



Four things successful leaders do during mergers and acquisitions

A multitude of factors are making managing and leading mergers and acquisitions through a successful integration increasingly challenging: Cross-border transactions require unifying national and corporate cultures. Mega-deals create a host of complex workforce and culture issues that can push integrations off the rails. But our research and experience has shown that leadership might be the most critical factor in successful transactions.

Leaders set the tone, cadence and discipline of a merger or acquisition. The selection of integration leaders relays the importance placed on business acumen, technical expertise and leadership. Yet there's little research to help us understand the competencies of a successful integration leader.

We at Willis Towers Watson collaborated with our M&A clients to conduct a research study that would help us answer the question, "What do successful integration leaders do differently?"

We found there tends to be four types of successful M&A leaders:

1. **Inspires:** Successful integration leaders motivate others while asserting themselves in their leadership roles. Integrations are tough, tiring and often tedious. Being able to provide a clear pathway while continuing to motivate teams to work hard, often on top of "day jobs," enables leaders to achieve a diverse set of integration goals on predetermined timelines.

2. Crisis handlers: With integrations, the unexpected happens. Being able to react to crises when they arise and be decisive about how to handle them enables integration leaders to stay on course when the inevitable occurs. Providing the necessary leadership to work through the situation and get the integration back on track is a key skillset of successful integration leaders.

3. Change agents: Integrations are synonymous with change — no matter the integration strategy. Successful integration leaders seek out change and recognize that doing things differently is often a key reason for the deal itself. Proactively embracing change (versus shying away from it) enables the leader to get things done differently than in legacy organizations. In fact, successful change agents bring an impatience to getting changes executed and provide the energy to make the changes happen.

4. Growth Seekers: Successful integration leaders possess an innate drive to achieve, which helps to sustain them and others over the long haul. They also need to inspire growth in others by challenging old approaches that some may seek to maintain. Knowing when and how to challenge and prod others to get out of their comfort zones is a key success factor.

There are also a few things successful integration leaders tend not to be, including:

1. Supporter: Attending too much to the needs of others makes it more difficult for leaders to achieve challenging goals, especially those related to people aspects of the integration.

2. Regulators: Leaders who prefer established principles and procedures are less capable of acting as change leaders. Most integrations will deviate from any rigid playbooks as the nuances of each transaction call for novel ways of thinking about integration.

3. Over-thinkers: Too much analysis can slow down integration activities and often leads to missing key milestones. The talent for knowing when to move ahead with the data available enables the integration leader to stay on track while making decisions that deliver deal value.

In sum, successful integration leaders balance direction-setting with bringing others along on the integration journey. They're masterful at the art of people integration and respectful of the science of project management. They act decisively and with

just the right amount of deliberation. They're inclusive and inspirational. And they see change as inevitable and invaluable in bringing companies together in new ways that deliver deal value to shareholders, customers and employees.

About the Study: Willis Towers Watson in collaboration with our M&A clients undertook a study to shed light on the profile of a successful integration leader. Leveraging our Saville Wave Professional Styles questionnaire, we asked business integration leaders to describe their preferred styles of leading. We also asked them to tell us if they initiated an array of change management activities known to enhance people integration. Concurrently, we asked HR and corporate development leaders their views on what a successful leader looks like through the lens of people integration. Finally, for a subset of leaders, we gathered ratings on the leaders' impact on financial, people and project management goals.

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