

Integration Methodology

Maximizing value and reducing risk throughout a structured end-to-end integration process KPMG Integration & Separation



Different challenges need to be considered to find the right balance between maximizing value while maintaining control and protecting business as usual



Unclear vision and strategic rationale of the (integration) deal



No vision or view on the combined Target Operating Model



Poor quality of synergy assessment and targets



Underestimation of required integration time and effort



Loss of link between deal strategy and implementation



Underestimation of people and ulture related issues



Unstructured process to close the entire (integration) deal

Signing



Lack of a detailed integration planning as of Day 1

100 days

Our Integration approach will help you throughout the end-to-end integration process, structured around key modules which allows you to pick and choose

We apply a phased approach in our Integration process: 'Pre-Signing', 'Pre-Closing', 'Post-Closing' and 'Beyond Deal' connecting deal strategy with operational implementation in which each phase is structured around four key integration drivers to be addressed equally: Vision, Value, People & Culture and Control. Our offering is structured and consists of different modules which can be used either standalone or in combination with each other.

Day 1

Pre-Signing

Objectives

Confirm and document the strategic intent, value drivers, synergies to achieve

Output

Strategic rationale, integration approach, integration risks, stakeholder analysis, synergy assessment, integration blueprint

Pre-Closing

Objectives

Prepare Day 1 and plan integration, identify synergies and design operating model

Output

Planning Day 1, interim operating model, TOM blueprint, culture assessment, organization design, synergy planning, communication planning

Post-Closing (100 days)

Objectives

Take control from Day 1, confirm synergies and agree on detailed integration plan

Output

Realized quick-wins, integration governance, business planning, benefits tracking, realized mid-term synergies

Beyond the deal

Objectives

Full implementation program, realize synergies & implement key ongoing initiatives

Output

Realized long-term synergies, completed integration projects, transition into business as usual

Key integration drivers

We structure our approach along the key Integration drivers: deal vision, value, people and control which is based on solid deal understanding and deep understanding of financial deal mechanics.

Value driven

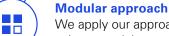
We use an approach which is output driven, pragmatic and focused on cascading strategy into practical financial and operational outcomes and plans ("it's not just a program management office").

How KPMG can assist?

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Phased approach

We apply a phased approach in our Integration process: 'Pre-Signing', 'Pre-Closing', 'Post-Closing' and 'Beyond Deal' connecting deal strategy with operational implementation.



We apply our approach as the 'first lens' to come up with the best solution for you by using a modular approach which consists of 33 modules that can be used either standalone or in combination with each other.



We identify client needs alongside our work and bring in specialists with deep subject knowledge from other service lines in each of the four phases.

What's in the box?

Key integration drivers to maximize and sustain value while reducing risk

Vision

- Clear strategic rationale for the deal
- Clear view of the target operating model (TOM)
- Clarity on the Integration approach
- Clarity on the Integration governance

Control

- Protect day to day performance
- Develop detailed Day 1 action list
- Develop a clear integration plan

Value

- Clarity on immediate value creation opportunities
- Use the Integration for wider transformation
- Detailed 'bottom up' synergy analysis
- Clear process for prioritization and delivery

People & Culture

- Clarity on the new organizational structure
- Identify cultural challenges and align leaders
- Address talent retention to protect deal value
- Clear stakeholder and communications plan

Our recent credentials

- Energy and gas distribution service operator with a turnover of 1.622 M€
- Water operator with a turnover of 450 M€
- International bank with a turnover of 7.916 M€

Contact



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