



Post-merger integration is a success

In the face of a large, complex post-merger integration, this company delivered breakthrough performance and jumped from last place to first place in the parent company's divisional ranking system in just one year.





The Challenge

Combining the skills and expertise of two companies into one entity

A division of one of the world's largest independent oil and gas exploration and production companies acquired another company of equal size, making it the largest independent natural gas producer in North America. The acquisition was the division's second in two years.

The first acquisition and subsequent integration had been less than successful. At the time of the second, employee morale was not up to the president's expectation. He was committed to not only making the second integration succeed, but also significantly improving performance in the process. His ultimate goal was to increase the company's value beyond the combined value of each individual entity. The key to achieving this would include focusing the company on high-performance objectives, while integrating the cultures of the disparate organizations.

The Work

Designing the transformation process

In partnership with JMW, key indicators for a successful integration were established in the following areas: people, leadership, operations and, ultimately, shareholder value. The access to achieving these was establishing executive alignment, merging the two different cultures and creating a new business model.

JMW's work comprised customized leadership development programs and consulting offerings, which was delivered in four phases over 14 months and at all levels within the organization. All work was designed to address relevant business issues and to provide guidance regarding the execution of the critical results-oriented projects created during the development program sessions. In between sessions, participants were coached on implementing session learnings toward real-time issues.

JMW also provided targeted coaching to ensure both the delivery of business results consistent with near-term commitments and the generation of alignment at the work-team level. In addition, JMW provided guidance in dealing with pressures from the parent company, while developing effective capabilities and strategies for effectively engaging its leadership.

The Results

Extraordinary targets were met, highest rating achieved

The new entity achieved breakthrough performance relative to the success indicators: a strong, vibrant vision termed "Passion, Performance and Life" was created; standard systems and processes were integrated; collaboration and communication throughout the organization were significantly improved; weekly volumes were increased by 20 mmcf/d every week; and costs were reduced by 13%. These accomplishments resulted in \$93 million in increased Standard Measure of Value to the parent company balance sheets, and a jump from last to first ranking in the company's divisional rating system.

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