



**The Morning After
A Post-Closing Checklist**
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Acquisitions are like weddings. Both are rites of passage to a long-term commitment and both are events that command far more focus than the life that will follow. For both, as well, focus will shift to items that are less and less meaningful as the closing date approaches and attention will be diverted from the most important issues.

That's why every acquirer should keep a post-closing checklist on hand to remind the entire team about the reasons for the deal and the important ways to build a future. Here's one set of ideas for getting renewed momentum in the right direction.

1. Take a Day Off.

It's counterintuitive. Everyone should dig in immediately after an acquisition and, in fact, business didn't stop running while all the legal and financial wheels were spinning.

Still, the leadership team will benefit greatly from taking a step back and allowing ideas to percolate. Whether it's the same day or a rolling set of days, every member of the leadership team should be required to take one day out of the office with no cell phone, no email and a pad of paper. During the day, jot down the concerns that have come up, the questions that haven't been answered, what the company would need to do if it hadn't been purchased, where the biggest opportunities are to grow, etc. In other words, give your team a day to shift their thinking from the deal and the day-to-day to the future.

2. Take a Meeting.

After everyone has had a chance to collect their thoughts, collect those thoughts and arrange for a facilitated meeting to discuss open issues. Have the meeting facilitated to allow every team member to be a true participant and reduce the hierarchy effect on discussions. Plan the agenda so that the team will spend the day winning down the list to a set of achievable, addressable goals. Make sure those goals involve building the business. The acquisition process drives internal focus and action. After the close, it's important to turn your sights firmly outward.

3. Listen to Customers.

When the leadership team takes a day off to think, or meets to address issues, the most important participant in the company's future will be missing from the discussion.

Customers pay the bills and make the judgment about survival, but they are The Missing Guest in much of the acquisition process.

Arrange for an insightful assessment of customer perceptions, loyalty drivers, value drivers, competitive issues and new opportunities—as seen through the eyes of the real boss. (I recommend strongly that you use an outside resource for the customer assessment. The team will have many filters, biases and other issues that will get in the way of a successful process. It's not that an internal team won't get answers, but that the answers might not be as real as those an outside resource will obtain.)

4. Ask the Staff.

The acquisition process tends to leave the lower echelon of the organization in the dark, which increases fear and distrust.

Create an outreach program for staff ideas that can help build the business going forward. Offer prizes, which might include anything from cash to naming the copy machine after the winner. Never underestimate employee motivation issues when a company is acquired.

Address the challenge immediately by making the rank and file part of the process for growth. (Again, there is a balance between engaging employees and appearing to lack vision in the C-Suite, so care must be taken to ask the right questions in the right way.)

5. Focus the Team.

Like government regulations, corporate initiatives and strategies live forever. When a new plan is instituted, nobody bothers to repeal the rules associated with the old plan. As a result, employees can be working at cross purposes even as they seek to fulfill their assignments.

With our clients, as we emphasize in the Quadrant Five process, it's critical to take two things off someone's plate when you add a new initiative. Addition by subtraction is very powerful, because it aligns focus and effort to its greatest effect.

As you devise your action plan to accelerate sustainable growth, it's just as important to remove the distractions and the outdated rules as it is to create the new plan. The simple fact is that your new plan won't be implemented if you don't make the time available to do the job.

Summary

These five steps can bring accelerated and sustainable cohesion, efficiency and growth to a newly acquired entity and a quick start will multiply the likelihood of success. Note that we've limited the list to just five steps and that all of the steps focus on big-picture items like customer relationships, employee motivation and, especially in the C-Suite, the issue of focus itself.

The acquisition process devolves into an examination of details and inertia often continues that myopia after the close. The checklist above will bring your team back to the big picture items that matter and the best steps for making them real. After the deal is done, the work has only begun.

About the Author:

Michael Rosenbaum is founder of Quadrant Five (www.quadrantfivefocus.com) and a highly experienced consultant to corporate management teams. His newest book, "Six Tires, No Plan," chronicles the life and management style of Discount Tire Company founder Bruce Halle.

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