



HCL delivers lessons in OneOffice transformation

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Excerpt for HCL

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When your business has one application for every few employees and it is running several ERP systems generating multiple sources of truth in dozens of programs across a 60,000-employee business, the spiraling costs, drag on innovation, and negative impact on customer and employee experience are real.

That was the situation facing a household name—exacerbated by a significant merger. With HCL as its transformation partner, it is making important progress on its journey to OneOffice. But it is also learning lessons that could help you make your transformation faster and more effective.

The fragmented digital and data landscape had become a drag on experience

Multinational and comprised of units and acquisitions gathered over many years, the company’s federated model had allowed significant freedom for geographies and business units to “do their own thing” when implementing technology solutions. As with many growing Fortune 500 organizations, the digital landscape had become fragmented, and data had to be gathered and consumed through disparate

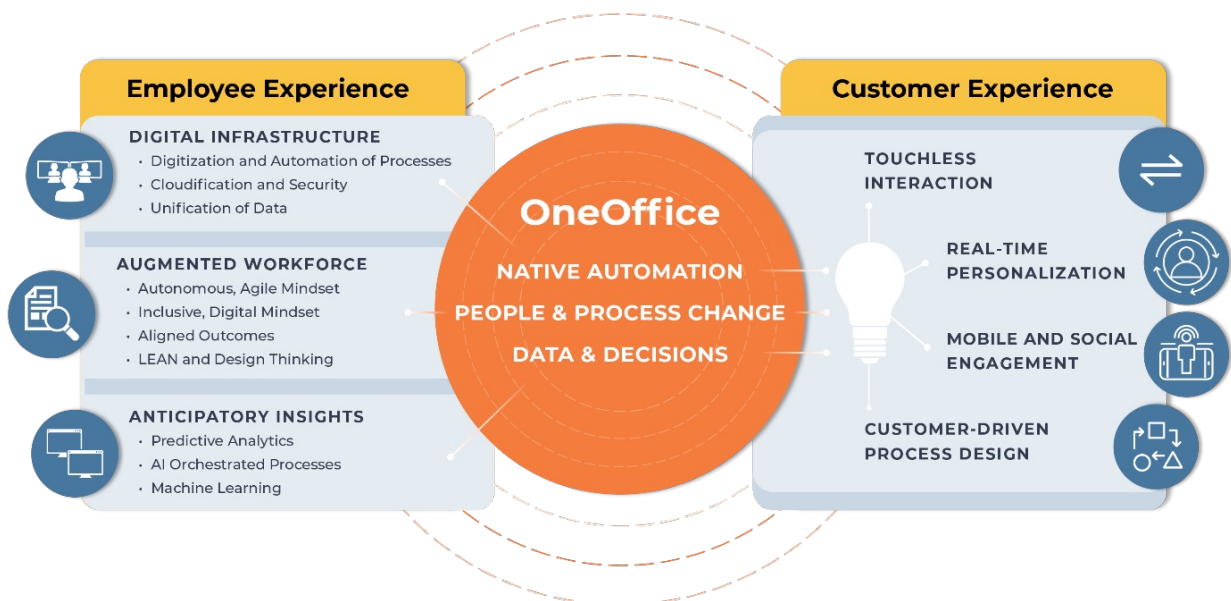
platforms. Here was an opportunity to achieve economies of scale by transforming processes and systems to work seamlessly, from customer-facing activities through to back-office operations.

The US-based business sought a transformation partner to help it on a customer- and employee-experience-centered journey toward HFS OneOffice outcomes (Exhibit 1). It turned to HCL in a wide-ranging, cloud-first, digital-led business transformation engagement that would have to adapt on the fly to urgencies accelerated by the impact of the COVID-19 pandemic.

The transformation journey focused on boosting innovation and improving IT

The objectives were to generate cost savings to allow global IT to invest in strategic work; improve IT capabilities and global reach with multiple sourcing models; improve capacity with a “Core/Flex Model” to meet variations in demand; boost innovation, applying automation to process improvement and delivery; and modernize by providing access to leading-edge IT capabilities such as DevOps and automation.

Exhibit 1: The journey to OneOffice makes employee experience part of customer experience



Source: HFS Research, 2022

An important initial step was for HCL to align to the enterprise's internal engagement model. IT is broken into a delivery service, and a consulting service in this company. The latter focuses on understanding and translating business needs. HCL initially worked with the business and engaged teams to make plans, then connected with the IT delivery teams for implementation.

At HFS, we believe [data is your strategy](#) for successful digital transformation. It's a view HCL shares. To provide the foundation of the transformation, HCL built a scalable, flexible data platform on Amazon and a modern ingestion platform on Alteryx. HCL also developed a unified cloud strategy with an eye on cost efficiencies.

Pandemic pressures added to both urgency and the list of demands

Digital fluency in the organization—the skills and mindset required to understand and create value with digital capabilities—can make or break today's enterprise. HCL offered talent development to support Microsoft Azure platform integration, building "tribal knowledge" that got locked in by rebadging talent and partnering with appropriate suppliers.

The pandemic added pressure—straining supply chains, challenging traditional sales processes, impacting inventory management, and demanding new approaches to warehouse management. Resolving those heightened challenges was central to meeting the increased demand for high-quality digital customer experience and helping the enterprise adjust to new market conditions at pace.

Creating a digital core and consolidating all content management systems (CMS) to Drupal established consistency in infrastructure and processes to improve customer. The plan is to roll-out CMS to more than 1,000+ branded sites and web properties.

Salesforce upgrade and roll-out improved service levels significantly

The use of Salesforce was extended to achieve higher customer satisfaction scores; it improved user experience and ultimately increased customer numbers. Salesforce Lightning User Experience has been upgraded and rolled out in the company's largest business unit. HCL managed the Lightning upgrade and took the opportunity to improve business processes and reduce technical debt. The client has been able to simplify applications, add new applications where needed, and offer more intuitive user interfaces, resulting in a 20% improvement in service levels delivered to clients.

The client needed to modernize its omnichannel business-to-business (B2B) and business-to-consumer (B2C) commerce. It achieved this through standardizing all e-commerce to just two platforms, Shopify and Salesforce. The client launched its first direct-to-consumer (D2C) proposition in five months using Salesforce and Drupal. Revenue increased in the geographic area served by the solution (Germany), and there are plans to roll out worldwide.

HCL is the enterprise's full Salesforce managed services support partner, supporting 6,000 Salesforce users globally. It applies a center of excellence model, which enables rapid development of Salesforce enhancements and significantly reduces ongoing support costs.

Two years in, the business is only now recognizing that it did not initially do enough internally to handle the emotional challenges of change.

Embracing partnership and collaboration is key to D2C success

Those leaders fastest to embrace their partnership with HCL feel they have gained the greatest benefit. One has been able to deliver a range of D2C sites with Shopify, accessing more than \$40 million in new revenues for the business.

The leader of that project acknowledges that his team's agile mindset likely predisposed them to collaboration and made them more open to change.

API-based architecture supports business process modernization

Business process modernization included consolidating legacy integration and electronic data interchange (EDI) platforms to MS Azure, creating a modern API-based architecture.

Consolidating legacy warehouse management systems (WMS) into BlueYonder to deliver an

integrated view globally and across each specific business is improving business agility, and the team has implemented SAP IBP to deliver global supply chain planning across all business units.

Innovation culture received a boost, with HCL funding an innovation team to drive the adoption of digital infrastructure and industrial IoT applications to help its client leap into the future.

A global roll-out aligned with the HFS OneOffice framework

Creating a templated approach to rolling out across multiple and geographically dispersed units was important. The digital consolidation program, for example, is going live in phases and will ultimately consolidate more than 400 web properties.

Automation has been front and center throughout, consistent in every key focus area, to support the program's alignment to the HFS's OneOffice framework in Exhibit 2.

Exhibit 2: The client's transformation focus areas align with HFS One Office change agents

Key focus area	Case studies	Native automation	People and process	Data and decisions
Commerce modernization	<ul style="list-style-type: none"> Omni-channel B2B and B2C commerce Standardizing all e-commerce to two platforms, Hybris and Salesforce 	✓		✓
	<ul style="list-style-type: none"> First D2C channel 	✓		✓
Experience platform standardization	<ul style="list-style-type: none"> Creating a digital core consolidating all CMS to Drupal, streamlining web experience 	✓	✓	
	<ul style="list-style-type: none"> UX transformation leveraging Salesforce 	✓	✓	✓
Data-driven enterprise	<ul style="list-style-type: none"> Data platform on Amazon with Alteryx integration platform 	✓		✓
Business process modernization	<ul style="list-style-type: none"> Consolidating legacy to Azure with API-based architecture 	✓		✓
Business agility	<ul style="list-style-type: none"> Legacy WMS consolidation to provide an integrated global view across each business 	✓	✓	
	<ul style="list-style-type: none"> Global launch of supply chain planning (SAP IBP) 	✓	✓	✓

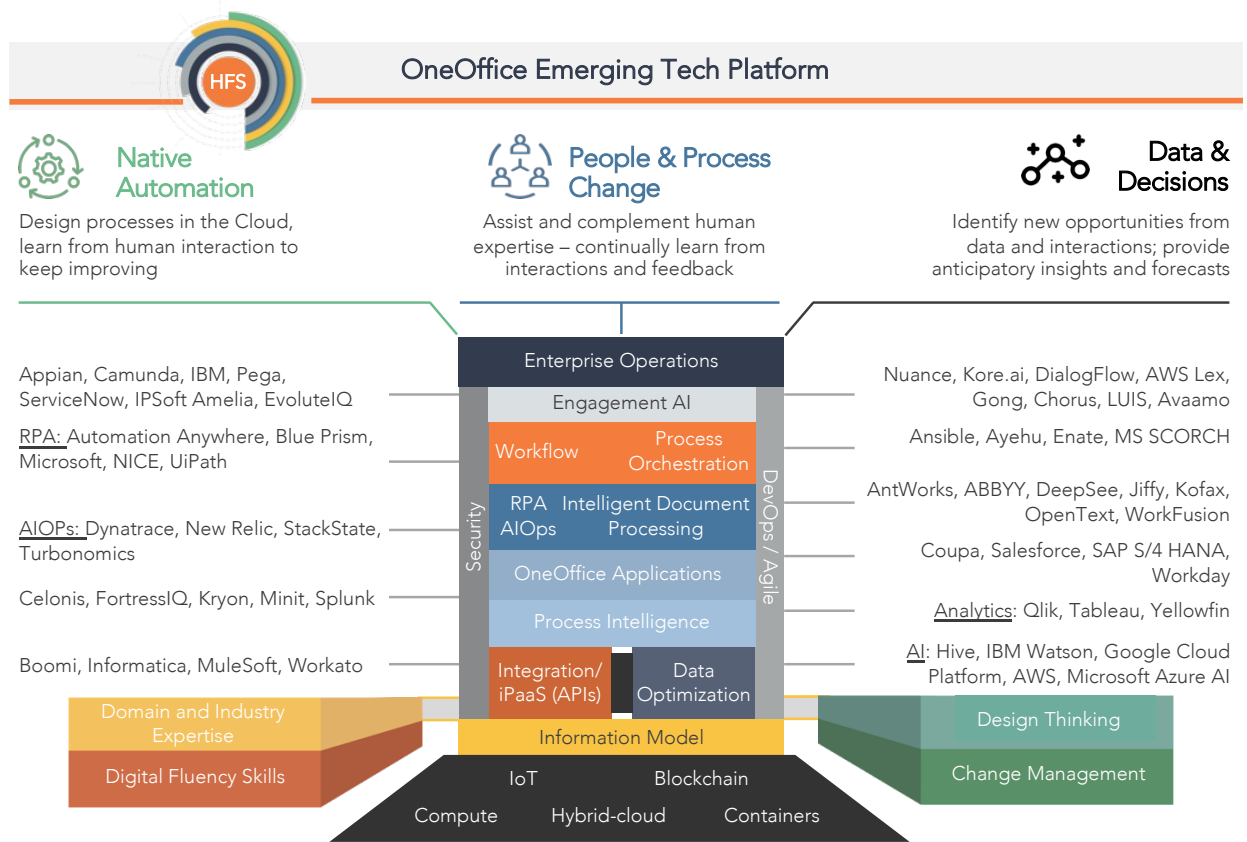
Source: HFS Research with HCL, 2022

OneOffice is the HFS view of what digital transformation looks like when it is put into action, where processes run end-to-end, and customers' needs are supported in a digital duality with your employees.

It is as much a mindset shift as a framework—a mindset that champions collaborative and cross-functional enterprise operations.

The emphasis on native automation, people and process, and data and decisions as change agents in Exhibit 2 derive from the OneOffice's reliance on a combination of emerging technologies in Exhibit 3 that complements the core, natively automates processes, enables people, and powers decisions—all breaking down front-to-back legacy silos.

Exhibit 3: OneOffice change agents are native automation, people and process, and data and decisions



Source: HFS Research, 2022, Examples are representative

The Bottom Line: To transform at pace, prioritize change management, demand honesty about capabilities, clarify innovation expectations, and embrace your partners.

With HCL's support, its client is on the road to clearing out a whole heap of technical debt, upgrading through application modernization, and changing to CX- and EX-focused, digitally-led ways of working. But two years into the journey, the client team has advice for those setting out on their transformation:

- **Prepare for change:** Do not underestimate the difference between paying lip service to supporting new ways of working and living it. Ramp up the communications, and be ready to lose some people. There is a cost to change.
- **Be a good partner:** Don't expect your partner to know what you need unless you keep them close. Establish one-to-one relationships all the way down to tactical levels, and communicate with your counterparts as if they are part of your team.
- **Be honest about the availability of skills:** It's a tough skilled-employee market, and all parties should be open and realistic about this from the start.
- **Demand more:** Clients want more proactive transformation partners. HFS sees this demand from clients so often that we recommend leaders formalize what it means to them in the contracts they sign, for example, hosting regular innovation show-and-tells, presenting cross-industry case studies, and agreeing that the partner should offer a set number of innovation proposals per quarter.

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Practice Leader

David leads our Emerging Technology Practice – tracking OneOffice enablers from automation and AI, to data and design thinking, integration, process orchestration, workflow and intelligence. He is deeply engaged in research into business value delivered by SaaS, and also leads our HFS Hot Vendors program.

Experienced in start-up, scale-up and large-scale digital transformation programs, he has led digital development at the UK's fastest-growing media company, founded and grown digital consultancies across Europe and worked with world-class companies as a director in digital strategy advisory at a tier-1 services provider.



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HFS is a unique analyst organization that combines deep visionary expertise with rapid demand side analysis of the Global 2000. Its outlook for the future is admired across the global technology and business operations industries. Its analysts are respected for their no-nonsense insights based on demand side data and engagements with industry practitioners.

HFS Research introduced the world to terms such as "RPA" (Robotic Process Automation) in 2012 and more recently, the HFS OneOffice™. The HFS mission is to provide visionary insight into the major innovations impacting business operations such as Automation, Artificial Intelligence, Blockchain, Internet of Things, Digital Business Models and Smart Analytics.

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