



CASE STUDY

OPERATIONS: MERGERS

Client Industry: Financial Services

BUSINESS CHALLENGE

There were 4 existing associations serving the South African investment and life/risk insurance industry and there was a large degree of overlap in the functions of these 4 associations.

The key members of these associations decided that it would be beneficial to create a single association to serve their needs.

This was not a merger of the existing associations, but a new body.

The staff, infrastructure and assets of the 4 associations would be transferred to the new association.

Australia is the only other country which has been able to create one unified association for the investment, life and risk industries.

Objective: 'To create a single, unified, credible and powerful association which can become a partner to the policy makers.

Risks: The time period required for the legal process to establish the single entity.

The smooth transition of operations from the 4 associations to one, especially the critical areas of staff and IT.

The ability to obtain consensus on the "To-Be" design from all 4 associations.

Deliverables:

Due diligence of the 4 associations.

Establishment and facilitation of project working groups.

Development of the "To-Be" recommendations for each element of the new entity.

Sign off of the "To-Be" recommendations by Steercom.

A detailed implementation plan.

Project management of the full implementation.

Project closure and formal handover.

PSP ICON APPROACH

After a thorough review of each of the 4 Associations the Project Design was developed and presented to the the Project Steering Committee. This design established 18 work streams, each of which would address a particular aspect of the project to create this new Association.

Project Steering Committee Meetings were held every 2 weeks where the progress of each work stream was reported and the decisions required were taken by the Steercom.

With strong facilitation and rigid project management the final product was delivered as a fully operational Association on the due date.

RESULTS

The most complex element was to facilitate the 18 working groups, comprising members of each of the 4 existing associations as well as subject experts, to obtain consensus on the “To-Be design” for the new Association.

The new Board and Committee structure was in place and operational.

The operational and capital budgets were complete and ready to be presented to the Board.

The new offices were complete and all the infrastructure was relocated.

Staff contracts, conditions of employment and payroll were in place.

All the IT and communications infrastructure was in place and fully operational.

Bank accounts, insurance, and all suppliers were in place and contracted to the new entity.

All the registers of the previous associations were relocated to the new servers.

The Training Academy was in its new enhanced facilities within the new entity's offices.

The new website was operational.

All trademarks were registered and the trademarks from the previous associations were being transferred.

All the legal arrangements for the winding up of the previous associations completed.

Client reference that the task could not have been completed without PSP Icon's project management and facilitation.