

TIM GALPIN

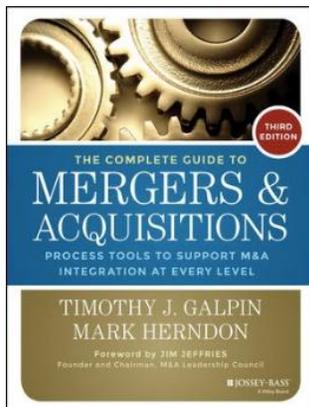
MEGERS AND ACQUISITIONS: MAXIMIZING DEAL VALUE

OVERVIEW

Driven by globalization and economic or strategic barriers to organic growth, mergers and acquisitions have become the primary means by which many companies have chosen to grow. According to Dealogic data, despite a series of political shockwaves, global M&A activity (17,369 deals, US\$3.2tn) reached its third highest deal value since 2007 (US\$3.7tn), and strong deal volume is projected to continue for the next several years across geographic regions and industry sectors. Yet, most deals do not achieve their intended goals. This doesn't have to be the case. When done well, firms who choose to merge or acquire can not only achieve, but also surpass their projected strategic, financial and operational goals.

Based on Tim Galpin's bestselling book, *The Complete Guide to Mergers & Acquisitions* and his over 20 years of working on M&As with companies around the globe, this course is designed to help you understand and apply best practices throughout the M&A process. The course will enable you to not only do deals, but to also achieve deal success. Drawing on examples of successful, as well as unsuccessful transactions, you will learn what works best and what to avoid from the early stages of formulating your M&A strategy, through locating potential target firms, and ultimately integrating the firms' people, processes, and systems to realize the maximum value from your transactions.

As a result, participants will walk away with practical knowledge of a diverse range of M&A tools, techniques and best practices to drive success and growth for their business.



Over three days, the course provides valuable insights into:

- M&A dynamics, risks, and common pitfalls
- The eight stage Deal Flow Model
- Setting a clear M&A strategy
- Locating firms that best fit your M&A strategy
- Conducting effective financial, operational, human capital, and cultural due diligence
- Best practices in negotiating deals
- Integrating firms' people, processes, and systems to maximize deal value
- Ten key integration work streams
- Effective M&A communications
- Cultural comparison and integration
- Retention and "re-recruitment" of key talent
- Enterprise-wide integration project management
- Creating an integration project infrastructure
- Ongoing M&A integration decision-making
- Synergy capture prioritization
- M&A measurement and results reporting
- Successful and unsuccessful M&A case examples
- Key M&A success factors

Who should attend?

This course is designed for Directors, "C-level" Executives, and Board Members whose firms are currently pursuing an M&A strategy or are planning to conduct M&As in the future. It is geared toward executives looking to ensure that their company's M&A transactions not only achieve, but also exceed the expectations of all stakeholders. The course content will address the needs of executives from various functions, geographies, and industry sectors.

By attending, you will

- Understand how to establish and articulate a clear M&A strategy, which will create profitable growth for your firm.
- Identify target firms that fit your M&A strategy, who can bring the most strategic value to your organization.
- Conduct thorough financial, operational, human capital, and cultural due diligence so there are no post-deal surprises.
- Successfully negotiate clearly defined deal terms that position your deals for success.

- Establish an integration approach and infrastructure that efficiently and effectively combines the firms' people, processes, and systems to achieve accelerated synergy capture.
- Implement and communicate a clearly defined M&A success measurement, tracking, and reporting process.
- Learn the best practices of and pitfalls to avoid throughout each stage of the M&A process.
- Understand how to develop a repeatable M&A capability within your firm.

Agenda

Day 1 – M&A dynamics, stages, and strategy

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|---------------|--|
| 08:45 – 09:00 | Registration and welcome refreshments |
| 09:00 – 09:30 | Welcome and introduction <ul style="list-style-type: none"> • Introduction: trainer and participants • Objectives for the course |
| 09:30 – 10:00 | M&A Dynamics, Risks, and Common Pitfalls <ul style="list-style-type: none"> • The dynamics that cause M&A success or failure • Typical risks of M&As, and how to mitigate them • Common pitfalls to avoid • M&A “Killer Phrases” and “Killer Actions” |
| 11:00 – 11:15 | Coffee and tea break |
| 11:15 – 12:00 | The eight stage Deal Flow Model <ul style="list-style-type: none"> • Formulate: a clear M&A strategy • Locate: target firms that fit your M&A strategy • Investigate: thorough financial, operational, cultural, and human capital due diligence • Negotiate: clearly defined deal terms, to position deals for success • Integrate: combining firms' people, processes, and systems • Motivate: the combined workforce for maximum productivity • Innovate: for revenue growth • Evaluate: measure and report deal success |
| 12:00 – 01:00 | Exercise – M&A capabilities assessment |

- 01:00 – 02:00 **Lunch**
- 02:00 – 03:00 **Formulate – setting a clear M&A strategy**
- Firm growth strategies
 - ‘Make’ vs. ‘Buy’
 - First, know your own strategy
 - Strategic Deal Rationale – “The Eight Cs”
 - Serial acquisitions as a growth strategy
- 03:00 – 03:15 **Coffee and tea break**
- 03:15 – 04:30 **Locate – identifying target firms**
- Strategic fit
 - Operational fit
 - “Best fit”
 - The initial dance – approaching target firms
 - Getting serious – Letters of Intent
- 04:30 – 05:00 **Open discussion**
- Question and answer session
 - Key takeaways from day one

Day 2 – Due diligence, negotiation, and integration

- 09:00 – 10:00 **Investigate – traditional and non-traditional due diligence**
- Managing due diligence as a rapid results project
 - Thirteen key areas of due diligence
 - Non-traditional due diligence: organizational culture and human capital
 - Target/partner firm participation in due diligence – the “Executive Summit”
 - Establishing the foundation for integration during due diligence
 - Example “due diligence checklists”
 - The “Cultural Comparison Matrix”
- 10:15 – 11:15 **Negotiate – to position deals for success**
- Common negotiation terminology
 - A process for conducting effective negotiations
 - Preparing for negotiations
 - Choosing a negotiations strategy
 - Selecting a negotiations team
 - Managing the negotiations process
 - Common errors in negotiations

- Bridging the gap between final agreement and close

11:15 – 11:30

Coffee and tea break

11:30 – 01:00

Integrate – accelerated synergy capture

- The spectrum of integration
- Three integration phases
- Integration projects prioritization
- Key integration work streams
- Establishing an integration infrastructure
- The critical position – selecting a qualified “Integration Project Manager”
- Out of the norm – fast and effective integration decision-making
- Key integration tools/templates
- What to do about current projects in both organizations
- Achieving synergy capture “Quick Wins”
- Integrating with “prudent speed”
- Example “Functional Integration Checklists”

01:00 – 02:00

Lunch

02:00 – 03:15

Integrate – cultural integration

- Defining “Organizational Culture” – a concrete approach to a fuzzy issue
- The impact of culture on the combined company’s performance
- The “3D” approach to cultural integration
- The “Cultural Integration Matrix”
- Cultural integration “Quick Wins”

03:15 – 03:30

Coffee and tea break

03:30 – 04:30

Exercise – due diligence and integration

- Due diligence and integration teams selection
- Using due diligence and integration tools and templates

04:30 – 05:00

Open discussion

- Question and answer session
- Key takeaways from day two

Day 3 – Motivation, innovation, and evaluation

- 09:00 – 10:15 **Integrate – organization structure and staffing**
- Why nothing gets done until the combined organization is set
 - Organization structure guidelines for the combined organization
 - Common organization structure and staffing problems
 - Key organization design parameters
 - Organization design overview and options
 - Staffing the combined organization – a comprehensive staffing process model
- 10:15 – 11:15 **Motivate – M&A communications**
- Four phases of M&A communications
 - Developing a communications strategy for all stakeholders
 - Addressing the “Me Issues”
 - Multiple communication methods
 - Example “Frequently Asked Questions” (FAQs)
 - Communicating a “Fair Process”
 - The “Communications Strategy Matrix”
- 11:15 – 11:30 **Coffee and tea break**
- 11:30 – 12:30 **Motivate – retaining and re-recruiting key talent**
- Retention and “re-recruitment” are different, and why both are important to success
 - Identifying “key talent” – tangible criteria
 - Key motivation drivers – the “Re-Recruitment Needs Pyramid”
 - Developing and executing a retention and re-recruitment action plan
 - Multiple retention and re-recruitment options
 - The “Retention and Re-recruiting Planning Matrix”
 - The “Manager’s Guide to Retention and Re-recruitment”
- 12:30 – 01:30 **Lunch**
- 01:30 – 02:45 **Innovate – for revenue growth**
- Growing revenue as a key deal goal
 - Creating significant opportunities for growing revenues of the combined organization
 - Conducting “Employee Summits”

- Encouraging “prudent risk-taking”
- Installing mechanisms to create a “culture of innovation”

02:45 – 03:00

Coffee and tea break

03:00 – 04:00

Evaluate – measure and report deal success

- The value of M&A measurement
- Four key areas of M&A measurement
- Performance measures for all stakeholders
- Example deal success measures
- Financial measures and synergy capture reporting
- Setting regular intervals for transaction performance tracking and reporting
- The “Integration Process Assessment”
- Automated feedback
- Measuring the combined organization’s operations
- Cultural progress checks
- The “Merger Scorecard”
- The “post deal assessment” and developing a repeatable M&A capability within your firm

04:00 – 04:30

Next steps

- Key takeaways from the course
- What you will do now and in the future regarding your M&As

04:30 – 05:00

Closing

- Feedback
- Certificates
- Group photo

Trainer



Timothy Galpin

Timothy Galpin, Ph.D. is a Senior Lecturer in Strategy and Innovation at Saïd Business School, University of Oxford. Tim Galpin was previously the Global Practice Leader for Merger & Acquisition Services at Watson Wyatt Worldwide (now TowersWatson) spanning 90 offices in 30 countries, and a Founder and Managing Partner of Integration Partners – a global strategy execution and M&A services firm. Early in his career, Tim helped start and grow a successful management consulting business in London, England, relocating to Hamburg, Germany, when the firm was acquired.

Throughout his career Tim has consulted to firms in various industries around the world to design and successfully implement major business integration, transformation, and culture change efforts. Since joining academia in 2005, he has continued an active consulting practice, with recent clients including Verizon, Tampa Electric, and Bank of America.

Tim Galpin has authored articles in publications including: *Journal of Business Strategy*, *Mergers & Acquisitions*, and *Corporate Governance*. In addition, two of Tim Galpin's management books *The Complete Guide to Mergers & Acquisitions* and *The Human Side of Change* achieved 'best seller' status.

As a recognized expert on strategy formulation and execution, mergers and acquisitions, workforce productivity improvement, organizational transformation, and culture change, Tim is often asked by the business media to provide insights on these topics. He has been featured on CNBC, Reuters Television, National Public Radio, and quoted in various publications throughout the world.

Tim Galpin holds a Ph.D. in Organization Development from UCLA, and a Masters degree in Management from Southern Illinois University.

Training style:

Tim will be delivering the course using a blend of presentation styles, M&A tools, audience participation, and interactive exercises. The training will give participants the very best experience and insight into the best practices of successful mergers and acquisitions.

Client experience:

Our trainer has educated hundreds of executives worldwide in mergers and acquisitions. His previous client list includes following companies:

- GE
- Mobil Oil
- Intel
- Lyondell Petrochemicals
- Latin America HR Congress (Mexico City, Mexico)
- Harrods (London, England)
- IESE Business School (Barcelona, Spain)
- Hong Kong Chamber of Commerce (Hong Kong, China)
- Verizon Wireless
- TECO Energy
- Cargill
- Macrovision
- Reliant Energy
- Installshield
- Bayer (Milan, Italy)
- Arcelor Steel (Barcelona, Spain)
- Banco do Brasil (Brasilia, Brazil)
- Millennium Chemicals
- NYU Stern School of Business