

# M&A Integration

## Key Questions

### What you need to do?

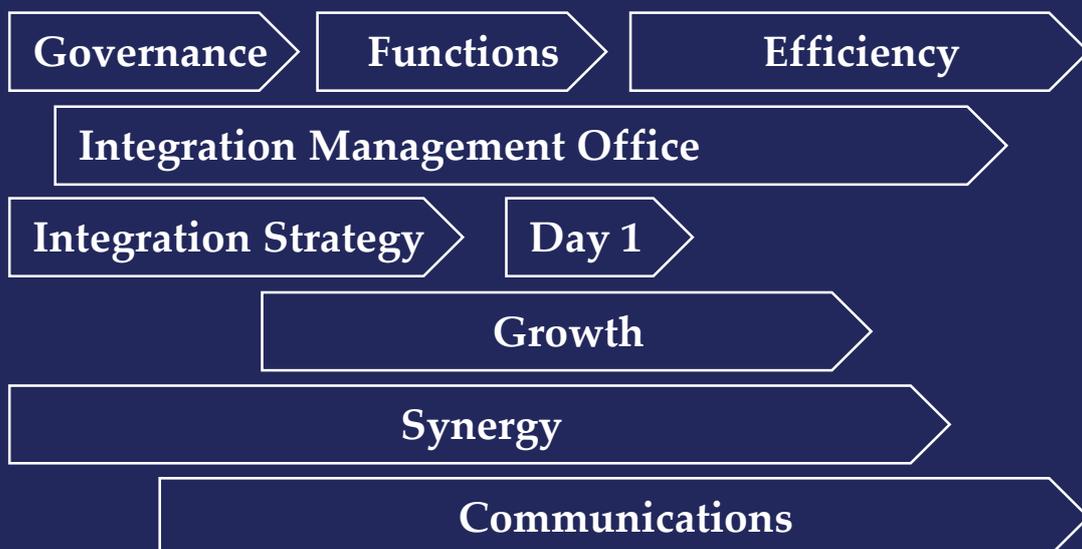
*Due Diligence*

*Sign*

*Close*

*Interim State*

*End State*



# Why do you need Integration help?

If you are thinking about buying another company, you will know your business and what you want to achieve with the acquisition, therefore, you will probably believe you do not need help.

You have quality systems and people, whether they have M&A experience or not you will expect them to identify all the potential issues of an integration, understand their importance and produce a comprehensive plan.

So why is it then that approximately 80% of mergers and acquisitions fail to deliver value. Failure is not only expensive, but, can also impact on future growth (or even viability) and will certainly add significant stress to your systems and employees.

That is why you need Integration help.

## Why should you get this help from DD Consulting?

We believe that DDC's successful history of helping clients deliver real value from M&A activity is driven by the quality of our people, their industry and M&A experience, but, also by the way we help and support our client's teams.

Over a number of years we have used our experience to develop integration methodologies, tools, checklist, and playbooks which help us maximise not only our value to you, but also, the value that your team can deliver.

We do not "flood" you with junior staff but look to develop and support you in delivering a successful outcome.



# Day 1

Will everything still be working as it should be or will something stop? Will I be able to log into my systems? How do things get approved? How should I answer the phone? What things can I make decisions on? Will I hit my synergies? Will I get my bonus? Do I understand what is going on in the company I just bought? Are customers happy? Do customers understand what is going to happen? Do employee understand what is going to happen? Is management in place? Are all managers pulling in the same direction? Do you have a Day 1 plan? Does our TSA cover everything? What could go wrong on Day 1? What early mistakes affect the integration or business?

## Integration Management Office

Do you know where to start? Will you have a consistent approach? What risks are there? Can you track synergies? Can you track and manage integration budgets? Do you know if you will hit the deal targets? Can you easily spot critical dependencies? How will you structure the integration? Do you have the ability to deliver on time to budget across all companies? Do you have detailed functional checklists? Do you have Day 1 checklists? Has the integration strategy for each area been agreed? Is the integration kick off meeting planned? What integration tools are to be used?

## Synergy

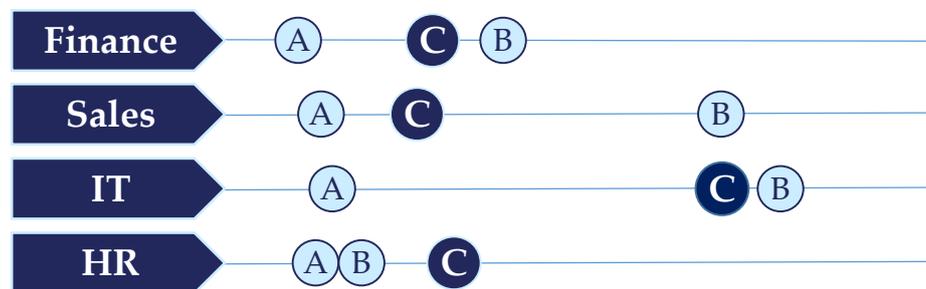


How will synergies be delivered? Who will deliver them? How will accountability be split? Can you create all the business cases? How will they be approved? Are you good at track projects, milestones, actions? Can you link delivery, tracking and financial reporting? How will you know if synergies are on track?

# Integration Strategy

Can we rapidly create a physical map of each company? Can we find and collect the data? How do we analyse and standardise the data? What are the standard scenarios for each department, workstream, business area? What are the pro's and cons for each scenario? Can we select a set of workstream scenarios that all work together across the whole business? How fast will this go if we don't have experienced help? What are the cultural difference? How mature is each area? Can we gain agreement on a working integration strategy for every area?

*Functions, Divisions, Departments, Countries*



## Governance

How do we set up our integration structure? Who makes what decisions? Who runs the budget? Who is accountable for delivering the synergies? Who is responsible for changing the business? How will you know what is going on? How will you know if everything is going according to plan? When should governance be set up? How should workstream work? Where does each type of decision get made? Do you understand the risks and mitigating actions of an integration?

# Growth

Which customers & products make most profit? What will customers see & feel on Day 1? Which customers are at most risk for defection? Are strategies in place to retain them? How do we interact with each key customer? What will competitors do? Which market opportunities are of highest value? How do we go to market as a combined company? What products and services will be in our new portfolio? How can we increase our profitability? How will our service delivery be affected? How do we create a positive customer experience? How will sales support need to change Day 1? Are detailed cross sell plans in place? Who will communicate what to whom, when? What does the combined sales force look like? How will it be run? Will it achieve the goals set? How do external relationships (channels, distributors, partners...) need to be managed? Is there a synergy delivery plan? Is there a visible plan to get the additional growth needed?



## Communications

How will each stakeholder group view the deal? Given their current information what will they think? How will this cause them to act? What will happen to Employee and Customers? What will we tell each? When will we tell them? Who will tell them? How will they get that communication? Will we have consistent messaging to customers, employee, suppliers and other 3rd parties? Can people give feedback freely? Are we using that knowledge? How will the communications function work during the integration? What will it's end state be? When will all the content be in place? Can you see all the risks that will appear? What does Day 1 look like? Can you keep productivity up during the changes and keep all your good people?

## Growth (Sales & Marketing)

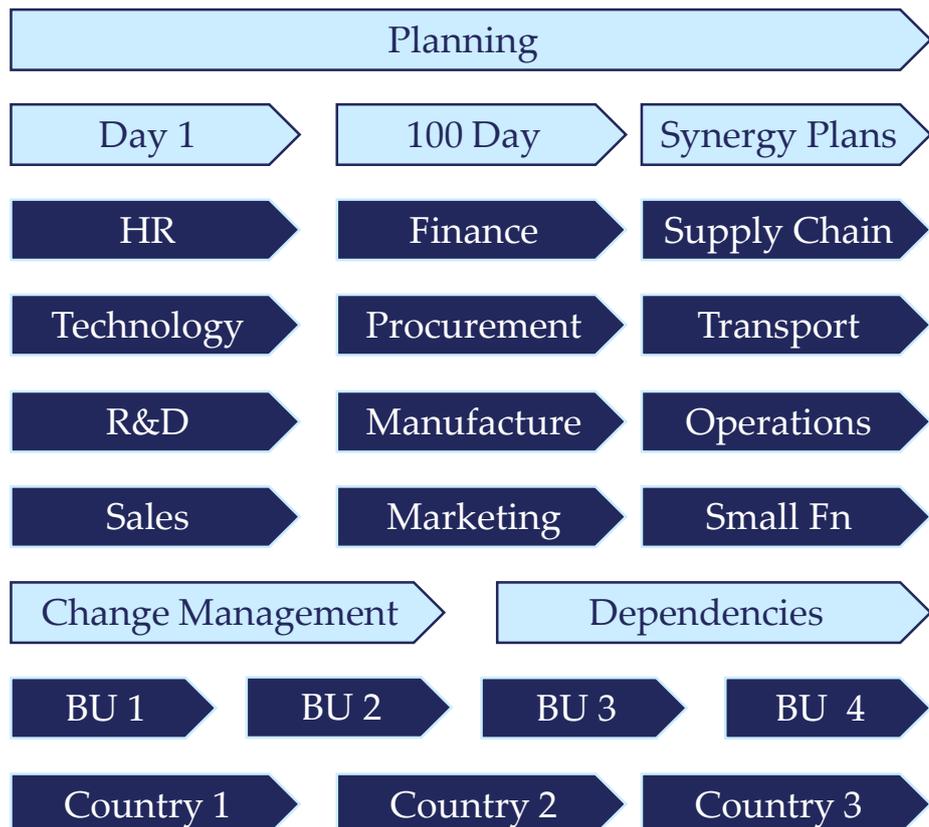
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# Efficiency & Effectiveness

Is your integration team independent enough to cut through the politics of people fighting for job, power and budget? Can you see current inefficiencies? Can you see overlap and duplication? Do you know how to remove it? Have you delivered that change successfully in the past? Do you know where to invest your integration budget to get most bang for your buck? Will you deliver all synergies envisaged? Do you have the experience to find additional synergies as you get into the detail? Can you find and fix bottlenecks in the integration and business? What should be standardised? Where is there value in not standardising? How does this all affect customers and employee? Are you historically great at delivering these changes?

## Functions

Do you understand the people issues in each functional integration plan? Do the synergies all add up to what you need? How should we land on T&C's for all? Can we deliver procurement synergies faster? Do we have a synergy plan? How can we ramp up sales faster? Do we know how to deliver the cross sell and up sell synergies? Do we have integration support across all units and countries? DO we have a Day 1 plan? Do we have a 100 day Plan? What are the interdependencies between functions and businesses? Do we have checklists for each function?



# Are you ready for M&A?

Do you fully understand the ramifications of early decisions? What is your integration Strategy? Do you have the resources in house? What does Day 1 look like? Who will do what on Day 1 and do they know it? What interdependencies exist and who owns them? Do you have a communications plan? How will you take control of the company? Do you understand all the synergies and how to deliver them? How will integration workstreams be resourced and governed? Can you see all the risks that will appear? How do you keep day to day operating effectively? Do you have agreement on integration approach for each department and division? Do you know who your good people are? Do all the 100 Day Plans work together and pull in the same direction?

## Why DD Consulting?

DD Consulting specialises in M&A integration and carve-out. With corporate, big four and private equity backgrounds, our team has supported clients of all sectors, through some of the most iconic acquisitions of the last 20 years. We are passionate about planning, mobilising and delivering deals. We're different because we work with you in smaller, agile, highly experienced teams and take the time to transfer our knowledge to improve your capability. Whatever the brief, DD Consultants bring with us:

- M&A experience, key knowledge and skills learnt from numerous previous deals.
- A library of tools, templates, check-lists and methods which have been refined over years of engagements. We will share these with you, but more importantly, we will teach you how best to apply them.
- An outside and objective point of view, free from agenda, incentive or bias.
- A history of delivering client engagements to the highest standards, on time and on budget.
- We work in small teams together with you, not trying to sell more, not trying to spread out.
- M&A it's our bag, we don't do anything else.

# Some of our deals



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