An executive summary for managers and executive readers can be found at the end of this article

Lessons from Accenture's 3Rs: rebranding, restructuring and repositioning

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Keywords *Rebranding, Organizational restructuring Corporate branding, Consultants*

Abstract *This article analyzes Accenture's reincarnation by pinpointing the main lessons that might be emulated by other companies contemplating going down the three-pronged road to rebranding, restructuring and repositioning. Its objectives are three-fold. First, it traces the company's heritage and highlights that it pioneered the splitting of consulting from accounting activities. Second, it discusses the three pillars of Accenture's transformation involving rebranding, restructuring and repositioning campaigns. Finally, it recognizes Accenture's two leaders who transformed this company from merely good to truly great in a relatively short time.*

Introduction

Accenture is the world's leading provider of management and technology consulting services and solutions. Accenture's consultants are talented, well trained professionals (*Management Today*, 2001; Henkoff, 1993). They serve 86 of the *Fortune* Global 100 and more than half of the *Fortune* Global 500. The top ten clients are retained for an average of 20 years thereby generating approximately $125 million apiece in annual billings (Adiga *et al.*, 2002).

Global colossus

Accenture is a global colossus employing approximately 75,000 professionals spread across 110 offices in 47 countries. It garners more than $10 billion in annual revenue from its global clients. In fiscal year 2000, approximately 50 percent of its revenue was generated from the Americas, 38 percent in Europe, the Middle East, Africa and India, and 8 percent in the Asia/Pacific region.

This article analyzes the reincarnation of the global consulting giant by pinpointing the main lessons that might be emulated by other companies contemplating going down the three-pronged road to rebranding, restructuring and repositioning. Its objectives are three-fold. First, it traces the company's heritage and highlights that it pioneered the splitting of consulting from accounting activities. Second, it discusses the three pillars of Accenture's transformation involving rebranding, restructuring and repositioning campaigns. Finally, it recognizes Accenture's two leaders who transformed this company from merely good to truly great in a relatively short time.

The author would like to thank the anonymous reviewers for their constructive comments.

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http://www.emeraldinsight.com/1061-0421.htm

Overview: a pioneer in splitting consulting from accounting

This section traces the company's roots from its inception to its meteoric rise. In 1913, Arthur Andersen teamed up with fellow accountant Clarence Delany to establish the public accounting firm Andersen, Delany & Co. When Delany departed in 1918, the firm was rebranded Arthur Andersen & Co. In the 1950s, Arthur Andersen dabbled in management consulting by offering to advise his clients how to run their businesses more efficiently. The company was commissioned to program and install the world's first business computer in 1954 to enhance the payroll system of General Electric's appliance division. The consulting practice grew rapidly over the years to account for a greater share of the company's total business (Spacek, 1989).

World-wide basis

The consulting business had become so lucrative in the 1980s that the consultants decided they should separate from the accountants (*The Economist*, 1991). Thus, Arthur Andersen and Andersen Consulting were split in September 1989 into two independent business units. Both firms were to operate under the auspices of the Swiss "umbrella" organization Andersen Worldwide Société Cooperative (AWSC), whose role was to coordinate on a worldwide basis the professional practices and resources of the two firms.

By the mid-1990s, Andersen Consulting was so successful that it quickly outgrew its older sibling, Arthur Andersen. Its revenue rocketed from about $5 billion in 1996 to more than $10 billion in 2000. Its astounding success led to sibling rivalry that subsequently erupted in an all-out family feud.

Additionally, the Securities and Exchange Commission was concerned that the integrity of audits might be compromised by two-headed accounting-consulting behemoths (Frankel, 2000). Mr George Shaheen, then managing partner and CEO of Andersen Consulting, led the fight to split the consulting firm from Arthur Andersen. He insisted that the consulting powerhouse had outgrown its roots and was handicapped by its sibling.

Arbitration

While Andersen Consulting pushed to split up, the two siblings could not agree to terms (Nanda and Landry, 2000). The two sides were locked in a nasty divorce that had to be resolved via arbitration. In December 1997, the consulting giant sought arbitration with the International Court of Arbitration against Arthur Andersen and AWSC charging that both had breached or failed to perform material obligations to Andersen Consulting. More specifically, Andersen Consulting charged that the agreement was breached when Arthur Andersen established a consulting division in direct competition with Andersen Consulting. Arthur Andersen countered by demanding slightly more than $14 billion as severance payments. This set in motion what turned out to be the largest commercial arbitration in history (Ostrager *et al*., 1999).

On August 7, 2000, after a two-and-a-half-year battle, an international arbitrator, appointed by the International Chamber of Commerce, ruled in favor of Andersen Consulting (Stanley, 2000). Accordingly, Andersen Consulting was formally separated from the Andersen Worldwide organization. Additionally, Andersen Consulting was excused from any further financial obligations to Andersen Worldwide and Arthur Andersen. However, Arthur Andersen was entitled to keep the 30-months-worth of fees that had been held in escrow totaling approximately $1 billion. In a nutshell, the consultants had to pay the accountants not the $14.6 billion demanded by the accountants, but just $1 billion (*The Legal Intelligencer*, 2000; Koppel, 2000a). Additionally, the final divorce was not only painful but also extremely expensive, costing $33 million in legal fees over three years (Koppel, 2000b).

Alimony-free divorce

While Andersen Consulting managed to secure an alimony-free divorce, the international arbitrator gave it until December 31. 2000, to adopt a new name. The arbitration ruling set in motion a high-speed, several-million-dollar, worldwide chase for a new identity. This set the stage for what turned out to be one of the largest business-to-business rebranding campaigns.

Rebranding campaign

The first pillar of Accenture's transformation is its rebranding campaign. Accenture's strength is that it practiced what it preached. The company is world renowned for employing qualified professionals whose job is to help other organizations manage change. It is also famous for its ability to handle large complex assignments for its global clients. Simply stated, the company got a dose of its own medicine by implementing for itself what it usually does for its clients.

Delegated rebranding responsibility

The rebranding task fell on the shoulders of at least two professionals: James E. Murphy, global managing director for marketing and communications and Teresa L. Poggenpohl, partner and director of global brand, advertising and research. They led a global team to accomplish their mission.

The editors of *Sales & Marketing Management* magazine and *BtoB* magazine both named Mr Murphy the "best marketer" for his role in Accenture's rebranding campaign (*Sales & Marketing Management*, 2001; Clark, 2001). He was also named public relations professional of 2001 by the Public Relations Society of America (*Investor Relations Business,* 2001). Ms Poggenpohl presented Accenture's rebranding and repositioning initiative at the annual conference of Information Technology Services Marketing Association (Poggenpohl, 2001).

Met deadline in record time

No other corporation of its size has ever attempted such a comprehensive global rebranding campaign in such a short time. More specifically, there were just 147 days between the day of the arbitration ruling and the day the new identity was launched. It took 80 days to come up with the Accenture name and 67 days to implement the launch. Typically, a project of this size and global scope would take two to three times longer. The rebranding campaign consisted of selecting a new name and launching it worldwide via an intensive promotion campaign.

Maximized and rewarded employee input

New identity

Top management continually communicated with all its employees to keep them abreast of the process of building a new identity. Top management effectively used its business-to-employee (B2E) portals to spread its new brand message internally throughout all levels of the organization. The rebranding campaign involved 55 teams around the world.

To come up with the new name, every effort was made to tap into the creativity of the people who know the firm best – its 70,000 professionals in 47 countries. Under a company-wide program, appropriately dubbed "brandstorming", Accenture employees were encouraged to suggest a new name, along with a rationale. This internal process generated approximately 2,700 suggestions.

When the new name was selected, top management slowly introduced it to the employees. More specifically, Mr Forehand communicated with employees via a series of global Web casts to launch the new name, as well as to share the story behind it. Each geographic council was provided with a packaged program to execute locally. Additionally, all employees were invited to attend special events to celebrate and generate enthusiasm for the new name.

Hired a reputable brand consultancy

Potential names

The company also enlisted the services of Landor Associates, a high-profile branding consultancy. Landor generated over 2,000 name suggestions. Landor also helped the consulting giant evaluate a total of nearly 5,000 potential names. The initial list was pared down to 550, then to 50, then ten names, four of which were referred to the firm's executive committee to complete the process. The new name was selected after an intensive research and analysis that included global trademark and URL availability, potential cultural sensitivities and native pronunciation in all 47 countries where the firm has offices.

Ending one of the most-watched corporate identity searches in recent memory, the firm's executive committee selected the name Accenture (rhymes with "adventure"). Mr Kim Petersen, a senior manager with the company in Oslo, Norway, coined the new name. For his effort, Mr Petersen was rewarded with a golfing holiday in Australia. Accenture is a combination of the words "accent" and "future".

Designed a distinctive logo

Accenture executives also attempted to emulate the impressive success of Nike's Swoosh. To replicate the conspicuous Swoosh, they accentuate their new name with a distinct visual symbol that makes it stand out in the crowded marketplace. Landor led the development of Accenture's visual identity. It contains a "greater than" sign hanging over the "t" like an accent mark. In a statement, Mr Forehand said the accent mark "puts an accent on the future and illustrates the firm's intention to point the way forward and bring solutions to clients that exceed their expectations".

Implemented a phase-in/phase-out rebranding strategy

After selecting the new name and a distinct logo, top management used the phase-in/phase-out strategy (Kaikati and Kaikati, 2002) to introduce the new identity. During the phase-in stage, the new brand was somewhat tied with the existing brand for a specific introductory period. After a transition period of 90 days, the old brand was dropped completely.

Teaser ads

The consulting giant ran teaser ads suggesting that Andersen Consulting would change its name on 1 January 2001. More specifically, from August 7, 2000 to December 31, 2000, the company flagged up the impending change by using the torn signature treatment with the "renamed, redefined, reborn .01.01.01" tagline across the former name in all its advertising. Since August 2000, when the company stopped promoting the Andersen Consulting brand directly, every existing posters and brochure featured a strip across the corner drawing attention to the ".01.01.01" on which the new identity was rolled out. In essence, during the transition period, from August 7, 2000 to December 31, 2000, the company de-emphasized the Andersen Consulting name while highlighting the date when the new identity was rolled out.

On October 26, 2000, top management announced the new name. On New Year's Day, the consulting powerhouse trumpeted the new name in various media, all with the tagline, "now it gets interesting". The Accenture brand was aggressively promoted in every country in which the company operates, combining traditional advertising media with special events. The company linked the new name with the old name by using the tagline "formerly known as Andersen Consulting" in its promotion up to March 31, 2001. The central goal was to introduce Accenture's broad capabilities and build brand equity. The consulting giant stopped using the old name on March 31, 2001.

Promoted the new name aggressively

Top management implemented an integrated marketing approach by aligning the internal and external messages to support the company's rebranding efforts. To ensure the success of its rebranding campaign, top management integrated both online and offline promotion strategies across 47 countries simultaneously. To transfer the tremendous brand equity from Andersen Consulting to Accenture, the company successfully used a combination of pull and push promotion strategies simultaneously (Fattah, 2001).

Push strategy

Push promotion strategy. To alert clients and mass media of the name change and the new positioning of the company, top management implemented an aggressive push strategy. To notify its clients around the globe, more than 40,000 packages arrived at clients' desks during the first week of January 2001, which coincides with launch of the rebranding campaign. The attractive, colorful package consisted of four flaps that were opened one by one. Each page provided a descriptive message about Accenture. In addition to a personal message from Mr Forehand, a new brochure outlined the company's capabilities in consulting, technology, outsourcing, alliances and venture capital. The colorful package was intended to alert clients of the new name, as well as to generate conversation between Accenture professionals and the clients.

Likewise, Accenture tried to spark media attention and interest in the new corporate name. Instead of a standard, traditional press release, Accenture sent journalists a large square package made of red and orange cardboard. To open the package, the journalist lifted a series of flaps each containing such phrases as "accent the future" and "pointing the way forward". Ostensibly, the attractive package and accompanying brochure were intended to entice the journalist to write about the new identity and its new capabilities. This objective was successfully accomplished based on the number of favorable articles published and press reports aired in various media. In the first two weeks of January, the push strategy successfully generated 120 news items globally, including the leading business publications in each country.

Pull strategy

Pull promotion strategy. To supplement the aggressive push strategy, Accenture also implemented an intensive pull strategy that involved massive global advertising. The high-profile rebranding exercise was backed by a $175 million global advertising and promotion drive. Overall, this expenditure represents the most intensive business-to-business rebranding campaign in recent memory.

The firm relied on promotional techniques normally used in the fast-moving consumer field rather than the business-to-business arena. The firm bought advertising space in newspapers and business journals in major media markets, with the tagline "now it gets interesting". It also broadcasted over 6,000 television spots in eight countries between January and March 2001. Accenture also sponsored sports events such as the Australian Tennis Open and the Accenture World Golf Championship as well as the BMW/Williams F1 Auto Racing Team and the World Soccer Dream Match in Japan. The Accenture name was plastered to a blimp overlooking Australian sporting events. Additionally, Accenture sponsored the World Economic Forum annual meeting in Davos, Switzerland, January 25-30, 2001.

Biggest expenditure

The single biggest expenditure, however, was the four Super Bowl spots airing on 28 January 2001. There are two contradictory schools of thought pertaining to the effectiveness of the Super Bowl commercials placed by Accenture. One school of thought is represented by the findings reported by *USA Today*'s annual Ad Meter, which ranks Super Bowl ads based on how well consumers like them. The survey claimed that the Accenture ads were ranked among the least-liked ads of the broadcast (*USA Today*, 2001).

Zyman Marketing Group and Clickin Research represent the other school of thought. Zyman Marketing Group is a leading marketing knowledge consultancy founded by Sergio Zyman, former chief marketing officer of the Coca-Cola Company. The Zyman annual study is based on the premise that the only accurate measure of advertising effectiveness is ''purchase intent''. One of the most striking findings of the Zyman's study was that some of the least ''likeable'' ads were among the most effective in increasing purchase intent. More specifically, the Zyman study revealed that Accenture's ''bacteria'' spot with the tagline, ''now it gets interesting'', scored higher than any other ad aired during the Super Bowl broadcast as it registered a 77 percent increase in purchase intent (Zyman Marketing Group, 2001). Overall, Zyman declared Accenture as the true victor.

Clickin Research, a full-service market research firm that has specialized in providing online research since 1996, confirmed Zyman's findings. Clickin Research conducts its own annual research study of Super Bowl television commercials. The Clickin's study revealed that Accenture's brand familiarity increased 150 percent after the Super Bowl, and its likeability increased by 190 percent (Clickin Research Inc., 2001).

Monitored and tracked reactions periodically

Custom research

Additionally, Accenture conducted its own custom research with senior executives after the Super Bowl. It found that its advertising was rather effective when compared with ads from competitors and fellow advertisers IBM and Electronic Data Systems (EDS). Overall, the rebranding campaign was a resounding success. Tracking studies revealed impressive results documenting that the tremendous brand equity has been transferred from the former name to Accenture. More specifically, Accenture's unaided awareness increased from 1 percent in 2000 to 34 percent in the first 39 days of 2001. On the other hand, the unaided awareness of the former name dropped from 38 percent to 18 percent during the same period. The ''now it gets interesting'' campaign received the Sawyer Award for the best integrated campaign in 2001 (Maddox, 2001). Likewise, the new Web site proved to be very popular. More than 27,000 visitors view the new Web site daily. This represents an increase of 72 percent more than the daily average of the former Web site. The success of the rebranding campaign paved the way for Accenture's second pillar involving the restructuring campaign that enabled the firm's IPO to raise successfully \$1.67 billion despite a gloomy IPO market.

Restructuring campaign

The second pillar of Accenture's transformation is its restructuring campaign. Traditionally, consulting firms, like their counterparts in the legal and accounting profession, have been partnerships owned by their principal employees. Under Mr Forehand's stewardship, the overwhelming majority of Accenture's partners were persuaded to change the company's ownership structure by selling shares to the public. In a nearly unanimous vote in April 2001, the 2,400 partners approved the change of ownership structure from a partnership to a corporation. However, in its passage to a public company status, Accenture only planned a partial public offering of about 12 percent of the firm.

Flotation price

Accenture debuted on the New York Stock Exchange under the symbol ACN on 19 July 2001. It priced 115 million shares at $14.50 each on 18 July and the shares began trading on July 19. The shares rose immediately after the partial initial public offering to as high as $15.17, before stabilizing and closing at $15.01 on July 20. The floatation price was set at the high end of the previously stated range of $13.00 and $15.00 despite a slowdown in the consulting business and poor market performance of KPMG Consulting since its IPO in February 2001. Accenture defied gloomy market trends by raising $1.67 billion in initial public stock offering.

Impact on partners

Some analysts have raised red flags regarding the impact of restructuring on the valuable key partners. While the salaries of its 2,400 partners averaged $1 million the last few years, they have been asked to take a pay cut of 30 percent to 50 percent to free up cash for the firm. To appease and retain valuable partners, top management applied a carrot-and-stick approach.

The carrot approach is represented by two magic words, ''stock ownership''. Top management's decision to only sell a relatively small percentage of the company is a clear indication that it intends to allow its partners to retain as much control as possible. While about 12 percent of the shares of the newly incorporated company were sold to the public, the vast majority of 82 percent of the company's shares were distributed among the 2,400 partners in exchange for their partnership ownership rights and the remaining 6 percent were distributed to non-partner employees. Thus, partners stand to gain a large windfall from the change in ownership structure. Each partner now owns shares worth about $5 million on average, although the allocation varies. The stock ownership is intended to retain valuable consulting partners who have worked hard over the years.

Stiff lock-ups

While Accenture's IPO has deepened the partners' pockets considerably, top management has also relied on the stick approach whereby it made it harder for partners to leave the firm by instituting stiff lockups. Under the terms of IPO, partners face time restrictions on when they can sell shares. While partners can sell 10 percent of their shares after the first year, they must wait for two years before selling 25 percent, and three years before selling 35 percent. After eight years, they must still hold 25 percent, unless they retire or leave the firm. Additionally, top management has instituted strict non-compete clauses to stave off a mass exodus of valuable partners. Accenture requires partners to sign pacts in which they consent to not compete with the firm for five years after the IPO, should they leave Accenture.

Impact on non-partner employees
As stated earlier, 6 percent of the shares of the newly incorporated company were distributed to non-partner employees. Top management not only shared the pie with its non-partner employees, but it also worked diligently to retain them during the recent recession. The tragic terrorist attacks of September 11, and the subsequent economic threat they brought, have catapulted the consulting industry into a state of even greater turmoil.

Lip-service

Some consultancies have been tempted to lay off their non-partner employees. Despite lip service paid to the idea that employees are a company's most precious assets, some top executives are tempted to sacrifice them for the sake of cutting costs and boosting efficiency in the short run. However, the best leaders tend to resist this temptation because many employees believe that compassionate employers reveal their true color in a crisis. The benevolent cycle in which loyal employees beget loyal customers beget greater profits has been laid out convincingly in the business literature (Reichhold, 2001; Misha *et al*., 1998).

Nonetheless, instead of cushioning the blow of layoffs, some employers have added insult to injury by modifying their severance-pay policies just before issuing pink slips. For example, EDS used to have a rich severance-pay policy whereby laid-off employees received two weeks of severance pay for each year of employment, up to a maximum of 26 weeks. This compassionate policy was replaced with a more stringent policy in October 2001 just prior to terminating some employees. According to the new policy, employees with less than three years' tenure are entitled to two weeks of severance pay, while those with longer tenure will get a maximum of four weeks (Hymowitz, 2001).

Devised a creative talent-retention program. While most major consultancies have resorted to outright layoffs, Accenture has explored other alternatives to retain its human capital. It decided to implement a more creative and compassionate way to let employees down gently. Under Mr Forehand's leadership, the firm devised a creative talent-retention program in August 2001 to deal with an overstaffing dilemma.

Sabbaticals

To retain its skilled professionals, top management debuted voluntary, partially-paid sabbaticals (*The Economist*, 2001). The sabbatical program, appropriately dubbed ''FlexLeave'', pays consultants 20 percent of their salary and maintains their health benefits for six to 12 months if they take a leave from the company. Consultants also are allowed to keep their laptops and company voice mail while on voluntary leave. These sabbaticals are available to consulting personnel who have been with the firm more than 12 months and are at the senior-manager level and below. The FlexLeave professionals can do whatever they like during their respective sabbaticals except work for a competitor. They are guaranteed a job in the same city and at the same level when they return.

The program, which was introduced in the USA in June 2001, was so popular that the company decided to offer it in Canada, Australia, and New Zealand in July 2001, and subsequently in Europe and Asia. Based on the worldwide popularity of the FlexLeave program, it behooves Accenture to offer this humane program to its global clients who are exploring creative approaches to retain talented professionals.

Repositioning campaigns

The third pillar of Accenture's reincarnation is the repositioning campaign. The positioning of the consulting powerhouse evolved over the years to capitalize on its essential capabilities and its aspirations for the future (Martin, 2001). In the 1980s the company was positioned as the "consultancy with a computer". Instead of competing with other strategy consultants, such as McKinsey, the company concentrated on IT services. In the first half of the 1990s, the company implemented the ideas of "business integration" and "reengineering". In the second half of the 1990s, the firm captured new growth from enterprise resource planning (ERP). The consulting powerhouse also led the developments of customer relationship management and electronic services.

Viable opportunity

In the late 1990s, the Internet presented itself as a viable opportunity (Colvin and Vell-Zarb, 2001). The company was criticized for not recognizing the fundamental importance of e-commerce and adapting to the new economy. In the late 1990s and early 2000, some analysts speculated that smaller, more nimble rivals were overtaking the company in this arena. However, the dot-com meltdown has left these firms over-exposed.

Top management was cognizant of the fact that the word "consulting" in the former name was too restrictive and did not convey the company's other growing activities. While the current repositioning campaign actually began early in 2000, the rebranding campaign provided a golden opportunity to reposition the firm in the marketplace to better reinforce its new vision and strategy to become a market maker, architect, and builder of the new economy (Nicholson, 2001).

The reborn Accenture showcases five prime areas: outsourcing, traditional business consulting, technical capabilities, alliances, and venture capital. In fiscal year 2001, outsourcing business increased 20 percent to $1.98 billion, accounting for more than 17 percent of net revenues. The most vibrant prime area is probably the separate ventures and alliances division. Accenture has successfully established a string of joint ventures, alliances, and partnerships with a host of reputable multinational corporations. For example, Accenture teamed up with Microsoft to establish a new company called Avanade that capitalizes on the advanced capabilities of the Windows 2000 platform to build customized, scalable solutions for complex electronic business and enterprise infrastructures.

Accenture's top leadership

While the consulting powerhouse is relatively young, two leaders deserve credit for transforming the company from merely good to truly great in a relatively short time. Mr George T. Shaheen was the managing partner and CEO from 1989 to September 1999. During his 11-year tenure, he built an exceptional consulting business by capitalizing on at least three inherent traits.

Entrepreneurial ability

First, Mr Shaheen exhibited extraordinary entrepreneurial ability. During his tenure, he propelled the consulting company from $1.5 billion in annual revenue to $10 billion. During that time, the company pulled off one of the amazing extended runs of double-digit growth in the consulting industry. Mr Shaheen envisioned the company would become the Bechtel of the twenty-first century. The consulting giant would have ranked No. 292 on the *Fortune* 500 list of 1997 had it been spun off as an independent public company. Mr Shaheen resigned his prestigious position in September 1999. The son of a grocer, he was enticed to resharpen his entrepreneurial skills when he became chairman and CEO of online grocer Webvan. After a brief stint with the online grocer, he quit the troubled dot-com in April 2001, shortly before its demise.

Second, Mr Shaheen is a tech aficionado who led his consulting company to erect information systems for its clients. He was aptly dubbed by Forbes as the business world's "digital messiah" (Lanzer and Gordon, 1999). He assisted numerous *Fortune* 500 clients with business process transformation and implementation of mission critical systems.

Iconoclast

Third, Mr Shaheen is a warrior who fights for what he believes to be right and prudent for his company. He is an iconoclast who did not mask his combative nature when he led the fight for his company's independence from the accountants. It was a classic David and Goliath confrontation. Mr Shaheen was the sling of the consulting Davids against the accounting Goliaths.

When Mr Shaheen resigned, another highly qualified leader with impressive credentials replaced him. Mr Forehand was officially named managing partner and CEO in November 1999 and chairman of the board of directors in February 2001. Like his predecessor, Mr Forehand is a cerebral career consultant. He joined the then fledgling consulting firm in 1972. Mr Forehand's experience covers 11 of the 16 industry segments served by the consulting giant. His dedication and hard work propelled him to become the managing partner for the global communications and high tech market unit, a key profit center generating 25 percent of the firm's revenue in 1998. To groom in-house candidates for leadership roles, the firm meticulously gauges the productivity of partners who participate in leadership-development programs (Fulmer *et al.*, 2000; Fulmer, 1991).

Remarkable achievements

Mr Forehand's success in reincarnating Accenture in a record time is testament to just how quickly he is blossoming on the job, thereby silencing any pundits who doubted his ability to fill his predecessor's managerial shoes. Four reputable journals paid tribute to Mr Forehand's remarkable achievements. In 2001, *InformationWeek* selected him as one of the 15 most inspirational figures in the information technology industry (Greenmeier, 2001). *Consulting Magazine* also declared him the number one most influential consultant for 2001. It also complemented him for leading the consulting powerhouse "to the outer edges of consulting's frontier" (*Consulting Magazine*, 2001). *CRN Magazine* named him one of the top 25 top executives "who have made indisputable impacts on the IT industry" (*CRN Magazine*, 2001). Likewise, *VARBusiness* (2001) selected him as one of the top 20 visionaries who "are making a difference in technology" and who have "ideas to change the world around them". Based on Mr Forehand's remarkable leadership abilities to attain these enviable accomplishments in a short time, it is ostensible that he has earned his leadership merit badge.

Conclusion

This article presents a classic case study to be emulated by companies contemplating going down the three-pronged road of rebranding, restructuring and repositioning. While the consulting giant has made several sage strategic moves over the years, one of its most shrewd moves was its insistence on splitting from the accountants. Undoubtedly, Oscar Wilde is right about this corporate marriage: "divorces are made in heaven". In the aftermath of the Enron debacle, this corporate divorce looks prescient.

The Enron debacle provides an important lesson for corporate executives – live by the brand, die by the brand. A robust and trusted corporate brand is vital to the success of any organization (Aaker, 1996; Keller, 2001). Ironically, Andersen has consistently stressed to clients the inherent value of a corporate brand. An article by partner Mike Allen used to be on the company's Web site summarized the concept of a corporate brand:

> A brand is the implied promise a company holds in the minds of audiences. It is an ethereal value that is supported through recognizable identity standards. A strong brand is a definite financial advantage . . . when shoppers recognize a brand and perceive it as safe, they will pay more for that product 80 percent of the time (Delevan, 2002).

Obviously, Andersen should have meticulously practiced what it preached.

"Bean-counter"

The Enron/Andersen saga has also rocked the core of the accounting profession. Long the butt of ''bean-counter'' jokes, accountants seem to suffer even worse after the Enron/Andersen débâcle. Recent public-opinion polls reveal that accountants languish at the bottom among professions (Dugan, 2002). The accounting industry's hard-line strategy to retain consulting and auditing practices under one roof was shattered by the Sarbanes-Oxley Act of 2002. Among other provisions, the act bans audit firms from providing many consulting services to their clients. By splitting the Siamese twins, the act provides a golden opportunity to the accounting profession to restore the green eyeshade standard of probity and reliability.

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This summary has been provided to allow managers and executives a rapid appreciation of the content of this article. Those with a particular interest in the topic covered may then read the article* in toto *to take advantage of the more comprehensive description of the research undertaken and its results to get the full benefit of the material present

Executive summary and implications for managers and executives

Rebranding – more than just a glitzy logo

Readers of assorted satirical magazines, the diary pages of the trade press and broadsheet newspapers may have missed the point of Anderson Consulting becoming Accenture. To some this was a case of self-indulgent consultants coming up with a silly brand name to replace a clear, explicit and descriptive brand. Kaikati puts us right on this score by setting out the reasons for change (the firm had to rebrand itself as the price of breaking from the accounting arm of Anderson) and the process that was undertaken to arrive at the new brand.

The case study presented here is lucid, clear and requires little elaboration, translation or explanation for the practitioner. Instead, I will ponder on the implications and lessons that emerge from Kaikati's case study. These encompass the value of coherent and strong branding in a business services environment, the need for the brand to reflect the real business and the refocusing of a business to achieve a more effective service.

Brands do not exist in isolation

The first lesson from this case study is that the brand does not exist in isolation from the everyday business – in this case the provision of business advice, support and services. Had Accenture simply adopted the name and done nothing else, the critics would have been right to sniff about the waste of adopting a "silly" name. But, as Kaikati makes clear, the new name was merely a part of a comprehensive rebranding, repositioning and restructuring process that followed from the break with the accountants.

The central aspect that lay behind the rebranding was the recognition that describing the firm as "consultants" no longer reflected the reality of the services being provided. Indeed, it could be argued that the old tag of "Anderson Consulting" had not truly reflected the firm's activities for many years. The consultant sells advice and (famously) does not implement that advice. In Accenture's case this activity still takes place but much of the firm's business is the implementation of processes, IT architecture and much else often in partnership with other suppliers and the client organization.

However we arrive at a brand name, we cannot do so without considering the way in which this name is communicated, the structures that allow the business to deliver effective service and the positioning of the business within the market. What Accenture achieved was a shift to a wholly new brand from an existing and widely respected previous brand. There is no doubt that subsequent events more than vindicate this complete separation since the Enron scandal and other problems have tainted the Arthur Anderson brand.

Making the brand work requires "buy-in"

The manner in which Accenture consulted on its new name seems at first to be somewhat indulgent, not to mention expensive. However, the significance of the change is such that, without widespread acceptance and enthusiasm for the new brand, there is a real risk of the brand failing to achieve the desired impact. Again, critics from outside the world of branding often highlight the cost of new branding exercises. Partly this reflects a failure to see beyond the new identity itself but it also shows that marketers have not always succeeded in getting people to appreciate that the brand is more than just the glitzy logo.

In the case of an established business, switching brands requires a clear programme involving employees, suppliers and clients in appreciating the reason for change. In the case of Accenture the initial reason for change was prosaic in that it was a requirement of separation from the Arthur Anderson accountancy and audit business. What Accenture succeeded in doing was to turn a legal requirement into a positive change and this achievement largely came from the involvement of the firm's employees, suppliers and clients in the process of change.

In addition, Accenture recognized that the change was significant enough to justify a role of general advertising, something often eschewed by business services organizations. What this approach achieved was a reinforcement of the message to core audiences (also communicated directly) and greater connection with the wider audience. Consumers as a generality were not especially bothered about whether Anderson Consulting became Accenture but many of those consumers were likely to encounter, at some point, the work done by the firm. It is likely that the general advertising accelerated the "embedding" of the new brand within the market both through greater name recognition and also through the underlining of other work around the brand launch.

Change the name, change the way we work

The third element of the Accenture launch lay in the restructuring of the firm. Changing from partnership to limited company, stressing the delivery of solutions rather than the retailing of advice and breaking with the financial engineering aspects of business consulting all served to create a refocused business. Again this reflected market positioning but it also served to provide a rationale for new service configurations and the development of old and new client relationships.

What is clear from the case study is that the leadership of Accenture saw the name change and rebranding as an opportunity to restructure the business and to fit the firm's services more closely to the needs and expectations of the client. As a result Accenture now occupy the beneficial position of not being the consulting arm of an accountancy business whilst maintaining a distance from established business consulting firms such as McKinsey or specialist organizations focused on particular functional areas (IT, marketing, etc.).

There is a great deal for us to learn from the successful rebranding as Accenture not least in recognizing that changing the name should go hand-in-hand with changing the positioning and the way in which we work.

(A précis of the article "Lessons from Accenture's 3Rs: rebranding, restructuring and repositioning". Supplied by Marketing Consultants for Emerald.)