Case Example | Avoiding Post-Merger Integration Risks

Humatica assessed and helped to optimize organizational and management processes 6 months after a merger of four independent local companies and their re-organization to global BU's.

BACKGROUND & CONTEXT

- Engineering components company, 1800 employees, global operations
- Four independent companies acquired to form new group, with different geographic, applications focus, and brands
- New CEO named to drive integration of group
- Re-organization from vertically integrated local companies to four global BU's
- Entirely new management team formed
- New CEO needed fact-based assessment of organizational performance and emerging risks six months after re-organization

MEASURES

- New international communications processes established to avoid risk
- Financial controlling strengthened to reflect new organizational structure
- Re-organization and focus on purchased materials cost reduction to drive savings
- New, consistent values including clearly defined behaviors put in place across group
- Additional communication measures taken to make sure group strategy well understood throughout organization

RESULTS

- Rapid sales and profitability growth maintained
- Successful completion of restructuring/closure of European factories and transfer/opening of factories to North America and Asia
- Solved remaining post-merger organizational problems and forged a single group culture

HUMATICA APPROACH

- Organizational performance and behavioral benchmarking using a proprietary methodology
- Approximately ten weeks required from start until finalized roadmap of specific changes agreed with the extended, global management team
- Benchmark core human processes against leading companies
- Management workshop
- Define roadmap of changes to improve performance of the organization