Post Deal Problem Solving, How To Make Certain IT Works?

CASE STUDY – PELH1

Service:
Post-Deal Diligence on integration and product development

Client:
Chairman and CEO of mid-market publishing company

Requirement:
Technology Diligence and development management analysis of company's existing (in-house) and post-merger technology and personnel… The assignment included the assessment of development platforms, techniques and technology.

Situation:
A merger of two publishing companies had been completed in order to take advantage of the synergies of two market dominant firms. The diligence performed during pre-merger activities indicated that the products (an information transmission network utilizing both satellite communications and a data collection system for centralized collection, formatting and transmission of real-time content), the development teams, and the processes could be combined to achieve not only cost savings but also operating efficiencies and significant strategic opportunity.

After middling success of the 100 day post-merger integration plan and several more months of post-deal operation the Chairman determined an independent review of operations was necessary. She needed to more efficiently fulfill the combined entity's market promise and realize the forecasted savings her board demanded. Feeling hostage to the technology environment and existing technology management she required greater visibility into the development team and environment. The Chairman also believed that in order to effect changes she

would need an independent third party to document operations so it could be transferred to the appropriate new employees if deemed necessary.

Scope:
Staffing: Initial two person weeks followed by follow-on advisory services
Deliverable: a written report of findings and presentation/inquisition with the board.

Findings:
Semaphore's Technology Diligence Practice was engaged to complete a review of technology and operations. After a discussion of significantly troubling findings, Semaphore was subsequently asked to document the technology and operations including recommendations regarding technology, process and future personnel changes. Over a period of one year the role expanded to de facto oversight responsibilities with specific authority over personnel, budget, strategy and tactical execution.

Outcome:
1. The board was provided visibility and a roadmap regarding issues associated with the current state of the merged technology and internal staff capabilities.
2. A complete architecture assessment and product review was performed to fully align corporate business and technology initiatives, including: product releases, technology selection, development processes, and product marketing efforts.
3. Standards were established to reconcile technology and operational processes with corporate objectives.
4. Improved product software deliverables were realized and deployed.

5. The product and technology was successfully expanded and is also being utilized to test new lines of business.
6. Though delayed, the expectations of the merged entities market dominance and corporate efficiencies were realized.