

WP Advisory

Case Study – Investment Bank Integration

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WP Advisory provides best-in-class merger integration consulting services and related solutions. We are a small team of senior executives with significant industry experience.

Summary

- A global investment bank acquired a competitor. Its businesses included securities underwriting; sales and trading; investment and merchant banking; financial advisory services; investment research; venture capital; correspondent brokerage services; online, interactive brokerage services; and asset management.
- Deal closure took place 9 weeks after the announcement with all pre-close activities completed for legal closure. A merger integration team was established to manage all the pre-close activities.
- Successful legal closure occurred on-time with a fully developed implementation road-map for post-deal closure period.

Role and Responsibilities

Role

- Merger Integration Office Lead responsible for planning and coordinating the execution of all pre-close activities, and developing the implementation roadmap for post deal close activities

Responsibilities

- Pre-close integration planning
- Creation of Merger Integration Office
- Design target organization
- Execution of discovery phase
- Define minimum requirements for deal closure
- Ensure all closing activities got done
- Manage the risks inherent in the integration transition period
- Report to senior management on status of closure
- Establish executive governance structure
- Integration project plan with key milestones
- Manage and resolve issues that could affect closure
- Establish command center for weekend transitional periods

Challenges

- There was a need to fully integrate US and international operations for a 10,000+ person organization in 33 locations, combined with a 24/7 operating model.
- The transaction timescales involved immense schedule compression and a need to implement tactical operational solutions while rapid strategic integration planning was underway.
- Due to the size of the acquisition, anti-trust hurdles needed to be overcome with Hart-Scott-Rodino anti-trust filings to the Federal Trade Commission and the Department of Justice.
- Needed to keep both businesses running prior to legal closure and manage the uncertainty that people felt from job losses resulting from overlapping functions.

Outcome

- The acquisition integration delivered on all its objectives leading to a successful legal closure.
- Implementation road-maps for post deal closure period were completed on time and all residual integration activities were implemented within 6 months and in alignment with the operational and financial cut-over windows.
- Highly complex financial and IT integrations were delivered on-time within twelve months.
- Successfully avoided any adverse impacts by the enterprise-wide integration activities.

Contact

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