Access, user, 101, 259, 293–296, 472
Accountability, 195, 456, 478
Accounting, 51–53, 340, 383–385
Active directory migration, 94, 97, 99, 488
Active program management, 419, 424–428
Active validation, transition services agreements, 240–241
Ad hoc tools, due diligence investigations, 74
Administration role, CIOs, 307, 309
Adopt and go decision making criteria, 43
Alignment, with business objectives, 35–45
best practices, 467–468
blueprints and, 38–43
CFOs role in achieving, 329
critical success factors, 45
decision making and, 43
in due diligence, 44
elements of, 150–151
of enterprise IM strategy with M&A strategy, 420–423
integration models and, 29–30, 36–37
introduction, 35–36
IT strategy and, 146
lack of as deal failure risk, 454
Announcement day, 349, 366
Applications
administration of, 64
cloud suitability, 161
Day 1 migration solution options, 94
divestitures, 188–193
drivers for streamlining footprint, 175, 176
due diligence investigations, 72, 74, 75, 89
emerging trends, 193–194
IT's role in direction for, 121
lessons learned, 488
long-term planning, 382–383
rationalization, 175–188, 194–197
support strategy, 64
synergy opportunities, 138
synergy planning and road map process, 127
transition from current state to target state approach, 179
transition plans, 100, 101
See also Business processes
Applications rationalization, 175–188
best practices, 194–197, 198
cost synergies through, 178–182
drivers contributing to, 175, 176
elements of, 178
financials consolidation, 187
four Cs of, 177
function of, 175
objectives of, 178
operational synergies through, 182–188
Architecture diagrams, 108, 109–110
Architecture plans, 62–63. See also Enterprise architecture, "M&A-aware"
Archiving, data, 168–169
As-is access, 101
Assessments
data quality, 170–171
employee performance, 60, 360–361
risk, 286, 291–292
Assets
CFO’s role in protecting, 337–342
identification of, 169
migration, 487
utilization metrics, 124
Audits, regulatory requirements, 290–291
Authoritarian leadership style, 32
Automated contract review, 209–210
Backup recovery testing, 442, 448
Balance sheets, 255
Banks, 218–219
Benchmarks, 81, 124
Benefits, employee, 58, 126–128
Best-of-breed approach, 62
Best practices, 464–479
applications rationalization, 194–197, 198
for deal execution, 477–478
organizational implications, 475–477
prior to deal, 464–467
security and privacy implications, 472–473
strategy, approach, and governance, 467–472
synergies, 473
third-party contracts, 473–475
See also Critical success factors (CSFs)
Bias, in synergies analysis, 111
Blueprints
alignment of IT with business objectives, 38–43, 150
applications portfolio, 183–187, 196
best practices, 468–469
critical success factors, 42
definition of, 38
design execution, 16–18
infrastructure, 91–93
IT’s role in functional blueprint preparation, 39–43
phases of, 10
role of, 10, 38–39
sample of, 13
transition services agreements, 227
Bottom-up synergy commitments, 13
Brainstorming, 112
Budgeting, 53, 89, 148, 455
 Bundling of transition services, 242, 247
Business-aligned integration models, 36–38
Business case, for long-term business process integration, 380–381, 389
Business continuity, temporary, 295
Business intelligence (BI) systems, 57
Business intent, 207–208, 222
Business objectives, integration approach and, 29–30. See also Alignment, with business objectives
Business processes, 373–389
 building business case for, 380–381, 389
 building phase, 385–386
 business requirement details, 381
 Day 1 integration requirements, 376–380, 389
 deployment, 387
design phase, 381–385
diagrams, 106, 107
due diligence and, 72–74, 89
flow diagrams, 106, 107
long-term integration requirements, 380–388, 389
long-term support, 387–388
pre-Day 1 planning road map, 373–376, 388–389
testing, 433
See also Applications
Capability maturity models (CMMs), 310, 311
Carve out and hand off (COHO) teams, 228
Carve-outs
divestitures, 143–144
due diligence, 71, 78, 87
process, 143
time constraints, 265
See also Divestitures
Case studies
  data domain prioritization, 429–430
difficult situations, 490–491
divestitures at multinational bank, 218–219
  incomplete due diligence, 490
integration planning, 490
merger between two energy companies, 219–221
Cash management, 54
Catalyst, CFO as, 323, 329–332, 342
Centralized organization structure, 356
CEOs (chief executive officers), role of, 374
Certification, access, 296
CFO’s (chief financial officers), 321–344
  business process role, 374
as catalyst, 323, 329–332, 342
  collaboration with CIOs, 343
  cross-functional collaboration, 321–323
Four Faces Framework, 323–324
  as operator, 332–338, 341–343
  as steward, 338–342
  as strategist, 323, 324–329, 342
Change management, 277, 293, 297–298, 363–370
Change requests, 397, 473
Charge-backs, 269
Chart of accounts (COA), 340–341
Checklists, 128, 130
CIOs (chief information officers), 305–320
  alignment, of business and IT strategy, 146
  business process role, 374
  challenge of multiple roles, 305–307
  collaboration with CIOs, 343
  external role, 314–317
  internal role, 307–313
  involvement of, 22
  lessons learned, 317–319
  models of, 306
Clean rooms, 168, 331
Clean teams, 7–8, 331
CLM (contract lifecycle management) system, 55
Clone, vitiate, and go separation model, 12, 101
Clone and go separation model, 12, 101, 143
Closure, financial, 339, 343, 375
Cloud computing, 157–165
  benefits, 158, 159
  critical success factors, 164–165
  emerging trends, 193–194
  integration opportunities, 158–159
  migration timing, 160–162
  by operating model, 159–160
  provider evaluation, 163–164
  strategy for, 162–163
  suitability for, 160, 161
  types of systems, 157–158
CMD (customer master data), 57
CMMs (capability maturity models), 310, 311
COHO (carve out and hand off) teams, 228
Collaboration, 321–323, 343, 399–401, 427
Combination integration model
  alignment of IT with business objectives, 37
  critical success factors, 31
  definition of, 29
  execution priorities, 30
  features of, 11, 142
  leadership style, 32
  M&A failure causes, 31
Commercial applications, 74. See also Applications
Communication
  by CFO, 335
  challenges, 350
  for change management, 363
  control over, 402–403
  Day 1 priorities, 254, 261–262, 351
  deal failure themes, 454–455
  with employees, 346–352, 475–476
Communication (Continued)
of employee transition plans, 366–367
information management office’s role, 395, 402–403
between IT and business leaders, 466
with IT leadership, 111, 363–366
M&A critical success factor, 456–457
by merger stage, 348–351
plan for, 346–352
procurement division, 211, 214–215
for rumor control, 346
with suppliers, 210–211, 223, 474–475
of synergy road map, 128
Communications systems, 64–65
Compensation, 58, 377–378
Competitive advantage, 292
Compliance, 102, 277–278, 294
Confidentiality. See Privacy and confidentiality
Configuration testing, 440, 446
Consolidation integration model
alignment of IT with business objectives, 37
cloud solution considerations, 160
critical success factors, 31, 142
definition of, 28
execution priorities, 30
features of, 11
leadership styles, 32
for M&A-aware enterprise architecture, 142–143
M&A failure causes, 31
Consultants, 112, 149, 150
Continuous improvement, 388
Contract lifecycle management (CLM) system, 55
Contracts. See Third-party contracts
COO, role of, 374
Copy, configure, and load separation model, 12
Cost(s)
baseline for, 13
due diligence valuations, 7, 87
estimates of, 28
lessons learned, 480–482
M&A IT, 3
planning for unexpected, 465
reduction opportunities, 25, 178–182
stranded, 206, 249–250, 279–280
synergy opportunities, 119–120, 331
third-party contracts, 205–206
transition services agreements, 267–269
Cost benefit analysis, 119–120
Cost escalation technique, 233
Cost management
cloud computing benefits, 159
as critical success factor, 460
third-party contracts, 205–206, 212–215
Cost plus technique, 233
Cost reduction, 25, 178–182
Cost-saving integration model, 141–142, 160
Critical success factors (CSFs), 459–461
alignment with business objectives, 45
blueprints, 42
cloud computing, 164–165
cost management, 460
due diligence, 28, 33
early IT involvement, 459
information management, 419–438
by integration model, 31
IT readiness, 460
risk management, 460
road maps, 460
stakeholder engagement, 461
talent retention, 461
top 10, 455–457
See also Best practices
CRM (customer relationship management), 47, 56–57, 66
Cross-deal program structure, 468, 480
Cross-fertilization, 23, 25
CSFs. See Critical success factors (CSFs)
Culture, organizational, 30–32, 131–133, 367–369
Current-state systems architecture diagram, 108, 109
Custom-developed applications, 74. See also Applications
Customer master data (CMD), 57
Customer relationship management (CRM), 47, 56–57, 66
Dashboards, 19
Data
  archiving of, 168–169
  assets, identification of, 169
  due diligence preparation, 72
  ownership, 167–168, 170
  protection, 168, 294, 299–300
  segregation, 254, 260–261
  supplier, 187–188
Data architecture diagrams, 106
Databases, 62–63
Data centers, 76, 95, 138
Data cleansing, 172, 255–256
Data coexistence, 418
Data consolidation, 417
Data dictionaries, 170
Data domain prioritization strategy, 429–430
Data extraction, 188, 210
Data factory framework, 430
Data governance, 167–168, 435–437
Data integration planning, 417, 431–432
Data management, 167–173
  archiving, 168–169
  controls, 472
  customer data, 172–173
  data protection, 168
  governance and organizational issues, 167–168
  importance of, 167
  lessons learned, 487
  master data management, 57, 319
  road map for, 169–172
  testing, 433
  See also Information management (IM)
Data mapping, 171, 195
Data migration, 141, 142, 280–281
Data quality, 170–171, 418
Data readiness, 418
Data relationship model (DRM), 187
Data requests, 82–83
Data requirements definition, 171
Data room reviews, 83–84
Data sheets, synergy capture, 132
Day 0 (announcement day), 6, 349, 366
Day 1, 253–263
  blue printing and, 10, 13
  business process changes and integration, 376–380
  communication, 254, 261–262, 351
  data segregation, 254, 260–261
  defined, 112
  e-mail, 254, 261–262
  financial separation, 253–256
  human resource separation, 254, 256–257
  infrastructure planning, 93–99
  integration and separation execution, 17
  integration and separation planning, 9
  in M&A lifecycle, 5, 6
  network connectivity, 254, 258–259
  priorities, 113, 253–263
  rebranding strategy, 254, 257–258
  risk management, 301
  scope of, 454
  synergy planning and road map process, 127
  third-party contracts, 216–217
  transition services agreements and, 15, 20, 254, 259–261
Day 1 Complete, 216–217
Day 1 Ready, 216
Day 2
communication, 351
defined, 113
synergy planning and road map process, 127, 152
Deal closed. See Day 1
Decentralized organization structure, 356
Decision making, 43, 401–402, 456
Defect management tools, 443
Demand planning, 56
Demand-to-results management, 316
Dependencies, determination of, 477–478
Deployment, of business process, 387
Disaster recovery, 442–443, 448
Distribution, 56
Divestitures
applications management, 188–193
challenges of, 265
costs of, 5
data archiving, 169
data requirements definition, 171
data solutions implementation, 172
due diligence, 152–153
enterprise architecture frameworks and, 143–144
infrastructure issues, 91
IT integration issues, 61
risks of, 285
Sarbanes-Oxley requirements, 288
separation planning, 153–154
synergy opportunities, 138
third-party contracts, 200, 218–219
See also Transition services agreements (TSAs)
Documentation, 197, 230–231, 401
Dress rehearsals, 443
DRM (data relationship model), 187
Due diligence
alignment of IT with business objectives, 44
areas of investigation, 72–76
benchmarks, 81
best practices, 469–471
case studies, 490–491
CFO’s role, 326–327
CIO’s role, 314
complexity of, 70–72
confidentiality issues, 83, 85
cost, 7, 87
critical success factors, 28, 33
deal context, 80–81
definition of, 24
divestitures, 152–153
expectations for, 81
final report, 86–87
hidden information sources, 470
importance of, 6, 27–28, 88
objectives of, 6–8, 70, 149–150
other IT assessments vs., 69
planning considerations, 79–81
post-transaction activities and, 88, 89–90
preparation for, 79
process, 82–86
proprietary or product technology-driven, 76–77
scope of, 469
for strategic vs. financial buyers, 78–79
team member selection, 80
transaction type impact, 77–78
unpredictability of, 79
DuPont Model, 113, 124
Early IT involvement, 459, 465–466
EBAM (electronic bank account management), 54
Economies of scale, 23, 25
E-discovery, 210
Efficiency metrics, 125
Electronic bank account management (eBAM), 54
E-mail
Day 1 migration solution options, 94, 97, 98
Day 1 priorities, 254, 261–262
impact of changes on, 47, 66
integration issues, 65
Employees
access to technology, 319
assessments, 60, 360–361
benefits, 58, 256–257, 377–378
communication with, 346–352, 475–476
compensation, 58, 377–378
morale, 311–312
recruitment, 59
retention, 59–60, 121, 300–301, 362–363, 461, 476, 482
selection, 361–362
training, 280
transition plans, 366–368, 476–477
End state, 10, 92–93, 196
End-to-end scenarios, 444–445
Energy companies, 219–221
Enterprise architecture, "M&A-aware,"
137–144
divestitures and, 143–144
for integration support, 146–147
models, 139–143
synergy sources, 137–138
Enterprise blueprints, 38–39
Enterprise resource planning (ERP) system
applications rationalization, 197
consolidation issues, 318–319
finance department's role in decision making, 323, 326
financial consolidation in, 51–52
impact of changes on, 47, 66
manufacturing and supply chain, 55
operations, 55
Enterprise Value Map (EVM), 113–115, 116
Entity relationship diagrams, 106
ERP, See Enterprise resource planning (ERP) system
Errors, 293, 380, 387
EVM (Enterprise Value Map), 113–115, 116
Exception management, 298
Exit management, 20
Exit planning, transition services agreements, 247–249, 272–273, 277, 278–281
Experience, M&A critical success factor, 455
External role, CIOs, 314–317
Extract and go separation model, 12, 101
Facilities, transition schedule, 100–102
Failure of deals, 451–457
causes of, 452
common patterns, 453–455
critical success factors, 455–457
risk factors, 452–453
statistics, 451
Finance department
integration issues, 49, 51–54
integration or divestiture priorities, 332–333
integration teams, 334
performance metrics, 125
Financial buyers, 78–79, 225
Financial closure, 339, 343, 375
Financial planning and analysis (FP&A), 53
Financial policies and procedures, 52
Financials
consolidation of, 51–52, 53, 187, 340–342
Day 1 priorities, 253–256, 376–377
due diligence, 327
statutory requirements, 53
Financial services industry, 289
Financial systems, selection and integration of, 375–380
Firewalls, 93
Focus, M&A critical success factor, 456
Forecasting, 53
Forward transition services agreements, 265–266, 267
Four Faces Framework, 323–324
Full integration, 48
Functional areas, integration components, 47–66
alignment with overall integration strategy, 48–49, 66
coordination of, 66
finance, 49, 51–54
<table>
<thead>
<tr>
<th>Index</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional areas, integration components (Continued)</td>
<td>Hart-Scott-Rodino Antitrust Improvements (HSR) Act, 398</td>
</tr>
<tr>
<td>governance, 50–51</td>
<td>HCM (human capital management), 47, 66</td>
</tr>
<tr>
<td>human resources, 57–60</td>
<td>Health care industry, 289, 436–437</td>
</tr>
<tr>
<td>introduction, 47–48</td>
<td>Health insurance, 58</td>
</tr>
<tr>
<td>IT, 60–65</td>
<td>Holding companies, integration strategy, 48</td>
</tr>
<tr>
<td>operations, 54–57</td>
<td>Human capital management (HCM), 47, 66</td>
</tr>
<tr>
<td>timing matrix, 49–50</td>
<td>Human error, 293</td>
</tr>
<tr>
<td>Functional blueprints, 39–43, 183–187</td>
<td>Human resources (HR)</td>
</tr>
<tr>
<td>Functional redundancy, 106</td>
<td>Day 1 priorities, 254, 256–257</td>
</tr>
<tr>
<td>Functional unit testing, 440, 446</td>
<td>integration issues, 57–60</td>
</tr>
<tr>
<td>Funding, streamlining of IT, 148</td>
<td>performance metrics, 125</td>
</tr>
<tr>
<td>Future, planning for, 437–438, 465</td>
<td>priorities, 345–346</td>
</tr>
<tr>
<td>Future-systems architecture diagram, 108, 110</td>
<td>risk management, 301</td>
</tr>
<tr>
<td>General ledger, 255, 376, 377</td>
<td>See also Employees; People management</td>
</tr>
<tr>
<td>Geographic coverage changes, 315</td>
<td>Hybrid organization structure, 356–357</td>
</tr>
<tr>
<td>Give and go separation model, 12, 101</td>
<td>Hybrid separation model, 12</td>
</tr>
<tr>
<td>Globalization, 399</td>
<td>IaaS (infrastructure as a service), 137–158, 163</td>
</tr>
<tr>
<td>Governance, 405–415</td>
<td>ICFR (internal control over financial reporting), 288–289</td>
</tr>
<tr>
<td>best practices, 467–472</td>
<td>IMOs. See Integration management offices (IMOs)</td>
</tr>
<tr>
<td>CFO’s role, 334, 342–343</td>
<td>Information gaps, third-party contracts, 209</td>
</tr>
<tr>
<td>CIO’s role, 314–315</td>
<td>Information management (IM), 417–438</td>
</tr>
<tr>
<td>collaborative project management tools, 401</td>
<td>active program management, 419, 424–428</td>
</tr>
<tr>
<td>example of, 18, 407</td>
<td>challenges and opportunities, 417–419</td>
</tr>
<tr>
<td>four pillars of, 314–315</td>
<td>critical success factors, 419–438</td>
</tr>
<tr>
<td>importance of, 50</td>
<td>data domain prioritization strategy, 429–430</td>
</tr>
<tr>
<td>information management office’s role, 395</td>
<td>data governance implementation, 435–437</td>
</tr>
<tr>
<td>plan execution, 413–415</td>
<td>data integration plans and control, 431–432</td>
</tr>
<tr>
<td>program management office establishment, 408–413</td>
<td></td>
</tr>
</tbody>
</table>
Index

for future M&A deals, 437–438
integrated testing, 432–434
M&A data factory framework, 430
reporting strategy, 434–435
road map for, 423–424, 425, 426
See also Data management
Information rationalization, 418
Information technology (IT)
communication plans, 346–352
complexity of, 35
contract management, 216
dependency areas, 42
functional blueprint preparation, 39–43
governance structure, 18
job families, 358, 359
M&A impact on, 47
managers, 365–366
M&A objectives, 35
M&A role, 4–6, 45
organization structure, 313, 352–358
performance metrics, 125
sources of “hidden” information, 83–84
staff, 7, 111
supervisors, 365–366
synergy capture team role, 120–122
synergy metric establishment, 127
synergy planning, 127–128
See also specific index headings
Information Technology Infrastructure Library (ITIL), 307, 308
Information technology (IT) leadership
communication, 111, 363–366
due diligence assignment, 466
identification of, 373–374
IT system selection influence, 374
readiness for M&A deals, 148
summit or working session for, 363–364
synergies identification analysis, 111
synergy capture team membership, 122
understanding risks, 284–293
Infrastructure
blueprinting, 91–93
components of, 91, 92
dependencies, 100–102
diagrams, 106
due diligence investigations, 72, 74, 76, 90
IT’s role in decision making, 122
management, 76
planning, 62–63, 93–99
prioritization vs. deferral to transitional period, 93, 94–95
Infrastructure as a service (IaaS), 157–158, 163
Inspirational leadership, 32
Instance management, 63
Integrated testing, 432–434
Integration
business processes, 376–388
cloud opportunities, 158–159
costs of, 5
critical success factors, 32, 33
customer data, 172–173
data management tools, 171–172
definition of, 24
framework, 19
importance of, 32–33
inadequate, 24–26
management issues, 30–32
models, 11, 28–30, 36–38, 139–143
monitoring process, 369–370
priorities, 16–20, 30
risks of, 284–285
road maps for, 126–128, 129
synergies from, 23
testing, 441, 446–448
timing, 30
See also Functional areas, integration components
Integration management offices (IMOs), 393–404
best practices for deal management, 399–403
challenges, 398–399
key activities, 395–397
roles and responsibilities, 393–395
Integration models
alignment of IT with business objectives, 29–30, 36–38
changing over time, 38
choosing, 139
features of, 11, 28–29
for M&A-aware enterprise architecture, 139–143
review of, 139
use of multiple models, 36

Integration planning
case studies, 490
complexity of, 27
components of, 151
critical success factors, 30, 33
definition of, 24
by functional area, 49–50
importance of, 32–33
inadequate, 24–26
objectives of, 150–151
priorities, 8–15
timing matrix, 49

Integration strategy
critical success factors, 27, 33
definition of, 24
development of, 150
telecommunication architecture design, 146–147
governance structure and, 50
types of, 48–49
Intellectual property protection and exposure, 197
Interactive voice response (IVR), 65

Internal control
due diligence investigations, 73, 89
key practices, 293–301
understanding current state of, 283–293

Internal control over financial reporting (ICFR), 288–289

Internal role, CIOs, 307–313
Intervention, manual, 108
Interviews, due diligence process, 84–86
Invoicing, 242–244, 277

Issue escalation, transition services agreements, 236, 239
IT. See Information technology (IT)
ITIL (Information Technology Infrastructure Library), 307, 308
IVR (interactive voice response), 65

Job families, 358, 359
Joint ventures, 71, 78, 87

Key performance indicators (KPIs)
establishment for each value driver, 134–135
integration program performance, 427
synergy opportunities, 117, 119, 124
system stability measurement, 387
Kickoff meetings, 411–413

Launches. See Day 1
Laws and legislation, 288, 398–399
Leadership, 32, 60, 456. See also
Information technology (IT)
leadership
Leaks of information, 291–292, 350, 399
Legal department, 216, 327
Lessons learned, summary of, 480–489
Letter of intent (LOI), 5
Leverage, M&A critical success factor, 456
Licenses, 102. See also Third-party contracts
LOI (letter of intent), 5

Mainframes, 95
Managers, 30–32, 60, 365–366
Manufacturing, 55–56
Mapping, 171, 195, 267
Marketing and sales, 56–57, 257–258, 378
Market share, 25
Master data management (MDM), 57, 319
Master services agreements (MSAs), 205, 215, 269
MDM (master data management), 57, 319
Media, leaks to, 291–292, 350, 399
Meetings
due diligence interviews, 84–86
kickoff, 411–413
status, 409–411
Mergers and acquisitions (M&A)
cost of, 3
of equally sized organizations, 318
failure to create shareholder value, 23
four pillars of, 24, 33
introduction, 3–4
IT impact, 47
IT’s role in, 4–6, 45
lifecycle, 5–6, 20–22, 421
motivations for, 27, 29–30, 35
See also specific index headings
Messaging services, 94, 97, 98
Metrics
applications rationalization, 195, 196–197
performance, 331
for progress against plan, 414
for synergy tracking, 124–126, 134–135
system stability, 387
Middleware technology, 319
Migration costs, 233
Minimal integration, 48
Minimum fee technique, 233
Mock cut-over testing, 443, 447
Momentum, CFO’s role in maintaining, 337–338
Monitoring, 300, 369–370
Morale, 311–312
MSAs (master services agreements), 205, 215, 269
Negative tests, 440
Negotiation, 471–472
Networks and networking
capacity, 63
Day 1 migration solution options, 93, 94, 96
Day 1 priorities, 254, 258–259
due diligence investigations, 76
integration process, 63
lessons learned, 485–486
synergy opportunities, 138
New builds, application access, 101
New market creation and entry, 25
Offshore outsourcing, 356
Operational role, CIOs, 307, 310
Operations
costs, 206
defined, 54–55
due diligence, 73, 326–327
integration issues, 23, 25, 54–57
IT integration benefits, 25
synergies, 23, 182–188
Operator, CFO as, 332–338, 342–343
Organizational culture, 30–32, 131–133, 367–369
Organization structure, 147–148, 352–358, 393–394, 483
Output tracking, 210
Outsourcing, 143, 148, 317, 356
Overcontrolled processing, 108
Overhead, shared, 23, 25
PaaS (platform as a service), 157–158, 159
Parallel testing, 441
Partial integration, 48
Payment processing, 378–379
Payroll, 52, 58, 256–257
People
deal failure themes, 455
due diligence area, 72–74
risks associated with, 452–453
See also Employees
People management, 345–371
change management, 363–370
communication plans, 346–352
organization structure design, 352–358
priorities, overview of, 345–346
talent assessment and selection, 358–363
See also Human resources (HR)
Performance and stress testing, 442, 447
Performance management, 244–247, 276, 312
Performance measurement tools, 443
Performance metrics, 125, 331
Phased approach, 334–335, 336
Plan to make (PTM), 56
Platform as a service (PaaS), 157–158, 159
Playbooks, 195
PMI (post-merger integration) steering committee, 50
PMOs. See Program management offices (PMOs)
Portals, 65, 257
Portfolio integration model, 140, 160
Positive tests, 440
Post-merger integration (PMI) steering committee, 50
Preannouncement, communication during, 348–349
Preservation integration model alignment of IT with business objectives, 37
critical success factors, 31
definition of, 29
execution priorities, 30
features of, 11
leadership style, 32
M&A failure causes, 31
Pricing, of transition services, 231–235
Prioritization mechanism, third-party contracts, 209
Privacy and confidentiality best practices, 472–473
data protection requirements, 168
due diligence process and, 83, 85
lessons learned, 483–485
Private clouds, 157
Private equity firms, 14, 193–194
Process controls testing, 440
Processes. See Business processes
Procurement business intent as driver of, 207
communication, 211, 214–215
contract management, 216
contract ownership, 204
integration, 378–379
involvement in transaction, 213
volume goals, 209
Procure to pay (PTP), 55
Production planning and optimization, 56
Product technology-drive due diligence, 76–77
Program management offices (PMOs) applications rationalization, 194
communication plans, 111
establishment, 16, 408–413, 427–428, 477–478
integration and separation execution role, 20–22
kickoff meetings, 411–413
lessons learned, 480
project direction and control, 409
project plans, 411, 413–415
reporting, 414
status meetings, 409–411
third-party contracts, 215–217
Project management tools, 400–401
Project risks, 453
Proprietary due diligence, 76–77
PTM (plan to make), 56
Public clouds, 157
Quality, data, 170–171, 418
Quality reporting, 434–435
RACI (responsible, accountable, consulted, and informed) matrix, 402
Rationalization, 64, 175–188, 418
Readiness facilitation, 460
factors, 147–148
metrics, 125
transition services agreements, 236, 240–241
Real estate, transition schedule, 100–102
Rebranding strategy, 254, 257–258
Recruitment, employee, 59
Regression testing, 442
Regulatory issues
  CIO’s understanding of, 315
  data segregation, 261
  Sarbanes-Oxley requirements, 288–289
  transition plans, 102
  understanding, 287–291
Relationship management, transition services agreements, 276
Remediation, 286–287
Repetitive cycles, 108
Reports and reporting
due diligence, 86–87
errors, 380
  information management, 434–435
  program management office, 414–415
  regulatory requirements, 53, 290–291
  of synergy achievements, 128–131
See also Financials
Requirement management tools, 443
Requirements traceability matrix, 446
Research, initial on target company, 82, 466–467
Restricted access, 101
Restructuring, 352–358
Retention, of employees, 59–60, 121, 300–301, 362–363, 461, 476, 482
Retention of documents, 197
Return on equity (ROE), 113
Return on investment (ROI), 142, 319, 418
Revenue capture integration model, 140–141, 144, 160
Revenue recognition, 378
Reverse transition services agreements, 266, 267
Right to use (RTU) clauses, 102
Risk
  identification of (See Due diligence)
synergy opportunities, 119–120
  third-party contracts, 202, 204–205, 206–212
  understanding current state of, 283–293
  Risk assessments, 286, 291–292
  Risk governance, 285–286
  Risk management
    collaborative project management tools, 400–401
    as critical success factor, 460
    IT areas, 285
    key practices, 293–301
    third-party contracts, 206–212
    transition services agreements, 277–278
  Risk response phase, 286–287
Road maps
  applications, 196
  business processes, 373–376, 388–389
  critical success factors, 460
  data management, 169–172
  integration, 126–128, 129
  ROE (return on equity), 113
  ROI (return on investment), 142, 319, 418
  RTU (right to use) clauses, 102
Rumors, 346
SaaS (software as a service), 157–158, 159, 163, 193–194
Sales and marketing, 56–57, 257–258, 378
Sarbanes-Oxley Act (SOx), 288
Scope of M&A transaction, 453–454
Security
  best practices, 472–473
  data management issues, 168
  Day 1 solution options, 95
  HR role, 59
  key practices, 293–301
  lessons learned, 483–485
  migration planning, 93
  testing, 440
  transition plans, 102
Security (Continued)
understanding current state of, 283–293
See also Privacy and confidentiality
Self-validation, transition services agreements, 240, 241
Senior executives, due diligence role, 7
Separation
execution priorities, 16–20
models of, 10, 12
objectives of, 154
planning, 8–15, 153–154
Servers, 63, 76, 138, 488
Service-level agreements (SLAs), 244–245, 246
Service levels, CIO’s role in maintaining, 312
Service Organization Controls (SOC) No. 1, 288
Shareholder value, 112, 113–115
Sherman Antitrust Act, 398
SLAs (service-level agreements), 244–245, 246
SMAs (subject matter advisers), 80
Software, 52, 102, 138. See also Third-party contracts
Software as a service (SaaS), 157–158, 159, 163, 193–194
SOW (statement of work), 277
Spending, as due diligence area, 72–74
Spreadsheets, financial consolidation in, 32
AE (Statement on Standards for Attestation Engagements) No.D 16, 288
Stakeholder support and participation, 121, 300–301, 461
Standards, 121–122, 178, 380
Statement of work (SOW), 277
Statement on Standards for Attestation Engagements (SSAE) No. 16, 288
Status meetings, 409–411
Status report template, 396
Statutory reporting and compliance, 53
Steering committees, 215, 393–394
Steward, CFO as, 338–342
Stranded costs, 206, 249–250, 279–280
Strategic buyers, 78–79, 225
Strategy, 145–155
alignment with business goals, 146
building capabilities to support and execute M&A deals, 149
CFO’s role, 324–329, 342
components, overview, 145
divestiture approach, 152–154
enterprise architecture design to support integration, 146–147
funding process, 148
governance process, 148
integration approach, 149–152
readiness for M&A deals, 147–148
See also Integration strategy
String testing, 440–441, 446
Structural risk, 452
Subject matter advisers (SMAs), 80
Success factors. See Critical success factors (CSFs)
Succession planning, 60
Supplier data, 187–188
Suppliers
analysis of, 214
communication with, 210–211, 223, 474–475
knowledge of, 208–209, 222, 474
prioritization mechanism, 209
See also Third-party contracts
Supply chain, integration issues, 55–56
Support, for new business processes, 387–388
SWIFT connectivity, 54
Synergies
applications rationalization, 196–197
benefits of, 24, 25
best practices, 473
CFO’s role in development and tracking of, 329–332
cost benefit analysis, 119–120
definition of, 13, 24
definition of, 49, 105–118
opportunity templates, 118
overly aggressive targets and deal failure, 454
planning, 111–120
risks of, 284, 452
road map for, 126–128, 129
sources of, 13, 137–138
valuation of, 123–126, 131–135
Synergy analysis planning, 13–14
Synergy capture
checklist, 128, 130
data sheets, 132
failure of, 24–26
IT’s role, 45, 105–111, 120–122
planning, 123–135
tracking and management, 18–19, 128–135, 332
Synergy identification
analysis of, 105–111
external assistance, 112
by functional area, 49
IT as partner in, 111–112
structured approach for, 112–115
workshops, 116–118
Synthesis of capabilities, 25
System architecture diagrams, 106
System owners, synergy capture team membership, 122
Talent. See Employees
Taxes, 53
Taxonomy, establishment of, 431
Teamwork
due diligence, 7, 80
integration planning, 151
synergy capture, 120–122, 131–133, 134
Technical security reviews and scans, 299–300
Technical unit testing, 440, 446
Telecommunications, due diligence investigations, 76
Telephony, 65
Testing, 439–448
importance of, 386
integrated program for, 432–434
preparation activities, 444–446
timing of, 446–447, 448
tools, 443
types of, 172
Text mining, 210
Third-party contracts, 199–223
best practices, 473–475
case studies, 218–221
contract lifecycle management system, 55
costs and cost management, 205–206, 212–215
Day 1 solution options, 95
due diligence investigations, 73, 89
lessons learned, 221–223, 481
management plans, 203, 215–217
during mergers vs. divestitures, 200
program management office role, 215–217
risks and risk management, 204–205, 206–212
situation of buyers vs. sellers, 200–204
suppliers’ leverage, 199–200, 202
transition plans, 102, 278
Timing matrix, by functional area, 49
Top-down synergy target setting, 13
Traceability, synergy value, 133–134
Tracking
collaborative project management tools, 400
IMO’s role, 395
output, 210
synergy capture, 18–19, 124–126, 128–135, 332
transition services agreements, 20
value, 131–135
Training, 280
Transaction costs, third-party contracts and, 202, 206
Transaction type, 77–78, 120
Transformation integration model
alignment of IT with business objectives, 37
critical success factors, 31
definition of, 29
Transformation integration model
(Continued)
execution priorities, 30
features of, 11
leadership style, 32
M&A failure causes, 31
Transition phase, 151–152, 154. See also Day 1
Transition plans, employees, 366–368, 476–477
Transition services agreements (TSAs), 225–251, 265–281
alignment of legal agreement with exhibits, 229–230
applications management, 189–191
architecture supporting, 266–267
benefits of, 267, 268
best practices, 471
components of, 229
costs, understanding and defining, 267–269
day 1 priorities, 254, 259–261
definition of, 14, 225–226, 265–266
disadvantages of, 5
documentation requirements, 230–231
drafting tips, 267–270
execution and management, 20, 21, 61, 271–273, 471
exit planning, 247–249, 272–273, 277, 278–281
functional area input, 61
governance structure, 235–247, 273–278
infrastructure, 91
lessons learned, 489
planning, 14–15, 227–228
pricing services, 231–235
resources dedicated to, 228–229
roles and responsibilities, 238
secure access to services, 259
stranded costs, 249–250
structure of, 270–271
talent identification and selection, 358–360
timeline, 15, 266
types of, 265–267
use of, 465
Transition services coordinators, 271
Treasuries, integration issues, 54
TSAs. See Transition services agreements (TSAs)
Unionization, 317, 377–378
Unit testing, 386, 439–440, 444
Upgrades, 383
User acceptance testing (UAT), 441, 448
User access, 101, 259, 293–296, 472
Value and valuation
Enterprise Value Map, 113–115, 116
of synergies, 123–126, 131–135
tracking, 131–135
Vendor clouds, 157–158
Vendor management
Day 1 solution options, 95
due diligence investigations, 73, 89
lessons learned, 481
Vendor sourcing, 122
Virtual desktop infrastructure (VDI)
solution, 295
Vision, 317
Volume goal, 209
Volume testing, 442
Warehousing, 56
Websites, 65, 257
What-if-analysis, 112
Workforce services, 319
Work plans, 128
Workshops, 40, 116–118, 128
Workstations, 76
Workstream, 134
XML format, 54