



M&A Training Essentials for Acquiring Companies



Scott Whitaker
Partner, Atlanta
+1 404 431 7508
Scott.Whitaker@gpmip.com

Webinar Housekeeping

- + Q&A will take place at close of presentation
- + Please use chat box, not Q&A box, to submit questions
- + In chat box, options to select Everyone or Panelists depending on how private you'd like to keep question
- + If you'd prefer, you can also email questions to ops@gpmip.com during webinar
- + Video of webinar and presentation will be posted on gpmip.com
- + All will receive link via email

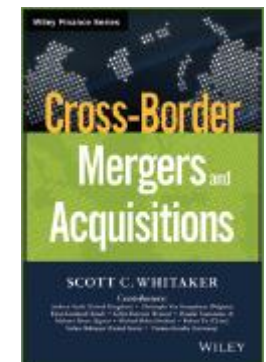
Presenter Profile: Scott Whitaker



Scott Whitaker is the Atlanta based Partner with Global PMI Partners, a consultancy exclusively focused on post merger integration and a full spectrum of services across the M&A lifecycle.

- Extensive experience in all aspects of merger and post-acquisition integration, and has advised clients across dozens of industry sectors covering small, mid and large cap transactions totaling more than \$100 billion in value.
- Worked internationally in Canada, China, Europe and Africa on a variety of assignments, and specializes in mobilizing Integration Management Offices (IMO's) and helping companies develop integration playbooks.
- Trained hundreds on M&A integration.

Mr. Whitaker holds a B.A. in Marketing from the University of North Carolina at Chapel Hill the author of *Cross-Border Mergers & Acquisitions* and *Mergers & Acquisitions Integration Handbook*.



Webinar Agenda

- + The integration challenge
- + Essential objectives for integration training
- + Types of integration training
- + Criteria for selecting training programs
- + Who should attend and why
- + Leveraging training output
- + Q&A

The Integration Challenge: Reality Check

Bottom line: Most deals fail to deliver on expected value

> 50% Failure Rate

Up to half of
mergers destroy
value

**2 of 3
companies lose
market share in
the 1st quarter**

90% after 3rd
quarter

After 18 months

80% large cap
50% small cap
80% micro cap

**Fail to meet
stakeholder
objectives**

*Wharton Executive Education Aresty
Institute of Executive Education*

*Harvard Business
Review*

Businessweek

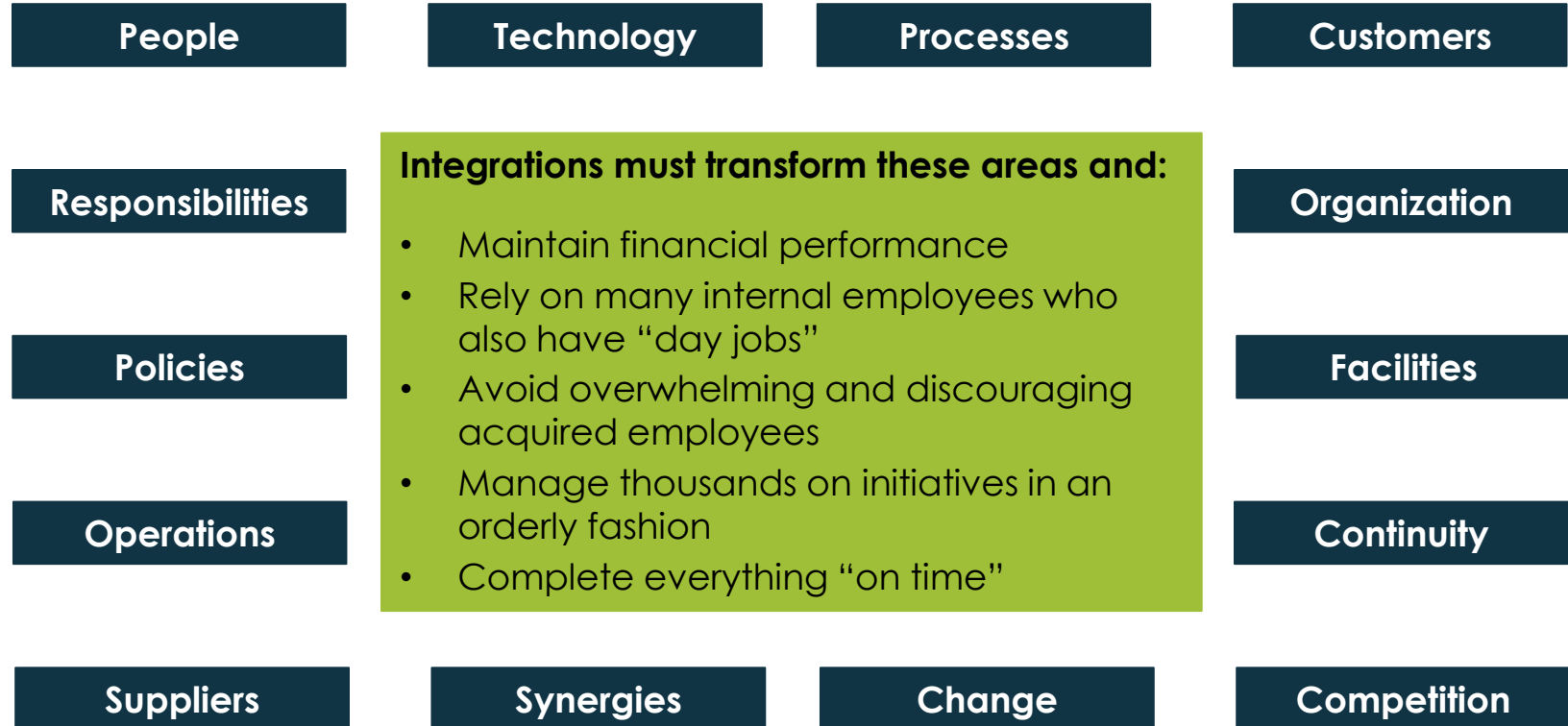
The Integration Challenge: Root Cause Issues

Flawed integration management cited often as a primary root cause issue

- + **Flawed business logic:** Acquirer's growth strategy misaligned with capabilities
- + **Flawed understanding of the new business:** Weak diligence and understanding of target
- + **Flawed deal management:** Rushed or poor negotiations
- + **Flawed integration management:** Area where training can improve results

The Integration Challenge

M&A integrations are the most complex & intense corporate events



Essential Objectives for Integration Training

High level learning objectives for M&A integration training:

- + Quantify the integration challenge and the work required to execute well
- + Recognize and apply fundamental concepts and best practices to help manage the most typical integration planning and execution scenarios
- + Understand the most typical planning and execution deliverables for an IMO (Integration Management Office)
- + Understand individual IMO roles and responsibilities
- + Understand key deliverables and timing requirements related to integration planning and execution
- + Understand what is required to create a robust and sustainable integration practice for an organization

Primary Types of Integration Training

Most common types of training available

Public

Description:

- Group sessions that include attendees are from different companies
- Multiple instructors cover most common M&A integration topics

Benefits:

- Idea sharing & learning from others
- Companies can send several employees who may be teaming together on a pending acquisition

Customized

Description:

- Combination on-site training and planning session
- Typically involves senior executive level
- Training tailored to discuss topics around pending activity

Benefits:

- Forces senior team to solidify thinking on key planning inputs
- Helps execs appreciate integration workload and timing parameters

Specialized

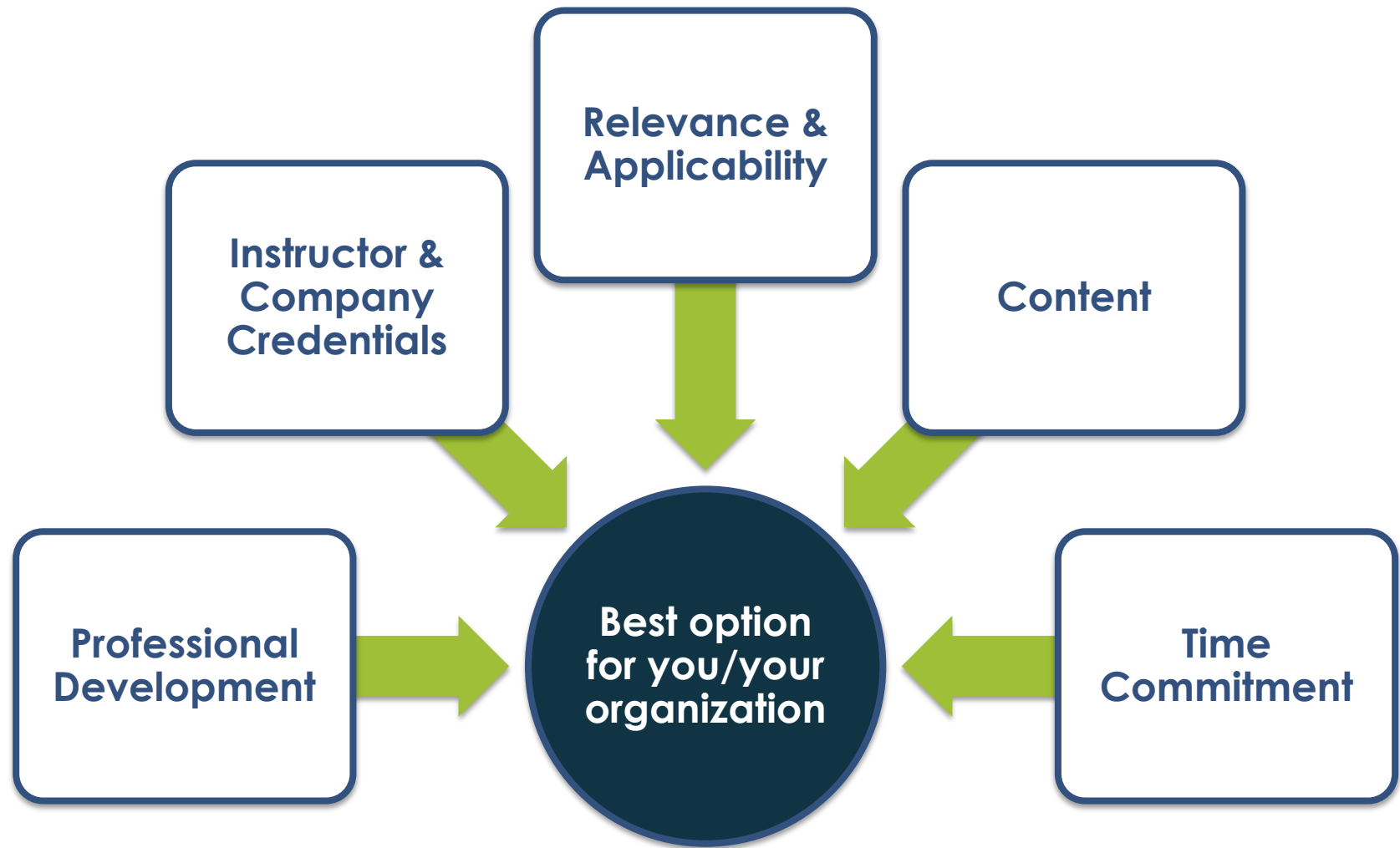
Description:

- Dedicated sessions on specific M&A disciplines
- Topics include due diligence, IT, HR, carve-outs, etc.)

Benefits:

- Deeper dive for key areas of M&A
- Ability to “fine tune” skills for experienced managers
- Exposure to deep functional expertise

Suggested Criteria for Selecting Training



Essential Elements of Integration Planning

Training topics should cover key steps of the integration planning phase

Defining The Integration Challenge

Operational & Technology
Diligence

Risk Assessment

External Resource
Requirements



Establishing The Strategic Framework

Business Goals & Integration
Strategy

Value Drivers

Conversion to Integration
Planning Direction



Mobilizing Integration Governance

Governance Structure

Roles & Responsibilities

Internal Resourcing Guidelines

Essential Elements of Integration Execution

Training topics should cover key steps of the integration execution phase

Execution Mobilization

Day 1 Mandatories

Mobilizing the IMO Process

Tools & Templates



Workplan Development

Phasing & Prioritization

Communications Planning

Unique Scenarios



Building an Internal Competency

Process Optimization

Playbooks

IMO Training

Who Should Attend and Why

Senior Executives and Business Unit Leadership Teams

- + Understand level of effort required and resourcing needs
- + Formalize and solidify planning direction
- + Reinforce benefits of consistency (especially for serial acquirers)

Functional Leaders and IMO Team Leads

- + Understand critical integration challenges and specific deliverables for their areas
- + Appreciation for their function's role in achieving integration objectives
- + Recognition of work required in other workstreams in addition to their own

Corporate Development Executives

- + Understating of pre-planning requirements for integration teams
- + Understanding of key process linkage between Corp Dev and integration teams
- + Better understanding of due diligence information that is needed to help integration teams with pre-planning

Other

- + M&A Practitioners and External Service Providers

Leveraging Training Output

Materials and output from training sessions can be leveraged to help expand knowledge and skill sets for acquiring companies

Planning Topics & Materials

Use topics to structure planning sessions for specific pending transactions

Tool/Template Examples

Create customized toolset for your company's requirements

Case Study Output

Good reading for teams to understand basic integration challenges and concepts

Communication Templates

Repurpose to ensure all key stakeholder groups are included in your planning and that key message points are addressed

Execution Topics

Use to construct specific timetables for pending integration activity

All Content

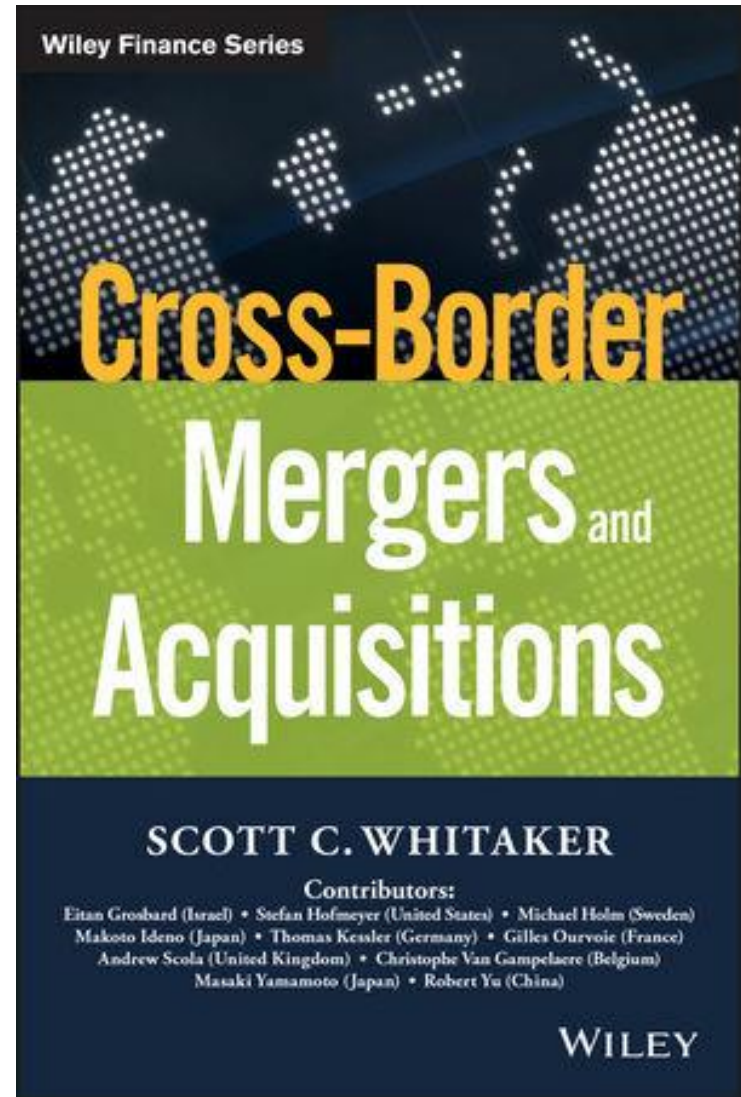
Use to inform development of a more comprehensive "playbook" solution tailored for your company

Q & A

- + Please submit questions in the chat box
- + Additional questions can be submitted directly to Scott Whitaker at scott.whitaker@gpmip.com
- + For additional information about GPMIP services please visit www.gpmip.com
- + Video of webinar and presentation will be posted on gpmip.com
- + All will receive link to webinar via email

Book: Cross-Border Mergers and Acquisitions

- + Available now on Amazon
- + Practical guide to execute M&A in today's diverse global economy
- + Scott Whitaker brings together ten leading experts to examine topics such as cross-border strategy, deal planning, culture and leadership alignment, integration planning and execution among other topics
- + Learn more and order today at gpmip.com/cross-border-ma-book



Upcoming Events

Online Mastermind: M&A Integration for Executives

- + Begins Thursday, July 28
- + 8 week video based training course on how to execute integration projects combined with Q&A implementation calls
- + Email ops@gpmip.com for more information

2 Day Training: M&A Integration Planning for Executives

- + October 24-25, 2016 – San Francisco
- + Course and workshop designed for management teams leading transition from deal execution to operationalization
- + For more information, go to gpmip.com/m-a-essentials