Best Fit for Transformation

Idea In Short

Choose the transformation partner that connects strategy, operating model, technology and change management, and can turn recommendations into measured results. Define your transformation type and goals before you select technologies. Then test each candidate on industry experience, strategic competence, technological expertise, results measurement and long-term support, and confirm whether it offers advice only or also delivers the program. Plan for adoption, because new systems go unused when employees do not understand or trust them. Where Artificial Intelligence [AI] automation is in scope, require precise objectives, system requirements and performance criteria. After go-live, track productivity, costs, service quality, speed of operations and customer satisfaction.

A large-scale enterprise transformation takes more than new software or a revision of individual business processes. Companies may change their operating model, revise their management structure, enter new markets and modernize their technology infrastructure at the same time. Every one of those changes must support a single strategic direction. Otherwise even well-executed initiatives risk remaining isolated projects with no noticeable effect on overall business results. Boston Consulting Group [BCG] reports that 70% of digital transformations fall short of their objectives. Its research found that getting six factors right, starting with an integrated strategy and clear transformation goals, raises the odds of success from 30% to 80%.1 That is why a firm searching for a partner in strategic planning and enterprise transformation should first understand its own needs. Does the partner combine strategic vision, operational expertise, technological execution and change management?

What best overall fit means

The best overall fit means that a partner's capabilities align with a firm's specific challenges. One firm may need a new management model, another may need to reevaluate its entire system for creating value for customers and a third may seek digital modernization. For that

reason, it is not enough to assess business transformation services by the range of services offered. The more useful question is whether the team can see the connections between strategy, processes, people and technology.

In many cases the technological component, including Artificial Intelligence [AI], becomes a logical extension of operational changes. Professional AI Automation Services automate data processing, content creation, customer support and other repetitive tasks with custom-developed software. Such projects may integrate AI into existing software, modernize legacy systems or create AI agents that carry out multi-step workflows and escalate non-standard cases to employees. Anthropic's guidance on building agents describes the same pattern: agents can pause for human feedback at checkpoints or when they meet blockers. The guidance recommends the simplest solution that works, since agent autonomy brings higher costs and the potential for compounding errors.2 With this approach, a firm views automation as part of a broader operating model. The outcome then depends on how precisely the business objectives, system requirements and performance criteria are defined.

Transformation types and the skills they require

The main types of business transformation cover several interrelated areas, and each calls for a different mix of skills:

- **Operational transformation:** review of work processes, resource management, responsibility allocation and performance metrics
- **Digital transformation:** upgrades to technology infrastructure, integration of digital platforms, operational automation and more effective use of data
- **Organizational transformation:** changes to the firm's structure, management roles, corporate culture and the ways teams interact
- **Business model transformation:** review of how the firm creates, delivers and monetizes products and services, in particular access to new market segments

These areas do not have to happen at once. An operational transformation leans on process design and performance measurement, while a digital transformation leans on engineering and data skills. An organizational transformation leans on leadership and culture work, and a business model transformation leans on market analysis and commercial design. A firm should therefore define its transformation goals before it chooses technologies and tools. The goals decide which skills the partner must bring, and a partner strong in only one area

will leave gaps in the others.

Turning strategy into practical results

An effective corporate transformation strategy explains what results the firm aims to achieve and what internal capabilities it needs to develop to get there. Strategic goals still need practical follow-through. If management plans to speed up customer service, it should work out the following:

- which processes cause delays in responses
- where errors occur
- what solutions will eliminate these problems

This analysis supports a business transformation strategy in which every initiative has a clear purpose and a measurable outcome. Harvard Business Review reported that about 70% of all change initiatives fail. It argued that combining hard approaches, which aim to generate shareholder value quickly, with soft approaches, which aim to build a trusting and open culture, can radically change the way businesses change.3 The customer service example shows why: faster responses depend on process fixes, and they also depend on whether agents trust the new system enough to use it.

Methodology and change management

Business transformation methodology defines the sequence of work:

1. Assessment of the current state
2. Development of a target model
3. Prioritization of initiatives
4. Implementation
5. Results monitoring

The methodology also assigns roles and duties among managers, project teams and external specialists. Even a well-designed operating model does not guarantee success without employee buy-in. New systems go unused when employees do not see the reasons for the changes or have not received the training they need. Prosci states that organizational change happens one person at a time. Its Awareness, Desire, Knowledge, Ability and

Reinforcement [ADKAR] model describes what each person needs for a change to succeed and last.4 That is why transformation management consulting should include these elements:

- communication
- team preparation
- risk management
- regular progress assessments

Evaluating firms that support transformation

Business transformation firms may specialize in strategic consulting and operational efficiency, in digital solutions or in comprehensive change program management. A firm should not assume that a one-size-fits-all provider is the best choice. Evaluate candidates against these five criteria:

- **Industry experience:** whether the consultants understand the regulatory requirements, operational specifics and competitive landscape of the relevant industry
- **Strategic competence:** whether the team can analyze the market, the business model and internal constraints
- **Technological expertise:** whether the specialists can deliver integration and technical implementation
- **Measuring results:** whether metrics have been defined to assess the financial and operational impact
- **Long-term support:** whether the partner is prepared to provide support after the changes are implemented

It is also crucial to distinguish between transformation consulting and the actual realization of a transformation program. In the former, the primary focus may be research, recommendations and planning. In the latter, the focus lies in implementing new processes, coordinating teams, integrating technology and monitoring results. Ask each candidate which of the two it is offering, and who owns the outcome once the recommendations leave the slide deck.

Keeping value after the project ends

Employees need time to adapt to changes, and management needs the capacity to verify whether the new approaches actually improve performance. A McKinsey study on organizational transformations showed that firms that worked consistently through all five stages of change reported higher transformation success rates. The same body of McKinsey surveys links results to people. In its survey data, 73% of successful transformations reported visibly engaged frontline employees, compared with 46% of the others. In the 2021 survey, the successful respondents captured 67% of the maximum financial benefit, against 37% for the rest. In the 2015 survey, success was 8.0 times as likely when senior managers communicated openly about progress. Management communication, employee engagement and continuous process improvement therefore each showed a measurable link to results.

After the changes are implemented, the firm must keep monitoring a defined set of key metrics:

1. Productivity
2. Costs
3. Service quality
4. Speed of operations
5. Customer satisfaction

These five measures map onto the balanced scorecard, a performance management report that compares financial and non-financial measures with targets across four perspectives: financial, customer, internal business processes, and learning and growth.5 Costs sit in the financial view, service quality and customer satisfaction in the customer view, and speed and productivity in the internal process view. None of the five covers learning and growth, so teams can add an adoption or training-completion measure. Reviewed together, the measures let a firm identify problems early and adjust its approach before they begin to affect overall results.

- 1Flipping the odds of digital transformation success
- 2Building effective AI agents
- 3Cracking the code of change
- 4The Prosci ADKAR model
- 5Balanced scorecard

Summary

The best overall fit for strategy and enterprise transformation is a partner who understands the business at the level of its strategic goals, operating model and technology needs. Recommendations must translate into real actions, and clear metrics must measure the results. Companies should assess consultants on experience and expertise, and also on their skill in guiding change from initial analysis through practical implementation and ongoing improvement. Define the transformation type and goals first, test each candidate against the five evaluation criteria, separate advisory work from delivery and keep monitoring productivity, costs, service quality, speed and customer satisfaction after go-live. A partner who meets these tests gives the program its best chance of lasting value.