

Observations about the Acquisition/ Integration Process

By Jane Smith

The human side of acquisitions and mergers requires ongoing attention until the acquired company aligns with the parent company on its new, shared identity. As a consultant, my job is to facilitate a rapid integration for the good of all concerned.

Like all leadership development, this is a challenging and rewarding process. Success hinges on people being willing to stretch beyond familiar behaviors and roles. If the new venture is to succeed and profit the purchasing firm, employees at the acquired company must be willing to go to the mat for the new vision.

The following observations are based on my expertise and experience as a Leadership Development Consultant and Executive Coach, and represent challenges that must be addressed as part of the integration process.

General notes on acquisitions:

- The acquiring company has bought something of value and wants to see it thrive and be successful as soon as possible.
- Employees at acquired companies (except for the selling executive) generally experience being acquired as “not my choice,” “a necessary evil,” “problematic changes,” “uncertain territory,” “loss of decision-making ability,” and “Will I have a job?”
- There is a period of integration that may be rocky and unsatisfactory for some people, who may leave early in the process.
- Other people become determined to make their mark early, get a good position in the acquiring company, and dive into being integrated.
- Some people stay quietly “under the radar” while they observe how things are going; they are neither “in nor out.” They are *waiting*.

The acquired company wants to be heard and valued, so as not to lose a sense of what they have built, not to be trivialized by the acquirer, and not to lose what has made them successful in the first place. They “make noise” in different ways that may puzzle the acquiring company:

- Some people, even at high levels, do not buy into the process at the new parent company; they “wait to see what happens” before they decide what to do next.
- Many people resign themselves to “being a small fish in a big pond,” and go through the motions of their jobs until something better comes along.

- Other people jockey for positions at the new company, trying to make the best impressions they can. They fear for their job security and are concerned over their individual futures.
- Others really love their positions and are happy with the change.

Any time a parent company has a public and internal reputation to uphold and enhance, ignoring such concerns is unwise. Preoccupied employees, even those concerned with finding their “right spot” in the organization, can be detrimental to getting work done in a committed, high caliber fashion.

For acquired companies, exercising leadership means that staff clearly gets that the job is to be valuable to the company who acquired them. My commitment as a coach and consultant is to have leaders act to integrate themselves completely as quickly as possible, not waiting for the acquirer to provide what they think they need. When leaders inside acquired companies do that, effectiveness and excellence happen, and no one misses a beat.

Communication, both speaking *and* listening, is what enables this quality integration to occur. Communication requires unending commitment.