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CASE STUDY

AFTER THE BATTLE

Managing Cultural Differences Following a Merger

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Introduction

Following a long and arduous battle, your company has finally managed to take over your main competitor. Shortly after the merger is complete, you have been given the task of managing the complete development of the first product to be launched by the 'new organisation'. This involves taking the best resources from both of the old organisations and making them work together as a single team, producing a unified product.

Early on in the work, all members of the new team still hold allegiance to their old organisations. This appears to be causing noticeable difficulties. One of the problems you face is to get the teams from the 'new partners' to work effectively with your 'old team'.

Working Differences

During an early review meeting, with the new partners, you find progress is behind schedule, and slipping further. In addition, discussions in the meeting are taking longer than expected, despite your best efforts at meeting management, trying to keep to the agenda and timing. You suspect there are problems with the way the new partners teams are working.

Over lunch, you talk with the team managers from the new partners and discover a few unexpected home truths about the way the new partners work and manage. All your suspicions appear to be true, there are distinct differences in the way the new partners manage their work and run their projects. Worse, the new partners are not happy with the way your old team is working.

Now you know the merger has problems, due to differences in the way the new partners work with the old team. This discovery then poses a number of questions, including:

Are the differences really significant ?
Are there any more that we have not yet identified ?
Will they effect the successes of the project ?
What can we do about them ?

Later, that evening, you take the concerns and juggle them into a table, which looks a bit like Figure 1. (overleaf).



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Figure 1. Project Differences

Our Perception of the New Partners	New Partners Perception of Us
<p>They are behind schedule with their work.</p> <p>They are unpunctual</p> <p>They have to refer decisions to their managers, who are not present.</p> <p>They always need more data.</p> <p>They have forgotten some formal agreements made in other meetings</p>	<p>We are always trying to push things along too quickly</p> <p>We want detailed discussions on minor details.</p> <p>We are not clear on the details of the procedures to be used</p> <p>We keep to the letter of the agreements, not the spirit</p> <p>We are disrupting the harmony of the organisation</p>

To your surprise, some of them appear to be similar, just taking a different perspective. Others are really management related problems, associated with the way the new partners prefer to work.

However, you realise there is a need to understand more about the differences in ways of working. This will allow both teams to become more aware of each others working methods, helping to improve the integration of the two organisations. This aspect is discussed

discussed during the next meeting and the team manages from the new partners agree the need to understand better how the new organisation should work and how to resolve any other differences.

A systematic approach was chosen, to identify the most significant differences and their impact. One such approach is that of Spectra Analysis, from Migrators, which provides a 5 step framework, to identify and resolve any differences, as shown in Figure 2.

Figure 2. Spectra Analysis Framework

Spectra Analysis Steps	Objective
Data Gathering	Obtain data on the participants management styles and ways of working Identify acceptable ways of working for each participant
Spectra Analysis	Identify extent of similarities and differences in working methods of participants. Provide a visual indication of similarities and differences in organisation cultures.
Resolve Issues	Obtain early agreement on the most appropriate procedures that can be used. Agree approaches to mitigating remaining areas of differences.
Communicate	Ensure that all participants are aware of any potential differences. Publicise agreed procedures and mitigation methods.
Monitoring & Report	Provide checks to ensure that procedures and mitigation methods are working. Provide reports relating to areas with continuing difficulties

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During the Data Gathering step, information obtained from different teams was used to identify the views of each part of the new organisation regarding a number of

perspectives relating to work and management. The results were then plotted on Spectra Charts. A sample of the Spectra Chart for your work is shown in Figure 3.

Figure 3. Sample Spectra Chart

Perspective 0	Bias 0	Trend 0	Neutral	Trend 1	Bias 1	Perspective 1
Time Management						
Always try to keep to schedule		■	■			Never seem to keep to schedule
Good timekeeping	■			■		Poor timekeeping
Authority & Decision Making						
Good delegation of authority	■				■	No delegation of authority
Details frequently delegated			■			Attention to details, by all levels
Maintain all aspects of agreement		■		■		Maintain spirit of agreement

Key: Ourselves ■ Partners ■ Overlapping Perspective ■

Working Together

The results revealed the extent of similarities and differences between the different teams within the new organisation. Where the plotting resulted in similar cells being populated, there would probably be no significant differences in the working methods of the new organisation. However, where the plotting results in a separation of 2 or more cells, there are likely to be significant differences in the working methods of the new organisation. If the cell separation is constantly significant, working practices within the new organisation, may need to be re-evaluated.

In some of the plots, your old team is separated from the new partners, for these you resolve to adapt your own management approach. You also discuss with the team managers from the new partners the differences in the cell plots. They also agree to consider how they can adapt their own management and work approaches.

The new partners also suggest that the issues should be raised to the senior management of the new organisation and included in the progress reports. The issues, and ways of resolving them, will also be included in the team briefings. This will help all parts of the new organisation be aware of the situation, helping to reduce any conflict



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