# CASE STUDY

# Strategic Public Sector Transformation: Consultant firm to undertake the Transformation of the Companies Office of the country ('The Project')

## BACKGROUND

### The Companies Office

The Companies Office of the country (CO) is an Executive Agency of the Government and has the following key outcomes:

1. The orderly development of companies, partnerships and sole proprietorships encouraged through the efficient registration of business entities;
2. Proper regulation of business activities so that the legal privileges of companies, partnerships and sole proprietorships are exercised within the relevant legislation which the Registrar of Companies has regulatory responsibility;
3. Proper recording of and access to public information about business entities and other public information about the nature of the commercial sector in whole or in part; and
4. Improved cost effectiveness of operations, delivery of core services to agreed performance standards at cost and generation of additional revenues through value added services.

The Companies Office provides a range of services in its effort to enable the legal creation and operation of businesses and its work mainly includes:

1. Registration of new companies (local and overseas) and Business Names (sole proprietorships and partnerships);
2. Monitoring Business Entities to ensure they comply with their statutory obligations;
3. Maintenance of accurate records on Business Entities;
4. Maintenance of the National Security Interests in Personal Property Registry.
5. Activity of registrar of Charities registered under the Charities Act.

The CO plays a critical role in the organisation of businesses and in facilitating the doing of business by and with incorporated and registered entities.

### The Strategic Public Sector Transformation Project (SPSTP)

An IFI funded project for strategic public sector transformation was designed to strengthen public resource management and support selected public sector institutions in facilitating a more enabling environment for growth. The project allows for the provision of technical assistance to address public sector transformation activities to achieve reforms of key institutions and programmes such as the transformation/modernization of the CO, through delivering on the proposed actions identified and the imperative for change faced by the CO.

## INTRODUCTION

According to regulations, a strategic review of an Executive Agency must be done at least once every five (5) years. The CO was reviewed in 2015 and number of deficiencies that limited the CO's overall effectiveness and efficiency were identified:

- Lack of coordination Among Service Units for Business Processes;

- Lack of an approved Framework Document;
- Complex provisions in its functional legislation;
- Organizational structure which does not reflect the current needs of the CO;
- Obsolete Information Technology Systems.

CO's services have expanded over the years without the requisite increase in capacity to provide the additional services. Multiple amendments resulted in new responsibilities, such as collecting information on behalf of several Government stakeholders.

The CO's current organizational structure was implemented 20 years ago, when it was granted Executive Agency status. The structure has largely remained unchanged although there have been changes in the Agency's functions.

CO will also be offering electronic registration services and within the short to medium term will offer more and more of its services online. Expanded service offering has increased the operating costs. Clients are also demanding improvements to the standard of services including, (i) lower registration timelines, (ii) lower wait times for attendance, and (iii) lower rejection rates for documents filed which has implications for the cost to provide these services.

Some of the fundamental **challenges** faced by the CO include:
- Multiple rejections of documents due to CO's two-tiered system of document examination;
- Unstandardized information provided to customers;
- Chronic staff shortage in key areas of operations which has resulted in backlogs, inefficiencies, extended timelines and cost overruns;
- Low compliance rates of business entities;
- Underdeveloped system of quality control of business processes;
- Poor communication within CO and with its customers and stakeholders;
- Inadequate management of over 280,000 paper files.

With the pending introduction of electronic registration services, and the planned phasing in of other online services the CO faces the critical need to upgrade its ICT infrastructure to meet the demands of the proposed re-engineered business processes. ICT systems are not being utilized optimally and IT staff are insufficient.

With the pending changes to the CO's business processes, it is critical for CO to optimize the use of ICT, in order to improve performance efficiency, service consistency and reliability, and importantly, to sustain the improved activity.

## SERVICES REQUIRED

The SPSTP, in collaboration with the CO, is inviting proposals from qualified firms to offer services for a functional/organization review and restructuring of the CO, and a radical redesign and modernization of all business processes, with the purpose of raising the business efficiency and effectiveness at all levels across the Agency. The ultimate objective is to improve the ease of doing business in the country by creating an enabling environment for local and international investors to fuel economic growth, according to the priority objective of the Government. This would also improve country's ranking on the Ease of Doing Business Index.

## OBJECTIVES OF THE ASSIGNMENT

The Consulting Firm should manage the implementation of the restructuring of the CO in order to respond to the needs of the revised business processes resulting from the review. This should be achieved through three Components, namely:

1. Review of the relevant legislations related to Executive Agencies to ensure the CO remains compliant, as well as the Companies and Registration of Business Names Acts for which the CO has administrative responsibility.
2. Implementation of a Business Process Reengineering (BPR) Review for major/mission critical processes/services (i) documentation of the major/mission critical business processes and gaps that may exist; (ii)reengineer the business processes (to be process), and (iii) determine underlying ICT upgrades/needs and (iv) manage the ICT implementation
3. Implementation of a Change Management and Communication Programme to support the implementation of the BPR activities.

Specific goals of the Change Management & Communication initiatives are to:

- Develop the theory of change specific to the CO, working from the desired state for greater levels of efficiency, through improved business processes and optimized use of technology and design change initiatives that will enable the desired state to be achieved;
- Undertake cultural change reviews and guiding the definition of future business culture that is aligned to the transformed CO business processes;
- Ensure the active involvement of CO staff in the change process;
- Support communication initiatives to inform the internal and external stakeholders and the general public of the pending and emerging changes in doing business with the CO.

The **Consulting firm** shall have tactical responsibility for ensuring that:

- The Project objectives are achieved within the projected timeframe and cost.
- The project team has the competencies and capacity and is effectively organised and led to ensure that work is executed cooperatively, and in a spirit that is consultative and respectful in interacting with the different stakeholders and groups.
- Expectations and involvement of the project's stakeholders are effectively managed, ensuring that stakeholders are aware, engaged and satisfied with the project.
- Issues and risks which may impact the success of the project are managed and resolved.

## SCOPE OF WORK

The scope of work has five components:

- Project Management Services
- Business Process Reengineering Services
- Services related to improved ITC business services
- Change Management and Communication related services
- Legal support services

**Project Management Services**

1. Lead and direct the implementation, ensuring that the stated goals and objectives of the project are achieved within prescribed time frames and funding arrangements;
2. Develop the Project Charter with timelines; participate in ongoing project planning activities to include project schedule development, resource allocation, issue prioritization, risk planning and management/mitigation, business process redesign and manpower planning, change management and communication planning;
3. Identify and resolve obstacles/barriers to success and risks associated with the project;
4. Prepare workplan and approach to the assignment;
5. Lead, in collaboration with the senior staff of the CO, the development of the CO's business case to include a cost benefit analysis;
6. Provide status reports to the Steering Committee on the implementation of project activities within the timeframe agreed.

**Provide BPR services:**

1. Assess the major/mission critical processes and document the current (as-is) process maps;
2. Establish and document the critical "As is" processes at the CO with the assistance of various process owners and other relevant stakeholders.
3. Analyse the current (as-is) processes, based on the CO's mandate and strategic context and determine gaps in terms of suitability, best practice, efficiency and effectiveness, and other relevant factors, so as to inform improvement opportunities;
4. Establish a baseline by quantifying the total sum of organisational cost incurred on the current (as-is) business processes, and a quantified projection on the benefit to be realised in the new (to-be) business processes;
5. Design the to-be business processes, clearly showing functional interfaces and seamless workflows, and ensure alignment to strategy and compliance with standards and best practice;
6. Recommend opportunities and key areas for automation on the new (to-be) business processes, as well as suitable approaches;
7. Advise the Project Steering Committee on any other value-added considerations towards improving organisation-wide effectiveness and efficiency.
8. Identify and map new processes as part of BPR including beginning and end points, interfaces, as well as organizational units and stakeholder groups
9. In consultation with relevant stakeholders in the CO, and based on appropriate benchmarking, efficiency considerations, and manpower requirements, establish a portfolio of "To be/Should be" processes for the CO and provide specific justification for the proposed processes, as well as simulations of how the processes would work in practice.
10. Undertake/facilitate the relevant training of members of staff on any aspect of the exercise e.g. process documentation or process analysis.
11. Ensure alignment with the Change Management & Communication initiatives and strategies that should run parallel to the BPR exercise enabling smooth implementation.
12. Conduct organisational reviews, systems and procedures studies and make recommendations on the revised organisation structure, develop job descriptions.
13. Examine the operations and workflow of identified divisions to determine systematic weaknesses e.g. duplication/overlaps, waste as well as activities that do not add value to the process by:
    - Conducting interviews with staff;

- Observing the activities of staff in the working environment;
- Administering questionnaires;
- Reviewing previous reports/documents existing job descriptions and charts;
- Preparing flow chart of current operations

14. Collect job related data through interviews, questionnaires, observations and examines records to validate findings;
15. Identify and make recommendations on how IT systems and capabilities can influence and improve process design in the CO;
16. Design and reengineer a prototype of the new process (along with identification of structures and processes to be rationalized or outsourced or strengthened) along with expected service standards in line with business objectives such as cost reduction, time reduction, output quality improvement;
17. Identify training and logistics requirements of process reengineering.
18. Study, propose and implement systems and procedures to develop greater efficiency and productivity;
19. Develop standard operating policies and procedures and performance standards;
20. Develop an appropriate HR transition policy and procedures to guide the change process and revised staffing arrangements.

## Provide services related to improved ICT business services

1. Assess the current state of technology in the CO;
2. Through consultations with key stakeholders determine the business requirements detailing both high- and low-level requirements;
3. Translate and simplify the requirements;
4. Determine whether requirements definition will meet future business needs;
5. Analyse requirements to determine need for process change and undertake test case;
6. Undertake a test case of the new requirements definition to ensure suitability;
7. Recommend any system change and or upgrade that may be needed;
8. Assist in developing any required specifications;
9. Consult as necessary for any change in ICT systems or acquisition for compliance with Government's regulations;
10. Provide an implementation and monitoring plan for any proposed change recommended; the plan should include any interim/transition arrangements least disruptive to the CO's delivery of services;
11. In consultation with CO senior management, undertake assessment of training needs (TNA) for all levels of users;
12. Prepare training plan and necessary materials and deliver or enable training by ensuring training is incorporated in service levels for any supplier or vendor engaged for systems upgrade;
13. Provide a comprehensive report and manuals, as necessary, to guide roll-out of the new system.

## Provide Change Management & Communication related services:

1. Develop the theory of change for the CO;
2. Develop and implement change management strategy and plan informed by the activities defined in the theory of change that addresses the needs of all stakeholders;

3. Analyse the existing organisational culture to determine issues, motivational triggers, potential risks and strategies to effect culture change, develop culture change strategies;

4. Conduct stakeholder analysis to clearly identify stakeholder groups and their needs to determine how best to inform the Business Analyst on the best alignment of expectations with the new processes being developed;

5. Conduct consultations as agreed with the Project Steering Committee on the principles, strategies and approaches that should govern the transformation activities;

6. Support in consultation with the Chief Executive Officer (CEO), the establishment of a Transformation Management Committee (TMC) with the senior management team to guide and advise on the transformation and change management initiatives which should be sanctioned by the Project Steering Committee;

7. Design workshops to support mind-set and culture change strategies required for the operation of the transformed CO;

8. Lead in the development of new vision, mission and core values for the transformed CO;

9. Develop a communication plan and related strategies;

10. Develop key messages and approaches to inform the communications plan;

11. Support the Project Manager in developing the schedule for roll-out of the transformation/modernisation activities including defining milestone events, identifying critical actions and performance benchmarks;

12. Develop strategies that will allow for the smooth transitioning of staff from the "as-is" to the future state business process and work flow arrangements without major disruption to the business of the organisation and in accordance with the principles of the change effort;

13. Identify resistance from staff and help in identifying and training the Change Champions to carry the message of change to convert resistance into adoption of the change; provide terms of reference for the Change Champions;

14. Develop and implement strategies to maintain interaction and high-level engagement;

15. Identify risks and recommend mitigation and or management strategies.

## Provide legal support services:

1. Review of existing legal framework documents and advise on parameters established and any need for amendment;

2. Draft instructions for any recommended change to the legal framework;

3. Advise on the relevant labour laws in respect to how staff that may be affected should be treated;

4. Advise and draft any support policy that may be required;

5. Advise the Steering Committee on any legal issues or impediments that may arise.

## DELIVERABLES

The key deliverables and target dates for the assignment are as follows:

| Deliverable/Activity | Performance Standards |
|---|---|
| Inception report including a work plan | The plan will outline the sequence of activities that will be done by the consultant in order to achieve the stated objective. **3 weeks after contract signing** |
| Project implementation | The Project Management Plan must conform to accepted project |

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|---|---|
| plan including Project Charter & Operations Manual and project schedule plan | management standards identifying how and when the project objectives will to be achieved; clearly defining the deliverables, milestones, activities and resources required for successful project execution, and must at a minimum detail how the following will be addressed under the project:<br>• Scope Management<br>• Requirements Management<br>• Schedule Management<br>• Budget Management<br>• Quality Management<br>• Resource Management<br>• Stakeholders Management<br>• Communications Management<br>•    Project Change Management<br>• Risk Management<br>• Procurement Management<br>•    Implementation<br>**8 weeks after contract signing** |
| Change Management and Communication plan | Plan setting out the approaches and strategy to address the needs and expectations of stakeholders, and the methodologies which will be employed to manage the communication<br>**12 weeks after contract signing** |
| Legislative Review report | Recommendations on necessary amendments to the relevant legislation<br>**18 weeks after contract signing** |
| Business Process Review Report | An assessment of the current business processes (As Is) and the reengineered processes<br>28 weeks after contract signing |
| Report on recommendations for the organizational design | Report on the proposed functional profiles, reengineered processes, workflows, organizational structure and job descriptions.<br>**36 weeks after contract signing** |
| ICT Infrastructure Review report | Recommendations on upgrades/changes needed to the ICT infrastructure<br>**40 weeks after contract signing** |
| Monthly Reports | Progress reports on the status of all activities |
| Final report | Closeout report on the project highlighting achievements and lessons learnt<br>**48 weeks after contract signing** |

## CONSULTANT'S PROFILE

Consultant firms shall demonstrate a minimum of five (5) years of experience in providing BPR and related services in a country of comparable social, economic and development conditions, where they have worked with government and/or the private sector specifically in the areas of Business Process Reengineering, Business Analysis Change Management and System Analysis.

## Roles & Qualifications and experience

**Team leader**
- Master's Degree in Public Administration/ Public Sector Management, Business Administration or equivalent;
- Eight (8) years' experience in a senior management position;
- Experience in leading multi-disciplinary teams, including senior professionals;

- Knowledge of the operations of the public sector;
- Sound knowledge of business process re-engineering and monitoring and evaluation processes;
- Awareness of the mandate of the CO;
- Training and or certification in Programme Management
- Knowledge of Organizational Development and Change Management.
- Sound knowledge of risk management
- Sound knowledge of participatory techniques and stakeholder's consultation
- Sound knowledge of the principles and practices of management.
- Knowledge of Information Communication Technology Systems
- Strong leadership, motivational and interpersonal skills.
- Excellent presentation, oral and written communication skills.
- Excellent report writing skills.
- Excellent conflict management and negotiating skills
- Excellent planning, organizing and diagnostic skills

## BPR Specialist
- Postgraduate in Public Administration/ Management / Business Administration
- At least ten (10) years of experience of which 5 years should be in managing business process re-design/re-engineering assignments
- Experience writing process-related documentation (e.g., procedures, diagrams, work instructions, templates)
- Certification in Six Sigma or Agile would be an asset
- Outstanding verbal and written communication skills
- Excellent conflict management and negotiating skills
- Experience with IT system modernization efforts a plus
- Knowledge of As-Is and To-Be business process mapping and how to tie processes to IT system requirements
- Ability to work independently and collaboratively with client and project team while providing objective insights that support a change management mindset

## Change Management Specialist
- Post graduate degree in Organisation Psychology, Business Administration, HR Management or related area from a recognised institution;
- Certification or training in Change Management;
- Minimum 8 years' experience working on similar assignments;
- Experience and knowledge of change management principles, methodologies and tools
- Flexible and adaptable; able to work in ambiguous situations
- Resilient and tenacious with a propensity to persevere
- Forward looking with a holistic approach
- Organized with a natural inclination for planning strategy and tactics
- Problem solving and root cause identification skills
- Able to work effectively at all levels in an organization
- Must be a team player and able to work collaboratively with and through others
- Acute business acumen and understanding of organizational issues and challenges
- Familiarity with project management approaches, tools and phases of the project lifecycle
- Experience with large-scale organizational change efforts

## Business Analysts
- Minimum of a first degree in Computer Science, Business Administration, Management, Business Analysis or equivalent from a reputable university
- Professional certification in Business Analysis would be an asset
- Good communications skills (oral and written)
- Good interpersonal and consultative skills
- Facilitation skills
- Analytical thinking and problem solving

- Detail oriented and committed to a high level of accuracy
- Organizational skills
- Knowledge of business structure
- Business rules analysis
- Data analysis
- Business case development & organization modeling
- Knowledge of technology structures: networks, database, communications, internet
- Conducting cost benefit analysis
- Modeling processes using various notation (Use Cases, Activity Diagrams, Business Process Modeling Notation, Workflows, Swimlanes)

**Communications Specialist**
- Degree in Communications
- At least 5 years' experience in communication at a senior level
- Exceptional communication skills, both written and verbal
- Excellent active listening skills
- Stakeholder analysis
- Ability to clearly articulate messages to a variety of audiences
- Ability to establish and maintain strong relationships
- Ability to influence others and move toward a common vision or goal
- A team player and able to work collaboratively with and through others
- Experience with large-scale organizational change efforts

**Legal analysts**
- Law Degree (LLB) must be certified to practice
- 5 years (minimum) practicing experience
- Experience in legal drafting would be an asset
- Policy development and analysis would be an advantage

**Administrative Support**
- Degree in Administrative Management or Business Administration
- 3-5 Years' experience providing administrative support services
- Good inter-personal and communications skills
- Excellent Organisation skills
- Proficient in the use of presentation and report preparation applications