HABOKER CONSULTING
Where there's a Will, there's a Way

Mission:
Transforming an entire Organization.

Problem:
This company has been very successful in selling mostly one product. Then, environment changed and this leader saw its dominance shrinking, and its relevance became subpar to the offering of new comers in the market place. A new vision was necessary to change course. Management decided to embark in a 4 years plan to morph the company from a mono to a multi-product one.

How then to adapt the entire organization to the new strategy?

Solution:

1- Looking at the reality like it is:

The Company needs to restructure its organization in order to embrace growth and the multiplication of products that it will have to present to the market, whether extensions of its original platform or completely new ones. The idea is to better disseminate expertise internally, while increasing proximity to existing Clients as well conquering New Clients.

2- The Solution:

The result is a matrix structure with Business Lines that ensure business focus, product expertise and adequate Business requirements, and Regional Divisions in charge of Distribution.

The following chart describes the Organization that we are recommending, by highlighting the various tasks and their area of reporting.

Regional Divisions			HeadQuarters	Business Lines
•Pre-Sales •Sales •Client Project Management •Local Support •Delegates from Product Lines (eDesk/Training…)			•Strategy •Alliances/Partners •GAM •Sales Coordination •Corporate Marketing + Comm **Shared Services** •Finance/MIS •HR •Legal **Centralized Functions** •Engineering & Level3 support •Logistics •Support: 　○OnBoarding 　○Level1 　○Level2 •Client Services	•Operational Marketing •GTM Plans •Business Requirements •Best Practices •Adoption **1- Product1** • **2- Product2** •eDesk •Training •Sales Support •Liquidity Management •Regional Delegates **3- Product3** **4-** **5- …**
<u>America</u> NYC Toronto Chicago Philadelphia San Fran SanPaolo	<u>EMEA</u> London Continent Russia Mid-East Africa	EM (Y/N)		
<u>Asia_Pac</u> Singapore Hong-Kong Sydney	<u>Japan</u> Tokyo Seoul			

Note: Regional Delegates have a hard reporting line to BL and a dotted line to Regions.

1- Business Lines:

They are in charge of the "Operational Marketing" (OM) of their offerings. Note that "OM" requires deep knowledge of the Products and Markets the Company is operating in. Nobody better than the Business Lines know in which market the Company should invest in. When Business Lines are recommending an investment, then Central Marketing can draft the ad-hoc Communication plan, and Sales can put the salesforce in order to conquer. All Marketing Material (i.e. pitch book, and other necessary contextual documents) are prepared by OM.

They also define the products specifications and prioritize, which drive Engineering. Accordingly, they are in charge of the Q/A and Packaging.

Business Lines are also in charge of implementing best practices across the Business Units (Regions). They are accountable for a Global Revenue number that will be met by selling to all regions.

They have a strong say in the Sales Targets for their Products and have input in the evaluation of whether or not these are met. Clearly this is done with Exec team and Sales Management input.

2- Regional Divisions:

They are effectively the Distribution network of the Company. With several manned offices, the Company achieves clients' proximity with strong local presence to better serve its Clients and also better manage relationships with Local Authorities, Exchanges or Partners.

The Regions are accountable for a Regional number and the sum of the Regions is responsible for a Global Number, i.e. the Revenue number. There is a specific indicator to measure New Business proper.

2.1- Business Unit (BU):
Business Units cover a defined geographical area. It is generally a country or several countries which share similar characteristics or business cultures (e.g. Continental Europe, or APAC ex Japan, …).

The major role of the BU is to "sell". It does promote the products of all Business Lines. Each BU is accountable for a New Business number that can be met by selling one or more Product Lines.

A Regional Division has the responsibility of managing various Business Units. It has a dedicated Manager (Managing Director) with a dedicated team in charge of pre-sales, sales, implementation. There is a need for a centralized Client Services function. It assists the BUs in defining/probing their sales strategy and supports them for major contracts and coverage of important customers. It is also a relay of Centralized Functions and shared services.

2.2- EM (Emerging Markets):
EM Business Unit is specific in the sense that it is in charge of markets for which Company has not reached critical mass yet. It can rely on its own resources or through Partners.

3- <u>About Global Accounts:</u>

In a mono-product Company, the notion of GAMs (Global Account Managers) is not necessary. However, in a more mature business, with many products and Clients disseminated throughout many geographies, a level of consolidation becomes necessary and highly valuable. These Accounts are not only important in size and Revenue, but also as Strategic partners both from an industry visibility as well as early adopters of new Products.

To be most efficient, the GAM structure should remain small in size, with the delicate tasks to manage and expand strategic client relationships and gaining market knowledge to be leveraged for both revenue retention and growth. They handle high level discussions with key accounts, while relying on the Sales distribution network.

The HQs of these accounts are generally located in NY or London and therefore, the core team of GAMs will be split between these 2 locations. However, part of their role is also to make sure that they liaise with all parts of the Company to assure a centralized level of knowledge about how the Company is servicing these accounts in all Regions, but also, what are the new projects in play at any given moment.

Each BU will have contacts with the local subsidiary of a particular GAM. The information will flow both ways as the GAM will be able to activate his/her HQ contacts to push a local project, which means that the BU will have a vested interest in informing the GAM of any project in its territory. GAMs will be compensated on the Global Revenue of their portfolios.

GAMs have direct responsibility for strategically planning, managing and driving the global and regional commercial relationships. They help to identify new areas of revenue streams and in partnership with the Business Lines, originate and guide the development of strategic, industry-wide solutions. GAMs also drive new initiatives from inception to adoption and secure deal renewals.

4- <u>Shared Services:</u>

These are services that can be hosted by a Mother Company (Legal, HR, Finance, MIS). It might be possible to have delegates i.e. representatives of these services in the Regions above a certain size.

5- <u>Centralized Functions:</u>

These are functions for which added-value is vastly improved from the collection of information and Best Practices around the World in a single place. The centralization will generate economy of scale in processes and tools (Technical Support is an obvious example), as well as enables a better leverage of skills that would be costly and inefficient to duplicate on many geographies.

6- <u>MATRIX ORGANIZATION:</u>

This matrix structure brings significant benefits to the Company:
- It gives a clear and strong focus for each team
- It increases the scalability to launch new business/products more easily
- It empowers People.

The diagram below tries to describe the workflow of different stages in the Business life of an account.

Region

Product Line

SEEK: Marketing + GTM

Business Unit

HUNT: Sales – New Clients/New Products
X-SELL: Sales – Existing Clients/New Products

•Finance/MIS
•Legal

Shared Services

SIGNED!

•Marketing/Press Release
•OnBoarding => delegation to Region
•Training => delegation to Region

Central Function

Product Line

Client Project: Business Analysis/Implementation Project….
FARM: eDesk - Existing Clients/Existing Products

X_Sell: Sales – Existing Clients/New Products