

Steady at the Controls M&A Capability Development



A pilot gains confidence at the controls through experience. The same is true of companies that engage in mergers, acquisitions, and divestitures. Serial, and even less frequent, deal-makers are eager to sustain momentum and growth by applying the leading practices and knowledge they've gained from previous transactions.

But not all deals are the same. They vary in size, complexity, and the organizational commitment required. From deal to deal, it's important to understand what processes, tools, and skillsets are required, especially when transacting simultaneous deals. Companies with extensive M&A experience know firsthand the criticality of having a sound team structure and approach from the outset of a transaction, in addition to leveraging the right tools and resources.



The importance of preparation

Knowing and leveraging leading M&A practices even before a deal's inception is a wise investment. Effective deal planning can help retain talent and customers, achieve revenue synergies, remove costs from a combined organization, create a high-performance culture, and strengthen deal value proposition in the marketplace.

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How we can help

Deloitte can help companies develop and strengthen their M&A capabilities by guiding them in the organizational processes, roles, and skills required for transaction results. Leveraging experience gained from thousands of transactions, we offer insights into important deal considerations and effective practices for different corporate cultures and decision-making frameworks, tailored to your specific requirements. Our M&A Capability Development services include:

Resource organization and standardization. We codify transactions and establish standardized integration and divestiture strategies and processes, supporting tools, and end-to-end methodologies for deal execution.

Functional engagement models. We advise when different organizational functions should be engaged in the integration or divestiture process, their specific roles, the deliverables they can contribute, and the skills and resources they bring to the table.

Synergies and benefits identification and tracking mechanisms. The tools we provide for setting and monitoring deal expectations include standardized processes to identify revenue and cost benefits, methodologies to quantify and assign accountability, and go-forward tracking mechanisms and reporting on synergy progress and attainment.

Potential bottom-line benefits

- Greater organizational value derived from acquisition and integration activities by being a prepared buyer
- Maximized transaction value by being a prepared party to the sale
- Increased internal awareness and capabilities to support subsequent transaction execution, either in parallel, tandem, or one-off
- Expedited time frames for conducting due diligence due to pre-defined processes, tools, and resources

Learn more

Building M&A capabilities is one of many strategic issues businesses face today. To learn more about how Deloitte can help, visit www.deloitte.com/us/MACapability, or follow us on Twitter at [@DeloitteStratOp](https://twitter.com/DeloitteStratOp).

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Five ways you can get more value now

Agree on a clearly defined vision and operating model. The integration or separation operating model you implement will provide the mandate for team execution. A clear, coherent model will be critical to prioritizing activities, working across functional boundaries, and establishing expected outcomes.

Maintain a relentless focus on synergy identification and capture. Synergies don't just happen. They have to be identified, driven hard, and robustly tracked, and people should be held accountable for achieving them.

Commit to retaining top talent. The last thing you want in a deal is an unmotivated workforce or a clash of cultures. Transactions are often done for the talent being acquired, so it's imperative to maintain a fully productive workforce within the targeted culture.

Focus relentlessly on deal value drivers. It's important to carefully evaluate the deal's potential impact on revenue-driving factors such as customer and partner experience and the integration of go-to-market channels.

Strive for an issue-free day one. A smooth rollout with zero-to-little business disruption can turbocharge the transition into synergy achievement and integration execution.

The big idea

Whether a company has undergone hundreds of transactions or just one, Deloitte's M&A insights and leading practices can help maximize the value of the transaction while minimizing costs and mitigating risks.