



CASE STUDY

## MAXIMIZING SUCCESS DURING A LARGE MERGER INTEGRATION

TRANSFORM

A Best Practices Plan Supplies the Building Blocks

### THE BUSINESS CHALLENGE

Our client, a wholesale distributor with operations in 10 states, had grown previously through a series of small acquisitions and was **approaching a merger of equals that would create a \$5B company**. In the company's previous acquisitions, market-by-market technology **integration had been accomplished through a labor-intensive effort that involved 30 to 40 employees traveling location to location** and pushing through an ad hoc market conversion over a six-month timeframe before moving to the next. Given the complexities of the coming large merger, the challenges around the integration of both operations and culture, and the impacts on technology, our client needed expert help to develop an efficient, standardized integration process.

### AGSI'S HIGH-LEVERAGE SOLUTION

Well aware that greater integration speed and efficiency go hand-in-hand with higher accretion, AGSI focused on devising a rapid, concurrent plan for converting all markets expeditiously. We hit the ground in three different client markets to map existing business processes, performed a rationalization to determine which processes were most effective, developed a relevant best practices model for running a distribution center, and from there **applied our proprietary Enterprise Integration Framework™ to create an optimized plan** – not just to convert all new markets but also to transition the entire company to a standardized, best practices model.

Our analysis produced important revelations for our client's leadership, including the fact that company standardization had been lost to the ad hoc conversion process, resulting in business units operating far differently than had been known. These inconsistencies were creating data problems that would only get worse. In addition, the conversion process had built a "tribal knowledge" culture that depended on an unsustainable human capital model and created increasing costs and vulnerabilities.

Under AGSI's new plan, a small combined team could **concurrently execute multiple market conversions to support the merger and at the same time transition the entire company to the best practices model – all in just 18 months**.

### VALUE TO THE ENTERPRISE

In the case of the large merger, AGSI's plan provided for an 18-month timeline for full integration – versus the client's traditional approach that would take more than seven years to accomplish. Most important, our client is **proactively positioned to maximize growth, with a rapid, concurrent and scalable process for future integrations**.

### IN BRIEF

#### CLIENT:

\$2B Regional Beverage Distributor

#### ENGAGEMENT:

Merger Integration Planning for Technology

#### CHALLENGE:

In support of a large merger, develop a plan to replace the current, inefficient ad hoc integration process with one that is streamlined and standardized

#### OUTCOME:

A rapid, scalable integration roadmap established the framework to accomplish in 18 months the large integration that would require seven years under the client's existing process