LIM
Leadership in International Management

Dear Reader,

If you happen to be in one of the corporations that decided to acquire, merge or be acquired to survive these difficult times and to strengthen market share, you know very well the psychological cost of this strategy in terms of uncertainty, stress and confusion for all the employees involved.

This month we want to share with you a story of a team that was able to navigate these white waters with wisdom, efficiency and learning, coming out stronger as a result.

Enjoy the reading!

Isabel Rimanoczy
Editor

Quote of the Month
"You cannot collaborate with another person toward some common end unless you know him." Sidney Jourard, Canadian Psychologist and Author 1926—1974

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When Mergers Merge People
The Story of an Emerging Team

by Ernie Turner

We have heard it over and over: mergers look great on paper and are a headache in their implementation. The efforts to realize the potential of two organizations coming together are significant, and when organizations consider the anticipated benefits of a merger or acquisition, they seldom pay attention to the sobering statistics of past failures in this arena. Yet much can be learned from the past, and I want to share here the story of an emerging regional leadership team of a large multinational corporation that was able to handle their challenge in an effective and meaningful way.

Getting Ready

Some time ago I was asked by the Regional Director of HR to facilitate a meeting of their regional leadership team following the merger of two companies. A new Regional VP had just been appointed to lead the team and he brought with him two colleagues; they had just been selected from the company that was acquired. Some other members of the team were new as well—mostly promotions from within the organization. So in essence, it was a completely new team and the members had many questions: Who is this person? What is his leadership style? Who are these people he is bringing along? What does he expect of us individually? Is my job safe? What impact will they have on our current culture? What is the new leader's vision and strategy for the region?

The new Regional VP suggested that I work with the HR Director and the Head of Strategy as they had already begun to design the meeting. They had an ambitious agenda for this meeting and expected to get the team's buy-in for the new leader's vision and business strategy. His vision required that his leadership team and their direct reports think and act in a completely new way, and since the CEO participated in this strategic appointment, the mandate for change was strong.

I became part of the meeting's design team, and met several times with the heads of HR and Strategy to establish meeting outcomes at 5 dimensions: 1) business; 2) organizational; 3) team; 4) professional; and 5) personal. We designed a session that ensured those outcomes would be achieved, and we kept the VP informed of our design to ensure that he was comfortable with it. The process of co-design allowed us to achieve two very important outcomes. One was that we made the design more relevant simply by changing the sequence. They initially wanted to begin with a presentation by the VP of his new vision and his strategy. I suggested we wait until Day 2 so that we could first create a safe and friendly environment, and, on Day 1, to address most of those pressing personal questions that people had on their minds,. I felt that the team would be more open to change once those issues had been addressed.

The second outcome was that we ensured greater ownership among team members for the meeting design. It shouldn't be the VP's or my meeting; it was important that it become the whole leadership team's meeting. For that to happen, we agreed that I would interview each member of the leadership team as well as some of their direct reports prior to the meeting so I could get different perspectives. The VP, at my suggestion, requested that each member send me one or two questions that s/he felt the team should be thinking about before our meeting. These questions, together with a few of my own, became the interview structure.

We engaged everyone in thinking about what they considered to be the critical questions facing the team and the region. And as I interviewed them, I was able to establish rapport with each team member. I explained that the interviews were anonymous but not confidential and that I was going to prepare a written report so that everyone could read what everyone else was thinking, but

without disclosing who said what. In this way, everyone was able to influence the interview process by submitting questions that were relevant to them, and at the same time it increased transparency by ensuring that everyone's voice was heard and valued. I have found that this process is a very simple and effective diagnostic instrument since their questions indicate where there is concern and opportunity for improvement. At the same time their collective answers begin to identify potential solutions.

Bonding

We began the meeting with an informal dinner. Since many team members hadn't met before, I suggested that everyone think of one non-work-related question that everyone would answer, including the questioner. Once we had finished answering the first question we continued around the table at a leisurely rate until the end of the meal. During the course of dinner we had heard about 40 short stories. There was plenty of laughter, and we had begun to build a sense of community in an informal and friendly atmosphere.

The first session

The informal atmosphere we had collectively created the evening before was still present the next morning. Instead of the traditional board-meeting setting, we sat in a circle in comfortable armchairs and with no tables. We first established some meeting norms. Then we had a Reflection and Dialogue session focused on the Interview Report, which everyone had received prior to the meeting and which contained all responses to their questions. The dialogue centered on what stood out for each of us and we had a reflective conversation. A consequence was that there was consensus that certain topics needed to be addressed right away.

After lunch we had an outdoor team exercise that addressed aspects of a high performing team such as listening, communicating, decision making, participating, and engaging. The feedback individuals received and the insights exchanged during the 'debrief' following the exercise raised their collective awareness and reinforced some of the team norms. We also added new team norms that the exercise surfaced.

Then I introduced **Peer Group Coaching**[1], an effective way of supporting team members who have business or organization challenges and who want to receive help from their peers. In half an hour we heard one team member's challenge and were able to generate approximately sixty good questions and two dozen offers or suggestions, many of which the individual said he could apply immediately.

The team spent the rest of the day addressing agenda topics that required team conversations and decisions.

The second session

On the second day the VP made the presentation of his vision, which because of the previous preparation, was received by the team in a warm and engaged atmosphere. My first goal as the Team Coach was to ensure that everyone shared a common understanding of the content, and had received answers to all their questions.

The team members agreed on what modifications to make to the vision, and discussed how they

could best communicate it and implement it across the region, while ensuring alignment among all the key stakeholders. At the end of the second day they had agreed on the framework of an overall implementation strategy and realized that the next day's session would be the first major step—getting their direct reports on board. This larger leadership group was really responsible for implementing the strategy, so their buy-in was very important.

The leadership team incorporated key elements of the design of their own meeting as they designed the flow of the meeting for the larger leadership group. We planned on informal cocktails and dinner with the larger group to begin creating the same kind of bonding atmosphere we had established in the first two days. The leadership team had purposely agreed to mixed-seating so that the larger leadership group had maximum opportunity to talk with different members of the leadership team and informally become aware of the positive feeling for the culture shift being created by the new VP and his team.

The third session

By the morning of Day 3 the larger leadership group had the sense that the leadership team was aligned, enthusiastic, and ready to engage the entire organization. The VP presented an abbreviated version of the regional vision and strategy and allowed some time for clarifying questions. After getting general buy-in for the vision and strategy from the larger leadership group, I introduced a meeting process called ***Open Space***[2] that was perfect for working on key implementation questions.

They worked for a couple of hours in 10 small groups, after which they presented their recommendations and next steps. At the conclusion of the presentations everyone voted on the two topic/questions that they felt would have the greatest impact on implementing the strategy across the region. The leadership team promised to review the work of the larger group the next day and report on next steps.

The last day

The leadership team confirmed that the two most popular recommendations were the right ones to begin working on. Two individuals volunteered to follow up on these two priorities and suggested a process to inform the larger leadership group as well as the entire region.

After this we had a session between the VP and his leadership team to contract mutual expectations. The purpose was to ensure that they as a leadership team had realistic expectations of one another as they moved forward in bringing this vision and strategy to life. To do this I requested that the leader and his team each work separately to generate two lists—one of Requests and the other of Offers. The next step was to bring the whole team together and for both VP and members to share their lists, and agree on how they would operate in future, with the new contract between them as basis. We converted the separate lists into one Team/Leader Commitment Contract Instrument. Since then they have been using this instrument as a way to gauge their performance as a team.

We ended the day with a Post-It Feedback session. Each individual was invited to write down one area in which they wished to receive feedback—appreciative or developmental. We went around the circle and each person read his/her feedback question and the others had exactly 90 seconds to

write as much as they could during that short period. It was a fast and effective way of giving and receiving feedback that pleasantly surprised everyone.

Closing the meeting we reviewed our stated outcomes and summarized what we had actually achieved. Everyone took a minute to review his or her own expectations. I reviewed the list of principles, processes, concepts and tools that we had used throughout the meeting. There was high level of agreement that, indeed, they had taken several important steps in becoming a high performing team.

Summing up

This brief story shows that a meeting can become a very effective setting for leadership development, team development, organization development and business development—simultaneously, since everything is happening in real time. In this case, the merger context provided a challenge—but ultimately it is always about people and their interactions. We were able to create a high level of engagement through active participation, involvement, making space for voices to be heard, creating a safe and appreciative atmosphere and helping people connect with each other as human beings rather than human "doings". We introduced tools, processes and concepts "just in time", so that the participants could rapidly apply and try them out. It became a four-day business meeting focused on rolling out a vision and a strategy, preparing the implementation, getting buy in—all very urgent outcomes. But more than that, it explicitly linked leadership development and team development with business development. This is what really expanded the impact of these few days into the future. The team caught a number of 'fish' but more importantly they learned how to fish.

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[1] See Peer Group Coaching: A strategy to make your meetings more effective, LIM News August 2008http://www.limglobal.net/readings/96.html

[2] See Open Space, LIM News April 2004, http://www.limglobal.net//readings/44.htm

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