

MetaManagement Communicator

MetaMatrix Consulting Group, LLC.
Consulting & Speaking Services

Article This Issue:

PUTTING YOUR BEST FOOT FORWARD: M & A practices

GETTING DIRTY: The Ultimate Game of Business

Information created to inform, educate and prepare management to lead

PUTTING YOUR BEST FOOT FORWARD: M & A practices

Ever notice the airline magazine ads that preach you may learn negotiation in an afternoon. I sure have. Interestingly enough it seems appealing to be able to convince someone (or a group) that my way is the best way. Ultimately, this magical talent will transform me from average Joe to bearing an "N" (for negotiator) under my suit.

In mergers and acquisitions, winning is not always best. First, in simplistic terms, a merger is the combining of assets of two or more organizational units. An acquisition requires one company to take over the other assets of another. In the case of working towards these means, there is more to it than meets the eye, and the same holds true of large and small operations.

The first mind set is to realize that the "N" is to create a win-win situation for the shareholders of the firm and that begins with a clear purpose of what your firm is about. In the recent past, we've seen a number of mergers and acquisitions that were not strategically correct, as witnessed by the over purchasing, failures and breakups during the "Age of the Dot.Com." I remember an employee once holding his pocket and stating that he "had money in his pocket and it's burning a hole in it." Just because you can, does not mean you should.

M&A requires peoplepower and time that quite often would be better spent building than purchasing.

Second, the parties must state what their true intentions are in the deal. One firm might want the research capacity of another firm while another situation might allow for market penetration. If parties are true to their word, then the relationship has a chance of surviving.

Third, put your best people in the project. More failures are due to the clout of the individuals involved than any other asset allocation. If decision making parties are hidden in the background waiting for the next hand to be played, misguided information and results are bound to happen.

Just like a lottery ticket, the dreams of waking up one day with a pile of cash on one's front door are realized infrequently. Creating a relationship takes time and effort. Just think of the newsworthy deals that have been months or years in the works--some only to be discarded. Start off on the right foot. Plan your company's directives, make your objectives known, get the right people in the mix and

lastly....never do a deal that will only make you as good as the two parties combined at the table. The objective is to have more synergy together than apart. Citibank has become over 3x its size in its last merger.

GETTING DIRTY: The Ultimate Game of Business

From the likes of several recent conversations it appears that Politics 101 needs to be taught in business school as one of the skills necessary to survive in business. Picture 25 students being lectured to on the proper way to stab someone in the back, cut another's career off at the knees or put someone's head on the chopping block. Mind you this is all being done as your reputation goes down the drain for lack of productivity, being two-faced or just ignoring the basic tenants of conducting business.

Yes, there is a need for jockeying for position within a firm. Senior execs shoot for the one CEO or presidential position, managers must make friends with multiple departments or key parties to insure they increase the odds of "moving on up." Unfortunately, this jockeying for position often seems to be at the expense of others and the organization as a whole. In the fire storms that have stumbled across my ears, the parties trying to appear above the crowd are in fact losing credibility at every turn and the unprofessionalism is spreading like wildfire.

How often when the term politics is used in conversation to discuss government issues is the context positive? Not often. Then why do these same games get used between individuals and corporations like a food fight party in "Animal House." The reality is, good management and solid leadership know the difference between using what you have (skills, talent, flexibility, passion, intelligence) and playing the political game.

Some advice

Don't

1. ... work with firms that play the game poorly. It is as easily said as done. It's a matter of choice.
2. ... get involved in the "mess", it's just that.... a waste of time and effort.
3. ... sleep with the enemy. Stay as far away as possible from the battles.

Do

1. Move your career, business or organization forward by producing profits, changing your firm or being the leader of

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The pack.

2. Keep your eyes and ears open. The people on the move are often targets of the ambush and you cannot win if you're not sure who the enemy is.
3. Make sure you're with friends and in an organization that rewards producers. It's a no brainer.

Yeh, it's true, some people always seem to come out on top. Witness Former President Clinton. The game is just that-- a game. It involves relationships, people, tempers and passions. Learn to play the game and win from both a personal and professional vantage point as the game of life may also keep score.

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