



Employee  
Insights

# Merger & Acquisition Employee Surveys

**Gathering feedback helps employees feel valued and ensures a successful transition.**

## What happens when companies merge?

When companies merge, their structures, processes, and cultures change. Disbelief, uncertainty, and a feeling of pending disaster pervade executives whom have built careers within one organization only to see them upset by a merger. The same feeling pervades the whole company for the acquiring and acquired company. Employees in the acquiring company may have a concern that the company is changing its focus and their job will be eliminated. Office workers in the acquired company learn that their jobs may depend on how they fit into the new company rather than on past performance. Rumors of pay freezes and benefit losses weigh heavily upon hourly workers. In general, employees may become frozen in the path that they are pursuing.

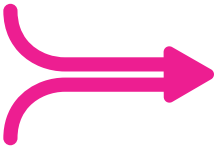
This happens in all mergers. With individuals preoccupied by the merger and personal fate, performance levels drop, productivity may be reduced, employees are less engaged with their work and profits may suffer. Right after a merger is the time to watch for symptoms or challenges that may impact an organization's future success.

**“You have to remember, you are not acquiring a business as much as you are acquiring a culture of people.”**

– Mike Schroeder, TNS

Merger & Acquisition employee surveys identify the following major signs of concern:

- **Preoccupation**  
Has the merger obsessed employees? Is this reducing job performance?
- **“We vs. They”**  
Are employees focusing on the differences rather than similarities of the merging companies?
- **Illusion of Control**  
Does top management produce a master plan promising that merger changes will be as painless as possible and does such a plan fail to reassure employees?
- **Constricted Communication**  
Are most employees ignorant of what is happening? Has top management retreated to the Board Room to form strategies but lost touch with the rest of the company?



**Senior management must be sensitive to human relations issues. They should prepare employees for the transition and give them a chance to voice their fears and hopes.**

### **Employee Communication Solution**

It is very important for management to quickly send the message to employees that they have not been forgotten and that their concerns are a priority for senior management. It is also important that an assessment utilizing a custom designed survey tool take place pre-merger or as soon after the merger as possible to determine the cultural attributes of the acquired company as well as a documentation of their management style. The cultural attributes that drive performance like employee engagement and productivity as well outcomes like profit should be identified to evaluate whether or not they are different from the acquiring company. Very often the cultural attributes that drive success in one company differ from those that drive success in other companies. If you do not document these drivers then you take the chance that they may be lost in the merger and the result will be lower engagement and productivity among workers and eventually a drop in profit.

- **Survey employees frequently** – conveys the message that what your employees think continues to matter as the new company begins to grow. It also gives strategic planners additional data to guide further integration and to identify areas for particular attention.
- **Inform employees about the progress of the merger** – informed employees are better able to understand why decisions are made and exactly what impact they will have on them personally. It's easier for them to take a more favorable view than those kept uninformed. They are also much more likely to help make the merger work.
- **Measure management communications** – reach out to employees in both companies, share and understand corporate cultures that drive outcomes, develop common or complimentary goals and devise a transition structure to reduce the ill effects of expected anxiety.

The result of these efforts will be a merged company with a new hybrid culture supported by all employees. This approach is the best way for both companies in a merger to achieve the operating and financial performance they hope to attain from the merger.

### **About TNS Employee Insights**

**DISCOVER A Changing World, New Territories, New Opportunities and Higher Business Performance**

We deliver customized employee and customer surveys that measure the vital link between employee engagement, customer satisfaction and business performance. We help large organizations identify specific attitudes and behaviors that impact their bottom lines and convert survey data into actions that enhance both employee and company performance.

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