

### FAQs

**Q Why do businesses follow the M&A Route?**

**A** M&A transactions are often pursued in order to acquire a larger share of an existing market, enter new markets, or eliminate competitors. They allow a company to acquire expertise or assets, transfer skills, save costs, increase efficiencies or capitalise on synergies. They are seen by many as a relatively fast and efficient way to expand into new markets and incorporate new technologies.

**Q How successful is M&A's?**

**A** Three out of four M&A's fail to achieve their financial and strategic objectives. Merger integration is often more complicated and time-consuming than predicted. It has been found that between 55% and 70% of M&A's take longer to do so than expected.

**Q Why is leadership so crucial during an M&A?**

**A** M&A's and the resultant changes to the organisational culture often require a collective change of mind. For this to occur, the right style of leadership is essential. Leaders must communicate the vision of the change and its impact as widely and effectively as possible. Thereafter they have an important role to play in guiding the ongoing change effort and in encouraging employees to stick to the change process until it is an integral part of everybody's lives.

**Q Why is it necessary to have specialized Change Management interventions during an M&A?**

**A** The Change Management process focuses on minimising employee attrition and maintaining employee morale during transitional periods. Although good planning is essential, integration plans must do more than just mitigate risk around the impact of the change: they must help build the foundation for long-term organisational

effectiveness. This is usually a temporary function and suited to outsourcing.

**Q Is it not possible for our HR to handle the Change Management process ?**

**A** The focus of the HR department during a mergers or acquisition is orientated toward structure, defining span of control and job descriptions. They focus on finding the right candidate for the position and on creating a smooth transition process from an HR administrative perspective. The initial effort required does not leave room for Change Management related activities. Their focus is on obtaining HR operational efficiency, not on managing the impact of the change.

**Q Why is culture surveys so important during an M&A?**

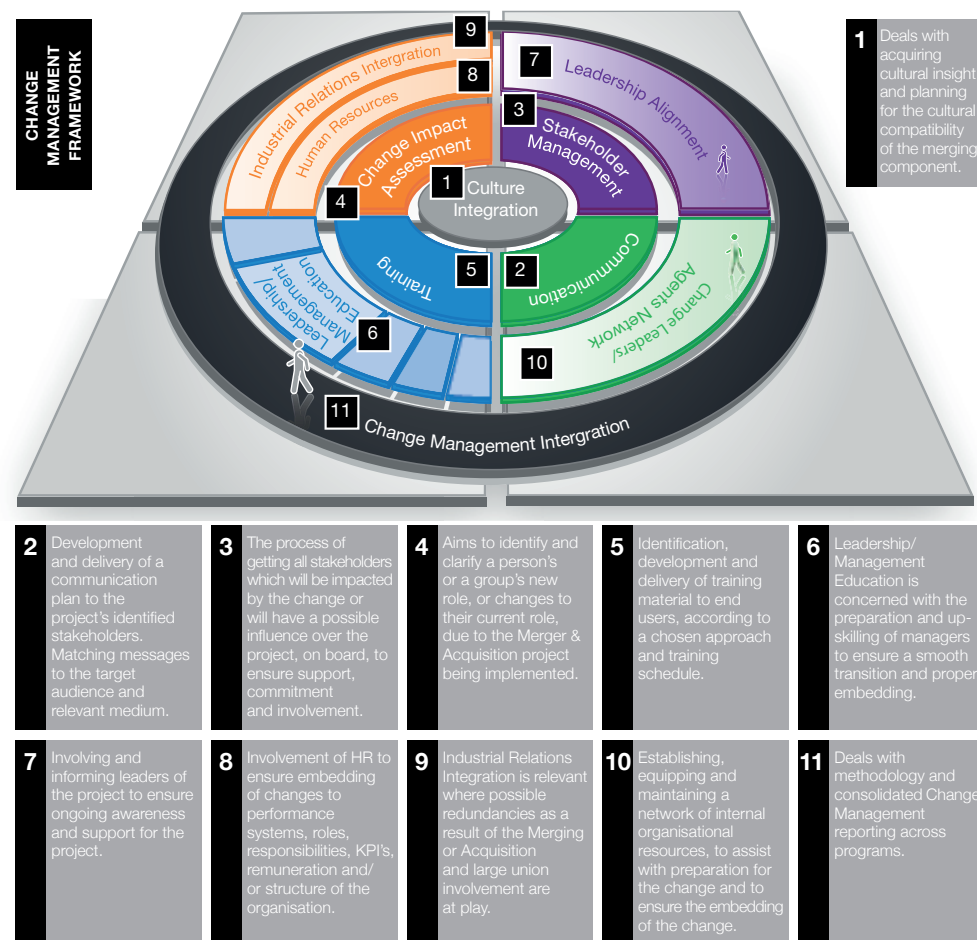
**A** One of the components of complexity of M&A's is organisational culture. It is therefore very important to assess and ensure the cultural compatibility of the merging firms. The success of a merger between two or more companies depends as much on culture fit as it does on strategic and financial fit and the proper management of change and employee response there to.

**Q How important is communication during an M&A process?**

**A** Clear and regular communication, including the process of creating dialogues, should address stakeholder resistance and lead to stakeholder buy-in. Communication channels must allow for effective feedback from stakeholders to ensure that barriers to and opportunities relating to the change objectives can be identified on an ongoing basis and be addressed. Keeping communication channels open will prevent anxiety from getting out of hand and providing clarity about expectations will reduce distrust or conflict.

Organizations have to cope with changes on numerous levels: personal, departmental, work, systems and environment. Bizmod has been involved in successfully implementing Mergers & Acquisitions strategies in various industries and have built a significant and specialised competence in a practical approach to Change Management.

We design appropriate solutions for dealing with specific challenges and opportunities faced by your company, in your market. Bizmod will gain an extensive understanding of your business and your needs and apply our supporting methodologies to make the transition as smooth and effective as possible. We manage restructures with two things in mind: mitigating risk and minimising impact on production.



# PROJECT PHASES



## Deliverables Per Workstream

- Culture Integration**
- Culture integration plan
  - Matrix base planning tool
  - Questionnaire with scales
  - Culture Survey communication
  - Survey results
  - Survey baseline report
  - Culture Survey action plans
  - Progress dashboard
  - Workshops
  - Survey baseline
  - Comparison report
  - Learning's or overview reports as inputs for next cycle of planning
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- Communication**
- Communication strategy and approach
  - Communication plan
  - Communication content
  - Section 189 alignment
  - Communications feedback
  - Communications feedback report
  - Dedicated e-mail box report
  - Updated communication plan
  - Communication log
  - Communication tracking
  - Handover document
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- Stakeholder Management**
- Stakeholder analysis template
  - Stakeholder management plan
  - Stakeholder agenda, minutes, action template
  - Stakeholder risk and issue log examples
  - Workshops / sessions

# PROJECT PHASES



Project Workstreams

Deliverables Per Workstream

## Change Impact Assessment

- As-Is assessment
- To-Be Assessment
- CASE for change package (EXPAND CASE) - terminology
- Change Impact assessment analysis
  - Remuneration plan
  - OD plan (EXPAND OD) - terminology
  - Processes plan
  - System plan
  - Relocation plan
- Change Impact session content (R&R, KPI's, Remuneration & structure)
- Resistance mitigation plan
- Dedicated e-mail box log
- Weekly CM Report Issues and Risks log
- Specific feedback questionnaires/surveys
- Feedback Survey Report

## Training (Processes, Systems)

- Training approach document
- Training plan
- Training material
- Training venues
- Training The Trainers program
- Accreditation
- Training evaluation
- Training reports
- Maintenance plan

## Management Education

- Competency Requirement Plan
- Assessment questionnaire
- Assessment report
- Initiatives approach and plan
- 360 degrees assessments, Leadership Programme
- Sessions material and content developed
- Coaching Effectiveness questionnaires
- Coaching Effectiveness report
- Feedback report

MERGERS & ACQUISITIONS

# PROJECT PHASES



Deliverables Per Workstream

**Human Resources & Industrial Integration**

- Integration model and plan
- Incorporation operational actions (HR)
- Key Resources ID and Retention plan
- Financial operational actions (Finance)
- Logistical operational actions (Logistics and assets)
- Legal actions (Contracts, leases, etc)
- Role mapping
- R&R (EXPAND)
- KPI's
- Session Content

**Change Agents Network**

- Model and approach
- Programme
- Curriculum
- Feedback form
- Training content
- Sessions logistics
- Feedback summary report
- Certification dashboard
- Effectiveness report
- Certification event
- Learning report

**Change Management Integration**

- CM approach
- CM plan
- Integrated CM project plan
- CM progress report
- CM Risk & Issue framework
- CM Risk & Issue log
- CM Learnings report