4 Steps for Communicating a Merger to Employees

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Mergers can help businesses grow, expand and become more profitable. They also allow organizations to pick up additional customers and market share without having to go through the process of building new business entities from the ground up. But mergers also come with a long list of distinct challenges that must be properly maneuvered to ensure seamless alignment. One of these challenges involves communicating with existing employees and setting proper expectations about what to expect.

Why communication matters in a merger

From a management and strategic leadership perspective, communicating with your employees might not be the first thing on your mind in a merger. However, it's a vital ingredient in the overall process. Here are a few reasons why:

- **Change and uncertainty.** Don't underestimate how the change and uncertainty surrounding a merger event can impact an employee's emotional standing within the company. Potential changes to benefits, salary, position and responsibilities are enough to make employees fearful. The right communication can keep people calm and focused.
- **Blending cultures.** Anytime two different cultures merge, there has to be someone leading the charge and making

sure each side has their voice heard. Good communication helps in this regard.

- **Employee turnover.** HR has to determine who stays and goes in this new organizational structure. Good communication ensures you're able to keep the best talent happy.

Employees are going to form their own opinions and thoughts about the merger, whether they get the information from you or they hear it through the grapevine. However, by being the one to facilitate this discussion, you have a better chance of squashing fears and preventing misconceptions and mistruths that could otherwise make it difficult for employees to buy in.

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Now that we understand the "why" of good communication during a merger, let's dig into some of the "how." In other words, how do you effectively communicate with your employees so that they stay calm, objective and productive throughout the process? Here are four tips.

1. Announce the merger ASAP

Don't make the mistake of waiting too long to announce the merger to your employees. The longer you wait, the more likely it is that they'll hear it from another source (which means someone else controls the narrative).

When announcing the merger, it's best if you do it in person. However, in today's age of virtual businesses, remote working and multiple locations, this isn't always possible. An internal live-streamed video announcement is another option.

It's important that employees hear your voice and see your

face. While a formal letter or email can accompany the announcement, written announcements lack inflection, tone and body language.

2. Address concerns and anxiety

From a management perspective, a merger is predicated on strategic vision and dollars and cents. But from an employee's perspective, it's a highly emotional situation. Anytime there's a sudden change, there's disruption. This can lead to crippling concerns and anxiety. Employees will have questions like:

- *What does this mean for my future with the company?*
- *Will my day-to-day routines change?*
- *Will I be forced to move or relocate?*

Do your best to tackle these concerns head-on before employees have a chance to gossip and spread information that isn't true.

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3. Meet with individual employees

While it might not be possible to meet with everyone face-to-face, it's a good idea to meet with key individuals in a one-on-one capacity at some point during the merger process. This allows you to answer questions and put your most talented employees in the right frame of mind – increasing retention and reducing the likelihood of costly turnover.

4. Empower HR with answers

After announcing the merger, your HR staff is really the one leading the charge in terms of communicating with employees and answering questions. Make sure you're empowering them with

the right information and resources to successfully come alongside your employees.

The worst thing that can happen is a failure to properly equip your HR department. This makes them look clueless, which undermines the integrity of the merger by making employees fearful and anxious. Use HR as your liaison between management and employees.

A merger is a big deal for a company. By proactively communicating about what's happening at every step of the way, you can create a level of transparency that encourages employees to trust you.

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