introhive

Mastering Mergers and Acquisitions: **A Guide for Professional Services Firms**

Bringing firms together is only part of the M&A story. 60% of practitioners say they wish they had spent more time on culture and change management. Much of that work lives in relationships, team connections, and shared context, which are not always easy to see across the combined firm. When those relationships are easier to understand, teams can start building on them from day one.

> *"Rapid cultural changes that result in high turnover have significant risks when it comes to maintaining client relationships and ensuring M&A success. To increase cultural synergies during an M&A, firms can leverage collaboration to both support their workplace cultures, strengthen their client relationships, and grow revenue."*

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Executive Summary

The professional services industry is forecast to grow steadily in the next several years, with firms looking toward mergers and acquisitions (M&As) to accelerate their long-term viability and success. According to Deloitte's **2026 M&A Trends Survey** of approximately 1,500 corporate and private equity executives, 79% of corporate respondents and 87% of private equity respondents anticipate an increase in deal volumes over the following year, signaling strong optimism for M&A activity heading in 2026.

Professional services M&A outlook

Deal activity is expected to accelerate in 2026, as growing confidence among corporate and private equity buyers drives increased M&A activity to meet evolving client demands and support market expansion.

The role of technology and client intelligence

Firms looking to get acquired or merge with other firms are using relationship intelligence technology to conduct due diligence before participating in a transaction.

Importance of relationships

Top firms are prioritizing their relationships to get ahead of M&A challenges. Research has found that high relationship engagement and collegial leadership positively affects M&A performance.

Consolidate critical data

More than 50% of firms' seller-doers use Word documents to manage their sales pipeline, posing data leakage risks during an M&A. To tackle the issue, successful firms are using client intelligence to increase CRM adoption.





Executive Summary (continued)

Break down organizational silos

During M&As, firms often experience cultural challenges that result from the amalgamation of two different workplaces. Major firms are using collaboration to increase employee happiness and ensure greater M&A success.

60%

of M&A practitioners **report** wishing they allocated more resources toward culture and change

Fostering client loyalty and retention

Only **30%** of clients believe firms think about how they're affected by M&As, despite **80%** agreeing that the client experience should be a core focus. Leading firms are using relationship intelligence to stay on top of client needs and increase loyalty and retention.

Grow from within

Many M&A transactions fall short of meeting their full potential. Successful firms are using advanced client analytics to help them identify cross-sell and upsell opportunities to ensure revenue growth post-M&A.

In today's world, firms are using their relationships, collaboration, and client intelligence to rewrite the M&A playbook.

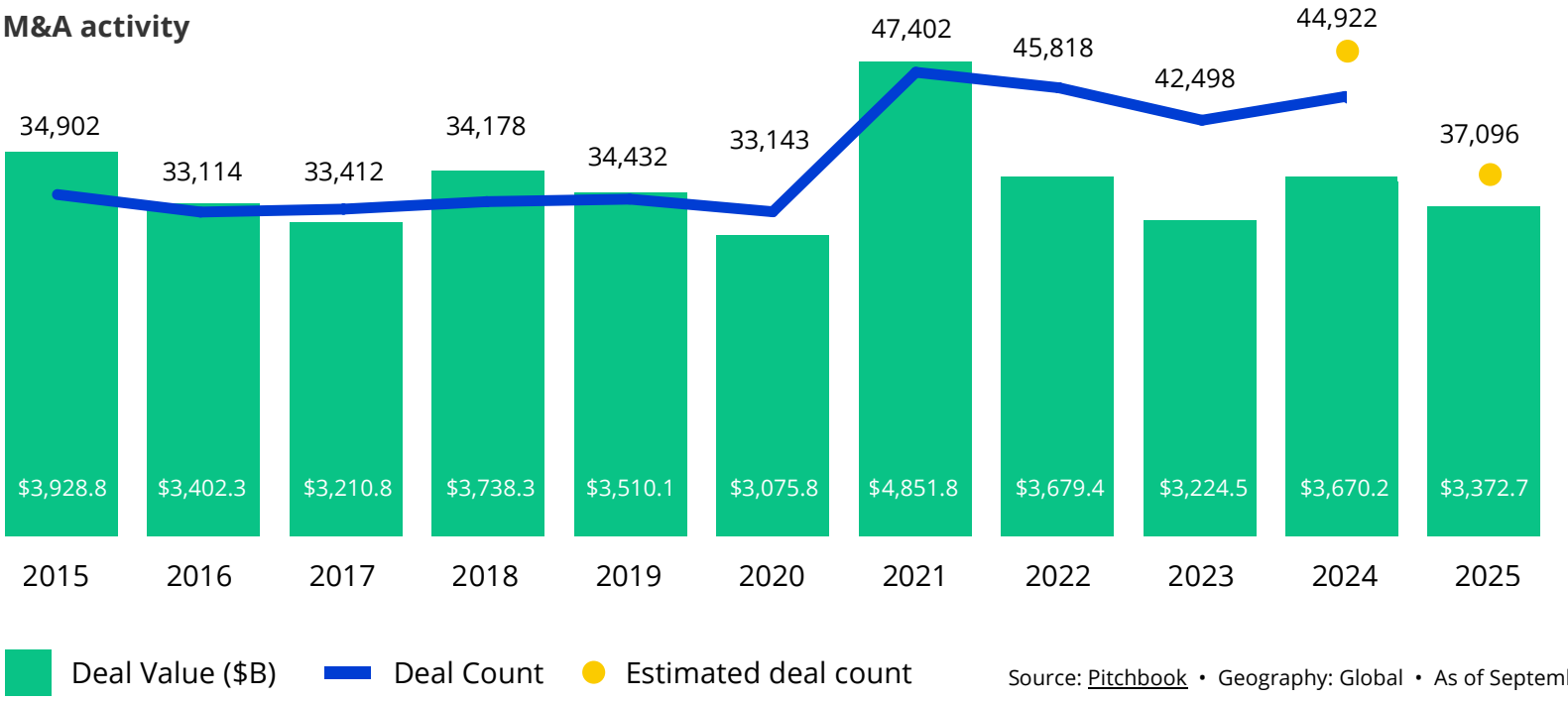
Professional services M&A outlook

After two years of muted activity, **global M&A momentum** strengthened meaningfully in 2025. According to PitchBook's Q3 2025 Global M&A Report, deal value increased sharply in the second half of the year, with Q3 marking the strongest quarterly activity since late 2021 and year-to-date transactions on pace to rival record levels. Importantly, this recovery has been accompanied by heightened competition for high-quality assets, as improved financing conditions and renewed investor confidence brought buyers back into the market with urgency.

As a result, market dynamics have shifted in favor of sellers, particularly for well-positioned professional services firms. While macroeconomic uncertainty and valuation gaps constrained activity in prior periods, narrowing expectations and increased buyer demand are now supporting stronger pricing and more competitive deal processes.

The professional services sector has mirrored these broader trends, with sellers benefiting from increased buyer appetite and disciplined supply of attractive targets.

M&A activity



Source: Pitchbook • Geography: Global • As of September 30, 2025

Professional services M&A outlook (continued)

The situation varies across professional services. In accounting, private equity investment has accelerated in recent years, with multiple growth investments involving Top 25 firms. **In accounting**, PE capital is increasingly being used to fund technology modernization, talent acquisition, and advisory expansion, reflecting investor confidence in the sector's recurring revenue and scalable business models.

The legal industry, by contrast, remains less accessible to private equity due to structural and regulatory constraints. Most U.S. jurisdictions prohibit non-lawyer ownership under ethical rules such as ABA Model Rule 5.4, limiting PE firms' ability to take equity stakes in traditional law firms. While alternative structures such as managed services organizations and alternative business structures are emerging, **they remain limited and highly regulated.** That said, surveys of law firm leaders indicate growing curiosity about private-equity investment, with **nearly a quarter (24%)** reporting interest.

Typical PE investment considerations in consulting include diversified and recurring revenue streams, defensible niche or industry expertise, strong and repeat client relationships, and a demonstrated ability to scale services efficiently.

Firms that can show repeatable delivery models, leadership depth beyond founders, and opportunities to expand specialized offerings across clients or geographies are generally better positioned to attract private equity interest.

37%

of CFOs **say** M&As will be a substantial part of their growth strategies



Importance of relationships

Professional services firms encounter common challenges when experiencing an M&A. These challenges include merging two distinct workplace cultures with potentially conflicting dynamics, managing differing leadership and employee expectations, navigating rapid changes to the organization's core operations, and finding alignment to continue working cohesively toward a shared business vision as One Firm. The most effective way to risk-proof an organization and get ahead of M&A challenges is to prioritize the firm's relationships — an important yet underlooked M&A action that helps steer companies toward strategic continuity.

> **"The most effective way to risk-proof an organization and get ahead of M&A challenges is to prioritize the firm's relationships**

The relationships between staff and managers at both firms is critical when it comes to determining M&A performance. The **strength of these relationships** also has benefits that extend into other areas, increasing client satisfaction and loyalty. Firms that prioritize their relationships are more successful because greater collaboration allows for a balance in decision-making and better integration post-M&A.

However, relationship engagement during an M&A is not only important between an acquirer and a target firm — it also involves a firm's full roster of clients, suppliers, and stakeholders. **Companies** using client analytics to understand their relationships saw **10%** higher conversation rates and an overall **5%** sales uplift, compared to those that failed to leverage customer data. This makes it all the more important to prioritize your firm's relationships at every stage of the M&A process.



The role of technology and relationship intelligence

Relationship intelligence in M&A due diligence

Using relationship intelligence during the due diligence phase of an M&A is crucial to understanding the strength and dynamics of your firm-wide connections.

Use cases include:

- **Assess relationship strength** — identify the depth and quality of relationships with key clients, which can impact customer retention and loyalty post-M&A.
- **Map key connections** — gain a comprehensive view of your firm's network of connections, highlighting critical and high-value relationships.
- **Evaluate interaction frequency** — track the frequency and recency of client interactions for insights into which relationships are active and dormant.
- **Client continuity planning** — ensure client consistency by identifying those at the firm with the strongest client relationships to plan for smooth M&A transitions.
- **Risk identification** — flag potential threats related to weak or infrequent interactions with key clients, a potential signal of post-M&A client attrition.
- **Validate your firm's true value** — understand the full picture of your client relationships and confirm their value ahead of the M&A process.

Consolidate critical data

Firms undergoing an M&A often struggle to keep critical client data accessible, consistent, and centralized. While most organizations have CRM platforms and other systems in place, information is frequently fragmented across multiple tools, teams, and workflows, making it difficult to establish a single, reliable view of client relationships.

Studies suggest that sales and go-to-market teams waste as much as **25–30% of their time** on activities tied to incomplete, duplicated, or outdated data, highlighting how disconnected systems, rather than lack of systems, undermine productivity and decision-making.

These challenges become especially acute during an M&A, when inconsistencies across platforms can lead to operational inefficiencies, weakened relationship visibility, and breakdowns in internal and external communication.

To tackle these pressing challenges, firms are increasingly adopting client intelligence technology, transforming their CRM platforms into the single source of truth for all client information. Historically, professional services firms have experienced challenges promoting the use of their CRM systems among advisors. Through relationship intelligence technology, firms can position their CRM as a unified company repository for critical client data and information that doesn't require manual upkeep.

Relationship intelligence not only automatically syncs and enriches the details of your firm's connections — it delivers timely, automatic client updates to help you stay ahead of important shifts and signals that are more likely to happen during an M&A. Relationship intelligence maximizes the value of your firm's CRM platform by uncovering hundreds of new contacts and reducing stale ones by **125%**, putting you in an ideal position to nurture and grow your relationships during an M&A.

Relationship intelligence unlocks your CRM's full potential by revealing new contacts and reducing stale ones by

125%

positioning your firm to nurture and grow relationships during M&A.



Firms looking to stay ahead of the M&A curve are using relationship intelligence to:



Understand possible cultural synergies and differences within the firm post-M&A.



Identify opportunities for collaboration across the firm to increase employee satisfaction and client stickiness.



Foster a more well-connected workplace through a holistic view of the strength and breadth of the firm's relationships.



Uncover gaps in service delivery to help develop new cross-sell and upsell opportunities that grow revenue, ensuring post-M&A success.

Best practices realizing M&A synergies

Breaking down organizational silos

In an M&A scenario, organizations often face shifting internal dynamics as teams and cultures come together. While most employees remain through the transaction, supported by structured retention programs and incentives, there is still meaningful risk around the loss of key individuals and institutional knowledge.

Even limited attrition can have an outsized impact, particularly when it involves client-facing professionals or relationship holders. These transitions can contribute to the formation of silos, reduced collaboration, and gaps in relationship continuity if not actively managed.

Broad-based attrition is typically not the primary concern. The greater risk lies in the loss of key individuals who maintain important client relationships.

These challenges are less about overall turnover and more about alignment across teams, leadership styles, and evolving priorities. Without clear visibility into how relationships and networks span the combined organization, firms can struggle to maintain cohesion and protect critical client connections.

Rapid cultural change during an M&A can further strain alignment and collaboration. To support integration, firms can prioritize collaboration to strengthen workplace culture, reinforce client relationships, and drive revenue growth.

The **benefits** of collaboration are clear: **55%** of workers at collaborative organizations see revenue growth over three years, compared with **28%** at non-collaborative firms. At the same time, **87%** of employees working at companies with clear, connected goals reported being well-prepared to meet client expectations, compared with **37%** at firms without clear, cohesive goals.



Fostering client loyalty and retention

If M&A transitions are improperly handled, they have the potential to adversely affect firms' client relationships, which can have detrimental consequences on organizations' overall performance. Repercussions from poorly-executed M&As can include anything from client attrition, to reputational business damage, revenue loss, and more. Service disruptions, inconsistent communication, and a loss of personalized services often lead to clients reducing or ceasing business with a firm after a merger or acquisition. These challenges highlight the importance of the client experience and relationships throughout the M&A process, and the need to remain proactive and responsive to your clients' needs.

Relationship data helps firms create a tailored client experience and bespoke service offering across multiple practice areas, helping to boost client stickiness and minimize the risk of attrition during an M&A.

Grow from within

During an M&A, there are several factors your firm should consider that may affect its balance sheet, including integration costs, additional debt that's assumed, client attrition, and changes in your firm's market position. **Global deal value for transactions over $25 million rose 22 % in the first half of 2025 to about $2 trillion**, reflecting stronger dealmaking activity as markets rebounded. McKinsey & Company research shows many deals still underperform their targets due to weak due diligence, overpayment, cultural misalignment, and underestimated integration costs.

The opportunity in M&A is not just completing the deal, but capturing its full value.
Firms that invest in relationship visibility and collaboration are better positioned to drive growth post-transaction.

To meet shifting client demands and achieve revenue targets, firms must strengthen client relationships and unlock cross-sell and upsell opportunities. These strategies can increase sales by **20%** and profits by **30%**, making them critical to improving financial performance post-M&A.

Many M&A transactions fall short of their full potential.

Firms are using relationship intelligence to ensure strategic, long-term growth.

Strategic applications of relationship intelligence:

1. **Tracking client developments** keeping a close watch on client updates is necessary in staying ahead of changes and aligning strategies with evolving client needs.
2. **Deepening client relationships** using data-driven insights enables more tailored interactions and informs the creation of additional services and offerings, leading to increased client satisfaction and loyalty.
3. **Uncovering growth opportunities** identifying gaps in current service offerings reveals potential areas for expansion, helping to diversify and increase revenue streams.
4. **Capitalizing on existing relationships** relationship intelligence also identifies cross-sell and upsell opportunities across the combined client base, including sources of warm introductions.



Rewrite the M&A playbook

There's no shortage of challenges when it comes to navigating an M&A. Your organization may struggle with fragmented data management systems, leading to operational inefficiencies and poor relationship management. At the same, you may also experience cultural clashes and increased team silos, which has the potential to result in both employee and client attrition. To minimize risks and ensure success post-M&A, firms are reinventing the traditional roadmap by prioritizing their client relationships through collaboration and relationship intelligence.

Client intelligence and collaboration have the power to strengthen your firm's relationship capital by helping to break down organizational silos and improve client loyalty and satisfaction. This ultimately leads to greater cross-sell and upsell opportunities, which has the power to increase your firm's revenue, ensuring continued and long-term post-M&A success.

Next Steps

Discover how leveraging client intelligence can help you navigate M&A, seamlessly integrate teams and technology, accelerate post-merger digital transformation, and achieve faster time to value.

On-Demand Webinar:

Unlocking the Power of Relationships through Smarter Collaboration

Discover how to seize pivotal opportunities — like M&A, lateral hires, or regional expansion — by breaking down silos, fostering collaboration, and activating key relationships for joint business growth.

WATCH NOW →

Blog:

From Mergers to Growth: 4 Insider Lessons on Data-Driven Integration

Learn four insider lessons on making M&A successful, highlighting the importance of early data use, strong client relationships, simple unified processes, and automation to drive smoother integration and long-term growth.

READ MORE →

Contact us Directly

Reach out to the Introhive team to learn how our client relationship intelligence platform can help you achieve successful M&A and drive growth from within your shared client base.

BOOK A DEMO →

Why Introhive?

Introhive is the Relationship Intelligence Platform purpose-built for legal, accounting, consulting and built-environment firms. Introhive automatically captures, enriches and activates relationship data, turning emails, meetings and interactions into measurable relationship capital: the collective value of every client, prospective client, alumni and referral relationship across the firm.

1. Consolidate important client information into one unified repository.
2. Dismantle organizational silos by identifying key areas for collaboration.
3. Use timely relationship insights to build your network and foster client loyalty and retention.
4. Map your firm's relationships to identify new revenue growth opportunities.



Unite as One Firm, drive transformation, and navigate successful M&As.

REQUEST A DEMO →

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