



FRAMEWORK FOR SUCCESS

THE RIGHT DELIVERY FRAMEWORK CAN MAKE ALL THE DIFFERENCE, SAYS JAMES BUTLER

The *Financial Times* recently quoted Mario Draghi, governor of Italy's central bank, as saying: "Developments in financial markets will probably lead to a divergence in banks' performance and, once the dust settles, stimulate cross-border consolidation." This has already begun, with Northern Rock and Grupo Santander's rumoured interest in Alliance & Leicester.

But merger and acquisition activity (M&A) is complex. The people, process and technology of all organisations involved must be integrated if the merged company is to act as a cohesive unit. The complexity increases with cross-border M&A, where high profile failures are widespread. The number of internal and external stakeholders and the extent of organisational changes can make it seem almost impossible to deliver the benefits that prompted the merger in the first place.

Research by the Hay Group shows that business leaders believe just nine per cent of M&A activity is 'completely successful' in delivering the stated objectives. This figure is worrying for managers, organisations and, where major banks are concerned, the economy.

Such failures are often blamed on cultural differences, but that can't be the whole story. Various 'top name' consultancies claim to have the solution and have built entire departments to advise clients, but in our experience these focus primarily on content (what to change and where to integrate), ignoring the concept of an overall delivery framework. Simply saying: 'We'll run this as we would any other project' isn't enough where multiple organisations are

merging. Specifically designing the vehicle through which change will be delivered and success measured will pay dividends.

From an output perspective, visibility and control are key elements of a delivery framework. Visibility is the provision of appropriately aggregated information to the right people at the right time, and control is the ability of decision makers to direct the path of activity.

Merely defining the processes and executing is unlikely to be enough. Take visibility – even with the correct process defined, gathering the right information, approving it, aggregating it and delivering it to the right people, time delays decisions and causes activities to stall. From a control perspective, verifying that decisions are being followed is a labour-intensive task that often falls to senior executives. This is where automation comes in – a tool that can be configured to support an appropriate delivery framework and, among other things, appropriately aggregate information and identify progress, is invaluable.

It is our view that successful delivery of any project (let alone M&A) only comes from the juxtaposition of a strong delivery framework (supported by an appropriate toolset) and a high level of content knowledge. Program Framework encourages the use of Microsoft Enterprise Project Management configured specifically to support a delivery framework designed for business integration programmes; for more information please see our Web site: www.programframework.com. **F**

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