

When a utility distributor needed assistance in planning the post merger integration activities

We designed an Integration Management Office that enabled successful integration across multiple functions

The challenge

The state government privatised its energy assets, through the separate sale of retail businesses, gentrader contract bundles and coal and gas development sites. Our client, a utility distribution company, participated in the bid process for the acquisition of these assets. During the bid phase, the client engaged Deloitte to assist with planning the integration activities required, if their bid for the target retail assets were to be successful.

How we helped

Deloitte assisted the client in developing an integration plan for Phase 1 that included activities necessary to complete the transaction leading up to Day 1 and activities required in preparation for post-Day 1 operations. Due to the nature of the bid process, with notification of successful bids released with unknown completion timeframes, a number of scenarios were considered – one for each of the three organisations and one to cover the acquisition of multiple organisations.

The Deloitte team assisted the client to identify and plan the integration activities by:

- Validating any existing plans and identifying gaps in current planning
- Determining existing cross functional end-to-end process dependencies and reflecting the implications into the plan; identifying key handoff points between functions to ensure that the business would be integrated
- Determining the critical activities that were to be commenced as a matter of urgency to achieve Day 1 and time critical long lead items
- Developing detailed plans for each function, taking into consideration cross-functional dependencies, leading up to Day 1 and critical path items



- Developing a high-level roadmap for activities that were to be undertaken post Day 1 - the details for these post Day 1 activities were to be developed as part of Phase 2.

In addition, Deloitte designed and implemented an Integration Management Office (IMO) to enable the client to manage a large program of work across multiple functional projects for the integration by:

- Developing the overall plan for the project
- Defining consistent templates and standards for each function to follow
- Consolidating risks and issues into a master register
- Consolidating and harmonising dependencies
- Coordinating the identification of dependencies between functions - functional stream identified the relevant interdependencies and provided a central coordination role
- Consolidating plans and developing the overarching integration roadmap
- Reporting progress and significant risks/issues to the client.

Value delivered

Deloitte assisted the client in planning significant efforts required prior to Day 1 for the integration of critical functions across the business.

We also designed an IMO model that met client requirements and considered the existing maturity levels of the organisation for project delivery. This delivered the project scope as required and successfully shared our knowledge and skills in program management to increase the client's capability in managing large programs of work.

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