

EY Transformation Hub

Increasing transformation value by digitally connecting strategy, execution and results



Companies are struggling to realize the benefits of transformation due to gaps in design between strategy and execution

- If companies thought the world was moving fast before the pandemic, they need to be prepared for the accelerated speed of change ahead. Organizations need to transform now to meet competitive threats and future-proof their business in these dynamic times.
- Despite billions of dollars invested in digital transformation efforts, many large companies continue to be outpaced by the market. No surprise there, given digital technologies and applications are continuously reinventing and reshaping industry landscapes and business models.
- According to the second EY Digital Deal Economy Study, 90% of companies are elevating digital priorities in their strategic planning over the next two years and are prioritizing an increase in capital allocation toward digital transformation. But many are challenged to build an effective approach to fully realize their digital potential.
- Research findings from the global telecommunications company BT and the Economic Intelligence Unit (EIU) have revealed that digital transformation is the critical priority for CEOs in multinational organizations. In a survey of 400 CEOs across 13 countries, 40% of respondents say they have digital transformation at the top of their agenda in the boardroom.

Benefits of EY Transformation Hub (EY T-HUB)

EY T-HUB will help you in your efforts to:

- Establish a clear and relevant digital transformation strategy
- Align transformation plans and execution plans with the organization's strategy
- Plan and track initiatives from inception to completion
- Improve transformation value realization for greater ROI
- Support value realization planning and tracking via business cases
- Perform c-suite and department-level reporting and analytics
- Transform business agility to effectively align with strategic objectives
- Capture expected returns on large transformation investments

Helping clients tap into unrealized value

The EY T-HUB is a complete transformation management platform designed to help organizations plan, manage and execute large-scale, complex, multi-year, strategic transformations. Leveraging the leading practices of EY for transformation management and built upon Microsoft's innovative and trusted cloud, EY T-HUB is the engine that helps organizations translate their strategy into clear, actionable transformation plans and supports transformation programs to deliver the expected value.

Target audience:

- Chief transformation officer (CTO) director-level individual who is working to manage a large-scale transformation across multiple divisional/functional areas
- Transformation director/program director with the right experience and capability to deliver a successful transformation
- Chief executive officer (CEO)/chief financial officer (CFO) who is likely to sponsor the transformation initiative

Target sectors:

- EY T-HUB is applicable cross-industry, it's more important to identify the size of transformation the organization is undergoing
- EY T-HUB is best applicable for large-scale efforts
- Target companies include large financial, manufacturing and consumer products and retail (CP&R) organizations

Key functionality

EY T-HUB is a strategy and execution management (SEM) solution, comprising three predominant modules:

Vision:

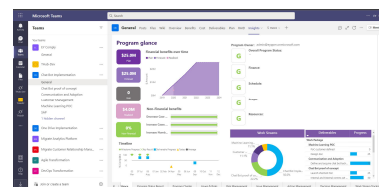
- Create a cross organization transformation plan to provide the needed clarity
- Set actionable transformation objectives and expected benefits to guide execution and support attainment of value

Strategy and execution:

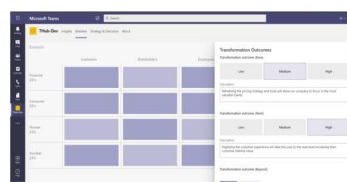
- Carry out transformation programs in alignment with strategy
- Leverage the best practices of EY for program management

Insights:

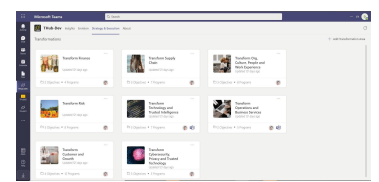
- Gain visibility into value realization performance and program performance for timely decision-making



Insights



Vision



Strategy and Execution

Customer success stories: EY T-HUB in action

A global pharmacy-led, health and well-being enterprise with a presence in more than 25 countries and more than 18,500 stores was undergoing a major operational transformation with the goal of rapidly tapping into an unrealized value and a cost savings of US\$1.5b. EY teams helped the client to:

- Leverage EY T-HUB to create a cost management office (CMO) playbook for centralized leadership and governance
- Develop a process encompassing identification, prioritization and execution of transformation programs across the globe
- Establish financial and accounting qualification guidelines for inclusion and treatment of cost-saving initiatives under total cost management (TCM)
- Use advanced analytics, leveraging Microsoft Power BI to facilitate selling, general and administrative expense (SG&A) reporting to the market
- Consolidate 200 plus cost-saving initiatives across 5 business segments globally to define the TCM portfolio

Client challenges

- Lack of agility in capital allocation and project execution and difficulties in identifying rapid returns on large transformation initiatives
- Lack of efficient processes and technology enablers to standardize the lifecycle of projects in the portfolio evaluation, planning and execution across all business units and functions
- Inability to manage business cases, schedules, resources and financials in a consistent and integrated broad framework

Client benefits

- Defined initiative lifecycle and stage gate process to ideate, review, authorize and track cost-saving initiatives
- Achieved SG&A savings of US\$390m across 60 plus initiatives for FY2019
- Predicted SG&A savings of US\$2.4b plus across more than 350 initiatives for FY2020-FY2022
- Conducted cost-savings methodology assessment for 70 plus initiatives worth US\$400m and de-risked incorrect external reporting of US\$160m plus savings
- Developed a portfolio, program and benefits management tool to orchestrate centralized governance, financial tracking and, executive and investor reporting

EY and Microsoft

The digital technologies that are impacting your business today – social, mobile, analytics and cloud – are rapidly expanding to create new employee and customer experiences, fundamentally changing how your organization works, interacts and competes. The EY and Microsoft alliance combines EY deep insights and experience in disruptive industry trends, new business models and evolving processes with Microsoft scalable, enterprise cloud platform and digital technologies. EY and Microsoft can help accelerate digital transformation with advanced solutions that support enterprise strategy, transform customer and workforce experiences, create new, data-driven business models, build intelligent, automated operations and bring confidence that these innovative solutions are secure, compliant and trusted. Together, we can help accelerate digital strategy and amplify your business performance to thrive in a digital world.

For more information, visit: ey.com/microsoft.

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