Merger and Acquisition (M&A) Information Technology



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<u>Due Diligence</u> is an investigative process to satisfy merger/acquisition stakeholders that the organization(s) have been properly represented during pre-acquisition negotiations. <u>Merger & Acquisition Integration Planning</u> is focused on converging the two organizations. Since Information Technology (IT) is a vital part of most organizations, analysis of the IT organizations, IT processes, technical environments, and applications must be included in developing the Integration roadmap.

Analysis Scope & Methodology

Our Perceptive Design Process for M&A supports Due Diligence and Merger Integration. The Analyze Phase is used for Due Diligence, the Strategize and Conceptualize Phases support Merger Integration Planning, and the Realize Phase is used during the integration of the two organizations.

ANALYZE	STRATEGIZE	CONCEPTUALIZE	REALIZE
 Team Formation Due Diligence Budget Analysis Staffing Analysis Hardware & Software Asset Identification ITSM Process Analysis Past/Current/Future Project Analysis Issue & Risk Identification 	 Establish Governance Structure Leadership Identification Integration Approach Strategy Strategic Architecture Identification Strategic Application Identification Merger Critical Success 	 Application Integration Roadmap & Timing Infrastructure Integration Roadmap & Timing Service Transition Planning Project Methodology / SDM Planning Organization Design Communications Plan 	 Process / Policy Convergence Financial Convergence Organization Convergence Personnel Transition Technology / Infrastructure Build- Out Project Management Risk Management
• Due Diligence Report	• Risk Analysis	•Risk Contingency & Mitigation	hist management

Technology M&A Experience

Mark Walton, Perceptive Business Strategies President & CEO, has extensive M&A experience:

- Established and managed IT M&A organization for Fortune 500 company. Developed IT M&A methodology and toolset used to analyze and manage a suite of very large acquisitions (> \$5B).
- Managed teams during IT integration of merger of two Fortune 500 organizations.
- Performed Due Diligence analyses for venture capital organizations for potential acquisitions.
- Negotiated services contracts, software licenses, created and managed IT organizations, established IT integration strategies and plans, developed CMMI-based application methodologies.
- Managed IT integration activities of suite of small business acquisitions.
- Performed IT Process analysis and re-engineering using ITIL/ITSM frameworks and tools.
- Briefed CEOs, CIOs, CFOs on IT assessments/recommendations.



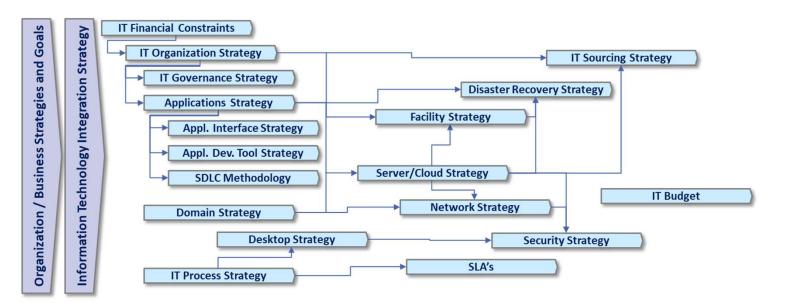
Technology Integration Strategies

Mergers and Acquisitions should always be driven by business goals. The IT solutions must assist in the organization's ability to meet their goals. Integrating the IT infrastructure, systems, and processes should result in greater efficiencies and lower cost. We consider four fundamental post-acquisition Integration Strategies when developing Merger Integration Plans:

- Consolidation where the infrastructure, systems, and processes are rapidly assimilated into the acquiring organization's existing organization and environment. [B → A]
- 2) Combination where the applications and infrastructure of the two organizations are blended together, adopting the better of the two organization's components. [A ↔ B]
- 3) Transformation where a new infrastructure and/or applications environment is built that to address the requirements of the combined entities, sometimes adopting an entirely new environment. [A,B → C]
- 4) Preservation where the acquired organization continues to function independently of the acquiring organization. [A B]

Technical Strategy Development

Effective IT organizations understand the critical interplay between the IT organization structure, IT governance, company applications, the technical infrastructure, and the IT processes. During integration planning, we understand these relationships to build consistent, synergistic strategies.



About Perceptive Business Strategies

Perceptive Business Strategies is solely focused on improving our customers' organizations. We offer a suite of Consulting Services to bring insight and innovation leveraging our experience and knowledge across multiple industries, technologies, and business disciplines. See our offerings at:

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