

# Interclean-envirotech merger essay sample

[Business](#), [Strategy](#)



In this scenario, InterClean, had a plan in place that would assist the sanitation company in increasing its profitability. In doing so, there was a possibility of having to completely restructure the sales teams and marketing strategies that were already in place. The CEO of InterClean, David Spencer, is a middle aged businessman, who remains focused, and is completely driven in his efforts to ensure that this cleaning company increases its growth to become a leader within the sanitation industry. Initially, David and his team proposed a new service focus that entailed being the first within the industry to expand their cleaning company by introducing an all-inclusive service. While this is a great opportunity for growth, a huge concern is that the current sales team at InterClean is not knowledgeable on the current sanitation regulations, based on legal and environmental requirements. Because of this, Janet in HR began to work on screening new sales hires that had existing sales experience, which caused the existing employees to feel threatened for their job security.

However, with the company headed in this new direction, mandatory training would take place for all employees, in hopes for boosting morale. As employees began to start rumors about the changes, the morale began to drop and they felt there was no long time employee loyalty. After identifying employee skill and competency regarding the new sales strategy, HR VP and Consultant worked very hard to keep the rumors down and the morale up. In the midst of this, CEO David of InterClean announces the acquisition of EnviroTech, one of their largest domestic competitors. Because EnviroTech has strong expertise and tenured salespersons, this is an excellent fit with the goals of InterClean's desired strategy. By combining the resources of

InterClean with the expertise and additional manpower from merging with EnviroTech, the expectation is that profitability should increase by 40% (University of Phoenix, 2015). With combining the two companies, InterClean is looking to bring on an additional 60 employees from the EnviroTech staff (University of Phoenix, 2015).

In doing so, there are bound to be many employees who may hold similar positions within each company, and having dual roles will not be productive or efficient in carrying out the strategy. It will be necessary for InterClean to strategically rightsize both sales teams as they merge into one. Because the existing InterClean employees are already feeling threatened by the newly acquired sales employees' experience, it will be strategic and smart to incorporate the EnviroTech sales reps into the training process for InterClean. They not only have over 20 years of experience, compared to the 1-4 years average experience of InterClean's sales reps in the sanitation industry (University of Phoenix, 2015). In order for the acquisition to be effective, it requires that the entire staffing team be rightsized. The main purpose of merging with EnviroTech was to incorporate the best of both worlds and to maximize the strengths of both companies to become the leader in the industry.

Rightsizing will take InterClean through a process of reorganizing or completely revamping the business overall, in order to accomplish the strategic business goal. A few ways they can accomplish this will be by decreasing operating costs, or by reducing labor and eliminating some positions. While the latter is clearly not the most popular route to take, it has

proven to be the most effective, when necessary. However, when doing do, rightsizing cannot happen all at one time, as this will have an overall negative impact on the employees who still remain and will also feel job threatened. At the end of the day, it is all about the company, and doing what it takes to get goals accomplished and strategies in line and in action to increase the profitability for InterClean. Before acquiring EnviroTech, one of IntraClean's largest concerns was its ability to remain compliant to all legal and environmental expectations for their sanitation services.

Merging with EnviroTech will take a huge load off of the IntraClean staff, as they now have on their team a group of experienced sales force members who are more than qualified with years of expertise and bring with them a wealth of knowledge. There is already a plan in place to utilize sales persons merging from EnviroTech to take lead roles in sales and marketing, as InterClean will be looking to them for guidance for the customer and service based system that was so successful within EnviroTech. In addition to this, merging also brings with it an increased budget for financial support when additional funds may be needed. To ensure that the plan of action remains both ethically and legally sound, as long as the company is not wrongfully terminating anyone due to the process of rightsizing, then there will be no risk of any legal action being taken against the company. Also, often when companies strive so hard to accomplish a goal, ethical decisions and simply doing what it right at all times can go awry.

However, with maintaining strong leadership of David Spencer as CEO, the decisions made for the acquisition and beyond for the future of InterClean

will be sound and sure to line up with the ethical strategy of the business. It is never a part of the business strategy to eliminate jobs and positions, but it is the way of the corporate world. They often must “tear down” in order to “build back up”. This also rings true for InterClean. While rightsizing, reducing headcount or having involuntary separation, based on skill and expertise necessary for the sales strategy, is likely to take place. During this process, companies are required to document all events that caused the separation, and have employees return any company owned items and they will still receive a final paycheck (Richards-Gustafson, 2015).

## References

Richards-Gustafson, F. (2015). Employee Separation Process. Involuntary Separation. Small Business in Demand Media, Retrieved from Chron <http://smallbusiness.chron.com/employee-separation-process-15514.html>

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