

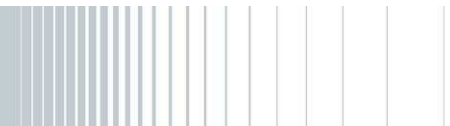
# Competitive and Business Intelligence Tools for excellent M&A-Projects



# Agenda

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1. Introduction & Definitions
2. Mergers and Acquisitions
3. M&A-Process
4. Corporate/Social Network Analysis
5. Due Dilligence
6. Postmerger Integration
7. Conclusion



# Introduction

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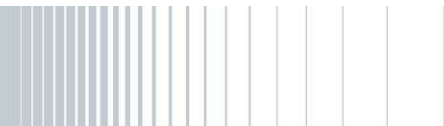
## Academic Background:

- ❖ 1995-1999: Commissioned Officer Course
- ❖ 1999-2003: Studies of Economics, Business Administration and Organizational Sciences
- ❖ 2004-2008: Doctorate Studies in Organizational Sciences
- ❖ 2009-2010 Certification Programme “Senior Project Manager IPMA Level B®”
- ❖ 2011-2013: Strategic Management Course at the University of St. Gallen



## Working Experience:

- ❖ 1995-2007: Officer in the Paratroops & Military Intelligence Branches: NATO-Manevres & ISAF-Missions
- ❖ 2007-2011: Senior Project Manager for international Avionic, ATC & Army Systemprojects: Asia
- ❖ 2011-present: Principal Programme Manager for a supranational Joint Venture: North-Africa
- ❖ 2011-present: Trainer/Coach for Project Management and Strategic Alliances



# Definitions

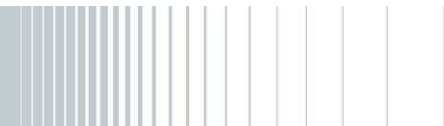
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„A **project** is a temporary endeavor undertaken to create a unique product, service or result.“

(PM BOK® Guide 4.0, page 4.)

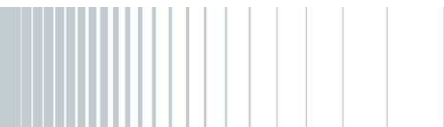
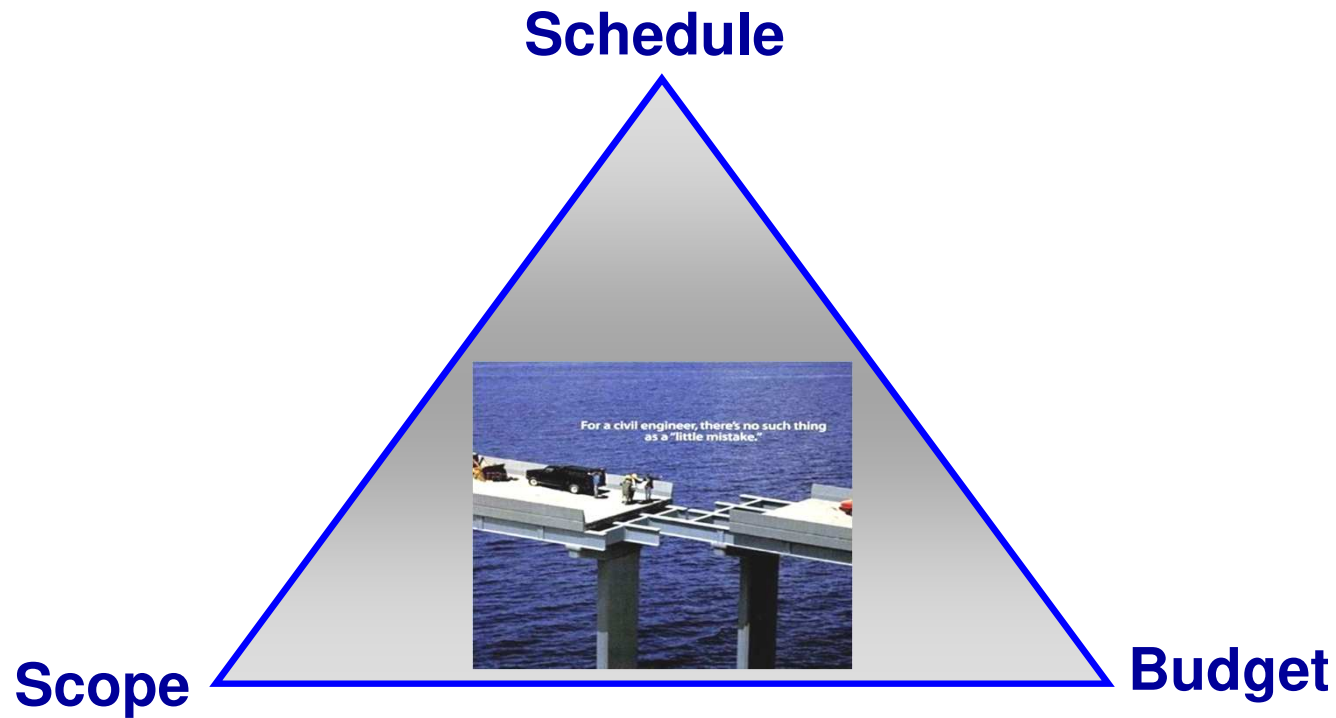
## Key factors:

- ❖ Start and end date
- ❖ Specified resources: budget, personnel, equipment etc.
- ❖ Project-specific organization with clear roles and responsibilities
- ❖ Clearly specified objectives („magic triangle“)



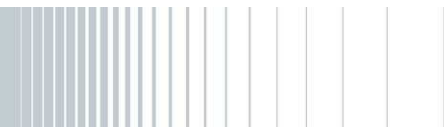
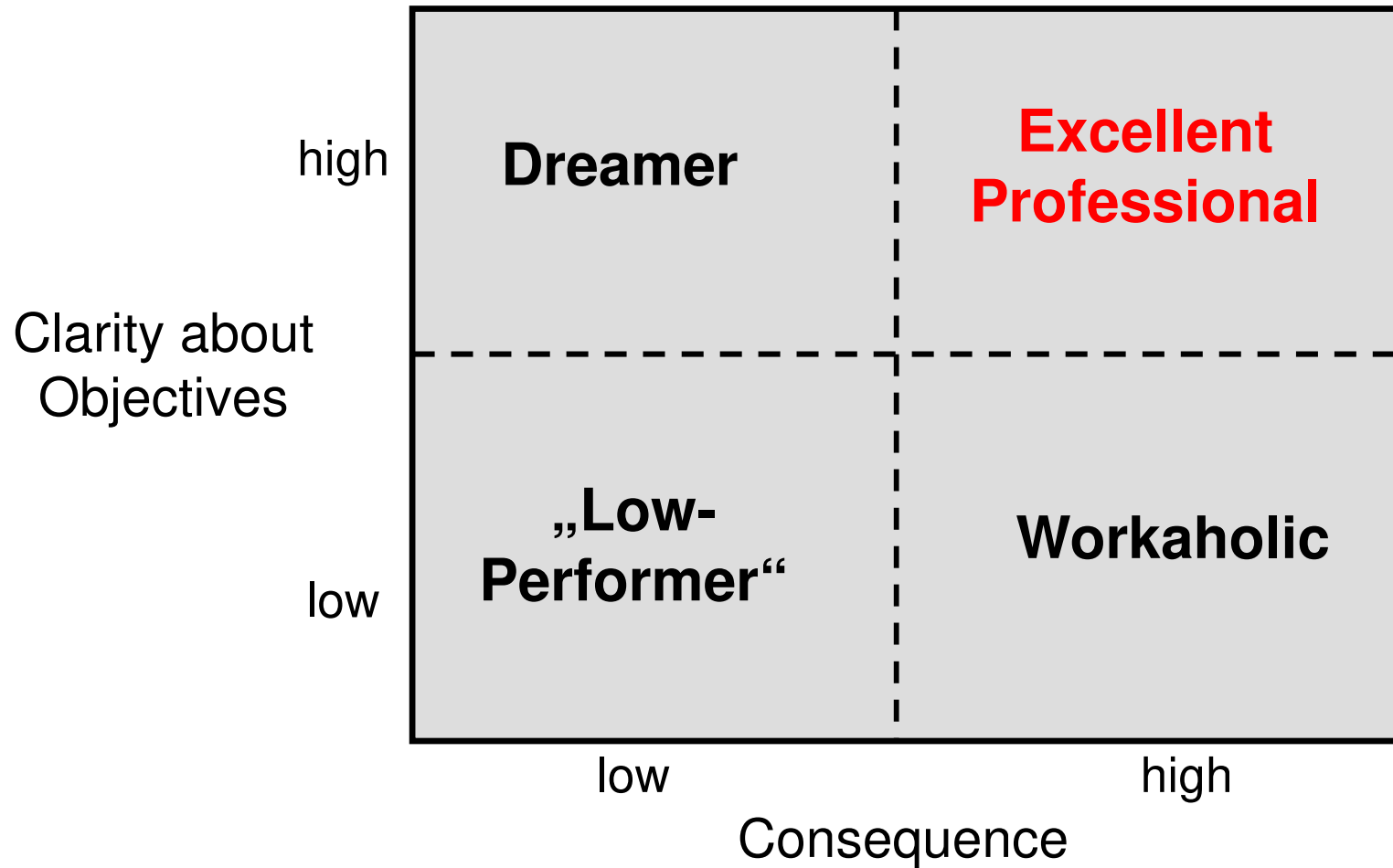
# Definitions

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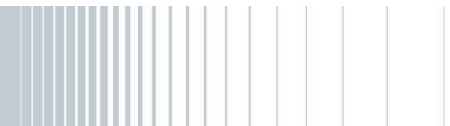
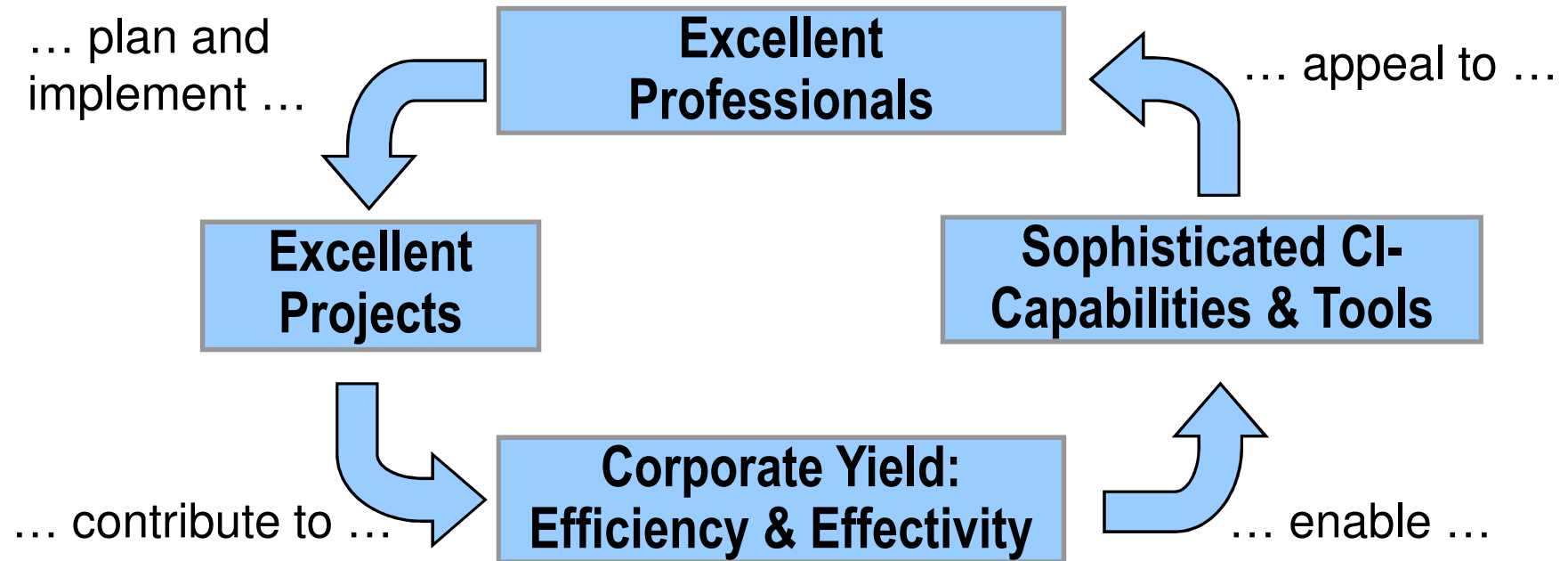
# Definitions

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# Definitions

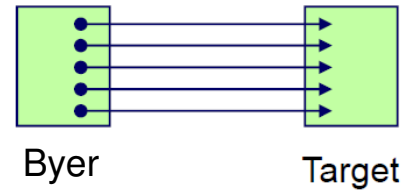
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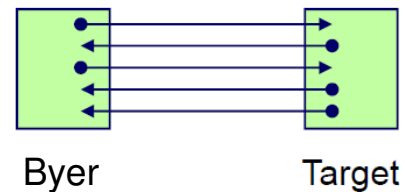
# Mergers & Acquisitions

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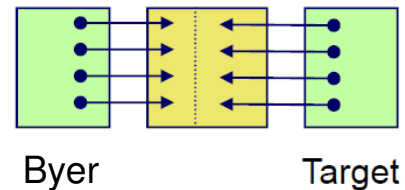
Colonial Master-  
Model



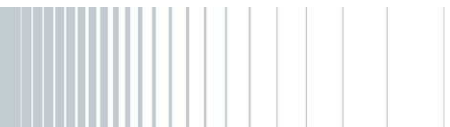
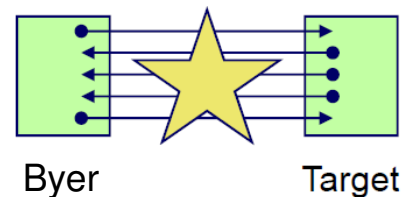
Best of both worlds-  
Model



Codetermination-  
Model



Visionary-  
Model

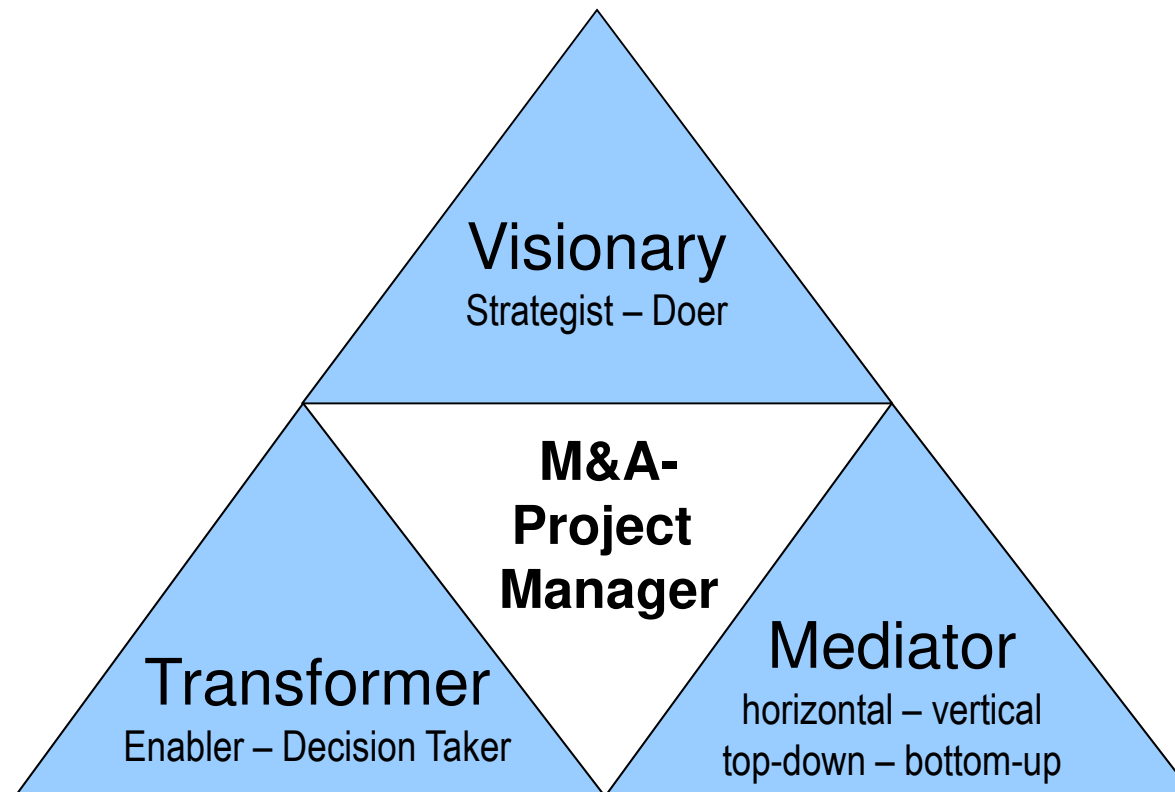




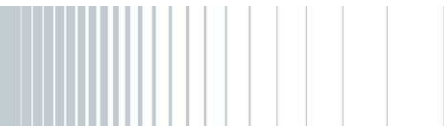
# Mergers & Acquisitions

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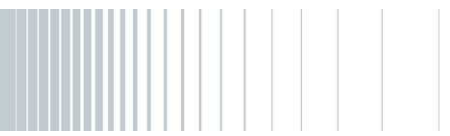
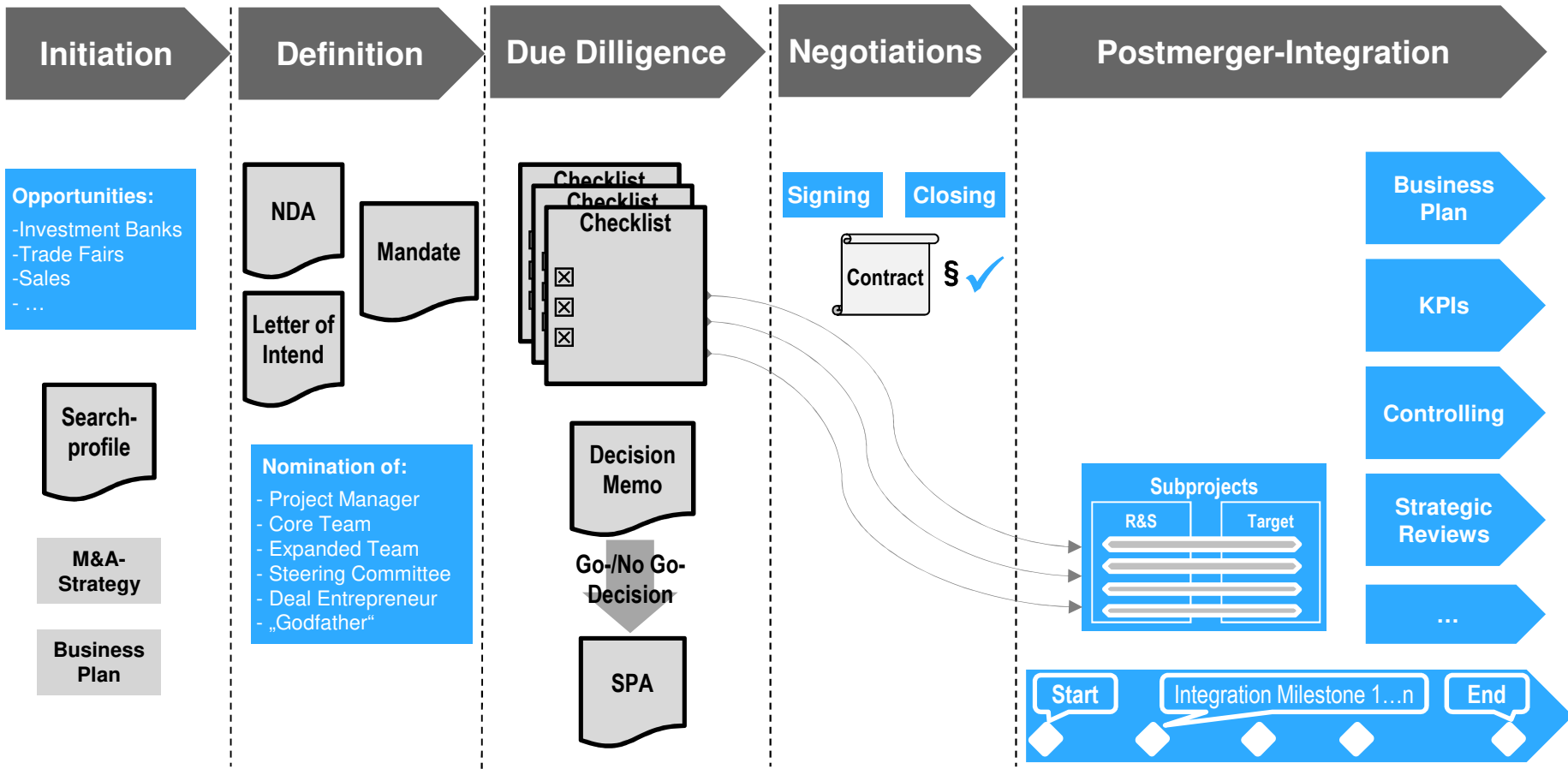
## Roles of M&A-Project Managers



[Source: University St. Gallen]

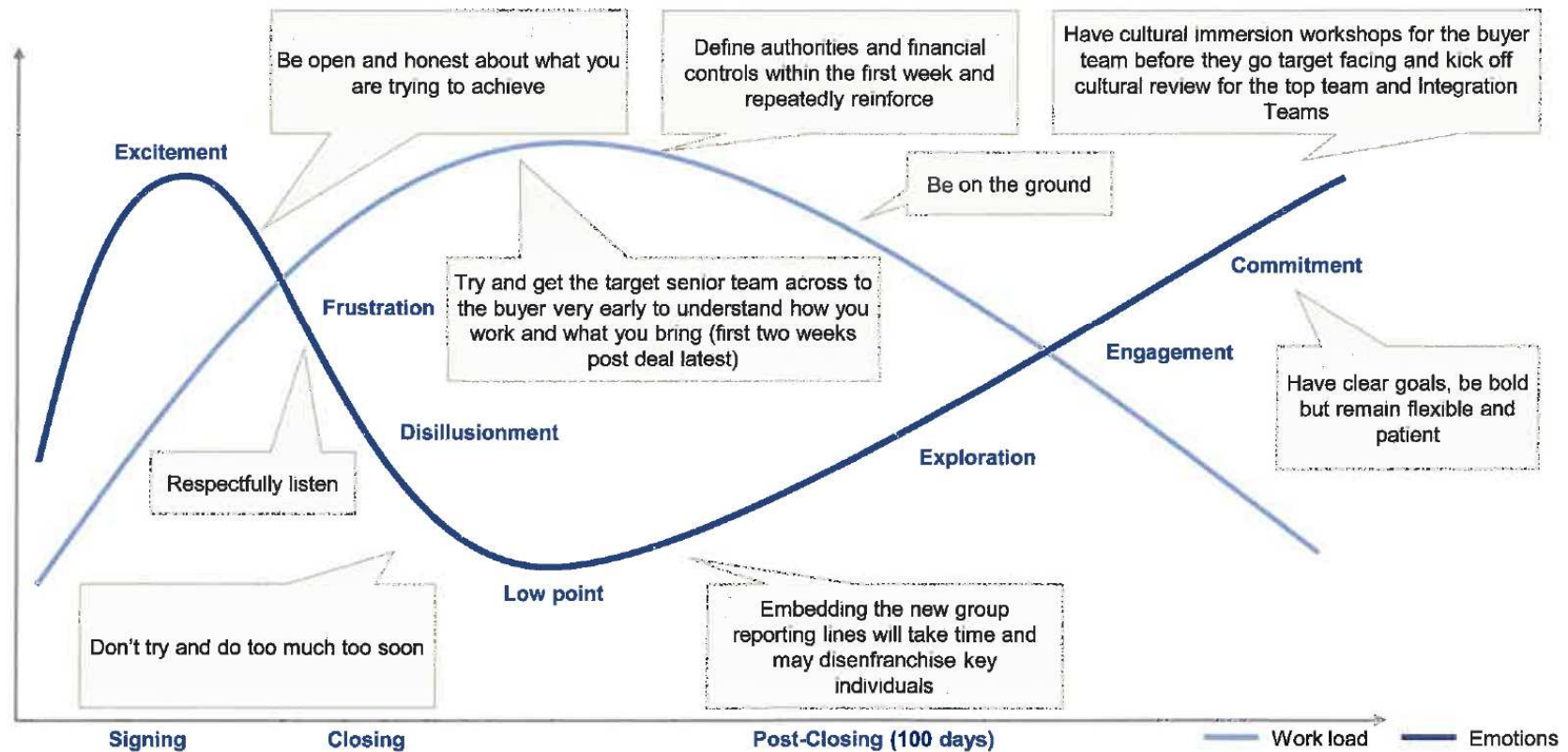


# M&A-Process



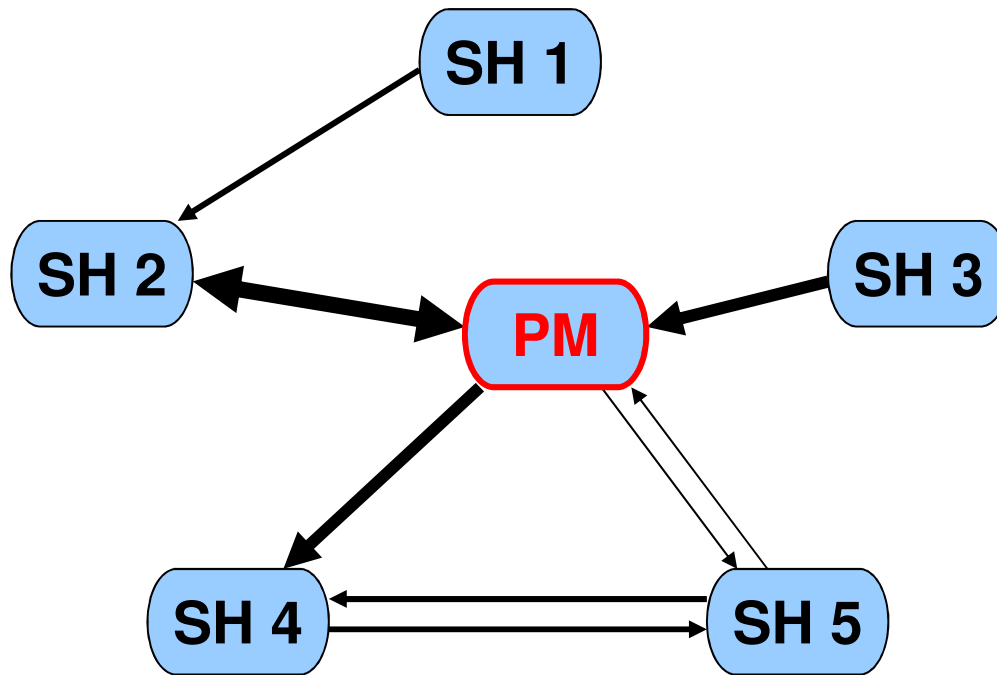
# M&A-Process

## Emotions & Workload



[Source: KPMG]

# Corporate/Social Network Analysis



**Caption:**

Depiction of the relationship	Intensity
	10%
	20%
	40%
	80%

two single-vecrored relations

complex, recursive relatedness

## Objective:

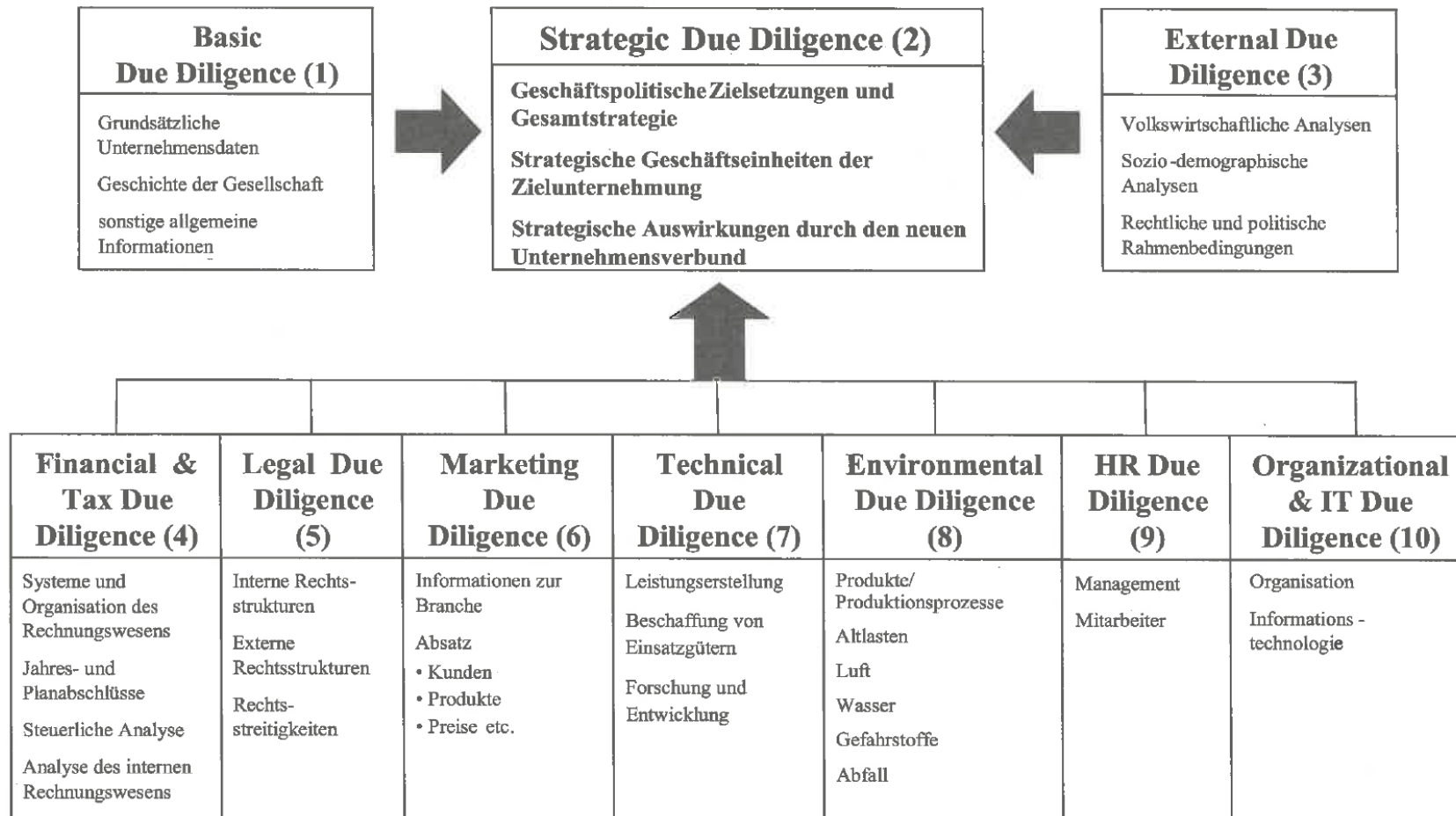
Visualize, measure, diagnose and simulate connections between corporations/stakeholders





# Due Dilligence

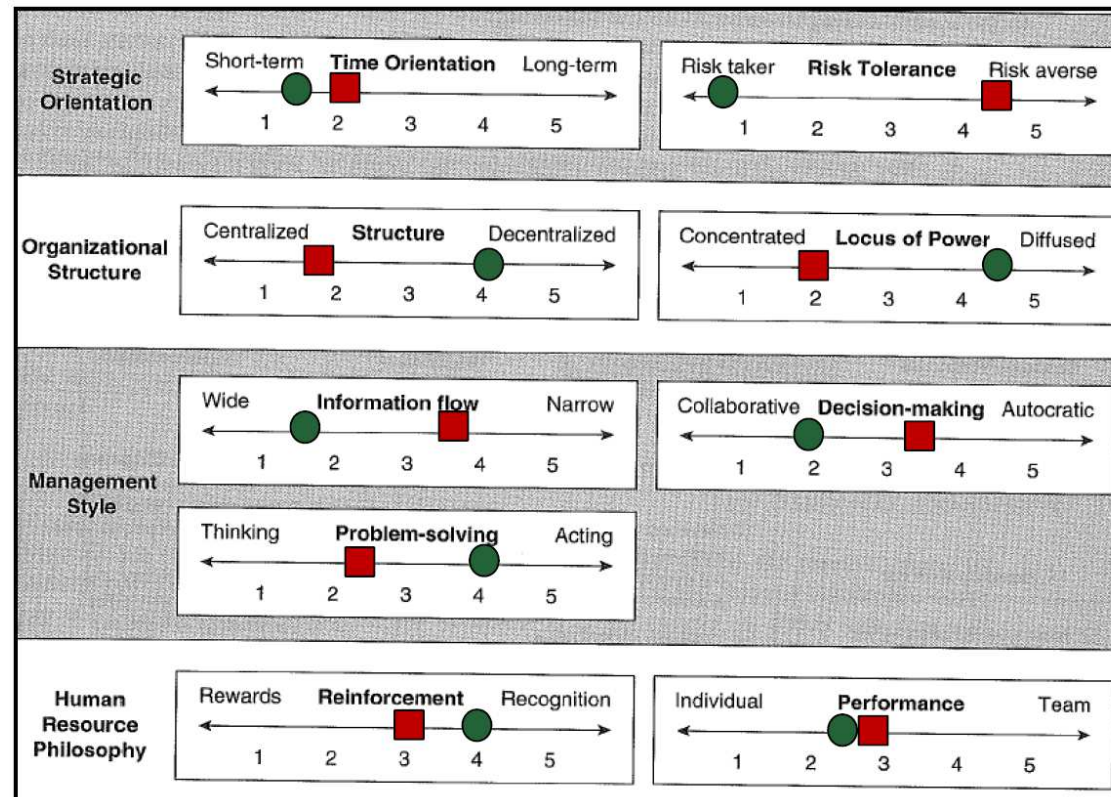
## Types



[Source: Berens et al., page 930]

# Due Dilligence

## Culture Evaluation Index



● Firm A  
■ Firm B (Target)

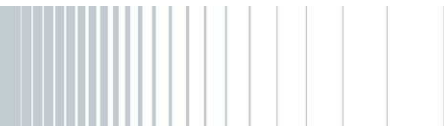
[Source: Marks & Mirvis]

# Due Dilligence

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## Decision Memo: Table of Contents

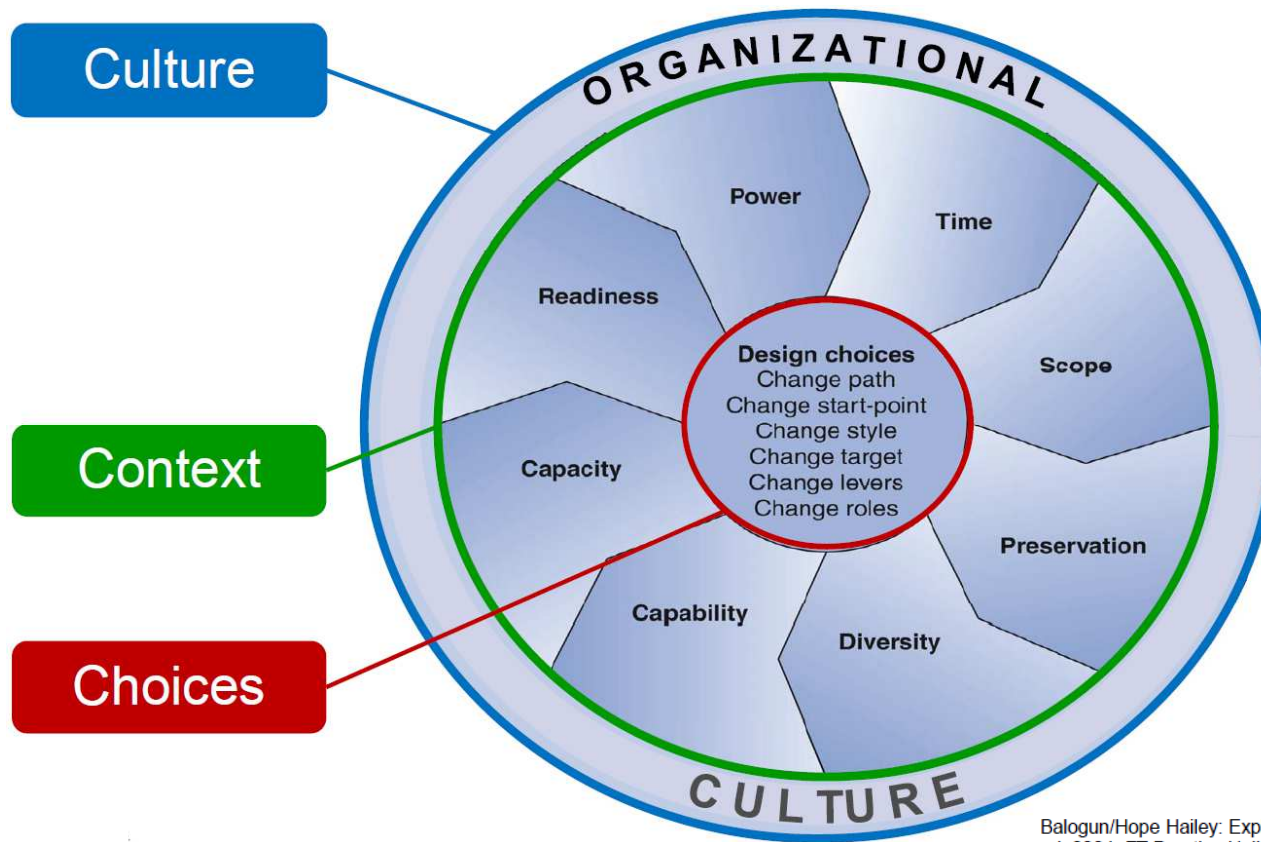
1. Investment Thesis
2. Target Description & History
3. Technology & Value Proposition
4. Go-to-Market Approach
5. Market Opportunity
6. Competition
7. Intellectual Property
8. Management, Board and Staff
9. Financials
10. Valuation Analysis & expected Performance
11. Alternative Case
12. Deal Structure
13. Cultural Due Diligence
14. Integration Aspects (Synergies)
15. Risks and Contingencies
16. Roadmap (Milestones)
17. Expiry
18. Attachments



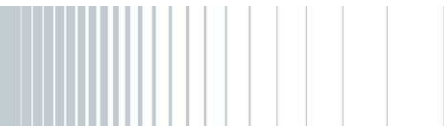


# Post Merger Integration

## Change Kaleidoscope

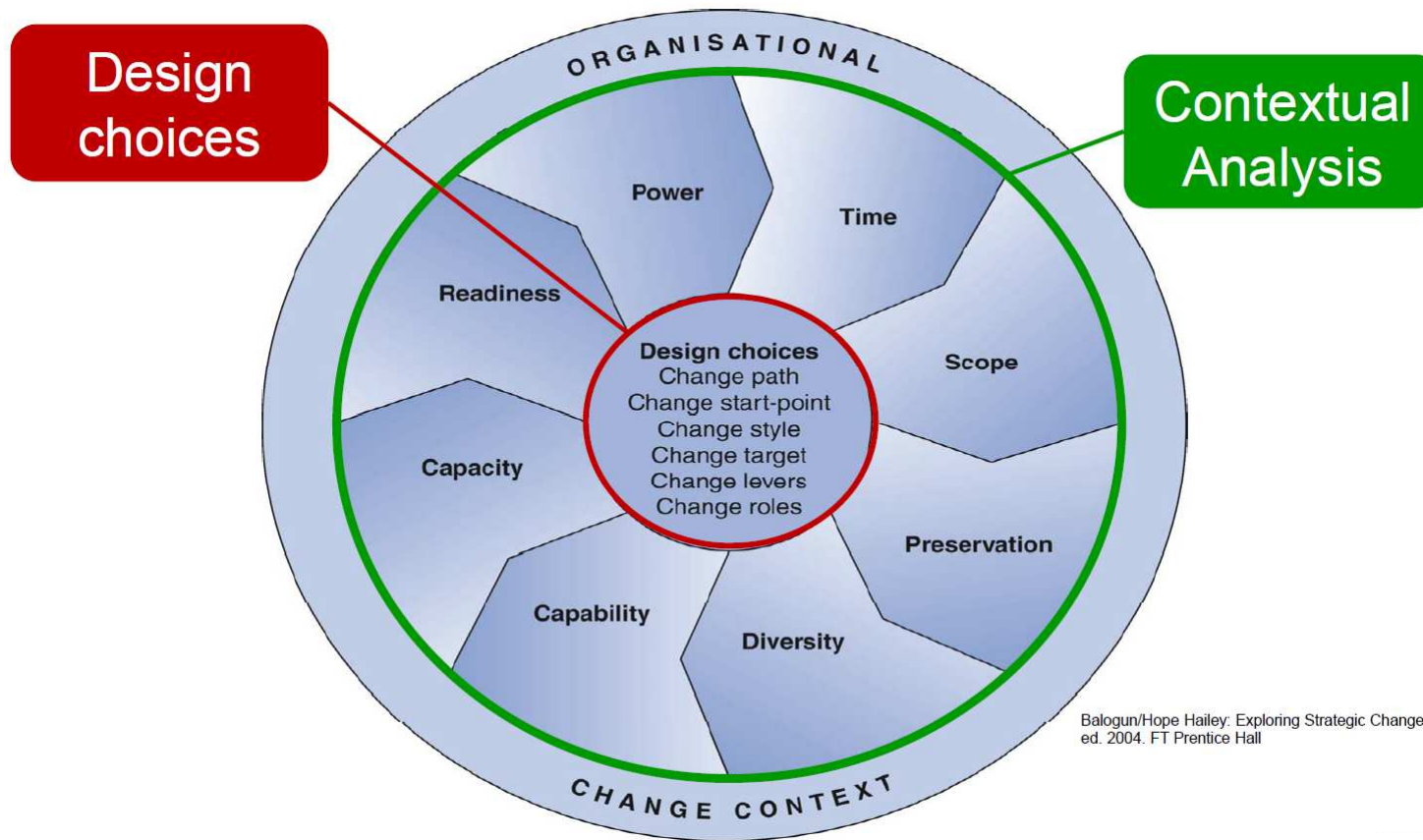


Balogun/Hope Hailey: Exploring Strategic Change, 2nd ed. 2004. FT Prentice Hall



# Post Merger Integration

## Change Kaleidoscope

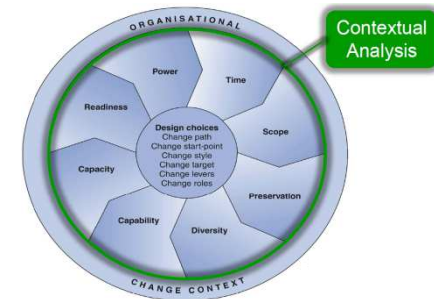


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# Post Merger Integration

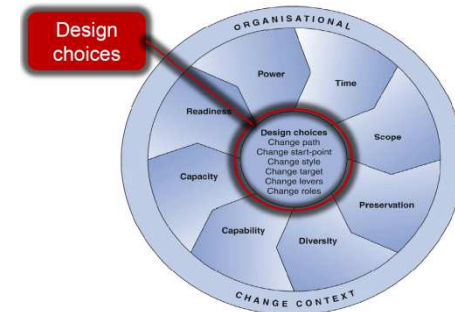
## Change Kaleidoscope: **Contextual Features**



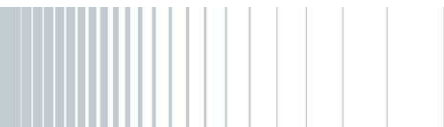
- Time:** How quickly is change needed?
- Scope:** What degree of change is needed?
- Preservation:** What organizational resources and characteristics need to be maintained?
- Diversity:** How homogenous are the staff groups and divisions within the organization?
- Capability:** What is the managerial and personal capability to implement change?
- Capacity:** What is the degree of available change resources?
- Readiness:** How ready for change is the workforce?
- Power:** What power does the change leader have to impose change?

# Post Merger Integration

## Change Kaleidoscope: **Design Choices**

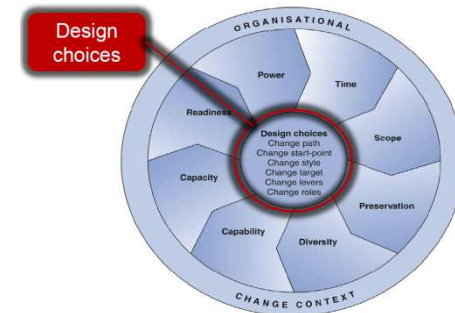


<b>Type/Path</b>	Revolution	Evolution	Reconstruction	Adaption
<b>Starting Point</b>	Top	Bottom		Pilot
<b>Style</b>	Directive			Participative
<b>Targets</b>	Output	Behaviour		Values
<b>Levers</b>	Technical	Political	Cultural	Interpersonal
<b>Roles</b>	Top Management	External Consultants	Change Task Force	Function



# Post Merger Integration

## Change Kaleidoscope: **Design Choices**



- ❑ **Change Path:** The type of change to be undertaken  
(nature of the change and the desired end result)
- ❑ **Change Starting Point:** The way the change is initiated and developed
- ❑ **Change Style:** The management style of the implementation  
(highly collaborative or more directive)
- ❑ **Change Target:** The target of the choice interventions (values, behaviours, outputs)
- ❑ **Change Levers:** The range of levers and mechanics to be deployed  
(incl. technical, political, cultural and interpersonal)
- ❑ **Change Roles:** Who is to take the responsibility for leading and implementing the changes: leadership, external facilitation, change actional team, function?

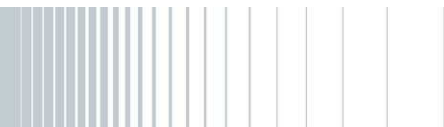
# Conclusion

## Determinants of M&A-Success



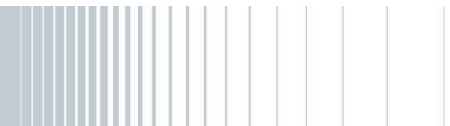
<b>Strategic Vision and Fit</b>	Clear merger rational articulated and focused on long-term competitive advantage and designed for synergies in size, geography, people, or services. Partners are the right choices for merger to fulfill the strategic vision.
<b>Deal Structure</b>	Price paid and type of financing are appropriate and beneficial.
<b>Due Diligence</b>	Conducts a formal review of assets, liabilities, revenues, and expenses and evaluation of culture, organizational fit, and other non-financial elements.
<b>Pre-Merger Planning</b>	Formulation of the key integration processes and decisions are coordinated, communicated, and completed quickly.
<b>Post-Merger Integration</b>	Processes including the management of human resources, technical operations, and customer relationships are carefully blended and important decisions made.

[Source: Epstein]



# Questions?

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# Bibliography

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- **Berens, W. et al.:** „Due Dilligence bei Unternehmensakquisitionen“, 7th Edition; 2013.
- **International Project Management Association:** „IPMA Competence Baseline“ (ICB 3.0), 3rd Version; 2009.
- **Müller-Stewens, G.:** „Corporate Strategy & Governance“; 2009.
- **Project Management Institute:** „Project Management Body of Knowledge“ (PM BOK® Guide), 5th Edition; 2013.

