



danibu update

Summer 2022 - update #20

The M&A issue

I've had the pleasure (and pain, at times ...) to help integrate corporate teams during (6!) large-scale **Mergers & Acquisitions (M&A)** over the past 20 years. Different companies, different countries and different phases. From due diligence, to closure to Post-merger integration (PMI) stage. M&A means fast-breaking story. And top-level sport! You need endurance, energy and speed. Every day brings new developments. And every announcement new emotions - for all parties involved.

Addressing culture at each stage of an integration, and using clear communication about deal rationale, tactics for the corporate marriage and future outlook are essential for the merged organizations' success. I've seen times and again that smooth, two-way communication is *the* powerful tool that helps make things explicit rather than implied, so that everybody moves forward. Only those who're informed can think along. Only those who think along can take decisions. Only those who take decisions feel accountable. And only those who feel accountable can do a good job.

M&A is *people* business, and I'm happy to share a few insights through this danibu update #20. Enjoy reading!



One man's pain is another man's pleasure ...



... is a famous saying. And this is especially true for M&A communication!

Making two companies become one is an excellent opportunity for the Internal Communicator to showcase unique mediation skills between top level management and regular employees. Facilitating open interaction between the

two, and translating what each side wants to achieve is not easy. And yet, this is exactly the secret recipe for successful mergers. Consistent communication around the logic of the transaction (*why*), Management's ambition to hit financial and strategic results (*what*) and keeping executives sensitive to workforce anxieties (*how*) make or break a successful corporate marriage.

In M&A one person's positive can be another person's negative. Whilst **Managements' point of view** will more likely focus around:

"Changes are good! They keep us sharp, flexible and adaptable"

"Synergies increase profits, profitability and productivity"

"Rationalization ensures job security in the long term"

Employees' point of view will more likely be around these type of reactions:

"Changes are bad and bring unrest: What's going to happen to my job after this? Layoff? New job description, boss, team or work environment?"

"I don't get the contents, goals, background and motives of the measure at all"

"I understand the motives, but I don't believe in them and doubt there will be any advantages for me personally"

Both perspectives have a point - which turns M&A processes into a communication balancing act. Doubling the size of a regional HQ in London, for example, is great news - for London. Colleagues at the other regional HQ in Barcelona, however, assume they're written off and don't have much of a future.

To avoid a negative spiral of increasing unrest, rumor mongering, absenteeism and eventually fluctuation, concise and regular internal communication prevents inner resignation. Make it '*Chefsache*' as from 'Day 1!'



"No more mergers until I get this one cleaned up."

Cartoon by Dave Carpenter | CartoonStock

What's up in the danibu community?



German-Dutch Chamber of Commerce Summer party

The [German-Dutch Chamber of Commerce \(DNHK\)](#) is an entrepreneurial network that provides advice and training on doing business between Germany and the Netherlands. Their annual Summer party is the top-level networking event for over 500 attendees that's not to be missed. A perfect (and culinary) opportunity for catching up with fellow DNHK members from the fields of economics, politics and culture.



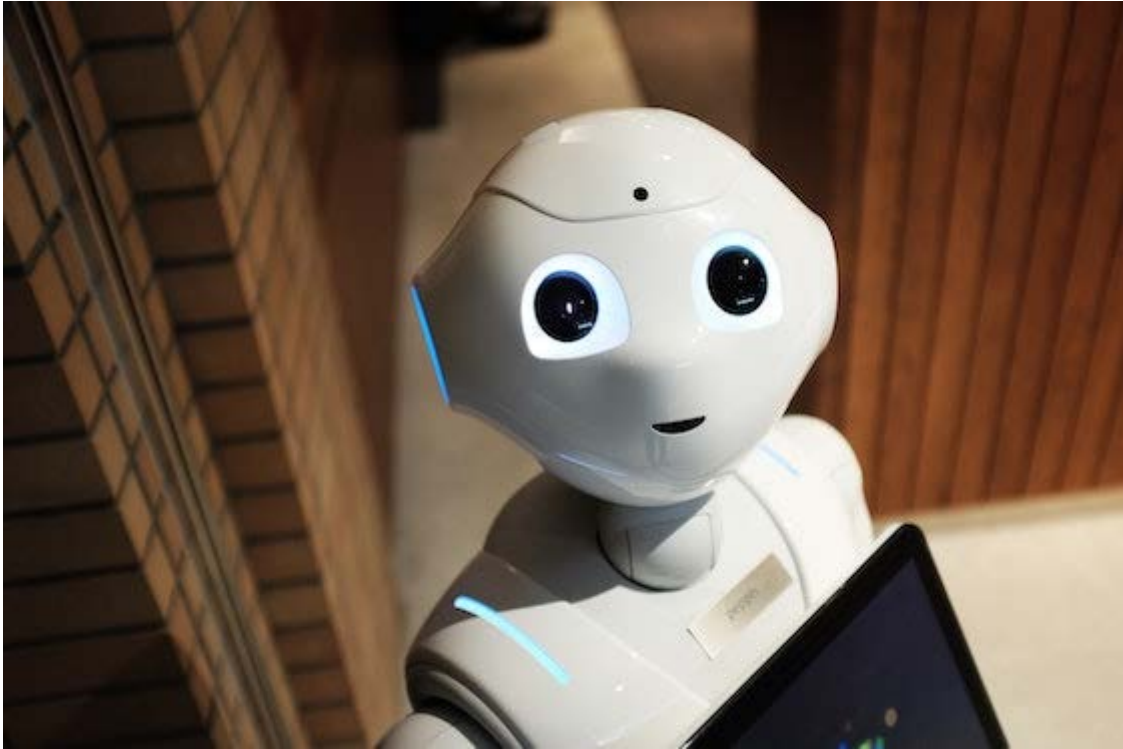
danibu trainings F2F

From March through August this year danibu delivered a couple of 'communication and presentation' trainings, both in-house ('[Center for Energy innovation](#)'-team at the University of Twente), or [open-to-public workshops](#), with all sessions focusing on effective communication and interpersonal skills for business leaders.

Interested to join one of the next danibu workshops? Click [here](#).



What we can learn from Asian companies



Before, during and after a merger, companies are usually being turned inside out, old structures are being smoothed out, hierarchies are being dismantled, bureaucracy is being transformed into flexibility, and privileges are being called into question. How come Asian companies seem more successful in doing all of that? Because they treat their workforce as *the* key resource in transformation processes. In Asian cultures, collectivism, cooperation and cohesion within the company stand above everything. With this comes care for the core workforce and an organization that promotes employees' identification with the company's goals.

Take the Japanese auto industry as an example. Any employee can stop work if they discover a fault they can't fix themselves on the first try. All of their group's work comes to a halt, and they all discuss until the source of the error is eliminated once and for all. Yes, it's a manufacturing delay - but, a consciously-calculated risk that proves to be extremely productive.

Employees' greater involvement in the overall production process makes their individual performance more transparent, which means that they are challenged more. Their culture expects everybody to work in teams and gain certain qualifications, for which they have systematic and continuous training of managers and employees in place. Involving employees more strongly is a conviction and inner attitude and not just a 'program' that is pulled out of the Consultant bag when the company is in change.

Did you know? Live illustration



I've been involved in M&A integrations since 2004. Using the power of visualization is a great communication tool here. During an integration you need to get a sense of what people would like the new organization to be.

Live illustration (or visual recording) is a great way to capture people's quotes, conversations and feelings during meetings, presentations or workshops by creating a visual report. All you do is hire an external illustrator (I know a good one - click above picture) who joins your meeting on-site and who co-signs live all conversations, decisions, energy and flow. Jurjen (in the picture) is one of the best Dutch animation directors, illustrators & character designers, famous for his great animations, explainer videos, commercials and, every now and then for danibu, live illustrations of storyboards during transformation meetings.

Click [here](#) to find out more.





danibu is the communication consultancy and creative production company that gets everybody in step with one another. danibu partners with clients across industries and markets to improve communication footprints and to create unique work for leading businesses and brands.

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You're a valued partner in our danibu community, which is why you're receiving this newsletter.

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