

**MAINTAINING A PRODUCTIVE WORKFORCE DURING A CONSOLIDATION
PROCESS**

Tips for keeping employees engaged and productive

New York, NY (October 28, 2009) – As the global economy fights its way out of the current recession, many companies are surviving via consolidation—streamlining business units, offices, teams, even merging with other companies. This is the type of activity that makes employees feel most insecure, and insecure employees are generally unhappy and less productive. Perhaps this decrease in employee productivity is one of the reasons that mergers have a low success rate—research shows that approximately 75 percent of mergers fail.

Lori Dernavich, a business advisor who provides C-level executives, HR directors and boards with essential workplace performance solutions, observes, “It’s often said that employees are a company’s greatest asset, and yet they are among the last considerations when companies institute change.”

Whether a company is consolidating its own business units or merging entirely with another firm, it represents a shift in culture for employees: processes change, routines become unsettled, and positions are often eliminated. In these situations, Dernavich recommends that executive leadership make employees a priority, keeping them informed of the changes that will affect them. “Changes,” says Dernavich, “Should be made with an eye toward creating a functional, productive workforce.”

Dernavich offers takeaway **tips for companies that are merging or streamlining operations:**

- 1. Take time to understand the cultures involved.** In the work environment, culture refers to how things get done, i.e. leadership styles, employee demographics, hierarchy, etc. Before consolidating, conduct interviews with employees to determine company, team, and/or individual strengths and weaknesses. Use the data to determine how the new environment will be structured.
- 2. Realize that change is not easy.** Keep in mind that leadership has had time to get used to the upcoming changes. It is not realistic to expect instant acceptance on the part of employees, be sympathetic to the process they will need to go through to adapt.
- 3. Show appreciation of employees’ work.** Jobs are often part of peoples’ identities. An integral part of insuring a successful consolidation is to recognize and show appreciation to employees for their efforts; this is especially true of Gen Y workers.
- 4. Communicate.** There is bound to be information that cannot be divulged, however, it is essential to communicate with employees frequently—even if the news is that there is no news. Silence from the top will lead employees to draw their own, usually negative, conclusions about what it happening.

5. **Implement Web 2.0 solutions.** Build a company community online. Be sure company leaders post to the forum frequently and encourage employees to use it as an opportunity to share best practices and institutional knowledge.

6. **Keep leaders visible.** Consider having the leaders of both entities do a road show together to explain the consolidation process, the reasoning behind it, the desired results, and the benefits expected. Develop a strong mission and vision and convey these to employees. If they don't think you believe in the consolidation, they won't either.

7. **Get employees on board.** Build a consolidation team comprised of senior leaders AND employees all the way down to the front lines. If employees are on board with the change, buy-in and success will increase.

8. **Get everyone on the same page.** Provide the resources and training needed to familiarize employees with the changes. Allow employees to participate in deciding which best practices to keep and/or acquire for the new entity.

About Lori Dernavich, LLC

A highly sought after and trusted business advisor, Lori Dernavich helps businesses and their employees become more successful by equipping them with the skills needed to improve communication and accountability. Her unique expertise and objective voice make companies more profitable by delivering customized solutions and the tools to implement strategies for ongoing employee performance success. Lori Dernavich, LLC was founded in 2002.

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