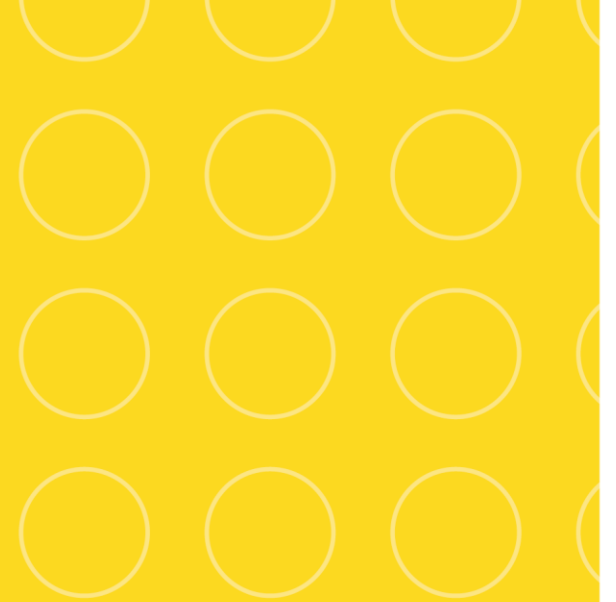




**USING PROJECT
MANAGEMENT TO MOVE
CLOSER TO STRATEGY
AND CORPORATE
DEVELOPMENT**



HI I'M ANDREW!





- **Family Owned**
 - Founded in 1925 as Rolscreen Company
 - Rolscreen® was first product
 - Started making windows in 1937
 - Professionally Managed Since 1980
- **Over 10,000 Team Members Nationwide**
- **Most Preferred Brand by Consumers**
 - Fast Company's Top 10 Most Innovative Design Companies
 - Rated #1 by homeowners for innovation
 - Rated #1 by homeowners for highest quality
- **Leverages Multi-Disciplinary PMO**



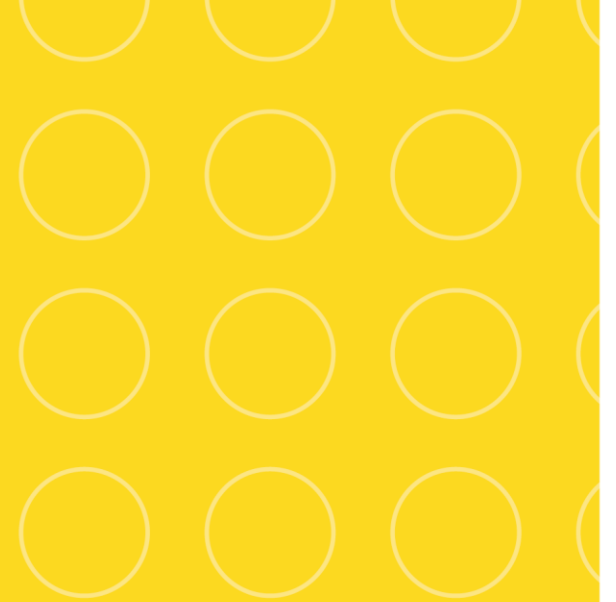
MY GOAL:
ARM YOU WITH THE
KNOWLEDGE TO BETTER
ENGAGAGE IN STRATEGY
AND M&A WITHIN YOUR
ORGANIZATIONS

Agenda

- ○ ○ ○
- ○ ○ ○
- ○
- ○ ○ ○
- ○ ○ ○

1. STRATEGY

2. M&A



Agenda

A

- ○ ○ ○
- ○ ○ ○
- ○ ○ ○
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1. STRATEGY

2. M&A



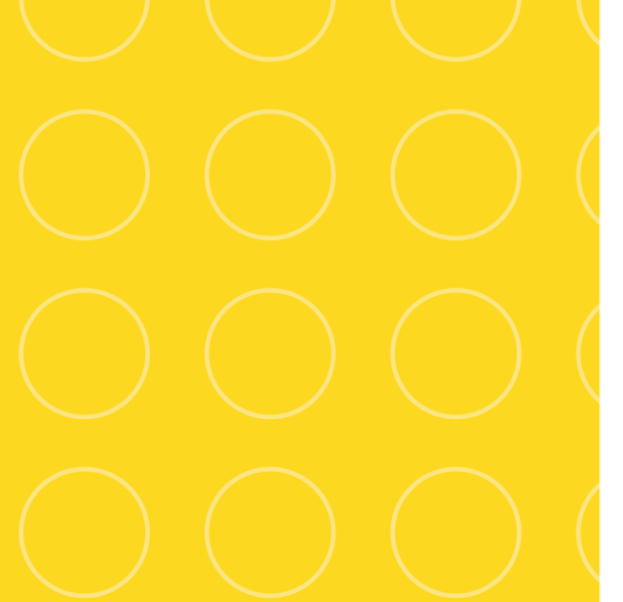
STRATEGISTS NEED YOUR HELP

4 out of 5 corporations execute a strategic planning process on a regular basis, but....

Only 1 in 10 executives admit to having a cohesive strategy throughout their organization

Most executives believe their strategic planning process is flawed

**IF YOU DON'T
KNOW WHERE
YOU'RE GOING,
ANY ROAD
WILL GET YOU
THERE**



THE FOUR LEVELS OF STRATEGY

- **FOUNDATIONAL ALIGNMENT**
- **ASPIRATIONAL GOAL SETTING**
- **STRATEGIC READINESS**
- **ISSUES-BASED STRATEGY**

Strategy is a nebulous topic. Understanding the levels of strategy will help project managers know where and when to engage

#1: FOUNDATIONAL ALIGNMENT

- Informs and directs organizational culture for decades
- Establishes or reaffirms the company's mission, values, vision, and strategic assets
- May be revitalized tools and communication over time, but overall message remains constant

**MISSION
PURPOSE
CORE VALUES
VISION**

#2: ASPIRATIONAL GOAL SETTING

- Establishes big goals, necessary capabilities, and guardrails
- drives enterprise-wide alignment and decision making for the next several years.

**OVERCOME BIG
CHALLENGES**

#3: STRATEGIC READINESS

- Ensures decision makers have a solid understanding of the business, its strategy, and the assumptions behind that strategy
- Enables leaders to respond swiftly to challenges and opportunities **as they occur in real time**
- Often coincides with a financial plan

**PMO HAS BIGGEST
OPPORTUNITY
HERE**

A

Long Term Strategic Planning

Why will we win in the long term?

B

Prioritization & Resource Planning

*What does that mean
should be important
right now?*

C

Funding, Initiatives, & Execution

*How will we pull that
off?*

A

B

C

Long Term Strategic Planning

Why will we win in the long term?

Prioritization & Resource Planning

What does that mean should be important right now?

Funding, Initiatives, & Execution

How will we pull that off?



PURPOSE
(why)



CHOICES
(what)



EXECUTION
(how)



Long Term Strategic Planning

Why will we win in the long term?

Prioritization & Resource Planning

What does that mean should be important right now?

Funding, Initiatives, & Execution

How will we pull that off?



THE MOST SUCCESSFUL COMPANIES ENGAGE THE PMO DURING STRATEGIC PLANNING

UNDERSTANDING THE “WHY” ENABLES PROJECT MANAGERS TO BETTER REACT IN REAL TIME

#1. What are our growth, productivity, and capability goals over the next 5 years?

- Humans are innate problems solvers. As Richard Rumelt put it in Good Strategy Bad Strategy, teams must have a strategic challenge to drive real action

#2. How might our competitive landscape look different 3-5 years from now compared to today?

- The marketplace is ever changing. Companies often do not consider the plausible alternative realities, especially black swans, that may affect their plan.
- One cannot know all alternatives, but discussing scenarios will enable leaders to better understand the levers they would pull *when* things don't go as planned.

#3. What are the most important threats and opportunities affecting our stated business strategy?

- The intuitions of your business leaders will often provide good insight into the possible direction of nascent opportunities or potential blindsides

#4. Considering our strengths and weakness, what does this imply about how we must evolve over the next several years?

- This questions really teases out what strategic levers or gaps will help or hurt us in our long-term journey

#5. What are the most important 3 things my team must work on going forward?

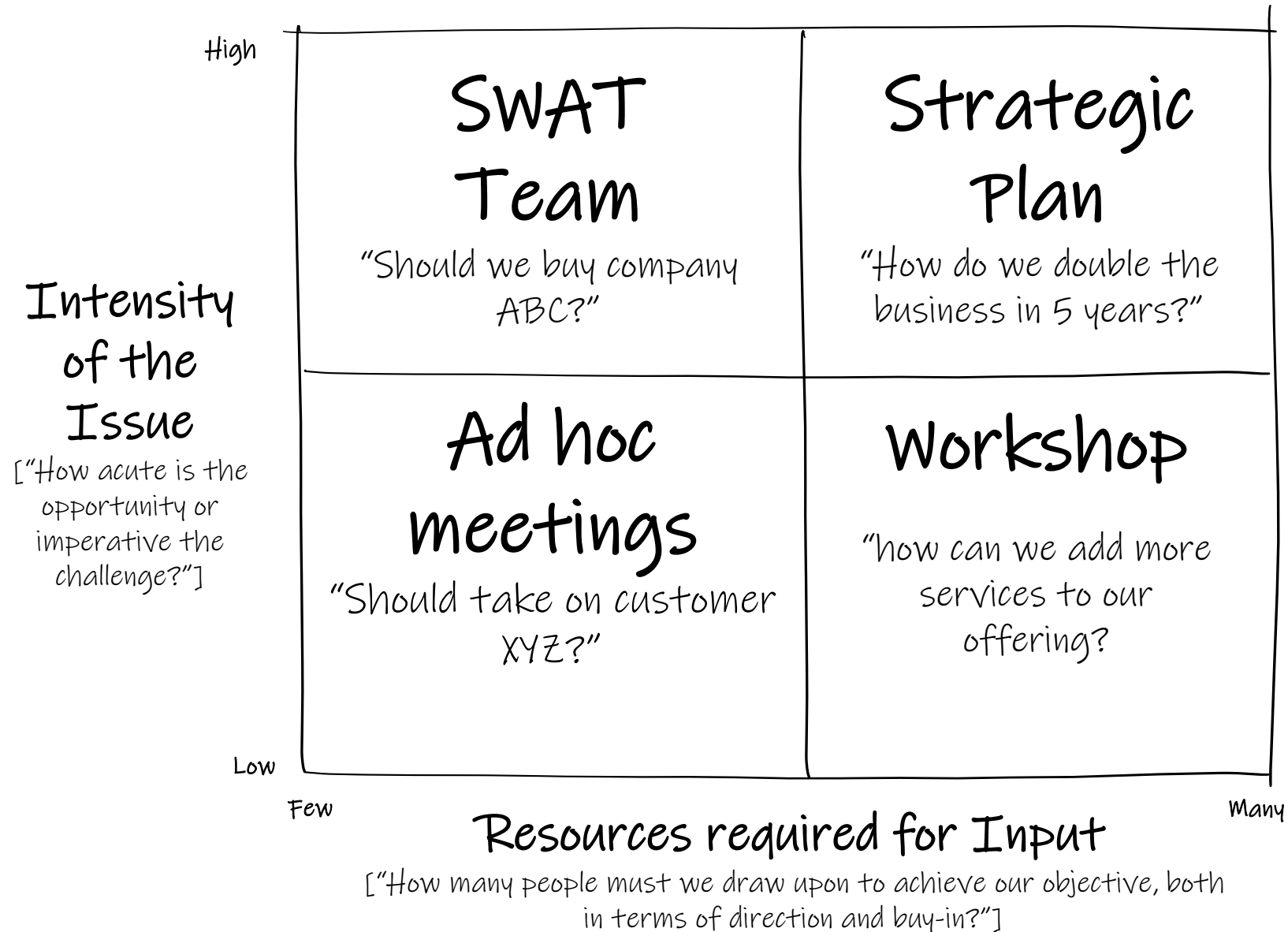
- Forcing decision makers to constrain their top priorities is often the most powerful aspect of strategy development

#4: ISSUES-BASED STRATEGY

- Increases the innovativeness of the company's strategy through tackling wicked problems
- Promotes creative accidents in strategy

**DAY TO DAY
STRATEGY
DEVELOPMENT**

NOT ALL STRATEGIC TOPICS ARE APPROPRIATE FOR STRATEGIC PLANNING





**BEFORE WE MOVE ON,
WHAT QUESTIONS DO YOU
HAVE?**

Agenda

A

- ○ ○ ○
- ○ ○ ○
- ○ ○ ○
- ○ ○ ○
- ○ ○ ○

1. STRATEGY

2. M&A



M&A DEAL MAKERS NEED YOUR HELP



6 out of 10 companies include M&A in their growth strategies, but....

Between 70 -90% of acquisitions fail

On average, fewer than 20% of deals generate the minimum rate of return expected 10 years after close

**THE DEFINITION OF
INSANITY IS DOING
THE SAME THING
OVER AND OVER
AND EXPECTING
DIFFERENT RESULTS**

THE PROGRAMMATIC M&A APPROACH

- **MAXIMIZE RETURNS**

Mission critical expertise that, if done well, maximize deal returns

- **INCREASE SPEED**

Enabling expertise that, if done well, increased deal speed (flow)

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MAXIMIZE RETURNS



Strategy

A

Rationale for the deal is well connected to business strategy

Synergies

B

Key Bets are well understood and individually quantified

Execution

C

Plans are in place and executed to realize key bets



MAXIMIZE RETURNS

Strategy

A

Rationale for the deal is well connected to business strategy



PURPOSE
(why)

Synergies

B

Key Bets are well understood and individually quantified



CHOICES
(what)

Execution

C

Plans are in place and executed to realize key bets

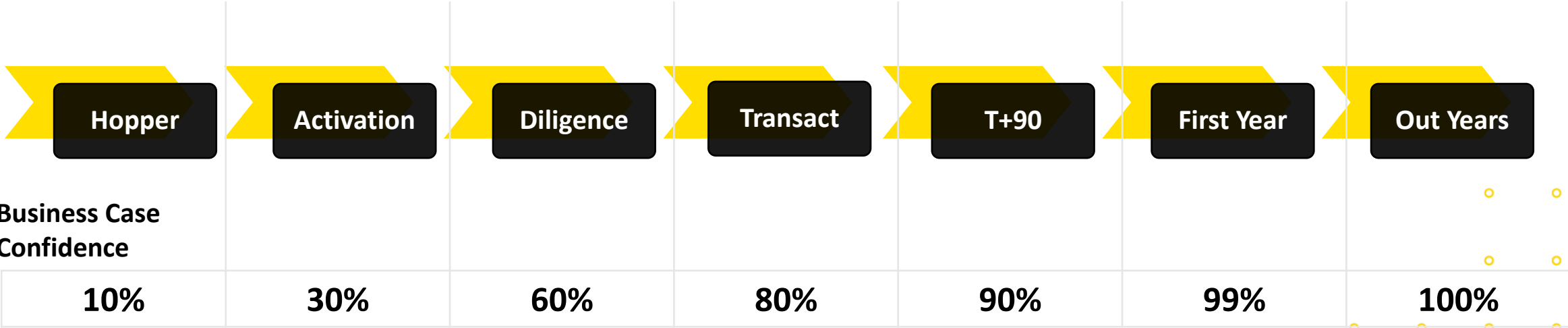


EXECUTION
(how)

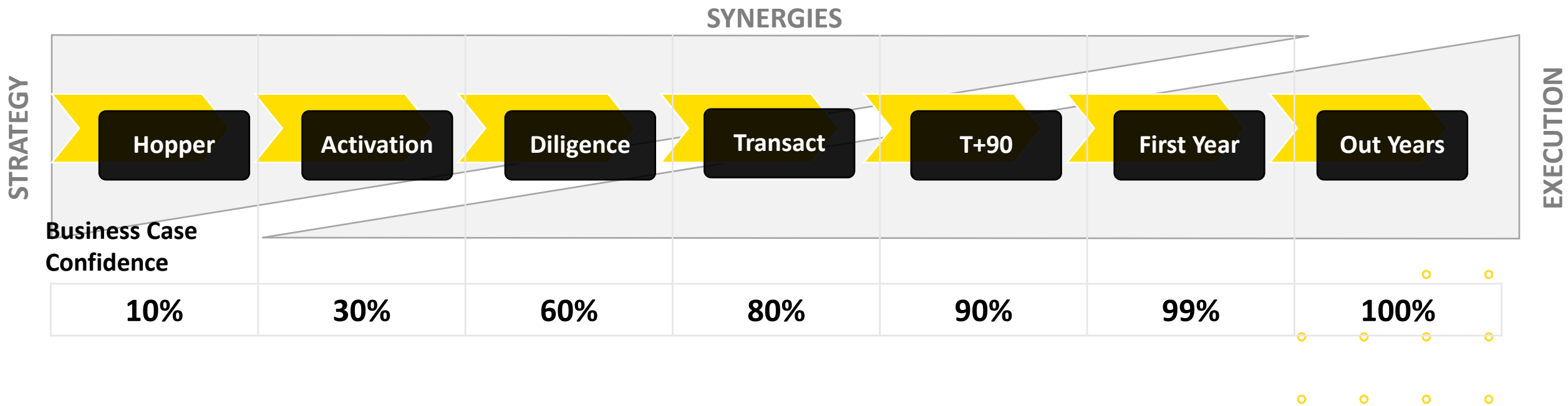
MYTH: THE TRUE INVESTMENT CASE IS FULLY KNOWN BY CLOSING

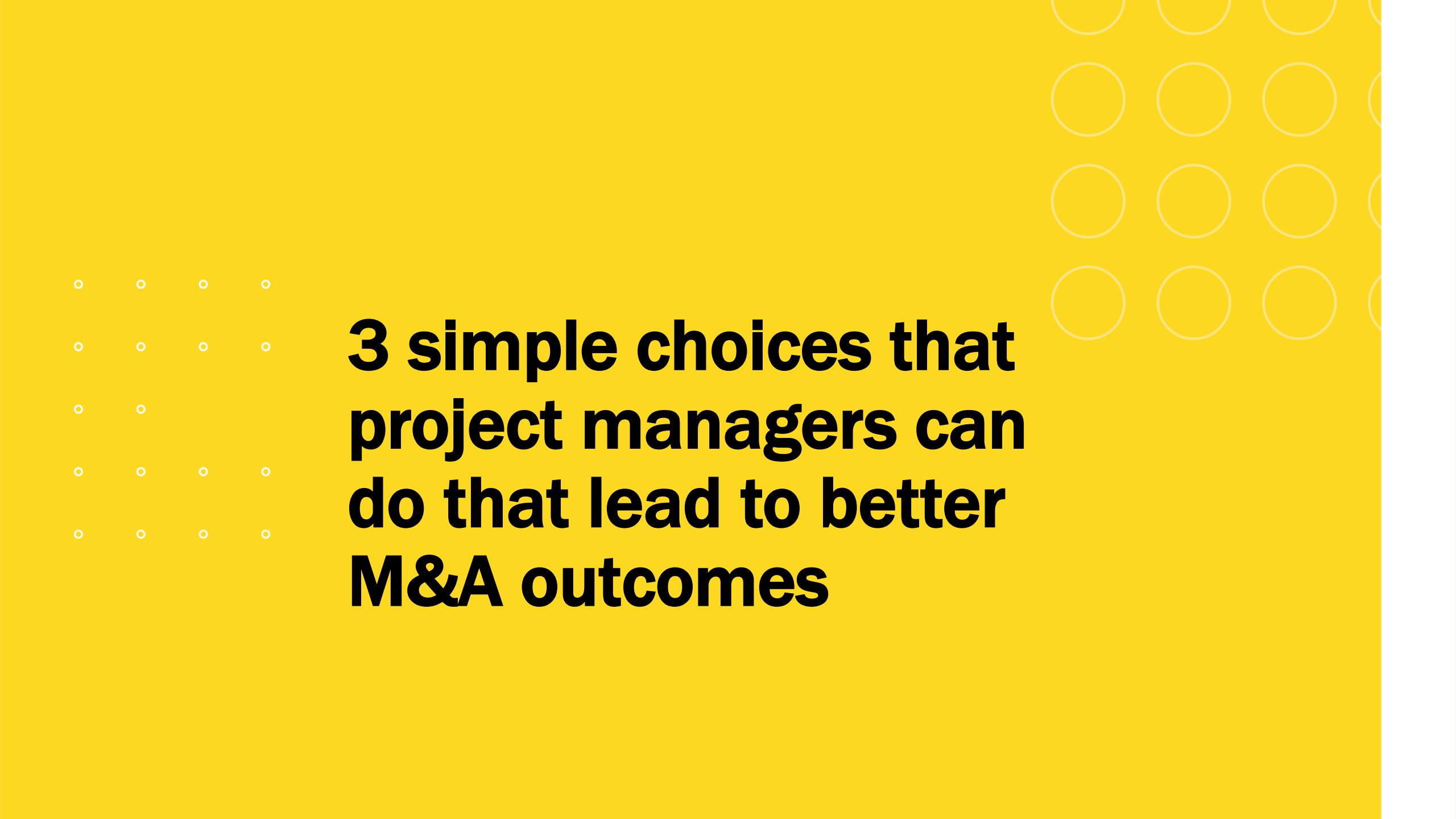


TRUTH: THE INVESTMENT CASE IS STILL BEING BAKED WELL AFTER CLOSE



BUSINESSES THAT ENGAGE THEIR PMO EARLIER IN M&A REALIZE 6 TO 12 POINTS HIGHER IN TOTAL RETURNS





**3 simple choices that
project managers can
do that lead to better
M&A outcomes**

#1. DOCUMENT THE KEY BETS UNDERLYING THE TRANSACTION

- Amazing as it sounds, most involved in M&A deals forget the rationale for the transaction within weeks after a deal closes
- Poorly managed transactions result in integration teams reinventing synergies or driving in completely new directions than originally intended

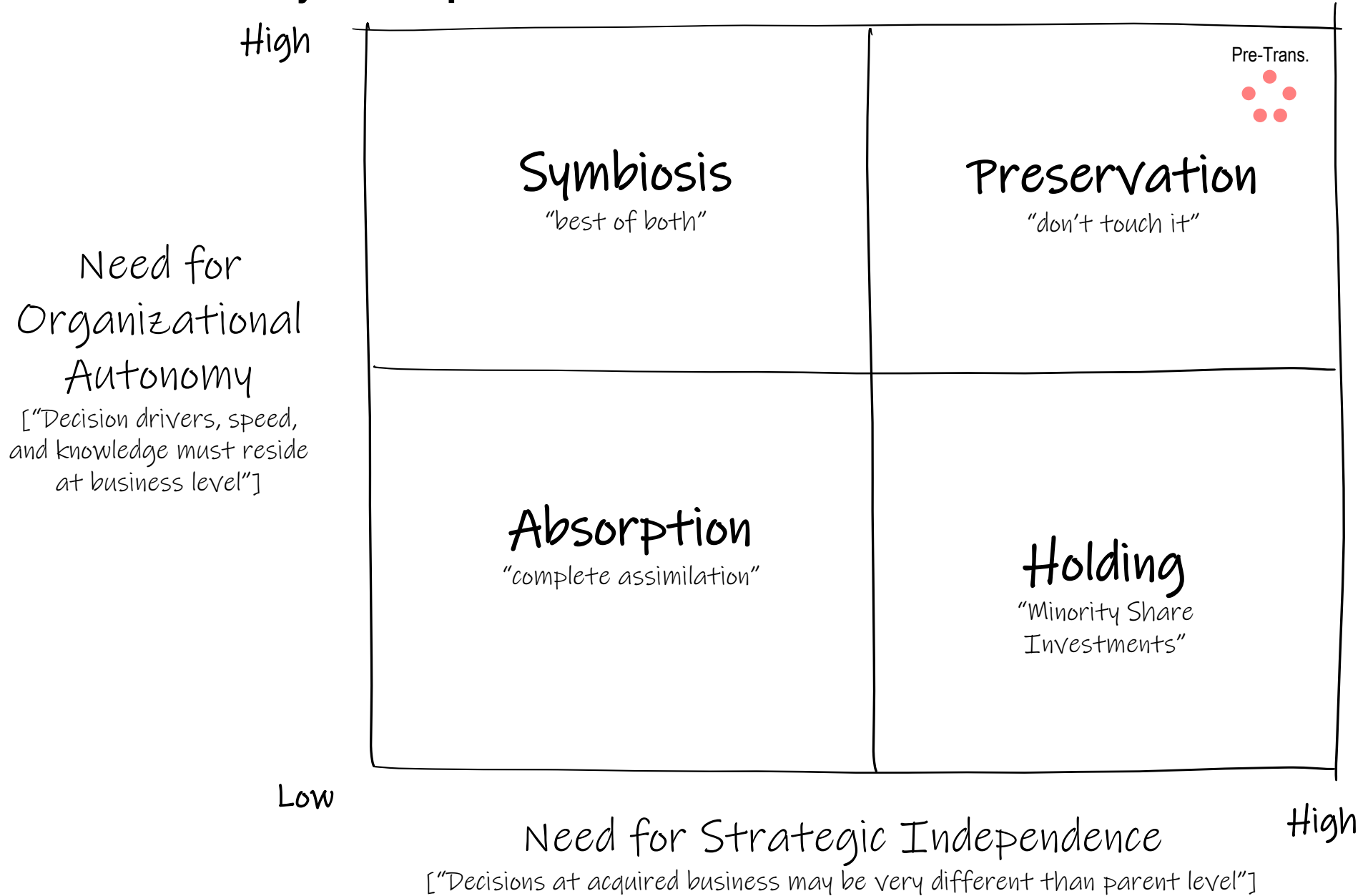
#2. UTILIZE THE SAME INDIVIDUALS WHO WORKED ON THE DEAL IN INTEGRATION

- Despite best effort, not everything that happens in an M&A deal gets well documented.
- Nuanced conversations and strategies continue to play a foundational role after closing

#3. KEEP GOVERNANCE OF THE NEWLY ACQUIRED COMPANY APART FROM THE REST OF THE ORGANIZATION

- Integrating too quickly often obscures the rationale for the deal and severs a connection to the original bets
- Governance processes for approvals, decision steering, budgeting, and resource allocation should circumvent the buyer's traditional processes for potentially years after close

Specifically For project managers, understanding the level of integration is often a necessary first step





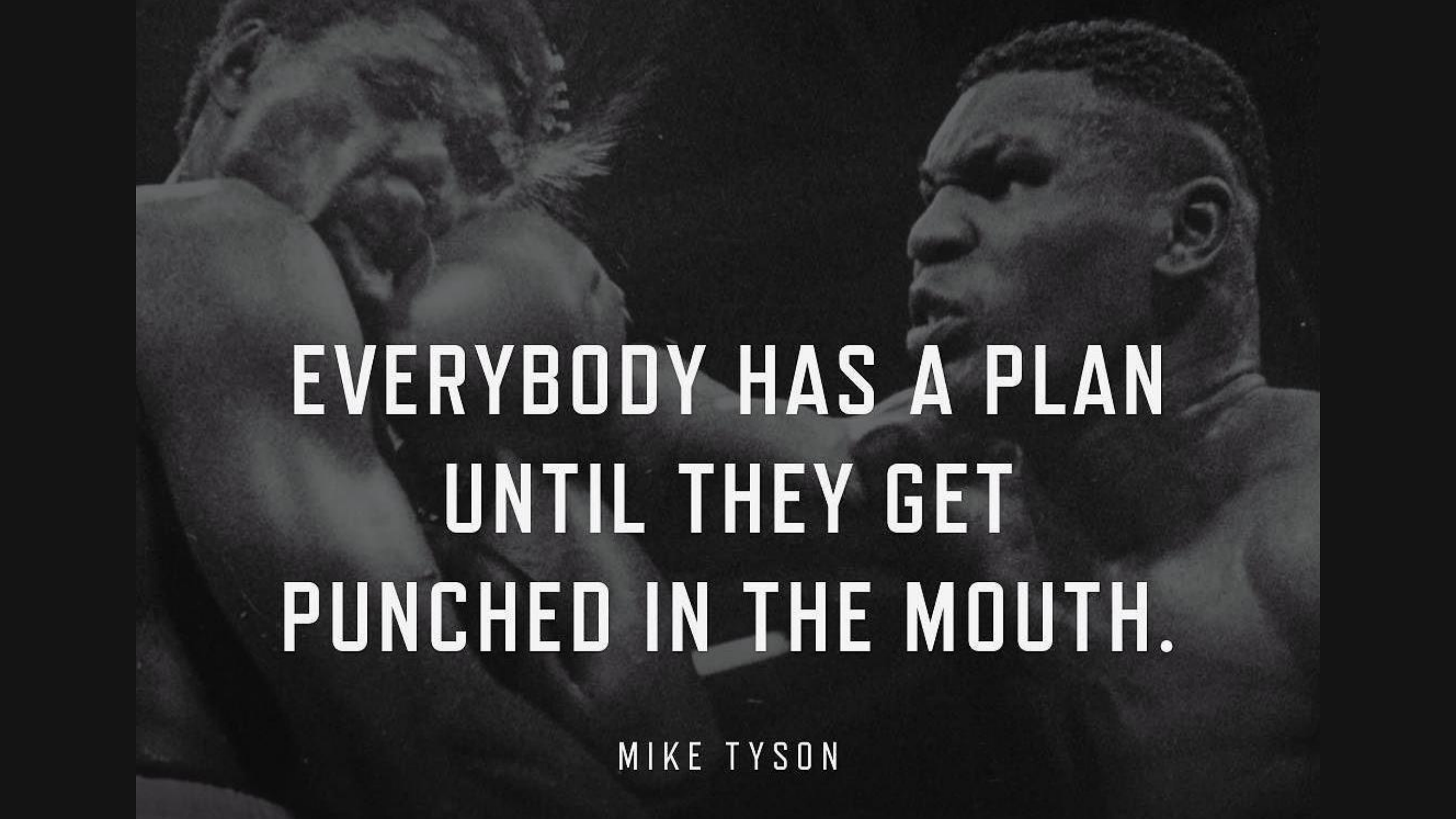
Let's Wrap-Up...



The pictorial battlefield becomes a
sea of mud mercifully veiled by the
fog of war.

— *Winston Churchill* —

AZ QUOTES

A black and white photograph of Mike Tyson in a boxing ring. He is shown from the chest up, wearing boxing gloves and looking towards the left with a determined expression. The background is dark and out of focus, showing other people in the ring.

**EVERYBODY HAS A PLAN
UNTIL THEY GET
PUNCHED IN THE MOUTH.**

MIKE TYSON

**COMPANIES ARE MORE SUCCESSFUL
WHEN PROJECT MANAGERS ARE
CONNECTED TO BUSINESS OR M&A
STRATEGY BECAUSE THEY ARE MORE
LIKELY TO PREVAIL WHEN ENTERING
THE FOG (OR WHEN PUNCHED IN THE
MOUTH)**

PROJECT MANAGEMENT FOR STRATEGY CAN BE SIMPLE

BE THERE
DURING STRATEGY
DEVELOPMENT

BE READY
WHEN THINGS DON'T GO
AS PLANNED

BE A GUIDE
FOR THOSE WHO DON'T
KNOW

QUESTIONS?

