

Key Considerations for Successful Integration



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Executive summary

This Project was undertaken by the authors of this report as part of North West Employers Aspire Strategic HR and OD Business Partner Programme which is delivered in partnership with the CIPD.

In light of the current financial and political drivers for Public Sector organisations to deliver the same or enhanced services with less resources, the integration of different organisations or services, in various forms, is increasingly common. Whilst anecdotal experience enables the assumption of some common success factors, the aim of this project was to see whether the key considerations which would enable an integration to be successful could be identified by undertaking qualitative and quantitative research involving key individuals from organisations who had gone through an integration process, in order to develop a model which could be used as a tool to increase the likelihood of success for other organisations embarking on similar integration projects.

The findings from our research have led us to identify 5 key considerations for successful integration within the public sector. These being: Robust Business Case; Leadership & Governance; Planning; Cultural Alignment; and Communication & Engagement.

Introduction

The current government and the Coalition government which preceded it, have made deficit reduction its number one economic priority. As a consequence of drastically reduced levels of funding across many parts of the public sector, there are a number of reform programmes across the sector, which have a renewed focus on putting people and localities at the heart of decision making and services, and fundamentally challenging perceptions about the role and structure of government. This has been coupled with a significant push by central government for services to look at more collaborative and integrated ways of working.

Many public sector organisations have undertaken transformation programmes as a response to previous efficiency agendas. However, the scale of the government's saving targets means that more radical and innovative solutions will be required if current service levels are to be maintained. The requirement to continue to deliver quality services, coupled with the current and expected restrictions of future funding, mean that collaboration and/or integration can provide good opportunities to deliver 'joined up' shared services to communities and service users as well as to achieve significant benefits and efficiencies.

There are already a growing number of examples of shared management arrangements, shared services, and the shared use of assets with local authority and other public sector

partners (Police, Fire, Ambulance, and NHS). While these are all areas of consolidation we are now seeing some public sector bodies consider all-out mergers, as a response to the scale of savings required and to maximise the opportunities for realising efficiencies (Wilshire and Dorset FRS).

While some precedents exist and practical guidance on successful implementation is available, there is evidence to suggest that reorganisation, restructuring and the proposed integration/merger of services can sometimes result in failure.

This project examined what those tasked with the implementation of integration or mergers perceive the challenges to be as well as the key success factors. This was done through quantitative and qualitative research and a literature review. The project aimed to offer some practical recommendations and insights to help improve the probability of successful integration.

Research Methodology and Scope

A literature review of studies and articles around integration was undertaken by each of the project group members to provide a broad understanding around the key issues of integration and to see what models and perspectives were already available.

It was decided to focus the research on the public sector rather include the private sector otherwise the scope would have been too broad. There may have also been unique political factors in the public sector which needed to be explored fully in order to offer practical recommendations to our fellow public sector colleagues.

It was evident that many different terms were used for the integration of services, for example; a shared service, a collaboration, a merger, a partnership or an integration of services. For the purpose of this report we have used the term integration to collectively describe these different types of integration.

The literature review helped inform the areas that the survey should focus on. These included; scope of the integration, drivers, challenges, dedicated project teams, culture, communication and success factors.

The survey was created using an online tool. It was circulated to contacts nationally from a broad range of public sector organisations and responses were received from local authorities, health, housing associations, fire services plus other organisations. The range of public sector organisations gives some credibility to the survey in terms of common themes

across all public sector organisations. Unfortunately, we did not receive any responses from the police therefore for the purposes of this report and the findings, we are unable to comment on whether the results would be relevant for this particular group.

The survey was flexible in terms of the scope of integrations that respondents could comment on in order to try and capture as much data as possible and understand the types of collaboration and integration which are happening nationally. The survey categorised these into shared services, out-sourcing, in-sourcing and joint premises.

We received 31 responses and this included integrations that had not proceeded or were in progress. Unfortunately there were 19 partial responses to the survey whereby the respondents did not complete the full survey therefore these results have not been included in the data findings.

The survey asked respondents if they would be willing to participate in a short telephone interview to assist the project with understanding the key issues and considerations of their particular integration. The project group identified 14 respondents who they believed would add value to the survey data and contacted them. These respondents were specifically selected by the group from the answers given in their survey responses and ensured a broad range of public sector bodies were contacted as well as those who has been through mandatory and voluntary integrations. Subsequently 7 telephone interviews were conducted with respondents to explore the answers to their survey in more detail. Unfortunately, the 7 other respondents who were contacted were not available to undertake the telephone interview.

The quantitative results were analysed and key themes were identified from respondent's comments about recommendations.

Findings

The results were analysed for trends according to the type of organisation and integration and this revealed little difference in the results according the type of organisation or integration therefore the drivers, challenges and success factors are likely to be similar within any integration regardless of sector or type of integration.

Survey responses were collected from employees working in local authorities, fire, health and housing associations. The respondents were from a variety of roles and levels within their organisations. Respondents were asked to give brief details about the type of integration they were involved in i.e. outsourcing, collaboration and shared premises. There

was no correlation identified between the successfulness of integration and the type of integration undertaken.

Of all the respondents there were six integrations that did not go ahead. The top three reasons for these were cultural difference, lack of political agreement and too many stakeholders involved in the process. They also identified that important factors in achieving success were leadership support and a robust business case.

The survey showed there were 6 mandatory integrations covering local authority / government, health and fire. All of these integrations went ahead. The key drivers for this were improved service delivery, financial savings, political drivers and national agenda. The key challenges faced were different staff terms and conditions, infrastructure and cultural alignment. Interestingly none of the respondent's stated political opposition or union opposition were a challenge. All 6 of these respondents had a dedicated team which were mixed including union representation in 5 cases. This may be why union opposition was not considered to be a key challenge as issues were discussed and agreed at the early stages. Respondents stated that the important factors to achieve successful integration were executive leadership support, communications transparency, and a robust business case which aligns with the thoughts of those who have entered into integration processes voluntarily. Five said cultural alignment was important but didn't highlight this as a challenge or an important factor to success. All respondents had a communications plan in place and stated it was effective.

The top five key challenges faced by respondents were cultural alignment (68%), Different terms and conditions (65%), Different approaches to service delivery (62%), Infrastructure issues (49%) and financial (33%). Interestingly Trade union opposition and political opposition scored only 25% and 10% respectively which may demonstrate that organisations are working closely with their representative and employees.

The following five areas were identified as the key factors for success from both quantitative and qualitative analysis of the survey findings.

The Business Case

Collaboration and integration opportunities are more likely to achieve their stated objectives and deliver anticipated benefits if they have been scoped robustly and planned realistically from the outset and the associated costs, benefits, risks, issues, and resource implications taken into account, and forecasted as accurately as possible. This is likely to need input from

key leadership figures central to the proposed integration as well as key professionals who would be called upon to advise during implementation.

The production of a robust business case provides decision makers, stakeholders and the public with a method of assessing and considering whether the proposal for integration being put forward is the 'right thing' to do from the organisation's and the end user's point of view. It allows for transparent decision making, and should be aligned to the strategic direction and objectives of all of the organisations involved.

A truly effective business case, we would suggest, should seek to engage with the limbic part of the human brain, which is responsible for all human behaviour, including decision-making, and will articulate the 'why' rather than just the 'what' and the 'how', to try and engender greater buy in from decision-makers and stakeholders.

The results of our survey demonstrate that in terms of the factors that would help achieve a successful integration the factor that was ranked second was 'robust business case', thus underlying the perceived importance of the business case to the overall success of the integration programme. Our survey did not ask respondents to explain in detail the structure, content or style of their business cases, nor did it ask who had input into it. This is perhaps an area which could be looked at in more detail and correlated with the success of the integration.

An important consideration within the public sector context is political buy-in from elected Members, as unless an integration is nationally mandated opposition from elected members could present a barrier to success. Within our research issues in relation to Political considerations were not as prominent as we had anticipated, with only 3 respondents saying that political opposition was a key challenge they faced during the integration process. But it is suggested that if the political climate is not considered during the construction of the business case, then it may not be as robust as it could otherwise be.

In their report on collaboration within the Fire Service sector, Grant Thornton (2014) highlight that in order to achieve a successful integration one of the key requirements is 'a compelling strategic rationale' in order to be able to define the vision going forward.

CASE STUDY

One organisation involved in our research gave an example where they and another organisation in a different sector had produced a business case which included integrating the two organisations by combining the main sites of both into a single headquarters building, with the smaller of the two selling off their headquarters for residential development. The costs of remodelling the combined headquarters were broadly equivalent to the income that would be generated by the sale of the land for the smaller organisation mainly due to the re-provision of bespoke training facilities at the combined site. There being no net financial benefit other than the synergies and efficiencies which would be gained from sharing a combined Headquarters. This was approved as part of an initial business case, but subsequently 6 months later this proposal was changed in a later revised business case as it was concluded that although the two organisations would still share office space in the larger Headquarters, it would make more sense to retain the smaller site and leave the bespoke training facilities in situ, which would mean the cost of reconfiguring the combined Headquarters site was largely eliminated and that although there was no income from the sale of the smaller site, the smaller organisation would be able to continue to use its current site for training purposes, and retain it as an asset which could be utilised to exploit different opportunities in the future.

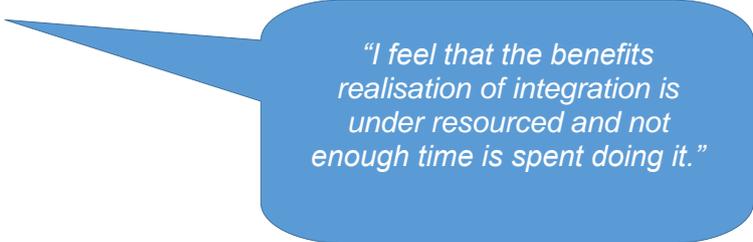
In this case it would appear that the business case that was first put forward was not robust as it could have been, as there were other alternatives which offered greater long term benefits that were ultimately deemed to be more preferable, which evidently had not been explored, or considered during the production of the initial business case. In this example it was also stated that the financial estimates from the original business case to the later one had to be significantly adjusted as early estimates were flawed.

In terms of how this vision is arrived at, the use of Future State Analysis could help to ensure that the leaders within the organisation have sufficient understanding of what the future is likely to hold in order to inform strategic decision making.

“A key task for delivering a successful scheme is to develop a clear, shared vision of the operational, cost and quality improvements that the project will deliver. This vision needs to be captured in quantitative targets.”
Local Authority

“Build flexibility into plans / agreements to enable changes to be made e.g. location, always allow adequate time for staff engagement and ER issues”.

A key element of the business case which should not be overlooked is the identification of Benefits which are to be realised. This is about stating what the success of the integration will look like and how will outcomes including benefits be measured in terms of added value. The stated benefits can be financially quantifiable or intangible but there should be a mechanism by which it is possible to measure whether the benefits stated in the business case have actually been achieved. Within our research some respondents felt that the element of assessing whether an integration has achieved it's stated objectives or outcomes had not had enough time/resources devoted to it.



"I feel that the benefits realisation of integration is under resourced and not enough time is spent doing it."

Leadership and Governance

Our survey did not focus any specific questions around the area of leadership and governance however from speaking with respondents through telephone interviews, it is clear this is an area of importance when dealing with integration. When our respondents were asked to rank a number of factors which they felt were important in terms of achieving a successful integration, executive leadership was the most popular answer. If integration initiatives are to succeed, the organisation's leaders must believe it is the right thing to do and that the organisation should do the right thing. They need to have the foresight and courage to see that doing the right thing is good for the organisation and their moral conviction must be strong enough to convince others to follow. They have an important role to play in ensuring that the management structures and governance processes are in place and the leadership styles of the executive team are conducive to integrating with another service.

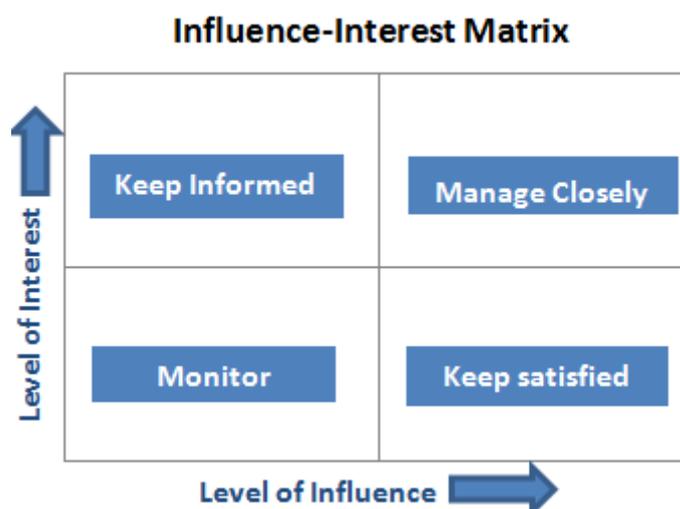


"Have a clear plan and make sure the right people are around the table who can make decisions."
Local Authority

Another area which came through our qualitative research was the necessity to ensure that the right people were around the table at an early stage. These people should have the authority to make decisions on behalf of their organisation or service and should have the necessary skills to manager the integration without causing barriers or delay.

In terms of governance arrangements, the majority of public sector services are governed by elected local members through a board or committee or perhaps even a mayor. Any governing board must act with integrity to ensure local people have the confidence to know that decisions made in their name are high-quality, evidence based and considered openly and accountably and with the unprecedented amount of change in particular around integration, now more than ever, good governance is vital and should seek to support leaders in making the right decisions, reduce the likelihood of things going wrong and protect them when problems do occur. It inspires confidence in the public that decisions are being taken for the right reasons, that the quality of service is protected and that public money is being wisely spent.

Appropriately delegated authority is critical in developing collaboration. Boards should consider whether the wider membership should be consulted at any point. At this point a stakeholder mapping exercise would be beneficial to identify and prioritise the people and organisations with a stake in the integration. Ultimately this exercise will feed into the wider communication plan and help manage and communicate with stakeholders effectively.



“Where it is part of a larger integration, ensure you have membership of the appropriate project board in order to obtain support.”
Local Authority

The board should ensure that an appropriate level of due diligence is carried out. This exercise will bring out all of the information needed to enable the board to make an informed decision about whether or not to proceed. Effective governance should ensure clear lines of accountability at all levels. This supports the development of stable and effective relationships between the board, management, the project group and other stakeholders.

The wider political context, both at a national and a local level, is having an inevitable influence on the collaboration and integration process. Local politics have a strong role to play when public acceptance and buy-in is required to proposed changes to services. The gap between the political and executive leadership of public sector organisations is narrowing and elected politicians see the importance of professional knowledge and experience which comes from public sector leaders. The shift to improve local democracy, for example the introduction of police and crime commissioners or elected mayors may also have an impact of this relationship and moving the public sector forward. There is a balance between what is right for a service and what is right for service users.

“Don’t under estimate the political influences at a local level which drive forward change. Where there is little political agreement, there is unlikely to be a collaboration or integration.”

Fire and Rescue Service

The majority of public sector organisations recognise the role of trade unions in seeking to protect their members’ interests. To bring down staff costs, most public sector services have reviewed terms and conditions of employment and trade unions have had to sign up to some tough deals for their members over the past few years. In a number of cases there has

been some form of industrial action (Fire Service, local authorities, teachers) and whilst most Trade Unions understand that they have no choice but to engage with the discussions around transforming public services, there exists a strongly militant movement in response to Austerity, as perhaps demonstrated by the election of staunchly left wing Jeremy Corbyn as Leader of the Labour Party. 11 of our respondents stated that they had a union presence in their project team when dealing with an integration. This only equates to 36%.

“Ensure political will and desire is in place.”

Planning

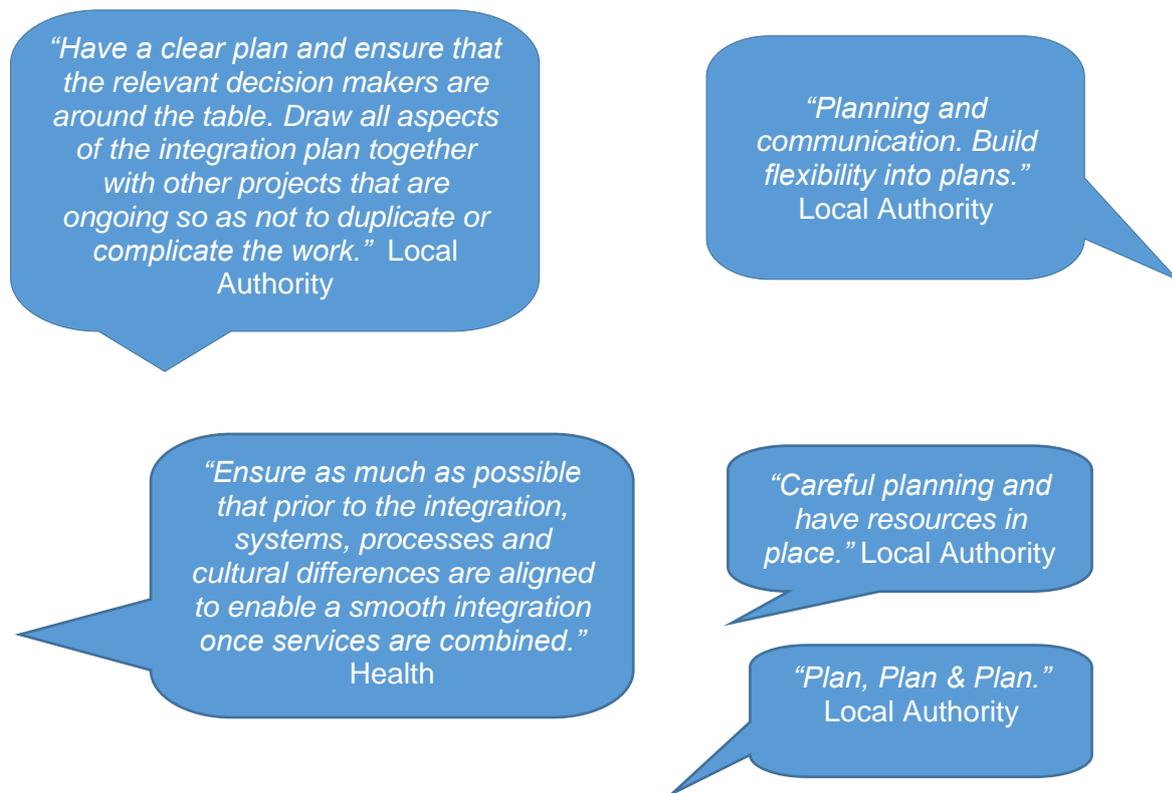
Planning emerged as a theme mainly from the analysis of the qualitative data from the survey and telephone interviews. With the exception of ‘Planning ahead’ being ranked 3rd as one of the areas respondents would focus on the most if managing another integration process, planning did not transpire to be a key factor in the quantitative data. For example, having a formal integration strategy did not appear to have a significant association with whether an integration went ahead, whether it was considered successful or how prepared the services were on the day of integration. For example, the data showed:

- Of those with a formal integration strategy 83% of the integrations went ahead compared with 76% of organisations without a formal integration strategy.

- 61% of those who had a formal integration strategy considered the integration successful compared to 69% of those without a formal integration strategy.
- 78% of those with a formal integration strategy thought that the services were prepared on Day 1 of the integration compared to 62% of those without a formal integration strategy.

On reflection the term 'formal integration strategy' may have been interpreted differently by respondents and may not have been associated with planning.

Planning featured in many respondent's comments regarding recommendations to other organisations to ensure a successful integration, some of these included:



One of the areas explored in the survey, which links very closely to planning, was having a project team. 77% of respondents had a dedicated team to lead on the integration but only 67% of the 77% considered them effective. Over 60% of those with a dedicated team had Senior Management, Representatives from both organisations, HR Representation, Project Managers and Finance representation on their team. Approximately 40% had ICT representation, Union representation, Administration support and a Communication representative. Having a dedicated team however was only ranked as 9th /11 in the most important factors of achieving a successful integration.

75% of those with a dedicated team considered the integration successful compared to 29% of those without a dedicated team. There was no difference between those with and those without a dedicated team in how prepared respondents felt on day one of the integration. These mixed results, in terms of having a dedicated team and the association with success and preparedness, may be as a result of the effectiveness of that team since some respondents placed importance on it in their comments about recommendations;



Planning may also impact on how prepared organisations are in dealing with infrastructure issues which is clearly a key factor with 48% of respondents citing Infrastructure issues (both building and IT) as being a key challenge during the integration. Planning may contribute to overcoming some of these challenges.

Culture

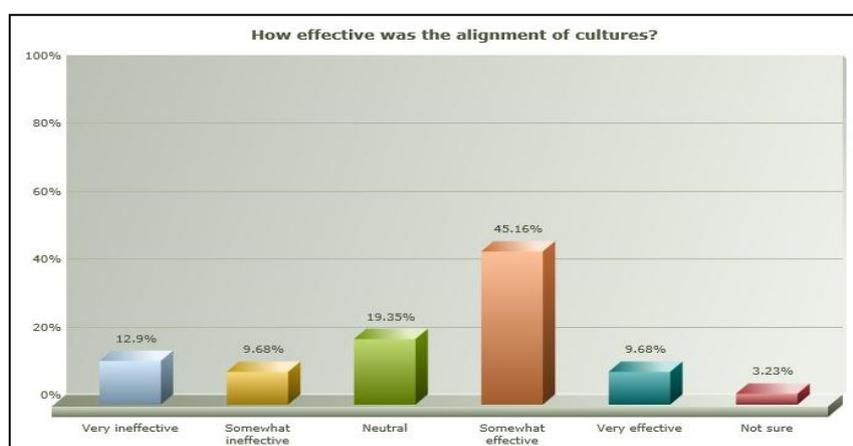
The issue of culture and culture alignment was a common theme across the majority of organisations participating in our research. Public services are trying to achieve a massive change in the way they manage their business, towards integrating their own services by focusing them on service delivery (the customer experience) and collaborating more effectively with other public service providers. This includes fire, police, health, local authorities, housing associations and ambulance services who are all looking for ways to collaborate. All of these public sector bodies have their own distinctive cultures, values and behaviours. Bringing two of these organisations together even where there is a shared purpose can be challenging especially when people are the main driver of organisation performance and service delivery.

Notably in our survey results 90% of respondents commented on the significance of culture alignment in an integration process and through the telephone interviews undertaken it was clear there were a number of different thoughts surrounding what cultural alignment actually meant. The graph below demonstrates that there was a range of perspectives in how

cultural alignment was actually managed throughout the integration process and whilst the largest proportion of respondents said it was somewhat successful this implies that there were still improvements which could have made or the process could have been managed in a better way. Some of the free text comments received also supported this theory with one respondent advising *'as much engagement and learning about cultural differences in advance as this is what can derail you and cause misunderstandings'*.

Interestingly, 65% of respondents stated that cultural alignment was one of the biggest challenges they faced yet the success rate in this specific area seems to be low. As well as this, respondents were asked about the factors that are most important in terms of achieving a successful integration, to rank a number of responses in order of importance. Assessing cultural alignment and fit was ranked eighth which would suggest respondents didn't feel cultural alignment was key to the success of an integration. The highest ranked answers within this category were executive leadership support, robust business case, effective communication and stakeholder involvement all of which have links to alignment of culture in their own way. A number of respondents did say they felt all areas on the list were of equal value in the integration process. A number of the free text comments appear to contradict some of the responses given where people state this should have been given more attention at the start of the process or that cultural alignment is key to success. One respondent stated *'cultural alignment is central to sustaining engagement with employees and ensuring standards of service delivery are not just maintained but continue to strive for excellence'*.

Looking at the quantitative data along with the comments appears to suggest that respondents did see cultural alignment as being an important factor in the integration, however other factors have taken priority during the process and it has often been more of an afterthought once the main governance arrangements have been agreed. Whilst the data does not prove lack of understanding in this area, there appears to be a recurrent theme of culture being more of an afterthought than at the forefront of peoples mind from the start of the integration process.



Whatever the thoughts around cultural alignment are, the reality is that culture is a business issue that has significant impact on an organisation's performance and should be prioritised and measured just like any other business objective. Culture is often referred to as the identity and personality of an organisation and is dynamic, ever-changing, and evolves with time and new experiences. Many factors help drive and define the culture, including leadership styles, policies and procedures, language, hierarchy, as well as the overall demographics and workspace. Culture exists in every organisation, whether it is by design or by default and may be one of its strongest assets or it can be its biggest liability. The culture will either drive or impede the success of a collaboration.

Culture has a tangible impact on employee engagement. Employee engagement is a measure of an employee's commitment to his or her job, team, manager and organisation, which



“Cultural alignment is central to sustaining engagement with employees and ensuring standards of service delivery are not just maintained but continue to strive for excellence.”

results in increased discretionary effort or willingness to go “above and beyond” normal job responsibilities. This level of commitment is critical in the success of early stage integrations or collaborations to ensure performance standards remain consistent or improve as a result.

Our literature review identified that organisational culture issues are responsible for a significant amount of failures in integrations. Most due diligence activities appear to have focused on aligning the technical, operational, and financial systems of the combining organisations or services. Reconciling these processes is undoubtedly imperative for successful integration, but considerably more attention and resources need to be devoted to managing the cultural differences between the new partners.

CASE STUDY

The Scottish Fire and Rescue has been undertaking a cultural change process for the last few years. The creation of the new Scottish Fire and Rescue Service was announced in 2012 under the Police and Fire Reform (Scotland) Act. In 2013. This was a mandatory merger enforced by the Scottish government and legislation. The impact of this was that 8 separate fire and rescue services would be merged into one large service and renamed 'The Scottish Fire and Rescue Service'.

Whilst culture may have been thought about before the integration happened, it wasn't seen as a priority or an issue which would prevent the integration from going ahead. Once the service had been established and the senior team was in place they quickly recognised this as a potential issue and got on board with instigating the work to look at the culture and establish what needed to be done and what role they played in the process.

The HR team were tasked with carrying out a cultural audit and developing a new SFRS values framework. They felt a new culture was needed to support the new branding of the service as the Scottish FRS. The People and OD Manager told us: "Visible leadership is important for any organisation embarking on cultural development initiatives which aim to increase employee engagement and enhance organisational performance. Senior managers have a clear role in championing this agenda, leading by example and ensuring that the decisions that the organisation make to support and reinforce associated constructive behavioural norms and expectations."

Findings from the cultural audit have been used to develop a cultural audit action plan which is ongoing. The new values were launched in May 2015 and were received well by employees. They realise that this isn't going to be a quick process and the outcomes of the desired culture are unlikely to be seen for years. However the action plan means they can keep on top of what they are trying to achieve.

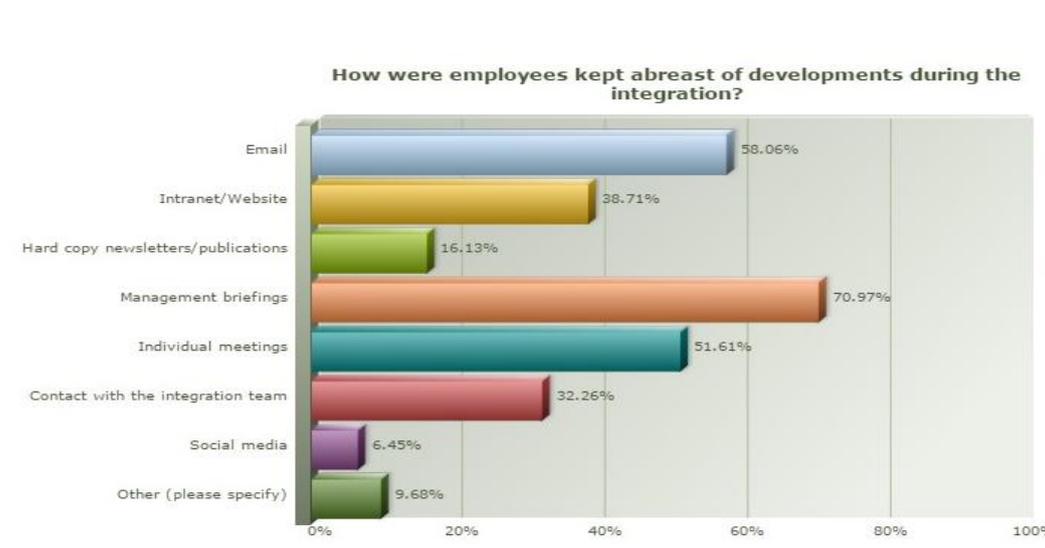
Communications

Throughout the survey, communication and engagement came up as a key factor to ensuring a successful integration. It was ranked the 4th most important factor out of 11 by respondents as part of ensuring a successful integration. Of the 31 respondents, 21 (68%) said that they had a communications plan in place and 18 of the 21 (85%) said that it was effective. 15 (71%) of the organisations who implemented a communications plan responded to say they found that the integration was successful, in comparison, only 3 (30%) of the organisations who didn't implement a communications plan reported that the

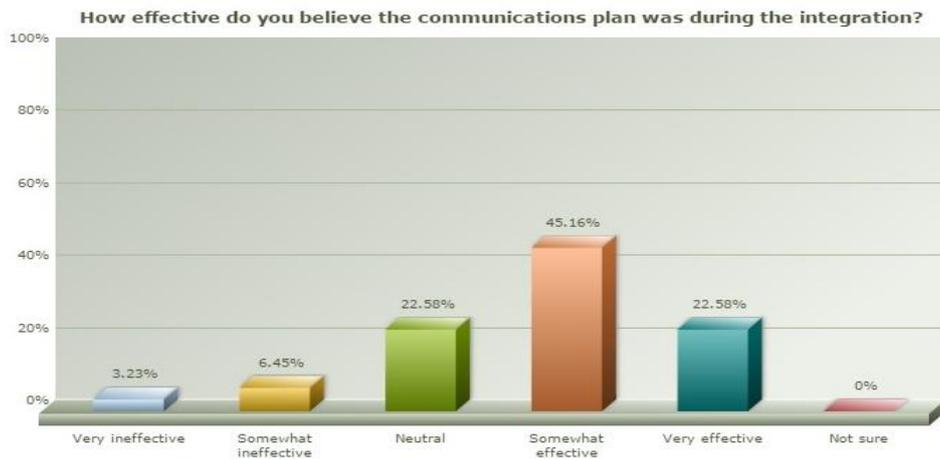
communications were effective, and only 5 of the organisations without a communication plan (50%) said that the integration was deemed a success.

Only 9 of the 31 respondents (29%) said that there was a communications lead on the dedicated project team. 8 of these 9 (89%) said they found the communications were effective and all of the organisations who said they had a communications representative on the project board said they felt the integration was successful. 68% of respondents felt that the communications plan was effective during the integration. When respondents were asked which areas they would focus on if they were to manage another integration, communication with employees was ranked top of the list. As advice for the future to other organisations, many respondents advised having a communications strategy, be clear and transparent about business objectives, and ensure communication takes place both internally and externally.

There was a number of mechanisms noted from the survey that organisations used to communicate with staff as demonstrated in the graph below.



The communication methods used to first advise staff of the integration was briefings from senior managers (68%), email communication (19%) and intranet information (19%). In order to keep employees informed of the progress of the integration, the top 3 methods used were management briefings, individual meetings and email. Using the intranet and email to communicate with staff during the course of the integration suggests that there needs to be a clear understanding of when you are seeking employees views on the proposals, when meetings are best placed to address this, and when you are 'telling' staff where the integration is up to but not seeking their opinion, in which case email and intranet seems an appropriate method to update staff.



Consulting with service users came up as the 5th most important factor in ensuring an effective integration. Communication, engagement and listening to staff also came up as the top 3 ways in which cultural alignment was addressed.

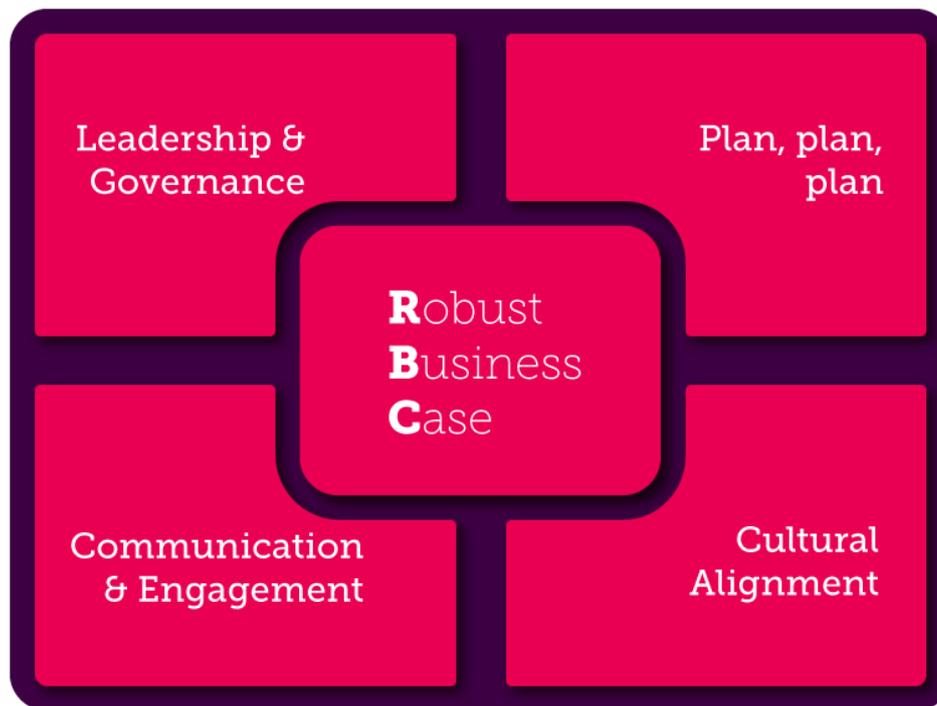
When Manchester City Council integrated their community assessment teams with health, they identified a number of work streams to support the implementation of the integration. One of the work streams focussed on communication, and was not led by a member of the communications team, but instead led and implemented by service managers and other colleagues. A formal communications plan was developed as part of the integration and it was noted that this helped in addressing the alignment of cultures.

The HR Business Partner in the local authority said 'make sure you involve frontline staff in the development of the new models for delivery as they understand how integration will work on the ground'. They felt that the communications plan was very effective and they felt prepared for the integration. Their view however was that there needs to be a dedicated project team as it can't be done as an 'add on' to staff's day to day role.

As part of the integration between Manchester City Council and health, it was noted that communications and engagement were not just an isolated activity to be undertaken prior to integration. It was recognised that to ensure the integration was a success, there needed to be a continued visibility of opportunities for staff to influence and develop the model. Both organisations arranged for staff in scope for the integration to attend an induction day. This was aimed at asking staff to reflect on how they can be developed for the future, as well as how to feel part of the new team. Follow up sessions are also delivered to staff to provide an opportunity to identify any further learnings for service delivery needs, and to ask staff what else they feel they need during the integration journey.

Summary and Recommendations

The findings of the survey and the identification of five key considerations led to the development of the following model of key considerations for successful integration. Given that the type of integration or organisation did not appear to affect the results, the model can be applied to different types of integration and different public sector organisations. At the centre of the model and key to success is a Robust Business Case.



Robust Business Case

From the research undertaken it was clear from respondents that there was a high level of importance placed on having a robust business case in place.

It is therefore suggested that simply having a business case is not enough, but that the business case needs to be robust enough to stand up to challenge from Leaders and key stakeholders, both internal and external. If the business case is not robust enough then any flaws will be focussed on and the success of the integration may be put in jeopardy.

The Business Case will need to be aligned to the key strategic objectives of the participating organisations or it won't make business sense to be a part of the integration.

Fundamentally the business case which outlines the proposed integration will need to make a compelling case for change in order to achieve the required buy in. It needs to address the 'why' as well as the 'how' and 'what'. If it fails to do this, then there may not be sufficient traction to move ahead with the project.

In addition, further on in the project lifecycle issues may be identified which, if they have not been adequately considered when the business case was formulated could derail the progress made up to that point.

The benefits and objectives of the integration should be clear and be able to be measured in order to evaluate the success of the project.

Leadership and Governance

If integration initiatives are to succeed, the business leaders must believe it is the right thing to do and that business should do the right thing. They need to have the foresight and courage to see that doing the right thing is good for business and their moral conviction must be strong enough to convince others to follow. Having a strong leader at the head of the integration project will assist in gaining buy in from teams and drive forward the project always keeping the end point in mind.

Local politics have a strong role to play when public acceptance and buy-in is required to proposed changes to services. The shift to improve local democracy, for example the introduction of police and crime commissioners or elected mayors may also have an impact of this relationship and moving the public sector forward. There is a balance between what is right for a service and what is right for service users. Whilst our survey responses did not highlight this as a key challenge, political arrangements and sovereignty must be considered carefully before integration plans go ahead. As one respondent advised us, don't underestimate the political influences at a local level which drive forward change. Where there is little political agreement, there is unlikely to be a collaboration or integration

Any governing board must act with integrity to ensure local people have the confidence to know that decisions made in their name are high-quality, evidence based and considered openly and accountably. It inspires confidence in the public that decisions are being taken for the right reasons, that the quality of service is protected and that public money is being wisely spent. The board should ensure clarity about the level of its delegation and make it clear how often the project team needs to report back to it.

It is vitally important to get the right people around the table at an early stage. These people should have the authority to make decisions on behalf of their business or service and should have the necessary skills to manage the integration without causing barriers or delay. They should be clear on the vision and purpose of what the group are trying to achieve and be solutions focussed in terms of their approach.

Plan, Plan, Plan

With a robust business case in place as well as leadership support and governance arrangements, it is essential that the integration is further supported by an operational implementation plan.

In the same way for Leadership and Governance, effective planning requires the right people around the table and the results largely supported the formation of a dedicated project team whose focus is on planning and implementing the integration. The team need to identify the challenges, risks, opportunities and resources required for the integration and to support this process consideration should be given to having representatives from key areas, stakeholder mapping may help inform this. Representatives from Finance, ICT, HR, Communications and Estates may be involved. In addition to this, specific skill sets may be required such as project managers backed up with administration support. It may be that each member does not need to be a full time member of the team. There also needs to be representatives from each of the organisations integrating and, as one respondent emphasised, a balance in the membership between those directly affected by the integration and those who are not.

Several respondents advised that the integration should be the sole focus of the team so that adequate resources are allocated to the project. The extent to which each member is involved in the project would depend on the scale and timescale for the integration and the input required from the team member.

Consideration also needs to be given to who has the appropriate experience, skills and behaviours to work in team. Accountability and responsibility needs to be clear, removing any duplication of effort and also ensuring that key areas are not missed.

When planning the integration, timescales need to be realistic with clear and achievable milestones. In some cases, timescales may be determined by external factors or determined at the beginning before detailed consideration of the implementation requirements, in these cases, the project team need to be realistic about what can be achieved prior to integration and what can be worked on afterwards.

The implementation plan should be supported by regular reporting and monitoring arrangements to ensure that key milestones and deliverables are being met.

Cultural Alignment

The first step in managing the human aspects of an integration requires undertaking a cultural audit in order to develop an understanding of each organisation's culture and how the combining of cultures may affect the success of the integration. Cultural audits help to determine the extent to which an organisation's current culture aligns with the type of culture required for success in the future integration. When done properly, information from a cultural audit will highlight similarities, as well as significant differences, between the cultures in question. Cultural disparities, even those that are significant, do not necessarily jeopardise the integration. It is imperative that those involved in integration discussions have reliable information at their disposal regarding cultural similarities and differences so they can make informed decisions on how to best combine the cultures. In some instances, cultural differences may be too intransigent to bridge. However, with information derived from a cultural audit, decision-makers can systematically address potential hazards and take the necessary steps to overcome them before they severely impede the transition.

Once the cultural audit has been undertaken, both organisations need to decide if they feel the culture can be merged. If this is the case, it is important to try and retain the best practices, policies and systems of the two cultures, identify similarities or differences and identify where there is common ground. Merging systems and policies is one of the best ways to demonstrate to the employees that this is an integration and not a hostile takeover. Also it's important to involve employees in the process by creating cross-functional post-integration teams that consist of employees from both organisations. This strategy not only gives the employees some ownership of the process, but it will help the two cultures begin to figure out how to work with each other. By engaging them in the discussions regarding what to keep and what to eliminate, employees will see and understand that there may be better processes and therefore are more likely to buy into the hybrid culture.

At an early point in the integration process following the audit, those leading the integration may clearly feel that a fresh new organisational culture must be created. The new organisation must have its own set of values and own identity. This will be a crucial element in the integration's ultimate success. A key task for the integration project teams will be to develop a new organisation culture, with the involvement of others who would be part of the organisation. The senior team should create a detailed picture of the future culture which moves beyond vision and values statements, and that is concrete enough to be executed by managers.

Whether it's a hybrid culture or a newly formed culture, it is important to develop an action plan in order to identify any gaps, highlight any significant issues and detail what action needs to be taken to try and develop the new desired culture. A plan will assist integrating organisations to benchmark a starting point as well as progress made in changing the culture.

Communication and Engagement

A communications plan is a formal approach to providing the relevant people with information about the integration process. The plan should formally define who should be given specific information, when that information should be delivered and what method of communication will be used to deliver the information. Employees usually are already aware that an integration is underway. This may be from direct or indirect information therefore it's imperative that a clear, concise and transparent message is delivered to all employees in a timely manner. If employees feel that management is keeping something from them, they will understandably feel anxious. This is why it is important to begin communication early even if you don't have all the information in place.

It is also imperative that leaders communicate as frequently as possible before, during and after the integration. An effective communications management plan anticipates what information will need to be communicated to specific people and at what time. The plan should also address who has the authority to communicate confidential or sensitive information and how information should be disseminated (email, web sites, printed reports, and/or presentations) depending upon the organisational culture.

Communication should not stop on day 1 of the integration. The success of an integration is reliant on staff engagement and motivation. It is a recurring theme that staff feel more engaged and motivated if they feel valued. Offering staff the opportunity to comment on proposals allows you to take into account the real examples of how staff see the benefit and challenge of the integration, as well as embedding positive values in advance of the integration. The integration should continue to evolve and monitor good practice and change as needed, because of this, continual communication and engagement with staff will allow a more positive and open culture.

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