

# Why culture alignment after the deal is critical

Culture is not a passive background factor. When ignored, it becomes one of the greatest risks to post-deal performance. Research shows that 70–90% of M&A deals fall short of expectations, and cultural misalignment is consistently cited as a top reason why.

Cultural misalignment doesn't resolve on its own. Without a conscious effort to align values, behaviours, communication norms, and leadership expectations, even deals with strong financial and operational logic can falter, leading to:

- Internal conflict and confusion over decision-making norms and team structures
- · Loss of key talent, especially during times of uncertainty and change
- · Low morale and disengagement, particularly among mid-level managers and frontline employees
- · Inconsistent execution of business strategy due to misaligned priorities
- Erosion of customer trust from service disruptions or morale-related issues

Post-deal is when culture becomes reality – and organisations must translate cultural insight into practical actions that drive cohesion, clarity, and confidence. Culture doesn't merge on its own. It must be shaped – consciously, consistently, and collaboratively.

In this part, we explore how organisations can transform culture from a risk into a strategic advantage during post-deal integration.

# The essential elements of a post-deal cultural alignment plan

Learn how to translate cultural insights into concrete action steps – covering leadership alignment, communications, values integration, and employee engagement.

### Common integration pitfalls – and how to avoid them

Understand the most frequent missteps organisations make after a deal closes, and discover practical, proven tactics to overcome them before they become roadblocks.

#### Cultural integration frameworks

Get a behind-the-scenes look at the cultural playbooks that made them work – drawing from Grant Thornton and ODE Consulting's extensive cross-industry and cross-cultural experience.

### Tools to track, measure, and coursecorrect cultural alignment

Access diagnostic tools such as cultural heatmaps, pulse surveys, and integration health checks to monitor alignment and make real-time adjustments as the organisation evolves.

<sup>2</sup> Culture in M&A: A four-part series on getting it right — Part 3

# Essential elements of a post-deal cultural alignment plan

Successfully aligning culture after a merger or acquisition requires a deliberate, structured approach that balances strategic intent with human dynamics. Below are the seven key components of a strong cultural alignment plan:

### Leadership alignment & role modeling

Culture change starts at the top. Post-deal, leadership teams must align on a unified cultural vision and consistently demonstrate the behaviours they want the organisation to adopt.

#### Cultural north star

- Define a clear and inspiring set of shared values, beliefs, and norms that will guide the newly integrated organisation.
- Crucially, it should respect legacy strengths from both cultures while charting a futureforward identity.

### Strategic communication

Culture lives and dies by how it's communicated. Develop a multi-channel, inclusive communication plan that conveys what the cultural shift means – and why it matters.

### Employee experience & engagement

Post-deal success depends on employee buy-in. Design experiences that make people feel valued, included, and empowered during integration.

### Middle management activation

- Middle managers are the bridge between strategy and execution. Equip them with the skills, messaging, and support needed to lead cultural change within their teams.
- · Recognise their role as change agents, not just operational enablers.

#### Measurement and cultural milestones

You can't manage what you don't measure. Establish cultural KPIs and integration milestones that track progress against defined cultural goals.

### Governance and accountability

- Cultural alignment must be embedded into the governance structure of the integration program.
- Assign cultural integration leads or cross-functional committees to monitor progress and resolve conflicts.
- Hold leaders accountable for cultural outcomes alongside financial and operational targets.

<sup>3</sup> Culture in M&A: A four-part series on getting it right — Part 3

# Common integration pitfalls - and how to avoid them

In the post-deal phase of M&A, culture often becomes the silent variable that makes or breaks integration. Below are the frequent pitfalls organisations encounter, along with strategic responses to turn potential setbacks into success factors.

# Treating culture as a one-time activity

Many organisations view culture assessment as a checkbox during due diligence and then move on. Culture, however, is dynamic and must be actively managed throughout integration. Neglecting it leads to confusion, low morale, and talent loss.



Continuously monitor culture at key milestones to proactively address

# Assuming cultural similarity based on industry or geography

Even companies in the same sector or region can have very different cultures shaped by leadership, history and cultural preferences. Overlooking these differences can cause unexpected friction and stalled collaboration.



Use evidence-based tools and candid conversations to uncover hidden cultural gaps early

### Delegating culture solely to HR

When culture is treated as just an HR issue, it risks losing strategic importance. Without strong leadership involvement, culture initiatives lack impact.



Make culture a leadership priority

– ensure executives and managers
actively support and model desired
behaviors

# Overlooking middle management

Middle managers translate strategy into daily actions and shape employee experience. Ignoring them can cause disconnects and resistance.



Engage middle managers early and empower them as change agents

# Ignoring soft signals and informal networks

Formal surveys capture explicit data but miss unspoken norms and social dynamics that influence culture. Missing these cues can let problems fester.



Explore other means to gain a fuller cultural picture

### Inconsistent or vague communication

Mixed or delayed messages create uncertainty, breed rumours, and damage trust.

To avoid this, you should communicate clearly, frequently, and transparently across multiple channels.



Communicate clearly, frequently, and transparently across multiple channels

## Lack of accountability or measurement

Without clear metrics and accountability, culture initiatives lose momentum and priority.



Set measurable cultural goals linked to business outcomes, integrate them into leadership reviews, and regularly track progress

# Cultural integration frameworks and tools for M&A success

To move beyond intuition and anecdote, there are evidence-based suite of cultural integration tools that turn culture into a strategic enabler. These frameworks combine structured assessment, leadership alignment, and continuous feedback to ensure cultural cohesion throughout the deal lifecycle.

### Cultural diagnostic and alignment tools

#### Hofstede Culture in the Workplace Questionnaire™ (Hofstede CWQ)

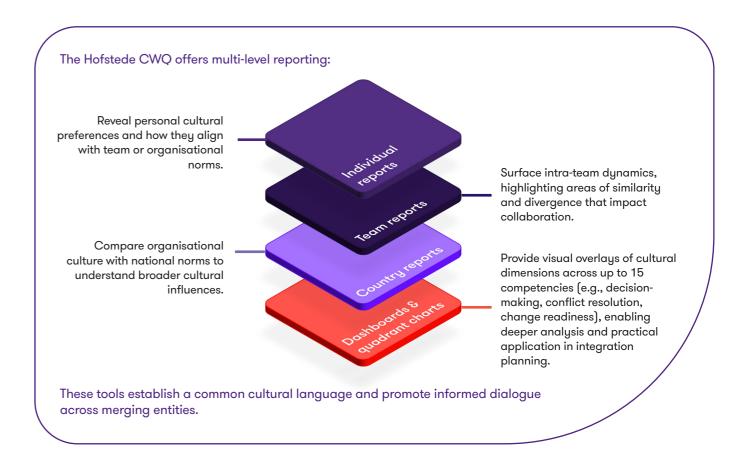
This foundational, data-driven tool measures workplace culture across key dimensions that include:

(1) Power distance

( 2 ) Individualism vs. Collectivism

(3) Uncertainty avoidance

( 4 ) Long-term vs. short-term orientation



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### Leadership and organisational alignment

#### Leadership alignment workshops

Integration begins at the top. Facilitated workshops bring leaders together to:

- Share cultural perspectives and uncover assumptions
- · Co-create a shared leadership vision
- · Model behaviors that drive the desired culture post-merger

This process builds trust, promotes accountability, and sets the tone for the wider organisation.

#### **Culture heatmaps**

Heatmaps synthesise diagnostic data to visually identify potential cultural "friction zones" across key business areas like:

- · Decision-making authority
- Communication styles
- Risk tolerance

These insights help prioritise interventions where misalignment could disrupt performance.



### Ongoing monitoring and course correction

Sustaining cultural alignment requires continuous measurement, reflection, and responsiveness.

Grant Thornton Singapore and ODE Consulting provide a suite of tools to ensure integration stays on track post-close:



#### Pulse surveys

Short, regular surveys to capture employee sentiment, engagement, and readiness for change. Data can be segmented by function, region, or hierarchy.



#### Integration health checks

Conducted at 30-60-90 days and at key intervals thereafter, these structured reviews assess progress, identify challenges, and recalibrate efforts.



#### Cultural alignment dashboards

Combine data from CWQ, surveys, attrition, and performance indicators into one view, supporting data-driven decisions and scenario planning.



## Feedback loops & listening channels

Include anonymous surveys, digital platforms, and skip-level check-ins to ensure frontline voices inform strategic decisions.

These tools help organisations stay agile and responsive during the often-turbulent post-merger phase. By systematically tracking alignment and adjusting cultural strategies based on data and feedback, companies can build a more unified, resilient culture that supports long-term success.

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# **Appendix**

A sample side-by-side Hofstede cultural radar chart comparing two hypothetical organisations.

The six dimensions and example scores (0-10 scale):

Dimension	Organisation A	Organisation B
Power distance	7.0	4.4
Individualism	6.5	8.0
Achievement	5.7	4.5
Uncertainty avoidance	6.0	7.5
Long-term orientation	5.3	7.4
Indulgence	4.1	6.3



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### Sample culture heatmap: Company A vs. Company B

Cultural dimension / Operational area	Description	Alignment level	Risk level	Notes
Leadership style	Decision-making: Top-down vs collaborative	Low	High	Company A is hierarchical; Company B is flat and consensus-driven.
Communication norms	Formal vs. informal communication	Medium	Medium	Company A favours formal channels; Company B prefers open, informal chats.
Performance management	Focus on individual vs. team achievements	Low	High	Company A rewards individual KPIs; Company B emphasises team goals.
Risk tolerance	Conservative vs. experimental approach	Medium	Medium	Company A is risk-averse; Company B encourages innovation.
Employee autonomy	Degree of freedom in role execution	High	Low	Both companies promote employee initiative.
Work-life balance	Emphasis on flexibility vs. fixed schedules	Medium	Medium	Company A has strict work hours; Company B supports flexible working.
Change readiness	Openness to new processes and systems	Low	High	Company A resists change; Company B embraces it.
Collaboration & teamwork	Cross-functional cooperation	High	Low	Both companies value teamwork and collaboration.
Customer focus	Internal focus vs. external/ customer-centric	Medium	Medium	Company A is product-focused; Company B is customer-focused.
Recognition & rewards	Formal rewards vs. spontaneous recognition	Low	Medium	Company A uses formal rewards; Company B prefers informal praise.



- Alignment level: How closely aligned the two cultures are in this dimension (High / Medium / Low).
- Risk level: Potential cultural friction risk if not addressed (High / Medium / Low).
- Notes: Key observations or concerns.



### Post-merger culture pulse survey

#### Anonymous | Takes 3-5 minutes

Section 1: Alignment and communication	Section 3: Employee sentiment
1. I understand the vision and goals of the newly integrated organisation.	7. I feel motivated in my role after the merger.
Strongly disagree Disagree Neutral Agree Stron	gly agree
2. Leadership communicates effectively about integration progress.	8. I see opportunities for growth in the new organisation.
Strongly disagree Disagree Neutral Agree Stron	ngly agree
3. I feel aligned with the organisation's values post-merger.	9. I would recommend this company as a great place to work.
Strongly disagree Disagree Neutral Agree Stron	ngly agree
Section 2: Team dynamics and trust	Section 4: Open-ended questions
<ul><li>Section 2: Team dynamics and trust</li><li>4. My team works well together despite recent changes.</li></ul>	Section 4: Open-ended questions  10. What has worked well so far in the integration process?
•	10. What has worked well so far in the integration process?
4. My team works well together despite recent changes.	10. What has worked well so far in the integration process?
4. My team works well together despite recent changes.  Strongly disagree Disagree Neutral Agree Strong	10. What has worked well so far in the integration process?  11. What is one thing leadership could improve immediately?
<ul> <li>4. My team works well together despite recent changes.</li> <li>Strongly disagree Disagree Neutral Agree Strong.</li> <li>5. I trust my immediate manager to lead through this transition.</li> </ul>	10. What has worked well so far in the integration process?  11. What is one thing leadership could improve immediately?
<ul> <li>4. My team works well together despite recent changes.</li> <li>Strongly disagree Disagree Neutral Agree Strongly disagree Disagree Neutral Agree Strongly disagree Disagree Neutral Agree Strongly disagree Strongly disag</li></ul>	10. What has worked well so far in the integration process?  In a sign of the integration process?  11. What is one thing leadership could improve immediately?

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#### **Credits**

#### **About Grant Thornton / Roch Tay**

Grant Thornton Singapore is a leading provider of audit, tax and advisory services. We are part of a global network of more than 76,000 people in 150 markets with a common goal — to help organisations realise their ambitions in any environment.

The global challenges facing businesses are unprecedented. That demands a different type of adviser. One willing to go beyond what's expected to deliver an experience that's more personal, agile and proactive. We apply strong technical guidance and breadth of experience to ensure that clients receive a truly unique experience. Whether you're growing in one market or many, looking to operate more effectively, managing risk and regulation, or realising stakeholder value, we have the assurance, tax and advisory services to meet your needs.

Roch Tay heads up the Deals Advisory practice in Grant Thornton Singapore. He has more than 25 years of experience in providing management, financial advisory and human resource consulting services to global and local corporations, as well as private equity houses. He is experienced in advising senior leaders on their organisation transformations, organisation culture re-alignments, people-related considerations in their acquisitions and divestitures, as well as their post-merger integrations strategy development, planning and execution.

#### About ODE Consulting® Pte Ltd / Dr. Kavita Sethi

Established in 1996, ODE Consulting® is a Singapore-based boutique consultancy that partners with organizations in Singapore and globally to drive transformation and change, and embed culture through learning, coaching, and consulting. With a strong foundation in organizational development, ODE delivers customised solutions that align people and business strategies, enabling lasting impact.

Through Culture In The Workplace™ (www.cultureinworkplace.com), a Line of Business of ODE Consulting®, solutions in Cross-Cultural and Organisational Culture are offered to help clients manage cross-cultural diversity, build inclusive workplaces, and develop global leadership capabilities. ODE is the sole global licensee representing and applying Professor Geert Hofstede's body of research to workplace challenges.

Dr. Kavita Sethi, co-author of this series, is the Principal Consultant of ODE Consulting® and Global Master Certifier for Culture In The Workplace™. With over 40 years experience, her areas of specialisation include strategy, leadership, cross culture and the design & implementation of competency frameworks. She has designed and facilitated learning, coaching and consulting solutions for large multinationals and local conglomerates.

