

SUCCESSFUL ACQUISITION INTEGRATION ENSURES CREATION OF SECOND LARGEST BUSINESS OF ITS KIND IN APAC

SWEATED IT ASSETS CREATES INTEGRATION CHALLENGE

A common challenge for IT leaders tackling M&A is when the acquired party has 'sweated' its technology assets. This was the case for a global financial services firm making a \$170 m acquisition of a firm in Indonesia with circa 1,200 staff across 20 locations.

A different approach to security standards, combined with underinvestment in IT, had resulted in numerous challenges. This included single points of failure, IP addressing issues, inadequate security patching, and insufficient network bandwidth for end-user PC upgrades.

THE REGULATOR WAS RESISTANT TO THE IT STRATEGY

The proposed strategy to host systems and data out of country was met with resistance by the Indonesian Financial Services Authority (OJK). To add to the challenges, Covid arrived, impacting staff availability, supply chains, and freedom of movement.

IT COULD SCUPPER THE DEAL

These challenges were of such magnitude that there were real concerns IT integration might not be achievable. In turn, this could undermine the entire acquisition deal.

CREATING AN ENVIRONMENT OF SUCCESS

With over 35 years of experience delivering complex projects and programmes in financial services, PTS was engaged to help ensure IT would not be a deal breaker.

The first task was to build trust amongst all stakeholders, from the CEO down. This was achieved through rapid implementation of robust programme management and leadership disciplines. Stakeholders were identified, prioritised, and a communications plan defined. Communications spanned from the technology teams across both organisations, through to the business teams.

The next task was to build confidence that the challenges could be overcome. This was achieved by creating structure through defined workstreams and projects within an overall programme. Existing technologies were mapped and dependencies were identified. Small initial wins were targeted to build confidence.

The next area of focus for PTS was to take the lead in problem-solving as the inevitable complexities were encountered along the way.



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“IT WOULD BE VERY, VERY CHALLENGING TO DO IT WITHOUT PTS.”

The client's Head of IT Transition

SUCCESSFUL DELIVERY INCREASES APPETITE FOR FURTHER ACQUISITIONS

DELIVERING UNDER BUDGET IN CHALLENGING CIRCUMSTANCES

Despite an extension of the project by 3 months – largely due to Covid lockdowns and constraints – PTS was still able to deliver the programme US\$100,000 under budget.

From a technology standpoint, the acquired business was aligned and integrated to the technology standards of the larger acquiring organisation. This meant it could leverage a wider pool of systems, applications, and data to enhance business operations.

Successfully completing the IT integration also meant achieving further strategic aims, such as a transition of IT from a capital to an operational expenditure approach.

COMPANY-WIDE RECOGNITION FOR A JOB WELL DONE

There was significant recognition on a personal level, with several of the client's team members receiving promotions. Additionally, the project won the prestigious internal award of 'Global Project of the Year'.



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“PTS WILL ALWAYS BE THE FIRST PLACE I
GO WITH PROJECTS I NEED HELP WITH!”

The client's CIO

APPETITE FOR MORE!

Successful completion of the IT integration enabled the business to progress its wider acquisition aims. This included becoming the second largest business of its kind in APAC. A success which has cemented the organisation's desire to seek further acquisition opportunities.