

- The program objectives and enablers
- Live data displayed visually against the objectives and enabling activities
- Strategic risks visually displayed
- A live action register
- Tracking of benefits.

Effective transformations start by creating a compelling story for the **journey of the program**. Visualised in the centre of the hub it is a constant reminder of the vision and purpose, along with milestones of what you want to achieve along the way. It is critical for transformation programs to know what benefits they are going to realise, especially given the often significant investment being made. To map these along the visual journey is a really powerful reminder, and creates moments for celebration as the project realises its benefits and return on investment.



The hub creates the right conditions to ensure effective decisions and actions through its **customer-centric co-design environment**. This includes:

- Understanding the moments of collaboration required for a program and creating a tailored environment to facilitate them.
- Designing and facilitating complex collaborations that bring together stakeholders at the right moment for the right conversations to accelerate delivery around solving the right problem.
- Bringing together the right information to ignite conversations and displaying this in a format for speedy digestion and action-taking.
- Curating energy to enable people to be creative, focused and collaborative to drive change, with pace.
- Keeping customers and users at the heart of the program and the change.

UNLOCK THE VALUE

FAST-TRACKED OUTCOMES

Tackling complex problems usually involves multiple stakeholders and that takes time. If there are more than 15 people to involve, a co-design session will provide you with quicker results. Unlike traditional methods like interviews, collaborative co-design sessions are meticulously structured to deliver outcomes fast.

Compared to traditional methods, co-design saves you a third of the time.

For instance, resolving an issue with 30 participants through conventional means - identifying stakeholders, conducting interviews, analysing findings, and presenting recommendations - would take about 9 weeks. But with a well-crafted co-design workshop, you can achieve the same, if not better, results in just 6 weeks - saving a third of the time! The cherry on top? Co-design doesn't just save time; it fosters alignment and cohesion, turning 30 individual viewpoints into a unified, optimal solution. Save time, save money, and achieve the best outcomes.

COST SAVINGS

Imagine applying this approach to every complex problem within a multi-stakeholder, multi-year program. Each instance would save at least a third of the time, and these savings would accumulate rapidly, accelerating the return on investment from the decisions made.

Collaborative co-design is half the cost.

Regardless of the number of people involved, traditional methods are estimated to be twice as expensive. In contrast, collaborative co-design is half the cost.

Imagine the monumental cost savings over a four-year transformation program! The more people who need to be involved, the greater the savings.

INCREASED CHANCE OF SUCCESS

Programs that span multiple years frequently face "initiative fatigue," where stakeholders' interest and engagement diminish over time, potentially leading to resistance during implementation. This results in reduced effectiveness and lower success rates. However, when stakeholders have strong ownership and buy-in, they are more likely to support and champion the program, reducing resistance and ensuring a smoother implementation.

... driving sustained success.

Establishing a transformation hub serves as an excellent mechanism to foster continuous stakeholder engagement, driving sustained success and collaborative delivery.

A HUB IN ACTION

DVA Veteran Centric Reform Program (VCR)

The DVA Veteran Centric Reform Program (VCR) aimed to enhance service delivery for veterans and their families by leveraging person-centered design and digital transformation. The program involved multiple organisations, stakeholders, and interconnected workstreams, making it highly complex.

In 2016, the Department of Veterans' Affairs (DVA) established a Collaboration Hub to support the VCR's execution. Within nine months, the modest space evolved to host 50-person co-design sessions and 100-person events. The environment was meticulously designed to encourage ongoing team collaboration and hybrid working, and agile methodologies were used to centralise program activities.

The Collaboration Hub, in conjunction with the PMO, hosted weekly and daily stand-ups, addressing obstacles by facilitating productive conversations with content SMEs. Approximately 40 workshops were held annually, involving 10-150 participants, to co-design solutions and maintain momentum.

A 2021 ANAO report^[1] found that DVA's implementation of reforms was largely effective. The Collaboration Hub played a crucial role in engaging members of the program and stakeholders throughout the journey, involving them in designing and implementing solutions. This approach increased empathy and passion for success, reduced resistance to change, and fostered a unified team aligned to a single, consistent narrative communicated to both internal and external stakeholders.

^[1] <https://www.anao.gov.au/work/performance-audit/effectiveness-the-planning-and-management-veteran-centric-reforms>

COMMONLY ASKED QUESTIONS

How much does it cost to establish a hub?

Creating a physical or virtual hub environment can be accomplished at a minimal cost. The investment for a physical space can range upwards of \$25,000, while a basic virtual space can start at around \$8,000. However, to ensure effectiveness, it is crucial to engage expert facilitators who can foster conditions for ongoing and successful collaboration. The cost for these facilitators should be factored in based on the size and scale of the hub, as well as the scope of its activities.

How easy is it to scale?

Scaling a transformation hub is a relatively straightforward process due to the flexibility and adaptability of both physical and virtual environments. This approach was successfully implemented by the Department of Veteran Affairs' Veteran Centric Reform Program hub. Initially, we piloted the hub in a small physical space. As demand for services grew, we transitioned to a much larger physical space to facilitate increased collaboration with a greater number of stakeholders.

Virtual hubs, on the other hand, can effortlessly scale to accommodate more participants by leveraging scalable online platforms. To manage the increased scale of collaboration, you may need to hire additional facilitation support.

By carefully planning and leveraging appropriate resources, scaling a transformation hub can be achieved smoothly, ensuring it continues to provide efficient and effective conditions for collaboration and success.

Does it have to be a physical space?

Physical hubs offer the advantage of face-to-face interaction and a dedicated environment for collaboration, virtual hubs can also be effective in bringing together stakeholders, project teams, and experts. A hybrid model can also be adopted, combining elements of both physical and virtual hubs to maximise the benefits of each. This approach allows for in-person interactions when necessary while maintaining the flexibility and cost-efficiency of a virtual environment.

Ultimately, the choice between a physical, virtual, or hybrid hub should be based on the specific requirements, resources, and goals of the program. Both physical and virtual hubs can create efficient and effective conditions for collaboration when well-designed and properly managed.

How does this work with a program management office (PMO) and a change management office (CMO)?

The transformation hub, Program Management Office (PMO), and Change Management Office (CMO) each play distinct but complementary roles in driving successful program outcomes. The transformation hub integrates the efforts of the PMO and CMO by providing a cohesive framework where both strategic and people-oriented activities are aligned. In essence, the transformation hub not only centralises and streamlines program initiatives but also ensures that the strategic and human elements of change are seamlessly integrated for optimal program success.



ABOUT
YELLOW HAT

A man with a beard, wearing a maroon patterned shirt, is seen from the side, writing on a whiteboard. The whiteboard is covered in handwritten notes and diagrams. On the left, there's a diagram with a laptop and text: "A STEP BEHIND... WE'RE ALWAYS A.I.", "STIPPING BACK ASSESSMENT PROCESS", and "I WANT". In the center, there's a diagram with a laptop and text: "G.A.", "A.I.", "WE'RE ALWAYS A STEP BEHIND...", "KNOW LIKE", "THERE ARE GREATER ISSUES FROM A.I.", and "TAH". On the right, there's a diagram with two people and text: "R CONTEXT", "PER ENVIRON", "STRAINING STUDENTS", "IMPROVES LEARNING", "2 LEARNING", "TECH", "ACCIDENT", "NEED TO MOVE FROM", "STATES".

Yellow Hat Consulting is an award-winning Australian change consultancy dedicated to supporting executives who are eager to drive change effectively and successfully.

We collaborate with private, public and not-for-profit organisations across Australia to solve their most complex problems and transform how they deliver services.

ARE YOU AN EXECUTIVE EAGER TO DRIVE CHANGE EFFECTIVELY AND SUCCESSFULLY?

Contact us for a conversation:

enquiries@yellowhatconsulting.com.au

Or scan this QR code to visit our website



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