

Question	What It Means	EXECUTIVES/INVESTORS	EMPLOYEES Test	CUSTOMERS	SUPPLIERS
<p>"Who is this company we're being sold to?"</p>	<p>The first question most stakeholders ask is "who is buying us?" The subtext is, "what is going to happen to me?" Your task is to answer both the stated and unstated questions.</p> <p>The initial announcement phase ("We have been purchased") is the first point at which you will level-set your stakeholders, and leverage the inherent trust between existing relationships.</p> <p>Stakeholders come from a "me first" perspective. After news of a sale, stakeholders will experience reactions such as shock, stress, betrayal, or anger. These emotions are predictable and represent the unavoidable Change Curve*, a reaction response that follows most significant changes in life.</p> <p>Each group represented in this template (executives, employees, customers and suppliers) will go through the 4 phases within the change curve: Betrayal, Denial, Crisis and Search for Solutions (Acceptance). However they will go through the stages at different times. Successful communication always</p>	<p>Pre-announcement, set out an initial vision which will give executives, owners and investors a concrete picture of the future in the new organization. Go into all the roles/expectations of each stakeholder and the potential rewards.</p> <p>When the message is ready to roll out through the company, encourage executives to remember their own reactions when they learned to the news, and to empathize with employees.</p> <p>This group has been involved early in the deal and by the time of announcement, has already gone through the betrayal and denial phases. When management presents the news to employees they are in the "search for solutions" phase or acceptance, but that is the wrong perspective from which to deliver the news.</p>	<p>Caught by surprise, employees will be focused on themselves and what this means <i>for them</i>. Will they lose their jobs? Have to move? Be disrupted? Need more training? Take a pay cut? Their minds are filled with questions.</p> <p>Their stage one Change Curve responses are normal. Be reassuring: "We know you are probably feeling a lot of things right now. We care. This is going to be a good thing for us, or we wouldn't have done it. Yes, there will be changes, but you'll be advised at every point."</p> <p>Explain the new company, its history, its products, and other relevant information. Point out the benefits that are expected from the deal, paying attention to personal benefits such as increased opportunity.</p> <p>The deal's financials and other information can be provided at a later time. Do not oversupply information now.</p> <p>Set the tone for the future: "Throughout the coming weeks, we will devote as much time as is needed to answer your questions. We commit to responding quickly and openly. And, on an individual basis, you'll have many help sources available, including</p>	<p>Customers will worry about whatever they are buying. They are concerned that the purchase chain will be interrupted, and that the company will become so tangled up in the deal that it won't be able to deliver anything.</p> <p>Customers will wonder if they need to find another supplier in a defensive buy plan. They may find their emotions engaged if their favorite salesperson is saying, "I don't know whether I'll have a job or not."</p> <p>Provide customers with a positive view of the new company and the potential for increased breadth of products and service. Emphasize that it should be a net gain for customers due to increased buying power and strength. Promote the synergies and economics of the union for customers who may be leery of change.</p> <p>"We have been acquired by X company, a leader in</p>	<p>Suppliers worry about being cut out. They will wonder about the new company's preferred suppliers and whether the competition will offer bigger cuts to retain business. They worry they will be asked for deeper discounts at higher volumes. Their concern is about retention.</p> <p>Introduce them to the new company and focus on the importance of suppliers to the company. Promise transparency throughout the process.</p> <p>"We have been acquired by X company, a leader in our industry. We have unprecedented opportunity to provide a new level of service based on the combined product group."</p>

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	<p>bears in mind the current change stage of the recipient.</p> <p>Stakeholders go through the change curve at different rates based on when they were informed and their roles. Executives who hear the news weeks before employees often appear unnaturally calm or even cold to employees who are struggling with feeling betrayed. You need to allow for that by always keeping communication at the level of change, and tailoring it to each specific group based on their perspective.</p> <p>TIP: Don't deviate from message or ad lib. The minute you depart from planned answers, you will get questions you can't answer. Bluffing your way through can prove disastrous. 5 or 6 managers giving different answers can create confusion. Give each the same answers to stay on message.</p>		<p>Human Resources staff and external support services. We may not have all the answers right away, but we'll work hard to get the information to you as soon as it is available."</p>	<p>our industry. We have unprecedented opportunity to provide a new level of service based on the combined product group."</p> <p>TIP: Keep in mind that Customers and Suppliers may compare notes.</p>	
<p>"What is going to change?"</p>	<p>The need for specifics is about pinning down the future, a basic human</p>	<p>With executives, go over ownership, benefits to employees, infrastructure. You</p>	<p>Employees are concerned about "me" issues: job, career, my family, paycheck, benefits.</p>	<p>"We value our customers and we're committed to giving</p>	<p>"As the two companies come together, we may have a few hiccups in</p>

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	<p>desire. But no one is a soothsayer. Many decisions that will determine change have not yet been made.</p> <p>Reinforce that there will be some predictable changes in processes to meet the new company's needs. Acknowledge that everyone will be entering a period of change. On the day to day level, changes may be very manageable. The organization itself may change quite a bit.</p>	<p>can furnish approximate dates for changes in HR, Finance, Purchasing or IT departments. Explain that you will establish operating guidelines, and explicit procedure to resolve issues. State best intent for employees, customers, suppliers.</p> <p>If any of these individuals also owns stock, clarify who you are talking to: "am I talking to an owner or an employee?" Very few people are one and the same. They can cause the most problems. You create rules for each. Either you have a contract or you fall into general rank and file. What are the rules to being an employee/or owner? Clearly state the rules and hold them to accountability.</p>	<p>They want specifics which are still undecided. Or have been decided upon, but will be announced later.</p> <p>Within their Change Curve, an employee's feeling of betrayal may come out as anger at violation. Listening carefully helps you diagnose how to react.</p> <p>First, acknowledge reality. "Yes, some things are going to change, and it may be challenging to adapt. But we're not going to have happy talk. We're going to stay focused on you and we're going to try to unlock the value of the combined organization going forward. That's our promise. Doing it may be like a bumpy flight, but we'll get there in one piece."</p> <p>"We are in a process of figuring out what will change and what will stay the same."</p> <p>"We expect mistakes. In this environment of continuous change we will all make mistakes. Don't be fearful or point fingers – find a solution. Please forgive us in advance. Mistakes will happen, everybody makes mistakes."</p>	<p>you uninterrupted service throughout our transition. Our goal is to provide the same level of service you've always received while working on improving it further. "</p>	<p>our buying process but we will be developing streamlined methods of purchasing and the process should ultimately be improved."</p>

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<p>"Why are you doing this?"</p>	<p>Stakeholders are looking for an explanation that will allow them to order the experience.</p> <p>The answer to "why?" is the desire for synergies, squeezing the combined value from customers, employees, suppliers.</p>	<p>"We will leverage our strengths and minimize our weaknesses. It's really about synergies, trying to get the value of the two organizations coming together to share products, R&D, and reach in market."</p> <p>"We are looking for <i>Market Leadership</i>: recognized distinction as the acclaimed market leader in chosen markets."</p> <p>"We are pursuing <i>Shareholder Value</i>: stability and track record of maximizing long term income growth and return on company assets. The buyer has a solid history of strong financial management, high growth and profitability."</p> <p>TIP: Plan for one-on-ones with executives who are long term thinkers and planners; they are ones who will need to dialogue.</p>	<p>Employees not ready to hear about synergies yet.</p> <p>Betrayal evokes feelings of fighting: Why did they do this when we had a good thing going? We were making great inroads/progress, spending money wisely, heading in the right direction and this is a huge distraction.</p> <p>"We get it. We've been competitors for years, and they beat us on this and we beat them on that....and now we're merging together. It feels a bit strange." By recognizing and stating the obvious, you enable emotional venting in a controlled manner.</p> <p>"The reason we're doing this is because we think it will be better for you. It may be a little stressful to get there, but ultimately YOU will be better off, with more opportunity and a better, stronger company."</p> <p>Focusing on a synergy message with employees at this time can cause them to become scared and low-productive, and induce tension, stress and fear.</p> <p>TIP: Roughly 80% of your people will be concerned with making it through the day/week, to the next paycheck. They are not looking down the road six months. Talk</p>	<p>The customer is wondering whether their experience will change. The customer thinks, Why would you change something that is already working for me? Now I'm insecure and rattled. Will my cost go up, will it be easy to obtain?</p> <p>The message is "Things will be even better. The acquisition will result in bargaining strength and help us keep prices down. The customer will enjoy enhanced and centralized support where before he or she may have contacted both companies."</p> <p>"Products will be just as easy to buy. The success of the transition is tied to how both companies continue to service customers, so customers are our priority.""</p> <p>During the process, customers may notice changes but these should not diminish customer experience."</p>	<p>Suppliers may assume that the "why" is about consolidation and cutting new, advantageous deals. If a supplier sells to both companies, the supplier may fear exposure of pricing structure.</p> <p>Suppliers wonder, Am I going to be moved out? Are you going to cut better deals with other suppliers?</p> <p>"Yes, contracts will be reviewed as standard procedure while the companies go through the transition process. Vendors will see opportunities to increase sales to a larger organization with wider reach. The success of the transaction is tied to the supply chain remaining solid, so our valued suppliers will provide a critical role in our organization."</p> <p>"We hope to review all contracts within (X) days and provide a level of comfort to you, our valued suppliers."</p>

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			<p>of synergies and what may happen in a year doesn't motivate. Keep focused on the more immediate present, timelines within two week spans.</p> <p>An estimated 20% of your rank and file are planners. Have management identify those people and meet with them one-on-one to explain longer range plans and give them incentive to focus on the future.</p>		
<p>"How is the merger structured?"</p>	<p>This question relates to deal specifics. There will be elements which will remain private.</p>	<p>Explain the model which the merger is based upon, who has ultimate authority and accountability for financial results, customer satisfaction and associate satisfaction for their respective teams.</p> <p>Explain that fundamentally it's an acquisition first, and then leadership will merge it together.</p>	<p>Explain who the buyer is, the terms, timeline.</p> <p>"If all goes according to plan, in 120 days we will be one organization....increased in strength and stability, with more buying power, more customers and the combined talents of two great companies."</p>	<p>Focus on benefits.</p> <p>"The new organization will be increased in strength and stability, with more buying power, and the combined talents of two great companies. With two product lines, we will offer more choices and greater value to our customers."</p>	
<p>"What will happen to our culture?"</p>	<p>Will we recognize ourselves post-integration? Or become swallowed up in another culture?</p>	<p>Discuss the incoming culture and common features between the two companies. Highlight positives and discuss challenges openly. HR evaluations can limit disruptions.</p> <p>"We're not going to be the same company that we came in with. Adjustments will be made, and we'll adapt. The best parts of our culture</p>	<p>"The incoming company culture has a similar value system with emphasis on attracting, developing, inspiring and retaining the best associates in the industry. They have a demonstrated commitment to excellence. Company 1 has a solid reputation and our company culture will be well meshed."</p>	<p>"There will be some new faces, but you will experience the same attention as we have always offered. Company X has a demonstrated commitment to excellence and their corporate values are a great fit for ours."</p>	

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		(X,Y,Z) will survive and be enhanced and well aligned with the new partnership."			
"What kind of investment return are you looking for?"	Typically this is confidential information shared between buyer and seller investor/owners. Other stakeholders can receive information in broad brush strokes.	Explain the deal and its projected return to the relevant parties.	Profitability. "The specifics on anticipated returns need to remain confidential. But we can share with you some metrics that indicate the direction we are moving and goals."	"We are looking forward to a profitable partnership through this merger, and our customers will be the beneficiaries."	"There are suppliers we have in common and some we do not. We will respect each supplier's area of authorization. We all would like to leverage the combined buying ability of both companies so the benefits and stream lining efforts through our supply chain will generate efficiencies."
"We're being bought by the competition ???"	After decades competing against the same company, there may be disbelief and resistance due to long standing competitiveness.	"The game has changed; we're now allies. To make this transition we will give up turf battles and concentrate on turning our former competitive energies into an engine driving toward excellence."	"The reason we are joining the competition is diversification and growth into markets and industries we currently do not serve but with products and services we understand."	"The merger will be a benefit to our customers as we will diversify and provide even more value. The net result will be a richer product base, enhanced platform, improved services, and increased stability for long term sales."	"For the suppliers we have in common, the engineering and purchasing processes to support the utilization of common inventory will be a key activity for integration in the very near future."
"What about my benefits, bonuses, etc?"	Compensation is on everyone's mind. There will be varying degrees of concern due to varying knowledge of the deal specifics. In employee cases, a lack of information can create uneasiness and lack of morale.	"Compensation packages and contracts will be specifically discussed in one-on-one meetings with key players."	"HR benefits will be transitioned over the next few months. The HR representative for employees will be working in conjunction with the new office and will be able to respond to your questions. Specific compensation and professional development questions should	"Our plan is to bring increased benefits to our customers through buying power and efficiency strategies. As we are able to negotiate better deals with suppliers, we will be able to pass better pricing along with no drop in quality."	"We are looking forward to achieving together and increasing our business since we will be a much larger buyer."

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			be directed to your current supervisor."		
"What will our customers be told?"	How do we proceed based on the confidential information we are receiving? When dealing with customers, what is our main message?	"The team is working on generating a brief slide presentation with talking points regarding the partnership, so customers, partners and suppliers are all provided a consistent, well-articulated story that accurately reflects the value of our new partner and plans."	"Our message to the customers is that our intent is to deliver the same level of product, services and quality that they receive today and continuously look for ways to improve."	"Our intent is to deliver the same level of product, services and quality that you receive today and continuously look for ways to improve."	"Our intent is to continue the same vendor relationships and buying experience that you experience today and continuously look for ways to improve."
"How do I get more information?"	It's wise to create a method to keep people updated throughout the process. Email, Intranet and groups are good ways.	"Throughout the process, our communications team will provide frequent updates and manage all communications. They have been tasked with maintaining consistency and appropriateness of messages and serve as a support unit for all locations. It is one of our goals to keep all employees, customers and suppliers informed through the upcoming months. "	"Your management team leader or current supervisor can answer any questions you may have. We want to keep you updated throughout the process and plan on email, Intranet and meeting updates. To learn how you can be more involved in the process, meet with your supervisor."	"We will be communicating on a regular basis with you as the sale goes forward. We will offer you opt-in choices in email, newsletter and on our website to keep you informed."	"We will be communicating on a regular basis as the sale goes forward. When you log in to our site, you will see updates and you can receive further information via our vendor newsletter. We thank you in advance for your support as we go through the transition process."
"Will pay change?"	Concern for pay cuts, increased product prices or deep discounts.	"At the staff level, address this issue with your reports immediately to help diffuse tension and focus on building optimism about our plans. We will be preparing a customer message to alleviate these concerns as well. Stay tuned."	"Our intent is to stay with the existing compensation plans. The new company is always assessing compensation plans based on market needs and skills. "	"We intend to do all we can to keep product prices at the same level. We are hopeful that the synergies of this acquisition will create more value for you in products and service."	"Our intention is to continue the same integrity based buying relationships. The values of Company X are the same. Due diligence requires that we take a look at our supply chain as we merge the companies to see areas where we can eliminate redundancies."
"Who will be the	Will we have to establish relationships with all new	"We won't know this until the assessment of the task group	"The answer will emerge over time in the transition. Many of	"We will be doing business with old and	"We will encourage our vendors to submit their

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preferred vendors?"	vendors? Cut all new deals?	<p>comes in. It is to our advantage to leverage our existing vendor relationships due to our anticipated buying strength."</p> <p>"A rationalization of suppliers may have to occur due to territory or contractual conflicts. Other considerations such as: ISO 9001 compliance, volume, quality, service levels and channel conflicts will be reviewed within the quarter and appropriate decisions will be made."</p>	our existing vendors will likely stay. You will also get to know some new ones via our new partnership."	new vendors as we move forward to ensure that our products and services remain the finest in our industry."	best pricing and most favorable terms as we review our existing partnerships."
"Will there be layoffs?"	How unstable are the finances? Does the buyer plan to eliminate redundant positions?	<p>(A sensitive question, and depending on scenario, answers will be crafted by executives. There are two layers to this: employee's concerns and the concern of executives that they will be downsized.)</p> <p>"All options are on the table. At this time, no layoffs are planned but it is possible in the future. There will be employees who will not be able to make the transition due to change resistance. They will self-select, and make it known they would prefer to be elsewhere."</p>	"We will spend up to six-months learning about the organization and the people before making any organizational changes. We realize this is a top concern. Right now, no layoffs are planned."	"No layoffs are planned at this time."	"No layoffs are planned at this time."
"Will I be expected to	In an integration, worries about cost cutting to make the deal profitable can	"Yes, there will be more work. We will need 100%+ effort for a smooth integration. Because	"You will only be responsible for your current tasks during the transition. If you would like		"Until we can complete our review, all our vendor relationships will

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do more work?"	create anxiety about increased work responsibilities and time commitments.	there will be integration-specific tasks added to your responsibility in addition to your existing tasks, extra time will be needed in the short term. "	to get involved in the integration and join a task force, please contact your manager. We will gladly welcome your assistance."		be unchanged, with the same terms."
"Are there major organizational changes expected?"	Who will report to who? Will the buyer get rid of all our managers? What about headquarters? Will we be offered jobs in a new city?	"The task forces will determine what departments need focus and any organizational changes will be recommended. During the transition, no major changes are planned but are possible, depending on the data that emerges. "	"The immediate plan is to understand the efforts needed to make the transition successful. We are creating integration teams that will work towards the processes necessary for the combined work force. The new organizational structure will be born out of those processes: to effectively manage all the work we have now, and any projected new work in the future."	"No organizational changes are planned at this time."	"No organizational changes are planned at this time."
"Will senior management be the same? What about the incoming company?"	If management structure remains stable, the rank and file thinking is, "things aren't going to change <i>that</i> much."	<p>Explain who will run the new company, and key personnel and responsibilities. Introduce the team to incoming management team.</p> <p>Exit strategies can be announced on a need to know basis, typically privately, not digitally.</p>	"There are no planned changes in the management structure at this time, other than the people looking forward to retiring. As we move forward, the current organizational structure will be assessed with respect to the process flow of work. These assessments may lead to changes in management."		
"How will our selling cycle be affected? Will we be paid in a timely fashion?"	Will the transition upset our cycles?	"The integration will maximize the product offering in any competing lines. The brand development for the products we both sell will drive the customer demand. As our sales team becomes familiar with new products, there is going to be a learning curve	"The integration will maximize our product offering. The brand development for the products we both sell will drive the customer demand, so we expect sales to increase. Our timelines may be adjusted as we go through the learning curve of new products."	"We are excited to make new products available to you."	"Our agreements remain in place. Payment will not change."

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		that will cause some degree of distraction and timelines may need to be adjusted. Our goal is to increase sales; at a minimum they must remain level."			
"How will customer service change?"	What about the day-to-day operations of serving customers? Will we have to immediately adapt to a new protocol?	<p>"Seize opportunities to implement new ways to increase your productivity, quality of work and customer service levels – and let the management team know what works...and what doesn't."</p> <p>"The intent is for the relationship to continue to grow and improve. The combined entity should provide improved service levels for customers and opportunities for suppliers. Each relationship will be carefully reviewed over time as all relationships should be. Support will remain local and any sales relationship changes will be driven by existing local management."</p>	"Make customer satisfaction your personal mission. Our changes are driven by a desire to enhance our customers' experience and grow our base. It is imperative that we continue to focus on our customers and their happiness."	"Our new combined company will continue to grow and improve, with enhanced service levels for all our customers. Our goal is to provide the same support and attention throughout our implementation."	"Our new combined company will continue to grow and improve, with improved opportunities for suppliers."
"What kind of growth is expected?"	How big a change can I expect? Are the expectations achievable? Will I be able to meet this challenge?	"We are in this process to grow. We will deliver competitive advantage to our customers through the rapid deployment of technology solutions and through partnering with leading companies to achieve robust growth. We will provide our associates with an enriching, rewarding and fun	"We are in this process to grow. We will deliver competitive advantage to our customers through the rapid deployment of technology solutions and through partnering with leading companies to achieve robust growth. We will provide our associates with an enriching, rewarding and fun environment, and we will	"Our growth plan will provide our customers with world class products and services."	"Our growth plan will offer our trusted vendors new opportunities to grow with us."

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		environment, and we will generate outstanding returns for our shareholders."	generate outstanding returns for our shareholders."		
"Will I report to someone new?"	This kind of specific question is not answerable at this point because of the nature of integration.	"Task forces are in place to analyze teams now. There will probably be shuffling of your reports but we will give you as much warning as possible."	"All employees will continue to report to the person they are currently reporting to. As we move into more functional leadership roles, some roles may change to help us best support our growth objectives. For right now, and the foreseeable future, no changes are planned. If they come up, we will let you know in plenty of time."	"We are making every effort to spare you disruption, and provide you with the same sales team you are used to working with."	"Our vendor relationships are very important to us. We are in the process of reviewing teams. For the time being, no changes are planned in personnel or processes, but they are likely in the future."
"What about the integration timeline?"	<p>When will the deal be done, and then when will it really be over?</p> <p>Important periods include first 90 days, 180 days and 2 years. The two year mark is often used as a conclusion point for the full integration.</p>	"Just prior to the closing of the transaction the integration team will be part of a kick off and strategy setting exercise. After this kickoff meeting, the process, based on the actions generated from the integration discussion, could take up to six months to come to fruition. Greater detail in the timeline of each process (sales, engineering, manufacturing, etc.) will be generated after the kickoff meeting."	"When we close the deal, it will be "official" but the actual transition period will just be getting underway. The first 90 days will be about getting information, with task forces assessing the best integration points for the two companies. We will keep you updated at every point along the way."	"Our transaction will close on (date). Our operations will not change to that point. Once we have officially joined the new company, we will be in fact finding mode for awhile and then begin an implementation period. We'll then review our processes and look for ways to improve our service, products and your customer experience."	"Our transaction will close on (date). Our operations will not change to that point. Once we have officially joined the new company, we will be in fact finding mode for awhile and then begin an implementation period."
"How should we handle competitor threats and rumors?"	This is a good opportunity for competitors to spread less than accurate information and rumors.	"React to rumors with clarity and authority while placing the customer first. Continued customer satisfaction will drive our growth."	"You may hear a lot of different things on the street, some of them negative. This sale will be unsettling to competitors so they are going to be talking. You may hear rumors."	"We are here to serve you, and always place you first. Please let us know any concerns and we'll find the answer for you."	"If you hear anything that causes you concern, please come to us so that we can clear up any misinformation or garbled information."

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			Remember, the place to find out reliable information is here. If we don't know the answer, we'll tell you.		
"Does the strategy include more acquisitions?"	At this point in the announcement process, it is premature to elaborate on long term strategy.	"Yes, if opportunities that fit our growth strategy become available. However we are focused on transitioning through this deal first!"	"Yes, if opportunities that fit our growth strategy become available. Right now, our attention is focused on smoothly integrating the two companies."	"We will always look at opportunities to grow, but currently our focus is on this integration and making sure we continue to deliver our best service."	"We will always look at opportunities to grow, but currently our focus is on this integration and making sure we continue to deliver our best service."
"What is the plan for keeping everyone informed of changes?"	Plan on weekly updates for the first 90 days.	"With the appointment of transition teams and task forces, there will be information coming in all the time. We'll use email, Intranet, meetings and other tools to keep you informed. Things are going to be fast changing so it will be challenging to keep up."	"Our plan is to update you regularly via email and Intranet. Your supervisor will also be current on the latest news and is who you should go to with specific questions."	"We'll be updating you on our progress as we proceed. If we have any information that will impact you as our customer, we'll let you know right away."	"We'll be updating you regularly on our progress as we proceed."
"How will I be trained in the new skills I will need?"	This concrete question is understandable but premature as these decisions will not have been made yet.	"Once we identify any changes to the business operations, we will quickly develop a training plan to help those impacted learn new processes or technology to succeed. Until additional details are announced, please follow the procedure currently in place for skills training."	"All employees are important to the success of the company, just as they have been since we were founded. As a result of our sale, many new employment opportunities will open up and some roles will change to help us better serve our customers. During the next 90 days, we will determine how best to leverage and support the vast talent and skill represented by our team members."		If there are any changes to our processes, or buying procedures, we will make sure to update you with the changes to our system.
"Will you take input from us?"	Employees will want to gauge how receptive leadership is to their ideas and concerns. They may	"We are open to your input and will be depending on it during the transition period. This is not the time to play	"This is the time when we need good ideas so please contribute!	We truly value your input as we build a better company. We will be analyzing our	Your input is essential to us now as we build a better company. We will be analyzing our buying

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	<p>react with suspicion and distrust initially.</p> <p>To build trust, which is essential for driving the deal forward successfully, openly take comments, including negative ones, and deal with them as forthrightly as you can.</p> <p>It is important to remember that you do not have to have all the answers at your fingertips. Emphasize that the answers to some questions emerge over time as an organic part of the process.</p>	<p>politics. If you have information, don't engage in excess diplomacy. Surface your concern."</p>	<p>View this as a new opportunity with a new company. Take the initiative to let your manager know that you are ready, willing, and able to contribute. If you think you have some good ideas, don't wait to be asked.</p> <p>During this time and thereafter, we will be implementing new processes and ideas. We ask that you please be patient during the process. We welcome your ideas, suggestions, and feedback throughout the process whether you are called upon or not. Your involvement is very much needed as many of you work closely with our customers and suppliers daily and may have new perspectives on ways to add greater value to those relationships."</p>	<p>sales processes to make transactions better, faster and more valuable. Please let us know any ideas that you may have to help us improve."</p>	<p>processes to make transactions better, faster and more valuable. Please let us know any ideas that you have to help us improve our operations."</p>
<p>"What will customers and suppliers be told and when?"</p>	<p>This request for information concerns how to handle sensitive relationships.</p>	<p>"We will be in an information roll-out phase for the first 90 days. As soon as employees are informed, we will announce to customers and suppliers."</p>	<p>"Now that you have heard the announcement our customers and supplies will also be updated. They may come to you for answers. Those who deal with our customers and suppliers on a regular or daily basis will be receiving further</p>		

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			input on how to answer questions.”		
<p>“How can I contribute to the success of this effort?”</p>	<p>A sincere desire to contribute is a winner’s attitude. These people are gold. Typically, you will receive about 80% compliance up front, with 10% so resistant that they will probably have to walk the plank. An additional 10% just need more coaching to make it through.</p>	<p>“Support and expand upon the benefits the new company brings to clients, shareholders, business partners, vendors, and you as an individual. Do this with enthusiasm for the exciting future in store.”</p>	<p>“Recommit yourself to excellence in providing service to our existing and new clients – make client satisfaction and retention your personal responsibility and accountability.</p> <p>Seize every opportunity to implement new ways to increase your productivity, quality of work and client service levels – look outside the “box” for innovative ways to do what you do better, better, and better still.</p> <p>Continue to remind yourself that this is a unique opportunity for you to help shape the new company and your future.</p> <p>Embrace change and remain positive and productive when facing the ambiguity and uncertainty that brings change. Have the courage to change the things you can and to accept the things you cannot change. Specifically, you will have the opportunity to hone your skills in change management over the next two months. You will have numerous occasions to hook into the process and affect positive changes within your department and function. As</p>	<p>“Please bear with us during the exciting phase in our development. We intend for this phase to be invisible to you, our customer, but it is possible we will have some small hiccups along the way. Your patience is truly appreciated.”</p>	<p>“Please bear with us during the exciting phase in our development. We intend for this phase to be invisible to you, our customer, but it is possible we will have some small hiccups along the way. Your patience is truly appreciated.”</p>

Question	What It Means	EXECUTIVES/INVESTORS	EMPLOYEES Test	CUSTOMERS	SUPPLIERS
			<p>these occasions near, you will be receiving detailed information on how to engage. Take the plunge and you may surprise even yourself with how innovative and effective you can be."</p>		
<p>"Are you telling us all you know?"</p>	<p>Deals are fragile and information can be misunderstood and turn inflammatory. Tailored messages are not designed for deception but to deliver sensitive information at the most opportune time. It is typically parceled out in phases to limit emotional disruptions. Thus, the real answer is you are not telling all you know, but all you <i>need</i> for people to know at this time.</p>	<p>"Yes, you are receiving information as we do. Teams are forming to assess the company in a wide variety of areas. Recruiting will begin immediately. The team leads will require input and assistance from many of the people that operate in the process. This is a process of discovery."</p>	<p>"We are still figuring it all out. We are being forthright and honest and delivering the news as it comes in. There are still unknown variables that we ourselves don't know. Have patience during this period. Go to your supervisor with questions. It's ok."</p>	<p>"We intend for our customers to be taken care of during this transaction and after, we intend that you will be better off. We're placing a premium on service during this period so that you are unaffected by our transition."</p>	<p>"Our suppliers are critical to our business, and we have no intention of disrupting our supply chain. If anything we expect to be able to place more business with you as we grow."</p>
<p>Questions you have no answer for....</p>	<p>Don't fake it if you don't know the answer. Say you'll check on that and get back to them.</p> <p>TIP: Unanswered questions can create anticipation of new communication and get the answer in the future. The promise of gratification is powerful and it is safe behavior.</p>	<p>"If you are hit with questions you cannot answer, say you will check with the appropriate person. When you have an answer, get back to the person who asked the question."</p>	<p>"We're entering a period of change and we don't have all the answers right now because things are still being reviewed and decisions are being made. If we can't answer your question, we promise to check on the issue and get back to you in a timely manner."</p>	<p>"We are happy to answer any questions you have. If we can't find an answer, we will research it and get back to you as quickly as possible. "</p>	<p>"We are happy to answer any questions you have. If we can't find an answer, we will research it and get back to you as quickly as possible."</p>

*Change Curve Stages	Overview	Executives	Employees
Stage 1 - Betrayal Betrayal feelings: not fair, anger, desperation, confused, resentment, bitter, alone, why me?	Provide empathy, don't try to fix it, validation, I can imagine how you must feel	"We realize that you had a good thing going, and you may be feeling disrupted. This is actually a time of great opportunity for your career. When a company is in motion, quantum leaps can occur for those who can identify and seize the positive. Try to focus on what might be here for you."	"We realize that you may be feeling shocked and even dismayed about the news. It's ok to have feelings around change. It's what you eventually do with the feeling that counts. We hope that when you've had time to process the news, you will become excited about the upcoming opportunities for yourself and the company."
Stage 2 - Denial Denial feelings: This can't be happening, justification, go over someone's head, not me, makes no sense, must be mistake, I'll do better job, you can't do this	Make it real, document it: letter of termination, firmness, sign termination agreement, deliberation, introduce human resources, outplacement follow-up meeting, separation package	"This is happening, the sale is going forward. Things are already changing. Some folks who don't want to make the transition will be leaving the company, and that is the right choice for them. We do want you with us."	"This is happening, the sale is going forward. Things are already changing. Some folks who don't want to make the transition will be leaving the company, and that is the right choice for them. We do want you with us."
Stage 3 - Crisis Identity crisis: Now what? Who am I? What do I do now? Questioning the future	Sit on the bench, get away and think about it, you're ok, emphasize positives and possibilities	"This is a great opportunity to reinvent your career and figure out how this change can be a great thing in your life. Take some time and consider the possibilities. Imagine what could be if you were committed 100%"	"This is a great opportunity to reinvent your career and figure out how this change can be a great thing in your life. Take some time and consider the possibilities. Imagine what could be if you were committed 100%"
Stage 4 - Solutions Search for solutions: I can do this, optimism, who can I go to for help, new reality	Encourage seekers to research through books, Google, trusted contacts, church groups	"We need all hands on deck to make this work. The rewards will be there if you're ready to commit to solutions. Research, Google, talk to your most trusted friends about how to make this work for YOU."	"We need all hands on deck to make this work. The rewards will be there if you're ready to commit to solutions. Research, Google, talk to your most trusted friends about how to make this work for YOU."

Template FAQ

Overview

This MergerCoach.com document prepares you for the top questions asked during an acquisition, with appropriate responses which can be tailored to your situation. It is designed to be used with our Excel format Project Management Template.

Communication during all phases of an acquisition is critical but never more so than during the announcement period. During this time employees, investors, customers and suppliers from both companies will be seeking information. Typically, the initial announcement and deal close are the most sensitive time periods.

Here are the top questions asked by stakeholders during acquisitions, in five key areas: Strategy, Structure, Process, Communication and Training. We provide easy-to-adapt answers to these questions to keep your communications on track. Where indicated, replace COMPANY or equivalent words with your own specifics to tailor them. Keep your answers tight and focused. Less is more, as people are still coping with emotional reactions from the news.

Most-Asked Questions

Top Strategy Questions

Q: How was the strategy determined?

Q: How was the merger structured from a financial perspective?

Q: How did this merger come about and what made it worth pursuing?
(i.e., market leadership, products, etc.)

Q: Does our strategy include additional acquisitions?

Q: What are the specific expectations of the primary investors and stockholders?

Q: What is the strategic focus of the new company? (i.e., what is the mission or vision statement at a tactical level?)

Top Structure Questions

Q: How will geographic locations be impacted?

Q: Are there plans to open new offices in the next year? If so, where?

Q: What is the expected growth in employee headcount over the next year?

Q: Has a new Executive Committee been formed? If so, who is on it and what is their role?

Q: Do we have a new board of directors? If so, who are they?

Q: Who are the executives of the company and what are their backgrounds??

Q: Are there any more major changes in organizational structure on the horizon?

Q: What is the timeline for the integration process?

Top Process Questions

Q: What effect does the merger have on other corporate objectives for 20xx, like going public, or other acquisitions under consideration?

Q: How will our selling cycle be affected by this merger?

Q: Are more layoffs planned? Will I report to someone new?

Q: How will our compensation plans, benefits and policies, including pay, stock, bonuses, vacation, holidays, 401k, and insurance policy change?

Q: What is the plan to pay bonuses now that we have changed our fiscal year?

Q: If a problem or question arises, who do I go to?

Top Communication Questions

Q: When will I know more about what's happening with the integration plans?

Q: How do I get involved if I'm not on a Task Force in this merger integration?

Q: What will our customers and key suppliers be told about the merger and the impact on them? When?

Top Training and Development Questions

Q: How can I contribute to my own success and the success of the new company?

Q: Will I have a chance to acquire new skills if the company technology strategy requires skills that I may not have?

Common Answers

1. Q: Who is **BUYING COMPANY**?

(**BUYER**) is not a financial group acquiring businesses. **BUYER** is a **DESCRIBE BUSINESS** operating across **XX** states with over **XXX** employees. **BUYER** has been in business for over **XX** years. The company is well established and grounded.

2. Q: What will the name of the new company be?

We will initially do business as **COMPANY**, and eventually as **FINAL COMPANY NAME**.

3. Q: How was the transaction structured from a financial perspective?

Cash purchase of **COMPANY NAME** assets. (Example)

4. Q: Why did **BUYER make this acquisition?**

Diversification and growth into markets/industries we currently do not serve but with products and services we understand.

5. Q: How did this acquisition come about and what made it worth pursuing?

INITIATOR approached **COMPANY**. We pursued it because of the growth and diversification opportunities. Management went through a long negotiating process with the owners of **BUYER** to arrive at an agreeable price, terms and conditions. The value of pursuing a relationship is great in that the two companies provide key services and products to the industry. Together, the geography of each company's strengths is now covered by the combined entity. The product breadth is more diverse and able to suite a wide range of customers with varying specifications. The channel to market for the complementary products that each company has for example **NAME PRODUCTS** will broaden the range of all the products in the combined company as well as solidify the branding.

6. Q: What effect does this transaction have on other corporate objectives for 20XX?

Our objectives remain unchanged and the pedal is still on the floor. the need for each of our respective businesses to achieve the goals that were set will not change.

7. Q: Does **BUYERS's strategy include additional acquisitions?**

Yes, as opportunities that fit our growth strategy become available.

8. Q: Will **BUYER have access to **OUR** suppliers and vice versa?**

There are suppliers we have in common and some we do not. We will respect each supplier's area of authorization.

9. Q: Will we be able to share inventory?

Yes, for those suppliers that we have in common.

Structure

1. Q: Who previously owned **BUYING COMPANY?**

FOUNDER'S NAMES founded BUYER COMPANY approximately XX years ago. PROVIDE BRIEF HISTORY.

2. Q: What are OUTGOING MANAGEMENT going to do?

NAMES are planning XX beginning in 20XX. NAME will serve as President of the new company.

3. Q: Who will be in charge?

NAME will be charge and will operate independently within the agreed upon operating performance guidelines, through 20XX. The current management team will also be in place.

4. Q: Who do I talk to about my benefits, compensation, and professional development?

HR benefits will be transitioned over the next few months and a contact will be provided very soon. All other questions should be directed to your current supervisor.

5. Q: Who do I talk to about my, customer and supplier issues?

Your management team leader or current supervisor can answer any questions you may have.

6. Q: How will COMPANY'S geographic locations be impacted?

No changes are planned.

7. Q: Will COMPANY continue to operate out of the existing offices in XXX?

We plan to continue operations in existing facilities where appropriate.

8. Q: Are there plans to open new offices in the territory next year?

Additional locations are being considered.

9. Q: What is the expected growth in employee headcount over the next year?

We expect to increase employment. Details haven't been finalized as yet.

10. Q: Are there major changes in organizational structure on the horizon?

The only planned organizational change will be XXXX. The immediate plan is to understand the efforts needed to make the transition successful. The integration teams will work towards the processes necessary for the combined work force. The organizational structure will be born out of those processes to effectively manage all the work we have.

11. Q: Are layoffs planned?

No.

12. Q: What will be the management structure at NEW COMPANY?

We intend that the existing management structure will remain intact. The management team will be available as advisors in their areas of expertise. Over time the organizational structure will be assessed with respect to the process flow of work. These assessments may lead to changes in management at some point.

13. Q: What is the timeline for the integration process?

Just prior to the closing of the transaction the integration team will be part of a kick off and strategy setting exercise. After this kickoff meeting, the process, based on the actions generated from the integration discussion, could take up to six months to come to fruition. We intend to integrate the HR and Finance (General Ledger) responsibilities on DATE, YEAR. We will join in a new software platform during 20XX, which will enable integration of purchasing and other back office services.

Process

1. Q: Will my pay change?

Our intent is to stay with the existing compensation plans. COMPANY is developing a new commission based compensation plan that is expected to be implemented in 20XX.

2. Q: How will our benefits and policies, vacation, holidays, 401k, and insurance policy change?

COMPANY employees will migrate to the COMPANY benefits by MONTH, 20XX. HR will introduce those in the next several weeks.

3. Q: Will COMPANY migrate to NAME software? If yes, when?

COMPANY will join others on a new software platform during 20XX.

Communication

1. Q: Will there be an Integration Team?

Yes. The following team members from have been identified:

Process	COMPANY 1	COMPANY 2
Sales		
Engineering		
Purchasing/Estimating/Scheduling		
Human Resources		
Finance		
Information Technology		
Integration Lead		

2. Q: Will there be participants from **COMPANY** on the Integration Team?

Absolutely yes! Recruiting will begin immediately.

3. Q: When will I know more about what's happening with the integration plans?

There will be weekly updates for the first 90 days.

4. Q: How do I get involved?

Let it be known that you want to be involved.

5. Q: Will our signs change?

Yes, over time. The **COMPANY** name has been historically powerful. Over time and with good business sense, the signage, business cards, email addresses, internet pages, phone greetings... will change to **COMPANY**. Some will change quicker than others.

Customers and Suppliers

1. Q: Will our relationship change and if so, how?

The intent is for the relationship to continue to grow and improve. The combined entity should provide improved service levels for customers and opportunities for suppliers. Each relationship will be carefully reviewed over time as all relationships should be. Support will remain local and any sales personnel changes will be driven by existing local management.

2. Q: Will suppliers be dropped or changed?

A rationalization of suppliers may have to occur due to territory or contractual conflicts. Other considerations such as: ISO 9001 compliance, volume, quality, service levels and channel conflicts will be reviewed within the X quarter of 20XX and appropriate decisions will be made.

3. Q: Will we be able to expand our business and sell to other locations?

Possibly, depending on competing product lines and APR'S.

4. Q: Who will be the "Preferred Vendors"?

See question 3.

5. Q: Will we be paid in a timely fashion?

Yes you can expect the same great service as in the past.

6. Q: Who will issue purchase orders?

Local until further notice.

7. Q. How should we handle competitor threats and rumors?

This is a good opportunity for competitors to spread less than accurate information and rumors. COMPANY will continue to make bold moves in the industry. Continued customer satisfaction will continue to drive our growth. React to rumors with clarity and authority while placing the customer first.

8. Q. Will inventory be centralized in CITY NAME?

Inventory management will remain as it is through X quarter 20XX. Changes will only be considered as the shared IT systems to manage inventory are implemented and to benefit customers. Any IT system changes are not planned before the X quarter 20XX.

9. Q: Will purchasing be centralized in CITY NAME?

Purchasing will track closely with IT system changes. So if changes are to occur, they will be in the X quarter of 20XX.

10. Q: What will our Customers be told about the acquisition and the impact on them?

Our message to the Customers is that our intent is to deliver the same level of product, services and quality that they receive today and continuously look for ways to improve.

11. Q: If a problem or question arises, whom do I go to?

You should take everyday operational and sales questions to your immediate supervisor as you had previously. For questions related to the acquisition, please feel free to contact any of the Integration Team.

12. Q: Will COMPANY employees have access to the BUYER Intranet?

Yes, very soon and there will be a special area for them to get documents like this one.

Training and Development

1. Q: How can I contribute to my own success and the success of the new company?

A: Organizations that have undergone a major merger like ours identify the following behaviors as key to success:

1. Support and expand upon the benefits the new company brings to clients, shareholders, business partners, vendors, and you as an individual. Do this with enthusiasm for the exciting future in store.
2. Recommit yourself to excellence in providing service to our existing and new clients – make client satisfaction and retention your personal responsibility and accountability.
3. Seize every opportunity to implement new ways to increase your productivity, quality of work and client service levels – look outside the predictable for innovative ways to do what you do better, better, and better still.
4. Continue to remind yourself that this is a unique opportunity for you to help shape the new company and your future.

5. Expect mistakes. In this environment of continuous change we will all make mistakes! Don't be fearful or point fingers – find a solution.
6. Embrace change and remain positive and productive when facing the ambiguity and uncertainty that brings change. Have the courage to change the things you can and to accept the things you cannot change. Specifically, you will have the opportunity to hone your skills in change management over the next two months. You will have numerous occasions to hook into the process and affect positive changes within your department and function. As these occasions near, you will be receiving detailed information on how to engage. Take the plunge and you may surprise even yourself with how innovative and effective you can be.
7. View this as a new opportunity with a new company. Take the initiative to let your manager know that you are ready, willing, and able to contribute. If you think you have some good ideas, don't wait to be asked.