



Case Study: Critical Alignment of Leadership in Merged Companies (Financial Services)

Rick Hasty
Aaron Andrade

Summary

A financial services firm faced significant challenges following a merger that brought together two distinct corporate cultures. The CEO struggled to manage the differences between the new and old cultures, leading to a lack of alignment within the leadership team. Geographical dispersion further hindered relationship-building among executives, resulting in miscommunication and misunderstandings of strategy and priorities. Over the first six months, several executives from the acquired company left, and new leaders were brought in, leaving the leadership team in disarray with unclear roles and fractured communication.

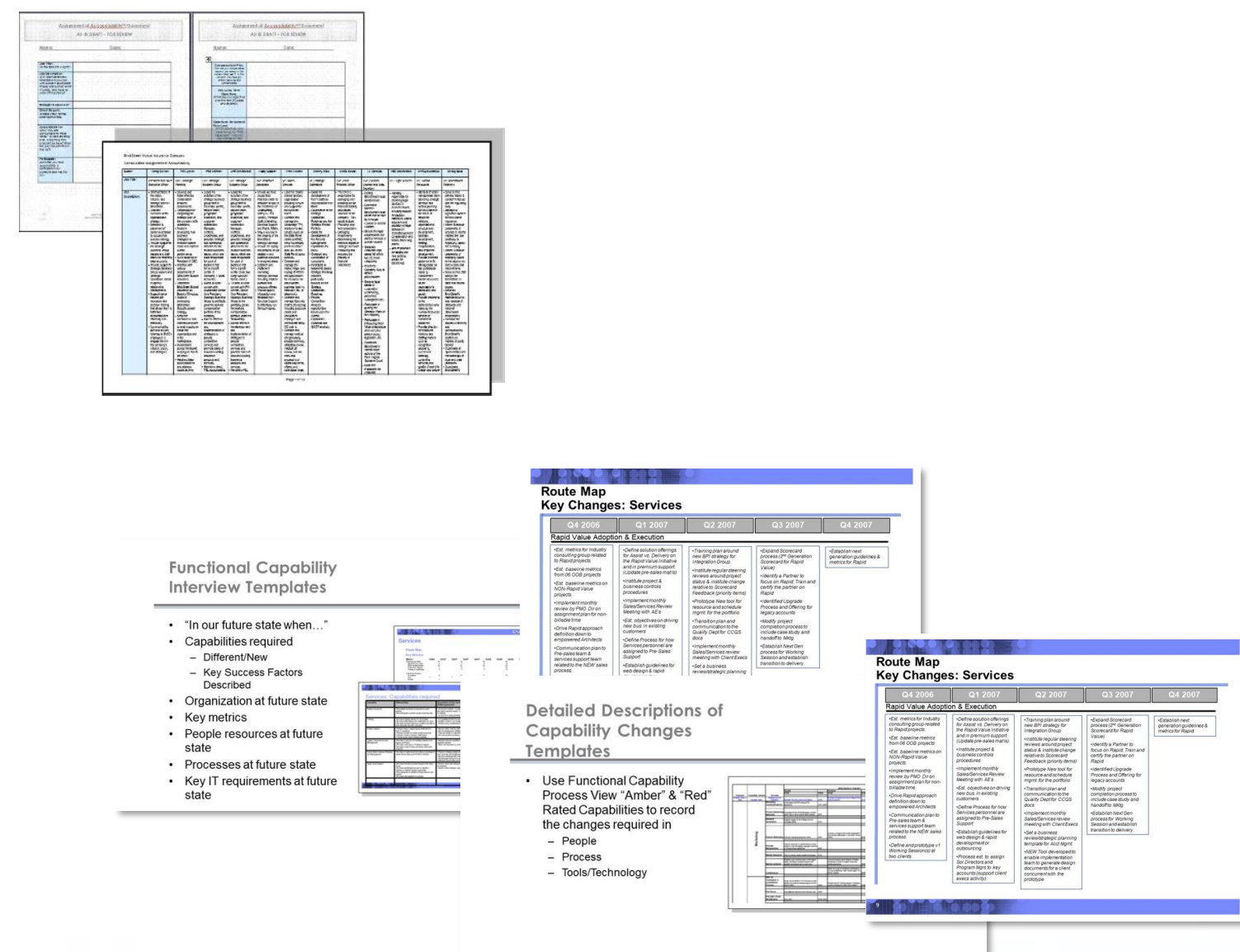
Challenges

Examples of change indicators that can quickly become "red issues"...



- ▶ Merger of two distinct corporate cultures created challenges in alignment and integration.
- ▶ CEO struggled to manage the cultural differences between the merged companies.
- ▶ Leadership team was not aligned, leading to confusion and miscommunication.
- ▶ Geographical dispersion of the leadership team hindered relationship-building and effective collaboration.
- ▶ Misunderstandings of strategy and priorities caused delays and inefficiencies.
- ▶ Several executives from the acquired company left, leading to further instability within the leadership team.
- ▶ Newly recruited leaders added to the challenges in unclear roles and responsibilities.

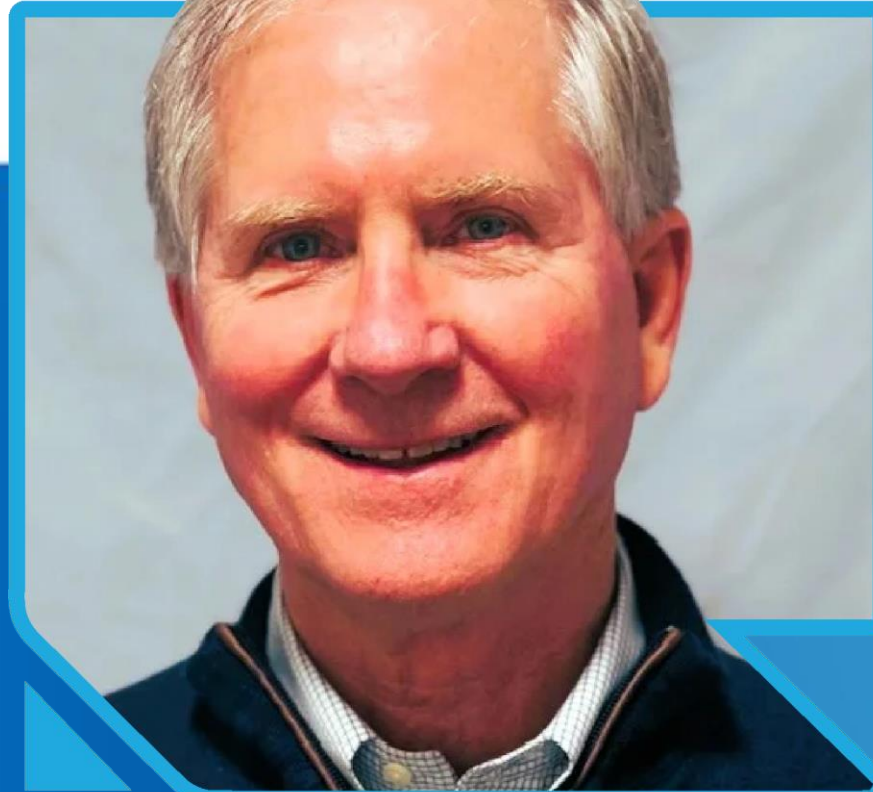
Solution



- ▶ **Diagnostic of Executive Team:** Conducted a comprehensive diagnostic to listen to and understand the challenges and concerns of the leadership team.
- ▶ **Online Assignment of Accountability (AoA) Process:** Implemented an online version of the AoA process to clarify roles and responsibilities across the leadership team, ensuring everyone understood their specific duties.
- ▶ **Strategic Planning Process:** Developed a robust strategic plan to document the company's strategy and align all leadership team members on goals and objectives.
- ▶ **Improved Communication:** Established regular virtual meetings and enhanced communication channels to bridge the geographical gap and reduce misunderstandings.
- ▶ **Team Alignment:** Focused on aligning the leadership team around common goals and priorities, fostering a more cohesive and collaborative environment.

Successful Conclusion

The Assignment of Accountability process and Strategic Planning Process led to a revitalized leadership team that was energized, focused, and efficient. With clear roles, responsibilities, and priorities, the team eliminated overlapping accountabilities and improved collaboration. The company's strategic direction became clear, preventing wasted efforts and unnecessary changes in direction. Three years later, the firm was successfully sold to a large software company, exceeding the expectations of private equity investors and validating the strategic realignment efforts that had brought the company back on track.



Rick Hasty
Managing Partner

Rick has been a management consultant, executive coach, and facilitator to senior executives and their teams for more than 30 years. Working with leadership teams across industries in North America and throughout the world. He is an author and keynote speaker on the important topic of leadership development. He formed LNG after serving in management roles at PwC for 12 years. He previously founded Conequity Resources, a management consulting firm acquired by PwC in 2010.



Aaron Andrade
Senior Consultant

Aaron has 20 years' experience as a senior leader, executive coach and management consultant creating organizational development programs that increase employee engagement, develop leaders and achieve business goals. Working in multiple industries, his coaching and team building strategies have received recognition in leading companies like The Boston Globe, Year Up and the U.S. Army where he was awarded a bronze star for his service in Iraq.