

▶ TRANSITION MANAGEMENT

In Fast-Paced Financial World, Relocation A Unique Challenge

By Gretchen P. Fox



Banking and other financial services executives are no strangers to change. The stock market goes up and down, interest rates fluctuate, and portfolios

ebb and flow. While change may be the cornerstone of their industry, that doesn't mean bankers or other financial executives like it – especially when it affects them personally, slows down work flow, and take a toll on their bottom line.

In today's climate of mergers and consolidations, more and more banks and other financial services institutions require a full-scale relocation, a restructuring of existing space, or some combination thereof. Regardless of degree, transitions are often complicated and can be quite costly. That's why financial services organizations increasingly see the value of outsourcing the entire process to professional transition management companies that are experts in managing the nuances of numerous changes simultaneously.

In years past, many finance executives

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believed they could handle a transition or move by using their facilities management team. These teams are typically highly competent. But today, the stakes are too high to leave anything to chance. For example, today financial services must consider the safe and secure transfer of:

- Expensive and highly complex technology infrastructures
- Flexible workspace set-ups (perfect for one office, not so perfect for the next)
- Enormous data storage rooms filled with confidential financial information
- Negotiable and irreplaceable cash, stocks, bonds and other financial documents
- Regulated items like safe deposit boxes and contents with requirements for fire-rated storage
- Expensive furnishings, art and antiques that may require museum-quality packing and transport.

Whether you are a small community bank or a global mutual fund company like Fidelity – moving across the hall or across the country – there are six fundamental phases to consider prior to embarking on a company transition:

Develop a strategic plan. This is the most important phase in the entire project. In these critical early stages, a transition management expert will take a holistic look at the project and then create a master plan of attack. All nuances are to be considered while getting "buy-in" from key decision makers and setting expectations for all transition stakeholders. Key activities during this phase include:

- Gathering data regarding current and desired space utilization
- Identifying budget (with anticipated contingencies of 10 percent), business drivers and constraints
- Establishing both a critical path to success and contingency plans
- Coming to consensus on project requirements, goals and objectives.

Organize the project team. A team is only as strong as its weakest link – which is why it is important to assemble a company's strongest decision makers. They need to collaborate and get to closure as quickly as possible. Note that the project team should include executives and staff to ensure that all levels of the organization are involved with the transition and that their groups' particular concerns are heard. Key activities during this phase include:

- Identifying team members from various function groups to support the work scope and plan
- Assigning very specific roles and responsibilities with the group – e.g., a team leader, meeting secretary, communications expert, etc.
- Choosing a regular time to meet monthly, then weekly, then daily prior to the move. Meeting consistency is key. Recommend at the beginning that if a team member misses a meeting, his/her vote on issues will be discounted for that meeting.

Schedule budget development. There is a fairly good chance that your project will not come in exactly on budget. Plan to give your budget a 10 percent cushion. Key activities during this phase include:

- Integrating activities into master schedule and budget

- Developing a micro-schedule and detailed budget
- Monitoring progress daily, flagging issues, then immediately responding.

Create a communication program. Regardless of the size of a financial institution, employees appreciate being "in the loop" during the company's transition. It is impossible to over-communicate with employees. Frequent communication makes them feel validated and a part of the process. Effective communications can also generate significant excitement around the transition and encourage team building and improve overall camaraderie. Key activities during this phase include:

- Developing and implementing internal and external communications plans
- Establishing project identity
- Producing and distributing information both

online and in the form of newsletters, instructions and posters

- Providing ongoing education, information, training and orientation.

Implementation. During this critical phase, the "pedal hits the metal," and all teams, vendors, processes, and transitions go into motion. If previous phases have been successfully completed, this phase should run like a well-oiled machine. Key activities during this phase include:

- Managing the entire project process to ensure that all players have received their marching orders and are 100 percent clear where they should be, what they should be doing and when they need to complete their task

- Verifying readiness to ensure that

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appropriate equipment is onsite and ready to go, company personnel are clear about where to report, what to do, and what not to do

- Implementing and supervising the transition until completion and 100 percent satisfaction from governing powers
- Troubleshooting on an as-needed basis
- Verifying completion via a final walk-through to confirm completed transition tracks with overall project plan.

Resolution and wrap-up. Even the best-laid plans include glitches. In fact, you should count on them. But just because the transition has taken place, it does not mean that the overall project is complete. During this period minor repairs are made, parts are replaced, furnishings are moved, etc. Key

activities during this phase include:

- Developing a "punch list" that includes details that require further attention and action

- Resolving all issues on the punch list

- Following up to measure project success noting best-practices, lessons learned and room for improvement

- Compiling all documentation to officially close the project.

Naturally, every transition or relocation has its own peculiarities that should be addressed on a one-on-one basis. If you start the process early by identifying a professional transition management company to

oversee your project from strategy through completion, you will save time, save money and experience virtually no workflow interruption. ■

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