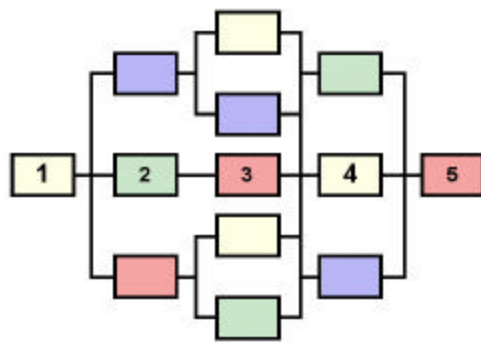


The Madison Methodology



By: Nancy Orland

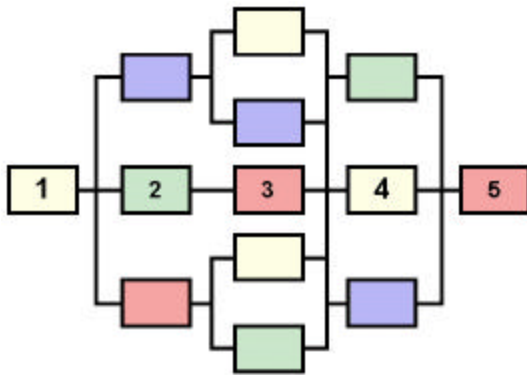
The Madison Methodology: An Introduction

Clients often cite “**complexity of a situation or problem**” as their main reason for using consulting services. While they recognize the correct business solution when it is presented to them, **their main problem is resources** – not enough of them, or the incorrect ones to unravel the complex issues at hand. At Madison, we’ve found most consulting assignments happen because clients don’t have the resources to find answers that are hidden by the complexity of their own organization.

- **Maybe** the answers are diffused across several people or departments and not easily brought into focus.
- **Perhaps** the right data hasn’t been assembled, forcing the client to deal with anecdotal evidence.
- **Or** – the answer may lie with the client’s customers and require a different analytical framework.

Without the framework, our clients are trapped into defining solutions in terms of what is, rather than what should be. Our method helps clients overcome complexity and create the focus and perspective that is needed to find the correct answers.

The Madison Methodology: Five Structured Phases

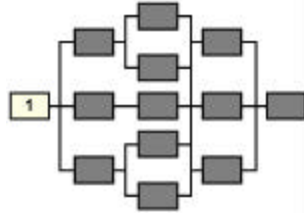


The Madison Methodology has **five phases**. Each phase is broken into sub-phases as short as hours or as long as weeks. All phases must be completed in order to answer the issues faced by our client.

Phase 1	Context positions the subject matter into the appropriate business context.
Phase 2	Thematics establishes themes, business patterns and critical dynamics.
Phase 3	Issues identifies the client's objectives and the specific issues, problems or opportunities that must be addressed.
Phase 4	Solution Identification develops possible solutions and measures the benefits, risks, costs, difficulties and time horizons for each.
Phase 5	Strategy Selection and Implementation Plan considers viable options and selects a risk/value weighted strategy that results in a decision package for clients.



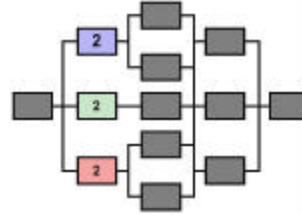
Phase 1: Context



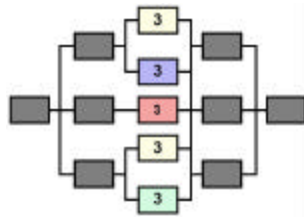
Logical analyses require objective context. In this phase, we frame the subject matter in its proper business context. Market, product line, risk profile....whatever is most appropriate to our client's business and organizational needs.

Phase 2: Thematics

Thematics establishes relevant patterns, critical dynamics, and a business model. Driving market forces are defined, and the subject matter we've established in the context phase is broken down into discrete segments. Overlapping themes are separated and viewed in isolation, reducing the complexity to manageability.



Phase 3: Issues

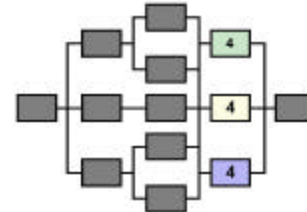


Issues define the Client's objectives, problems and opportunities - the place where alternative methodologies usually begin. Because we've already defined context and themes, Madison helps the Client establish an optimal solution framework rather than erroneous "solutions in search of a problem".

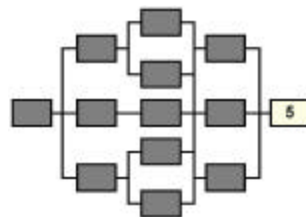
At this point in an assignment, potential solutions that address the true nature of the problem at hand begin to emerge.

Phase 4: Solution Identification

Most business problems present multiple solutions. Risk, cost, difficulty, time frames.....all must be weighed carefully, particularly when they define short vs. long term solutions. To help clients choose their optimal solution, the model developed in the Thematics phase is used to test desirable courses of action.



Phase 5: Strategy Selection & Implementation Planning



The last phase of each assignment considers the options identified in Phase 4 and chooses a weighted strategy that balances risks, benefits, costs and difficulty. Once a course of action is chosen, an optimal implementation plan that encompasses short and long-term requirements is developed.

The result: a decision package for management.

Depending on the nature of the assignment and the client's resources, our participation might then proceed to an implementation phase. Regardless of our further involvement, the clients' managers have been part of the strategy development process, making the probability of successful implementation much higher than if the recommendation had come from an isolated third party.

Iteration: Once Around, Then Again

Disappointing results happen when consultants and clients deal with **symptoms**, not the underlying **problems**. Madison's multi-pass, iterative methodology re-tests assumptions and conclusions in order to prevent **effects** from being mistaken for **causes**. To avoid this misdirection, Madison assignments cycle through each methodology phase twice.



- **The first pass puts the subject matter in perspective.** It ensures that the assignment is positioned correctly. It determines which parts of the study have the greatest leverage. When the first pass through the phase is done, the client can often see opportunities for immediate, actionable change.



- **Second and subsequent passes test assumptions made during the first pass.** Opportunities are explored in greater detail. Specific information is developed to support conclusions. Implementation plans are tested for logic and practicality.

Another benefit of the iterative approach: decision-makers participate in the process more frequently and with **greater understanding of important details**.

Group Interaction: Nothing Happens In A Vacuum

When a potential client refers to “The X Strategy” or “The X Study” where X is the name of a well-known consulting firm, the “outcome” is X’s, not the client’s. Under the Madison Methodology, **both strategy and solution are determined and owned by the client** and become known as “The [ClientName] Strategy” or “The [ClientName] Study”.

We accomplish this by conducting our assignments via joint teams in which the consultant is a catalyst, sounding-board, working participant and objective observer. The strategy and the solution are the Client’s, not Madison’s. Not coincidentally, joint teams **cost much less** than teams made up only of consultants. We have found that they almost always succeed.

At Madison, we take the following approach:

- **Assignments are undertaken for decision-makers who are empowered to choose and implement a solution.** Theoretical, overly-ambitious or indirect assignments rarely survive to an implementation stage.
- **Client managers and Madison consultants comprise the assignment team.** When consultants leave, the client must understand the reasons for a solution, the alternatives that were considered, and why a particular conclusion and implementation plan was chosen for the client.
- **Each phase of the assignment concludes with a formal working session with the decision-maker(s).** In an off-site environment, the decision-maker accepts the analysis or recommendation and adopts it as his or her own.

