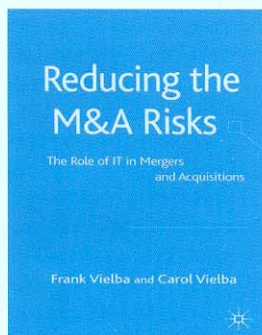


Mergers and acquisitions made easy?

Reducing the M&A Risks by Frank Vielba and Carol Vielba
Book review by David Tewksbury



The appearance and initial appeal of this book *Reducing the M&A Risks* made me feel I might be about to review an exam text book.

However my nervousness soon disappeared – it's

a clean, concise and useful tool and reference book about the pitfalls of mergers and acquisitions (M&A).

The author's credentials come through with a strong mix of business experience combined with academic knowledge.

Owner of a consulting firm, Frank Vielba, has had senior positions in KPMG, ICL, Schlumberger and Coca-cola. He teams up with with UK City University's Associate Dean for the Cass Business School, Carol Vielba, who provides the academic input.

Their knowledge and experience are clear within the book.

Initially dry and wordy, with tables of information, the first part of the book gives way to useful illustrations and diagrams which take the user through the whole M&A process.

Its mix of case study and analysis makes it an interesting read. The 18 case studies, while not giving the names of the companies involved, give sufficient information for the reader to take an educated guess at the likely candidates.

Vielba starts the book with an overview of the M&A process, its landscape and predictions for the future.

He asserts that IT spending will grow, and that mergers will also continue to grow, even through economic slowdowns. And he argues it is vitally important that the lessons of both successful and unsuccessful M&As are understood and learnt from.

They provide a good mix of case studies of organisations: from major international oil companies, to UK city councils.

Carol Vielba provides insight and analysis of the areas for success in both large and small scale organisations. She champions the success of MBAs which take a holistic view.

Key to success, they suggest, is not only looking at the IT aspects of any merger but also considering staff, users, technology, tools, and systems.

They call this the BTM Model (Business, Technology and Management), a blueprint which guides the user through the questions and issues to be considered in the M&A process.

These issues are key: while a technology mismatch is challenging, it pales into insignificance when compared to a cultural mismatch between the two merging organisations, their methods and their staff.

Often these aspects are missed and lead to significant, often unbudgeted, time and effort, or worse, total failure.

Who wouldn't like the book?

This is not M&A for dummies. Anyone who likes the simple, text-limited pictorial styles of these kind of books will probably shy away from this one.

Who might benefit from the book?

1. The student manager, looking to expand their knowledge of the M&A process. For them it will provide concise examples of success and failure. The book builds a good framework for learning, and will spur students on to find out more about the unnamed companies mentioned.
2. A manager about to embark, or who is already involved, in an M&A activity. The book provides good examples to analyse the successes of others, and a blueprint with which to design M&A activities to prevent repeating their mistakes.

Summary

In their summary, Vielba(s) suggest three ways of reducing IT risk.

1. Ensure that the IT function is involved in the M&A transaction from the outset
2. Ensure the business has a clear IT strategy to help with the transition, the due diligence and to assist the key decisions relating to the future IT environment
3. Ensure the team have, or buy in, the right level of skills and experience to manage the M&A successfully.

I would add a further recommendation to this list: read this book.

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