Culture After the Acquisition

– ignite the change one fire-holder at a time

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An acquisition is negotiated in the data room. It is assessed on figures, synergies and due diligence. But whether it succeeds is only decided afterwards – when two cultures meet.

Culture cannot be merged by decree. It lives in the assumptions employees take for granted, and it reacts to change the way any living organism does: With countermoves.

This article is about why culture is the real integration task – and how to ignite the change from within.

The spreadsheet is closed – now the work begins

I have been part of around 11 acquisitions and mergers, including at ISS and Eltel. Some I was simply informed about, in others I was involved, and a couple I helped drive: Data rooms, due diligence, capitalisation of collective agreement rights, the Danish Transfer of Undertakings Act and everything else that has to be in place.

You can make checklists for all that. You cannot for culture. The day the contract is signed, employees turn up with questions no due diligence has answered: Who decides now? Is our way of doing things still good enough? Should I stay?

Why did you actually buy?

In any acquisition, you have to remember *why* you bought the other company. Was it because they could do something different – because they were distinctive, more skilled or more innovative than you? Or was it because they matched your culture, chased the same customer segments and had good complementary geography, but otherwise resembled you?

In the first case, you should leave them alone and respect their autonomy. It is precisely the distinctiveness you paid for, and it disappears quickly if the parent company forces its own procedures on them. In the second case, they should come aboard the mothership as quickly as possible, so the synergies can be harvested.

It is interesting to see how Danish groups do this in slightly different ways. InstallatørGruppen has more than 40 partner companies that largely keep their own names and local identity, while Zibra acts as an umbrella for a number of wholly and partly owned companies in media, IT and technology. The choice of model is really a choice of culture.

> *Remember why you bought. If you bought the distinctive, let it stay distinctive.*

The DNA of culture

In "Organizational Culture and Leadership", Edgar H. Schein describes culture dynamically: As the shared basic assumptions a group has learned while solving its problems of adapting to the outside world and holding together internally. The assumptions have worked well enough to be considered valid – and are therefore taught to new members as the correct way to perceive, think and feel.

Schein distinguishes between three levels: The visible – logos, language, rituals and behaviour. The espoused values and strategies. And at the bottom, the basic, taken-for-granted assumptions that nobody talks about any more, because they have become self-evident. That is the DNA of culture.

In an acquisition, it is easy to replace the visible. But the conflicts arise at the bottom level – where two sets of self-evident truths collide over how decisions are made, how customers are treated and how people talk to each other.

That is why I also deliver culture analyses as a supplement to the organisational and business assessments before an acquisition. Through interviews, workshops and simple measurements, we map both companies' visible behaviour, espoused values and the assumptions that are taken for granted. Management then knows in advance where the cultures fit together, where they will collide and which load-bearing elements must be protected – and has a far better basis for choosing the integration model.

The logo is the easiest thing to change

When Eltel acquired TDC Produktion with around 160 employees, we held a kick-off with the new colleagues in the Aarhus branch. While we sat in the meeting room, the sign man was busy outside changing the logos on the vans. He just happened to remove the logos from three extra TDC vans that were not transferring to Eltel at all. The TDC employees who were not coming along were somewhat surprised when they came out.

The anecdote is funny, but the point is serious: The visible can be changed in a morning. The assumptions beneath the surface take years – and they only move if you work on them deliberately.

The burning platform backfires

Many leaders try to create a "burning platform" to get change going. But fear triggers countermoves. Every step towards imbalance is met by the organism's attempt to create new stability – what chemistry calls Le Chatelier's principle. And organisations are precisely composite organisms.

In really critical situations, nobody suddenly invents brilliant solutions. You do exactly what you have trained. Organisations do the same, whether they know it or not. If you want a different culture after an acquisition, you have to train something different.

Keep or remove load-bearing cultural elements

Balance is crucial when keeping or removing load-bearing cultural elements. Remove too much, and you lose what you bought. Remove too little, and you get two companies under the same logo.

In an international IT acquisition, where 130 employees were to become almost 500 and find common ground across several European countries, Cronquist Consult helped design the programme in connection with the acquisition and integration. Together with the client, we built a three-module learning programme with the company's own culture champions – supplemented by 1:1 executive business coaching of the HR director leading the integration.

Ildstorm – one fire-holder at a time

The method behind it is called Ildstorm (Firestorm). Instead of driving change from the top, you find "the square root of the organisation" – the key people who are passionate about the cause and have informal influence. They are given support, a mandate and direction to ignite and sustain strategic focal points. When the focal points are coordinated towards a common goal, what we call the chimney effect arises: The combined energy reinforces itself.

I really learned this at Christiansen & Essenbæk. My first leadership meeting was met with yawning silence. The answer was not a new values poster, but finding one fire-holder at a time and building a circle of fire towards the centre. In an acquisition, the fire-holders are even more important, because they exist in both companies – and can build bridges between them. After two years of intensive effort, the project "Trivsel – 360 grader" (Well-being – 360 Degrees) won both the Danish Working Environment Award and Børsen's CSR Communication Award, based on my book "Lederens inspirationsguide" (in Danish).

A new shared leadership team

The culture after an acquisition is shaped first and foremost by the new leadership team. If the leaders from the two companies still sit on their own sides of the table, so will the employees. That is why the leadership team must formulate its Shared High Team Standards early: How do we make decisions, how do we handle disagreement, and how do we hold each other mutually accountable?

The standards only come alive when they are tested in real situations. Joint modules, where leaders and employees from both companies train together on real tasks – preferably under pressure and outside familiar settings – create the shared experiences and references on which a new "we" can be built. That is far stronger than an induction pack and a welcome email from head office.

When you buy yourself

In spring 2013, Cronquist Consult bought the team-building company Outfitter Kompagniet, and I personally handled the transfer of customers, equipment, brand and business foundation. The hardest part is always respecting what you have bought – what the customers expect, and what is wrapped up in the brand – combined with strengthening the professional level, building personal customer relationships and enforcing the non-compete clause that binds the seller.

The lesson is simple: If you deliver proper solutions that customers love, they stay – and recommend the company. I have now owned it for 13 years, and it is still going strong.

A changed organism

Culture change takes time, and it meets resistance. At ISS, my team of project managers and I laid the foundation for the company's CSR work in a business context – with quite a few countermoves along the way.

With ground-breaking diversity and integration projects such as "Dansk på arbejdspladsen" (Danish in the Workplace), the MultiService partnership project with Herlev Municipality – where we shared the risks and rewards equally with open calculations and moved in together under one roof – and a knowledge centre for competence assessment of refugees and immigrants, we documented remarkable results with positive media coverage and great value to society. The world's first video CV, which I invented, I later developed in my own company.

The effort was rewarded with the Integration Prize (Integrationsprisen) and later the CSR People Prize. The child had grown up: A changed organism with a changed culture, where the new and meaningful was embedded in the company's DNA.

That is what cultural integration after an acquisition is about. Not painting a new logo on the vans, but anchoring a new shared way of working – so deeply that over time it is taken for granted.

How to make cultural integration succeed

Five levers for management:

- **Start with why:** Clarify whether you bought the distinctive – or what resembles you – and choose the integration model accordingly.
- **Map the assumptions:** Look beneath the surface of both cultures, not just at logos and values.
- **Choose deliberately:** Decide which load-bearing cultural elements to keep – and which to remove.
- **Find the fire-holders:** Give culture champions from both companies a mandate, support and direction.
- **Train the new:** Joint modules across the old companies create the new "we" in practice.

Three questions for the leadership team

Ask yourselves:

- Why did we actually buy – and what do we risk destroying if we integrate too quickly?
- Which taken-for-granted assumptions collide between the two companies?
- Who are the fire-holders in the acquired company – and do they know it themselves?

Conclusion – culture is the real integration

An acquisition does not succeed in the data room, but in everyday life afterwards. It requires management to remember why they bought, look beneath the surface of both cultures and deliberately choose what to keep and what to remove.

Culture cannot be dictated. It must be ignited from within – one fire-holder at a time – and trained until the new shared way of working becomes part of the company's DNA.

The article builds on, among others, Edgar H. Schein: "Organizational Culture and Leadership" and my LinkedIn articles "Succesfulde kulturforandringer" (Successful Culture Change, 2016), "Real Dream Team Building" (2015) and "Broen mellem det faglige og det personlige lederskab" (The Bridge Between Professional and Personal Leadership, 2025).

Facing an acquisition or an integration?

Cronquist Consult ApS helps management teams with culture development, post-acquisition integration and executive business coaching of the leaders who must lead the way. Read more here:
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