



## CASE STUDY

# DEVELOPING THE OPERATIONS ROADMAP TO GUIDE A SPIN-OFF

TRANSFORM

Divestiture Expertise and IP Enable A Comprehensive Technology Solution

### THE BUSINESS CHALLENGE

Our client saw an opportunity to **improve enterprise performance** by creating a new market-focused company via divestiture. The executive team had been working on the finance, legal and SEC planning elements of the **spin-off** for two years and had begun operational planning by working with AGSI to select an optimal ERP platform. Now they were **ready to develop the detailed technology support plans**. What were the layers of people, processes and technology needed? What was the timeline? Where should they start the planning process? Our client needed answers to all, as well as a map that laid out the resulting steps with **clarity and transparency**.

### AGSI'S HIGH-LEVERAGE SOLUTION

AGSI's **divestiture experience and intellectual property were key accelerators** in this initiative. The client team initially had assumed that the heavy lifting involved with planning would be finished once the ERP platform had been selected. AGSI knew far more planning would be needed to make the spin-off successful, and **we knew exactly where to focus efforts for maximum value**.

After collaboration with our client, we created a two-page statement that clearly defined the strategic intent for the divestiture, and that document became the guide for every planning step that followed. Methodology from AGSI's proprietary Enterprise Integration Framework™ and our M&A experience drove development of a detailed IT Enablement Plan (ITEP) that **described all required infrastructure, hardware, and software; listed required tasks and related roles; and aligned all transition elements with the transaction's strategic intent**. Comprehensiveness was paramount, as the ITEP we developed would become the basis for the final phase of planning, a structured Transition Services Agreement that would govern execution on both sides.

AGSI's **surgical approach and political and emotional detachment provided critical balance across the various stakeholder aspirations**. In addition, we were able to shine a light on technology processes that could be executed far more effectively not just for the spin-off but also for the parent's ongoing operations. As a result the future state will be much better for both organizations, and our planning will continue to contribute value.

### VALUE TO THE ENTERPRISE

AGSI's ERP selection services alone resulted in five-year savings of more than \$10M. **The ITEP was so thorough, NewCo was ready to stand on its own almost immediately after the transaction's close**, minimizing the need for transition services and producing additional savings. Throughout the process, AGSI meaningfully challenged the status quo and addressed stakeholder needs without agenda. The result is a divestiture technology plan that optimizes value and supports all organization goals.

### IN BRIEF

#### CLIENT:

NYSE-traded Energy Company

#### ENGAGEMENT:

IT Enablement Plan (ITEP)  
Development

#### CHALLENGE:

In preparation for a spin-off, develop a detailed technology support plan to drive post-close operations at "NewCo" until the company can stand on its own

#### OUTCOME:

An integrated ITEP defined all transition requirements and components, ensuring alignment with the transaction's strategic intent and establishing a clear path to successful independent operations