



The Client Need

BTS Approach



Getting To Great – Merger Integration & Strategic Alignment

A case study from Cingular Wireless

The largest cash-transaction merger in the USA to date posed significant execution challenges for Cingular Wireless in its \$48 billion purchase of AT&T Wireless. With studies by leading consultancies indicating that a majority of mergers fail to deliver intended results, with mergers of equals failing twice as often, Cingular needed flawless execution to turn two very good companies into one great company and achieve wireless industry leadership.

Highly-Customized Experiential Learning

BTS interviewed some 16 senior executives at Cingular, including the COO, CFO and CMO, developing the customized solution in 8 weeks. The centerpiece of the initiative was a business simulation which featured Cingular's four strategic imperatives, key initiatives and 3-year plan goals. The simulation enabled leaders to explore what great execution looks like and to practice successful execution by focusing on the execution capabilities of the company's managers in key areas across the business.

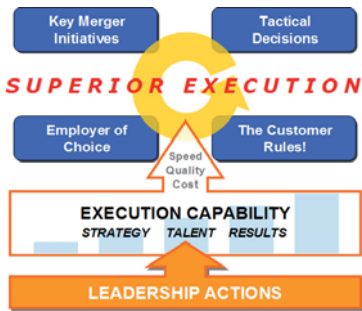
Eight years of experience with Cingular, as well as its predecessor and parent companies, SBC and BellSouth, enabled BTS to develop the solution with a short lead-time and highly focused on how leaders contribute to merger success.

The Solution – A Simulation Enabling Leaders to Practice Successful Execution of Cingular's 3-year Merger Plan

Solution: A 2-day workshop with 2-hour e-learning prerequisite

The solution, "Getting To Great", created an intensive, discovery-based experiential learning event to drive strategic alignment and accelerated execution of business plan. The initiative had the following objectives:

- Understand the company's goals for industry-leading metrics and learn execution strategies for effective, results-oriented leadership
- Deepen understanding of the 14 key initiatives that drive execution and achievement of the company's strategic imperatives
- Drive and sustain practices that will achieve merger objectives
- Increase the ability to leverage and maximize resources, with a new competitive mindset focused on driving growth
- Build an integrated organization that will help us quickly achieve business goals
- Deepen understanding of key metrics behind "reputation" and churn and relationship of those to subscriber growth, ARPU and operating margin



A Team-based Approach Focusing on Execution Capability

Each of the five teams in the workshop enters a competition for industry leadership with quality of execution determining each team's success. As the first step in the competition, the teams assess their current position and create a 3-year execution plan. This strategic roadmap comprises specific, measurable goals on Cingular's four primary business metrics, a prioritization of key merger initiatives, and most importantly a prioritization of execution capabilities in five functional areas – sales, marketing, network, customer care and IT.

Successful execution requires leaders on each team first focus on the capability of their company's front-line managers to execute on the 3-year plan. They must raise the bar on the right capabilities in the right places, committing to concrete leadership actions to build specific factors in Cingular's performance management competency model. Teams discover that three of the seven proficiencies represent 'core competencies' most critical to the company's merger and strategic success, based on senior executive interviews. The teams whose leadership actions create profound strengths in the core competencies for each functional area to achieve competitive advantages and superior results.

Each participating leader committed to a personal action plan, drawing line of sight from the company's merger objectives to their day-to-day work. These plans focused on concrete actions leaders would take to raise the bar in key management competencies in their team back on the job. BTS followed up with leaders to track the progress and results of the plans. Results showed increased focus on key on high-priority areas and changes in behavior that supported success merger execution.

The initiative also included a feedback mechanism to senior management on key challenges Cingular faced in executing on the 3-year business plan. At the CEO's staff meeting on Mondays following each week of workshops, senior executives reviewed the "brutal facts" shared by participating leaders.

The success of the initiative for vice presidents and directors led the company to cascade it to the next band of managers. Some 6,000 mid-level managers participated in 2007 in events of 150 participants.

"The biggest challenge for us was to get our target audience through the program in a reasonable timeframe. As one would expect during a merger, the level of activity is extremely high. Getting leaders to commit 2 days of their time during this period was a challenge. BTS delivered the program with such high energy and deep knowledge of our business that it created very positive word of mouth. Our leaders' willingness to recommend it to their peers rose very high and helped us drive a high level of participation in a relatively short period of time – some 1,000 leaders in six months."

- Jim Bowles, Ed.D, VP-Workforce Development, Cingular Wireless

Outcomes

Client Testimonials

Sampling of other BTS Clients

- Accenture
- Coca-Cola
- Liberty Mutual
- Roche
- Aetna
- Gap Inc.
- Liz Claiborne
- Sony
- AstraZeneca
- Genentech
- Macy's Inc.
- Texas Instruments
- AT&T
- Hewlett-Packard
- McKinsey
- Time Warner
- Bank of America
- Honeywell
- Microsoft
- Toyota Motor Company
- Biovitrum
- IBM
- Motorola
- Vodafone
- Cisco Systems
- ING
- Nokia
- Weyerhaeuser

About BTS:

BTS partners with leading companies to accelerate change and improve business results. We are the world leader in customized business simulations and other discovery learning solutions that enable leading corporations to change, grow and succeed. BTS adds value for our Global Fortune 1000 clients through three practice areas: Strategic Alignment & Business Acumen, Leadership & Management, and Sales. We have additional capability in Operational Excellence & Project Management and offer an innovative Engage for Change process. BTS is a public company listed on the Swedish Stock Exchange and trades under the symbol BTS B. For more information please visit www.bts.com.