

WINNING THE MERGER CHALLENGE WITH CHANGE MANAGEMENT

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LEARNING OBJECTIVES

- Share how we integrated change management activities into our acquisition of another company
- Share what we found to be the most helpful tools
- Discuss specific engagement methods
- Lessons learned

THE SITUATION

Carpenter
Technology
acquires Latrobe
Specialty Steel in a
transaction valued
at \$558 million



Just because everything is different, doesn't mean that anything has changed.

Signs were everywhere . . .

Signs that told us a change was needed . .

Signs were telling us what to do . . .

Signs were obvious to some, but not to
others . . .



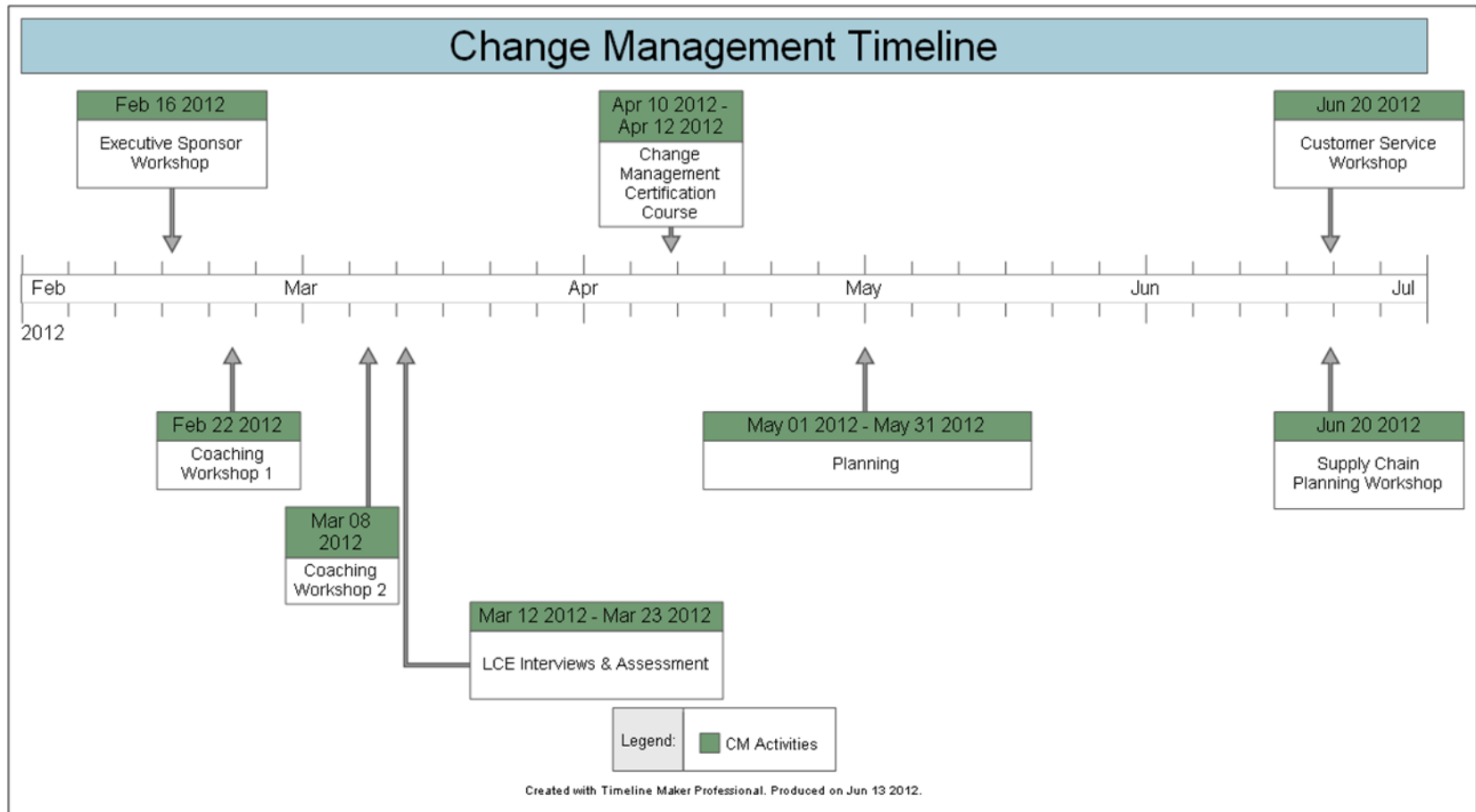
IF EVERYTHING SEEMS TO BE GOING
WELL, YOU HAVE OBVIOUSLY
OVERLOOKED SOMETHING.



HOUSE OR NEIGHBORHOOD?

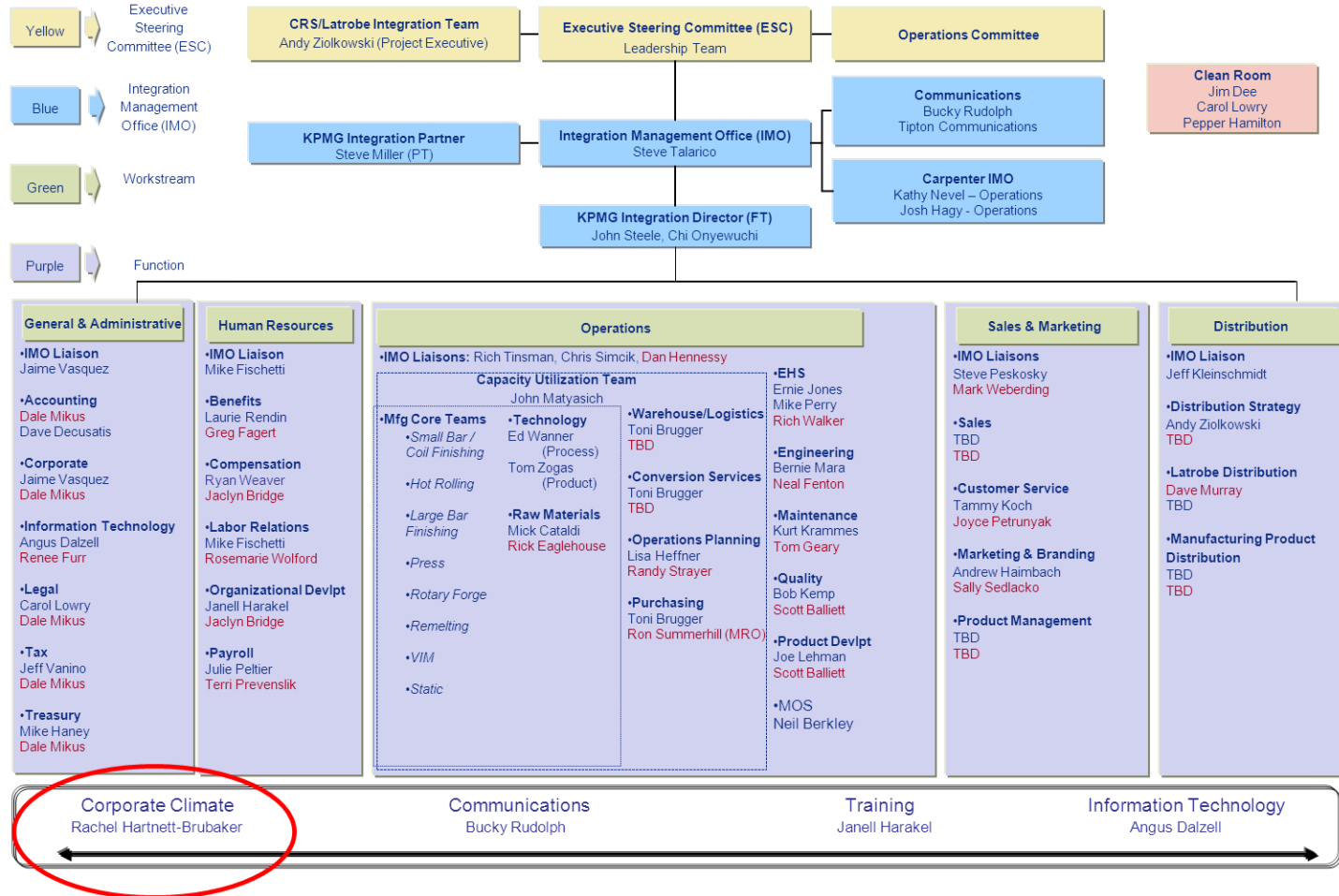


WE CHANGED TIRES ON THE CAR . . .



Integration Governance Structure

Rev Date: 03/27/12



THE MOST IMPACTFUL TOOLS WE USED

We built a Plan

We established
formal
feedback loops

We forced report
outs on change
efforts



We engaged
sponsors

THE BEST TOOLS

The Plan

- Comprehensive analysis of opportunities: communication, coaching, training, sponsors, resistance



THE PLAN:

COMMUNICATIONS RECOMMENDATIONS

Create
Communications
Plans!!!!

- Use current Message Map process
- Create change management article series in the FYI weekly newsletter
- Create graphical depiction of the benefits of stand alone change management efforts versus what can be achieved together
- Implement a rigorous face-to-face group meeting activity
- Secure additional communications resources for scheduling events, crafting messages, and assisting coaches in gathering feedback

THE PLAN:

COACHING RECOMMENDATIONS



- Provide Coaching Workshops for all managers and supervisors
- Identify specific coaching expectations for communications and feedback.
- Prepare communications for managers to share
- Provide FAQs to support major milestones and sponsor communications.
- Establish a feedback process for communicating relevant issues, concerns or behavior.
- Implement the tools delivered in the coaching workshops
- Address each role (communicator, coach, liaison, advocate, and resistance manager) of the coach with specific support activities

THE PLAN:

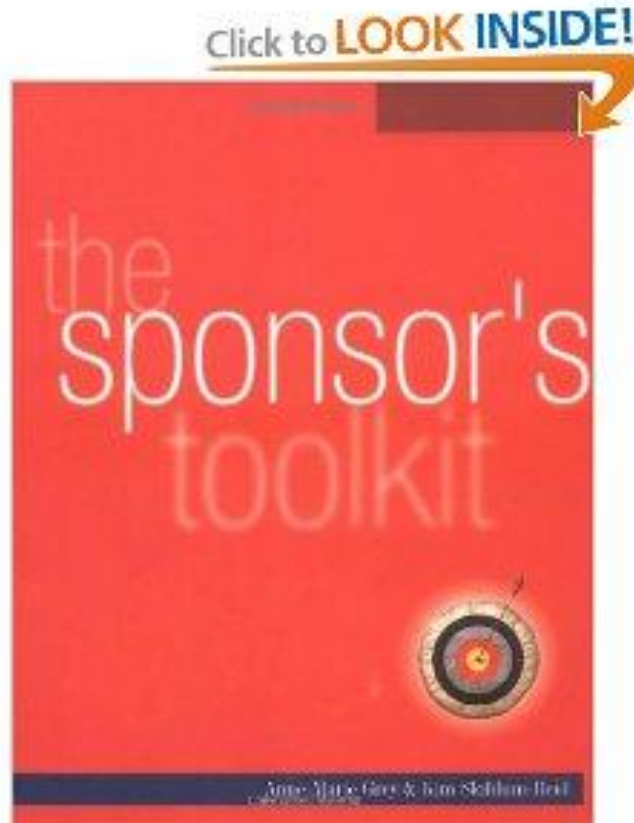
TRAINING RECOMMENDATIONS



- Establish a process for including feedback in training development and delivery plans
- Tie specific behaviors to integration goals and synergies
- Create a list of audiences that require training
- Define the training requirements for each audience in critical areas:
 - Emotional
 - Skills
 - Process
 - Problem solving

THE PLAN:

SPONSORSHIP RECOMMENDATIONS



- Identify specific face-to-face communications and coalition building meetings for the primary and group sponsors
- Create a Sponsor Assessment Roadmap
- Include sponsor/coach alignment activities.
- Create template used to identify specific sponsor activities and integrate these with the communications plan

THE BEST TOOLS

Tool 2

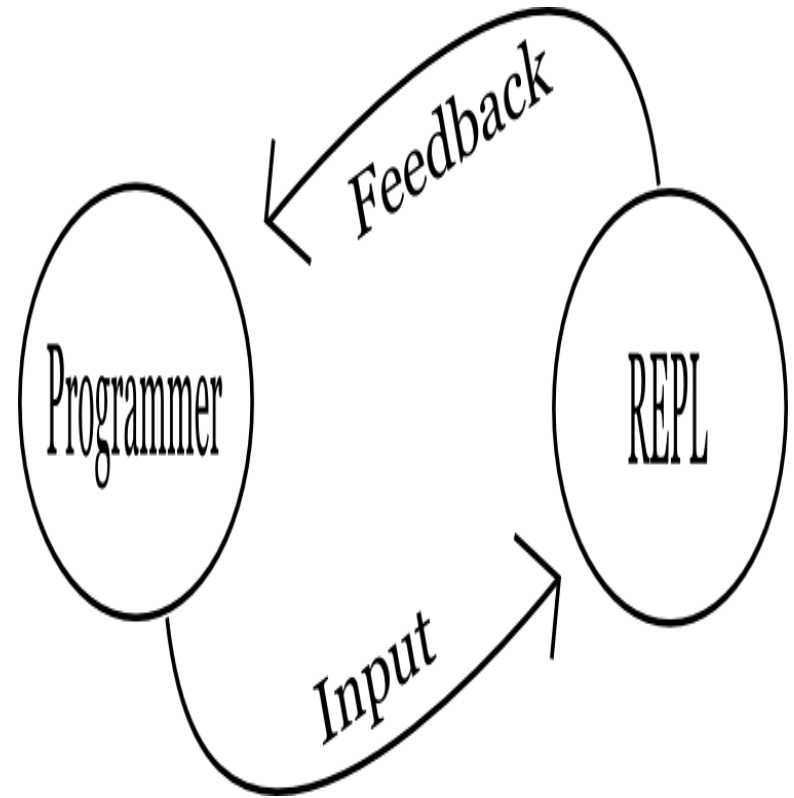
- Change management updates were required as part of the project plan updates



THE BEST TOOLS

Tool 3

- Formal surveys with cascading target groups



THE BEST TOOLS

Tool 4

- We really engaged sponsors
 - Small sessions providing skill building ... And time to complain.
 - One on one interviews
 - A focus on the critical few influencers



THE LESSONS WE LEARNED

