



THINKING ABOUT MERGERS

- ☐ Why the project? Objectives and defined outcomes? Vision of a successful end result(s)?
 - *Cost reduction? Efficiency or quality improvements in outputs? Enhanced competitiveness? Entering new markets or product/service segments?*
- ☐ Who's the driver(s) for this: which exec's? What can we learn about them?
- ☐ Exogenous circumstances at work, or is this internally driven – organic?
- ☐ What is the timeline for completion;
 - *Are there major milestones already identified? Are they realistic?*
- ☐ What will be the specific work outputs and accountabilities of the merged group?
 - *In what way(s) will they be different from what the two groups do now, if at all?*
- ☐ Is an organization design (i.e. functional, matrix, etc.) already decided upon, or is that decision part of the process?
- ☐ Is there an expectation (ideally, “yes”) for you to remain involved through implementation to ensure it goes smoothly, help with adjustments, etc.?
 - *Typically, I'll suggest, and be invited to, a post-merger review and assessment to recommend changes/tweaks once they're up and running as a new unit.*
- ☐ Clarify and re-confirm along the way: your role. Consulting expertise invited, or facilitation only? The first is far preferable, but involves more effort and time (and their expense).
- ☐ Process restrictions? Have they already decided what process they want to employ to get this merger done, or that is in your hands to recommend (I hope)?



- *Are they expecting you to do the “consulting role,” and after diagnostics and research, recommend what to do and they take it from there? Or, you’re involved in the execution? Or, you can involve a group of senior managers and even lower-level players and facilitate a multi-meeting process to get there?*
- *In terms of process: your first stage should include confidential interviews with the key players; then ..*
 - Findings and feedback (aggregated, no attributions) and recommendations and additional questions to project sponsor(s)
 - Get agreement: your role, a process for moving forward, who the participants should be, milestones, expectations of client, fees (project billing, per diem billing, hourly?)
- If there are to be significant headcount reductions, how will the people be chosen who stay/go? Is this also in your basket, or they’ll chose, or another outside firm?
 - *Will they put together a “global matrix” to ensure fairness and conformity to laws and regulations? Or will you do that?*
- What are the restrictions that will be limiters?
 - *?? Headcounts to achieve, \$’s: to save or to spend, who will/won’t be involved in the process, levels or individuals who will approve results, specific targets to accomplish (e.g. “Outsource HR function, so the whole group is to be eliminated”; or “in-source the Purchasing function, so create a group where one hasn’t existed for years”; or “We must end up with a near-even balance of personnel from the two merged groups versus favoritism toward one or the other – or the reverse” etc.)*



- *Are there other restrictions? Union rules? Legal or regulatory? Board reviews and approvals? Other?*
- Series of confidential interviews with the sponsoring exec's to get answers to the above: 45-60 minutes should do
- Determining the participants in the process: who's in/out – ensure you have the talents needed for the process you're going to manage
- Pre-meeting interviews with those participants: roughly 30 minutes each should do. They get comfortable with you, the process leader/facilitator/consultant; and you get their confidential (guarantee it) inputs:
 - *Concerns about the objective*
 - *Vision of a positive outcome*
 - *Process recommendations*
 - *Department background, history, achievements, talents*
 - *Knowledge of the other group: pro and con*
 - *Culture descriptors: their group and the other*
 - *What works well right now and what does not*
- Aggregate the collective input to begin fashioning some of the content slices for the working group sessions
- Develop a pre-meeting package/assignment for each session.
 - *I never do a meeting w/o one to ensure every meeting is max-productive;*



- *Also end each session with take-away assignments for sub-groups or individuals to feed the next package and ensure progress toward the milestones – assuming your design includes several meetings over weeks or months.*
- One note re: a frame of reference for this sort of challenge. In terms of designing and building a new organization, do you work from the top down (most typical, especially for executives involved), or from the bottom up (essential when there are truly distinctive talent/product/service differentiators at play)?
 - *If the last comment is accurate, you want to build the new organization – its structure, the value chain of its activities, its talent pool, the reporting relationships, the levels of authority by position, the chosen individuals, and so on – to enable that specialized talent/activities set to produce the products/services in the best way possible. So, bottom-up build.*
 - *That then makes the central question for each potential position, and for each potential employee in the new group: “In what specific ways will this job and this individual contribute to deliver that truly differentiated output?”*