

PUBLIC MANAGEMENT INSIGHT BRIEF

NUMBER 5 JULY 2018

MERGING PUBLIC SECTOR BODIES

LESSONS LEARNED FROM THE MERGER OF THE ENVIRONMENTAL PROTECTION AGENCY AND RADIOLOGICAL PROTECTION INSTITUTE OF IRELAND

The Environmental Protection Agency (EPA) merged with the Radiological Protection Institute of Ireland (RPII) in August 2014. The merger of government agencies has not been common in Ireland. For those involved in the EPA-RPII merger the experience was challenging but also involved opportunities for learning. This IPA Insight Brief sets out the key lessons from the merger.

The process matters

It is perhaps obvious to say that process matters. However, given a context whereby neither body instigated the merger and where negotiations are very challenging, it is helpful to have a process that includes a governance structure, an action plan and a timeline to facilitate progress being made.

Those involved in the merger regarded it as necessary that the work involved in preparing for and implementing the merger was carried out by EPA and RPII staff. They knew the organisations and therefore were best placed, with occasional technical assistance, to identify and make the required changes. It was also essential in facilitating ownership of change.

The merger is only the beginning

The merger of the EPA and RPII was successful to the extent that it happened on schedule and within budget in summer 2014. However, the real success of the new organisation will be determined by whether it becomes more than the sum of its parts. In other words, whether the new organisation performs better than either of the old organisations would have if they had been left in place.

Ultimately, a successful outcome is dependent on effective merger consolidation, improved productivity and customer service, and the creation of a new organisation and organisation culture. This outcome will take time and ongoing commitment.

Keep an eye on the people issues

Harnessing the ongoing support and goodwill of staff is essential for a positive merger outcome. For the EPA-RPII merger, this was led from the top of both organisations, with engagement with staff at all levels prioritised. Within the EPA, the vast majority of staff have now adjusted to the merger to the extent that they can see many benefits from the merger and are increasingly positive about the outcome.



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The importance of merger communication and consultation

Staff and stakeholder communication needs to be structured and planned throughout the merger process and beyond. Initiatives in this regard need to commence early in the merger planning process, be led from the top of both organisations and involve a variety of methods. Investment in this area, in particular direct engagement through joint planning and working groups, helps build up a high level of familiarity between the staff of both organisations by the time of the merger.

The importance of vision

The EPA and the RPII immediately recognised the importance of determining a vision for the merged organisation. Early work done in this regard helped to identify for staff that there was 'more that united us than divided us'. Decisions in respect of a new EPA vision also provided a degree of certainty with regard to the future direction of the merged organisation.

The collaborative approach adopted in developing the new vision for the merged organisation, and the positive feedback in respect of this, was influential in a similar approach being adopted for the new EPA Statement of Strategy, 2016.

Together these initiatives signal a transitioning to a new organisation culture at the EPA.

Leadership

Mergers demand the time and commitment of the management teams of both organisations, but in particular, the heads of the organisations involved. For the merger to ultimately be successful it is important that the leaders have a clear vision for the merger, and an appreciation of the need to bring about changes in how the merged organisation works and in its culture. It is also vital to be able to communicate this, possibly to more reluctant management colleagues, and to staff in general. There is a need to be open and sensitive and to appreciate that changing behaviours takes time. However, at times it is also necessary to be resolute. Ultimate ownership of the merger rests with the management team and more especially its head.

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Further details on this research can be found in J. O'Riordan (2018), A Case Study of the EPA-RPII Merger, Dublin: Institute of Public Administration. Available to download from https://www.ipa.ie/fileUpload/Documents/EPA RESEARCHEPORT 2018.pdf

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