

Post-Merger Integration

Realising the value of a deal



tieto

Effective post-merger integration to unlock the value of a deal

In the competitive telecom industry, communication service providers are looking at mergers and acquisitions as one of the business models to drive growth. The post-merger integration (PMI) process presents several challenges, right from defining strategic integration priorities, identifying synergies, addressing cultural change, to controlling business risk in the new organization. It is thus very important to complete the systems separation and integration quickly which would enable seamless delivery and satisfied customers.

Challenges and transformational value of mergers

A commonly known challenge is that of ensuring business continuity for all customers, minimizing risks and realizing the cost. Considerable thought needs to be given to understanding how the functions must be integrated quickly, and ensure the focus is on realizing synergies. It is necessary to retain key talent during and after the integration process and ensure employee focus on business and customer during the process.



Solution overview

Tieto's approach to integration is one of seamless integration and transformation and involves visioning, shaping, and transforming.

Visioning is a vital step of the integration where the combined entity vision, strategy and business model is defined. The synergies are prioritized and short term issues that put the merger success at risk are identified. A coherent integration project set-up and top-down master plan is also defined for post-merger integration.

The Shaping step involves setting up of the Integration Management Office (IMO) team which would create a clear integration

organization structure, including cross functional teams and BU/SU teams as well documenting the action to be taken. It also includes Identification of quick win opportunities, corporate cultural gap assessment, and building of a benefit case & realization plan with timelines.

Transforming stage involves implementation of all the action points (organization, synergies) defined during the shaping phase. Implementation, tracking, and monitoring the execution of the integration plan is undertaken to ensure the deal value is captured.

Tieto Offers PMI for areas like Strategy, Design & Change Management Advisory, Operations, IT/ Network Realization, and Continual service management

Key benefits

- Cycle time reduction
- Faster new product launches
- Regulatory compliance
- User interface which enables uniform and consistent user experience across channels
- Converged service fulfilment and assurance systems and processes for Service Management

Key features

- Strategy, Design & Change Management Advisory–
 - As-is value baselining, To-Be (Integration) synergies identification and roadmap development, Integration Blueprint development
 - Business process & Customer Experience harmonization & standardization for combined entity

- IT/Network Realization
 - IT Governance, IT security, Application rationalization/ERP Integration
 - Network operations center (NOC) consolidation & management
 - Application/IT and product portfolio optimization
- Operations
 - Integration Management Office (IMO) set up and support
 - A proven integration methodology, tools, templates and guides, support across all phases of the deal
 - Centralized Integration Management Office staffed by Merger Integration specialists facilitating the over-all process
- Continual Service Management
 - Functional integration assistance
 - Subject matter and process experience including Telco business operations, finance, HR, IT, and Sales
 - Service Assessment and Root Cause Analysis

Delivery Model

Tieto sets up IMO (Integration Management Office) with the Client to achieve seamless Integration. Typical major integrations are: Sales Integration, Shared Services, ERP/ Finance and accounts consolidation, People Integration, IT Integration, Vendor Management and integration.



Success Story

Customer: Leading Provider of Telecom services in Latvia

Challenge:

- Wanted to have a unified inventory system in place that could replace their current manual and lengthy network planning process.
- Challenge to plan and design accurately with lack of accurate network information.
- It further caused great difficulty in tracking the ROI and other problems like serviceability identification issue, auto resource allocation, activation failures, failure to pinpoint the location of Fault in the network and several others.

How Tieto helped:

- Tieto carried out discovery of 'as-is' situation to identify pain areas within the existing operations.
- Tieto evaluated various NI products available in the market and recommended the right COT S product solution to be integrated with C2M, L2C and T2R processes.
- Tieto took a consultative approach with an objective of consolidating inventory, re-engineering & automating business processes and ensuring accurate data.

What Customer Achieved:

- Improved forecasting, planning and designing with aid of proper view of existing inventory
- Network Element correlation to help in fault localization and resolution.

About Customer:

- A leading provider of Telecom services in Latvia.



How to get started

M&A completion

Preparation

- Define the goals and Scope of the engagement.
- Prepare the scoping document.
- Engage in the Workshop and define as is state.

Functional Due Diligence

- Complete Due Diligence with all the functions in the scope (IT/ Asset/ People/ Sales etc).
- Prepare the Target States and provide detail Due Diligence reports.

Day 1

Define To-Be Blueprint

- Prepare plans and Schedule for moving from As is to the Target State.
- Create Roadmap with Review stages and create Change management processes.
- Prepare BAU plan for the interim processes till the target stage is achieved.

Want to know more?

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Tieto aims to capture the significant opportunities of the data-driven world and turn them into lifelong value for people, business and society. We aim to be customers' first choice for business renewal by combining our software and services capabilities with a strong drive for co-innovation and ecosystems.

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