



Post Merger Integration

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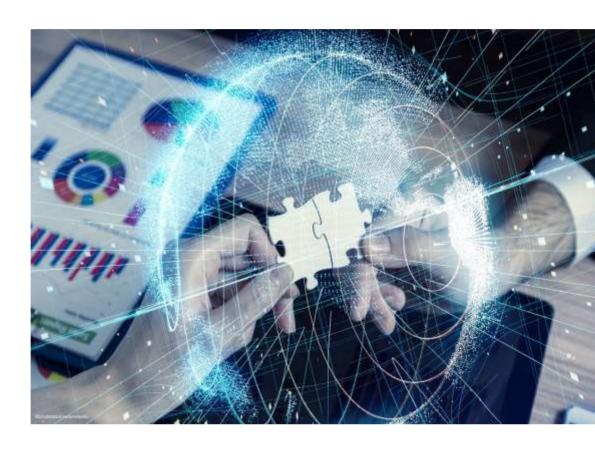
Making the corporate marriage work

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What is PMI?

The process of merging two or more businesses following a merger or purchase to form a united and coherent organization involves several organizational systems, such as assets, people, resources, tasks, and supporting information technology. PMI involves combining the original logistical-socio-technical systems of the merging organizations into one new combined system.

Merger or an Acquisition is a very crucial part of a business life cycle. The process of merging two business entities – fully or partly as chosen - after such acquisition is called 'Integration'. The integration following a merger, or an acquisition can be unorganized and often intense. There is a lot of baggage on both sides, and the parties need to adjust to one another. It requires commitment. Post-merger integration is never easy, just like with any big institutional transformation. A lot of preparation and communication is necessary on both sides and at various levels for successful integration. You require strong leadership, planning for integration, and a winning approach. However, post-merger integration is also a significant chance to chart the way for future achievement.



Our PMI Philosophy

OUR PHILOSOPHY OF EXECUTING POST MERGER INTEGRATION

1. **CHOOSE THE RIGHT APPROACH:** Three broad options exist based on capacity for managing change:

Approach A: Settle Down First - Optimize Later

Be patient, accommodate people, accept inefficiency in short term, strengthen bonds, optimize after clouds of merger have passed over

Approach B: Restructure & Reengineer, Settle Later

Treat merger caused chaos as an opportunity for change, pursue synergy realization aggressively, invest heavily seriously in change

Approach C: Strategize and Prioritize

Capture low-hanging fruit first, settling-down and harmony next, high value synergistic gains thereafter and other gains the very last

- 2. **LET MERITOCRACY REIGN:** Retain the **best of the breed** *no biases in choosing the best assets, resources, processes, arrangements, and approaches from either of the entities.*
- 3. **FOCUS ON OBJECTIVES:** Target the purpose of the acquisition / merger. PMI needs to focus on realization of synergies to ensure making 2+2 > 4.
- CONTROL DISRUPTION: The disruption to routine, however inevitable, needs
 to be minimized during the transition. Order is first law of heaven and chaos
 of hell.
- 5. **PREVENT HURTFUL ATTRITION:** Manpower is a sensitive subject and needs to be dealt with as such. Key resources should be carefully retained. Prevent loss of critical intellectual capital.
- 6. **CUSTOMER RETENTION:** Assess dynamically customer comfort, keep communication going, factor customer feedback in implementing market facing changes. No customer, no business.

PMI Process

HOW IS IT DONE

Our team follows the following steps / sequence in executing PMI work. This typical sequence is customized to the client requirement based on an initial As-Is Assessment and first round of management interviews/ interactions of both companies.

- Background Appreciation –
 Structured Interactions with
 Managements of both Companies
- Document Review and Verification

 Merger Documents, Due diligence Reports etc.
- 3. Prioritize Objectives of Merger
- 4. Develop the Integration Plan
- 5. Undertake Strategic Alignment
 - Define Vision, Mission, and Values
 - b. Define Strategic Direction
 - c. Strategize Leverage of Synergies
 - d. Develop Internal and External Communication Strategy
- 6. Design Structural Integration.
 - a. Review Organizational Structure.
 - b. Review Manpower Resource and undertake Fitment
 - c. Determine and Structure any necessary layoffs.
 - d. Revise Job Descriptions
 - e. Revise Delegation of Powers
- 7. Review Systems and Processes
 - a. Review IT Systems and Business Processes
 - b. Reengineer processes and Integrate Systems
 - c. Review Asset Utilization and Cash-out unwanted Assets
 - d. Review Contractual Documents and expand Profitable Relationships and retire less Profitable ones



Our Value Proposition

We believe in delivering value for money to our Clients. Our Value Proposition carries three distinct advantages:

Our Approach:

A flexible, customizable, and practical approach. Our readiness to help implement, going beyond pure advisory.

Our Expertise:

All ex-Big 4 experienced professionals as our Advisors.

Our Fees:

Multiple Fee models to choose and reasonable charge out rates.

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