



BOSTON - LONDON - NEW YORK

## Growing Internally by Going External

### CASE STUDY – RLRLRL1

#### Service:

Independent Verification & Validation (IVV) of Technology Development and internal IT organizations.

#### Client:

Well established investor funded company seeking strategic growth through partnership and/or acquisition.

#### Background:

Company has successfully built, deployed and currently supports separate product and service lines of business. The internal IT team did not have experience in M&A activities including the processes and resulting internal impact. Their seasoned CEO recognized that expertise and experience to take the company's technology dependent business vision to the 'next level' did not exist with current staff.

#### Situation:

Semaphore had originally been requested by investors to perform a high-level health check on the current state of people, processes and technology of the development team and IT staff. Semaphore determined that current technology decisions were sufficient, but current processes and staff were not adequate or aligned with company growth and business goals. Processes were primarily anecdotal with minimal documentation. Staff member skill sets were not conducive to absorbing the effort necessary to successfully partner or merge an external entity's business and technology with their own.

Semaphore was requested to lead the company, as interim Chief Technology Officer, in migrating the development and IT teams to a higher professional level as well as represent the company as technology driver and spokesperson in partnering and acquisition activities. This included working as part of an integrated senior management team in optimally positioning the company's business, product and technology offerings and capabilities, as well as aligning the corporate message and documentation for pending diligence efforts.

#### Scope:

Staffing: 26 person weeks over a 1 year period (1 resource)

#### Activities:

Semaphore put a 6 month plan in place to improve development processes, migrate and utilize personnel more effectively, and define feature/functionality for pending releases. In addition, an IT Continuity project (disaster recovery) was initiated to support service level agreement (SLA) requirements of several clients. Internal IT responsibilities were reviewed and processes established to optimize IT requests and responses.

Semaphore directed IT resources and senior management to document and prepare appropriate materials necessary to enter into strategic partnership and acquisition activities. Semaphore proactively drove technology discussions and their two-way dependencies with all business functions including sales and marketing, financial, and human resources in working with outside entities.

#### Results:

1. Development and deliverable schedules were more consistently met, with reduced timeframes and higher quality.
2. Development and internal IT teams were reorganized with improved skill set allocation.
3. The IT Continuity project was completed featuring a 'hot backup' site, resulting in contract extensions with the company's two largest clients.
4. Company was able to use prepared diligence materials as a sales/marketing tool, obtaining multiple new clients due to improved commercial representation of company offerings.
5. Company has been involved in multiple partnership and M&A engagements and to date has:
  - a. secured one strategic partnership
  - b. tendered an offer to purchase a vendor/competitor
  - c. negotiated with multiple other parties in forming new entities to expand into new markets