



# How to Develop an Efficient, Effective M&A Integration Strategy

To amplify value from acquisitions,  
businesses need the right integration plan.

Companies often face a challenge realizing the full expected value of their acquisitions. Missing the mark on an integration can lead to higher costs, stifling inefficiencies, and the alienation of both employees and external stakeholders. Successful integration plans frequently establish clear transition goals and then build robust oversight structures to prepare every employee for a smooth Day 1 launch. With a strong integration strategy, companies can realize their true potential by reducing redundancy and maximizing collaboration, as well as decreasing financial and legal compliance risks.



**Bolstering your M&A integration efforts can help your organization achieve improvements related to:**

Value creation

Synergy

Efficiency

Risk management

Employee buy-in

Customer satisfaction

Future preparedness

Organizational excellence

# CASE STUDY

## Helping a manufacturer identify \$3 million in post-integration efficiencies

### Client Situation and Challenge

A leading U.S.-based windows and doors manufacturer and designer needed to fully integrate a recently acquired vinyl windows and doors specialist. Past acquisitions were never fully integrated, leading to extra enterprise resource planning (ERP) systems stifling data management efforts and multiple HR systems increasing employee benefits costs. With a market share and product portfolio expansion plan on the line, the company's new integration lead identified a lack of internal experience and insufficient bandwidth to properly integrate the acquisition on their own.

### BDO Recommendations

BDO was tasked with integrating each functional area of the organization, as well as executing policy and process changes in the finance and accounting function. First, BDO designed and implemented an integration governance structure, including an integration management office, to enable collaboration between functional teams and executives. To support the integration effort, BDO professionals worked across all functional teams to coach employees, develop transition plans, and identify cost-saving opportunities.

Externally focused functional teams, including product management and sales, were fully integrated, along with all internally focused teams including engineering, supply chain, IT, HR, legal, and tax. BDO also aligned the target's monthly close process and calendar with the manufacturer to integrate all accounting and financial reporting functions.

### Project Outcome

BDO's M&A and Transaction Advisory professionals helped the manufacturer successfully integrate all functional areas and identify cost savings.

#### Key outcomes:

- ▶ Identified \$3 million in recurring efficiency opportunities
- ▶ No reported disruption to employee work or customer engagement during the transition
- ▶ Developed an integration playbook for future acquisitions



# CASE STUDY

## Supporting M&A integration for a growing rocket company

### Client Situation and Challenge

A publicly traded rocket builder and launch services company acquired a U.S.-based second-stage rocket propulsion manufacturer to grow its market share. The company needed to integrate nearly all of the target's functional areas, build a shared future operating model, and maintain employee morale. With this being the manufacturer's first big acquisition, the company brought BDO in to lead the transition, align the target's product and program offerings, and build internal integration capabilities.

### BDO Recommendations

BDO professionals organized an integration management office and built consensus around a transition plan for each functional area. Using web-based project management tools, BDO helped the manufacturer's senior leadership team govern the execution of integration plans, decision-making, and issue resolution in real-time. By engaging the target and manufacturer's employees, BDO worked to identify and mitigate potential talent flight risks. BDO also implemented and executed a Day 1 readiness plan to prevent operational disruption.

### Project Outcome


With the help of BDO's integration support, the manufacturer is now focusing its efforts on delivering and operating spacecraft beyond low Earth orbit. During BDO's engagement, none of the manufacturer's or target's employees exited the company, nor were there disruptions to development or sales work on the day of the transition — both crucial to the company's space flight ambitions. Finally, BDO provided an online, interactive integration playbook to help the manufacturer manage future acquisitions on their own.

# ABOUT OUR WORK

Our [M&A and Transaction Advisory professionals](#) draw from years of experience across a variety of sectors to help you bolster your integration strategy and unlock value. We work with companies at any stage of their integration process, whether the ink is drying on your acquisition deal or you need help getting an in-progress merger back on track.

BDO professionals can lead your entire integration process, including bringing together stakeholders to develop an integration strategy, defining a new operating model with your target, and executing transitions across all functional areas. In addition to enabling a smooth Day 1 transition to limit disruption to customer service and employee work, BDO also helps perform financial due diligence and drive change management initiatives.





At BDO, our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes — for our people, our clients and our communities. Across the U.S., and in over 160 countries through our global organization, BDO professionals provide assurance, tax and advisory services for a diverse range of clients.

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