

&A. Those two simple letters can represent a lot of ambition, opportunity and challenge for business leaders. And as dealmaking picks up pace, not least in the real estate industry, more top teams are tackling the ups and downs of buying a business - or being bought.

In March 2022, Canadian design and engineering group Stantec revealed plans to buy UK-based planning consultancy Barton Willmore for an undisclosed sum. The deal announcement was packed with the kind of praise that has come to be expected when a takeover is talked about - the deal was "incredibly exciting", "a real step-change" and a chance to create "a unique, integrated and highly attractive workplace for planners and designers".

Sounds simple? As dealmakers know. these transactions are usually anything but. Some 18 months on, with the deal done, integration worked through and the Barton Willmore brand now a part of history, EG met with the Stantec team at its offices in Farringdon, EC1, to talk about lessons learnt.

Ground up

As recently as 2016, Stantec had no presence outside of North America. Today, roughly a quarter of its C\$4.5bn (£2.7bn) in annual revenue comes from its international business (see images for some of its UK projects).

What we've been doing in the UK is building, from the ground up, a multisector, multi-disciplinary business," says global chief operating officer Cath Schefer, pointing to acquisitions such as those of Peter Brett Associates and ESI Consulting.

The rationale for [buying] Barton Willmore was that front-end planning piece which, although Stantec had that in the UK, was only a very small part of what we did," Schefer adds. "We really wanted to strengthen that, to build on the already good presence that we'd built over the past six or seven years. It was to fill a gap where we felt there was a big opportunity."

Barton Willmore's own history stretches back to the 1930s, with a firm focus on planning since the 1980s. For Jain Painting - who joined in 1996 and was senior partner at Barton Willmore and now planning director at Stantec - the decision to sell the business last year was driven by "aspirations to grow more".

Our take on the market was that there needed to be greater integration of wider offerings of services rather than the traditional silo base of things that you see in the property industry," he says.

"We could see you couldn't just be





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a planner or an architect. You had to have an understanding and a reach of sustainability, for example, and we were very keen to expand in that area. We had formed an infrastructure team, an

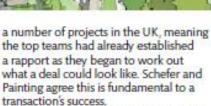
EIA team, we were growing - but we were constrained by the confines of the business model."

Painting continues: "The question isn't, Do you want to dispose of the business and disappear stage left? The question is, 'By coming together, can we take this business somewhere we could never take it within the confines of our business model?' And the view was that the coming together with Stantec gave that supercharge to the integration of service lines and offerings."

Shared view

The companies had worked together on





It's all about leadership and whether the leaders are going to be able to work with each other," Schefer says when asked if dealmaking gets easier with experience. "If you can assure yourself that you have the right people, you'll work it through, whatever the difficulties. Integrating businesses is not easy. It's tough. So you have to be really sure that the leaders of both businesses are going to enjoy working together."

Painting adds: "The interesting thing is coming together and looking forward as to what the future looks like. That's the exciting bit. There is a shared view as to where you see the market and then being comfortable that the personalities and the attitudes of the people around that table are aligned as well."

Aligned - and better when combined, Schefer emphasises. "There's no point in coming together if the two firms don't have something more that they can do by being together. Can we build on something and make it more than what it was prior to the merger or the acquisition? Does one plus one equal five?

For the Stantec team, people are at the heart of proving that particular sum works during the integration process.

You do the deal, you get the staff used



to the idea. Then you bring the leadership together and you start getting them really talking to each other, get them to know each other, get them excited about the future, getting them thinking about what the future looks like, putting together a strategy," she says.

Then that trickles down. That is a very important milestone in my mind in terms of staff, leadership, engagement."

Success, she adds, is based on many of the same metrics. "It's about whether the people are excited, is there an engagement? Do people feel this is a good place to work? Are you retaining your key people? Are you retaining your leadership? And then, ultimately, are you doing more for your clients than you were before? Are my clients turning around and saying, 'This is good for us'?

No constraints

Painting and Schefer return to the topic of people throughout the conversation, whether discussing the Barton Willmore deal or the broader business.

We are a people-centric business in a people-centric sector, so we are only as good as our people," Painting says, "We want to be the employer of choice and the consultant of choice. You can't do one without the other. So you have to constantly reinvent and rethink how to attract and retain the best talent and to offer that training programme, that career development of opportunities, to retain the best of the best."

The pitch is different to the younger generation now - and not only because of the changing face of the company.

"Having joined the firm as a senior planner and gone right through to senior partner, the career progression in a privately owned company is like a narrow pyramid," Painting says. "The joy of being a partner was that I knew what I was doing until I was 60. The downside was

also that I knew what I was doing until I was 60.

"Now we've come together with Stantec the career path is an inverse pyramid. How big is your ambition? How broad is your thinking? You're not constrained by being in the London office. You're not constrained by being in the UK. You're not constrained by being an engineer or planner."

That lack of constraint is a selling point for the company, Schefer says, and one that she sees shaping its corporate culture.

If you think of some of the young kids we bring in on their work experience when they're 14 or 15, they can have a day with the engineers, a day with the landscape architects, a day with the planners. And so in a week they've got a great idea of all these different things they could do. And when we bring our apprentices and graduates in, we have deliberately made sure to bring them all together so they become a cohort. You don't train planners over here and engineers over there and architects over there. For common skills you do it together because then they grow up talking to each other and the firm is automatically cross-sector."

It comes back to that idea of breaking out of silos, Painting says - a notion that helped Barton Willmore achieve what it

There's a conversation to be had about breaking down the idea that you have to sign up for a career path in a narrow professional discipline - because you won't necessarily capture the best talent," he adds. "Instead, you open that door and say, 'This is what we do, this is what you can be part of."

That could be a pitch to a new hire or a new M&A target - for the Stantec team, that's no accident.

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