Common Issues That Arise during the Merger Process

A respected finance lawyer, Steven Guynn has served as a partner at multiple major international law firms over the course of his three-decade career. A graduate of the University of Virginia School of Law, Steven Guynn began his involvement in finance law while a student. As a lawyer, Steven Guynn has a great deal of experience with several types of financial transactions, including mergers.

The procedures involved with a [merger](http://en.wikipedia.org/wiki/Mergers_and_acquisitions) prove extremely trying, even under the best of circumstances, and can easily jeopardize the validity of a deal if not negotiated correctly. Before starting the merger process, companies must clearly understand and prepare for the hurdles that they will need to clear.

The most common reasons for merger failures include unforeseen conflicts of interest. If a company must forego some of its most valuable clients to make the merger viable, the decision to merge may create a relationship based on resentment. Leadership styles may also come in conflict, especially if the leaders of the organizations involved are too domineering or not opinionated enough. The very cultures of the merging organizations may also clash, making it imperative that the organizations compare their philosophies and decide how to proceed most effectively. Ultimately, mergers require clear and open communication, as well as comprehensive planning.