



Communications in PMI

A common mistake made in M&A is that people believe emphasizing nothing will change will reduce reassure people. Nothing could be far wrong. The fact that the M&A has occurred means the target has new shareholders, with a new strategy, with new parent company management, who may have different management styles and values, and maybe from a different country with a different culture. There may be real or perceived difference in performance appraisal, in career development, and in promotion prospects. M&A opens up uncertainties and insecurities. The remedy is communication, communication, communication! This needs to be directed, content rich, and believable. Your plan for communication should begin created even before the deal announcement and include:

“Uncertainty causes speculation and gossip. Consider your lost productivity should 100 employees gossip for 30 minutes each day. That is over 6FTE of idle time!”

- A detailed stakeholder analysis
- A content matrix so content is consistent and drafted once not each time
- Format for delivery
- Timing and frequency
- A mechanism to capture feedback, and enquiries

Illustrative stakeholders, content, and delivery mechanisms

Stakeholders		Potential Content	Delivery formats
Internal	<ul style="list-style-type: none"> • Target management • Target employees • Unions • Parent company • Sister companies in same country as target 	<ul style="list-style-type: none"> • Deal rationale • Planned integration activities • Management and reporting line changes • KPI and benefits • Trade terms • Quality standards 	<ul style="list-style-type: none"> • Individual letter • Individual meetings • Town hall meeting • Onboarding packs • Intranet • Staff events
External	<ul style="list-style-type: none"> • Customers • Suppliers • Banks • Government and regulators • Industry Associations • Press 	<ul style="list-style-type: none"> • Future changes in external relations • Competitor issues • Planned restructuring on headcount reductions • Replacement of vendor provided services/benefits • Relations with other group companies • Expatriate plans • “Difficult Q&A” 	<ul style="list-style-type: none"> • Courtesy visits by top management • Press release and events • Newsletters



Communication across cultures

In cross-border communication needs to consider how it will be received in the culture of the target. Direct speaking to avoid misunderstanding in one culture can be offensive and disrespectful in another. Cultural considerations need to be included in your communications planning.

	Low-Context	High-Context
Example Countries	US, UK, Canada, Germany, Denmark, Norway	Japan, China, Egypt, Saudi Arabia, France, Italy, Spain
Business Outlook	Competitive	Cooperative
Work Ethic	Task-oriented	Relationship-oriented
Work Style	Individualistic	Team-oriented
Employee Desires	Individual achievement	Team achievement
Relationships	Many, looser, short-term	Fewer, tighter, long-term
Decision Process	Logical, linear, rule-oriented	Intuitive, relational
Communication	Verbal over Non-verbal	Non-verbal over Verbal
Planning Horizons	More explicit, written, formal	More implicit, oral, informal
Sense of Time	Present/Future-oriented	Deep respect for the past
View of Change	Change over tradition	Tradition over change
Knowledge	Explicit, conscious	Implicit, not fully conscious
Learning	Knowledge is transferable (above the waterline)	Knowledge is situational (below the waterline)

10 Tips for Effective Cross Cultural Communication



How we can help

Crossborder PMI Advisors guides its clients through the complex communication process and can support in the following (and many more) areas:

- Stakeholder analysis and communication planning
- Difficult question drafting
- Speech writing for executives
- Onboarding package production
- Written communication drafting
- Cultural workshops
- Key person interviews
- CVI program advice

For further information or RFP, please contact us at: info@xbpmi.jp

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