

Integration Project Flight Plan - Format

ABC Company – Acquisition of XYZ Company

An Executive Team Strategy Briefing was held on _____ to outline the post merger integration plans of the pending acquisition of the assets of XYZ Company, based in _____. This Integration Project Flight Plan, will serve as a high-level strategy platform for decision making by management for the combined entity, especially during the critical first 100 days post-closing.

Strategy Briefing Attendees

A listing of attendees by functional areas and organization represented.

Name

Area

Organization

Deal Drivers

- Identify and clarify the top 3 reasons for pursuing the deal. Below are examples.
- Create and exploit synergies
- Increase market share
- Acquire talent that is not available within the organization
- Acquire products and/or technologies
- Strengthen the core business by expanding in areas of greatest competence
- Gain footholds in other domestic or international geographic areas
- Achieve critical mass or competitive size
- Reduce competition
- Other...

Integration Objective(s)

In 1 or 2 sentences, identify clearly the primary objective of the integration project to accomplish the deal drivers. Secondary objectives may also be listed.

Levels of Integration

Establish the proposed level of integration by functional areas. Classify by percentage and which phase of integration. (Immediate-30 days, Near-Term-100 days, Long-Term-1 year)

<u>Functional Area</u>	<u>% Integration</u>	<u>Phase</u>
<ul style="list-style-type: none">• Finance and Accounting• Human Resources• Property/Facilities• Operations• Services• Data/Information Technology• Marketing• Sales• Legal• Risk/Insurance• Other...		

Risks and Constraints

Identify potential risks and categorize them by the level of impact and the probability of occurrence. Develop risk abatement strategy for the most critical.

<u>Risk Type</u>	<u>Level of Impact</u>	<u>Probability</u>
<ul style="list-style-type: none">• Regulatory Agencies• Key Employees – Existing• Key Employees - Acquired• Company Culture• Customers• Vendors and Suppliers• Banking and Lenders• Competitors• Environmental• Other...		

Cultural Integration

It is important to set clear goals, structure, and leadership from the start. The primary goal of cultural integration is to work to identify existing values and branding to determine how to take the best of both worlds and combine them. Below are examples:

- Online and in-person surveys to identify what it feels like to work at the acquired organization
- Focus groups designed to understand how to best minimize the impact of cultures
- HR should try and complete a job analysis for all key roles prior to integration
- Address any areas where there is considerable overlap as soon as possible
- Have business cards, office supplies, and a work area ready to go on their first day
- Providing each acquired employee with an employee ID for access to necessary systems and resources
- Other...

Day 1 (Deal Closing and/or Deal Announcement)

Since you only get one shot at creating a first impression, it is essential to identify and manage the numerous tasks that must be addressed across the organization to be ready for Day 1.

- Identify tasks and assign specific responsibilities
- Develop key messages to be communicated to staff, customers and key suppliers
- Identify critical talent and communications message
- Ensure that accounting/banking systems are intact to manage cash, receipts and expenses
- Establish governance and ground rules
- Establish clear decisions on branding, logos, email addresses, websites
- Prepare for business security/continuity
- Identify priority legal and compliance tasks
- Other...

Integration Team Members

Identify team members from both organizations and assign roles/responsibilities being very conscious of team members' availability due to ongoing day-to-day responsibilities and activities. Consider supplemental resources if necessary. Determine reporting and communication responsibilities. Also, establish what person or group will the integration team need information or decisions from, and to whom will the team need to provide information or decisions.

<u>Name</u>	<u>Area</u>	<u>Organization</u>	<u>Report To</u>
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Summary Milestone Target Dates and Budgets

Establish Immediate and Near-Term target dates for critical activities and events.

<u>Key Event</u>	<u>Target Date</u>	<u>Budget</u>
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