

A Conversation on OrganizationWeaver with Tor Kielland, CEO, and Nick Peters, Chief Marketing Officer, of BrightArch

Retaining, attracting and selecting the people that have the right combination of skills, attitudes and talent to move a newly combining company forward is one of the central challenges when two sizable companies combine in a major acquisition. We will look into how the BrightArch, through its next generation OrganizationWeaver integration tool, works to meet that challenge and reposition the new company.

BrightArch is an enterprise software company that specializes in helping organizations going through transformational changes (e.g., post-merger integration, restructuring, etc). This is part of our ongoing exploration of what tools are becoming available to make M&A integrations more intelligent, effective, and efficient - with lower financial and organizational stresses.

OrganizationWeaver incorporates both advanced technology as well as a much more participatory outlook on working through the complex people issues when two large organizations combine.

I had the pleasure to have extensive conversations with BrightArch's Chief Executive Officer, Tor Kielland, and Nick Peters, Chief Marketing Officer, about what OrganizationWeaver is and how it works. We touch on:

- How would companies adopting OrganizationWeaver reflect a change in the way of thinking?
- How does using OrganizationWeaver change the ways of acting?, and
- What are the differences a company would need in its IT infrastructure to make this work?

This conversation is part of the Beyond the Deal's ongoing exploration of tools that are becoming available to make M&A integrations build value, be more effective, efficient, and collaborative, as well as reduce financial costs and lower organizational stresses.

OrganizationWeaver's key attributes are compatible with the overall Beyond the Deal approach.

1. What is OrganizationWeaver and how does it give combining companies major advantages beyond normal integration practices.

OrganizationWeaver is the efficient way to design and staff combining organizations transparently. Normal workforce integration practices tend to take too long, are susceptible to political wrangling, and leave employees frustrated. OrganizationWeaver can cut the typical human capital integration time in half and significantly reduce on-going personnel problems. We think this is a considerable advantage for combining companies, and can set the foundation for meeting strategic goals.

2. How does OrganizationWeaver support the framing/achieving of strategic goals in the newly combining company?

Strategic goals are just words until people throughout the company have defined roles and want to achieve the goals. OrganizationWeaver helps define the roles and structures so that the right people can settle into the right jobs. One of the most intriguing aspects of OrganizationWeaver is that it manages to accomplish this in a way that gives all stakeholders a reason to be engaged in the process. It gives management an efficient way to work through the details of every division, unit, and position. It gives employees a chance to take charge of their personal goals and match them to the strategic goals. And finally, it provides a strict decision-making framework to fill every position with the best person. Engaging an entire organization to achieve strategic goals quickly is a monumental task, but OrganizationWeaver makes getting the right people in place much easier from beginning to end.

3. Who is involved in carrying out the OrganizationWeaver process? What qualifications do they need? What do they need to "know and do" to make it succeed?

A typical merger brings together internal employees as well as external consultants to make up the project team. Of internal employees, design work is predominantly handled by managers chosen from all parts of the original organizations, whereas staffing involves more HR personnel and higher level managers already selected for the new organization. It is this combined project team that will predominantly use OrganizationWeaver.

Before OrganizationWeaver can be fully implemented, the project team needs to outline strategic goals, organization design principles, and staffing principles. In a “pre-project”, OrganizationWeaver can be customized to fit those goals and principles. Our technicians will import any existing organizational and HR data, customize fields, and input rules so that decisions are made according to the defined principles.

To put it simply, internal project members need to know their business, their people, and their culture. External consultants should be qualified to help manage the project, help translate business strategy into organization design principles, and support management in monitoring and adjusting the process. OrganizationWeaver will provide the framework to put all of those pieces of the puzzle together and help the project team make consistent and optimal decisions. In addition, the team will need some basic training on OrganizationWeaver, but BrightArch will fully support the deeper technical and administrative aspects of the project. Clients want to implement a new organization, not maintain another piece of software. We were careful to make OrganizationWeaver easy to deploy, easy to use, and easy to remove at the end of project.

4. How do the elements of OrganizationWeaver work together to rapidly accelerate an integration of large companies and yield a higher quality outcome at the same time?

OrganizationWeaver consists of three modules that work together.

The Organization Design module imports and standardizes key data about the combining companies into one central database. With data all in one place, multiple team members can simultaneously rearrange organizational structures (or build entirely new ones). This saves considerable time when it comes to understanding what the companies look like today, and how they should look in the future. In addition, requirements and descriptions for each position can be defined using templates. This not only saves time, but ensures that each position is fully defined before moving on to the next step.

The Employee Preferences module is an intranet application for employees to voice their job priorities and capabilities. Thanks to work completed during the Organization Design phase, employees’ can browse through the entire new organization and communicate where they think they can add the most value. Engaging employees doesn’t have to just mean top-down communication anymore. With OrganizationWeaver, management can listen to, and act upon, the

preferences of every employee. This substantially increases the quality of the new organization and gives employees a reason to stay.

The Staffing module is where company needs get matched with employee preferences. All of the data from the Organization Design module and the Employee Preferences module are brought together so that the project members can objectively review, rate, and rank each person on relevant positions. The staffing process incorporates a sophisticated algorithm to facilitate the flow of candidates to relevant positions and to ensure that decision-makers can be as efficient as possible.

5. What does a company need to do to become ready to use OrganizationWeaver to best advantage?

At a bare minimum, the integration project needs to have a separate workstream for handling the development of the new organization. That workstream needs a core group in charge who understands the importance of putting people first.

Ideally, there will also be people within the company (or trusted advisors) who understand the core capabilities of OrganizationWeaver and how it fundamentally changes the human capital integration process. Since OrganizationWeaver greatly affects other aspects of the integration, it's good to understand how it can alter timelines, projections, and project staffing.

6. What kinds of experiences have companies that used OrganizationWeaver had?

The first implementation of OrganizationWeaver was for an organization that reallocates thousands of employees every year. They were quite happy with how our tool handled in-house staffing and wrote to us that it "quickly became our most important working tool for staffing and implies considerable savings for us".

Another client, a large energy company in Scandinavia, was very pleased with how our tool helped staff 10,000 employees quickly and efficiently.

Some of the key employee quotes taken from press clippings after the project include:

“There were no information leaks. We were held continuously updated, so that no-one could spin any fear scenarios.”

“We were challenged to think through our own career. [...] Nothing is more exciting than this.”

“The process has been tidy and sound. We have been asked for input all the way. We have nothing to complain about.”

7. How would companies adopting OrganizationWeaver reflect a change in the way of thinking?

There has recently been a large push within corporations to act more socially and have flatter organizations. When employees have the tools to speak for themselves, there is less need for the top-down approach of traditional hierarchical structures. When a company adopts OrganizationWeaver, they are acting on this new way of thinking. They're saying that bottom-up information is valuable, manageable, and provides a real competitive advantage.

One of the effects of using OrganizationWeaver that we're most proud of is that meritocratic decisions can trump political decisions. The processes that we introduce level the playing field by increasing transparency and traceability. OrganizationWeaver is a powerful instrument to avoid suboptimal decision-making.

8. What are the differences a company would need in its IT infrastructure to make this work?

There is no need to change anything about the IT infrastructure, and OrganizationWeaver can incorporate any existing data available. At the end of the project, OrganizationWeaver is no longer needed, and all the organizational and HR data created during the process is fed to any system that the customer chooses. The software is removed and there will be no trace of it.

Any final thoughts?

OrganizationWeaver brings together some of the best ideas about how to overcome the imbedded problems of human capital integration. We incorporated technical best practices (e.g., data-handling, security, process, and user-interface) with business best practices (e.g., efficiency, transparency, meritocracy, etc.). The result is something

much more than buzz-words and promises for the future.
OrganizationWeaver is real. It's robust. And it provides concrete value
over the short and long-term.