

Senior Staff talent standard

Financial Advisory

Mergers & Acquisitions – Valuation & Modelling

Building a *globally uniform level of quality and capability* in our core services so that our clients experience a *consistent, exceptional Deloitte* is critical to become the undisputed leader in professional services. The following standard defines the capabilities required at the Senior Staff level for our Valuation & Modelling service line.

Leadership capabilities

We expect practitioners at all levels to embrace and live our purpose by challenging themselves to identify issues that are most important for our clients, our people, and for society and *make an impact that matters*. There are five Leadership capabilities that we require from all Senior Staff across the organization, regardless of service line. Behavioral anchors for each capability are described below.

Capability	Description	Behavioral anchors
Living Our Purpose	Identifies and embraces our purpose and values and puts these into practice in their professional life	<ul style="list-style-type: none"> Lives our values and challenges others to do the same Demonstrates personal commitment to raising the bar and making an impact that matters Encourages others to find opportunities for impact; sets the pace for junior staff and peers
Talent Development	Develops self by actively seeking opportunities for growth, shares knowledge and experiences with others, and acts as a strong brand ambassador	<ul style="list-style-type: none"> Shares knowledge and experiences to support the development of peers and junior practitioners Actively seeks challenges and opportunities to build on existing strengths, develop new capabilities and learn from others Acts as a strong brand ambassador, participating in formal and informal activities focused on bringing top talent to Deloitte
Performance Drive	Seeks opportunities to challenge self; teams with others across businesses and borders to deliver and takes accountability for own and team results	<ul style="list-style-type: none"> Draws on own and others' strengths to meet personal and team objectives Collaborates within and across businesses and borders Monitors own results against objectives and seeks feedback to identify ways to improve personal and team performance
Influence	Builds relationships and communicates effectively in order to positively influence peers and other stakeholders	<ul style="list-style-type: none"> Relates effectively to people across all levels, including leaders, peers, and clients Asks insightful and provocative questions to understand the diverse views, interests and expectations of key stakeholders Adjusts communication style based on the audience in order to have maximum impact
Strategic Direction	Understands objectives for clients and Deloitte, aligns own work to objectives and sets personal priorities	<ul style="list-style-type: none"> Understands client and Deloitte objectives and takes personal accountability for aligning own work Communicates broader business objectives and desired outcomes to guide the work of others

Core Professional and Technical capabilities

Below are the Core Professional and Technical capabilities for Valuation & Modelling Senior Staff:

Capability	Description	Behavioral anchors
Analytical Thinking & Problem Solving	Selects appropriate methods for collecting and analyzing large and complex data sets to extract insights and support solutions	<ul style="list-style-type: none"> Builds sophisticated analytical models to handle large data sets with Excel, Tableau, or other relevant specialized tools/programs (e.g. IDeal) that can be interpreted convincingly Applies rigor to all analytical models and enhances a model's ability to serve as decision-making tool Is aware of relevant technology applications for data modelling and analysis, and easily learns new applications Maintains a working knowledge of measurement tools, benchmarks, statistics, and metrics needed to quantify and analyze aspects of deal risk Uses simulation techniques for goal setting, forecasting, value stream modelling, among other purposes Is able to think independently to generate recommendations and propose solutions, leveraging junior staff where appropriate

Delivery Excellence	Produces a high quality work product and collaborates with others across phases of the M&A transaction lifecycle to deliver a superior client experience	<ul style="list-style-type: none"> Understands how assigned areas of responsibility contribute to engagement objectives and desired outcomes Manages to deadlines to help team stay on track during a transaction, adapting to changing priorities as they arise Develops informed recommendations by combining insights from personal experiences and Deloitte subject matter experts (SMEs) with relevant technologies, methods, and/or tools
Financial Acumen	Analyzes financial and accounting information when evaluating transactions	<ul style="list-style-type: none"> Uses company's financial information to better understand a client/target's business to support recommendations Quickly interprets and reviews financial information and explain complex concepts to client
Manages Risk & Upholds Confidentiality	Manages own work in an ethical manner with a continuous attention to quality and risk rules, and confidentiality	<ul style="list-style-type: none"> Outlines a quality assurance plan, specifying the standards, tools and techniques to define priorities needed to provide high-quality services Mitigates deviations from required quality standards by establishing internal review cycles and monitoring progress Anticipates potential risks related to managed work/processes and escalates them in a timely fashion to engagement leadership or relevant stakeholders
M&A Lifecycle Acumen	Builds an understanding of how stages of the M&A lifecycle operate to enhance delivery in own phase of expertise	<ul style="list-style-type: none"> Begins to specialize in a stage of the M&A transaction lifecycle and understands key dependencies across stages Conducts market analysis and develops an initial hypotheses around growth opportunities and upside potential and downside risks Maintains a broader, strategic M&A perspective throughout each engagement

Specialized Technical capabilities

Below are the Specialized Technical capabilities for Valuation & Modelling Senior Staff:

Capability	Description	Behavioral anchors
Business Valuation and Intangible Asset Valuation	Ability to execute valuation analyses for tax, financial reporting or other regulatory, compliance or management planning requirements	<ul style="list-style-type: none"> Applies knowledge of commercial and tax laws to evaluate their impact in a regulatory and compliance context Determines appropriate valuation methodology given the nature of the company or asset being valued, and the context of the valuation Determines fair value of businesses and separate assets using valuation methods such as Discounted Cash Flow, Multiples, Intangible asset valuations and options valuations Leverages economic and industry knowledge to assess the validity of the financial models and reports Identifies critical assumptions and facts that underline valuation estimates and provides alternative approaches as required Selects appropriate discount rate or multiples range for the target asset/company Applies knowledge of financial analysis for financial reporting and tax valuation, and determines if any issue arises in audit support analysis Coordinates the request and receipt of client-specific data required to perform an analysis
Machinery & Equipment Valuation	Ability to execute valuation analyses for tax, financial reporting or other regulatory, compliance or management planning requirements	<ul style="list-style-type: none"> Coordinates the request and receipt of client-specific data required to perform the analysis Performs site inspections to obtain an understanding of the major assets, how they are being used with the business, and for discussion of future plans for the assets Analyzes data to overcome any deficiencies or reconciliation issues Determines appropriate valuation methodologies for each type of asset given the nature of the company or asset being valued and the context of the valuation Identifies critical assumptions and facts that underline valuation estimates and provides alternative approaches as required Leverages economic and industry knowledge to assess the validity of the valuation approaches Applies knowledge of analysis for financial reporting and tax valuation and determines if any issue arises in audit support analysis

Real Estate Valuation

Ability to execute valuation analyses for tax, financial reporting or other regulatory, compliance or management planning requirements

- Generates models and analyses as industry requirements dictate
 - Leverages economic and market condition knowledge to assess the validity of models and reports
 - Prepares valuation using traditional real estate approaches and methods
 - Determines an appropriate valuation methodology given the nature of the asset being valued and the context of the valuation
 - Applies knowledge of real estate property types to analyze client portfolios
 - Generate reports to provide an overview of research performed, valuation methods, and approaches used, and valuation conclusions
 - Identifies critical assumptions and facts that underline valuation estimates and provides alternative approaches as required
 - Coordinates the request and receipt of client-specific data required to perform the analysis
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Modeling

Ability to independently and accurately build complex financial models and clearly present supporting analysis to the client

- Prepares robust business planning or transaction models by applying detailed understanding of commercial practicalities, accounting and finance knowledge, technical ability, quantitative analysis, and logic
 - Calculates the impact of mergers and acquisitions on a buyer's financial statements and creates summary analysis to synthesize and communicate pertinent information
 - Creates progressive financial models that capture the future operating, investing and financing activities, and helps clients determine future profitability, financial position, and risk
 - Develops a 3-way financial model independently
 - Tests Excel formulas independently to identify mathematical and logic errors during model testing engagements
 - Prepares concise, well-written documents to explain complex concepts and financial model inputs/outputs to senior management and clients
 - Builds and clearly presents analyses for Model Risk Management projects that include government and polices, model development, technical model validation, model implementation, and model technology
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