



## **Merger Miseries Three - Clone Yourself**

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The third episode of Merger Miseries focuses on the training aspects of an organization in the midst of a poorly-designed merger. Just the announcement of a merger can send people scurrying to their offices to begin piling up sandbags of defense against the flood of change. Many mergers are handled with all the sensitivity of a Gestapo raid. The story below may seem extreme, but it literally goes on in many organizations that rush into a takeover.

In the planning phase of the merger, top management has a gag rule on information because they are afraid people would panic if they knew what was going to happen. They are convinced that to avoid sabotage, and other problems, it is best to keep things under wraps until the merger is ready.

Rumors start as a result of all the secret meetings. Layoffs are expected, because one primary result of a merger is to consolidate staff positions. People are aware of this and hope they will be one of the survivors. In reality, some people are smart enough to hope they do not survive.

Top brass announces the merger, but it is really not a shock to the people in the organization. They are just glad to have the news out in the open. Being held in the dark is a most uncomfortable feeling. Now, at least people will know if they are "impacted" or not.

The dreaded day approaches and finally arrives. The boss calls the impacted people in one by one to tell them the bad news. Guards walk them back to their area to get belongings and escort them out the gate. A quick handshake and the exchange of the employee pass is all it takes to complete the deal. Oh sure, there is the promise of support from HR: "Go to a place off company property over the next week, and we will help you network in the community for another job." A packet arrives in the mail to sign up for COBRA Insurance to tide over the family. I would have thought they would call it BOA CONSTRICTOR Insurance rather than COBRA Insurance. At least that title would fit the reality.

A remaining employee, let's say Mary, breathes a sigh of relief until the boss calls her into the office and says, "As you know, we have let Jake go, so you will now cover his responsibilities."

Mary says, "But I already have a full workload of customers, and I don't know anything about Jake's job."

The Boss says, "Just do the best you can, and remember, as one of our most talented people, you still have a job here."

In a daze, Mary wanders into Jake's empty office. She looks around and shakes her head. "Well, I might as well dig in here and see what Jake's job entails." She looks halfheartedly into Jake's desk drawers, throws out an old can of shoe polish, and starts trying to make sense of the mess. She looks at the 4-drawer file of Jake's former customers, now her responsibility. Think about this scene. Have you ever tried to decipher someone else's files with no crossover? It is impossible.

The sound of the phone ringing in her office wakes Mary up. She runs down the hall and grabs the phone in time. It is the familiar voice of one of her own customers. Thankfully, she is able to answer the question and satisfy the concern. She does a double take and realizes that there are 14 messages on her answering machine from the past two hours. She starts clearing out her backlog and becomes totally engaged in her old job – the one she knows and can handle.

Every day for the next several weeks, Mary goes to Jake's office for a couple hours (usually including her lunchtime) in a feeble attempt to keep the most vocal customers in Jake's area from blowing up. There is little understanding or history to back up her actions, so she is not very effective. It is impossible to keep up with Jake's workload in a couple hours a day, so Mary focuses most of her attention on the job she understands.

Customers eventually write nasty e-mails to the top manager who jumps all over the area manager. Customers are taking their business elsewhere because there is no service being rendered. The boss rushes into Mary's office and says, "Mary, you are not performing like your usual self. We have customers that are your responsibility who are defecting. I know you are super busy, but you simply cannot afford to ignore customers who are in need."

Mary says, "You are right, Bill. I cannot. Another thing I cannot afford is to work here for you any longer. My family and my doctor tell me I am heading for a stroke, and I am simply unable to perform what is expected. Therefore, I am handing in my two week's notice."

Note the simple but inevitable consequence of a decision by top management to ignore transparency out of fear. The old saying, "penny wise and pound foolish" applies in this case. The company lost valuable customers and one of its most valuable

employees. In addition, this situation is going on multiple times in the work unit, because Mary was not the only one whose work load doubled with no training. There is no way to make up for this damage. It is a major blow to the business; in many cases it is fatal.

The fault here is not the merger itself. It is the veil of secrecy around the planning that was the major culprit. That is silly because holding back information really did not prevent it from becoming common knowledge. Limiting transparency made the damage much worse than it could have been.

I am not saying that mergers are a picnic if people are informed ahead of time. Many of the problems will occur no matter how the disclosure is handled, but if we contrast the above scenario with a slightly modified one, the result has the potential of a brighter outcome.

The area manager calls all employees together on day one. He says, "We are contemplating a merger and we are probably going to need a layoff in the next few months. None of us are happy about this, but it will probably happen. The best thing you can do now is focus on your job. As we plan for how many people will need to leave, I will keep you informed and be available for questions."

During the next couple of weeks, the need for a layoff becomes clear. The boss calls Jake into the office and says, "Jake, as you know we are projecting a layoff. It looks like you will be impacted and either be let go or have to assume a different role. I would like to work with you to find the best option for you and see if we can keep you in the company in a different role. There is only a slim chance of this, but I will do my best. You should begin networking now, both inside the company and outside. In the meantime, can you please work with Mary to introduce her to your customer base? I will tell her that we are combining her job with yours, but we will reduce her report writing duties to allow her time to accomplish the combined area."

In the discussion with Mary, the boss stresses that she is a highly valued employee being called on to stretch her influence with the customer base. A reduction in paperwork will provide some relief in order to allow her more face time with customers. She will also receive a modest bump in pay as a result of the increased responsibility. She will inherit Jake's accounts and should get up to speed on them over the next two weeks.

I grant that this second scenario is far from easy or painless for all parties, but the consequences are far less debilitating for the business. By treating all employees like adults from the start and leveling with them, many of the problems in the first scenario were prevented. The most significant reason for the difference between the two cases is that the top boss or HR function allowed the local manager to operate with transparency.

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