Orchestrating a Seamless Transition
The foundation for a successful outsourcing partnership

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1.
Executive Summary

The world is driven by changing circumstances, and so is every organization's business. Thus, a successful organization manages change and transitions effectively from as-is to to-be state by being agile, adaptable and flexible.

De-risked transition and knowledge management capabilities are becoming increasingly important in the selection of Service Providers by outsourcing companies as they are at the core of an organization's business continuity and business growth.

Age of change has presented itself along with newer challenges in the form of the pandemic, ever-changing customer preferences and newer technologies that demand continuous re-invention and transition to the desired environment to enable and grow businesses.

Visualizing turbulences and demand for innovation in transition management, Mphasis has successfully implemented solutions and developed a differentiating transition framework that has matured with rich experience in servicing global customers. This has addressed the client's challenges in the areas of cost, ecosystem management and business operations with minimum disruption to business as usual while ensuring service continuity by leveraging an innovative transition model. A glimpse of the goodies we bring to the table to ensure noiseless transitions are depicted below:
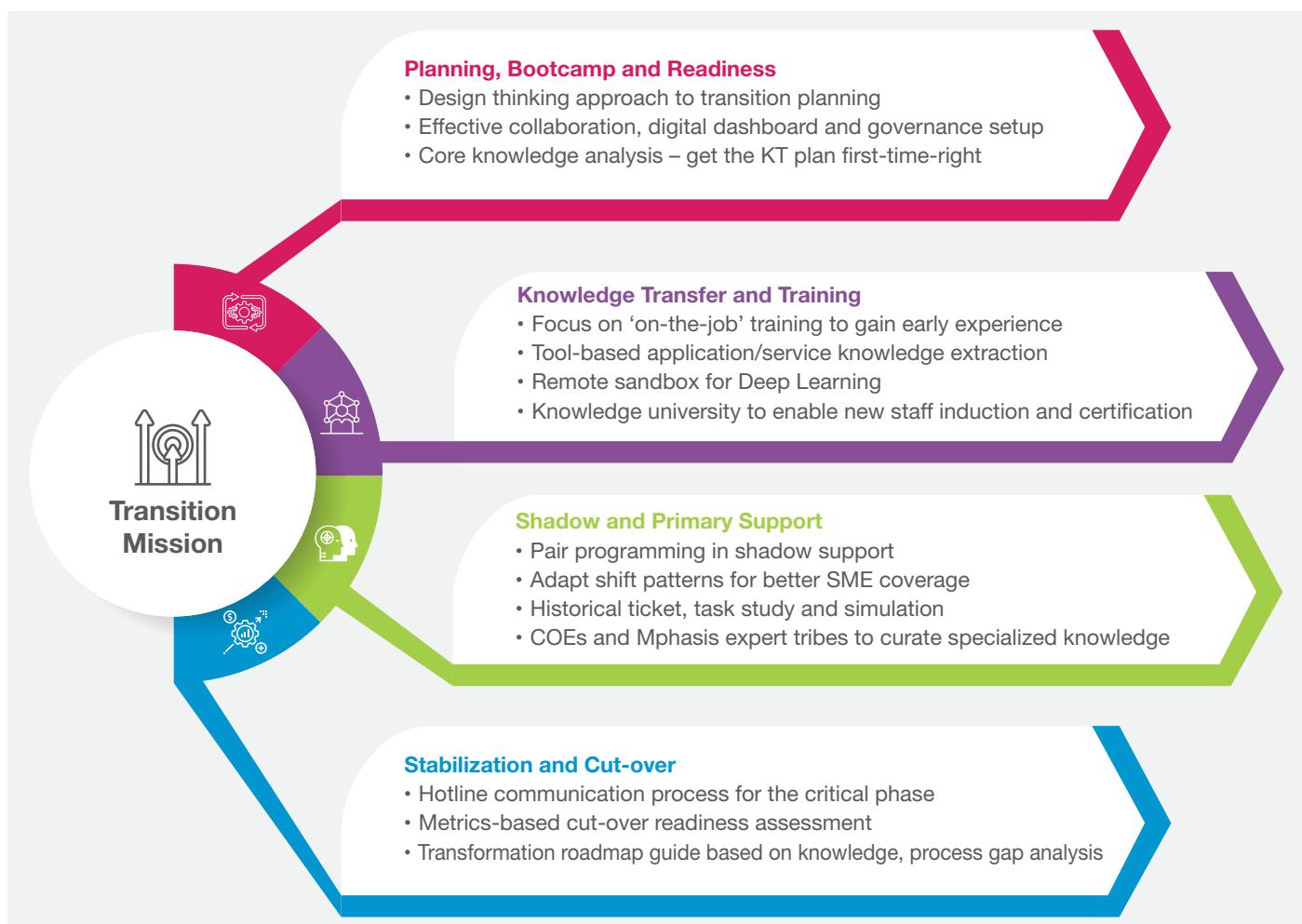
Transition Mission

Planning, Bootcamp and Readiness
- Design thinking approach to transition planning
- Effective collaboration, digital dashboard and governance setup
- Core knowledge analysis – get the KT plan first-time-right

Knowledge Transfer and Training
- Focus on 'on-the-job' training to gain early experience
- Tool-based application/service knowledge extraction
- Remote sandbox for Deep Learning
- Knowledge university to enable new staff induction and certification

Shadow and Primary Support
- Pair programming in shadow support
- Adapt shift patterns for better SME coverage
- Historical ticket, task study and simulation
- COEs and Mphasis expert tribes to curate specialized knowledge

Stabilization and Cut-over
- Hotline communication process for the critical phase
- Metrics-based cut-over readiness assessment
- Transformation roadmap guide based on knowledge, process gap analysis

Figure 1: Transition Mission

Managing transitions can be viewed as changing the driver of a moving bus – keeping the stakeholders informed from the beginning, anticipating potential problems and devising solutions for them. In addition, organizations must manage the turbulence and smooth transfer of responsibility without disrupting the journey.

This whitepaper intends to shed light on some of the problems we frequently encounter and some of the best practices we have developed and adopted to successfully complete service transitions and set the stage to implement robust transformative ideas.

As part of our value-added service to our esteemed clients, we identify transition levers and publish a 30–60-day plan for mutually agreed business transformation initiatives post-transition and their methodical implementation.

2.
Seamless Transition Despite Challenges

Excellent transition management is critical for ensuring business continuity. It is crucial for unlocking the value of the outsourcing partnership, delivering cost savings and quality improvements while demonstrating consistency, visibility and transparency in governance. We will discuss some of the key client concerns and how Mphasis has used its flagship innovations to facilitate seamless transitions to lay the foundation for a successful partnership.

Setting the Knowledge Span – The Problem of 'What is Missing'

Every transition is different and depends on many parameters unique to the client's context. What may be a trivial piece of knowledge for one client may be Oxygen for the other. One of the key questions to the Transition Manager in all transitions is 'are we missing any critical piece of knowledge?'.

A knowledge transfer plan is more than just a listing of topics to be covered and artifacts to be read; it involves working actively with the customer stakeholders and partners, understanding the significance, criticality and impact of our work on customer business. It also involves planning the breadth and depth of knowledge needed to deliver our scope of work. To achieve a successful knowledge transfer plan (KT plan), we must perform a 'Core Knowledge' analysis.

We do not just deploy standard KT questionnaires from our technology and domain CoEs during the due diligence process, we also perform 'Core Knowledge' analysis and tool-based assessment of critical components of an application portfolio/infrastructure and 'bread & butter' lifeline services. Based on this assessment, we develop the KT plan to ensure that we gain the right level of knowledge to deliver. The knowledge transfer begins with identifying what is not to be missed in terms of knowledge coverage and documentation.
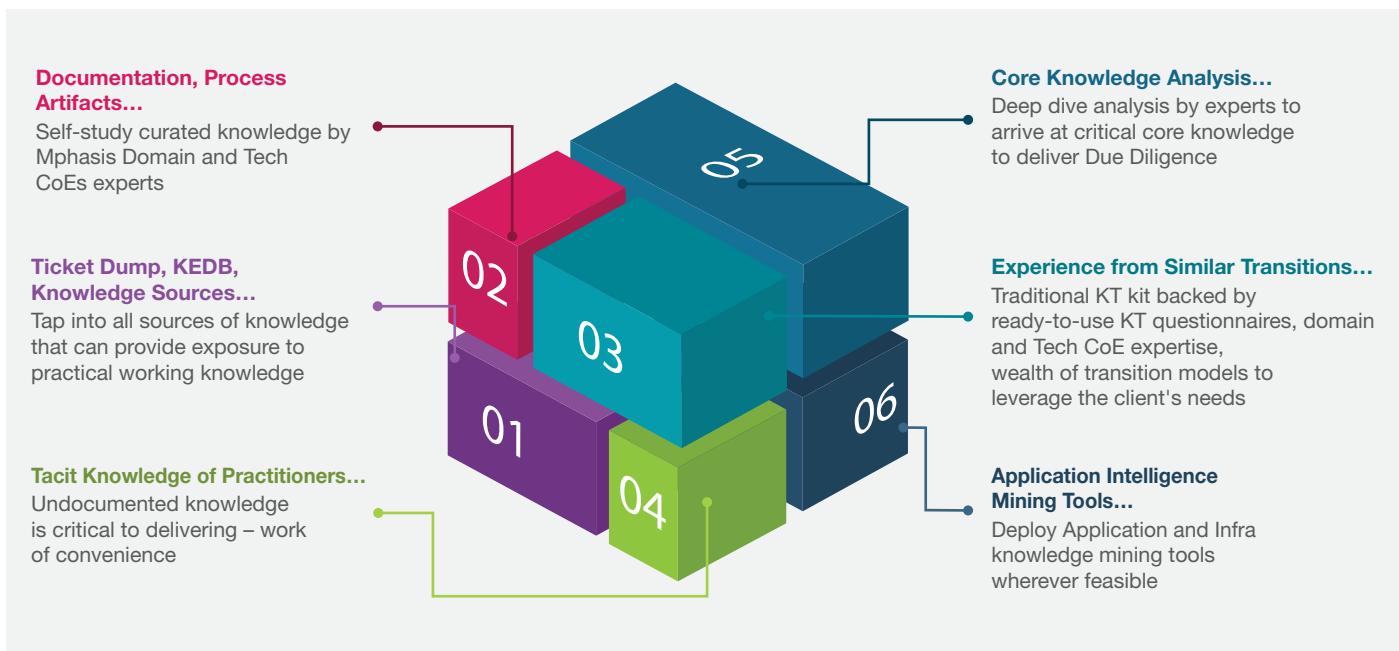
Figure 2: Key Elements of Strong Knowledge Base

Documentation, Process Artifacts…
Self-study curated knowledge by Mphasis Domain and Tech CoEs experts

Ticket Dump, KEDB, Knowledge Sources…
Tap into all sources of knowledge that can provide exposure to practical working knowledge

Tacit Knowledge of Practitioners…
Undocumented knowledge is critical to delivering – work of convenience

Core Knowledge Analysis…
Deep dive analysis by experts to arrive at critical core knowledge to deliver Due Diligence

Experience from Similar Transitions…
Traditional KT kit backed by ready-to-use KT questionnaires, domain and Tech CoE expertise, wealth of transition models to leverage the client's needs

Application Intelligence Mining Tools…
Deploy Application and Infra knowledge mining tools wherever feasible

Case study: We had to handle a unique challenge while working on a 150+ FTE application transition project for a large Australian food processing company. Our client had just been spun off as a new company, and its parent company's technical experts were unable to support us with transition planning. To overcome the challenge, we adopted the Core Knowledge Analysis method for recognizing critical modules of the application. To execute the transition successfully, we deployed the Mphasis hostile transition framework, which was developed based on our previous transition experiences. Using tool-based application information extraction in combination with Core Knowledge Analysis, we were able to create a near-perfect transition that allowed us to establish a strong knowledge base, which in turn produced some of the best CSAT scores.

Handling Unpredictability - Projecting What Can Go Wrong

Two aspects are critical in risk management –

- To look ahead for potential problems and plan mitigation
- Preparedness to be nimble enough to adapt to changes

This means we need to perform a threadbare analysis of the transition scenario, associated dependencies and the application of our experience and risk management methods. However, the greatest danger in times of turbulence is acting just with yesterday's logic. Hence, we must be nimble enough to adapt to changes that strike us from nowhere, like a pandemic that would disrupt or impact businesses.

Managing unexpected spikes in service requests during the transition could be handled by early engagement of knowledge champions, fast-paced acquisition of critical knowledge and working collaboratively with incumbents. Engaging expert teams in managing large organizational changes during transition is critical to ensure zero impact on service continuity.

Here is a unique methodology that blends traditional risk management techniques and the futuristic 'Failure Mode Analysis' technique. The right fit governance model neither imposes overhead controls nor ignores critical transition health parameters that must be adopted.

Secondly, scenario-based risk identification and management will lessen the risk and improve the reaction time through a pragmatic understanding of the scope and objectives of the transition program.

Modulating risk perceptions amongst all key stakeholders is the key to success. Paying attention to how accurately and transparently we present the risks and progress of transition in all communications to the client will be essential for building positive customer perception.

Transparency is one of the key foundations for establishing a successful and enduring partnership between customers and suppliers. Governance and reporting structures are the mainstream mechanisms for ensuring transparency during the transition.

Our experience is that an effective governance structure should be formalized at the start of the transition involving customer, supplier and in-house/incumbent team as required, defining reporting and escalation mechanisms, setting meeting frequency for each governance body, identifying participants, defining roles, agreeing with the information and reporting format required for each meeting. The governance structure should ensure continuous focus on the agreed scope, deliverables and the management of risk to ensure business continuity.

While there could be many categories of risks that can be evaluated in the context of a transition, the following are seen to comprise the risk umbrella.

Figure 3: Transition Risk Umbrella (Broad Categories of Transition Risks)

Case study: In one of our large 100+ FTEs application transition projects for a banking client, we experienced a unique situation during pandemic wave 1, where all the client's SMEs were working on a critical COVID release work. Further to add to the complexity, there were many organizational changes on the client side that were impacting our transition program. We also faced a difficult time evaluating the critical nature of the services and applications we were taking over. Using the structured Failure Mode Analysis coupled with the scenario-based risk identification technique described above helped us appreciate the criticality of the applications to the core, which was the cornerstone of our success during that transition. Customer stakeholders expressed their delight that we not only ran the transition as planned, but had created a wealth of complimentary documentation of application portfolio analysis that the customer leveraged to transform their business.

Tools – Handy Helpers in a Complex Transition

Tooling can help accelerate the transition process at every stage to reduce dependency on in-house/incumbent staff to ensure ongoing business continuity. Mphasis planned a suite of tools at every stage of the transition program to bring in the right insights and value to ensure a seamless transition. Tools not only complement for lack of incumbent SME support, but also help to optimize the manual effort involved in knowledge acquisition and transition management. Tools are a boon when it comes to running emergency transitions in times of critical staff attrition during the transition. A high-level view of our offerings is shown in the below diagram.

Application discovery tools and Client University are uniquely positioned to help accelerate the transition and boost future business transformation value. While application discovery tools help in understanding the structure and interdependencies of applications for application modernization, the Client University helps in smoother staff ramp-up and process automation initiatives.
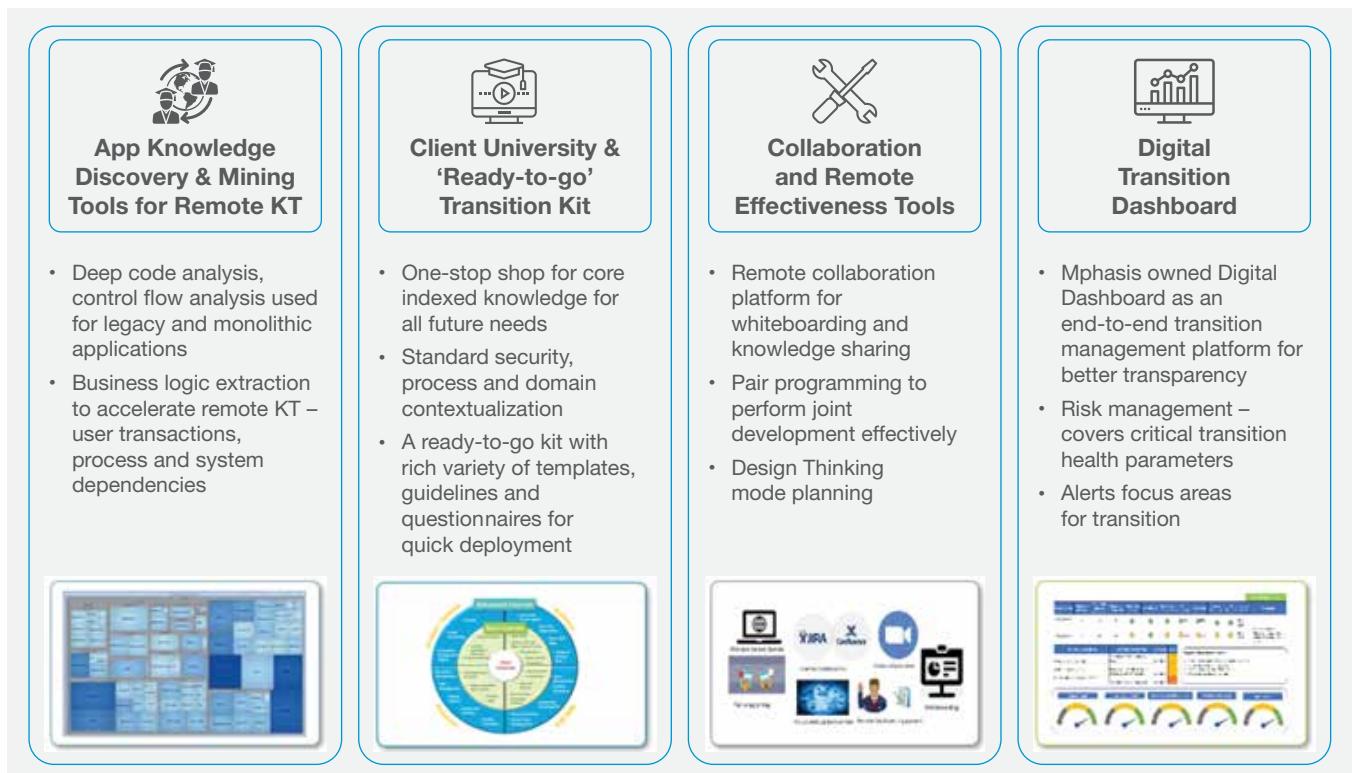

App Knowledge Discovery & Mining Tools for Remote KT	**Client University & 'Ready-to-go' Transition Kit**	**Collaboration and Remote Effectiveness Tools**	**Digital Transition Dashboard**
• Deep code analysis, control flow analysis used for legacy and monolithic applications • Business logic extraction to accelerate remote KT – user transactions, process and system dependencies	• One-stop shop for core indexed knowledge for all future needs • Standard security, process and domain contextualization • A ready-to-go kit with rich variety of templates, guidelines and questionnaires for quick deployment	• Remote collaboration platform for whiteboarding and knowledge sharing • Pair programming to perform joint development effectively • Design Thinking mode planning	• Mphasis owned Digital Dashboard as an end-to-end transition management platform for better transparency • Risk management – covers critical transition health parameters • Alerts focus areas for transition

Figure 4: Transition Enablers in Our Successful Remote Transitions

Case study: In a global sourcing multi-tower 400+ FTEs transition for a Global IT major including application and infrastructure components, there was a specific lifeline tool used for customer data processing in scope and the incumbent vendor was reluctant to continue services due to contractual issues. Therefore, we had to gather the information needed to support this technology without the help of the prior vendor. This is where our suite of tools came in handy. We deployed an application intelligence extraction tool and an in-house portfolio analysis tool that helped us identify critical knowledge and workflows of the application and how the lifeline tool is connected to other applications in the portfolio. In addition, it also generated a critical data flow view. This not only reduced our manual code inspection effort, but also provided us with valuable insights into the application's working, which enabled us to take over the service with minimal disruption to the business.

Measuring the Success of Transition – Effectiveness Metrics are GOD Particles of Transition Management

We believe that measuring the health and effectiveness of the transition should be an important part of every phase, rather than the last step. Metrics are vital to decision making and measuring core metrics more diligently will help us gauge the transition's health more efficiently with expected KPIs. Every transition is different, and therefore, the metrics are also distinct. Every phase is measured differently, so there must be agreement on which metrics are relevant to assess whether a phase has been accomplished. For instance, the metrics used to determine the success of an infrastructure service transition may be very different from the metrics utilized to assess the effectiveness of an application service or an inflight agile development project transition.

Through the data extracted during due diligence, Mphasis' transition model inherently adopts metric creation and management as a governance plan. This makes the Transition Digital Dashboard a de-facto standard for transparency and the 'one-stop shop' platform for transition planning, health management, reporting and risk management.

To measure the effectiveness of transition, the Transition Managers must adopt an outside-in mindset, an outsider's critical view of the success of the transition.
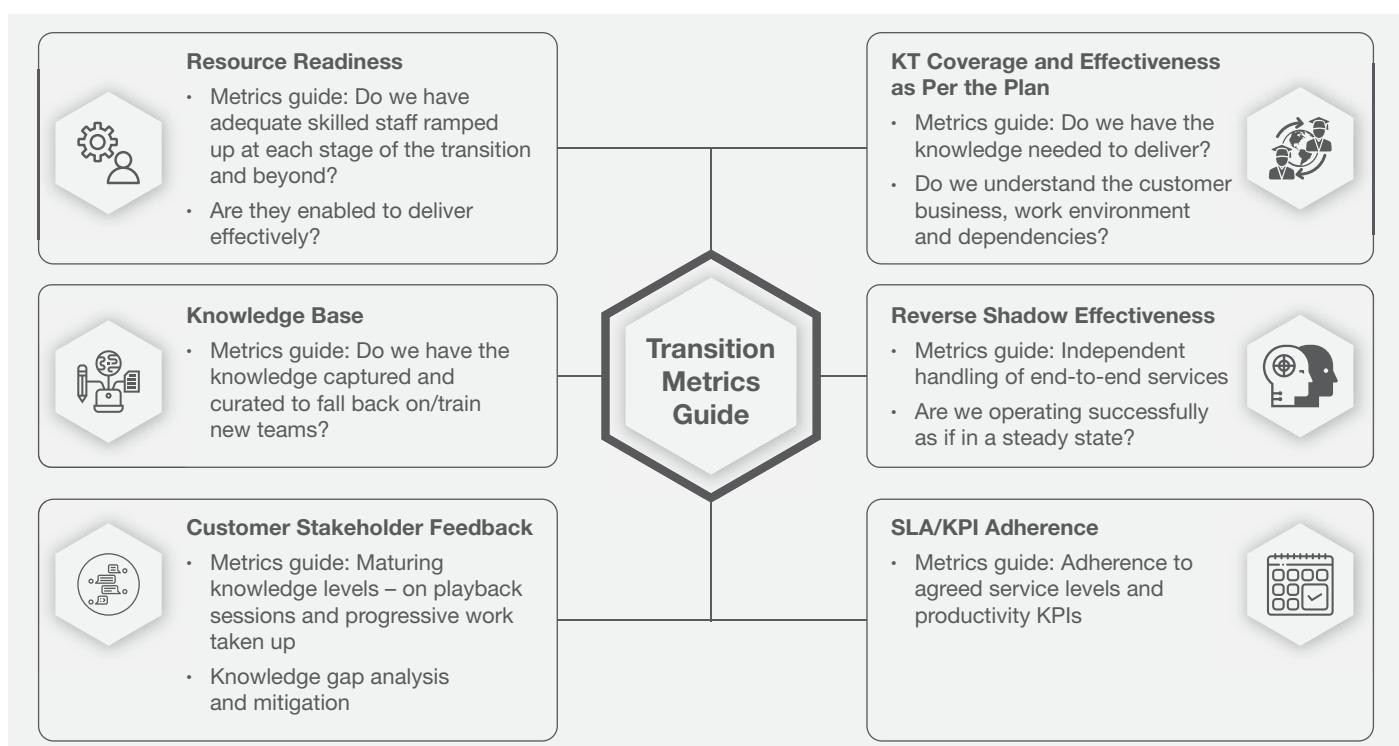
Resource Readiness
- Metrics guide: Do we have adequate skilled staff ramped up at each stage of the transition and beyond?
- Are they enabled to deliver effectively?

KT Coverage and Effectiveness as Per the Plan
- Metrics guide: Do we have the knowledge needed to deliver?
- Do we understand the customer business, work environment and dependencies?

Knowledge Base
- Metrics guide: Do we have the knowledge captured and curated to fall back on/train new teams?

Reverse Shadow Effectiveness
- Metrics guide: Independent handling of end-to-end services
- Are we operating successfully as if in a steady state?

Customer Stakeholder Feedback
- Metrics guide: Maturing knowledge levels – on playback sessions and progressive work taken up
- Knowledge gap analysis and mitigation

SLA/KPI Adherence
- Metrics guide: Adherence to agreed service levels and productivity KPIs

Transition Metrics Guide

Figure 5: Key Transition Metrics

Case study: In a large transition program we ran for an Insurance Company based out of the US, we had multiple transition towers for service takeover with cross dependencies and inflight programs. Nailing down the metrics for such a complex program was extremely critical because of the inherent dependencies and multiple stakeholders measuring the success of their respective tracks, leveraging design thinking methodology. This formed a perfect start and led to continuous monitoring of transition health across service towers leading to effective risk management and thereby success of the transition. Most importantly, the operations team achieved a hattrick CSAT score of 5/5, post completion of the transition.

Leap of Change – Cut-over Readiness

The final phase of the transition, the transition closure phase, is as vital and significant as other transition phases, or even more so. Those making the go/no-go decision to transition to a steady state should feel confident that the handoff has been properly handled by all those who care since several factors are involved. The cut-over checklist is not something that is compiled at the fag-end of transition, but rather planned during due diligence and the planning phase itself. In fact, it is a living document that undergoes course corrections and edits to accommodate changes and updates during the transition. This is the last piece of assessment before we pole vault to the desired state of change.

Our experience shows that a customized cut-over assessment covering all critical aspects of service helps to tie up all loose ends. For instance, formal sign-off of curated knowledge base and reflection of steady-state operation model and agreed performance indicators are covered in the transition closure report. Last but not the least, best practices and lessons learned must be carried forward to subsequent transitions for continuous improvement.
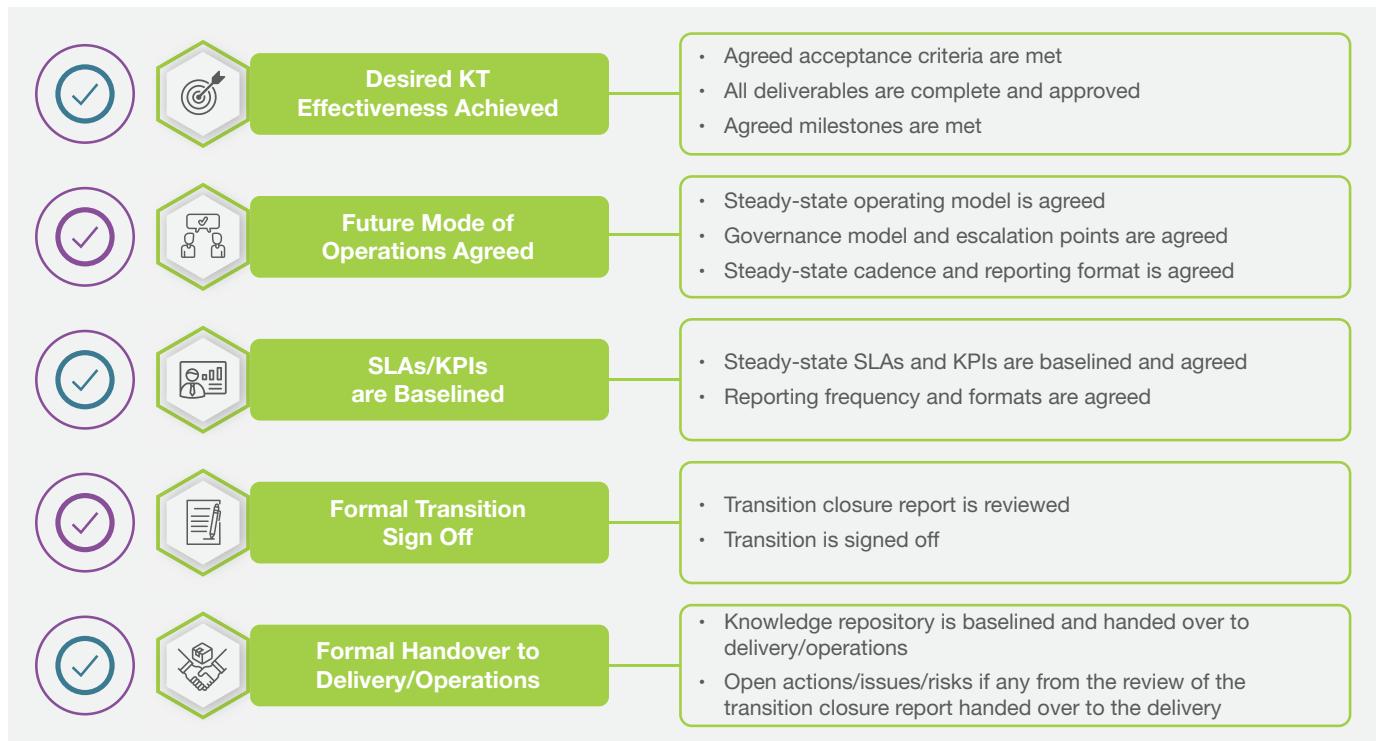
	Desired KT Effectiveness Achieved	• Agreed acceptance criteria are met • All deliverables are complete and approved • Agreed milestones are met
	Future Mode of Operations Agreed	• Steady-state operating model is agreed • Governance model and escalation points are agreed • Steady-state cadence and reporting format is agreed
	SLAs/KPIs are Baselined	• Steady-state SLAs and KPIs are baselined and agreed • Reporting frequency and formats are agreed
	Formal Transition Sign Off	• Transition closure report is reviewed • Transition is signed off
	Formal Handover to Delivery/Operations	• Knowledge repository is baselined and handed over to delivery/operations • Open actions/issues/risks if any from the review of the transition closure report handed over to the delivery

Figure 6: Transition Cut-over Readiness

Prepare to Excel

The transition is usually seen as an effective as-is takeover of services, but can form a powerful base for running large transformation programs.

Technical, process and governance gaps can be assessed and planned to be bridged in the due course of transition. Technology modernization starts with a preamble to upgrade the IT ecosystem to be ready for future customer demands and be nimble to headwinds businesses may face. Knowledge transfer gives an excellent opportunity for the incoming vendor to look at the IT system with a fresh perspective, throwing in many useful ideas and best practices that can be leveraged to transform. At Mphasis, we have made it a practice to deliver and present at the end of a significantly large transition, an IT transformation roadmap document to improvise, optimize and modernize IT.

While the transition is a short-term need, transformation is a long-term reality. Every organization should consciously prepare for such critical phases and engage vendors or partners in that direction. They need to leverage their expertise better and embark on higher goals to transform business with impactful investments and not miss the opportunity while transitioning services.
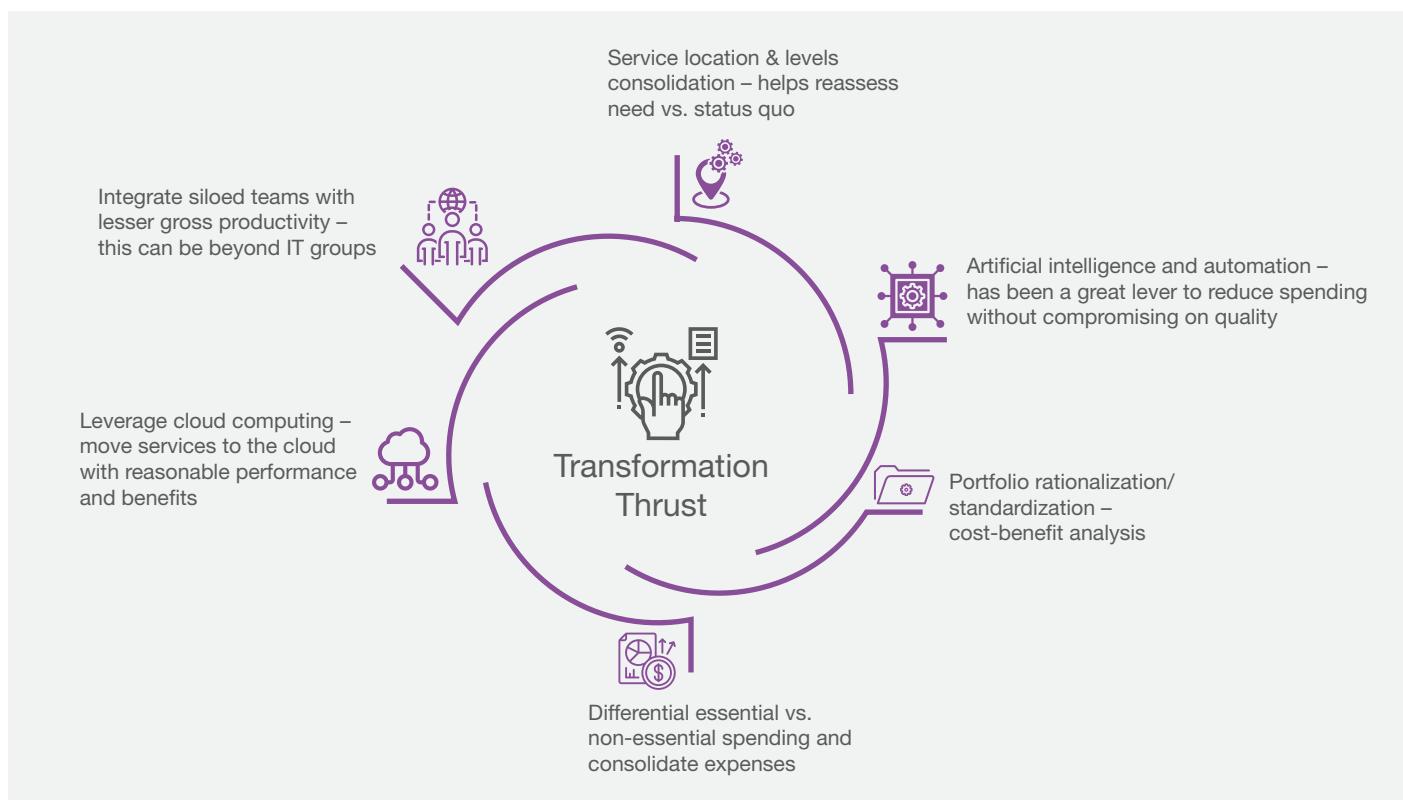

Figure 7: Transformation Strategy – Preparing to Excel

Case study: While running knowledge sessions during a transition for a global supply chain logistics company, many customer stakeholders spoke about practical issues they were facing in terms of handling tickets and coordinating release management. This trigger led us to perform a detailed knowledge and process gap analysis alongside transition and we presented a structured makeover plan led by a SWAT team after moving to a steady state. This not only led to richer knowledge base creation, but also reduced redundant delivery effort by bringing in transformative ideas in a steady state.

At Mphasis, as a best practice, we have engaged multi-discipline teams and tribes to successfully transform the business of clients.

3.
Conclusion

An emerging trend in outsourcing is that companies are looking for value beyond cost savings to achieve business transformation. Maturing outsourcing industry puts more focus on transition excellence as key criteria in choosing a supplier, to sow the seeds of transformation. In this whitepaper, we explored the crucial role that transition plays and the critical success factors in successful outsourcing.

An exciting journey with lots to explore lies ahead of us.

Authors

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Anand has over 23 years of IT service experience and currently heads the Transition Practice at Mphasis. His key responsibilities are transition management, knowledge enrichment activities tooling and thought leadership.

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About Mphasis

Mphasis' purpose is to be the *"Driver in the Driverless Car"* for Global Enterprises by applying next-generation design, architecture and engineering services, to deliver scalable and sustainable software and technology solutions. Customer centricity is foundational to Mphasis, and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized ($C = X2C^2_{\text{TM}} = 1$) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization, combined with an integrated sustainability and purpose-led approach across its operations and solutions are key to building strong relationships with marquee clients. Click here to know more. (BSE: 526299; NSE: MPHASIS)

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