

Successful Roll-Ins

Unifying People, Technology and Tradition



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I often hear of the merger and acquisition boom that “was” in the ‘90s and think to myself – *was?* Why, the M/A boom still *is!* And the permutations are practically endless: large firm acquiring small firm, large firm merging with large firm, small firm merging with small firm to create medium firm ... and so on and so on. In this article I will the focus on one scenario – that of the large firm acquiring a smaller one. But I believe you will see that all the points made in that scenario are applicable to any type of merger or acquisition situation.

For many years I have participated in the activities involved in folding one firm into another, and I will share with you some merger/acquisition best practices from a technology, training and cultural perspective.

Same O', Same O': C-o-m-m-u-n-i-c-a-t-e!

While it may sound trite, it's absolutely true – communication is critical. From the start of the M/A process it's key to convey information from the top down. When upper-level management fails to do that, you can be sure *someone* in the firm will step in to fill the void – usually inappropriately. The result too often is *miscommunication* – miscommunication from one secretary to another, from one associate to another, from one secretary of your firm to her best friend at the other firm and so forth. The worst way for attorneys and support staff to learn their firm is “talking” to another firm is through the “grapevine.” That sets off a firestorm of rumors, and the results are almost always counterproductive.

The formula to good communication is certainly *not* to “tell them; tell them everything; tell them everything now” – rather, the secret is knowing *when* to tell them *what*. Rumors immediately set members of both sides worrying – worrying about what will happen to their jobs, relationships, benefits, lifestyle and more. So much speculation and bad press could be avoided if leaders were forthcoming with information. It's like being on an airplane and experiencing turbulence. If the pilot would simply announce, “Hello folks, this is your captain speaking. Just wanted to assure you that all is okay – we're just experiencing a few potholes in the sky,” you know that you'd rest a bit easier. Same in a merger or acquisition. Details do not need to be discussed, and the announcements don't have to occur the minute the ink has dried on the legal documents. Yet there *is* a “right” time to tell staff *something*. Identify that moment and capitalize on it.

How to Communicate the Merger Message

Firm management has the power to dominate the rumor mill, and again, it's not so much *what* is said as long as *something* is said. If you have an intranet, post a concise statement about “promising talks,” making sure to quickly market the positive effects of an acquisition or merger. Make the announcements positive and upbeat. Attorneys and staff will feel invested and therefore are more likely to support the effort. Hold a staff meeting, send out a memo and have shareholders inform their practice and support groups. There are so many ways to keep everyone in the loop, and they are bound to appreciate it.

Whom to Involve and When

Obviously the details of M/A's must remain confidential during the negotiations and early phases of the process. But the time does come when those who should *be* in the know need to be *put* in the know. Who should they be, and why does it matter? You'll need to pull in the human resources, technology and training people; they're usually the “faces” of the merger. And as quickly as possible, a roll-in team should

be identified and huddled. The responsibility of this committee is to plan the events that will transpire in upcoming weeks to ensure a smooth roll-in of the new staff. The group should be composed of a representatives from all departments at each firm. The chair of this group is the “ambassador” of the union. He or she should be a person who is well-regarded and projects a positive outlook. He should understand the business of law. It's up to this person to consistently communicate a message of unity; there is no “your firm,” “my firm;” there is only “our firm.”

One must-have on the agenda is to determine the roles of other key players – members of training, technology, library, records and office services. For example, does the acquired firm have a benefits specialist or a trainer? If so, to whom will that person report after the merger, and what is his/her precise role? When directors don't understand the “new” organizational chart, it makes for a very unnerving situation. It causes people to speculate about other possible “unknowns,” and the rumor mill ratchets up again. The key to avoiding this scenario is to make the chain-of-command determinations and communicate a clear message regarding those roles.

This initial meeting or series of meetings should involve all major players and can later be broken down into departmental meetings. Valuable bits of information are mined from such meetings, enabling everyone to feel knowledgeable and empowered. This is your first level of communication. This team knows whom to tell, what to tell and when!

Human Resources

HR specialists are charged with ensuring that the transition from one firm's administration to the other is as smooth and beneficial as possible. During your roll-in meetings they should become equally familiar with the policies, procedures, benefits and cultures of both firms. They should know about both the existing processes and the new plans in order to be able to knowledgeably address issues and answer questions. Obviously, they are essential in determining and communicating payroll changes. And since they will be dealing with the reconciliation of vacation days, sick days, personal days, etc., they should be given, when possible, the courtesy of time and information. The more of both they have, the better they will be able to meet their responsibilities.

This is the team that will assist firm leaders to determine which positions will be eliminated. It would be perfect in a merger if no jobs were lost, but when that is not the case, this team will need to have all the information about layoffs so as to be as humane as possible in handling those details.

Technology

Chances are there will never be a “good time” for a technology department to orchestrate a merger. Often, firm management has little idea of the work it takes to integrate potentially opposing systems. The best time to let your technology leaders know of a pending merger is *immediately*. Much like the attorneys in your office, the tech department has events posted and scheduled on the calendar many months into the future, events that will involve both internal staff and external support, vendors, consultants, trainers and sales personnel. Having to pull people from projects not only disturbs the balance of that calendar but can and most likely will impede the rollout of that “priority” technology they’ve been charged with putting into place.

Once the seed has been planted and key players and roles are defined, your tech team should begin with an audit of the technology landscape as soon as possible. Findings of this audit should be circulated among all members of the roll-in team and to other key players. It should include a hardware, software and licensing inventory, and the inventory should be detailed enough to include the function of each program or hardware piece. This will help to determine comparable programs, viable solutions, new alternatives, training needs, hardware requirements and general decisions needed.

Merging data, applications and processes from one organization into another is tougher than you may think. Many times, a boutique or smaller firm will have homegrown applications or legacy databases; it will not always allow for a simple export and import. It’s critical for the technology staff to have sufficient time to plan for and implement merging systems.

Training

Your trainers will often become the new staff’s most trusted confidants. They can be the sounding board for employees’ fears and personal concerns about the merger.

For this reason it is best to make sure your trainers have worked very closely with HR, management, accounting and IT so they will be armed with all the answers. And I mean *all* the answers. It’s so much better to say, for example: “Your benefits will begin on March 1. You will have the opportunity to ask all your questions to the HR department during your orientation on benefits, which is tomorrow at 2:00 p.m.” rather than “I don’t know.” A positive, informative-as-possible response puts questioners somewhat at ease; it makes them see that consideration for their position has been given. Moreover, it allows them to focus on the training rather than their personal concerns.

And trainers can help mitigate the stigma of “your way” and “our way.” During a training session, they should gently and perhaps humorously correct trainees who refer to the new firm as “you” – for example, “How do *you* handle time exceptions?” A skilled trainer can capitalize on this situation and promote the unity of the new firm.

Timing: When to Train

When to train and how can be a logistical nightmare. Obviously, the training is easier in a small acquisition. But what do you do when you’re starting 100 people on the same day? Schedule a meeting of the roll-in team, and as a group decide what works best. The effort should be led by the person charged with leading the training initiative. By allowing the experience of your training director/leader to work closely with the “know-how, know-what” of the new additions, there is greater potential for a smooth and successful roll-in.

Varying Training Needs

With attorneys, less is more. Do not expect them to attend all-day training sessions – it’s simply unrealistic. Instead, consider breaking attorney sessions into smaller units and possibly delivering training, system or procedural information via e-mail, PowerPoint presentations or lunch meetings. Training topics should include the basics upfront, but be sure to follow up with group sessions for large audiences or one-on-one sessions if the numbers are small.

Be sure your team has created an action plan for people with “special needs” – those individuals who have had minimal exposure to technology. And of course you’ll want to give the support staff in-depth and rigorous training. Start by addressing administrative procedures such as using the phones, copiers and fax machines. These are the “simple” details that can quickly escalate into problems if not properly explained, taught and documented. A series of short sessions may be better than several hours or even days at a time. Your training sessions should include key support personnel who can provide answers to the “How do I” and “What do I do when” questions.

Cultural Issues

By having a good handle on training and technology, you will see that many cultural issues and barriers will fall into (or rather, out of) place. But it is also important not only to recognize but also to respect the traditions and cultures of all parties involved. In a merger or acquisition, the decision is typically based on practice needs or firm synergies; too often, cultural differences are only loosely considered, if acknowledged at all. It’s a mistake to assume that cultural

differences will create a minimum wake – or worse, to assume they won't exist. For example, employees at a small firm might be accustomed to having easy access to the managing partner, flexible work schedules or a relaxed dress code. It's during the execution of the communication plan that such cultural rules must be positively sorted out and communicated.

Tactics may include facilitating one-on-one meetings with each employee who is directly impacted or tackling large groups. If possible, host a "Welcome to the Family" event. It's a great opportunity to introduce faces to faces. During these affirmative events staff should be reminded that the merger process can be quite a challenge and that this isn't an "us against them" effort but rather a "we're in it together" journey.

Establish a "Buddy System"

It's a tried-and-true method: pair a new employee with a current employee who will serve as a guide for the new one. Many things are accomplished this way. First, the new employee knows exactly to whom to go when they need an answer. Second, you can hope they will form a bond that will foster a team environment. And third, it will allow staff to share and shine. Find a current staff member who is willing to be a point person – one who has the time and the knowledge. Then, enlist (rather than "appoint") others for support. Look for volunteers – if they volunteer they will make the time.

Once you have identified this peer support team, invite them to a lunch and train them. Explain their duties and what is

expected of them. Reflect on the success of your initial roll-in team and consider this group an extension of that team. Communicate to them what you have learned during the integration process.

Seize Opportunities

Does the newly acquired group have a more efficient, more streamlined process for doing something? If so, figure out how to institute that practice and capitalize on it. It will make the new group feel important and accepted, and it will make the current firm employees see the strength in a merger.

Finally, consider this an opportunity to initiate or enforce a change in behavior or policy. For example, if you've been thinking about enforcing an "enter your own time" policy, a merger or acquisition is often a great opportunity to do it. You can train the new group under a "going forward" stance and train them to perform time entry based on the new policy.

After the Dust Settles

How do you measure the success of a merger or acquisition after it's completed? Consider a *post-mortem* satisfaction survey that seeks information from the employees' perspective about the transition. What worked – what didn't? Where did you fall short – where did you exceed expectations? Take it all to heart and be prepared to make your next merger, if it comes, a more successful one. It might be just around the corner.

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