

PE TRANSITION SURVIVAL GUIDE

# Navigating Private Equity Acquisitions from the HR Seat

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## Who This Guide Is For

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You've just been handed a new org chart. Or you walked into a company that was acquired six months ago and the previous HR leader is gone. Or you're the CHRO who's been told to 'support the integration' without a clear mandate, budget, or headcount.

This guide is for the HR leader in the room when the deal closes — and for the ones who inherit what's left after the first 90 days.

I've navigated PE-backed environments multiple times. Vista Equity. HG Capital. The IPO grind at PowerSchool. What I've learned is that the standard playbook — org chart, 100-day plan, culture deck — misses the thing that determines whether the transition actually works.

It's whether your managers can coach.

Not manage. Coach. There's a difference. And that difference is what this guide is about.

## Part 1: The First 30 Days

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### Read the room before you read the data

The instinct in a new PE environment is to sprint to the data. Headcount. Span of control. Comp ratios. The numbers matter, but they'll wait.

What won't wait: understanding what people already believe about what's coming. In every acquisition, employees have written a story before you arrive. Your job in the first 30 days is to understand what story they've written, not correct it — yet.

#### The First 30-Day Priority Stack

1. Listen before diagnosing. Skip-level conversations, not surveys.
2. Find the informal leaders. They will make or break your integration.
3. Identify the fires. Separate signal from noise — not every problem is your problem.
4. Map the manager layer. Who is coaching? Who is just directing?
5. Get quiet about HR. Resist the urge to announce programs. Earn trust first.

### The manager audit nobody does

Most 100-day plans include a talent review. Almost none of them include a coaching capacity assessment.

A talent review tells you who's performing. A coaching assessment tells you whether your managers can hold performance through change.

Those are different questions. In a stable environment, you can afford to confuse them. In a PE transition, you cannot.

Ask	What It Reveals
Who do people go to when they have a problem that isn't a task?	Your informal coaching network — often not the org chart
When did you last give someone feedback that changed how they work?	Whether managers coach proactively or only reactively
What's the hardest conversation you've had with a direct report this year?	Backbone — whether managers can do the hard things
What would make you feel more confident leading your team through this?	Where the practice gap is — and whether they know it

## Part 2: The Manager Layer Is the Lever

Here is the thing PE operating partners don't put in the value creation plan: organizational stability in a post-acquisition environment runs through the manager layer.

Not the executive team. Not the new strategy. The managers.

Because employees don't experience the acquisition. They experience their manager's response to the acquisition. If their manager is confident, clear, and present, the employee is more likely to stay engaged. If their manager is confused, avoidant, or overwhelmed, the employee starts updating their resume.

And in a PE transition, managers are almost always overwhelmed. They're absorbing new expectations from above while managing anxiety below. Most of them were promoted because they were great at the work — not because anyone taught them how to coach.

### The Manager Coaching Gap in PE Environments

*The gap isn't a performance problem. It's a preparation problem.*

Most managers in post-acquisition environments know what their people need. They don't know how to provide it consistently. They default to directing because directing feels productive — and because coaching takes practice they've never had.

The HR leader who closes this gap becomes essential. The one who doesn't becomes overhead.

### What coaching looks like in a high-pressure transition

This isn't about getting managers to ask open-ended questions in a weekly 1:1. Coaching in a PE environment is more specific than that.

- Helping a direct report name what's actually worrying them, not just what's on the task list
- Giving feedback that's honest about the new expectations — not softened to the point of uselessness
- Having a conversation about someone's future at the company before they have it with a recruiter
- Holding a person accountable to a new standard without making them feel like their past work didn't matter

This is Heart + Backbone leadership applied to the transition. The heart: seeing your people clearly, understanding what this change means for them. The backbone: being direct about what's required, what's changing, and what happens if nothing changes.

Managers who only have heart will reassure people into complacency. Managers who only have backbone will drive out the people they need most.

## Part 3: The Fires Worth Fighting

In the first 90 days of a PE transition, everything feels urgent. Comp structures don't match. Systems are incompatible. People are anxious. The PE firm wants a workforce plan yesterday.

You cannot fight all the fires. The ones you choose define your value to the organization.

### Signal fires vs. noise fires

Signal Fire	Noise Fire
Your best performers are having quiet conversations with recruiters	The comp structure is confusing and people are complaining
Managers are conflict-avoidant and letting performance slide	The new org chart doesn't match how work actually gets done yet
A key leader is privately misaligned with the new direction	Employees are asking questions the communications team should be answering
The integration timeline is creating unrealistic expectations for managers	Someone doesn't like the new PTO policy

Signal fires threaten the people and the culture. Noise fires are symptoms of change, not failures of strategy. Your job is to know which is which — and to give the noise fires to someone else.

### The retention conversation nobody is having

In most PE transitions, retention is treated as a compensation problem. If people are leaving, the answer is counteroffers, retention bonuses, or equity adjustments.

Sometimes that's right. Often it isn't.

The more common reason good people leave in the first 18 months of a PE transition: they don't trust their manager to advocate for them in the new environment. They don't know what the new expectations are. They feel like a headcount number instead of a person.

None of those problems are solved by a retention bonus. They're solved by a manager who knows how to coach.

### **The Retention Conversation Framework**

*Use this with your top performers in the first 60 days. Not a survey — a real conversation.*

1. What's been the hardest part of this transition for you personally?
2. What do you need to understand about where this company is going that you don't yet?
3. What would make you feel more confident about your future here?
4. What's one thing your manager could do differently that would help you right now?

*Don't fix everything they tell you. Listen to understand what's actually driving the uncertainty.*

## **Part 4: Building Coaching Infrastructure Fast**

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You don't have time for a six-month leadership development program. You need something that works now.

Here's what I've found actually moves the needle in a compressed timeline.

### **The manager cohort model**

Pull your first-line managers into a biweekly group — 60 minutes, peer-based, facilitator-light. The purpose isn't training. It's practice.

Give them a real scenario from the transition. A team member who's checking out. A performance issue that predates the acquisition. A question from a direct report they didn't know how to answer. Let them work it in the room.

This does two things: it builds coaching skill in context, and it breaks the isolation that managers in PE transitions almost always feel. They think they're the only one who doesn't know what they're doing. They're not.

### **The SBI feedback accelerator**

Most managers in high-growth and PE environments avoid giving feedback. Not because they don't see the problems — because they don't know how to say what they see without it escalating.

SBI (Situation, Behavior, Impact) is a clean framework that works in transitions because it removes judgment from the delivery. You're describing what happened, not diagnosing the person.

### **SBI in a PE Context**

Situation: "In last week's team meeting, when we were discussing the integration timeline..."

Behavior: "...you pushed back on every timeline item without offering an alternative."

Impact: "The rest of the team read that as resistance to the transition, and it shut down the conversation."

*Then stop. Let them respond. The feedback is a starting point, not a verdict.*

## The GROW model for transition coaching

When a manager comes to you — or when you're coaching a manager through a tough situation — GROW gives you a structure that doesn't require a lot of setup.

- Goal: What does a good outcome look like for this conversation or situation?
- Reality: What's actually happening right now? What have you tried?
- Options: What could you do? What else? What would you do if you knew you couldn't fail?
- Way Forward: What will you do next? By when? What support do you need?

GROW works in transitions because it gives managers a handle on situations where everything feels ambiguous. It moves them from reactive to deliberate — which is the coaching posture a PE transition requires.

## Part 5: Your Role at the Leadership Table

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PE firms are not universally hostile to people strategy. The best ones have learned that culture failure is a financial risk, not a soft concern.

But they need HR to show up with the same rigor they apply to every other part of the business. That means speaking in outcomes, not programs. Connecting your work to value creation, not engagement scores.

### The conversation the PE firm actually wants to have

It's not about culture. It's about retention, productivity, and speed.

- How quickly can you identify the managers who will carry the integration and the ones who will slow it down?
- What's the risk profile of your top 20 performers, and what's your plan for each of them?
- How will you know if the manager layer is breaking down before it becomes a performance problem?
- What does the org need to look like in 18 months, and how does your people strategy get it there?

When you can answer those questions with specificity, you're not HR. You're a business partner with a function. That's the seat worth having.

## The CHRO's Mandate in a PE Transition

*Lead the redesign, or manage the fallout.*

The CHROs who wait for the CFO to define the people strategy will spend the next two years responding to the decisions someone else made. The ones who get ahead of it will be running larger, more strategic functions when the dust settles.

**The window is the first 90 days. Use it.**

## The Question That Stays With Me

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Every time I've walked into a PE-backed environment, I've asked myself the same question:

What would have to be true for your managers to trust themselves to coach through this?

Usually the answer is: they'd need to have actually done it before. They'd need a framework, some practice, and someone who believed they could.

That's the gap. And it's fixable — but only if HR decides to fix it, instead of waiting for someone else to notice.

The Ripple Effect is real. One manager who learns to coach their team through uncertainty creates a team that can handle the next transition without falling apart. That team creates a culture that attracts the kind of talent a PE firm actually wants in its portfolio company.

It starts with the manager. It starts with you deciding that's worth building.

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### About Kim Lee, SPHR

Kim Lee is the Founder and CEO of Lotic Systems and the author of *Building a Coaching Culture: The Ripple Effect Raising Performance and Growth* (Business Expert Press / Harvard Business Publishing, 2026). She has 20+ years of global HR leadership experience across PE-backed, IPO, and high-growth environments.

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