

A publicly traded conglomerate specializing in professional, medical and commercial products

Client Situation & Challenge

Our client, a publicly traded conglomerate specializing in professional, medical and commercial products, announced the \$6 billion spin-off of its industrial sciences business into a separate publicly traded company. Although our client is well known for frequent acquisitions and divestitures, the size and complexity of the spin-off required additional structure and support to successfully complete the transaction. CrossCountry was engaged to assist with both the program and project management of the spin-off's seven diverse but cross-functionally dependent work streams.

Approach

CrossCountry deployed a cross-functional team with experience in program and project management, acquisitions and divestitures, audit, finance and operational improvement, systems cutover management and controls and process documentation to aid the client in the following roles applicable to the spin-off transaction:

- Program-level and cross-functional planning and coordination for finance, treasury, tax, human resources, investor relations, procurement and IT work streams including:
 - Action plan development and tracking
 - Risk and issue identification, communication plans and resolution management structure
 - Development and maintenance of key project metrics
- Evaluation of day 1 operational system and process readiness. Coordination of final planning efforts across all finance, HR, IT teams and third party providers
- Production of current state process and technology diagrams, depicting the company's current processes and technology infrastructure
- Audit readiness preparation including:
 - Developing, tracking and managing system cutover plans

- Creation of high level testing strategy and plans
- Documentation of interdependencies, risks and issues
- Development of audit plans for execution and capture of system testing activities
- Treasury functional support including global coordination with banks to:
 - Inventory relevant bank accounts
 - Develop banking system cutover plans
 - Establish global zero balancing cash pooling structure
 - Provide ongoing daily cash balancing, reconciliation and administration for the SpinCo
- HR project management support consisting of managing across eight HR sub-functional work streams and bolstering cross-functional communication through the implementation of project trackers and organizational tools
- Creation and separation of existing investor relations support materials into RemainCo and SpinCo documents

Impact

CrossCountry provided comprehensive project management and support, enabling the client to successfully complete the transaction on time and on budget, just over a year from the initial public announcement of its spin-off intentions. Both companies continue as separate ongoing concerns considered as standard bearers in their respective industries.