

# Building a Case for Communicating with Employees Throughout the M&A Process

**Loris Brooks, Master of Arts Candidate**  
Human Dimensions of Organizations, The University of Texas at Austin

## Introduction

All organizations that undertake the process of a merger or acquisition (M&A) do so with the goal that it will produce a stronger and more successful organization. This requires employees who are committed to the success of the M&A. Currently most organizations communicate M&As with employees in a way that produces anxiety, stress, and disengagement. This impacts the organization’s health and the success of the M&A.

## Methods

- I conducted an extensive literature review and used academic research of mergers and acquisitions to interpret and identify how the communication of the M&A affects the stakeholders of an organization as well as the organization itself.
- There is a wealth of academic literature on M&As in general. There has been an increased interest in the human side of mergers and acquisitions and this literature helped to jumpstart my research and hone my argument.
- Communication with employees is a common theme throughout the academic literature. I take this a step further and suggest that organizations should communicate with their employees throughout the process of a merger or acquisition (and not only at its start).

## Results

### Current Communication System

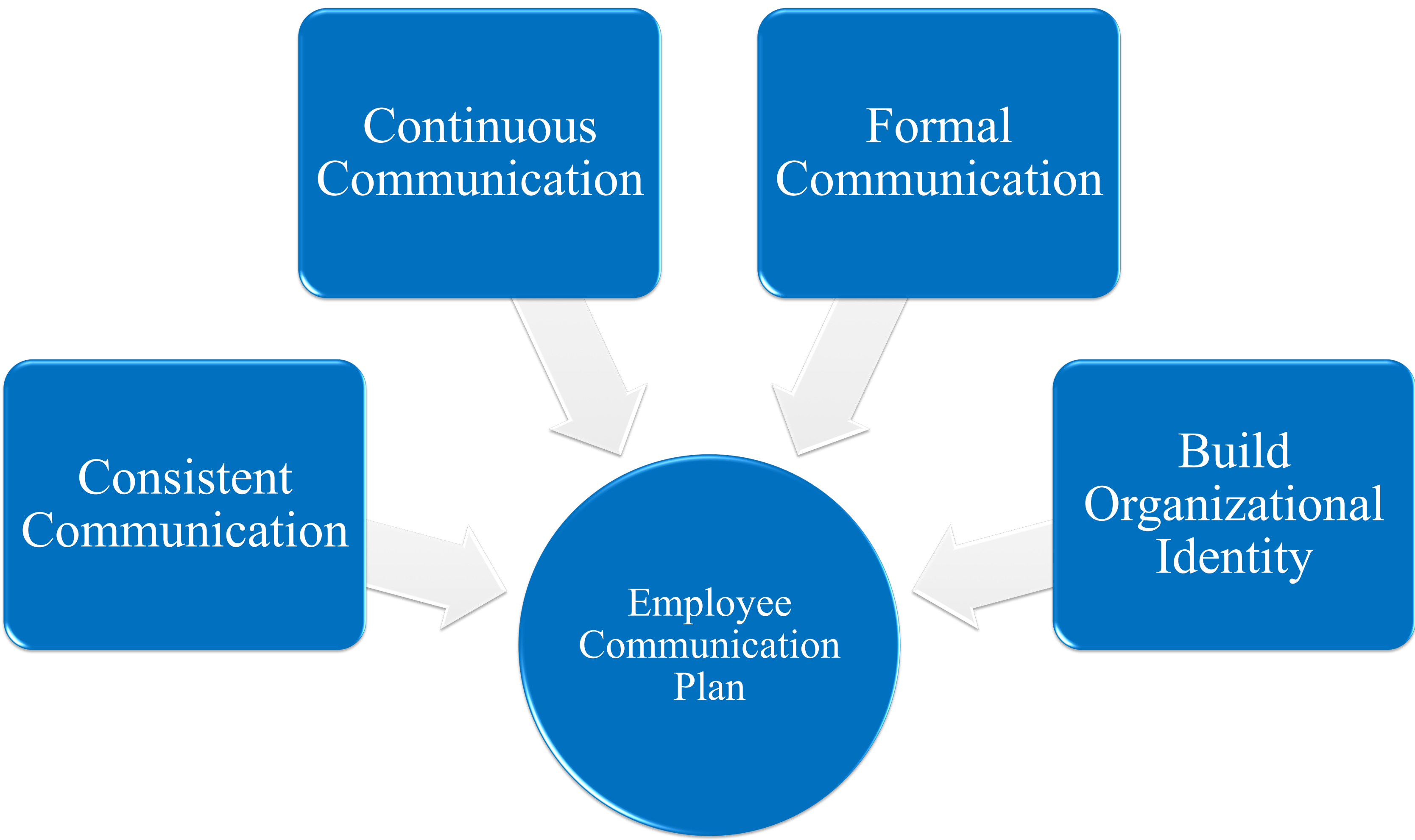
- Memo
- Press Release
- Rumor
- No Formal Communication
- Employee Meeting
- Outside Notification

### Effects of Current System on Employees

- Anxiety
- Stress
- Lower Job Satisfaction
- Loss of Identity
- Lack of Trust
- High Turnover

## Conclusion & Recommendations

### Build an Employee Communication Plan Throughout the M&A Process



The employee communication plan should be executed in the pre-merger/acquisition stage with continued communication throughout the M&A process.

## Literature Cited

Appelbaum, Steven H., Joy Gandell, Harry Yortis, Shay Proper, and Francois Jobin. "Anatomy of a merger: behavior of organizational factors and processes throughout the pre-during-post-stages (part 1)." *Management decision* 38, no. 9 (2000): 649-662.

Barrow, Mr Simon, and Ms Jenny Davenport. *Employee Communication During Mergers and Acquisitions*. Gower Publishing, Ltd., 2012.

Bastien, David T. "Common patterns of behavior and communication in corporate mergers and acquisitions." *Human Resource Management* 26, no. 1 (1987): 17-33.

Buono, Anthony F., and James L. Bowditch. *The human side of mergers and acquisitions: Managing collisions between people, cultures, and organizations*. Beard Books, 2003.

Schweiger, David M., and Angelo S. Denisi. "Communication with employees following a merger: A longitudinal field experiment." *Academy of management journal* 34, no. 1 (1991): 110-135.

Zagelmeyer, Stefan, Rudolf R. Sinkovics, Noemi Sinkovics, and Verena Kusstatscher. "Exploring the link between management communication and emotions in mergers and acquisitions." *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration* 35, no. 1 (2018): 93-106.Blah, blah, and blah. 2012.

## Acknowledgments

**With profound gratitude, I wish to thank:**  
All of the wonderful professors and amazing staff in the HDO program for their guidance and support especially my advisor, Clay Spinuzzi and second reader Polly Strong. My family and friends for their continued support.

## Further Information:

Loris Brooks  
lorisbrooks@utexas.edu