



Vaco Success Story

Challenge

A client was going through their first major acquisition in over a decade. This deal was not only a test of the business' readiness to begin acquiring companies, but also a major expansion into a new market, which would significantly change the product offering in the long run. This project was the first step on a long journey and it had to be done right.

Solution

Vaco's M&A capability prides itself on the value it creates for clients. Where roughly 70% of deals fail to meet expected results, Vaco delivers a different type of experience. A deal is part of a larger transformation initiative and it is planned in connection with other projects and programs that together are meant to take the company to a desired future state. This gives a M&A project a specific purpose that is not only clearly envisioned, but also planned. Due diligence, just like integration, when viewed in a longer timeframe, yields different views, opinions, and ultimately, different decisions.

Our client had to address three major challenges in order for the deal to be a success, both short and long term. They included a seamless transition for target company's employees in order to reduce the risk of losing key people; a mid to long term investment plan for rapid growth; and a careful onboarding of clients, minimizing disruption to normal operations that had proven to be successful over the years. All of these challenges required thoughtful change management and a light-weight integration management framework to minimize the administrative burden on all the respected parties.

Vaco approach to establishing Integration Management Office (IMO) and building detailed integration plan was exactly what the company was looking for. A simple Agile execution rhythm was introduced to the team. While it was new to most people, it was a small enough change that the team got onboard. Next, a consolidated integration plan with an integration Roadmap was built to provide full visibility into the work. It clearly showed activities, timing, ownership, dependencies, and risks. A resource plan was put together and communicated accordingly, giving people time to make themselves available. Finally, a one-page visual status update was incorporated that allowed the executive team to get a full understanding of the project in just a few seconds! The entire project management administrative function was reduced by over 50%, freeing the IMO to focus on the long-term stability of the newco.

Results

Collectively, the tools and framework that were offered exceeded client expectations and allowed for the deal to close successfully and for the target company to be effectively integrated. The entire project was well received by all stakeholders and was used as a standard to further build out the M&A capability.