



Industry:
Technology

Microsoft Delivers Flawless Earnings Release With Change Management Best Practices



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“Prosci change management tools and skillsets facilitated adoption of the new platform and helped us deliver a flawless earnings release. This project became a showcase for our leadership team in how to succeed at delivering our most complex and high-risk programs.”

Kent Rosema, Partner GPM for Financial Management Platforms

Background

Founded in 1975, “Microsoft enables digital transformation for the era of an intelligent cloud and an intelligent edge. Its mission is to empower every person and every organization on the planet to achieve more.” The Microsoft and Prosci partnership dates back to 2014, when Microsoft licensed the Prosci Methodology and tools for internal and external use. Since then, thousands of Microsoft employees have attended Prosci training to apply the methodology to accelerate customer adoption of Microsoft products and services. And many groups within Microsoft, like Microsoft Investor Relations (IR), use the methodology to implement change management strategies on their projects.



Business Challenge

- Replace legacy technology platform for time-critical quarterly earnings release
- Meet stringent accuracy, security and SLA requirements to protect Microsoft reputation and business
- Ensure legacy platform operability for backup plan, if needed

Solution Highlights

- Leveraged long-standing Microsoft and Prosci partnership, and Prosci License
- Applied Prosci Methodology and tools to implement change strategies on high-risk Investor Relations project
- Developed actionable change management plans based on Prosci best practices

Results Highlights

- Delivered flawless, precisely timed FY23Q2 earnings release to worldwide audience
- Protected Microsoft brand and reputation during critical Investor Relations event
- Realized full ROI of the move to the new technology platform

Challenge

Deploy new technology platform for quarterly earnings report

Microsoft Investor Relations plays a vital role in the organization: mainly, managing communications between executive leadership and investors as well as the financial community. Producing and delivering Microsoft's quarterly earnings reports is a top priority for the team, and especially complex. Faced with a challenging service-level agreement (SLA), the team must carefully safeguard nonpublic material financial data so it isn't exposed prior to market close, and the data must be visible to millions of users within two minutes of publishing. The need for accuracy, security, and flawless execution is critical, as any errors could negatively impact Microsoft's reputation and business.

For FY23Q2 earnings, the IR engineering team planned to deliver a new technical solution for the earnings release to replace a legacy platform. The new web application built on Microsoft Azure technology facilitates publishing the quarterly earnings to the IR website. Behind the scenes, it aggregates the related data for the site, provides a secure preview process for the online report, enables significant release-day website traffic, and mitigates potential security threats.

With immense concern around making any changes that could cause issues with the earnings release, the team carefully scrutinized the technology, including the architecture and its performance, scalability and security.

Adding to the complexity of the rollout, the senior leadership team wanted a contingency option to fall back to the legacy platform in case there were any issues leading up to or during the earnings release. Jeff Johnson, Principal Engineering Manager for the project, says,

“We were preparing for a significant technology change that only afforded a tiny window of opportunity to mitigate should something go wrong.”

The IR team needed a process that could support the earnings release on either platform and still deliver on all requirements. In addition, the team needed to address the significant changes in the roles and their activities related to delivering the earnings release on the new or legacy platform.



Solution

Apply the Prosci Methodology to manage the change

Trained in the Prosci Methodology through Microsoft's change management program, the IR team knew to consider this question: Which part of the new technology platform ROI is dependent on people successfully adapting to and adopting changes to their roles and processes? Addressing the people side of change as part of the technology shift ended up being a game changer for the team.

The earnings day call is a tightly choreographed sequence of about 50 steps used to control the timing and flow of information, and to ensure the health and stability of the system. Due to the release criteria, the team had to deliver this complicated process over two platforms, and ensure that all the steps and dependencies could be accomplished within a two-minute SLA. With no room for error, change management exercises and dry runs were imperative.

The IR team applied Prosci best practices, using stakeholder diagrams and impact analysis to determine all the groups impacted by the move to the new platform. These included Corporate Accounting, IR business and engineering support teams, Microsoft Azure infrastructure and network support teams, and others.

Once they identified the biggest risks to the project as well as the stakeholders, the IR team developed corresponding change management plans, described below. Timm Rulison, Principal PM Manager, says, “We used Prosci tools to develop actionable plans for managing readiness with stakeholders, users, and partner engineering teams.” He adds,

“This ensured that we could deliver on the ROI of our technical solution with a solid, error-free earnings release.”

Sponsorship

To secure the appropriate level of change sponsorship, the IR team kept the senior leadership team informed from the onset of the project. When the team first met with stakeholders to discuss the plan, the main message from senior leadership was, “We are

never not going to be nervous about this change.” Because the IR team invested time in testing and dry runs, the team received a unanimous “GO” from leadership on their project plan.

Manager Coaching

The IR team worked with managers to define every role on each platform, and to assign a primary and backup person to each role. They also established timing for each step on each platform and for failover between platforms. In addition, they identified criteria for moving from one step to the next, particularly the failover step.

Training

Training involved working with managers to address risk related to skillsets. An additional subject matter expert provided support, training both managers and employees on each step of the process. The whole team rehearsed each possible scenario, once with primary actors and once with backup actors. In addition, the team went through 12 dry runs prior to the actual earnings release.



Resistance Management

With the senior leadership team especially nervous about the proposed change due to the critical nature of the earnings release event, the IR team addressed their concerns by engaging with them early and frequently, and documenting and addressing their concerns throughout the project.

Communications

In tight alignment with the technical project team, the IR team worked from an agreed list of action items, delivering related communications to stakeholders and providing weekly updates to the project team on progress. A “go/no go” decision on the platform launch was contingent on completing all action items.

Results

Delivering a flawless earnings release

On the day of the earnings report, the IR team seamlessly delivered the earnings release on the new platform through the press release and conference call, which was available on demand following the event. The audience of millions of people that included investors, financial analysts, news agencies, and the general public received the time-critical earnings information as promised.

In fact, the experience was so noteworthy that a member of the financial media called out the speedy delivery of Microsoft earnings during the call. And one Microsoft business partner realized that the new platform’s ability to publish was so fast that she would have to wait a minute after the market’s close to publish earnings to ensure all market trading was completed.

Applying the Prosci Methodology was critical to giving the IR team, senior leadership and business partners confidence in the team’s ability to support the earnings release on the new or legacy platform. “Investor Relations benefited from having a formal change management plan,” says Johnson. “This helped us uncover dependencies that otherwise might have been overlooked, enabling a successful earnings release.”

Microsoft and the IR team realized the full ROI with the move to the new platform because they focused on helping the people that were affected by the change to understand why, to know how, and to deliver on the new technology. “Prosci change management tools and skillsets facilitated adoption of the new platform and helped us deliver a flawless earnings release,” says Kent Rosema, Partner GPM for Financial Management Platforms. “This project became a showcase for our leadership team in how to succeed at delivering our most complex and high-risk programs.”

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