# Unleashing Transformational Change Success

In today's dynamic business environment, change is more than a constant—it's an opportunity for growth and competitive advantage. Organizations grapple with multifaceted challenges like mergers, technological shifts, and evolving workforce dynamics. Successful navigation through these changes is a complex task, with approximately 70 percent of change initiatives falling short of expectations.

In this white paper, we explore key transformational change trends along with our unique Alvarez and Marsal (A&M) perspective and recommendations. Let's dive into how our Talent, Organization, and People practice approaches transformational change to achieve expected outcomes.

How Can Organizations Mitigate Change Management Mistakes?

AGILE AND ADAPTIVE CULTURES
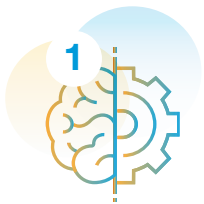
In a world where change is constant, being agile means being nimble, flexible, and scalable. Beyond buzzwords, we advocate fostering cultural agility, cross-team collaboration, and empowering decision-making at all levels. Organizations which are able to do this can successfully build trust and credibility with their customers, collaborate more effectively through cross-functional and multi-cultural teams, make better and more timely decisions, and move faster with decisiveness. Our approach, rooted in organizational adaptability, enhances overall performance while accelerating transformational change outcomes.

Recommendations:

- Conduct a cultural agility workshop to better understand what your leaders think about your organizations' ability to adapt to change.
- Establish and/or enhance cross-functional collaboration platforms to collect feedback and broaden perspectives on direction.
- Develop a roadmap for empowering decision-making at lower levels with clearly defined areas of accountability.

ALVAREZ & MARSAL

LEADERSHIP. ACTION. RESULTS.℠

RESULTS-DRIVEN CHANGE

2

Change fatigue is an all-too-present reality within organizations today. Rather than overwhelming clients by attempting to address the full scope of change, we guide them to first prioritize changes that align with strategic and measurable objectives and key results (OKRs). Leaders, motivated by success tied to OKRs, become change sponsors as they release their teams to deliver on what matters most. Integrating OKRs into change efforts and clarifying how key changes impact the broader organization - "WIIFM" - ensures a clear path to success.

Recommendations:

- Work with leaders to identify key OKRs for your critical change initiatives.
- Provide tools for regularly tracking progress aligned with OKRs
- Empower managers and cross-functional teams to support the necessary change to achieve the OKRs.
- Adjust employee goals to drive the needed outcomes for specific change initiatives.

WORKFORCE CENTRIC CHANGE

3

Modern workforces are more diverse and complex than ever: multi-generational, multi-cultural, hybrid workplaces, and evolving managerial dynamics, all with seemingly greater performance expectations. Our approach involves understanding these dynamics and crafting targeted engagement strategies to optimize the employee experience. Tools like Remesh offer insights into workforce opinions and sentiments, enabling customized and comprehensive engagement strategies.

Recommendations:

- Analyze workforce dynamics and preferences via targeted Persona groups.
- Implement tools like Remesh for real-time workforce opinions and sentiments.
- Develop customized workforce engagement strategies focusing on optimizing the employee experience.

DIGITAL TRANSFORMATION

4

Digital transformation is more than a buzzword—it's about driving revenue, enhancing productivity, and creating innovative customer experiences. We advocate a deliberate approach, ensuring technology adoption aligns with strategic goals and freeing up humans for higher-value activities. Ultimately, a true digital transformation should result in new organizational capability, as human effort shifts from transactional and operational activities to more strategic efforts. This new capability can take many forms - from greater data visualization to more accurate strategic planning – all which require new ways of engaging with technology and data. How people adopt these new ways of working is central to the success of any digital transformation initiative.

Recommendations:

- Define digital transformation expected outcomes – what you are specifically expecting the technology and data to solve for.
- Include technology adoption as a strategic OKR for every digital transformation.
- Determine early what new organizational capabilities you will need and develop a strategy for acquiring these.

DATA-DRIVEN DECISION MAKING

5

Accurate and timely data that can be turned into insights is required for informed decision-making. We advise leaders to invest in their data strategy and data management capability and foster a culture where data is always a key driver of strategic decision making. This not only includes determining which data best supports a specific initiative, but also identifying which data does not. Data points tied directly to the organizational OKRs you expect to achieve should be the focus.

Recommendations:

- Identify the key data points aligned with the organizational OKRs you expect to achieve. This also includes determining which data (e.g., reports), you will not utilize.
- Establish data-driven decision-making processes where data is always considered a key component to setting direction.
- Foster a culture of using data to drive strategic change. Ask yourself, *"What does the data tell us?"*

When to Contact Alvarez and Marsal's Talent, Organization and People Practice

Our practice is tailored for organizations navigating critical change initiatives that demand alignment across senior leadership. Whether it's operational transformations, technology and process optimizations, or workforce reconfigurations, we are here to help.

Our experience spans diverse scenarios, and we pride ourselves on understanding the unique nuances of each situation. When change is complex, we offer a suite of services to meet your organization's specific needs, enabling greater organizational agility, results-driven change, targeted workforce engagement, new digital strategic capability, and fostering cultures of data-driven decision-making.

Contact us when you're ready to transform challenges into growth opportunities. Together, we can unlock your organization's true potential.

Key Contacts

Ryan Isherwood
Managing Director
+1 281 433 0825
risherwood@
alvarezandmarsal.com

Ed Caldwell
Senior Director
+1 678 908 1211
ecaldwell@
alvarezandmarsal.com

Mike Harrison
Senior Director
+1 713 659 1700
mharrison@
alvarezandmarsal.com

ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) for leadership, action and results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

With over 9,000 people providing services across six continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

To learn more, visit: **AlvarezandMarsal.com**

Follow us on:

ALVAREZ & MARSAL
LEADERSHIP. ACTION. RESULTS.℠