



## NIVACK CASE STUDY

**F500 COMPANY ACCELERATES ACQUISITION SYNERGIES BY DEVELOPING AND DEPLOYING INTEGRATION PLAYBOOK AND GOVERNANCE STRUCTURE**

### **CLIENT OBJECTIVE**

**ACHIEVE VALUE CAPTURE SYNERGIES ON ACCELERATED TIMELINE, WITHOUT DISRUPTION TO CUSTOMERS**

NiVACK employees built a multi-faceted Integration Playbook and stood-up an Integration Management Office (IMO) to support the acquisition of a large publicly traded corporation. The acquisition back-office functions needed to be fully integrated and operational within an accelerated timeframe to realize targeted synergies and deliver shareholder value within the fiscal year. These value capture strategies included:

- Organization design and selection.
- Vendor rationalization and contract renegotiation.
- Real Estate rationalization and optimization.
- Consolidation of processes, policies, and technology.

### **THE COMPLEX PROBLEM**

The client was under pressure from shareholders to deliver against value capture synergy targets from a multi-billion-dollar acquisition in the first fiscal year, without negatively impacting customers. There were key challenges that needed to be addressed across multiple functions, and geographies, including:

- **Culture.** The target company was hierarchy driven, unstructured, with limited financial and operational discipline.
- **Structural incompatibilities.** The acquisition target company had a very top-heavy organization structure, with a misaligned compensation and benefits program.
- **Massive vendor duplication.** Multiple contracts with the same vendors, with highly disparate pricing and terms, created a multi-billion dollar cost savings opportunity.
- **Excess Real Estate.** Duplicative footprint in the same markets, including, duplicate HQ's. Opportunity to rationalize the portfolio and improve utilization to drive OpEx benefits and cultural changes.
- **Incompatible platforms, policies, processes, and business controls.** Different ERP environments needed to be consolidated to a single platform. Policies, processes, and business controls needed to be standardized, communicated and adopted.

# CUSTOM INTEGRATION PLAYBOOK

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### THE SOLUTION

- NiVACK employees designed a customized Integration Playbook that enabled the company to rapidly stand-up an Integration Management Office, set the integration strategy, plan for Day One, execute Day One, design the desired future state and create, execute and monitor progress to plan.
- The Integration Playbook consisted of Guiding Principles, Governance and Operating Structure, Processes, Execution, Communications, and Organizational Change Management (OCM). The playbook was aligned to the acquiring company's core values, key business objectives and cultural expectations.
- The Integration Management Office (IMO) consisted of an IMO leader, directing multiple workstreams (Procurement, RE, People, etc.) with "2-in-a-box" representation from both companies, reporting into a C-Suite led steering committee. The IMO operated under a clearly defined path, and protocol for conflict resolution and escalation all the way to the CEO if necessary. The IMO met weekly and was accountable to report up to the C-Suite on a monthly cadence.

### THE IMPACT

- **Integration Playbook and IMO deployed on Day One.** This enabled employees of both organizations to begin integration work immediately without the need for additional planning or bureaucracy.
- **Rapid Issue Resolution.** The protocols set to identify and surface issues enabled efficient and objective resolution of conflicts.
- **Comprehensive Communication.** Frequent, consistent, and timely communication at all levels within both companies enabled a better and faster cultural alignment.
- **Minimal disruption to customers.** Separate IMO structure enabled both companies to conduct business as usual with minimal impact to customers.
- **Controlled unplanned attrition.** Accelerated consolidation of organization structures enabled employees and leaders to be rapidly placed in roles, thus alleviating uncertainty and doubt.
- **Value capture synergies exceeded target and were realized ahead of plan.** Taking a structured and disciplined approach to integration created an environment for empowered decision-making to drive results.

### CASE HIGHLIGHTS



#### SYNERGY CAPTURE

>\$1Billion of Value Capture Savings Realized



#### FUNCTION CONSOLIDATION

Key Operational Functions Consolidated and Optimized



#### WORKFORCE

Unplanned Attrition Limited to <5%



#### VENDOR RATIONALIZATION

>100K Vendor Contracts Rationalized and Novated to Best Deals



"Nick and his team moved mountains, we are a complicated company, and these transactions create significant challenges. He and his team have proven to be execution machines". - F500, Chief Legal Officer.



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