

Post-Acquisition Integration

What next?

Focussing on Post-Acquisition Integration activity is crucial to ensure that your acquisition aligns to the strategic and operational objectives of your business. We believe that post-acquisition work should begin well in advance of binding bids being approved, ensuring that the integration and realisation of synergies are a prime focus and that results are delivered by the time your business returns to business-as-usual.

There are three key steps needed to greatly improve the realisation of synergies:

Integrating processes and teams

New processes and policies should be aligned and integrated into both sides of the new business and provided in a clear and focussed manner. Information gathered from due diligence should be centralised and accessible to both sides. Introduce co-operation with the sell-side and buy-side teams to allow faster absorption of information. This will avoid any duplication of work by further improving synergies.

Unifying the team

Ensure objectives and key strategies are clearly communicated with all stakeholders. This will allow greater transparency which will further align the business to common goals. This will also allow faster and more efficient delivery of synergies.

Use M&A information and materials

Due diligence carried out from the acquisition still holds valuable information about the new business entity. Ensuring that this information is easily accessible and well indexed will help achieve objectives or synergies by allowing greater transparency.

Post-Acquisition Integration Timeline

Signing

- After signing, form a plan of activities that need to be completed, deliver the requirements of completion, create a detailed definition of the synergies and produce a high-level plan for events after completion.
- Create a team which will lead the integration project.



Closing / Day 1

- Assume overall responsibility for financial, operational and legal control of the new entity.
- Detailed scoping and activity planning, implementing synergies and undertaking a communication plan to ensure transparency throughout the business.



Day 30 and Day 90

- The time between Day 1 to business-as-usual can take 12 months or more.
- Having interim milestones, like Day 30 and Day 90, allows the integration to remain focussed. Such milestones can be significant parts of the integration process, such as moving employees into other group companies and/or onto your employment contracts and benefits.



Business-as-usual

- This is when the project has completed its exit criteria and has achieved its initial objectives. When this is achieved, the business will assume 'business-as-usual' status.
- The exit criteria will ensure that the synergies are realised/on-track to be realised, that the business follows the agreed business model and the requirements of the integration project have been met.

