

Synergon's acquisition of and merger assignment



Béchamel are proud of what they are, feel what they are doing. It's time proven and will fight most change especially without clearly communicated and justified reasons why they should change. It's hard to believe this can be salvaged without significant compromise from both sides (depending on how you define salvaged; I'm defining it as keeping Julian Béchamel out of retirement and fully focused). Synergy needs to appreciate there is benefit and cost reduction in the way Béchamel currently do business and Béchamel need to appreciate they need to change to attain growth.

The original idea of G's was fair 'We leave Béchamel alone'; turn it into the local Synergy office and hence use its back office functions which are more suitable locally and potentially across Europe. Leverage the processes which are more geared to growth like the HRS compensation plans and you have the best of both worlds tailored to region. (b) If you were in position of Nick, how would you prepare for the upcoming meeting with Julian Mansfield? I'd:

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Quickly go to the exhalation as a minimum and possibly the theatre, if I had time; then I met with Julian in the morning I would demonstrate I can onboard some of the Béchamel way of doing things. 2. Make Béchamel the local Synergy Office for the UK and with it all the implications; use the Béchamel back office and the previous processes in the short term and evaluate them over time if anything can be improved e. G. I may still stop business flights without the required approval ! Financial Management Pre-Assignment - Andrew Schaefer Page 2 3.

In the short term ensure all Synergy central requests and communications come IA me so that I could act as a buffer. Also bring over some assistance from the us to manage tons In ten meal term 4 create a plan to snow Julian now over time ten processes will be reviewed for adoption 5. Investigate how the loan approval process could be sped up 6. Write a General Communication for Julian to send out about why all of the requests are being received and why they were important 7. Set out a plan and priorities the messages e. G.

Employee hotel preferences can wait but I'd want to understand from Julian how he believes he can make the targets set by Synergy; What needs to stay the same in his view and what he needs from me to implement this, I'd also be seeking his admission that to grow does require some change. In my back pocket I would have a speech along the lines of You can't leave your loyal employees without their leader to see them through this transition never mind the customers'. Also offering an olive branch to take Julian to the States to talk about their approach to business and how Synergy could learn from it.

C) Drawing on your own professional experience, what lessons can you draw from his case? Personally I think this case is more acquisition than merger. I currently work for Oracle and they do a good Job with acquisitions or at least a smoother Job than Synergy; It's recipe of leave fairly well alone for 1- 2 years, guarantee pay for 2 years and impose back office systems by bribes like new computers and phones which the have to use to get them. Sure, not everyone is happy but it keeps most of the best people and keeps the other long enough that their value is retained. This approach appears to work and would have been more successful for

Béchemel, the year would have given Synergy a year to get to know the customers and reduce the reliance on the CEO although it probably doesn't drive every last nickel out of the opportunity. Cultures can be a greater force than at first considered. American companies can be overly bullish for the European taste and there is a lot that resonated within the Voices on the Front line' article. A lot of this good practice wasn't used in the Béchemel case. Page 3 Bibliography Voices from the Front lines; Imagine, Carried, Humanity & Disparate; Harvard Business Review, September 2014 Page 4