

CRH - Successful Post Merger Integration

Background

Some years ago the global Irish construction material group CRH acquired three distribution companies in Switzerland, partly competitors with different cultures. The task then was to develop the strategy under the umbrella of the new owner and to unfold the high synergy potentials. The stage after a merger is considered as especially delicate. If there are no quick actions, the loss of good executives, managers and employees will result. Besides this the operational business must not suffer. In such cases active support by professional management consultants can massively enhance the chances of the success of the merger.

Approach

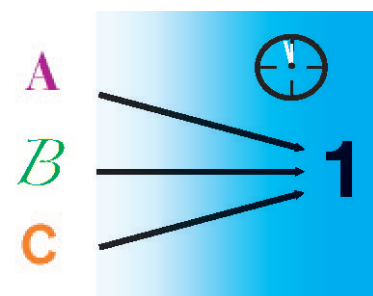
ARCOM Management Consulting developed a customised project structure. The key people in the three companies were involved and work groups for different subjects were established. The small team of consultants guaranteed objectivity and was able to moderate differences of interest. Monthly the work progress was presented in the steering group and solutions were discussed. So after four months the new organisation structure emerged and the synergy potentials – mainly in the area of logistics, IT and finances – were quantified.

Outcome

The new owner was able to re-organise and position the acquired business without loss. Thanks to this, a supremacy in the market was achieved quickly. There was not one single unwanted resignation, the business boomed. The management consultants helped the acquired companies significantly to strengthen the confidence in the future and to accomplish the integration process successfully.

Testimonial: *During the instable phase right after the merger, ARCOM's team of consultants was a big support. The suggested integration process fitted exactly. The ARCOM consultants offered efficient and clear orientation to all involved employees of the different companies. Thanks to the objective moderation, the integration was able to be completed effectively and quickly.*

Richard Wachter, past CEO of one of the acquired companies, later member of the board of directors



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