PRANKS #119: Topic Proposal

Transformation Flops: Learning from the 70% That Fail

T h e T r a n s f o r m a t i o n C h e a t C o d e : M a k i n g C h a n g e s t h a t S t i c k

FOR PMI Indonesia Chapter

BY **KHOMAR A. B., CBAP®**

BUSINESS TRANSFORMATION | CORPORATE INNOVATION | VALUE MANAGEMENT

What is Today's Gameplan?

1
WHAT

- A **Sensemaking session**
- Understanding Business Transformation **as a whole**

2
WHY

- Business Transformation involves many moving parts, often leading to **siloed efforts and tunnel vision**
- Developing **situational awareness** to navigate complexity

3
WHEN

- To establish a **grounded perspective**
- To anticipate challenges and understand transformation **patterns**

4
HOW

- Applying **Framework Thinking** for structured insights
- Slide only as a guide, focus on the storytelling

Business Transformation (BT) is not just about frameworks—it's about seeing the **bigger picture** and **making sense** of the journey.
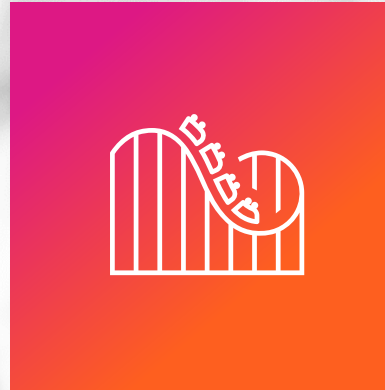
HOW is it going to be?

THE CHANGE

📌 **A deep dive into Business Transformation**

understanding the **different types** of organisational change, their levers, and their real-world impact.

THE CYCLE

📌 Exploring the **Hype Cycle**

walking through the **Hype, Horror, and Hope** journey, identifying challenges, and what PMs can do at each stage to navigate transformation effectively.
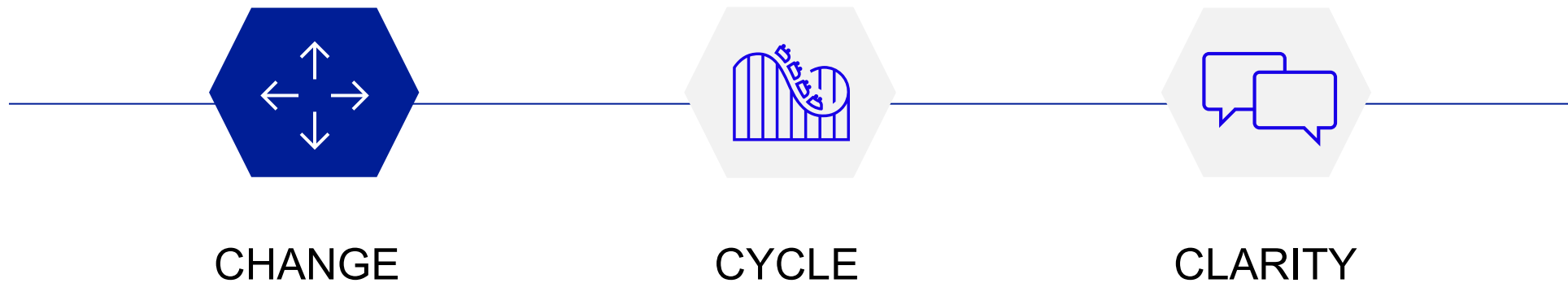
THE CLARITY (AHA!?)

📌 A highly interactive **live discussion**

debunking misconceptions, addressing key questions, and clarifying doubts.
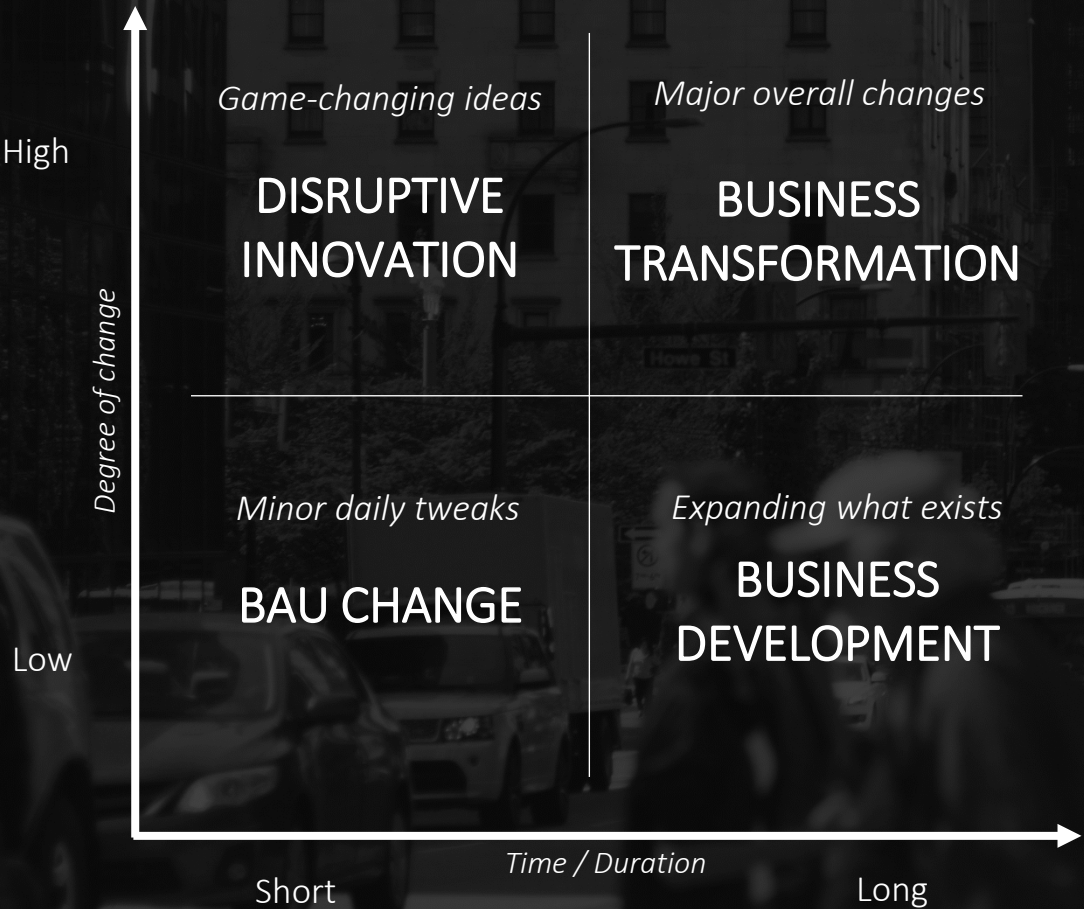
No sugarcoating, just real talk!

Session 1: Decoding Change – Foundations of Transformation

CHANGE

CYCLE

CLARITY

"In times of rapid change, clarity is power. The ability to see patterns, recognize cycles, and act decisively makes the difference between success and failure.."

- Peter Drucker-

Each type of change in the Organization had a different 'weight' and prioritisation. As a change agent, we need to be able to identify & label it properly.

Game-changing ideas

Major overall changes

High

DISRUPTIVE INNOVATION

BUSINESS TRANSFORMATION

Degree of change

Minor daily tweaks

Expanding what exists

BAU CHANGE

BUSINESS DEVELOPMENT

Low

Time / Duration

Short

Long

BUSINESS TRANSFORMATION
Think of it as renovating your entire house to make it modern and more functional. Major changes to the entire structure and function of the business.

DISRUPTIVE INNOVATION
Imagine someone inventing a self-cleaning house, making all household chores obsolete. This is a game-changer that disrupts the usual way of doing things.

BUSINESS DEVELOPMENT
It's like adding a new room to your house or building a treehouse in the backyard. You're expanding and enhancing what you already have.

BAU CHANGE (Business as Usual)
It's like doing your daily chores, with minor tweaks. Everything continues as usual, but you might decide to vacuum on Tuesdays instead of Fridays.

5

How Transformation Works: A Golden Circle Approach

Transformation is a journey from one state to another. To successfully navigate it, we must understand three core elements: Why we embark on it, How we get there and What the end goal is.

Our Focus Today

WHY – The Trigger for Change

🔍 The Catalyst

"Why are we transforming? "

Every transformation starts with a trigger

—market shifts, competitive pressures, inefficiencies, or innovation needs. It is the fundamental reason driving the change. Without a strong "Why," transformation efforts lack urgency and purpose.

HOW – The Execution Strategy

🚀 The Vehicle & Pathway

"How do we get there? "

Transformation requires the right means and mechanisms.

This includes execution strategies, governance, and tools to navigate challenges. Agile frameworks, leadership alignment, and adaptive execution models are all part of the "How."

WHAT – The Destination

🗺 Vision

"Where are We Heading?"

A successful transformation needs a clear end state.

This destination is defined by strategic goals, key milestones, and measurable success indicators. Without a clear "What," teams may struggle to align on priorities.

Mastering the Complexities of Transformation: Are You Solving the Right Problems?

Transformation Type

Procurement & Value Program
(Cost & Value Optimization)

Agile at Scale
(Enterprise-wide Agile transformation)

Digital & BSS Modernization
(Tech-Driven Digital Transformation)

Problem Statement

- Procurement inefficiencies led **to high TCO & unoptimized** vendor spending.

- No structured governance framework to track transformation ROI.

- **Siloed teams & slow product** launches due to waterfall project delivery.

- Lack of leadership buy-in and Agile maturity across the enterprise.

- Legacy BSS systems **slowed down service deployment** & increased operational costs.

- Customer experience is fragmented due to disconnected platforms.

Change Focus

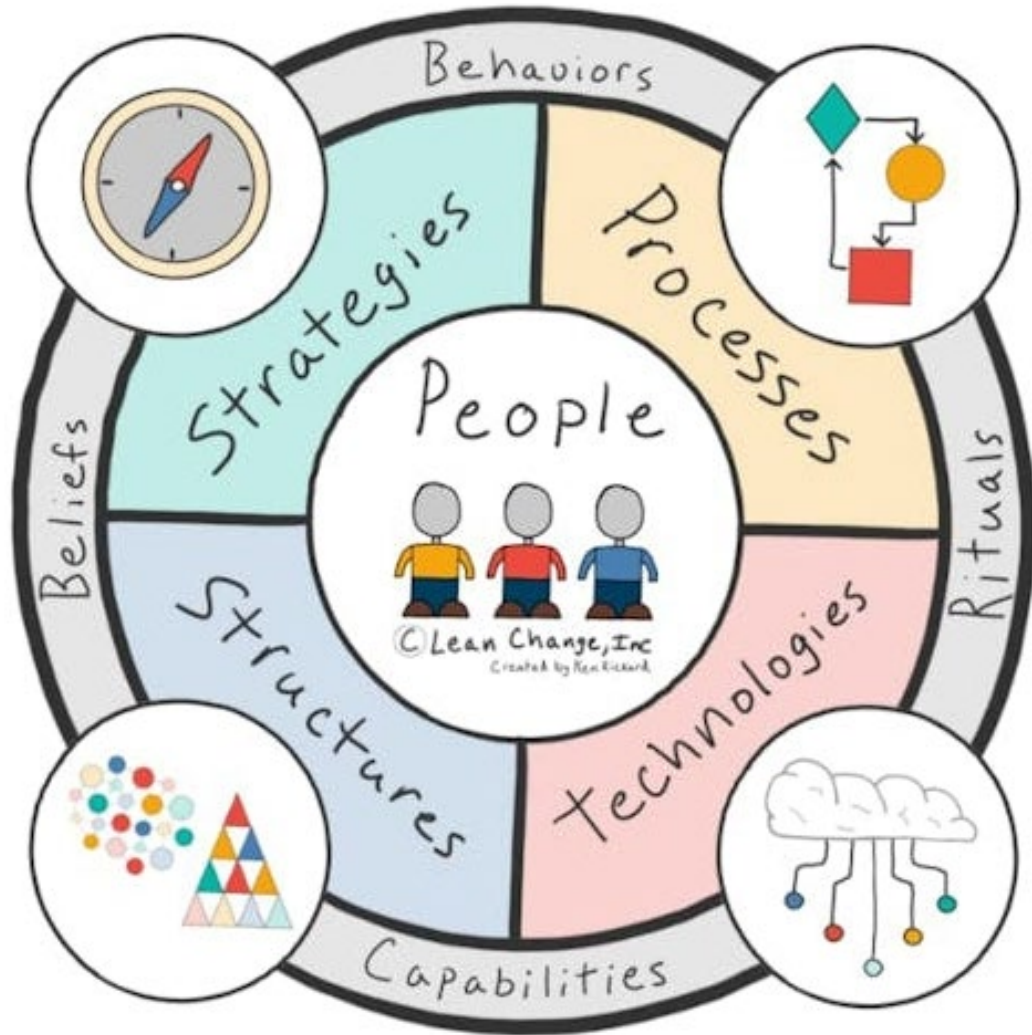**Process & Governance**

Cultural Shift & Ways of Working

Technology & Systems Modernization

Complexity Level

🟢 **Medium**

🔴 **High** (Most Challenging)

🟠 **Moderate**

Originally conceptualised in the 1960s, organisational change frameworks have evolved to address **complex, adaptive challenges**. The **5 Levers of Change** highlight the key dimensions organisations must align for successful transformation—but not all levers are equally easy to pull.

💡 **Which lever do you find the most challenging?**

Cast your vote using the Zoom sticker feature!
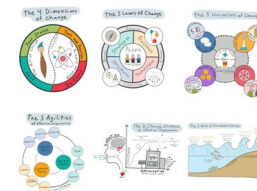
Session 2: Navigating the Transformation Journey

CHANGE CYCLE CLARITY
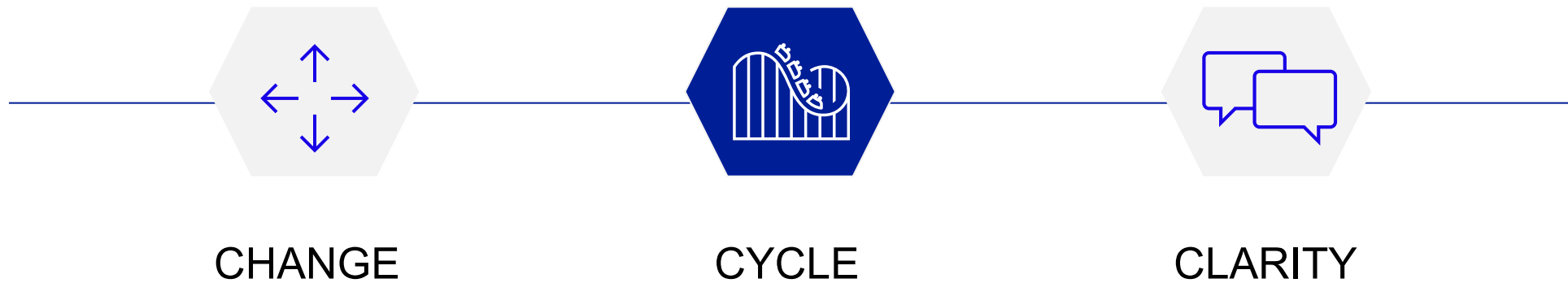
Beyond the Bell & S-Curve: Understanding Hype, Adoption, and Market Expectations

The Hype Curve: How Expectations Outpace Reality

Represents the cycle of excitement, overestimation, and eventual disillusionment before real value emerges.
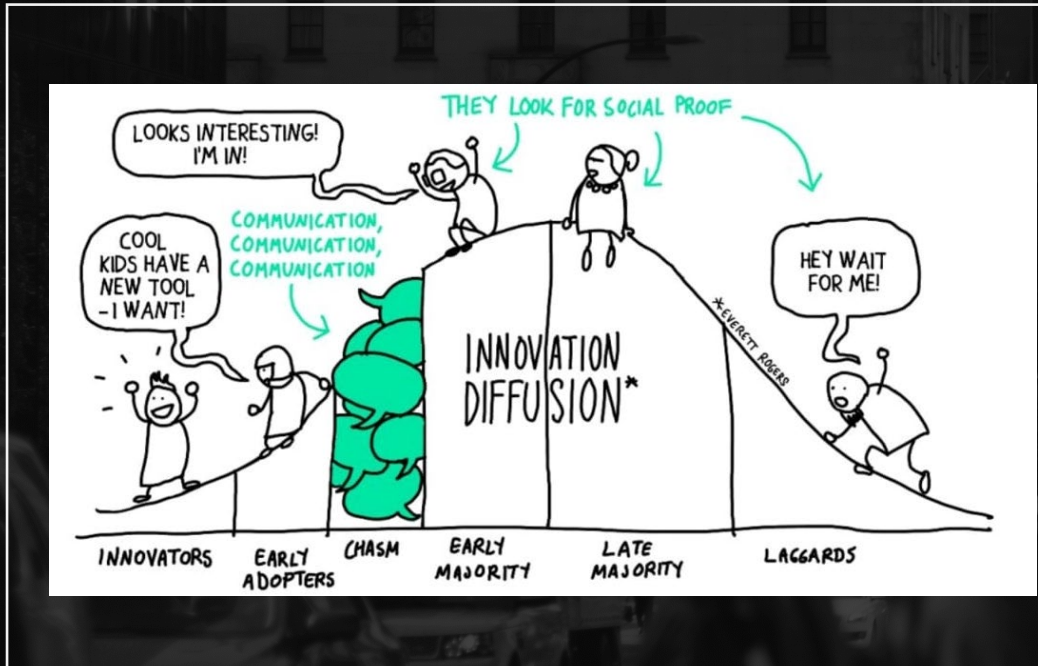
- Driven by media hype, social influence, and cognitive biases, leading to **inflated short-term expectations**.

- Often leads to early-stage excitement but can result in a **steep drop-off** (trough of disillusionment) if expectations aren't managed.

The S-Curve: Mapping True Adoption & Maturity

Illustrates the gradual adoption of innovation—from early investment to mass adoption and market saturation.
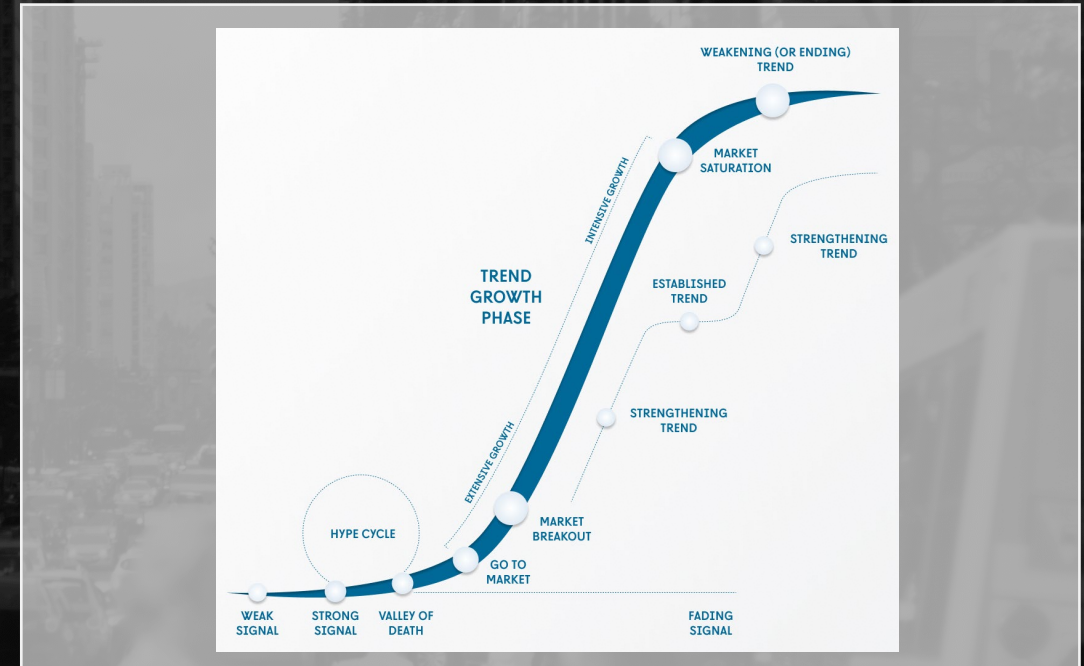
- Initial adoption is slow, then **accelerates rapidly** once it gains traction.

- Market maturity stabilizes growth, **defining long-term sustainability** beyond the hype cycle.

The Business Transformation Journey: From Hype to Hope (or Horror?)

Hype | **Horror** | **Hope**

Reality sets in. Transformation challenges appear resistance grows, and most organisations struggle here.

70%

30%

Excitement, inflated expectations, overinvestment.

Everyone thinks transformation is the silver bullet.

Phase that survive the horror phase create real business impact, embedding transformation into operations.

Expectations

Innovation Trigger

Peak of Inflated Expectations

Trough of Disillusionment

Slope of Enlightenment

Plateau of Productivity

Time

11

Phase 1: The Transformation Bubble (Conception Phase)

Expectations

Inflated Expectations

Consultant & Vendor Push

5

3

4 *Fake Success Metrics*

Overfunding & Rapid Scaling

2

Excitement & Early Wins

1

Excitement   The Hype
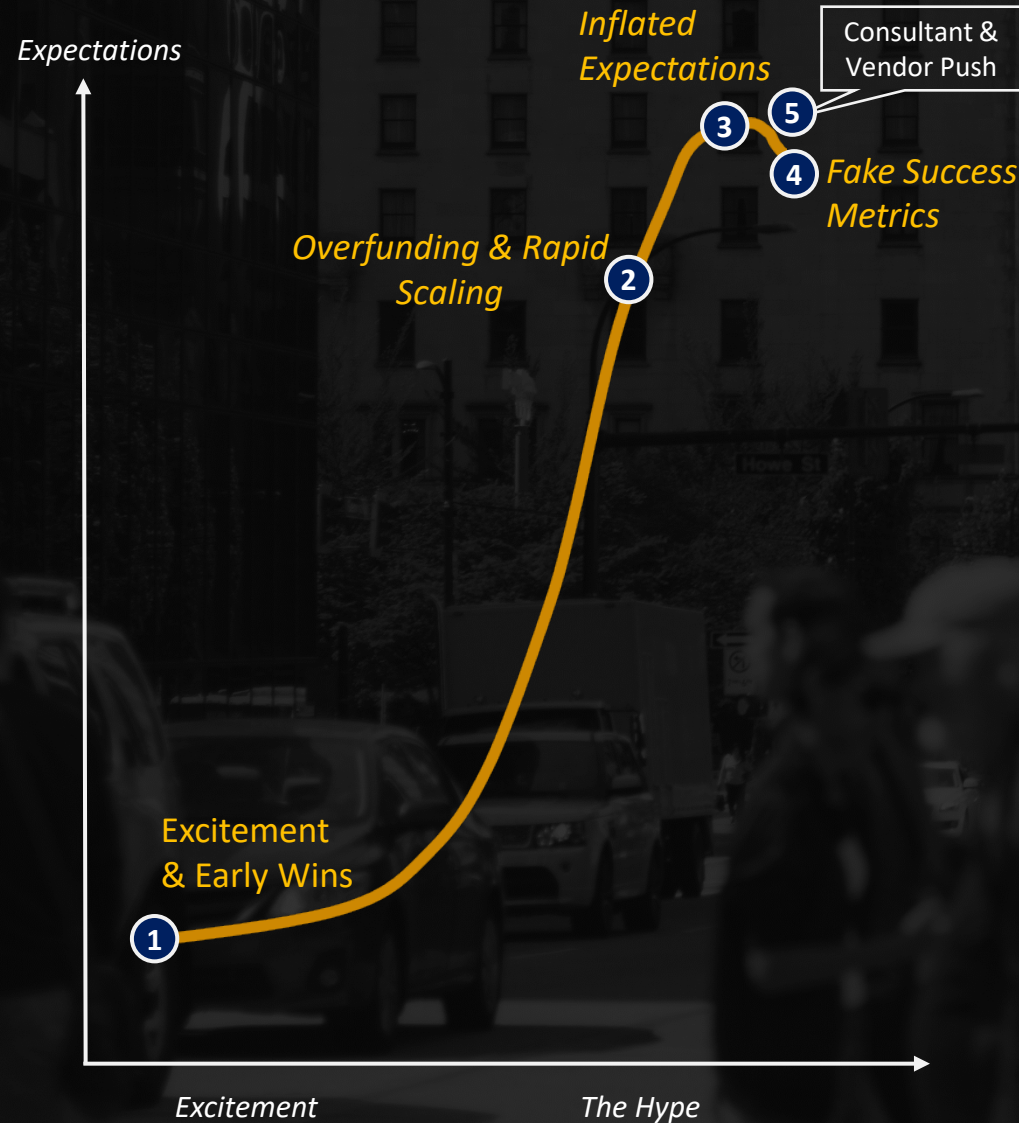
Key Takeaways:

Perception vs. Reality

Bias in Decision-Making

Funding Without Governance

Risk of Misalignment

Expectation > Reality

1 **Excitement & Early Wins** – Initial buzz and momentum from leadership, sponsors, and consultants.

2 **Overfunding & Rapid Scaling** – More investment and resources poured in based on perceived success.

3 **Inflated Expectations** – Overpromising results before actual delivery capability is proven.

4 **Fake Success Metrics** – Success is measured through adoption counts, dashboards, or vanity metrics rather than real value.

5 **Consultant & Vendor Push** – External players capitalize on the hype, selling solutions that may not be sustainable.

Phase 2: Reality Check - When Transformation Hits Hard

1 Initial Success Masking Deeper Issues

2 Execution Struggles & Resistance Rises

3 Metrics Don't Align with Business Outcomes

4 Leadership Skepticism & Budget Cuts Begin

5 Transformation Fatigue & Blame Game

Expectation < Reality

1 Initial Success Masking Deeper Issues 📉
- Early wins fade as deeper operational or cultural challenges emerge.
- Leadership begins questioning the real impact of transformation.

2 Execution Struggles & Resistance Rises ⚠️
- Middle management pushback emerges.
- Change fatigue and misalignment become evident.
- Process inefficiencies surface, making execution difficult.

3 Metrics Don't Align with Business Outcomes 📊
- High adoption numbers, but limited business value.
- *Where's the real impact*? becomes a common concern.
- KPIs focus on activity (number of squads, ceremonies) instead of business results.

4 Leadership Skepticism & Budget Cuts Begin 💰
- Funding slows down as executives demand results.
- "*This transformation is slowing us down*" becomes a common rhetoric.
- Teams struggle to justify the effort and investment.

5 Transformation Fatigue & Blame Game 🛑
- Confidence in transformation declines as frustration grows.
- Leadership and teams start pointing fingers.
- Some course-correct, others abandon ship altogether.

13

Phase 3: The Calm after the storm

What PMs Need to Be Mindful Of

Expectation = Reality

1 Stabilization & Realignment

- The initial chaos subsides, and a more balanced operational rhythm is established.
- Organizations start integrating the transformation into "business as usual."
- New structures and processes that emerged during transformation begin to settle.

2 Sustaining Momentum & Continuous Improvement

- Some initiatives maintain traction, while others fade due to lack of reinforcement.
- The challenge becomes keeping teams engaged and avoiding complacency.
- Organizations must shift from transformation "projects" to transformation as a mindset.

3 Guarding Against Regression

- Without proper reinforcement, organizations risk reverting to old habits.
- Some stakeholders may resist sustaining the new ways of working.
- Leadership plays a crucial role in institutionalizing transformation beyond individuals.

✅ **Avoiding Post-Transformation Complacency**

Just because the big push is over doesn't mean the work is done. PMs must help embed continuous learning and reinforcement strategies.

✅ **Tracking Real Value, Not Just Activity**

Now is the time to move beyond adoption metrics and track tangible business outcomes.

✅ Ensuring **Leadership Commitment**

Leadership engagement often wanes post-transformation. PMs need to facilitate structures to keep leadership engaged.

✅ **Retrospective & Lessons Learned**

Institutionalizing lessons from the transformation journey helps future initiatives avoid repeating past mistakes.

Session 3: Execution Challenges & Making Change Stick

CHANGE

CYCLE

CLARITY
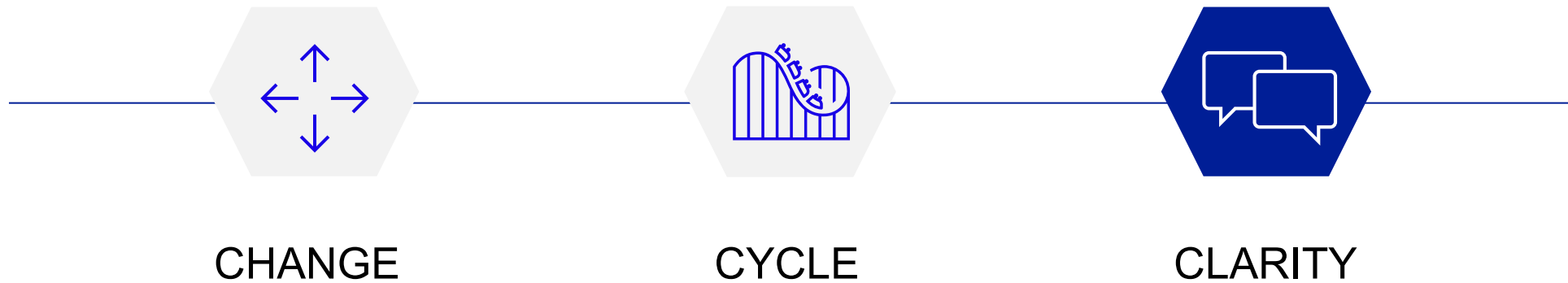
THANK YOU

Let's Continue the Conversation! ...

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