

Plan for Internal Branding Campaign 'One Team' for MacGregor

Janita Kataja

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| Author(s) Janita Kataja | |
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| <p>In July 2019, MacGregor (part of Cargotec Corporation) completed its acquisition of TTS, which meant changes for the combined ~3000 employees. The biggest worry that rose from Risk Management assessment, was the risk of MacGregor and TTS staying separate instead of building together the new MacGregor. The risk was especially with the personnel, who could have issues identifying themselves as one team.</p> <p>The goal of this thesis was to create a campaign that would start the process of unifying the internal brand after the acquisition. This campaign would touch everyone working in the new MacGregor, and would be commenced about six months after the acquisition. In order for this campaign to succeed, broad background research was to be conducted also. The thesis was started before the acquisition completion in March 2019 and the last edits were finished in October 2019.</p> <p>The relevant subjects around M&A integration, internal marketing and branding, and change was first researched from literature and web articles. The main findings were that in order to establish a coherent external brand, the work must start internally; and that there are a certain pattern of reasons why employees leave, which usually comes down to the employer either not liking their employer or seeing their future in the company.</p> <p>Based on the collected theory base, interviews were planned and conducted. Four people with experience in either working in a company that was acquired or managing acquisitions were interviewed. Ideas on how bringing people together, having open communication and finding creative ways to discuss about the brand and its personal meaning to the employees were collected.</p> <p>Based on the research a plan for Internal Branding Campaign 'One Team' was created using the SOSTAC® planning system. This plan concluded in three main activities: organising local workshops, training great managers and increasing online discussion. This plan was then passed to the Director of Communications, who would implement it when the time was right.</p> <p>Overall the thesis dives into how to unify personnel in potentially hostile environment, how to deal with the change the people will have to face and what is the role of internal marketing in all of this. In conclusion, the main thought that drives all the way through the thesis, is that in order to take care of your business, you have to take care of the people running it.</p> | |
| Keywords M&A Integration, Internal Branding, Employer Branding, Change Management | |

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1 Introduction

2018 was a nearly record-breaking year when it comes to mergers and acquisitions, and more are coming. According to studies by Harvard Business Review, Mergers and Acquisitions (M&A) have a high probability on failing. With the high number of M&A nowadays, it is increasingly more important to have great plans for how to avoid the biggest risks. (Capstone 2019; Christensen, Alton, Rising, & Waldeck 2011)

Some of the greatest issues are often related to people. Mergers and Acquisitions often create a situation where the employees have to deal with change – two cultures meet and have to unify their habits to meet the synergy goals. Large companies are becoming even larger and more and more people need to adjust. For example Disney completed its acquisition of 21st Century Fox in March 2019, which meant changes in some level to their combined 201 000 employees. (The Walt Disney Company 2019; Forbes 2019).

Companies' faces come from the employees - the external brand of companies rises from inside. It starts with the personnel liking where they work, them believing in the same values and being engaged to the work. So if there are a lot of confusion, disagreements, disengagement, culture-clashes and uncertainty within the employees of a company, it will have an impact on the external brand too. If the employees do not buy into the company themselves, how can they bring value to the customers?

This is why in this thesis I am digging deeper into how to help the employees to the path of unity and engagement to the company and its brand – and also how internal marketing can help in this journey.

1.1 Objective, Problems and Task

The objective of this thesis is to identify what can be done to unify the internal brand after M&A, and how employer branding can help after M&A. The following task will then be to create an internal branding campaign plan based on research for the MacGregor-TTS M&A.

The plan is then passed on to the Director of Communication, the Integration Team and the HR function to implement in MacGregor. The thesis is limited to research and planning of the campaign. MacGregor Director of Communications will implement the plan into action, and Integration HR will perform the necessary surveys to evaluate the effect of the campaign.

1.2 Choice of Methods and the Structure of the Thesis

This thesis includes both research and practise. First, the subject is researched and then through the research, a product is created. The structure of the thesis consists of introductory chapters, theory chapters, interviews, planning the campaign and evaluation. The product is attached in Appendix 2. The research of the campaign was conducted prior to receiving all necessary competition authority approvals for the TTS acquisition (May-July 2019) and the plan was created between those approvals and a few days after completion of the acquisition (July-August 2019).

The thesis starts with the introduction, where the objective of the thesis is introduced and the methods of research are presented. As the thesis was commissioned by MacGregor, the second chapter presents the commissioner and the task that was received from them.

The research is divided into two parts – theory base and interviews. The next three chapters (chapters 3-5) clear out the framework and theory that the rest of the thesis is based on and the sixth chapter includes interviews. The research of this thesis is qualitative. Qualitative research means that the phenomenon is described and that individual voices are heard. Usually the research tries to find where improvements can be made. (Drake & Salmi 2018.) Qualitative research depends on the theory, which acts as the framework for the research (Tuomi & Sarajärvi 2002, 17).

The theory base was created through researching literature and online articles to frame three areas: M&A's and integration; internal marketing, branding and communications; and dealing with change and retaining employees. The interview questions were based on the research on these themes. Interviews were conducted as theme interviews which are also called semi-structured interviews. This means that the questions are divided into different themes, which include several sub questions. The theme interviews highlight how people view things and can be used as a way to get to the bottom of a phenomenon. (Tuomi & Sarajärvi 2002, 77). The results from face-to-face interviews are used in the thesis to point out what has been done previously in MacGregor and in other companies – what has and has not worked.

Based on the results from the research, a plan was created for an internal branding campaign, which is targeted towards all MacGregor employees, both new and old. The internal branding campaign 'One Team' is the product of this thesis, which can be found in Appendix 2. The product-based theses try to explain what the forces behind the product are, and what improvements can be done (Drake & Salmi 2018).

The product was created using the SOSTAC® planning system, which includes steps such as situation analysis and defining the actions for the Internal Branding Campaign. These were based on the theory base, interviews, work experience in MacGregor, and discussing the topics with HR and Communications personnel.

The last chapter (chapter 8) of the thesis evaluates the process and the product. The chapter was done as self-evaluation but it also includes comments from the commissioner. Also the background material and its relevance are evaluated.

2 Commissioner

This thesis is done as a commission for MacGregor (Cargotec Corporation). In the following subchapters, the commissioner and the commission is introduced and explained.

2.1 MacGregor and Cargotec

MacGregor is part of Cargotec Corporation, a Finnish multinational technology company focused on cargo technology. Cargotec was founded when Kone Corporation divided in two in 2005: Cargotec and KONE. Since 2005 Cargotec has acquired multiple companies, of which MacGregor became a part of during the same year. (Cargotec Corporation 2019a.)

Cargotec is today one of the largest companies in Finland and operates worldwide. In the end of 2018 Cargotec had a turnover of over 3.3 billion euros and had nearly 12 000 employees (Cargotec Corporation, 2019b). In Finland, it is the 16th largest company in turnover and 18th largest employer (Largest Companies 2019a; Largest Companies 2019b).

Cargotec Corporation has corporate functions and common databases, platforms and services for the entire company. It is divided into three independent business areas (BA's) with their own President's and executive teams. These areas are Kalmar, Hiab, and MacGregor. Each BA has their own set of cargo technology that they focus on – divided roughly into ports, in-land and sea. Kalmar provides cargo handling solutions and services to ports, terminals, distribution centres and heavy industry, and Hiab is the world's leading provider of on-road load handling equipment, intelligent services and smart and connected solutions. (MacGregor Internal Material 2019.)

MacGregor focuses on Offshore and Marine industries, and is “designed to perform with the sea” (MacGregor 2019a). MacGregor is the industry leader and half of the world's ships have MacGregor equipment in them. MacGregor was originally founded in 1929, but some brands of MacGregor (such as Pusnes and Porsgrunn in 1911 and Hatlapa in 1919) even before that. These companies were later acquired by MacGregor and became a part of its brand portfolio. The values that shape MacGregor's work are integrity, quality and safety. MacGregor is the industry's leader and is supporting the fight against climate change through “eco-efficient solutions and by constantly developing new ways to improve efficiency”. (MacGregor 2019a.)

There are currently roughly 2 600 employees working for MacGregor in 30 countries (MacGregor Internal Material 2019; MacGregor 2019b). In the year 2018 MacGregor made 538 million euros in sales (MacGregor 2019b).

2.2 Internal Branding Campaign for MacGregor

MacGregor as a part of Cargotec has acquired several companies. The most recent acquisition, TTS, was completed on 31 July 2019 (Cargotec Corporation 2019c). TTS was one of the top three suppliers in the marine and offshore industry. Its “activities primarily involve[d] design, assembly and testing of equipment”, and it operated internationally in 14 countries. There were roughly 1 000 people working for TTS and their revenue in 2018 was 2 063 million Norwegian kroner (213 million euros). It was founded in 1966 and was one of the main competitors for MacGregor. (TTS Group 2019a; TTS Group 2019b; Oslo Børs 2019.) In Table 1 the main numbers from both of the companies are gathered together.

Table 1. MacGregor and TTS in Numbers before the completion of the acquisition. MEUR stands for million euros. (MacGregor 2019a; MacGregor Internal Material 2019; MacGregor 2019b; TTS Group 2019a; TTS Group 2019b; Oslo Børs 2019)

| | MacGregor | TTS |
|---------------|-----------|----------|
| Sales/Revenue | MEUR 538 | MEUR 213 |
| Employees | 2000 | 1000 |
| Countries | 30 | 14 |
| Founded | 1929 | 1966 |

Overall TTS was around half the size of MacGregor. They operated in the same field and have been competitors for a long time. MacGregor believes that this acquisition will be very beneficial and bring in new opportunities. (Cargotec Corporation 2018.)

The combination of two highly complementary businesses will produce greater scale and diversification and will strengthen MacGregor's portfolio and market position in key markets for cargo and load handling equipment. Based on preliminary estimates, potential cost synergies are estimated to be around EUR 30-35 million on annual level and are expected to be reached within 3 years from closing. (Cargotec Corporation 2018).

While planning the M&A, the Integration Team looked into identifying the biggest risks of the acquisition. When this risk management for the M&A was done, the biggest risk with both high probability and high costs was to continue as separate entities. This would mean staying separate in location, mindset, values, strategy, and business. Figure 1 shows where this risk is located in the spectrum of impact and probability – each circle means a risk in the integration. The risk #1 located in the top-right corner is explained. The rest of the risks are not included here since they are classified as sensitive information.

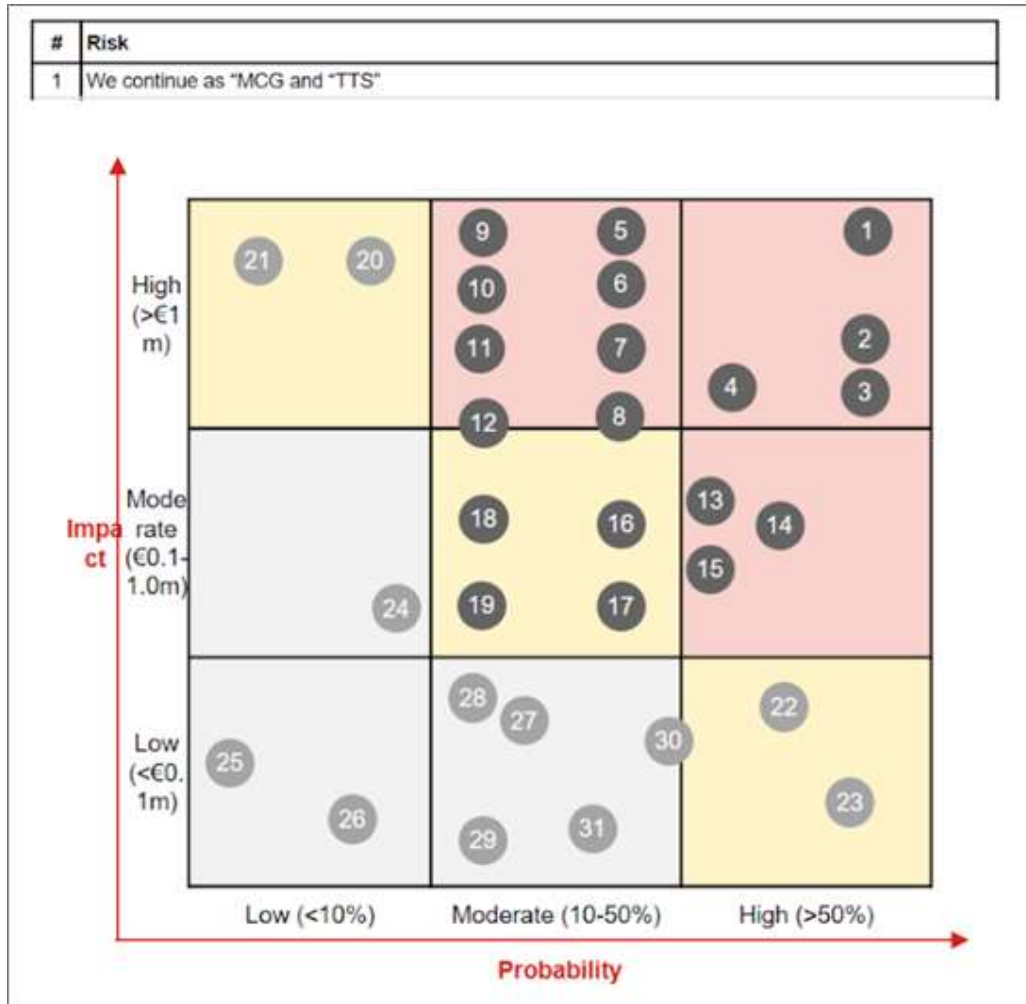
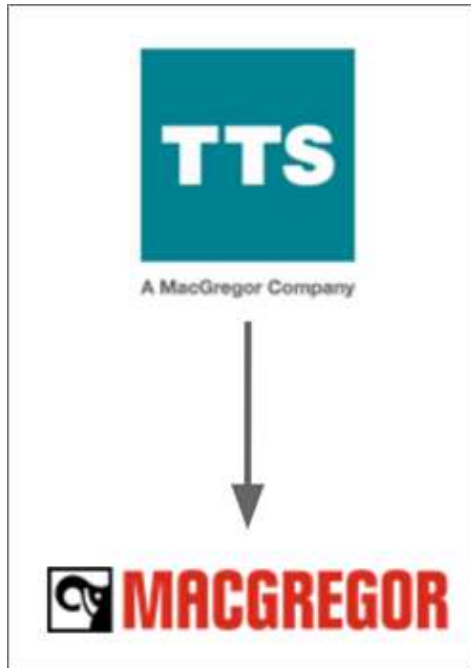


Figure 1. Risk Management (MacGregor Internal Material 2018)

The plan was that around six months after the acquisition, old TTS employees would move from interim branding (built on the TTS-logo) to MacGregor branding. This branding is related to the company brand, not the product branding. The change is scheduled to happen in New Year 2020. Both of these logos are shown in Picture 1. The Integration

Team identified that this time would be critical to prevent the risk of remaining separate parts in the same Business Area.



Picture 1. TTS Interim logo and MacGregor logo (MacGregor Internal Material 2019)

It was identified that a campaign of some sort would be needed to further integrate the old TTS employees but to also change the attitudes of current MacGregor employees to more fully work together. The end goal is to work towards a “new” MacGregor that has the best qualities from both MacGregor and TTS – making all of Macgregor a target for the campaign, to change everyone’s attitude.

I currently work as an Integration Assistant Trainee in MacGregor as of 1 January 2019. With the experience, that I have of this company and the TTS Integration project I am involved in, I was commissioned to create a Thesis, which would help with unifying the internal brand. The objectives of the campaign are introduced in chapter 7.3 Objectives.

3 M&As and Integration

In this chapter the basics of M&A's and integration are introduced. The MacGregor-TTS acquisition has been put into the group of theories related to mergers and acquisitions. Questions such as “where does this acquisition stand?” and “what kind of an acquisition is this?” are answered. Also the topic of synergies is introduced – explaining where the value of the M&A comes from. Then the reasons behind why a post-merger integration is crucial are introduced.

3.1 Mergers and Acquisitions

Mergers and acquisitions (or M&A) is a term generally used for when one company buys another one (acquisition) or two companies become one (merger) (Edupristine 2015). There are four different types of M&A's, which reflect the relationship of the acquirer and the company being acquired (Hooke 2015, 5; Cleverism 2015; Edupristine 2015).

The first type is a horizontal merger. This is when both of the companies are in the same business – even competitors. They might be in different locations but their products or services are similar. This is the most common kind of an M&A. (Hooke 2015, 5; Cleverism 2015.)

Horizontal is the most popular deal category because it presents the buyer with the fewest operating risks. The buyer knows the target's product line, suppliers, and customers, and it can institute cost saving measures with little disruption to the seller's operations. Furthermore, in the case where the seller is a direct competitor, the acquirer has the added benefit of potentially raising prices with minimal customer resistance. Perhaps three quarters of all M&A deals fit the horizontal category. (Hooke 2015, 5.)

The second type is vertical merger – when a company buys its supplier or customer. Both of the companies are in the same field, but in different points of value chain. (Hooke 2015, 5-6; Cleverism 2015.) The third type is concentric merger. This occurs when the companies are in the same industry but with different kinds of products. Many times these are complementary products or services, which support the buying of the other. (Cleverism 2015). The fourth type is conglomerate merger. This means that the companies are not in the same industry at all. This helps increasing diversification of products and services, and also reducing risks. (Cleverism 2015.)

MacGregor and TTS are competitors in Marine and Offshore industries with very similar products and customers (MacGregor 2019a; TTS Group 2019a). Due to the theory of four

types of mergers, we can conclude that the M&A between MacGregor and TTS is horizontal.

This can be compared to Ansoff's product/market grid (or Andoff's Matrix). The matrix determines "the scope and direction of a firm's strategic development in the marketplace." In Table 2 the matrix is presented. (Assen, Berg & Pietersma 2009, 3.)

Table 2. Ansoff's Matrix (Assen, Berg & Pietersma 2009, 4-7)

| | Present product | New product |
|----------------|--------------------|---------------------|
| Present market | Market penetration | Product development |
| New market | Market development | Diversification |

As the markets, the products nor the technology are really new in the MacGregor-TTS acquisition, the strategic development of the acquisition is Market penetration. This means that the goal is to "sell more of the same products and services in existing markets. This growth vector indicates growth through increase of market share for the present product-markets" (Assen, Berg & Pietersma 2009, 6).

3.2 Synergies

M&A are conducted to bring value to the business. The value comes from synergies - usually created by cost savings, improving company performance, accelerating growth, and diversification. (InvestingAnswers 2019; Corporate Finance Institute 2019.)

The key idea behind M&A is the creation of synergy. When two companies join in an optimal fashion, the resulting entity may have better economies of scale, better use of resources, and a more effective market presence, all of which potentially lead to more profit and sustainable competitive advantage. Thus, for many CEOs, navigating a successful merger or acquisition can be a crown jewel professionally. (InvestingAnswers 2019.)

There are two kinds of synergies: hard and soft. Hard synergies are the cost savings that result from the M&A. These can for example be from production (economies of scale), facilities (combining offices or factories) and human resources (fewer people needed for the same result). Soft synergies come from increasing revenue – for example from diversification, expanding the geographical market, widening the product selection and using the best practises of both companies. (Corporate Finance Institute 2019; Investing Answers 2019.)

Because the potential value that can come from an M&A is rather big, companies are regularly looking into opportunities to grow through them. However, not all M&A's are successful. Synergies usually take time to be realised and integration due to different cultures can fail (Corporate Finance Institute 2019).

3.3 Integration

“Acquisition integration is the process of combining the operations and systems of an acquired business with those of the acquirer” (AccountingTools 2018). Sometimes the integration after M&A is called PMI – Post-merger Integration. It can be defined as “the process that unfolds in the aftermath of the deal closure to reconfigure merging firms by redeploying, adding, or divesting resources, lines of products or entire businesses, in order to achieve the expected combination benefits.” (Bodner & Capron 2018, 1-2.)

Organizations put much effort into thinking strategically about what they will buy and why, but the thinking often doesn't flow through into the task of planning how the actual integration will take place. This phase is, however, critical to success. Figures show that 80% of mergers fail. The reasons for this are complex and varied, but failure to pay proper attention to the integration process is often a key factor. (Davis & Kummer 2012.)

After Mergers and Acquisitions go through, there is a period of time when the two companies, their practises, resources and services are integrated together. Many times preparation for this is neglected, when it should be one of the main focuses of the M&A; it often determines whether the M&A is really successful or not. The common obstacles are related to capturing the expected synergies, problems with clients and service, structural integration and issues with employees – such as emotional trauma, loss of status, learning challenges, loss of team mentality and retention. (Bodner & Capron 2018, 1-2; Barrows 2018.)

In the MacGregor-TTS M&A, there is a specific Integration Team set to reduce the risk of integration failing. There is a director for each function, such as Purchasing, Aftersales, Communications and HR, Change Management & QEHS, to make sure that the PMI takes different sides of the business into consideration. (MacGregor Internal Material 2019.)

4 Internal Marketing, Branding and Communications

In this chapter marketing, branding and communications are introduced in an internal setting, and why they are vital in such a situation as the MacGregor-TTS acquisition. This chapter also explains the two factors behind a successful external brand: internal brand and employer brand. In the end of the chapter internal communication is introduced in internal context together with the communication tools that can be used by MacGregor in the campaign.

4.1 Internal Marketing

“Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (AMA 2013). By another definition, “marketing is the process of teaching consumers why they should choose your product or service over those of your competitors” (Lake 2019). The goal of marketing is revenue, but it is conducted customers in mind. Often times a Four P’s model is used to plan marketing. The Four P’s stand for product, price, promotion and place, which are the aspects that companies need to keep in mind when making the marketing plan. (Lake 2019).

Marketing becomes internal when the customer group is the employees. Revenue is still sought after – but not through employees buying the products or services, but by them selling them better. It is usually done by increasing their knowledge of the company’s products and services and by trying to raise enthusiasm and engagement to the brand. Internal marketing helps the employees align with the targets, values and vision of the company. (Rouse 2017; Lathrop 2018.) “How a company works with its customers in identifying, anticipating and satisfying their requirements is fundamental to obtaining and retaining their custom and money” (Watkis 2018). The employees need to understand the value that comes from cooperating with the corporate objectives (Watkis 2018).

With this in mind, internal marketing is about bringing more value to the customers. Customer satisfaction relies heavily on good experiences. By having employees that believe in the products, they are more excited and create those good experiences, which make them sell better. Therefore Internal and external marketing should align. (Rouse 2017; Watkis 2018; Lathrop 2018.)

In this example scenario, an owner of a cruise ship has seen commercials of these modern hatches a marine company is selling. He arranges a meeting with them, and then the

employees are enthusiastic, happy and tell him that the hatches have been working great. After this experience, he is more likely to buy the hatches and keep coming for more marine equipment. But if he came to the meeting and found that the employees had little faith in the products themselves and were even rude, he would most likely not contact the company again.

Internal marketing needs to be conducted carefully. Reinforcing the brand too much and in a wrong way can cause a negative reaction – the employees might feel that the company is using “propaganda” or trying to “indoctrinate” the employees (Watkis 2018).

The basis of any marketing plan is a marketing team creating the plan. Often internal marketing falls into the hands of the HR function, which can be a mistake. The employees working with internal marketing should instead have a background in marketing, for them to really “sell” the ideas to other employees. When an appropriately sized team has been assigned to do internal marketing, an assessment should be made to discover what the current situation in the company is. (Lathorp 2018; Kunsman 2018.)

4.2 Internal Branding

Branding refers to creating the image a company has in the customer’s eyes. It is a promise to the customers of what the products and services really are like. It helps the customers know what to expect from the company and how the company differs from others. (Williams 2019.)

Consistent, strategic branding leads to a strong brand equity, which means the added value brought to your company's products or services that allows you to charge more for your brand than what identical, unbranded products command. The most obvious example of this is Coke vs. a generic soda. Because Coca-Cola has built a powerful brand equity, it can charge more for its product—and customers will pay that higher price. (Williams 2019.)

Branding is a part of marketing, and similarly it can and should be done internally as well. Internal branding means “connecting employees with your external brand”; making them understand what the brand is all about and encouraging them to act accordingly. (Hall 2016.) This differs from general internal marketing by being more specific. When internal marketing is broader and can market the brand, values, products, services, strategies, systems, practises, ideas and so on to the personnel, internal branding focuses on the image the employees have of the company and its values.

Creating a plan for internal branding starts with defining the company values and mission. Then these values and mission should be communicated to the employees clearly, and the employees should be engaged in the campaign. The messages between external and internal branding should be consistent and towards the same goal. If the messages that the company puts out for consumers are very different from the ones it puts for the employees, the “mismatch will cause confusion and disillusionment with [the] company’s purpose and direction”. (Hall 2016; Ross 2018.)

When internal branding is done right, the employees become engaged in their work and perform better (Hall 2016). The employees who believe in the brand can become “brand ambassadors” (Ross 2018). A study from 2009 suggests that employees that are engaged in their work outperform their colleagues in customer ratings, profitability, and productivity. They also bring better turnover to the company and make their work places safer. (Harter, Schmidt, Killiam & Agrawal 2009, 3.)

The true score correlation between employee engagement and composite performance is 48. Business/work units scoring in the top half on employee engagement essentially double their odds of success in comparison to those in the bottom half. Those at the 99th percentile have nearly five times the success rate as those at the 1st percentile. Median differences between top-quartile and bottom quartile units were: 12% in customer ratings, 16% in profitability, 18% in productivity, 25% in turnover (high-turnover organizations), 49% in turnover (low-turnover organizations), 49% in safety incidents, 27% in shrinkage, 37% in absenteeism, 41% in patient safety incidents, and 60% in quality (defects). (Harter, Schmidt, Killiam & Agrawal 2009, 3.)

In the case of the MacGregor-TTS M&A, it is especially important to engage the new employees to the brand of MacGregor. The old employees from MacGregor should also be taken into consideration, because the sum of the M&A is a company that combines services and products from both MacGregor and TTS. The brand needs to be defined and implemented everywhere in the company to increase engagement; and therefore results and value.

4.3 Employer Branding

Mosley and Schmidt (2017) define employer branding as “the process of creating a distinctively great place to work and then promoting it to the talent whose knowledge and

skills are needed by the organization to meet its business goals and objectives.” While internal branding focuses on getting the message through about what kind of company the company really is, employer branding focuses on creating a reputation or brand on what kind of a place it is to work in. “With successful employer branding, the organization is likely to benefit from less absenteeism, better retention levels, greater staff satisfaction and engagement, and higher profitability” (Parment & Dyhre 2009, 14).

External, internal and employer branding go hand-in-hand. Parment and Dyhre (2009, 129) state that “to an extent, attractive organizations attract employees, customers and other stake-holders automatically” and that the messages need to be authentic (2009, 147). For example, a company cannot have plain-boring offices, and internal branding focusing on becoming top-leader in Europe, if the brand being communicated is creativity.

There is nothing more effective than employees promoting their employers. If people in the organization are prepared to promote the organization to their friends, families, and social networks, the brand awareness and brand preference of the employer brand will benefit substantially. (Parment & Dyhre 2009, 153).

These layers of branding are shown in Figure 2. This figure depicts how it starts from the employer branding, moves to internal branding, and finally to external branding.

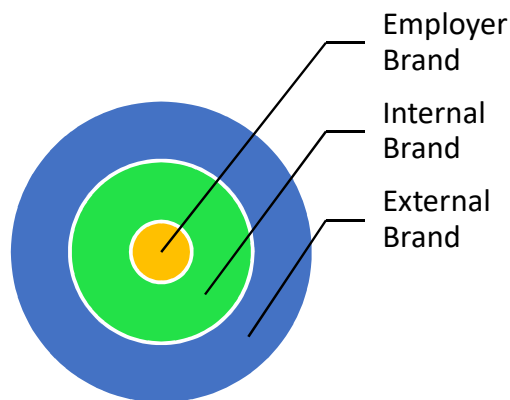


Figure 2. The brand image builds from employer brand to internal brand to external brand (Parment and Dyhre 2009, 129).

To enforce the brand image of the “new MacGregor” as a whole, it needs to start with employer branding before it moves towards internal branding and then to external branding. The employees need to believe in the employer, so that the productive messages move forward.

4.4 Internal Communication and its Channels and Tools

In all marketing and branding actions, whether external or internal, communication is vital. Rayudu (2010, 2) defines communications as “common ground for understanding -- a process of exchange of facts, ideas, opinions - - a means that individuals or organisations share meaning and understanding with one another”. In other words, communication is “the transmission and interchange of facts, ideas, feelings or course of action” (Brown in Rayudu 2010, 2). Communication that occurs within a company, is internal. If the internal communications get an equal status of importance than external communications, the company can “reap dividends in corporate energy and enhanced performance”. (Farrant 2003, 1.)

Internal communication is mostly focused on employees. To find a balance between employees' autonomy and employer's control, good communication plans need to be created and followed. Good communication between organisations and their employees strengthen their morale and identity within the organisation. The employees should be seen as crucial stakeholders. (Cornelissen 2014, 163.)

An important part (especially in this project) of the internal communication is communicating to employees before, during and after a change, also known as change communication. (Cornelissen 2014, 224.) Especially in an M&A situation, change can feel distressing and bring challenges. Usually change is not the issue, “but rather the uncertainty associated with the change: uncertainty about job security, the fear of losing status and power within the organization and uncertainty about whether they will fit in with the changed organization”. (Cornelissen 2014, 232.) The goal is to communicate the changes in a way that help them get rid of worrying thoughts.

Because of the progress with technology, the lines between what communication is internal and what is external, are blurred. For example, blogs and email cannot quite be restricted and information flows in and out easily. (Cornelissen 2014, 164.) It is important that the messages that are communicated externally are in harmony with what is communicated internally.

Classically internal communication is divided into upward and downward communication, which are very much connected to giving tasks and reporting. Nonetheless, today's trend is leaning towards harnessing ideas and adding dialogue. Digital platforms like social media are being used by companies to break these formal lines of communication. (Cornelissen 2014, 172).

The communication tools that can be used for this project are Cargotec's social intranet Connect, social media channels such as Instagram or LinkedIn, G-suite environment (such as Hangouts-video calls and Gmail), Go-To-Meeting-platform and various face-to-face communicative events, e.g. town halls, workshops and trainings. The goal of using various different communication tools is to increase participation and visibility.

5 Dealing with Change and Retaining the Employees

This chapter introduces the theory of the Change Curve and what helps retaining employees – moreover the reasons why someone wants to leave a company has been combined from several sources. Why these are important in the frame of M&A's is also explained.

5.1 Change Curve

In 1969 Dr Elisabeth Kübler-Ross introduced the 5 Stages of Grief, which has since been applied to change in general. The five stages are often depicted as a curve, and they are also applicable in M&A integration. The curve is depicted in Figure 3. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.)

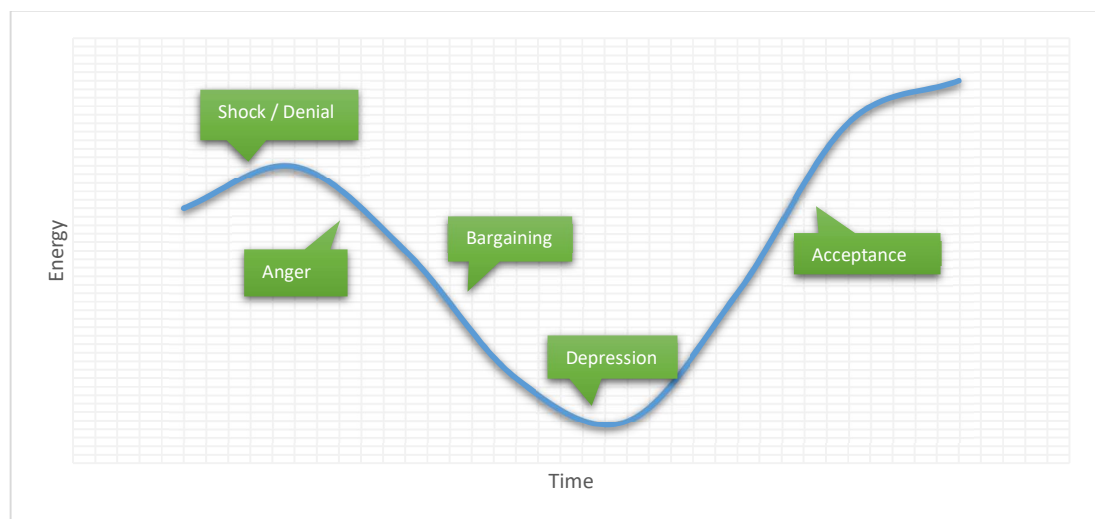


Figure 3. The Change Curve and 5 Stages of Grief (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018)

At the first stage of the change curve the person is shocked and in a denial. This is when the person does not admit that the change applies to them and they might think that by pretending that it is not happening that it might disappear. The person feels numb and shocked. In M&A situation a person would most likely not take in the news when they first heard them. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.)

At the second stage the denial changes into anger – this is when the person is likely to blame someone or something, whether it is their boss, themselves or the economy. This is when the person goes “sour” and starts getting irritated about small things. In M&A situation a person could for example be angry to their employer or the acquirer, and could not see the good sides of the integration. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.)

On the third stage the person dealing with change turns into bargaining – they are trying to “put off the change or find a way out of the situation”. This might occur as trying to make deals with others or showing that they cannot be replaced by e.g. working overtime. In M&A situation a person could start discussing with their supervisors to ensure that they would not be the ones leaving the company. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.)

The fourth stage of change is depression – this is when the person might deal with thoughts such as “why bother trying?” It usually comes after the bargaining of the previous stage does not succeed and they realise that change is really inevitable – and they will see what the losses are as well. This is also when their energy and productivity hits the rock bottom, and they feel sad and depressed. In M&A situation a person could feel extremely unmotivated with their work and even start looking for other jobs because they would not see how the situation could improve. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.)

The last stage of change is acceptance. “As people realise that fighting the change is not going to make it go away they move into a stage of acceptance.” (Connelly 2018). The person will start considering that the change might be a positive thing – that there might be light in the end of the tunnel. “It is not a happy space, but rather a resigned attitude toward the change, and a sense that they must get on with it” (Connelly 2018). In M&A situation this might show as increasing creativity and learning. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.)

The stages depict the basics of how humans usually deal with changes, but individuals might vary from it. The change might not always be linear, as depicted in the curve, but people are more likely to move between different stages. (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018.) When the campaign is launched, they will be in different places on the curve – so it is important to remember that while others will be enthusiastic and accepting, others will still be fighting against the change as a whole.

5.2 Employee Retention

If the integration focuses too much on synergies and forgets that there are people involved, issues with employee retention may arise. Key-people will drift away as it takes too long to make decisions or work culture changes for the worse. M&A always brings uncertainty to both the acquirer and the company being acquired, and people might start

looking into other opportunities. If the M&A fails to be people-centred, they can find themselves in a situation where synergies are not delivered for the loss of people or their work morale. The company should focus on communicating consistently on what the deal will mean to the employees in the future, instead of focusing on the synergies, which “after all, usually means reducing payroll, among other things—and people know that”. (Rouse & Frame 2009.)

There are common factors which can contribute to an employee being dissatisfied and looking into opportunities to leave the company. These are dissatisfaction with the employer or supervisor, absence of a clear career path, financial insecurity and lack of commitment to the organization and brand. These reasons are depicted in Figure 4 below. (Dailypay 2018; Harvard Business Review 2016.)

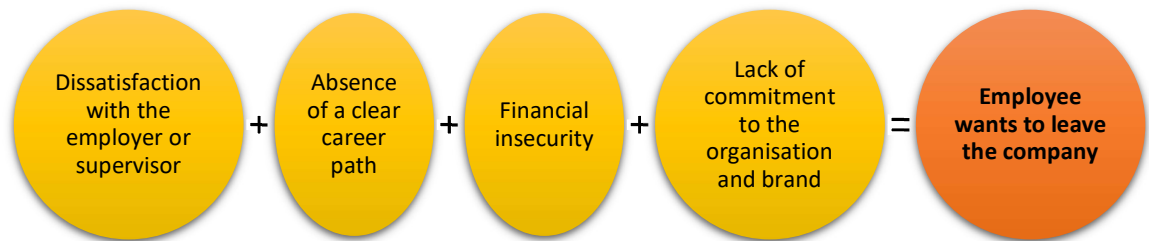


Figure 4. Reasons why employee wants to leave a company (Dailypay 2018; Harvard Business Review 2016)

All of these risks become relevant in a M&A – the employee might not like their new boss; they might miss working in a smaller company; they might find it hard to see how to progress and have future in the acquiring company; they might feel panicked about losing their job or not getting paid enough; and they might not be as committed to the new organisation nor the brand. All of these risks need to be taken into consideration when planning the M&A.

Many web articles offer ideas to retain employees. The following sections will combine some of these ideas. These need to be reflected to each company and situation differently; they are suggestions that can help as a background when decisions are made in a company.

5.2.1 Dissatisfaction with the Employer or Supervisor

Building satisfaction to the employer usually starts from the very beginning – there needs to be sufficient onboarding and orientation. Especially when an employee is joining

through M&A, the company needs to be transparent. Transparency and open communication help to create an environment where the employee feels safe and comfortable – because they know what is happening in the company. (Half 2018; Olenski 2015; Halvorson 2018; Florentine 2019.)

The work environment should encourage productivity and creativity, not burnout. The company should understand that employees need balance between work and home. Many times finding and addressing “pain points” can help reduce the risk of burnout. This means finding the factors that makes coming to work just a little bit more annoying or painful. (Half 2018; Olenski 2015; Halvorson 2018; Florentine 2019.)

“Commute time, for example, isn’t as big a factor in people’s engagement, happiness and their chances of leaving a job as distance to family,” Weisbeck says. “If your commute is an hour and a half each way and you have a family at home, you’re not necessarily dissatisfied with the commute; it’s the time you’re not spending with your family. So, organizations could add more flex time. Remote work opportunities. Anything that could help address that pain point.” (Florentine 2019.)

Companies need to keep an eye on their managers. Supervisors should always be trained with “soft skills” – if they treat their employees badly, the employees leave. They leave even if the position, company and financial security would impel the employee to stay. The main quality that seem to help a supervisor to be a “leader” instead of a “boss”, is listening. The supervisors need to be available for their employees and they need to acknowledge what the employees are trying to communicate. (Half 2018; Olenski 2015; Halvorson 2018; Florentine 2019.)

5.2.2 Absence of a Clear Career Path

Usually employees do not like the thought of doing the same thing for the rest of their lives. They might feel insecure whether they have a future in the company and as they panic, they might start looking for other options. It is important that the employee has a vision of where they will go in the future. It can be a good idea for example to hold quarterly reviews where the supervisor sets goals with the employee. (Half 2018; Olenski 2015; Halvorson 2018; Florentine 2019.)

Strong companies should focus on learning and ongoing education on top of having a clear path to advancement. This could mean that they offer education when new skills

need to be acquired or training for all employees. They could, for example, set cross-training programmes or mentorship programmes. (Half 2018; Olenski 2015; Halvorson 2018; Florentine 2019.)

5.2.3 Financial Insecurity

While the company culture, career path and good managers are essential for employer retention, if the company doesn't pay enough, the employee is forced to find something else because of financial insecurity. The company who wants to keep their employees long-term, should be prepared to pay competitive salary. Many times the salary itself is not as important as having the right benefits and perks. When those are set right, it helps employees feel valued. But after all, "salary and benefits are important and should be considered—especially if you are paying below industry standards—but there are other methods to retain employees than costly raises and benefits." (Half 2018; Olenski 2015; Halvorson 2018; Florentine 2019.)

5.2.4 Lack of Commitment to the Organisation and Brand

Not being motivated to work leads to distraction, which leads to not being engaged to the work. Motivation comes from commitments to the organisation and the brand. To have committed employees, a company must be a brand they can be proud of. The company needs to be a good employer that values its employees by giving them training, letting them advance and letting them see the results of their work. They need to feel that the company values employees like themselves, which will foster team work. (Half 2018; Halvorson 2018; Florentine 2019.)

In addition to treating the employees well, the company needs to have a good public image and brand. If the company has a bad reputation, the employees will feel ashamed working there. Activities that can help lifting up the brand image are e.g. charity work, solving issues in the local community or environment and high quality service. (Half 2018; Halvorson 2018; Florentine 2019.)

6 Interviews

This chapter focuses on the interviews, which were conducted in the spring of 2019, to gain further information in the experiences of M&A's from both employees and manager's perspectives. First, in section 6.1 Interview Background, the background of the interviews is introduced – why, when, and how they were done. Then the analysis of the interviews and summaries are introduced in the section 6.2, and the most crucial findings are combined in section 6.3.

6.1 Interview Background

There were four main objectives for the interviews. The first objective was to understand the individual experiences of M&A situations on a human level. The second objective was to see what kind of practises other M&A's used to enforce the internal brand and employer brand. The third objective was to find the failed activities and practises to avoid those in the future, and the fourth objective was to understand the differences between the experiences of those who were working in the companies that were acquired and those who were managing the acquisition. The interviews were analysed with keeping these in mind.

These interviews were conducted face-to-face or via video call as theme interviews, or in other words semi-structured interviews, which are done through pre-defined themes and questions that clarify the theme (Tuomi & Sarajärvi 2002, 77). In theme interviews the questions can be asked in any order and the goal is to receive more information on each theme (Drake & Salmi 2018). The themes are defined by theory base and what it being researched (Tuomi & Sarajärvi 2002, 77-78). The pre-defined questions of these interviews are attached in Appendix 2. In each theme there were questions which were asked to expand on the respective theme subject. The questions varied depending on the interviewee, and some additional questions were added during the interviews to further explain the circumstances. The semi-structured theme interview style was chosen because through it, it is easier to attain more information on the defined topics but it also allows freedom in the conversation. Also, because theme interviews or semi-structured interviews are a qualitative research method, the output is what creating an internal branding campaign requires.

The interview questions are divided into two sets. One for those that were working in a company while it was being acquired and another for those who have experience from managing M&A's. Each set is divided into the same seven themes:

- Theme 1: Demographic information
- Theme 2: Background information of the M&A
- Theme 3: Announcing the M&A
- Theme 4: Day 1
- Theme 5: Integration period
- Theme 6: Branding activities
- Theme 7: Wrap up

These themes were chosen due to their relativity to the research subject. The themes from 1 to 5 help the interviewee tell the story from their perspective, as they work as a timeline of how the integration usually moves forward. The theme 6 helps the interviewee focus especially to the brand, and the theme 7 helps the interviewee to wrap up their views and bring out anything that does not come up in the limits of the other themes and questions. Through these themes the big picture of what happened is depicted, instead of only focusing on the branding activities and potentially losing information.

Four people were interviewed for the thesis, and all were interviewed for around an hour. Before going into the interview the main objective of the thesis was explained, to help the interviewee understand the interview subject. The interviews were recorded and later transcribed into Microsoft Word-documents. The interviewees also had the option to sensor all the names of the discussed companies, and one used this option. The interviews were conducted mostly in Finnish, and later translated into English. One of the interviews was conducted in English, which was second language of the interviewee.

The interviews were conducted face-to-face or via video calls. The environment was peaceful and private, and the timeframe was not hurried. These factors helped the interviewees to focus on the interview. The interviewees also received the interview questions beforehand, so that they could prepare and jog their memory beforehand. The environment where the interviews were held increases its reliability. Due to translation and language barriers some original meaning can be lost. Because the research was qualitative, the views presented by the interviewees cannot be generalised as universal truth, but can be used as a reference and a base for ideas in the product of this thesis (Tuomi & Sarajärvi 2002, 131).

6.2 Interviews

In this chapter the interviewees are introduced, and the main points about their stories are summarised. Instead of introducing the interviews through the pre-defined themes, each

interview is summarised as a whole. The method was chosen to prevent the loss of information between the themes and the splintering of the big picture. The combined main findings are summarised in chapter 6.3.

6.2.1 Jyrki Ahola's Interview: Finding Common Ground with an Ex-Competitor

The first person interviewed was Jyrki Ahola. He works as a Country Manager in Esselte Office Products Oy, which is the Finnish subsidiary of ACCO Brands. ACCO Brands is an American company, listed in New York Stock Exchange, and focuses on office supplies. ACCO Brands employs around 6 000 people all around the world.

He has worked in the Country Manager position for 13 years, and is responsible for the Finnish and Baltic markets. In his day-to-day work, he manages the area's employees, leads sales and makes sure that the company strategy is applied. What he likes most about his work is being able to have an impact with the customers.

Esselte, with its ~2 000 employees, was acquired from J.W. Childs by ACCO Brands in 2017. J.W. Childs is an investment firm that has a habit of acquiring companies, "putting them in order" and then selling the companies forward. Because of this, Ahola was not really surprised, when the deal was announced in early 2017.

I kind of understood the logic and the business opportunities, of why this is happening. Of course we also knew that because we were a part an investment company, we would be sold in one point. - - But for sure, in that moment, when it had been announced, I got these natural feelings – of what this means to me personally as a job. - - Even though I understood the business logic and was excited about it as well.
(Ahola in his interview in 2019.)

The same feelings of understanding the business opportunities but being worried for their personal jobs was also embedded in the common mood in Esselte. Closer to the completion of the deal, Ahola's worries faded a bit, and he was more excited about the deal.

After waiting for approvals of the competitive authorities of UK, Germany and France, the so-called "Day 1" arrived – the first day as one company. Ahola had gathered his colleagues from his office together to hear the message of now "ACCO Brands has bought Esselte". The Country Managers and other leaders were informed about closing earlier, and what impressed Ahola, was the remarks by the previous CEO of Esselte, who later on continued as the President for Europe.

I still remember, how the Esselte CEO, who was the one announcing it before Day 1 to us Country Managers, said that “this is the most important day in the history of this company.” It felt really important, that the CEO, who was from the acquired company, was clearly excited about this. He was radiating and being able to communicate the message of this being a good thing – he didn’t look gloomy. (Jyrki Ahola in his interview in 2019.)

Ahola thinks that the communication packages they received were really good – they got e.g. FAQ-lists and information on how to communicate with the customers. When asked if he would do something differently, he says that “there is never such a thing as too much communication”.

Ahola continued working in the same position after the acquisition, but also received more responsibilities. Because ACCO Brands was large in America and weak in Europe, and Esselte the opposite, the new organisation in Europe was created through integrating the “Legacy ACCO” employees to the “Legacy Esselte” organisation. This brought some confusion for the existing ACCO employees, but it seems that Ahola is happy that the integration was built on both. The organisational changes, which happened in Europe, were published during the first month after Day 1.

It took Ahola about two years to really identify himself as an ACCO Brands employee. Before that, it felt more natural for him to introduce himself from Esselte. Part of what contributed to this, was the fact that the official name of the company did not change in Finland – so juridically he was still working for Esselte.

That’s probably something we should have done – we should have changed all the legal names of the companies as ACCO Brands, and not keep the Esselte company name alive, because it really is just a technical thing. No one just bothered to get on with it, because it doesn’t have a great impact for the business. It would’ve been more of a mental thing, if it was done better and the company names were changed according to the buyer. (Jyrki Ahola in his interview in 2019.)

Even though Ahola took a while to feel like he was working for ACCO Brands, not Esselte, he started to realise it little by little, when new practises were introduced. He felt “pretty good” about the changes, even though it took some time to adjust to them. Finally, when he got the realisation that he will be continuing as a Country Manager in the organisation, he started feeling positive about the changes. Now he tells with excitement about the new products which have a “big future”.

When Ahola was asked which changes were the hardest to adjust to, he first could not think of anything – but then made a vague comment about the bureaucracy of a listed company. It seems, that the integration had gone well on his part – even his mindset about the previous competitor has changed.

I was actually pretty positively surprised, that... in a way ACCO Brands was our competitor, and of course you look a little down on the competitor, but they had pretty nice products. It was quite a positive surprise, how good the products were that came from ACCO Brands for us to sell. (Jyrki Ahola in his interview in 2019.)

Even though the organisation itself was integrated backwards, the work culture, such as brand and values, came from ACCO Brands. The new organisation was really built on parts of both. Ahola sees the biggest changes in his employer, when it comes down to how much is invested in the personnel and training. This has been another positive experience to him.

When it comes to branding activities, Ahola told that straight from the beginning, ACCO Brands provided a lot of material concerning the policies, values and strategy of their company. Between 6-12 months they had also provided a brand strategy, which did not separate Esselte from ACCO Brands anymore. Ahola stated that they were trained to these values of the company a lot, and that it is still an ongoing process.

Around six months after Day 1, all the European leaders were gathered together to one location, where they had a three-day training that focused on the brand and the products. These trainings were divided in general sessions and workshops. They first went through general subjects around the company, such as the values of ACCO Brands, together. Then they were divided into smaller groups to make videos about the values.

I thought it was quite fun to create, it was a nice addition and you were kind of forced to think, how we are a part of ACCO Brands. The most I still got out of the product trainings. But it was a nice addition that even us, we were taking different roles there, were running around, and did all kinds of fun things – as long as it was 10 minutes long, we made it such that it had concrete stuff in it, but that it was also fun. (Jyrki Ahola in his interview in 2019.)

He feels like they did not have enough time to get to know the colleagues after the full-packed days, but still liked the trainings. He mentions that through these trainings, the personnel started to believe in the values of ACCO Brands more fully, and that they felt less like competitors and more like one company.

It was definitely so, that the group works were better, than just listening to a slide show. But they also have a place and a time, because then they are important. The top-management was actively participating. - - Surely [the training] was one of those elements, that when it was invested in, then the people started to realise, that it is a good thing, and now we are one and same now – that we are not competitors anymore, after all. (Jyrki Ahola in his interview in 2019.)

These trainings were popular and well-liked, and contributed to Ahola starting to identify himself as part of ACCO Brands. Similar training were held for all employees, in targeted groups.

It seems to me, that it is very important, that we create a culture, that we are part of the same company, even if people are doing different things and have different responsibilities and different businesses, which we have a responsibility for. We also have the basic products, which we sell to offices, and we have a different organisation, who are responsible for tech channel, and then we have different organisations for different customers – but we are still one and the same. Somehow it needs to be highlighted, that we do not only have Esselte-people and Rapid-people and Kensington-people, but that we are all part of the one same ACCO Brands – that we have a common denominator, finding it, which is of course the parent company. Finding it is really important. (Jyrki Ahola in his interview in 2019.)

Another activity, which Ahola points out, is a personnel research that was held six months after Day 1. The answer-rate for that was over 90 %, and it had a section about the integration. The most crucial thing that rose from there, was communication – that after all, there could still be more of it. He says that as the time of changes brings uncertainty to the company, the best would be, if it all could be done fast and communicated broadly. The results of the research was later on gone through in all countries.

The most two most crucial things for a successful integration are communication and finding the team spirit, according to Ahola. Especially the communication that comes from the top management is valued greatly. He feels like getting rid of the blocks of having the “acquirer” and “acquired company” makes the transition easier – that the company does not even try to keep two cultures in one company.

6.2.2 Marja Moilanen's Interview: Fake Communication and Distant Acquirer

The second interviewee was Marja Moilanen. She has worked for MacGregor as an Executive Assistant since September 2015. What she most likes about her work, is being able to organise and have a good view to the complete organisation and processes. She also mentions that having a manager who trusts her and lets her work independently is a contributing factor to why she likes her current job.

Before joining MacGregor, Moilanen worked almost 20 years in Nokia/Microsoft. Her last position was Executive Assistant in Marketing, but her title and responsibilities changed occasionally during her time in the company. She was employed by Nokia for 18 years and by Microsoft for a year and a half, and then she decided to leave the company. This interview focuses on the acquisition of Nokia's cellular business by Microsoft in 2014.

When Moilanen and her colleagues were invited to a Town Hall to hear about the deal, they knew something big was happening, but still the news of Microsoft acquiring Nokia's cellular business were a shock to everyone. Moilanen recalls the announcement being a big surprise for all.

I must say, that I was very much in a shock. - - The company was not doing well, which is public information, and the sales had gone down, and we just couldn't get it tackled, however hard we tried. - - We were expecting, that something had to happen – but if you think of all the good years, how much money the company made, then the expectation is more that in one point it will turn around. - - But, I was very shocked, to be honest, because Nokia has had a huge identity in Finland and has been bringing a lot of wins to Finland, and it has been a huge deal in Finland. (Marja Moilanen in her interview in 2019.)

While waiting for the approvals from the competitive authorities, her feelings did not change. She describes that the news hit her feelings hard and it being very rough on her. She also tells that not knowing too much of what Microsoft would be like as an employer, made her worried and scared as well. The company tried to take care of the employees and inform them, but even the Nokia management did not have too much information to share.

Day 1 arrived, and huge celebrations were organised in all of Nokia's offices. Moilanen recalls the Day 1 events with dread. Even through the efforts of Microsoft to get people on

the party mood, the common mood was discouraged and the Nokia employees felt like they had failed.

There were a huge party, so to say. - - Horrible music, and balloons, and everyone was given this Day 1 –shirt. Then there was a stage where you could go and take photos of yourself, wearing the shirt. Very pretentious, they had not thought at all – or maybe they had, but not from my point of view – of the Finnish culture. That we do not put our hands up screaming “Yay, wonderful!” - - They were very excited. The Finns were standing there with their mouths open, with “this cannot be not real, really”. (Marja Moilanen in her interview in 2019.)

Moilanen wishes that Microsoft had taken the Finnish culture more into consideration. She feels like it would have been more fruitful to break into smaller sections and have an opportunity to ask questions. She feels like they did not get enough information about what was about to happen, and everyone had the question “what will happen to my job?” in mind. On the contrary, she feels like that Microsoft did well by putting the brand logo everywhere – that it was a positive to see the logo and realise that they were really a part of Microsoft now.

Soon after the deal was closed, Microsoft realised that Nokia’s business was failing and the value of the acquisition was just a fraction of the purchase price. They made a silent decision to run down Nokia’s business and it was closed two years after the acquisition. Because of this the integration was not focused on too much, even if the employees were not informed about it.

They invested the money, and the business was all fake. And you started to sense it in some things; certain things were not invested in. Over time the people will realise, “hey what is wrong here now”. If you think, for example, us not getting accesses to their tools – I cannot tell you this day how they were build. We had some visibility, but we could not e.g. access their intra. (Marja Moilanen in her interview in 2019.)

Initially Moilanen felt curious and even somewhat positive for the change – she saw that Microsoft was doing well financially, and thought that maybe things would turn out for the better. Also Microsoft was giving good bonuses. But as time passed, the financial things mattered less and less. She often felt like an extra in the company, and saw a change in the work culture. Since the main location for Microsoft is in Seattle, the employees started working late – and suddenly Moilanen realised, that she barely saw half of the employees there anymore. In spite of all, before leaving the company, she was able to say already,

that she worked for Microsoft. Seeing the brand name everywhere, and having good financial results helped. Still nowadays she talks about “us from Nokia”. She feels like the company changed a lot.

Well, I felt maybe a bit faceless – that I was just one X from a thousand. And I had been in Nokia for so long, that I even knew the management - - and it was kind of like a family, how it worked there. Microsoft was very distant, maybe because of the time difference - - or that when Microsoft Finland moved in the same building with us, they had two of their own floors there, that were closed, and no-one else could enter. I did not think it was too good. (Marja Moilanen in her interview in 2019.)

Microsoft brought its brand around a lot – visually. There were posters, guidelines and information campaigns, but not much was done with the people. Nokia values had been a very important subject previously, so it was hard to suddenly apply the new Microsoft values – so these visual campaigns did not really have an effect to the working culture.

I mean maybe we could have had something like coffee breaks, where we talk about “what does it mean?” really. Because it is whatever, that you see the values in a poster or web page or somewhere – but “what does it mean?” “what does it mean to me?”. (Marja Moilanen in her interview in 2019.)

Microsoft was trying a bit harder with the employer brand – they had some charismatic leaders that helped people to open up a little bit more. Moilanen often felt the whole thing was like American show business, and though that the Finnish culture was overlooked often. She still thinks that there should have been more communication towards the employees, and would have preferred to see regular people telling honestly about the company.

I would have taken some of the current people, just normal people, to tell what it is like to work there – honestly, not like a fake American Dream, but what it really is like working there and what are the challenges, and so on. And how they think we could have helped them. Maybe more of that. (Marja Moilanen in her interview in 2019.)

She thinks that for internal branding, the most important things are mixing people together, seeing the brand everywhere (logos, email addresses etc.), and that someone makes sure that the signage on the office is fixed. Still, for her, the things that got her to believe in the Microsoft brand was the money behind it all; having good speakers that motivated the people, and having good personnel benefits, like the newest Microsoft programmes in use.

What made her feel more distant from the company, was how the communication failed – that it was too much about show and too little about communicating real, honest information. She felt like there should have been more people, leaders, that you could have just asked questions.

6.2.3 Magnus Sjöberg’s Interview: Previous MacGregor Case

The third person interviewed was Magnus Sjöberg. He has worked in MacGregor for over 20 years and currently he is a Senior Vice President, and the head of Cargo Handling Division (CHD) and Roll-On/Roll-Off Division (ROR). He started his journey at MacGregor when he did his Master’s Thesis in the company, and then continued as an engineer. His career path is depicted in detail in Figure 5. What drives him in his work is the thought of how can the processes be improved. He also likes to have an overall responsibility and cherishes the multicultural environment.

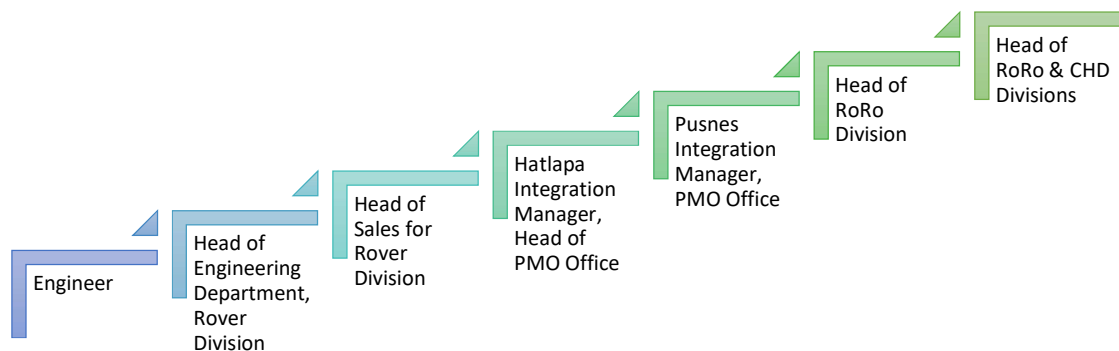


Figure 5. Magnus Sjöberg’s Career Path in MacGregor (Magnus Sjöberg in his interview in 2019)

The Hatlapa and Pusnes acquisitions were done simultaneously around 2013, and Sjöberg was originally nominated only for Hatlapa. But as their products were overlapping, he later on took over the Pusnes integration as well. Therefore this interview focused more on Hatlapa, where Sjöberg was able to be a part of the whole time. He was the Integration Manager, whose responsibility was to be a head of the PMO Office. The team was built similarly to the ongoing TTS-integration. His main responsibility was to “actually get the synergies out”.

The Hatlapa acquisition was first announced in July 2013, and actually became a part of MacGregor in November the same year. The announcement of the deal went smoothly,

and according to Sjöberg, both parties were positive about the deal. They were allowed to communicate quite a lot, which built trust already early on.

And we actually, we were allowed to talk to each other – of course we were not allowed to talk about sensitive things - - But we could actually meet and prepare a lot. So I mean we set up all the teams from both sides. We started to get to know each other - - when we came into the mid-August, then we started to have really face-to-face meetings with the Hatlapa people. And of course I have met all the management teams from Hatlapa site before that, so I got a really good feeling for them – they were also very down to earth and wanted to share information. They were very keen on getting the integration going and so forth, so very good atmosphere in that sense. (Magnus Sjöberg in his interview in 2019.)

When Day 1 arrived with its Day 1 activities, Hatlapa still had a positive mind-set about the acquisition. They were happy that MacGregor management came and showed their faces, and the culture was taken well into consideration. The Hatlapa employees were able to meet some of their colleagues and ask questions in a relaxed atmosphere. The MacGregor brand was visible quite quickly through posters in all the Hatlapa main sites.

Day 1, there was a big town hall at the main location for Hatlapa in Germany. The MacGregor President was there and all the business, many from them Executive Team was there, and there were held presentations, welcome the people and so forth, and after that there were also some barbecue with the German sausages and I think it was some beers also in including that. So there was a really nice atmosphere on Day 1. (Magnus Sjöberg in his interview in 2019.)

When talking about integration, Sjöberg's focus was on the synergies – how new opportunities were found, and how both of the businesses were supporting each other. But when it comes down to level of people, and them identifying as MacGregor, not Hatlapa, the businesses still feel separate. The Integration Team created great plans, but then the follow-up was not sufficient.

To very much extent, it's a little bit like probably there's still a little bit Hatlapa community within the MacGregor. Because what happened after we handed over the key, I mean I say, I think the plans were there – good plans handing it over, but then we went into a downturn in the market. Everyone else was fighting; it was cost cutting here and there to save their figures. And we basically lost the focus on the real integration. (Magnus Sjöberg in his interview in 2019.)

Sjöberg cannot recall if they had any activities that would have helped the people to integrate further together. What he feels that slowed it down was lack of transparency. There were also major issues with implementing the same ERP system to Hatlapa, and that did not take place until March 2019. Sjöberg also mentions that as long as their legal entities were not changed from “Hatlapa GmbH” to MacGregor, they did not feel like they were really a part of it. According to Sjöberg, the work culture did not change too much either, because they kept their old manager as the head of operation.

Sjöberg’s focus was clearly not on the brand image and values, other than that of products. There were some workshops that were led by the communication stream, which touched on the philosophies for the company and the products. These were held before Day 1, but not anymore after the real integration started. Sjöberg mentions, that of course there were guidelines about different things, but not that many activities around the guidelines. What helped the new employees feel valued in the company, was the fact that they got to contribute – that they were building the future together with MacGregor.

When it comes to values – they were re-defined from the combination of the three companies; MacGregor, Hatlapa and Pusnes. He says that these values have stuck in MacGregor ever since, and the employees took these values in quite well. These were communicated through internal media channels, Town Halls and webcasts.

I don't actually – of course we had values, before we bought them. They also had an extended management team some time after we bought Hatlapa and Pusnes. Through that management team had the workshop for our values and we brought values basically from all three companies together and we decided what the main link or values be. I mean we selected quality, we selected safety, and we selected integrity. So I think that came from all three together. (Magnus Sjöberg in his interview in 2019.)

The most crucial things for a good integration, according to Sjöberg, were that there should be actual people using their time on the integration – and that things would not be postponed but instead done fast. Sjöberg feels that this is something that should have done better with the Hatlapa and Pusnes integrations.

And then when you have the target operating model, how you should look like, you have to actually fulfil and implement that – and that was where we failed with Hatlapa and Pusnes. We had good ideas that were signed off by the business, as the key was handed over – but then at the end, they never fulfilled their actually de-

tailed integration. - - I mean we have had a long and painful journey, with a lot of restructuring for Hatlapa, and Pusnes in different corners of MacGregor organization. And now they're basically back, partly into my responsibility again, and so I see now when we have taken them over, since a year ago, in Cargo Handling Division, that we have actually not done the integration as we should have done from the beginning. (Magnus Sjöberg in his interview in 2019.)

6.2.4 Tapio Koivumäki's Interview: Decade of Know-How on M&A's

The final interview was with Tapio Koivumäki. For the last seven years he has worked for Deloitte as a consultant. His responsibilities are operative business organising, which includes M&A's and carve out –projects. Altogether he has 11 years of experience from consulting and few years from manufacturing. In his day-to-day work, he usually takes a coordinative role in an acquisition – he and his team makes sure that plans are created and that synergies are followed up with. What he likes about his work is the feeling of success, when a customer succeeds in an integration. For privacy reasons, Koivumäki cannot mention the names of the companies that he discusses, so this interview focuses more on his overall experiences working with M&A's for a decade.

The typical company that uses their services is a listed Finnish company, whose M&A goes beyond the borders of the country. Most of Finnish companies, according to Koivumäki, use consultants nowadays to bring speed and knowledge to the M&A's. He tells that he usually has a pretty good view to both the acquirer and the company being acquired, and gets to be a part of the projects from 100 days to 6 months, typically.

Usually, when the M&A deals are announced, the announcement is published in the intranet and as a stock release simultaneously. If the deal is large and meaningful, Town Halls are organised. Koivumäki thinks that the most important part of the announcements is consistent communication – and that the integration strategy, timeline and synergies are discussed about. The communication needs to be upright and honest. Koivumäki tells that the classic change curve (see chapter 5.1 Change Curve) applies pretty accurately to people's responses.

Usually the news are taken in with a little confusion, but they are usually taken in quite positively, especially in the acquiring company – they see it as a great thing that the company moves forward and grows. - - [The acquired company's respond] is usually a bit more scared, if I can say so. (Tapio Koivumäki in his interview in 2019.)

Koivumäki highlights that if communication fails when the deal is announced, a great opportunity is missed to affect people's mind-sets. He mentions that one of the common mistakes is not to really talk about the future. Usually it helps if someone from the acquiring company goes to visit the company being acquired – according to Koivumäki, it shows commitment, if the top management is participating in communication.

Day 1 is usually a lot larger event when it comes to communication. Town Halls are held, if not on the first day together, then during the first week. The Day 1 communication tries to reach all employees, face-to-face, and have the top-management visible. The brand is usually visible visually, and Koivumäki says it is good to “use the momentum” since “people are more open to accept changes when they come immediately”.

One of the great Day 1 experiences were in an acquisition where just a part of a larger corporation was acquired, and a list of changes had to be introduced on Day 1. ERP had to be replaced on Day 1 and organisational changes started happening immediately. The Day 1 preparations were extensive, and people had been actually kept in mind. They put a lot of effort into having organisational charts drawn open completely, and they had made an all-inclusive information portal for the employees, which they were able to access immediately. Koivumäki thinks that on top of information flowing well, it is also important to have the people meet each other.

It is important, that the people are taken aboard, that the plans are discussed about.
- - That people are brought together, because communication and trust is build when people meet and start working together. It is the best medicine to finding that common ground, and in a longer run, creating a common culture. It highly leans on human contact. For example, if there are new managerial relationships, that the people will meet to discuss and work together. It helps. (Tapio Koivumäki in his interview in 2019.)

When Koivumäki was asked what helps people integrate into the company and to feel like they are just one company, he points out that though not always popular, moving under the same roof is crucial. He participated in an after-study in a company on the subject, and the correlation between feeling like being a part of the company and working under the same roof was strong. It helps to have just one way of working and the teams getting mixed quickly. Also seeing the company logo e.g. on coveralls, emails and PowerPoint-presentations helps people to feel united.

Employer image is modified through harmonising the internal processes, like what benefits there are for employees and what kind of training possibilities exist. This is done usually through the HR team and Communications. Koivumäki says that for a person to feel valued, the organisational choices need to fit the person's talents and abilities, the employees need to be treated equally and they need to receive recognition. To enforce this, the managers need to be trained.

Sometimes redefining the company brand and values is used to integrate the people. The company might re-evaluate how the acquisition changes the values. It is a great way to create something new together and through creating something new, unite the brand. This can accelerate the integration, Koivumäki says. He worked in a couple acquisitions related to the same company, where re-evaluation of the brand and values were part of the first acquisition.

It has been interesting to see, that in this first big acquisition a completely new brand was created, and the values were thought through, and the personnel participated largely. It encouraged the change. Then, when we had the next big acquisition, you cannot change the company brand all the time in practise, especially since the time in between was short – then you could see the difference, when that element was missing, and more was just given, that it has proceeded slower in that sense. Maybe dividing into groups has been stronger in the latter. (Tapio Koivumäki in his interview in 2019.)

When brand and values are discussed, they need to be thought through in practise – the “what does it mean to me”, that Moilanen also referred to. Koivumäki says that it always brings positivity when success stories are broadly shared and communicated. He also thinks is very important to include the middle management when changing things. After all, according to Koivumäki, people will usually ask their line manager, if they have worries.

Koivumäki tells that there should always be a plan, which will be systematically followed. The vision and direction should be clear, and the right people should be leading the change. Communication is vital. People should meet, and changes should start fast and be introduced with “human touch”. Usually the common ground is found, when people meet.

Koivumäki recalls that when people are proud of the new organisation, when what has been told had been done, and when they start to take join in working in the company, is

when they can finally start believing in the brand. It usually takes time, and people follow the change curve quite precisely.

6.3 Summary of the Most Crucial Findings

This chapter summarises the most crucial findings, which are combined from all the interviews. The summaries are presented as a list.

1. Open, honest and consistent communication is crucial. People are first and foremost concerned of what the integration means for them personally. The information needs to be flowing constantly and there needs to be a sufficient amount of it. They should have opportunities to ask questions.
2. Plans need to be clear, followed through and followed up. Company should not try to keep two different organisations inside one company if the goal is to integrate. Middle management should be included in the work. People are more likely to accept changes if they are done fast. It is important to do integration activities with speed.
3. The more the acquired employees are able to participate in the integration work, the more likely they will commit to the new organisation and integrate into it.
4. The culture and feelings of the acquired company should be taken into consideration in planning. The Change Curve applies to the personnel's reactions and integration.
5. The top-management should show their faces and excitement. Good speakers motivate people and positivity transfers. Meeting people face-to-face and finding common ground accelerates integration and brings out synergies.
6. Employees should be transferred under the same roof when possible, and have the same access regardless of the original employer. The legal entities should be changed to acquirer.
7. The company values should be re-defined if possible. At least the values should be discussed on a personal level.

8. Bringing out the logo of the company helps people realise that their employer has changed. The signage, email addresses, coveralls, Microsoft Power-Point presentations etc. should show the logo of the acquiring company.
9. To boost the employer brand, practises need to be harmonised and managers trained. Sufficient amount of good feedback should be given.
10. Integration success stories should be published widely in the organisation to remind of the urgent nature and the positivity of change.

7 Planning the Internal Branding Campaign ‘One Team’

This chapter introduces how the product of this thesis or the Plan for Internal Branding Campaign ‘One Team’ was created. The product is found from Appendix 2. The method to plan the campaign was sought from different marketing and planning models. The SOSTAC® planning system was chosen, because it is clear and easy to use, and applies well to planning a branding campaign. Even though the SOSTAC® planning system is created for marketing, it is applicable to almost any kind of a plan, whether it is a corporate plan or a personal plan (Smith & Taylor 2004, 32). In the sub chapter below the SOSTAC® steps are introduced, and the rest of the chapter shows how these steps together with the collected information were used to create the Internal Branding Campaign ‘One Team’.

7.1 Introducing the SOSTAC® Planning System

The SOSTAC® planning system has six steps (the name of the planning system is an abbreviation of the steps’ first letters) and they are as follows:

- 1) Situation Analysis
- 2) Objectives
- 3) Strategy
- 4) Tactics
- 5) Action
- 6) Control. (Smith & Taylor 2004, 32.)

The first step is to create an analysis of the current situation. “The analysis should include a review of the performance - - during the most recent period” (Smith & Taylor 2004, 36). The analysis for this plan is done through a SWOT-analysis and by using the Cynefin Framework. The second step is to find the objectives of the plan – in other words the end goal of where the project wants to go. Objectives should be specific, measurable, actionable, realistic, and time specific. (Smith & Taylor 2004, 43.)

The third step is to define the strategy, which answers the question “how do we get there?” It is not yet a detailed plan, but the main outline for how things will be done. The fourth step, tactics, then gives the more detailed plan – a step-by-step guide. (Smith & Taylor 2004, 46-49.)

The fifth step is to create action plans. "The action stage reveals the details of tactics. Detailed project plans are required in order to implement the tactics." In this step the details, such as time tables, task lists and who to involve, are planned. (Smith & Taylor 2004, 50-51.)

The sixth and last step, is control. It means that the plans that are being made should "identify how they will be monitored, measured and controlled". This should be done so that if the campaign does not work, it can be stopped without further damage to be done, and that things learned early on in the campaign could be implemented later on. (Smith & Taylor 2004, 50.)

7.2 Situation analysis

In this chapter the situation analysis is done through a SWOT Analysis and through putting the project into the Cynefin Framework.

7.2.1 SWOT Analysis

The SWOT Analysis helps determine the impact of internal and external factors to the company or project. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. (Andrews 1971, in Puusa, Reijonen, Juuti & Laukkanen 2012, 49-51.) The four aspects are depicted in Table 3. Through the SWOT Analysis, the current situation that the company or the project is at is brought forward.

Table 3. SWOT Analysis (Andrews 1971, in Puusa, Reijonen, Juuti & Laukkanen 2012, 49-51).

| | positive | negative |
|----------|----------------------|-------------------|
| internal | Strengths | Weaknesses |
| external | Opportunities | Threats |

The following SWOT-analysis is focusing on the factors that are related to the Internal Branding Campaign 'One Team'. This includes evaluating the resources that the campaign has, what helps it forward and also what are the negative factors that might have an impact on the campaign. Because the campaign is so closely connected to the integration project, parts on the SWOT-analysis are related to the project as well, because they have an impact on the campaign.

This SWOT-analysis was created through the understanding of the theory basis, interviews and work experience in the project. It reflects some internal knowledge of the Integration Project in MacGregor. The main bullet points from the SWOT-Analysis for this Campaign are summarised in Table 4. The strengths, weaknesses, opportunities and threats are analysed further below.

Table 4. SWOT Analysis for the Campaign

| | positive | negative |
|----------|---|--|
| internal | <p>Strengths</p> <ul style="list-style-type: none"> • Broad resources because of the size of the company • Good support from Communication, HR and Integration Teams • A lot of internal knowledge within the Campaign team | <p>Weaknesses</p> <ul style="list-style-type: none"> • Bureaucracy and the size of the company slowing down decision-making • Possible negative attitudes towards the ex-competitor • MacGregor personnel might not have the right attitude to learn from TTS • Not having visibility to TTS before completion of the M&A can slow down planning and the timeline |
| | <p>Opportunities</p> <ul style="list-style-type: none"> • New talent and enthusiasm from TTS to create something together • Change momentum supporting the objectives of the campaign • LEAD- and GROW-programmes to train managers • A need to re-define company values | <p>Threats</p> <ul style="list-style-type: none"> • Cultural differences can bring unplannable problems • Language Barriers • Downturn in the industry • Summer Holiday Period disrupting the momentum in the beginning of integration |
| external | | |

The greatest strength behind the campaign is the support that it has. There are broad resources when it comes to talent, finance and people. The organization is big and there is always someone who has experience on what needs to get done. Also there is good support from the Communications, HR and Integration Teams – they are willing to participate in the planning and have committed to put the campaign forward. The team consists from very experienced people – and therefore has all the contacts, knowledge and information that the campaign needs.

On the other hand the size of the company can also be a weakness – it can add bureaucracy and slow down the project. Also the stakeholders have to always be kept in mind,

which can even limit communication possibilities. It needs to be thought thoroughly what can or cannot be communicated. Another weakness comes from the positioning between MacGregor and TTS. They might have very negative attitudes towards each other, considering they have been rivals for a long time. Some MacGregor employees might also see TTS as inferior and not want to learn from them, even though there is a lot to learn and build together. Another challenge for planning is the lack of transparency between the companies prior to acquisition approvals, which might have an impact on the timeline and even slow down the planning.

By leveraging new talent and employee enthusiasm, an opportunity to build something new together arises. While things are changing, it can be easier to introduce changes or campaigns that are targeted towards the entire company. The company also has programmes to train managers: LEAD-programme for top-management and GROW-programme for all managers. These can be a good opportunity for training the new managers. Another opportunity is that the company might have a need to re-define or re-confirm company values.

The biggest threats come from language barriers and cultural differences. Because the companies are multicultural and worldwide, things that work in Finland, might not work in China, for example. Also since English is usually the second language for most of the employees, this might limit the number of great speakers and getting the message through. It can be hard to accommodate every individual culture when something is planned for an entire organization. Another threat comes from the industry. If there is a further downturn, people can lose far-sightedness and stop prioritising unification. The Summer Holiday can disrupt the momentum, as the acquisition was completed during it – things might start slower and hostile attitudes rise.

7.2.2 The Cynefin Framework

To analyse the situation further, The Cynefin Framework is used. It helps to understand what kind of planning and decision-making works in “varied dynamical contexts” and points out, that humans cannot be assumed to act in a certain way – like assuming that people will do the “rational” thing, or that their future behaviour could be somehow predicted and “best practises” could be found out. (Kurtz & Snowden 2003, 432-433.)

The Cynefin framework divides the world into four different ordered domains; Known, Knowable, Complex and Chaos. If one is able to identify where their situation sits on the map, there are also guidelines how planning works the best in that situation. These four

domains and their decision models are depicted in Figure 6. (Kurtz & Snowden 2003, 468.)

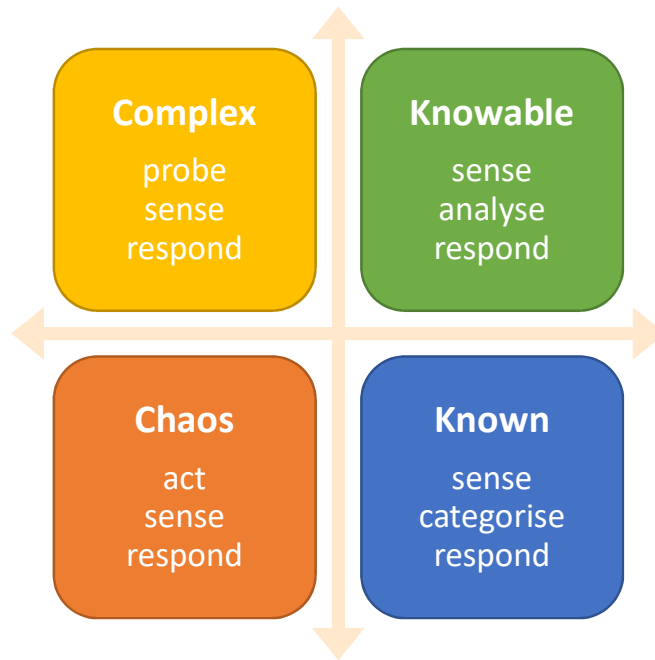


Figure 6. The Cynefin framework (Kurtz & Snowden 2003, 468)

In the known domain cause and effect relations are predictable and repeatable. They are easily perceived and usually standard operating procedure can be set and used. “Structured techniques are not only desirable but mandatory in this space.” The decision model for the known domain, is to first sense the incoming data, then to categorise it and lastly, respond to it in a predetermined way. (Kurtz & Snowden 2003, 468.)

Heavily process-oriented situations, such as loan payment processing, are often simple contexts. If something goes awry, an employee can usually identify the problem (when, say, a borrower pays less than is required), categorize it (review the loan documents to see how partial payments must be processed), and respond appropriately (either not accept the payment or apply the funds according to the terms of the note). (Snowden & Boone 2007.)

In the knowable domain, the cause and effect relations are separated over time – they are harder to predict. In this domain, many times different scenarios are created and the situations are analysed. There is some kind of causality, but it is not as easily perceived as in the known domain. Many times consults are used to fill the gap in knowledge. “Structured techniques are desirable, but assumptions must be open to examination and challenge.” The decision model used in the knowable domain is to first sense the incoming data, then

to analyse it, and then to respond to it according e.g. expert advice. (Kurtz & Snowden 2003, 468.)

This approach is not easy and often requires expertise: A motorist may know that something is wrong with his car because the engine is knocking, but he has to take it to a mechanic to diagnose the problem. - - Another example is the search for oil or mineral deposits. The effort usually requires a team of experts, more than one place will potentially produce results, and the location of the right spots for drilling or mining involves complicated analysis and understanding of consequences at multiple levels. (Snowden & Boone 2007.)

In complex domain the cause and effect does not apply in the same way. This is because there is a number on different “agents”, but “both the number of agents and the number of relationships defy categorization or analytic techniques.” Patterns cannot be predicted, but they can be perceived. Patterns can even repeat for some time, but it is never sure that they will keep repeating. This is a space, where it is good to find multiple perspectives, and be agile in planning. The decision model for complex domains is to first make probes to test different scenarios with, and to make the patterns more visible. Then those patterns or possible patterns are sensed and then responded to stabilise the patterns that are most desirable. (Kurtz & Snowden 2003, 468-469.)

Most situations and decisions in organizations are complex because some major change—a bad quarter, a shift in management, a merger or acquisition—introduces unpredictability and flux. In this domain, we can understand why things happen only in retrospect. Instructive patterns, however, can emerge if the leader conducts experiments that are safe to fail. That is why, instead of attempting to impose a course of action, leaders must patiently allow the path forward to reveal itself. They need to probe first, then sense, and then respond. (Snowden & Boone 2007.)

Unlike in the other domains, in chaos there are no visible relationships between cause and effect. There is also no time to perceive any relations, and the focus is to bring stability through intervention and crisis management. The decision model for chaos is to “act, quickly and decisively, to reduce the turbulence; and then to sense immediately the reaction to that intervention so that we can respond accordingly”. (Kurtz & Snowden 2003, 468-469.)

In the chaotic domain, a leader’s immediate job is not to discover patterns but to stanch the bleeding. - - Communication of the most direct top-down or broadcast kind is imperative; there’s simply no time to ask for input. - - Though the events of

September 11 were not immediately comprehensible, the crisis demanded decisive action. New York’s mayor at the time, Rudy Giuliani, demonstrated exceptional effectiveness under chaotic conditions by issuing directives and taking action to re-establish order. However, in his role as mayor—certainly one of the most complex jobs in the world—he was widely criticized for the same top-down leadership style that proved so enormously effective during the catastrophe. (Snowden & Boone 2007.)

Many times situations are left between the domains or are in multiple domains – and the way to respond to these situations should vary accordingly. The main domain for this campaign is in the complex domain, but some parts of it are knowable as well. For example, the reasons behind why employees leave the company are known through the research, but the way how people respond to e.g. workshops, should be tested through having “probe” workshops to find the best way for them. Part of the research can be also be used as probes – like the interviews. They gave valuable information on what has worked with integration projects before, and what has not.

7.3 Objectives

The objectives for this campaign are based on the needs of the commissioner. The whole reason for the campaign is to help unify MacGregor and TTS personnel to prevent the risk of staying separate, as defined in chapter 2.2. Internal Branding Campaign for MacGregor. This main objective was divided in three objectives that would help reach that ultimate goal. They were discussed with the TTS Integration Team in the very beginning of the whole project, so that the project was directed towards the right direction. They were clarified more through the research for the thesis.



Figure 7. Objectives of the Internal Branding Campaign.

The three defined objectives which build on each other towards unity in the organisation are: (1) MacGregor is a good employer, (2) learning through recent changes and (3) creation of common identity. The campaign goal is not to reach these ever-so-far targets but to start the journey towards them, going from disliking one another as old rivalries to being fine with working together. The objectives are depicted in Figure 7 and further explained in the subchapters below.

7.3.1 MacGregor Is a Good Employer

The first objective for the campaign is targeted especially towards the people joining from TTS. The goal is that they feel like MacGregor is a good employer that they want to keep working for. That they are not looking to change jobs the first opportunity they get. This means making sure they feel listened to and get to participate in their integration. This also requires finding pain points and training the managers.

Focusing on the employer image is basically focusing on the well-being of the employees, and enforcing the company values in the every-day work. The values should be pointed out in all phases of the campaign. It is also making sure that their work gives them enough challenges, but not forgetting the balance between work and home. It also needs to be made sure that each employee has some kind of understanding of their career path to keep them engaged and for them to really value the employer through their efforts.

7.3.2 Learning through the Recent Changes

The second objective is targeted towards the whole of MacGregor. It is about the old and the new employees feeling excited that they can work in the new MacGregor and learn from each other. It is about changing their mind-sets so that they can see how the whole integration is a significant learning opportunity. And if everyone participates on learning from each other, MacGregor can become stronger and better – and the employees can feel more connected to each other, and that they are a part of building something special. This can, again, increase employee engagement and integration of the two sides of the M&A.

This objective requires conversation and possibilities to meet and work together. Thus, the campaign should give opportunities for discussions together. When the new employees feel like their valuable insights are taken into consideration, and they get to participate,

they can feel more invested in MacGregor and can become more willing to work together. A different challenge is having old MacGregor employees, as the acquiring party, realise the potential learning opportunities in the merger.

7.3.3 Creation of Common Identity

The final objective is that there will not be “MacGregor and TTS”, but just the new MacGregor, so that everyone can identify as part of the same business area, believe to the brand and want to work together. When the employees feel like they belong where they work in, they can be more engaged to the work and will be more productive. To reach this objective, employees need to believe in their products, feel like they can identify with the company values, and are willing to work accordingly.

Both of the previous objectives support this objective – but additionally, people need to have enough information about products, the values need to be discussed widely (and re-defined, if possible), and people should move under one roof. The more the people will meet and get to know each other, the more they will have the feeling of having a common identity.

7.4 Strategy

The initial strategy was created through the ideas that came from the research and interviews. It was created as an answer to the three campaign objectives. Then these ideas of strategy (and tactics and actions) were presented to the Integration, HR and Communications Representatives for comments. The final strategy was created through these discussions.

To reach the first objective, the main strategy is to educate the managers and give the employees possibilities to be involved and participate to increase their sense feeling of feeling appreciated. The managers will be trained to find pain points and creating visions of the employees’ career paths. This will also help them be more engaged in the company. To reach the second objective, the strategy is to increase discussion within the company through Cargotec’s social intranet, Connect, e.g. through a competition. To reach the third objective, the strategy is to organise local workshops which will include discussing the brand and values of MacGregor and getting to know –activities. These will be extremely valuable when both MacGregor and TTS.

The strategy can be summarised in three parts, organising local workshops, training great managers and increasing discussion through online communications. These are depicted in Figure 8.



Figure 8. The strategy of the internal branding campaign 'One Team'

7.5 Tactics

The tactics were created through the ideas that came from the research and interviews. They were divided according to the three strategy points. After this, the tactic ideas together with the strategy and actions were presented to the Integration, HR and Communications Representatives for comments. The final tactics were defined through these discussions.

7.5.1 Organising Local Workshops

The initial idea for the workshops came from discussing with Communications Department in the beginning of the project. When doing the interviews, Ahola's interview mentioned how they got together for workshops and the positive impact that had. This seemed like a good idea to use in this campaign to help the personnel see that MacGregor cares for them, and help them build that common identity together.

The local workshops will be organised at each country that has both TTS and MacGregor employees. In most of these locations, moving the people under the same roof is planned. Ideally, these local workshops are organised in January 2020. If some sites are not finished with their moves by then, they could be organised later also. If some sites will not move under the same roof, they will still be brought together for the workshop.

Instead of having workshops for different functions or divisions, people from different groups in the same locations are brought forward. This was chosen primarily because it saves costs but also because it helps people have different views and to connect with new people, since most likely they will know their team or function or division well already by the time of the workshops.

Because the workshops are a part of the Complex Domain in the Cynefin Framework, the guidance is to test or probe the workshops, collect reactions and adjust accordingly. This is why the workshops are first practised in smaller sites, which are moving together earlier than the bigger ones. These are used as probes and the plans for these workshops are adjusted according to their results.

To limit the threat that came forward in the SWOT-analysis about cultural differences causing issues, the workshops will be hosted by a local employee, the Local Host. They will lead the workshops and oversee that they are adjusted according to culture. Preferably also someone from communications or HR function is present to oversee the workshop and take notes on what should be adjusted to the following meetings. This person would help to run the workshop and support the Local Host.

To further adjust the workshops according to the local needs, before each workshop, there will be a Preparation Meeting. This can be organised online. In this meeting, the workshop will be walked through with the Local Host and any cultural adjustments are made. The Local Host will also be trained about public speaking and leading workshops when needed. He or she will also have an opportunity to ask questions. The material for the Preparation Meetings will be put together by the Communications department. If there are busy schedules, some of these meetings can be combined (e.g. different locations in the same country).

Some parts of the workshop activities came from the interviews. Moilanen pointed out in her interview, that she would have liked to receive more information on the brand and values, and how to apply them personally. Also, Ahola brought out how having a creative activity around the values helped him take in the values, but that also the information sessions about products and the company were really useful. Ahola also talked about how he would have liked to have more time to get to know his colleagues, and Sjöberg noted that having casual dinner with his colleagues during Day 1 helped to get to know others. The workshop activities were planned based on these thoughts.

The workshops are estimated to take around six hours each. The morning will start with activities designed to help employees get to know each other. These might be different in different locations, depending on the number of participants and the local culture – but the goal is to get to know new colleagues. After the warm-up, a presentation of the MacGregor brand and its products will be presented. This will include also the acquired products from TTS. After these activities a social lunch will follow, so that they can continue getting to know these new people. After lunch, there will be a presentation about MacGregor values – whether they are the old ones or re-defined after the acquisition. The goal of both presentations is to increase discussion – not just go through the slides in silence. This will depend on the culture and the number of participants. After the second presentation the people will be divided in groups, which will be given a values-related task. After the task there will be a wrap-up session.

To increase the knowledge within the company and share the feeling of unity, the Local Host is then to create a post in Connect about things that were learned, discussed and the common atmosphere. It will be also encouraged to take photos and share them in a community for MacGregor (#WeAreMacGregor) as well as in external channels. This is something Koivumäki recommended in his interview.

In the week following the workshop a Review Meeting will be organised. In this meeting the Local Leader and the person that has been present from HR or Communications Department will present to the rest of the team. They will discuss about how the workshop went and what should be done differently – and what could be done in the future. These Review Meetings are taken into consideration when planning future workshops. They are part of what needs to be done in the Complex Domains, even after the first probes.

7.5.2 Training Great Managers

The HR department in MacGregor is planning to train the managers through the existing MacGregor leadership programmes (LEAD and GROW). These will be especially organised for the managers moving from TTS to MacGregor. The HR department is also planning to launch a tool to help with creating career paths during the autumn. These complement the research and the objectives of this campaign, but will be done separately, according to the timetables they set.

After discussions with the HR department, the most useful thing that the campaign can add on top of the efforts from HR department, is introducing a tool kit and articles on finding pain points. Due to this also being a part of the Complex Domain, the tool kit will be

probed with a few managers before publishing it. The subject of Pain Points will be discussed in articles in Connect. Common instructions and a tool kit on how to make these a part of managing will be also established in these articles. These efforts will help the managers to be better, which reduces the risk of losing employees, like discussed in Chapter 5.2 Employee Retention.

7.5.3 Increasing Discussion through Online Communications

In addition to the activities aimed to increase discussion in Connect, a competition will be established at the end of 2019. The competition will focus on posting things that has been learned from new colleagues, and a prize will be drawn amongst the participants. This is something that has been done previously in Cargotec, and has had a great impact on people.

The prize is decided by the Integration Team, and the posts will be in #WeAreMacGregor –community. At the end of the competition, selected stories from the participants of the competition will be published as global news, which will increase the positive atmosphere, like Koivumäki pointed out in his interview.

7.6 Actions

The actions were created through the ideas that came from the research and interviews, as well as working experience in the company. These actions (and strategy and tactics) were presented to the Integration, HR and Communications Representatives for comments. The final actions were defined through these discussions. For each of the strategy, specific actions were created. This include things such as instructions, task lists and timetables. The full details of these plans are found from the product itself, which is found from Appendix 2.

The main things to think about with the Local Workshops was the steps on organising each workshop, the detailed timetable and especially who would be responsible for which task. These issues can be placed on the Simple Domain in the Cynefin Framework, which is why these issues were tackled with lists and tables. A general task list was created that would enable enough time for planning, and would name the responsible teams. More tasks will be added when they come up in meetings. This list is in chronological order and a responsible team is presented. The exact person for who is responsible for each task will be defined in meetings later.

Also the general agenda of the workshops was put into a table with specific instructions for each item on the agenda. The workshop should be adjusted according to the feedback on previous workshops and local requirements, as part of the Complex Domain. Some of these instructions came from the meetings with HR and Communication Functions, and the main thought for the creative activity came from Ahola's interview. The rest are based on experience from previous similar workshops and work experience in MacGregor.

For training great managers the most important issue to solve was the timetable. The toolkit for finding pain points will be published in the beginning of January so that it goes hand-in-hand with start-of-the-year Personal Development Programme (PDP) discussions. The rest of the timetable was counted backwards in two-week periods. It was estimated, that three rounds of probes would give quite good results. Since the main responsible for the Pain Point Tool Kit is on the HR Department, the responsibilities were not further divided.

The focus on planning the actions for increasing discussion through online communications was to plan how to build up the completion. Because this was a very simple issue, and would be placed in the Simple Domain, it was tackled with a task list. Also an idea of what the competition instructions could look like was drafted. These were based on the internal knowledge from previous competitions as such and estimation of how much time was needed for each task. The communications department has the main responsibility for the competition.

7.7 Control

In this chapter the methods of how the campaign control is planned and presented. The campaign control methods have been created based on ideas from the thesis research and experience working in the company as an assistant. The full plan of control is found from the product in Appendix 2.

Throughout the planning and during the campaign, monthly meetings will be held for the Integration, HR and Communications Representatives. A monthly meeting helps to keep the campaign in mind, without it becoming a burden. In addition to this, separate meetings can be held within each department when needed. Minutes of the monthly meetings will be recorded and sent to the campaign team. The agenda was planned to give time to go

through each department but also tackle common issues. These were created based on the internal knowledge of the company culture and working habits.

The review meetings are a way to control the local workshops and ensure that necessary changes are made. This is an important part of the Complex Domain in the Cynefin Framework. The progress of the other two strategies (training great managers; increasing discussion through online communications) will be discussed in the monthly meetings.

In addition to the review meetings, HR will conduct PULSE-surveys. The PULSE-surveys monitor the progress of the integration, evaluate what is the phase of change, support managers in their change leadership and listen to the mood of the people. The PULSE-surveys were chosen to evaluate the impact of the campaign due to their familiarity to the company. These are surveys that are sent to the whole of MacGregor first at October 2019 and then, after the campaign, in March 2020, so they can show if the campaign has had an impact on the personnel of MacGregor. This PULSE-survey uses the Change Curve in evaluating the progress and mood of people, and the three following statements have been added by request to the HR department specifically for this campaign: (1) "I would recommend MacGregor as workplace to my friends", (2) "I feel like we are stronger now that we have been able to learn from our new colleagues", (3) "I can identify with the values of MacGregor and apply them in my work". (MacGregor Internal Material 2019).

8 Evaluation

This chapter contains the evaluation of the thesis. The evaluation is conducted as self-evaluation, but also comments from the commissioner are presented. The subchapters answer questions “What was it like to create the plan?” “How well did the product answer the needs of the company?” “Was the background material relevant to the creation of the product?” and “How did creating a thesis help me to improve and grow in my profession?”

8.1 Evaluation of Process

Creating the theory base, conducting and analysing interviews and creating a plan for the Internal Branding Campaign ‘One Team’, has taken many working hours and lot of effort. Because the campaign was set to touch such a big audience, the research behind it had to be thorough. It was never a possibility just to define the framework and go straight to planning – the interviews were needed as well to further understand the circumstances in M&A situations.

Creating the plan through the SOSTAC® planning system was not too hard, because it gave a clear directions of what to start with and what to plan next. By using it, the plan was not just put together by random ideas, but the objectives and strategy of the plan directed the whole plan to the right direction. Clear plan on how to use the SOSTAC® planning system helped to create the campaign in quite a short time. The theory base and the interviews had a big influence on what the campaign included. Working together with the different stakeholders of the upcoming campaign was always easy, since they saw the need for a campaign such as this.

Overall, creating this thesis was hard work but at the same time very rewarding. It took a lot of hours finding the right sources, transcribing the interviews, analysing them and making sure that the plan was thorough and would not become a burden for those who would participate on the planning for and conducting the campaign. At the same time whenever pieces fit together in the background research, when valuable ideas came from the interviews and when seeing the plans and ideas come together as something tangible, the work was all worth it.

8.2 Evaluation of Product and Comments from the Commissioner

Internal Branding Campaign 'One Team', or the product, has received good feedback from the commissioner. Personally, I see it as a complete plan that is easy to follow. The content is valuable and can make a difference. Still, I do not think that the campaign by itself can create a huge change of heart in the people; it requires effort before, alongside and after the campaign. The campaign is a step to the right direction, but not the only one that should be taken.

The commissioner was willing to give some comments, which were collected through email. The comments came from Robin Thuillier, the Director of Communications in MacGregor, who would be the one taking the lead on running the campaign; Mika Selänne, Vice President for HR in MacGregor, who is also participating as the HR side in the campaign and has an important role in the integration; and Guo Hwei Lee, Director of the Integration Management Office for the TTS Integration Project.

Robin Thuillier / Director, Communications:

Following completion of the acquisition by MacGregor of the marine and offshore businesses of the Norway-based TTS Group ASA on August 1st 2019, planning to ensure effective integration of a key competitor into the MacGregor operating structure and realise planned synergies commenced.

The highest risk identified to achieving these objectives by the pre-acquisition planning team was that both businesses would continue to operate as separate entities, with an associated failure to establish a 'new MacGregor' identity based on mutually beneficial, shared values and a common culture.

This is of particular importance with respect to the acquisition of TTS given the different business cultures, mix of nationalities who have historically been competitors and that the majority of synergies will need to be delivered through operating cost savings.

Consequently, the 'One-Team' campaign objectives and proposed workstreams developed by Janita as part of her Bachelor Degree thesis are an extremely relevant component of our wider integration activities, and one that I am pleased to lead and support across MacGregor.

Mika Selänne / Vice President, Human Resources:

Overall we are very pleased with Janita's contribution in the integration process including the planning phase as well as the implementation phase. Her thesis has helped us to organise the fragmented environment of internal branding. With a good mix of theoretical background investigation, combined with interviews, and eventually an action plan, has given us a concrete tool to ensure good internal branding in this integration. In her work Janita has been systematic and kept the schedule. Finally, as a part of her thesis work Janita has shown good interpersonal skills with a good set of drive and persuasion which has time to time challenged also our thinking during this journey.

Guo Hwei Lee / Director, Integration Management Office

There are many good elements designed in the plan on One Team-Internal Branding Campaign, in particular, organising workshops/ sessions to allow both sets of employees (from the acquirer and the target companies) to come together to exchange views on the New Company's values, using the Company's online platform to promote the positive experiences of employees learning from one another, and the setting up of a tool-kit for finding pain points would be a good reference for the managers who need to manage the change process due to the integration.

On an overall level, the plan is well thought through and has clear defined tasks, timelines and responsibilities. It will be a good starting point for the Company when it initiates an internal branding campaign.

8.3 The Relevance of Background Material

Finding information on certain subjects, like M&A's, marketing and change was easy, since they are subjects that keep trending. Then, finding the reasons for why employees leave a company, required more sources and combining information from different studies and articles. Also, understanding the importance of employer branding and internal branding in the grand scheme of creating a holding brand, came from understanding multiple sources. The process of creating a framework for the subject flowed quite naturally. Most subjects were known beforehand, that they needed to be defined, but as research moved forward, the need for a few more subjects rose. These were integrated in the theory base, which was found comprehensive when moving forward with the thesis.

Because the research of these subjects was done before holding the interviews, those were conducted with more confidence, understanding and structure. The interviews were easy to conduct, because of the pre-defined questions and the participants' understanding

on the subjects. These interviews gave a lot of insight, which gave ideas for the actual plan and deepened understanding of the big picture. The interviews also confirmed some of the subjects in the theory base and gave a deepening understanding on others. The interviews were a time-consuming, but very relevant and needed part of the creation of this thesis.

8.4 Self-evaluation

I think that creating this thesis had been a process, which has helped me grow professionally. I now have a wider understanding on what happens in M&A's, why they are created and what are the main reasons they so often fail. I have understood the importance of starting the work for a unified brand from inside, and how that can be done. With vivid examples, I have learned about what happens in the minds of those people who come across change. Also I have learned a lot about why people stay and why they leave their jobs. Understanding of these subjects is important in this day when a lot of change happens everywhere, employers are struggling to keep their employees when competitiveness is ever-rising and where M&A's keep failing. On top of these subjects, I have also learned to create a plan for something big – and this can be applied to almost anything.

The whole thesis-process has helped me to grow as a person too. I have now more patience, perseverance and skills on how to find relevant information, combine it and also how to use it as a base for interviews. I think that the process has been important for my growth and will be useful in the future.

I am happy with what I created and I think it is quite enough research for one thesis. But I think that these subjects should be even further researched. I would like to still learn and see more in practise what the impact is when employer brand and internal brand are in focus of a company. I think that seeing the results from this campaign would be important – and if it can be applied to other M&A's and companies. But overall, the thesis I have created is a complete study and I feel satisfied with the results of it.

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Appendices

Appendix 1. Interview questions.

Set 1: For the ones that were working in companies that were acquired

Theme 1: Demographic information

- What do you do for work?
- For how long? Any other background information of work history?
- What do you do in your work?
- What do you appreciate the most in your work, why did you choose this kind of work?

Theme 2: Background information of the M&A

- Where were you working at the time of the M&A?
- What did you do, what was your title? Did your title change?
- How long had you been working in the company? Did you continue for how long after the M&A?
- Please explain any further details I should know about your position in the company

Theme 3: Announcing the M&A

- Where did it all start? How did you hear about the M&A? What were your main feelings at first? Did they change closer towards the deal?
- How did they announce the M&A internally? Did you discuss it with your colleagues, do you remember how they felt?
- Would you have done the announcing differently? If so, how?

Theme 4: Day 1

- What happened during Day 1? How was the deal closing announced? Did you know if there were any obstacles before the deal closing?
- How did you feel when you got the information that you were now a part of a different company? How would you describe the general atmosphere?
- How much were they using the brand image during the first day of integration? How did that make you feel?
- What do you think they did well? Would you have done the Day 1 differently, or a part of it? How?

Theme 5: Integration period

- How soon did changes start happening? What kind of changes?
- How long did it take you to start thinking yourself as part of the new company instead the one acquired? Did you ever start thinking that way?
- How did you feel working in the new company? How long did it take you to start feeling positive about the company? Or did you ever?
- What changes happened during the integration period? What changes were the hardest ones to adjust to? What kind of changes were you positively surprised about?

Theme 6: Branding activities

- Were there any campaigns going on after the M&A that you were aware of? What kind of? Did they have an impact on the atmosphere or work culture?
- How would you describe your employer before and after the M&A? What were the main changes? Were there any new activities that helped in to revise this image of your employer? What would you have done differently?
- Were there any activities in enforcing the new company brand? What kinds? How were they taken among the employees? Did they change the atmosphere? What would you have done differently?
- How did you feel after 6-9 months in integration about the company values and brand? Had it changed from the beginning? Did it keep changing?
- If you were now to create an internal branding campaign to the company, what would you consider to be the most crucial things to take into consideration?

Theme 7: Wrap up

- What were the most important things for you during the whole M&A project and following integration that helped you to believe in the new brand? Like working for the company?
- What were the biggest mistakes in the whole M&A project and following integration that made you feel more distant and disengaged to the company?
- What do you think would be the most crucial things to consider for having a successful integration?
- Is there anything else you would like to point out from your experience in the M&A?

Set 2: For the ones who have experience from managing M&A's

Theme 1: Demographic information

- What do you do for work?
- For how long? Any other background information of work history?
- What do you do in your work?
- What do you appreciate the most in your work, why did you choose this kind of work?

Theme 2: Background information of the M&A

- What kind of M&A have you been involved in?
- What was your role in the M&A? What did you do, in practise?
- What kind of a view did you have to the whole organisation?
- What more would you like to tell about your role in these M&A's or on any specific M&A?

Theme 3: Announcing the M&A

- How early on the project was it announced internally? How did people react?
- What has worked well when announcing the M&A(s)? What not? How did people react? What was their response? What would you do differently?
- What were the common atmosphere when the deal(s) was announced?

Theme 4: Day 1

- What were your main Day 1 activities? How did people react? Which activities went well, which not? What would you do differently?
- Can you describe the (typical) Day 1?
- Is there anything else you would like to explain about Day 1?

Theme 5: Integration period

- How long did it take people to integrate into the company? Did they ever really? What were the main obstacles? What helped in the integration?
- What would you do differently? What were the activities etc. that helped the new employees to integrate the fastest? What slowed it down?
- Did the companies' cultures change at all? How?

Theme 6: Branding activities

- What kind of activities did you do during the integration period? What were the most popular or helpful ones? What did not work?

- What kind of activities were designed to build a good employer image? What helped the employees feel valued in the company?
- How and when did you enforce the brand to the new employees? How did people react? What made it go well or not well? What were the most crucial things that made an impact?
- Can you describe with detail what was done and what would you do differently?
- Were the company values brought up? How much? How? How did people respond?
- Were there any activities in specific that had a big impact on how the employees viewed the company brand?

Theme 7: Wrap up

- What did you find to be the most crucial factors to be taken into consideration for good integration?
- What were the biggest mistakes made? How were they fixed?
- What would you do differently?
- What were the most valued activities in the whole of integration?
- Is there anything you would like to add that could bring value to this project?



1 (17)

One Team

Internal Branding Campaign

Janita Kataja
Integration Assistant Trainee

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1 Introduction

This document is the plan for the internal branding campaign **One Team**. The campaign will be launched around six months after the acquisition of TTS Group ASA to unify the personnel and their views on MacGregor. The main responsibilities go to Communication function, HR function and the Integration Team.

While planning the M&A, the Integration Team looked into identifying the biggest risks of the acquisition. When this **risk management** for the M&A was done, the biggest risk with both high probability and high costs was to continue as separate entities. Figure 1 shows where this risk is located in the spectrum of impact and probability – each circle means a risk in the integration. The risk #1 located in the top-right corner is explained.

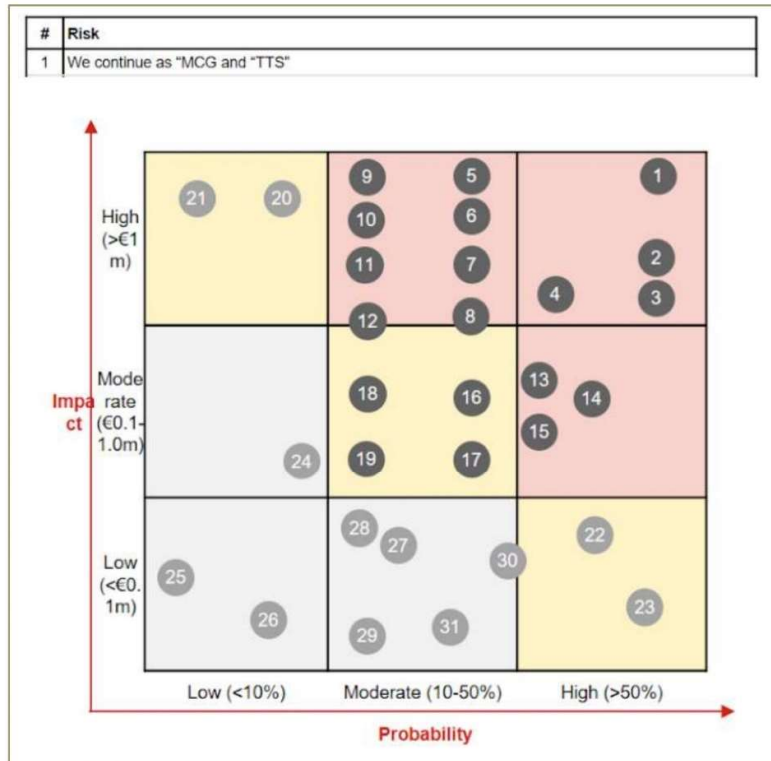


Figure 1. Risk Management.

Around six months after the acquisition, old TTS employees will move from interim branding (built on the TTS-logo) to **MacGregor branding**. This branding is related to the company brand, not the product branding. Both of these logos are in Picture 1.



Picture 1. TTS interim logo and MacGregor logo. (MacGregor Internal Material 2019)

It was identified, that a campaign of some sort would be needed to further integrate the old TTS employees but to also change the attitudes of current MacGregor employees to more fully work together. The end goal is to work towards a **“new” MacGregor** that has the best qualities from both MacGregor and TTS – making all of Macgregor a target for the campaign, to change everyone’s attitude.

1.1 Research behind the Campaign

The plan for the campaign is **based on research and interviews** of Janita Kataja’s Thesis and also discussions within the responsible functions. The research for this campaign focused on the following subjects:

- Mergers and acquisitions
- Synergies
- Integration
- Internal marketing
- Internal branding
- Employer branding
- Internal communication and its channels and tools
- Change Curve
- Employee Retention

The following models (Figures 2, 3 and 4) are the ones that had the biggest impact on this campaign:

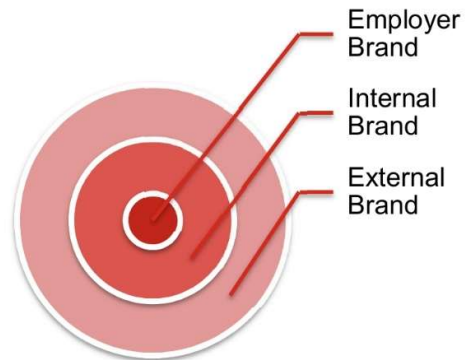


Figure 2. The brand image builds from employer brand to internal brand to external brand (Parment and Dyhre 2009, 129).

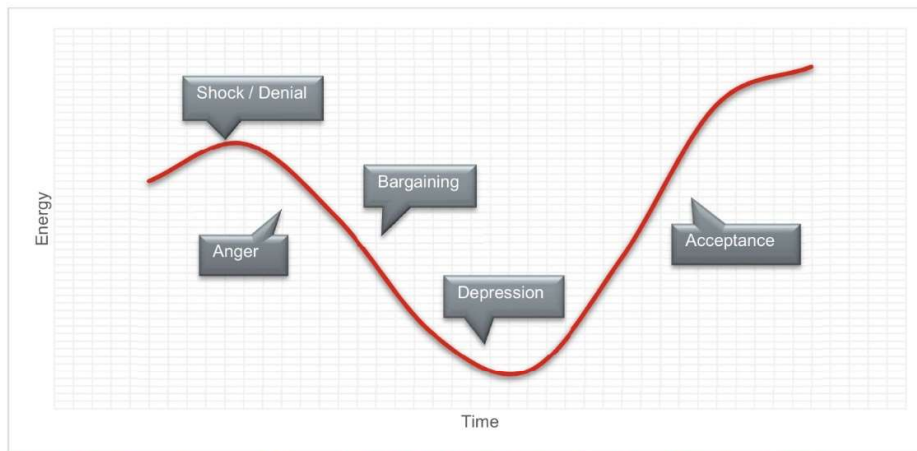


Figure 3. The Change Curve and 5 Stages of Grief (Elisabeth Kübler-Ross Foundation 2019; Connelly 2018).

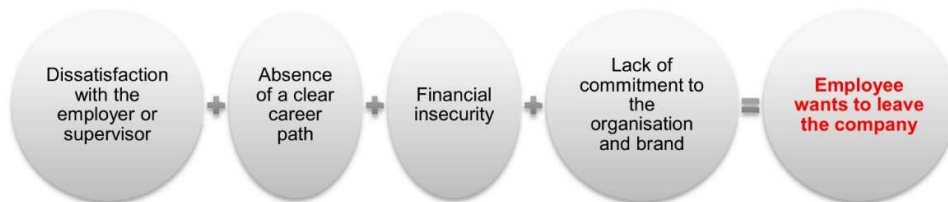


Figure 4 Reasons why employee wants to leave a company (Dailypay 2018; Harvard Business Review 2016).

Also the following models were used in planning the campaign:

- SOSTAC model
- SWOT analysis
- The Cynefin Framework

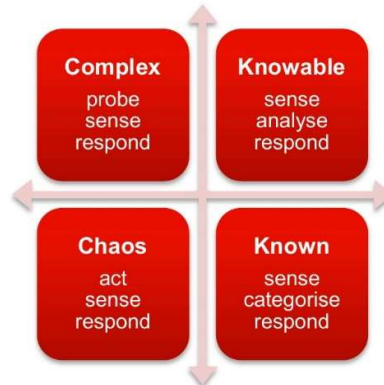


Figure 5. The Cynefin Framework. The main domain for this campaign is in the complex domain, but some parts of it are knowable as well. (Kurtz & Snowden 2003, 468)

Four people, who had connections to M&A's, were interviewed. Two of them worked in large companies, which were acquired, one works for MacGregor and has been a part of a previous acquisition, and one is a consultant whose speciality is M&A's.

The objectives of the interviews were:

1. To understand the individual experiences of M&A situations in a human level
2. To see what kind of practises other M&As used to enforce the internal brand and employer brand
3. To find the failed activities and practises to avoid those in the future
4. Understand the differences between the experiences of those who were working in the companies that were acquired and those who were managing the acquisition.

The most important findings from the interviews were:

1. **Open, honest and consistent communication** is crucial. People are first and foremost concerned of what the integration means for them personally. The information needs to be flowing constantly and there needs to be a sufficient amount of it. They should have opportunities to ask questions.
2. Plans need to be clear, followed through and **followed up**. Company should not try to keep two different organisations inside one company if the goal is to integrate. Middle management should be included in the work. People are more likely to accept changes if they are done **fast**. It is important to do integration activities with speed.

3. The more the acquired employees are able to **participate** in the integration work, the more likely they will commit to the new organisation and integrate into it.
4. The **culture** and **feelings** of the acquired company should be taken into consideration in planning. The Change Curve applies to the personnel's reactions and integration.
5. The top-management should show their faces and excitement. Good speakers motivate people and positivity transfers. Meeting people **face-to-face** and finding common ground accelerates integration and brings out synergies.
6. Employees should be transferred **under the same roof** when possible, and have the same access regardless of the original employer. The legal entities should be changed to acquirer.
7. The company **values** should be re-defined if possible. At least the values should be discussed on a personal level.
8. Bringing out the **logo** of the company helps people realise that their employer has changed. The signage, email addresses, coveralls, Microsoft Power-Point presentations etc. should show the logo of the acquiring company.
9. To boost the employer brand, practises need to be harmonised and **managers trained**. Sufficient amount of good feedback should be given.
10. Integration **success stories** should be published widely in the organisation to remind of the urgent nature and the positivity of change.

For more information on the research and interviews, please refer to Janita Kataja's thesis. Before publication of the thesis, snippets of it can be sent per request from the abovementioned.

1.2 Objectives

This campaign has three defined **objectives** which build on each other: (1) MacGregor is a good employer, (2) learning through recent changes and (3) creation of common identity. The campaign goal is not to reach these ever-so-far targets but to start the journey towards them, going from disliking one another as old rivalries to being fine with working together. The objectives are depicted in Figure 6 and further explained in the subchapters below. The objectives are based on MacGregor needs, previous research and the interviews.



Figure 6. Objectives of the Internal Branding Campaign.

1.2.1 MacGregor Is a Good Employer

The first objective for the campaign is targeted especially towards the people joining from TTS. The goal is that they feel like **MacGregor is a good employer** that they want to keep working for. That they are not looking to change jobs the first opportunity they get. This means making sure they feel listened to and get to participate in their integration. This also requires finding **pain points** and **training the managers**.

Focusing on the employer image is basically focusing on the well-being of the employees, and enforcing the **company values** in the every-day work. The values should be pointed out in all phases of the campaign. It is also making sure that their work gives them enough challenges, but not forgetting the balance between work and home. It also needs to be made sure that each employee has some kind of understanding of their **career path** to keep them engaged and for them to really value the employer through their efforts.

“Commute time, for example, isn’t as big a factor in people’s engagement, happiness and their chances of leaving a job as distance to family,” Weisbeck says. “If your commute is an hour and a half each way and you have a family at home, you’re not necessarily dissatisfied with the commute; it’s the time you’re not spending with your family. So, organizations could add more flex time. Remote work opportunities. Anything that could help address that **pain point**.” (Florentine 2019.)

1.2.2 Learning through the Recent Changes

The second objective is targeted towards the whole of MacGregor. It is about the old and the new employees feeling excited that they can work in the new MacGregor and learn from each other. It is about changing their mind-sets so that they can see how the whole integration is a significant **learning opportunity**. And if everyone participates on learning from each other, MacGregor can become stronger and better – and the employees can feel more connected to each other, and that they are a part of building something special. This can, again, increase employee engagement and integration of the two sides of the M&A.

This objective requires **conversation** and **possibilities to meet and work together**. Thus, the campaign should give opportunities for discussions together. When the new employees feel like their valuable insights are taken into consideration, and they get to participate, they can feel more invested in MacGregor and can become more willing to work together. A different challenge is having old MacGregor employees, as the acquiring party, realise the potential learning opportunities in the merger.

1.2.3 Creation of Common Identity

The final objective is that there will not be “MacGregor and TTS”, but just the new MacGregor, so that everyone **can identify** as part of the same business area, believe to the brand and want to work together. When the employees feel like they belong where they work in, they can be more engaged to the work and will be more productive. To reach this objective, employees need to believe in their products, feel like they can identify with the company values, and are willing to work accordingly.

Both of the previous objectives support this objective – but additionally, people need to have **enough information about products**, the values need to be discussed widely (and redefined, if possible), and people should move under one roof. The more the people will meet and **get to know each other**, the more they will have the feeling of having a common identity.

2 Activities to be introduced

The campaign is divided into **three main activities**. These are depicted in Figure 7 and described in detail in the following subchapters. The strategy of the campaign was created as an answer to the objectives and based on the research and interviews.



Figure 7. The main activities in the internal branding campaign One Team.

2.1 Organising Local Workshops

The local workshops will be organised at each country that has both TTS and MacGregor employees. In most of these locations, moving the people under the same roof is planned. Ideally, these local workshops are organised in **January 2020**. If some sites are not finished with their moves by then they could be organised later also. If some sites will not move under the same roof, they will still be brought together for the workshop.

The workshops are first **practised in smaller sites**, which are moving together earlier than the bigger ones. These are used as probes and the plans for these workshops are adjusted according to their results. For each workshop, a **Local Host** will lead the workshop. Preferably also someone from communications or HR function is present to oversee the workshop and take notes on what should be adjusted to the following meetings.

Before each workshop, there will be a **Preparation Meeting**. This can be organised online. In this meeting, the workshop will be walked through with the local leader and any cultural adjustments are made. The local host will also be trained about public speaking and leading workshops when needed. He or she will also have an opportunity to ask questions. The material for the Preparation Meetings will be put together by the Communications department. If there are busy schedules, some of these meetings can be combined (e.g. different locations in the same country).

The workshops are estimated to take around six hours each. The morning will start with activities designed to help employees get to know each other. These might be different in different locations, depending on the number of participants and the local culture – but the goal is to get to know new colleagues. After the warm-up, a presentation of the MacGregor brand and its products will be presented. This will include also the acquired products from TTS. After these activities a social lunch will follow, so that they can continue getting to know these new people. After lunch, there will be a presentation about MacGregor values – whether they are the old ones or re-defined due to the acquisition. The goal of both presentations is to increase discussion – not just go through the slides in silence. This will depend on the culture and the number of participants. After the second presentation the people will be divided in groups, which will be given a values-related task. After the task there will be a wrap-up session.

Get to know activities

Speed Dating: Two rows of chairs are put in a line, facing each other. People sit on the chairs, and during 2 minutes, they have time to get to know each other better. Putting some interesting questions on a screen can help the discussions be more fruitful.

Name Games: Going in a circle, and going through everyone's name. One is in the middle. The ones around will start by one saying someone else's name, and then they need to say another name etc. The one in the middle is trying to touch the person whose name has been said with a newspaper roll before they say another name. If they succeed, that person goes in the middle.

Getting to know the person next to you: Have people go around the room and then suddenly stop them. Then people should talk with the person next to them, try to get to know them.

Funny / interesting questions: Have some funny or interesting questions printed in a bowl, so that everyone has at least two. Then have people go around the room and introduce themselves to others. After introducing, they have to choose one of their questions to ask the other person. Then the other one asks another question. After answering, they exchange the pieces of paper and go talk to someone else.

| Time | Subject | Responsible for material | Instructions |
|-------|---|--------------------------|--|
| 10-11 | Getting to know each other activities | HR | Should be discussed with the local host – what would work the best in that location? (See examples) |
| 9-10 | Getting to know the brand and products of MacGregor | Communications | Warming up the people for "One Team" mindset by using both MacGregor and ex-TTS products Discussing brand and what MacGregor represents for customers and for employees |
| 11-12 | Lunch | Integration Team | Opportunity to have more time to discuss with new colleagues – this should be done together instead of separately |

| | | | |
|-------|---------------------|-----------------------|--|
| 12-13 | Values presentation | Communications and HR | <p>Starting with the history of where the values come from, both MacGregor and TTS.</p> <p>Going through each of the values, raising discussion – what does it mean to me in my work?</p> <p>Dividing into groups to discuss the values and then having each group / some groups explain something what that value means to them</p> <p>Writing on a whiteboard/flipchart the main thoughts under each value</p> |
| 13-14 | Values Task | Integration Team | <p>Group-task – the same groups as previously OR new groups, if they were not too mixed</p> <p>These are supposed to be fun but also help the team to get to know each other and take in the values</p> <p>There are a few options:</p> <ul style="list-style-type: none"> - creating 5-minute videos about the values in each group - taking value related photos or creating the words with bodies - drawing posters about the values with different kinds of materials |
| 14-15 | Wrap-up | Communications | <p>Showing the results of the Values Task</p> <p>Q&A Session: possibility to ask questions from the Local Host → if he/she cannot answer, these are recorded and later answered through e.g. Connect post</p> <p>Feedback Session: Asking for feedback. First by raising of hands (who enjoyed this workshop?) And then asking for verbal feedback (What did you like?). These should be taken notes of. The questions should invite both positive and negative feedback.</p> |

Table 1. Local Workshops.

The Local Host is then to create a post in Connect about things that were learned, discussed and the common atmosphere. It will be also encouraged to take photos and share them in **#WeAreMacGregor** -community as well as in external channels..

In Table 2 below is the task list for each workshop.

| Local Workshops – Task List | | |
|---|------------------------------------|---|
| Task | When | Responsible |
| Plan the timing and the Local Hosts for each workshop | 3 months before the workshop | Communications / HR / Integration Team |
| Get in touch with the Local Host about the timing of the workshop | 2 months before the workshop | Communications / Integration Team |
| Preparing the presentations used in the workshops | 1 month before the workshop | Communications / HR / Integration Team |
| Posters to the local site | 2-3 weeks before the workshop | Communications |
| Organise the workshop – book a meeting room, make sure there are lunch and refreshments, create a calendar invitation, make sure all needed materials are present | 1 month before the workshop | Integration Team |
| Prepare public speaking tips | 2 weeks before the first workshop | Communications |
| Preparation Meeting: Go through the plans with the Local Host and adjust them according to the local culture | 1 week before each workshop | HR, Communications |
| Hold the Workshop | January-February | Local Host, HR / Communication / Integration Team |
| Connect Post | After each workshop | Local Host |
| Review Meeting | During the week after the workshop | HR, Communications |

Table 2. Task List for Local Workshops.

2.2 Training Great Managers

The HR department in MacGregor is planning to train the managers through the existing MacGregor leadership programmes (LEAD and GROW). These will be especially organised for the

managers moving from TTS to MacGregor. The HR department is also planning to launch a tool to help with creating career paths during the autumn. These compliment the research and the objectives of this campaign, but will be done separately, according to the timetables they set.

On top of the efforts from HR department, the campaign will introduce a **tool kit and articles on finding pain points**. The tool kit will be tested or "probed" with few managers before publishing it. This subject will be discussed in articles in Connect. Common instructions and a tool kit on how to make these a part of managing will be also established in these articles.

The toolkit for finding pain points will be published in the **beginning of January** so that it goes hand-in-hand with start-of-the-year Personal Development Programme (PDP) discussions. The toolkit will be probed with a set of managers during the autumn and changed according to feedback. The articles around pain points will be introduced around the same time as the tool kit is introduced. The kit is planned together with the HR department. The task list is presented in Table 3.

| Task | Deadline |
|----------------------------------|-------------------|
| Drafting the Pain Point Tool Kit | 30 September 2019 |
| Probe 1 | 15 October 2019 |
| Feedback & Changing the Tool Kit | 31 October 2019 |
| Probe 2 | 15 November 2019 |
| Feedback & Changing the Tool Kit | 30 November 2019 |
| Probe 3 | 15 December 2019 |
| Feedback & Changing the Tool Kit | 31 December 2019 |
| Articles on Connect | January 2020 |

Table 3. The task list for Pain Point Tool Kit.

2.3 Increasing Discussion through Online Communications

In addition to the activities aimed to increase discussion in Connect, a competition will be established at the end of 2019. The **competition** will focus on posting things that has been learned from new colleagues, and a prize will be drawn amongst the participants.

The prize is decided by the Integration Team, and the posts will be in #WeAreMacGregor – community. At the end of the competition, selected **stories** from the participants of the competition will be published as global news.

The tasklist for the competition is presented below in Table 4.

Competition: What have you learned from your new colleagues? #OneTeam

On 1 August 2019, we welcomed 600 employees from TTS to join MacGregor. The year is coming to an end, and it is a good time to reflect back on how we have become stronger together. This is why we are introducing a competition with a prize!

All you need to do is:

- 1) Think about what you have learned from your new colleagues
- 2) Take a picture with one or more of them
- 3) Post the picture on Connect with a description on what you have learned from your new colleagues with the hashtag #OneTeam to enter the competition

On 15 January, a winner will be drawn from the participants!

| Task | Deadline |
|---|--|
| Creating posters for the competition | End of November |
| Finding a good prize for the competition | End of December |
| Publishing the competition | Mid-December |
| Putting posters on walls in different MacGregor locations | Right after publishing |
| Liking and commenting on the posts that come, encouraging colleagues to participate | During the competition |
| Posting on Connect about how there are only a week left to participate | One week before the end of the competition |
| Ending the competition, drawing a winner | Mid-January |
| Sending the prize to the winner | End of January |
| Posting few of these stories in news as an article, with pictures | End of January |

Table 4. Task list for the campaign.

3 Control

Throughout the planning and during the campaign, **monthly meetings** will be held for the Integration, HR and Communications Representatives. In addition to this, separate meetings can be held within each department when needed. Minutes of these meetings will be recorded and sent to the campaign team. The general agenda of the monthly meetings is presented in Table 5.

| Subject | Time |
|---|--------|
| Agenda | 5 min |
| Action Points from the previous meeting | 10 min |
| Feedback, Progress and Issues: General | 10 min |
| Feedback, Progress and Issues: Communications | 10 min |
| Feedback, Progress and Issues: HR | 10 min |
| AOB | 10 min |
| Wrap up and agreeing on new action points | 5 min |

Table 5. General agenda for monthly meetings.

The review meetings are a way to control the workshops and ensure that necessary changes are made. The progress of the other two strategies (training great managers; increasing discussion through online communications) will be discussed in the monthly meetings.

In addition to the review meetings, HR will conduct **PULSE-surveys**. These are surveys that are sent to the whole of MacGregor first at October 2019 and then, after the campaign, in March 2020, so they can show if the campaign has had an impact on the personnel of MacGregor. This PULSE-survey uses the Change Curve in evaluating the progress and mood of people, and the three following statements have been added specifically for this campaign:

1. "I would recommend MacGregor as workplace to my friends"
2. "I feel like we are stronger now that we have been able to learn from our new colleagues"
3. "I can identify with the values of MacGregor and apply them in my work".

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For more references used in the original study, please get in touch with Janita Kataja.