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**HR**

**SURVIVAL GUIDE**

**TO MERGERS AND  
ACQUISITIONS**

 **Insperity**  
**OrgPlus**<sup>®</sup>

**altūla**<sup>™</sup>



Moving in with somebody is a big step. Apart from the emotional implications, there's the matter of consolidating both parties' stuff.

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Which bathroom towels stay and which are demoted to car wash duty? Whose flatware makes the final cut? Will your "Star Wars" posters survive? Will your relationship survive?

When companies cohabitate through mergers and acquisitions (M&A), a similar degree of disorder and doubt (and disregard for cinematic gold) can exist. But this is when HR strategists should welcome the spotlight, pushing through the workforce integration process and crafting a better organisation.

## KNOW YOUR ROLE

Most M&A deals are made in the boardroom. C-level executives see an opportunity to expand market share or plug a hole in the production process, and then they pull the trigger. But the success of an M&A transaction is all about handling the aftermath.



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“That’s when HR steps in,” says Eric Kilponen, manager of marketing and sales operations at Inspireity® Performance and Organisational Management. “The M&A process can be broken down into four phases: strategy and targeting, valuation and due diligence, integration planning, and implementation. HR’s presence is greatest during the final two stages.”

That said, HR should get in on the act as soon as possible. Time is of the essence, as missed business opportunities and disruptions should be kept to a minimum.

## KNOW WHAT YOU'RE UP AGAINST

Research varies on the success of M&A deals over the last 20 years, with some studies putting failure rates at as high as 90 percent. But at best, companies undergoing M&A are flipping a coin.

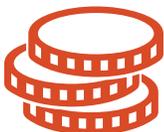


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The difference between heads and tails is the amount of organisational planning that goes into the combination of workforces.

**Some of the biggest reasons for failure include:**

- Waning financial performance
- Culture clashes
- Losing key players
- A decline in production
- Ineffective change management



# KNOW THE STRATEGY

## There's more than one way to execute an M&A transaction.

The chosen strategy generally depends on the degree of integration the acquiring company or merging companies decide on. This strategy will then dictate the breadth and depth of the implementation process.

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If the companies involved are interested only in combining their efforts to achieve certain financial goals, minimal integration is necessary. At the other end of the spectrum is the complete and total combination of both staffs, creating one new company with a collective culture and common HR policies.

## LOOK AT THE BIG PICTURE

Combining separate workforces is a huge undertaking. There's a mountain of information to pore through—perhaps two mountains—and it's your job to make sense of it all. That's where a good org charting solution comes in.



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**"An effective org charting program gives HR strategists the ability to visualize, plan and model the new organisational structure,"** says Kilponen. "This helps identify redundancies at all levels of the business and pinpoint key personnel, ensuring that the emerging company is the strongest it can be moving forward."

Additionally, filling your org chart with pertinent workforce metrics like salary, headcount and performance rating drives people decisions that make the integration process more manageable. And don't worry about getting it perfect the first time. Like anything else in the business world, your org chart will change – often.

## ESTABLISH NEW LEADERSHIP

Going through an M&A transaction can be a confusing time for employees, no matter which “side” they’re on.



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By formulating and communicating the new management structure as soon as possible, your workers will know that an integration plan is already being executed.

If employees don't know who's calling the post-M&A shots, top talent may wander or employees may make up their own version of the new reality. Create a sense of stability by telling it like it is.

# KEEP YOUR EYES ON THE PRIZE

**Remember:** The reason the merger or acquisition took place was to maximize the value of the new organisation’s products and/or services. The financial strategy behind the deal was hashed out well before it took place, but the staff has to be able to carry out that strategy.

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“HR can add a lot of value to the department during an M&A transaction by creating and executing a solid integration plan,” says Kilponen. “Doing so gives the new organisation its best shot at business success, which is, after all, the whole point.”





## Organisational Planning Tools Can Help

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### OrgPlus® 2012

Organize, visualize and strategize your business

OrgPlus 2012 allows companies to easily view their organisational structure and make more informed decisions using dynamic, professional org charts and best-practice analytics.

#### Features

- Boardroom-quality charts with insightful workforce analysis tools to reveal key metrics
- Drag-and-drop functionality to plan organisational change and optimize your workforce
- A wide variety of publication options, including Word, HTML or navigable PDF and PowerPoint documents
- Standard, Professional and Premium editions to meet the needs of any small or medium-sized business

The Altula team is here to help you with all of your OrgPlus needs. Please contact us if you need help with anything related to OrgPlus – technical support, training needs, specific product questions, additional licenses, upgrading to the latest version or anything at all.

We encourage you to attend our OrgPlus webinar, Easily build accurate and attractive org charts, held every other Tuesday. In just thirty minutes, learn how to build boardroom quality org charts that efficiently communicate organisational information and help organize your team to increase productivity and profitability. [Please register here](#)

Additionally, these [videos](#) illustrate how OrgPlus makes chart building nearly effortless.

Get more information at [altula.com](http://altula.com)  
or call us at **877-908-2113**.

## About Altula

Altula helps organisations achieve business harmony by delivering world-class software to organize and strategize today and into the future. We are the exclusive international distributor of OrgPlus, the world's best-selling organisational charting and planning software. We provide sales and support to OrgPlus resellers and customers anywhere outside the United States.

To find out more or learn how Altula can help your company, call us at **877-908-2113**.



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