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# *When two become one*

With mergers and acquisitions on the rise, the pressure is on HR to help their companies through a time of turbulent change and uncertainty.

Merger and acquisition (M&A) activity is on the increase. For HR teams, this creates challenges that may be new to many – but also opportunities to have a real impact on the success of the deal and the business going forward.

According to data from Mergermarket, the independent M&A intelligence service, M&A activity in the UK in the first three quarters of 2010 totalled £62.8bn, up 105.9% from the same period in 2009 (£30.5bn). Though reasons for deals will vary, ranging from achieving synergies and cost reductions to accessing new markets, the challenges for HR are substantial.

Numerous research reports have identified that M&A transactions often fail to achieve the desired results. Reasons for disappointment are numerous, but cultural and people issues often play an important part. By addressing these, HR teams can therefore have a major impact on M&A success.

“HR has an important role to play from the ‘twinkle in the eye’ stage through to post-merger integration,” says Ann Elliot, Head of HR Transactions Services at PwC. Even before a transaction gets underway, HR can have valuable input in terms of assessing deal opportunities, whether there is a cultural fit between the acquirer and the target and whether there are likely to be any significant employee-related costs.

You can read the full version of this article in the December issue of *Hourglass*, which will be available next month.



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