# REGOVER

*White paper*

# *Working together* for success!

# Introduction

Regover B.V., founded in 2011, specializes in designing and creating successful (IT) governance for organizations. In this context we develop products and tools such as the Governance Maturity Check (see www.regover.com).

Following the development of organizations in their focus on core business as well as the evolution of suppliers towards service providers, we have come to the conclusion that an important link seems missing in successfully outsourcing a part of an organization to a service provider. Regardless of it being complete outsourcing, outsourcing only tasks or outsourcing a project, the missing link is the actual cooperation for shared, secured and future-proof results.

In this " white paper" we make clear that organizations can actively influence the success of working together.

# Core business

Through outsourcing of facilities and services organizations have been able to focus on their core business. This development has taken place in all branches and will continue the forthcoming period in which further professionalization will play a key role.

Cost effectiveness, result orientation and agility are main motivations for this development: " Do what you are good at, and where you need to be good at."

# Outsourcing

IT, facility services and supporting business processes are main areas for outsourcing. Recent research  in the Netherlands[1] confirms that eighty percent or more of the organizations consulted expect to use sourcing in IT. Almost half of these organizations expect growth of sourcing in coming years.

The different kinds of outsourcing show, when it comes to the aspect of cooperation, more similarities than differences.

In order to identify the width of forms of organization, we distinguish:

- The scope of outsourcing:
    - Development projects.
    - Operational control.
    - Service providing.

---

[1] Whitelane/Quint 2015 Dutch IT Outsourcing Study

- The relation typification; a core business organisation, which cooperates with a:
    - Department or business unit or Shared Service Center (SSC) from within the organization.
    - SSC founded upon cooperating organizations (e.g. IT SSC of central government, tax administration of municipalities.)
    - Service provider, with further possible differentiation in onshore, near shore and offshore servicing (and combinations thereof).

## Demand perspective

For all organizations it is clear that they use several service providers, who, in turn, use several service providers themselves. In the end, the core business of an organization relies upon a chain of internal and external parties working together. There is no need for an organization to own or have all necessary capabilities themselves, but they should be able to control available and relevant capabilities.
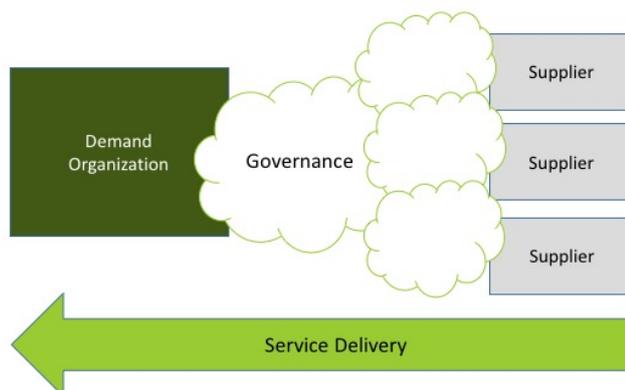
Figure 1: Demand perspective

## Supply perspective

Supplying multiple demand organisations is core business for service providers. The tension between standardization and expected diversity requires strict governance. The effectiveness of this governance depends on and connects to the governance used by the demand organization. Service providers should be able to impose conditions on the implementation of cooperation: a chain is only as strong as its weakest link.
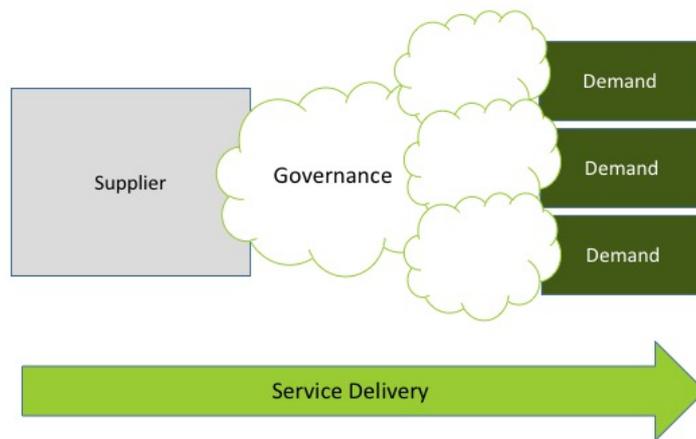
Figure 2: Supply perspective

## Organizing the cooperation

In a proper setup of demand and supply the following elements will be recognizable:

- Contractual agreements.
- Definition of objectives, results and key performance indicators.
- Process implementation.
- Governance on development and quality improvement (maturity).
- Adaptation and adjustment based on internal and external development.

In general, one of the results of outsourcing happens to be spending a lot of time and attention on previous elements. But when it comes to the actual structure of working together, connections within the supply chain are often not well established, with all consequences.

Despite the fact that everything should be clear and well organized, demand organizations as well as service providers get dissatisfied with the cooperation and results easily. In those cases, where initial connections are properly established, continuity and retention often are a problem.

It is clear that in case of inadequate organization of cooperation at the start, problems in a project will even be more prominent.

# Cooperating

Actual cooperation is not primarily about contracts, deliveries and processes. It is a matter of interacting: capable people working and communicating together. The human factor decides on success. The level of confidence between cooperating organizations is the result of the building of trust between individuals involved.

Working together means:

- Having knowledge and understanding of motives, principles and methods.
- Having knowledge and understanding of objectives, contracts, indicators and results.
- Alignment of demand and supply:
    - A corporate culture fitting the organization.
    - Standardized and specified working procedures.
    - Ability to learn in order to support development and improvement of services.

Proper communication means:

- Unity of concepts.
- Mutual trust and openness.
- Diversification of communication in targeting groups, roles and functions.
- Insight in the effects of communication.

Capable people means:

- The right persons within the demand organization as well as the service provider.
- Development of knowledge, understanding and competences.
- Insight in the making and development of knowledge, understanding and competences.

## Success in cooperating

Working together does not only depend on agreements and good organization, but even more on an ongoing management and support of the operational details.

Effective support of these key success factors can be achieved by using an accessible tool for cooperation between the demand and supply.

A cooperation service platform should fulfil the following principles:

- Quality assurance of results by increasing the effectiveness of cooperation.
- Focus on working together, communicating and people.
- Ensure support for the implementation of the cooperation process.
- Giving direction to the cooperation: offer the right information to the right people.
- Offer added value for demand organizations as well as service providers.

# Platform for cooperation

Regover offers an immediately deployable operational platform.

The platform offers effective support in:

- The build-up of knowledge and understanding aimed at the role/function of employees.
- Transfer of principles and primary knowledge:
    - At the start of the cooperation.
    - At the influx of new employees.
- Measuring the level of acquired know how of employees, function and total.
- Exchange of experiences during the cooperation.
- Capturing and disseminating best practices.
- Distribution of relevant information and knowhow.
- Plan and prepare meetings with employees.

The results of the use of the platform for cooperation will be:

- Working together becomes effective.
- Knowledge and understanding make way for the development of relations.
- Communication becomes organized and structured:
    - Support right from the start.
    - Information is made accessible and bundled.
- Acquired knowhow becomes visible and measurable.
- Guidance and coaching of the employees involved:
    - They are better equipped.
    - They will be motivated by positive results.
    - The level of knowledge build-up is made measurable:
        - It is possible to link lack of knowledge to non-performance.
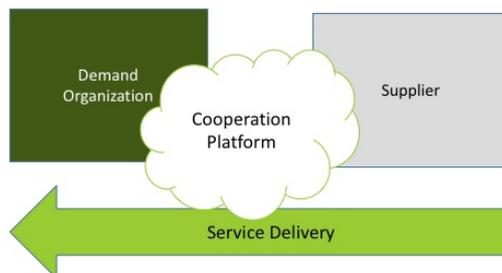        - The build-up of knowledge can be managed.



Figure 3: Cooperation platform

## A platform for demand organizations and service providers

Demand organizations may use the tool to shape and model their own governance and effective cooperation with multiple providers.

Service providers may use the tool to shape and model their own governance and effective cooperation with multiple demand organizations.

In both situations the tool provides support and added value to both sides of the cooperation. The success of the cooperation is paramount and contributes equally to both sides in achieving results and objectives.

The platform facilitates the focus on the core business. The success of the cooperation creates room for development of employees, the organization and the supply chain.

## Information

For more information about Regover and working together for success visit www.regover.com or contact info@regover.com.

© Regover B.V.

14 March 2016