



#1

IT integration is the most important factor in the success of a merger or acquisition, according to a Deloitte survey of corporate and PE firms.

Mergers and Acquisitions Strategy

M&A activity will have an "outsized influence" post-COVID — are you prepared to deliver a successful IT integration?

THE CHALLENGE

You know it, and now a Deloitte survey of corporate and PE firms confirms it: The single most important factor in the success of a merger, acquisition or divestiture is a successful IT integration. In fact, Gartner reports that 50% of expected cost synergies from an M&A come from IT integration. Simply put, the business is counting on the IT team to get people working together and achieve the cost and operational savings it was promised.

Of course, that doesn't mean you or anyone else in IT will necessarily be given a seat at the M&A planning table. All too often, the deal-makers don't breathe a word about the upcoming upheaval to IT, let alone ask for your input, before signing on the dotted line and setting the M&A timelines. Maybe you've just had an M&A integration baby dumped on your doorstep. Or maybe you haven't yet, but you have a sneaking suspicion one might appear at any time. Your Spidey sense is probably right: 87% of executives in another Deloitte study are forecasting M&A growth post-COVID, in both the number and size of deals, so if you haven't been affected yet, your turn is probably coming.

You might well have mixed feelings about the M&A system integration. On the one hand, it's an amazing career opportunity, a chance to showcase the value of your team in a major corporate strategic initiative. On the other, there's a real risk of a far less rosy outcome.

HOW THIS AFFECTS YOU

No matter which perspective you hold, you're facing some stiff challenges. You have to:

- **Deliver on firm M&A IT integration timelines established with little or no input from IT.** You need to quickly analyze the Microsoft environments involved to surface security or integration issues that could materially impact the timeline or cost expectations. That can be difficult, especially if the IT team in the acquired company is less than cooperative.
- **Protect your systems and data when integrating with an organization you don't know — and don't know if you can trust.** As the Marriott/Starwood data breach illustrates, M&As can introduce security risks if the target organization is already compromised. And even if there are no outright security problems to start with, IT integrations often add a great deal of complexity to the environment. Crufty but critical applications force you to keep old domains that might not be managed properly, creating all sorts of security holes. A Congressional inquiry found that the IT complexity resulting from Equifax's aggressive M&A strategy (18 in just a handful of years) was a contributing factor in its "entirely preventable" massive data breach.
- **Effectively communicate and coordinate with many people to prevent business disruptions.** Change management is top of mind for your C-levels because so much will change for those in the existing and the new organization. Effective communications is paramount to success. Executives want to know if you are meeting timeline, other IT groups are waiting on you to set up AD trusts or set up new users directly; HR needs you to stay in the loop on who is staying and who is going; and users just want to communicate with their new colleagues.
- **Rationalize M&A activity with your existing IT innovation roadmap.** An IT integration project can easily delay all your other plans for driving the business. Often, you're not given extra staff, so you might be pressed to put in lots of extra time, which can lead to burnout and costly mistakes. You might try to mitigate those risks by writing custom PowerShell scripts or assembling a set of point solutions, but those stop-gap measures increase complexity and often lead to security holes. As a result, many IT shops never get their other IT initiatives back on track after an M&A.



Gartner

2021 Market Guide for Cloud Office Migration Tools

Triple down to ensure your migration success

Quest is the migration powerhouse bringing together three top solutions to give you a single, go-to for any and all migrations.

*Gartner, Market Guide for Cloud Office Migration Tools, February 2021
Gavin Tay, Adam Preset, Lane Severson*

Conquer the complexities of an M&A IT integration

A BETTER WAY

What if you had a proven mergers and acquisitions IT strategy framework that would help you plan and execute your IT integration — and manage your target environment afterward? What if you could mitigate the security risks of an integration by monitoring for abnormal user behavior and application activity before, during and after the project? And what if this entire integration process was repeatable across all Microsoft workloads, slashing the learning curve and enabling you to integrate platforms efficiently and on schedule, not just for today's M&A, but tomorrow's as well?

WHAT YOU CAN DO ONLY WITH QUEST

With Quest® solutions, you can conquer the complexities of an M&A IT integration. We offer a comprehensive framework for the effective integration, consolidation and management of on-premises, cloud and hybrid Microsoft environments — software and services you can count on, again and again. Even better, it's repeatable: You become familiar with one set of solutions, one support team and one services team, so when the next M&A falls into your lap, you'll be prepared.

Day 0: IT due diligence

Using Quest migration and consolidation solutions, you can conduct a comprehensive pre-migration analysis to uncover any security and technical issues in the source IT environments. Remediating them before you start the first migration job dramatically reduces the risk of missed deadlines and outright IT integration failures.

Day 1: IT integration

Quest on-premise and Office 365 tenant to tenant migrations solutions enable you to quickly — yet securely — deliver effective communication and collaboration on LD1 by ensuring that mail, calendars, resources, data and critical applications are connected. Then they help you complete the IT integration by enabling you to move content and permissions to the correct locations, while maintaining seamless coexistence and user productivity throughout the project. Built-in reporting makes it easy to keep stakeholders informed, and automated HR integration helps you ensure the right users are provisioned in strict accordance with the least-privilege model.

Day 2: Ongoing management

With Quest, you can ensure hybrid Active Directory security, reliable backup and recovery, streamlined compliance, strong performance and availability, and proper governance across your newly consolidated Microsoft environment — using many of the same solutions used throughout the IT integration process. As a result, the business can achieve the cost synergies and efficiencies that drove the M&A in the first place.

Repeat

When the next M&A comes along, or you simply need to upgrade or migrate systems for other reasons, you'll not only have the tools you need already installed, you'll be fluent in using them. Each new project will be your chance to shine and demonstrate, yet again, the value that IT brings to the business.

Quest
4 Polaris Way, Aliso Viejo, CA 92656 | www.quest.com
If you are located outside North America, you can find local office information on our Web site.

Quest and the Quest logo are trademarks and registered trademarks of Quest Software Inc. For a complete list of Quest marks, visit www.quest.com/legal/trademark-information.aspx. All other trademarks are property of their respective owners.

© 2021 Quest Software Inc. ALL RIGHTS RESERVED.

SolutionBrief-MPM_M&A-US-LP-67833

Quest