



## How Communication Drives Merger Success

**Ann-Marie Wilkinson**

When two companies merge, the complexities, emotions and often sweeping changes behind the deal can often hinder effective communication to key stakeholders. Yet, a well planned and implemented communication strategy actually contributes to the success of the merger itself.

Good communication is critical to the success of any merger, large or small. Whether you're about to enter into preliminary talks, have started concrete negotiations, or the merger is about to take place, you must have a clear idea about who will need to know what's happening, what their concerns may be, what you'll need to tell them, and when and how they'll need to be told. When two organisations enter into talks, word can always get out, so be ready from day one.

At a time when the senior management within businesses undergoing a merger are tempted to say as little as possible, quite the opposite is necessary. Leadership needs to be committed to consistent and ongoing communication throughout the merger process to explain both what is known and what is not known. Management visibility and accessibility is key to building employee understanding and support for the merger.

As a communicator, you can be important in helping to make sure that there is seamlessness between the message that is sent to external stakeholders--the customers, the shareholders and the analyst community--as well as the employees.

Although you'll be used to communicating with staff, consumers, suppliers, regulators, partners and shareholders on a regular basis, a merger will throw up issues you'll probably never have considered. Resistance to change will most likely emerge at either individual or organisational levels. For instance, if staff get wind of the fact that merger talks are happening through the tangled office grapevine, they will be concerned about their jobs, possibly angry about not being told formally, and perhaps express negativity about the organisation you are in talks with. Chances are, you'll be proposing a merger with someone that has for years been seen as a competitor, and that's a big change for people to accept.

Use communications to create an environment for change from the outset. Explain what's happening and outline why it will improve the situation of individuals and of the organisation. Reduce uncertainty by providing prompt, clear and honest information to all those that will need and want it, and consult and involve people to build confidence and secure buy-in.

Of course, it's also essential to plan out regular, positive and proactive communication with all key audiences from the merger date onwards, to update them on the achievements and further development of the organisation, to keep a firm hold on the agenda and maintain the momentum established by the merger announcement.

Ann-Marie Wilkinson

Director

Bell Pottinger Corporate & Financial  
part of the Bell Pottinger Group

6th Floor Holborn Gate

330 High Holborn

London WC1V 7QD

Telephone: 0207 861 3932

Switchboard: 0207 861 3232

Fax: 0207 861 3993

amwilkinson@bell-pottinger.co.uk

www.bpcf.co.uk