

A survivor's guide to Mergers, Acquisitions and Integrations

Part 4

Individual
Leadership

Introduction

Mergers and acquisitions are not only transformational events for organisations but they can also have a profound disruptive effect on the individual. This is the last part in our survivors guide to mergers and integrations and it focuses on the individual and how to come to terms with events often outside your control that can have a huge impact on an individual's career.

Although the focus here is the individual, this part borrows heavily from the other 3.

Parts 1 & 2 focused on **strategy, structure, integration planning and control** and **Part 3 on Identity and Culture**.

In Part 4 - Individual Leadership - we focus on "What's in it for me", deciding whether you're in or you're out, positioning yourself for success and ultimately stepping forward as a leader.

These events only come around once or twice in a career and with the right mindset they really can be a rewarding career highlight.

Welcome to the fourth and final part of Serac's guide to Successful Mergers, Acquisitions and Integrations.

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THE **PRINCIPLES** THAT UNDERPIN THE RECOMMENDATIONS IN THIS SERIES CONTINUE TO APPLY IN PART 4

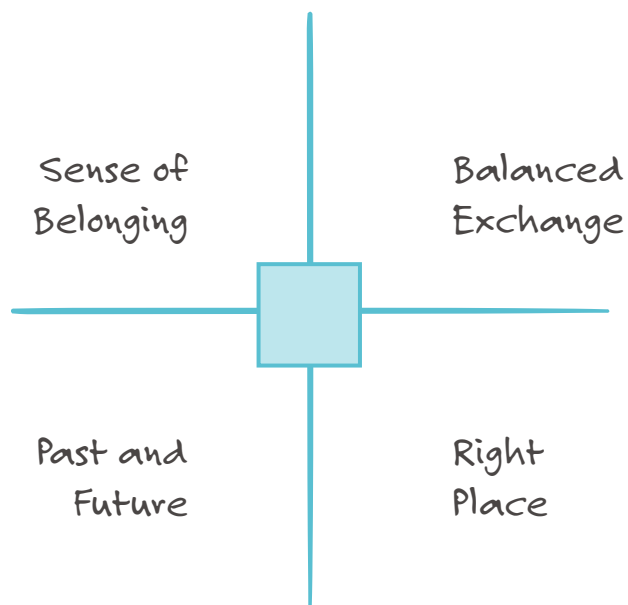
- **Leadership** is the greatest factor in determining successful outcome - so how you are as a leader will determine the outcome.
- **Clarity of story is essential** - people need to know what you stand for.
- **Get emotional and logical** in all decision making. Defining what's needed is difficult enough, it becomes impossible if you don't take your people with you.
- **Co-creation** is the best way to get leaders wedded to the future so they can let go of the past - so being involved in shaping the future rather than the past is key.
- **Shape your culture** or it will inevitably shape you. "Culture eats strategy (and integrations) for breakfast" every time.
- **Control the money** in integrations and you control the decision making and the outcome.
- **It's the people stupid!**. How you treat your people and how well you engage with them will determine the outcome.

In or out?

Let's start with how you feel about recent events. You may see this merger or acquisition as the best thing ever or your worst nightmare; most likely somewhere in between. You may or may not see the compelling logic of the move but pretty soon it will come down to how will this impact me!

What is also true is that not everyone will see this the same way. Whether it is other senior leaders or those further down the organisation, everyone will be having a different experience.

When change happens there are **invisible forces** that affect human systems and knock individuals and groups off centre. They can cause resistance in you as an individual and in others.



- **Sense of Belonging** to a group or team. We all need to be and work with others and as humans we strive to create a sense of belonging with those we work with. During times of a merger or acquisition this belonging is likely to be threatened or disrupted.

- **Balanced Exchange** of give and take. In any organisation we all recognize a balance of give and take, it maybe to do with time, relationships, support, challenge, reward etc. Lack of equality of exchange between individuals and teams undermines relationships and performance. During a merger or acquisition it is often unclear what an individual is getting back from an organisation for what they can give and resentment builds up.

- Feeling in the **Right Place**. When future structures become unclear our sense of where and how we fit in gets disrupted. Not knowing our place can lead to feelings of lack of respect and resistance to the change.

- Acknowledging **Past and Future**, that what has gone before has been respected and what is ahead of us is influencing the present. The present doesn't exist in isolation from the past nor the perceived future. In mergers and acquisitions, disrespect for what has gone before (events, people, previous work) hinders progress towards a successful future. By honouring the past we are able to accept and let go and envision a stronger future.

It may be that one or all of these forces are influencing you with regard to the way forward. Recognising these in yourself and others is the first step to understanding why you feel as you do and why others may be feeling different to you.

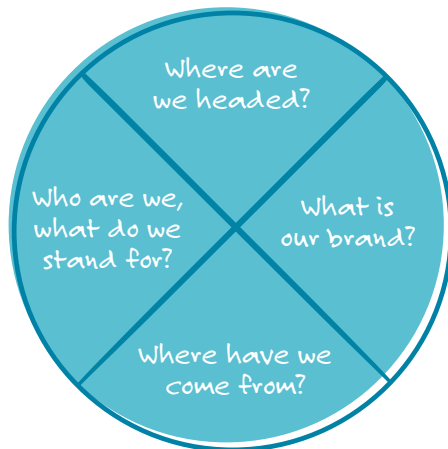
Moving Forward

It is important to recognise the disruption that is going on within and around you. The majority of leaders – senior and junior to you will feel just as uncertain as you. Many considering themselves as victims of circumstance, blaming those above or the market or the shareholders for what has happened.

However, to move forward, both for you and your people, the important step is to move out of victim mode and into leadership mode as much as you can. You are a leader in the organisation and others will look to you for leadership. Now is the time to step forward, or at least prepare. Clarify in your own mind how your area of the business should go about meeting the challenges that this merger/ acquisition presents. The act of looking forward and trying to get your head around what's needed will start you focusing on the future and the opportunities it may bring, rather than the past and will **help you decide whether you are in or out. Being in control and shaping your own destiny helps.**



Tactics



Use the identity framework in Part 3 and strategic planning framework outlined in Part 1 to clarify your own story. These frameworks can be used at both the system and individual level. There is often lots of uncertainty and lack of direction around and having an opinion of what is needed can really influence events. The chances are that you will not be able to piece everything together and your views will change as things unfold and you learn but it helps you enter the debate.



One of the key principles in this guide is to attend to both the logical and the emotional. These 2 frameworks help you prepare for this. The strategic planning framework helps you map a path for your part of the organisation, whereas the identity framework helps you decide where you as an individual are going, what you stand for and how this transformational event can be a catalyst for the next chapter of your personal journey.

Once this is clear seek opportunities to voice your opinion and show leadership as there will be plenty of uncertainty around and it is a chance to shape outcomes.

Individual Leadership – Tips & Traps

Genuinely think about the future. Acknowledge what was good and bad about the past. Defending what you have always done as the recipe for the future is not clear thinking. Some feel that defending their approach, products, processes or systems gives them and their group an advantage in the future merged company. This is not necessarily so – make sure your thinking fits the world of tomorrow in the merged company. Otherwise people will see through your approach and you will be seen to be close minded.

The principle of co-creation very much applies. Getting others, from both sides of the merger or acquisition if possible, involved in early preparation and planning helps raise spirits and brings in the diverse views needed to take the new organisation forward. Use these opportunities to learn as well as to create your new networks and connections.

Use the principles and concepts in this guide (Parts 1-4) to make sense of the plans and approaches that emerge in your own situation. Use the concepts to ask questions and ensure that the approach being crafted to deliver your part of the integration is a sound one.

Take or make opportunities to influence – If you find yourself on the fringe of the governance process as described in Part 2 do something about it! It will help you establish “place” in the new order of decision making. It will make you feel that you have influence on events and more importantly those that work for you will feel held.



Summary

This series has collectively worked the concepts of who are we, where are we going and how we implement the transition to an integrated new company. We have stressed the importance of the core conditions for success – paying attention to both the tangibles and intangibles together so that employees are pulled to looking forward not back.

Change starts with the self. Which is why Part 4 is so important. How you are as an individual will affect the outcome possibly more than you realise!

Mergers, acquisitions and integrations are transformational events and should be viewed that way. It is an opportunity for individuals and organisations to re-invent themselves, to make something greater than the sum of the parts. Wherever you are in your integration process – just starting or many months down the line – use the concepts in this guide to check out that the bases are covered. It is never too late to ensure that strategy and structure are clear, that integration plans are being executed well and controlled and that identity and culture are duly attended to to create vibrancy for the new not the old.

About Serac

Serac is a change and transformation consultancy that specialises in helping leadership communities to act as one. Global organisations often have a myriad of competing agendas, complex visions and cultural disconnects due to M&A activity. This confusion dilutes focus, purpose and organisational progress. Serac solves this for clients by working alongside existing leadership teams to align goals and behaviours – to develop a shared sense of purpose and direction. The end result is a team that thinks and acts as a coherent force, capable of leading the new organisation through the uncertainty of integration to ultimately deliver on the M&A promise.