



# Global petrochemicals separation



Finance separation and Day 1 readiness to establish the finance function and implement a new SAP ERP solution

## Client challenge

The client required support to plan and implement the separation of a business unit involving c.2,500 staff over 40+ countries. It involved carving out five existing legal entities, plus the setting-up and operationalisation of over 30 new entities, including 10 manufacturing sites and c.120 business applications with a new SAP bespoke ERP solution.

The project also covered Day 1 set up of the finance, treasury and tax functions, including full IT system set up and testing, cash management processes, opening balance sheet determination, process changes, funding plan development, TSA identification and development and contract separation.

## Our approach

Our Finance in M&A team led on planning and executing the carve-out of the finance, tax and treasury functions:

- **Separation:** we led the detailed planning and execution to create a standalone finance function ahead of the transaction. This included using tools and methodologies to assure the business that Day 1 readiness would be achieved. Separation support included the set up and management of a finance PMO, developing and tracking execution plans, identification, costing and operationalisation of TSAs and funding plan development. All plans were adapted for regional perspectives and covered people transfer, recruitment and training, process and system set up, asset transfer and contract migration.
- **Business preparation:** we helped the client to prepare consistent information on historical and forecast financials and to prepare carve-out accounts for auditing.
- **System cutover:** our team included finance functional design experts to guide and support the business with the system blueprint requirements and design and deliver detailed cutover execution plans.

## Benefits for the client

The client benefitted from a successful go-live and post go-live period to separate the business, creating one of the worlds' largest speciality chemicals groups.

We delivered Day 1 readiness for all finance functions on time and with minimal disruptions to business as usual. This included implementing operationalised TSA costing, billing and true up process.

The client was also able to leverage our advanced data forensics capability to ensure data consistency across live SAP finance systems.

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