

M&A: Best human resources practices



Healthcare has seen an increase in mergers and acquisitions (M&A) activity in recent years. M&A deal activity reached an all-time high in 2015, with consulting firm Deloitte expecting such activity to remain strong going forward.

While M&A transactions are often pursued for strategic and economic reasons, Human Resources (HR) needs to be involved in M&A deals to increase deal success, according to Frank Roebroek, Senior Partner at HR Trend Institute, The Netherlands.

"In the research of M&A deal success, the reasons for failure vary, but often you will find culture, leadership, talent and communication in the top ten ranking," he says. "So, in addition to the more strategic and economic aspects, people-related issues also prove to be critical for deal success."

Based on his involvement in many M&A deals, Roebroek describes the role of HR around the following four critical areas of responsibility:

1. Organise

Set up a staff deal team during the different stages; support design of the deal and the integration process; help design the new organisation and lead the change process.

2. Research

Investigate material and immaterial people-related deal issues; create a focus for the HR team on top critical issues per deal stage; ensure expertise and capabilities in the HR team.

3. Advice

Advise involved leaders and the deal team on all HR-related issues; be the HR subject matter expert.

4. Communicate

Design the employee and labour-relations communication process; act as the linchpin between the different involved groups to ensure good flow of information.

According to Roebroek, there is a huge opportunity for HR to step up and claim this role which has proven to be so critical for M&A deal success.

Source: HealthManagement.org

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