

CUSTOMER CENTRIC CULTURE INTEGRATION

*“Leveraging Culture to Realise
M&A Deal Objectives”*

PEAK
PERFORMANCE

Anyone who has led a merger or acquisition knows that there is a massive difference between doing the deal and making the deal work. The bottom line is that most M&A deals fail to deliver the expected benefits and financial returns to shareholders because of people, culture and communication issues.

Aligning systems and processes is a priority but too often leaders pay insufficient attention to the human aspects of change. Bringing disparate cultures together successfully requires sensitivity, forethought, a clear understanding of the culture required to drive future business aspirations and commitment from the top.

For enlightened CEOs wanting to avoid the long line of M&A failures, it's time to take charge of culture.

Questions To Stimulate The People & Culture Conversation

Having a 'human capital' and culture integration plan requires some serious upfront thinking from the Board and the executive team. Here are 20 questions to stimulate the conversation about the cultural ambitions for the united organisation:

- What is the purpose of the amalgamated entity and is it inspiring and compelling?
- What more can the organisations become together? What is your dream for the new organisation's future?
- What is your competitive advantage and

the new value proposition for customers, your people and other key stakeholders?

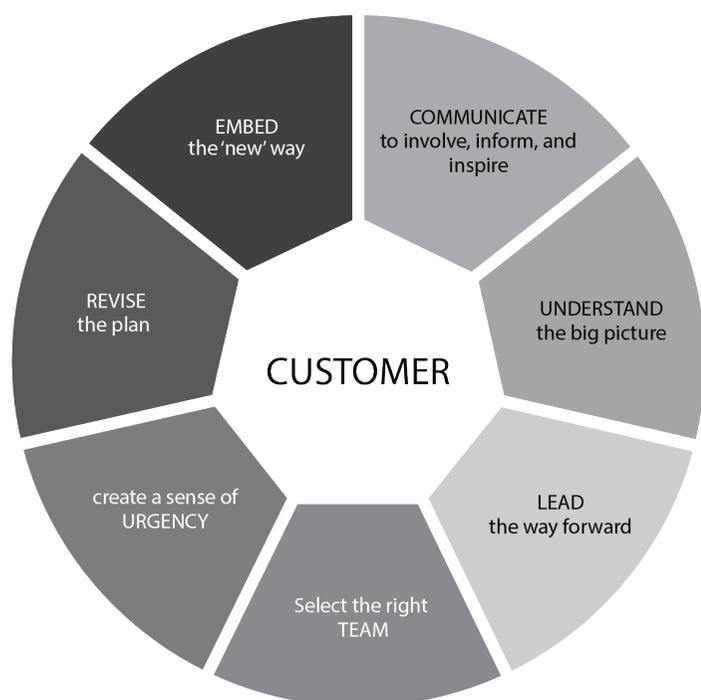
- How would you describe the current cultures of A and B? What objective data do you have to support that view?
- What cultural factors do you want to preserve and protect, and why?
- What cultural factors or differences could derail the integration and put the expected synergies at risk?
- How would you describe your ideal culture? What are the critical cultural success factors? What are you going to prioritise/where are you going to focus first?
- Is your desired culture and your brand aligned, and how do you know?
- How will you need to operate to deliver the strategy and achieve the deal objectives?
- What do you stand for and what do you value?
- How should people in the organisation behave?
- What's not acceptable behaviour and what are the consequences?
- What is expected of leaders at different levels throughout the transition?

- What leadership do you need to take the organisation through this next phase of growth?
- How are the collective behaviours of your leadership team helping or hindering performance/progress?
- As a leadership team how will you make decisions?
- How are you going to communicate your expectations and progress?
- In order to achieve the strategy, what is the best business model and the best structure for the new organisation – are you clear on the reporting lines?
- How will you determine who is the right cultural fit and who is not?
- How will you ensure you select the right people for the right roles?

Answering these questions will help to define an ideal culture to support the new strategy and raise the status of people and culture in the planning process.

CULTURE Change Model

Culture integration is a complex change process that requires a consistent framework and implementation plan to guide progress. This simple M&A Culture Change model can be used as a reference to drive change throughout integration.



Customer-Centric Culture Integration

A customer-centric culture is arguably what makes the difference between an ordinary organisation and an exceptional one. Prioritising people and instilling a customer-centric ethos throughout the change journey will stack the odds in favour of the deal, or any major project, delivering on expectations.



Linley Watson is Australia's authority on M&A culture integration. For more than 20 years, she has been highly sought-after by senior leaders to help drive major organizational change, including mergers and acquisitions.

Her firm Peak Performance International has designed and implemented significant cultural change initiatives, consulted on M&A deals and trained over 50,000 people from significant organisations across a wide variety of sectors.

In *Avoiding The M&A Failure Club*, Linley shares stories from her experience with corporate clients, recent research and insights from interviews with leaders who have collectively survived over 200 M&A deals, impacting hundreds of thousands of people.

To order a free copy of *Avoiding The M&A Failure Club*, visit www.MACultureIntegrationBook.com.au/AFR
For a confidential conversation call 1300 567 511.

