

Managing rapid growth at EMC Case study



Abstract

EMC, a global storage supplier, wanted to respond to customer demands by growing its nascent professional services and consulting business to support its product sales and generate a new revenue stream.

Working with ChangeBEAT they devised a programme to lay the foundations of a scalable business by identifying and rolling out pragmatic best practices in EMEA and subsequently to the Rest of the World. This laid the foundation for growth of the services business from 3% to 16% of turnover.

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Background

EMC is one of the most advanced providers of enterprise data storage solutions in the world. Since 1990 annual revenues have grown from \$190 million to more than \$14.8 billion in 2008. During this time EMC has transformed from being a focused hardware supplier to one where software and services revenues exceed hardware.

The opportunity

Since 2000 EMC experienced a rapid increase in demand for professional services¹, as its customers demanded more and more comprehensive storage management solutions and wanted EMC to provide professional services and consulting to help them implement them effectively.

EMC took the decision to build its own professional services capability in order to realise the revenue opportunity and also to facilitate the further growth of its own burgeoning hardware and software business.

The challenge

To address this opportunity, EMC recruited Steve Larkin with the brief to build up the Professional Services organisation, initially in the UK and subsequently in EMEA.

"It only took me a few days to understand the size of the challenge we were facing", said Steve. "Not only did we have to deal with a pressurised workload that was outstripping the available resource, but we were already finding it difficult to assimilate the change we were undergoing.

"The challenge was to rapidly scale up the size, quality and effectiveness of our delivery capability, while remaining responsive to EMC's all-action sales force. Most important of all, we had to keep our customers satisfied!

"Clearly we needed to adopt rigorous "best practice" project management techniques without delay to get

¹ Professional services consisted initially of technical implementation services, but subsequently diversified into storage management, residency and consulting.



the business under control. However, I also knew that we needed to be pragmatic and action-oriented. Anything even hinting at bureaucracy or "busy work" would be a non-starter in a dynamic environment like EMC."

The approach

Steve turned to *ChangeBEAT* to help him develop a programme to make these changes. The immediate business issues were identified as

- no consistent process for project management
- no consistency of delivery, despite repetitive project profiles
- unclear roles and responsibilities
- an acknowledged opportunity for improved effectiveness and efficiency.

It was agreed that the improved way of working should

- be based on best practice and conform to relevant industry standards
- be rigorous, but avoid any form of unnecessary work
- be consistent across all Professional Services projects
- provide a framework to enable continuous improvement
- stop people "reinventing the wheel"
- ensure effective and efficient use of resources.

Implementing enduring improvements

ChangeBEAT agreed with EMC that to implement enduring performance improvements, three things needed to be done in parallel

- Define a very simple and pragmatic but rigorous project management process
- Develop a project management support system
- Provide training to the Professional Services team in the context of the new process and support system.

Subsequently the adoption of the process would be monitored and support provided to the local management teams to ensure successful adoption.



The process

ChangeBEAT worked with EMC to design a project management framework and processes based on ChangeBEAT's own library of industry best practice, ExecKIT, but incorporating tools and techniques that were already in use successfully in EMC. It was decided to keep this very simple in the first instance, but subsequently to add more functionality once the initial change was assimilated. The process was branded PM Lite in the first instance. Later it became known as PM2 (Project Management Methodology) when additional functionality was added.

"The single most important thing ChangeBEAT brought to us was the documented best practice", said Steve. "Doubtless we could have created something given plenty of time and resource, but it would have taken us far too long and we may have struggled to find the right balance between being pragmatic, realistic and useful, whilst remaining consistent, controlled and scalable."

The design was based on two stages comprising five simple steps:

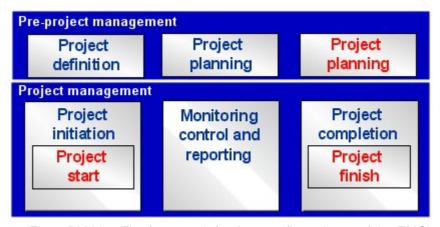


Fig 1: PM Lite: The framework for the very first release of the EMC's Project Management Methodology.

At three points throughout the project life cycle a "gateway" is designed into the process, at which point a formal review is required, with prescribed activities and defined prerequisite work.

The gateways are performed when

- the project plan is produced
- starting a project
- the project is completed.

These formal reviews over the life of the project strike the right balance for EMC.

The support systems

Implementing the process required a system providing access to a range of supporting documents. These consisted of:

- best practice guides for each of the five steps of the process
- process guides (how to do it) providing a simple overview backed up by detail for those new to the process
- templates and checklists to make individual tasks quicker and easier.

The programme also introduced a business operations office responsible for the day-to-day running of the process. For each step in the process EMC also selected "champions" available for guidance and to develop the process further.

The training

"It is one thing to design a system, but it is another to get people to use it", said Steve. "We recognised how crucial it is to implement a change programme to support the new process.

"Without visible management commitment and the right training the project was sure to fail. ChangeBEAT were able to help us both with the change planning and the hands-on training that is so important."

ChangeBEAT provided an extensive programme of successful one-day training workshops within EMC Professional Services.



The results

Today Professional Services account for around 16% of EMC's revenues and the Professional Services Division continues to evolve.

The same standard was later extended, with help from *ChangeBEAT*, to the North American and APJ divisions. It was subsequently extended to include an organisational model and an engagement methodology.

"The project has been an absolute prerequisite to our success", says Steve. "We simply could not have grown in the way we have without it, and maintained customer and employee satisfaction."



ChangeBEAT defines, develops and executes change programmes that help achieve enduring business benefit rapidly and reliably. Our people have practical field experience, and are equipped with WingBEAT, our proven change methodology, and our extensive tools. We are professional, pragmatic and action oriented.

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