

## Checklist for M&A success

Although many TMT mergers and acquisitions fail to meet expectations, you can improve your chances of success by using the following checklist<sup>15</sup> to address up-front strategy/due diligence and integration:

### Up-front strategy/Due diligence

- Identify end goal: what's the purpose?
- Define the company's integrated solutions strategy
- Formulate a high-level, required capability profile for the new organization
- Identify value drivers for the acquisition
  - To support post-deal business strategy
  - To reinforce unique competitive advantages
  - To establish a way to provide value to customers as an integrated company
  - To suit a time horizon for realizing benefits of the deal
- Align stakeholders on various acquisition and integration options
- If necessary, rethink target screening and due diligence processes
- Focus on specific levers that drive about 80 percent of anticipated value capture
  - Involve functional teams early
  - Conduct commercial and operational diligence iteratively
  - Review revenue and cost synergy potential
  - Consider strategic operating model redesign before closing

### Integration

- Retain innovative practices of acquired company
- Assimilate all capabilities or leave some to stand alone
- Consider modular integration—function by function rather than all at once
- How to measure and manage a different business model if acquirer's business practices are incompatible
- How to retain execs from incoming business