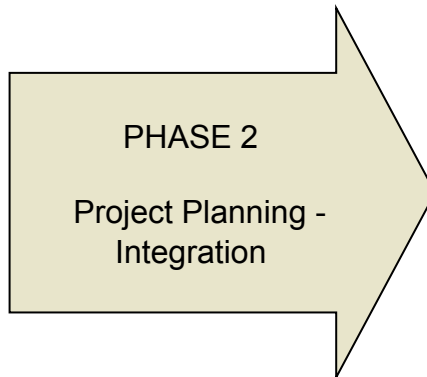
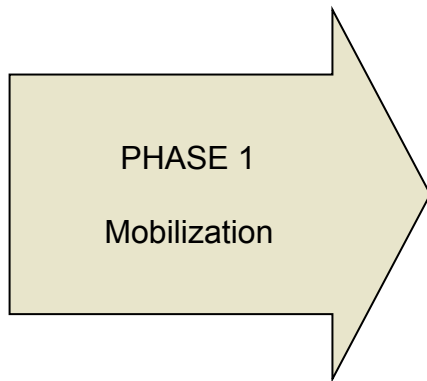


Merger Lessons Learned: Phases 1 and 2

80% OF ALL MERGERS FAIL...TWO THIRDS ARE DUE TO POOR EXECUTION

ACTIVITIES

KEY LESSONS LEARNED



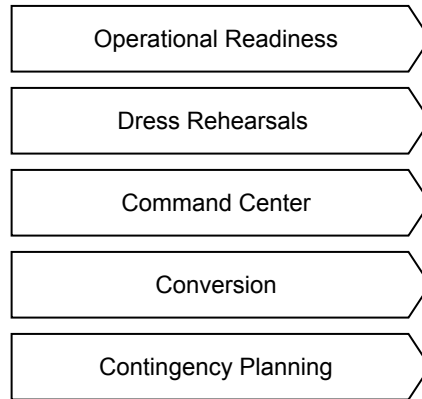
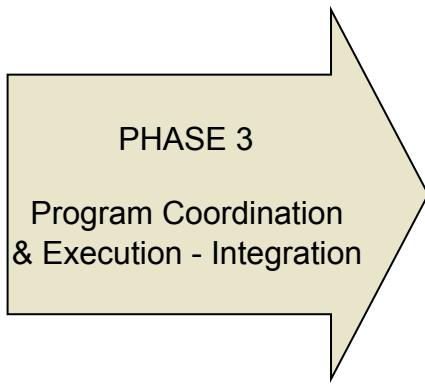
- ▶ Key **business model decisions** need to be made **upfront** to optimize synergy plans and suite selections...simplify business models and legal entity structures wherever possible to **allow rapid integration & maximum synergies**
- ▶ Choose **integration solutions** that are the **least complex** and bring about integration in the **shortest timeframe**
- ▶ Identify 20% of projects that: generate 80% of the value, generate a **1:2 return** & can be completed in a **1yr horizon**
- ▶ Integration programs that succeed generally don't rely on "strategic support projects" at launch...or **go outside of both entities to a third alternative**
- ▶ **Establish selection criteria upfront to keep it simple**
- ▶ Place equal emphasis on internal talent management and external client management throughout – **"it is your merger...not your client's" ...but deal with client issues early** in the process not later when it's not as expected

Merger Lessons Learned: Phases 3 and 4

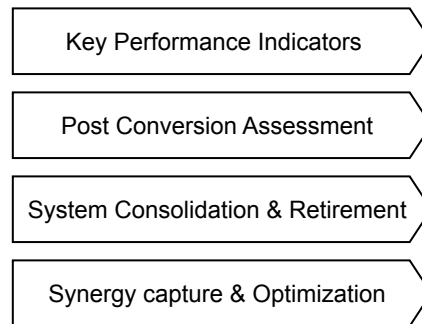
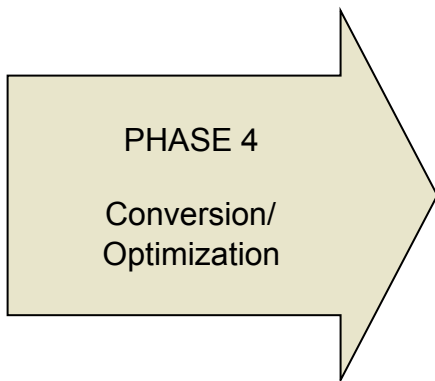
80% OF ALL MERGERS FAIL...TWO THIRDS ARE DUE TO POOR EXECUTION

ACTIVITIES

KEY LESSONS LEARNED



- ▶ Ensure **close coordination with Central PMO /** Planning effort (e.g. milestones, testing, dependencies tracking)...**avoid potential re work** of plans & prepare for required involvement for corporate systems testing
- ▶ Ensure that **One face to the Client/market is preserved** throughout the integration
- ▶ Ensure that understanding (and **segmentation**) of **clients is achieved** re: required service level, matching support platform to client revenues,etc.



- ▶ **A belief that synergies will result on their own...** focused follow up will be required...people tend to “forget” targets after the close and rush back to “BAU” prematurely
- ▶ Clients and staff are **vulnerable** to competitor poaching, particularly **if integration are scheduled to be lengthy**