

Better Data Visibility Improves M & A Results

M&A/D activity is back in play and as a result, companies are looking for ways to improve how they execute deals.

Success Depends on Data, Decisions & Uncovering Information Blind Spots

M&A Post-mortems often attribute project failure to a lack of visibility to data or missing data during the due diligence process. Why? The answer typically revolves around the quality of the data at the disposal of the M&A team. The days of drive-by due diligence are long over. The focus for both sides of the transaction needs to be on how to improve access and visibility to mission critical data, and eliminating the risk of “information blind spots” developing during the due diligence process.

Due diligence professionals, hoping to find hidden value and uncover risks, bring a fresh set of eyes to the equation. However, the scope of data required for analysis goes well beyond the insufficient subsets of data businesses typically provide in KPI’s and standard reports. So begins the tedious process of identifying additional data requirements, retrieving it, aggregating it and analyzing it. All of this takes significant time, resources & expense. The practice of paying highly compensated professionals to participate in this often manual effort only increases project costs and must be called into question.

Think about a scenario where you are engaged in the beginning phases of an M&A project. It does not matter what side of the deal you are on. Even if the products are great, management is superb, markets look ripe for exploitation – if the data is not clean, the deal just will not close. This is where Stone Bond and metadata driven data driven integration steps in.

With Stone Bond’s Enterprise Enabler[®] software, data virtualization, federation and orchestration together, can provide real-time data visibility from any business system or data source. What’s more, the integration can be executed within hours and without adversely affecting production IT environments.

Better, Faster & More Comprehensive Data Analytics

With the end goal of improving enterprise data visibility the creation of offline data reporting repositories has become one common practice to address this challenge. Although some enterprise data is aggregated, the challenge for due diligence is ‘what’ aggregated data is available, because it is directly dependent upon existing data integrations that feeds the data. This adds complexity and does not address the real question is, “why can’t we just point directly to the data where it currently resides in line of business systems?” Up until now, the inadequate response provided to customers by

integration, business and analytic software vendors has been to either create custom point-to-point integrations between disparate systems or centralize line of systems data to offline data reporting repositories. Often the data resides in the line of business systems, so migrating data is not addressing the problem; instead it creates significant additional cost, complexity and data governance challenges. Fortunately, Enterprise Enabler solves these challenges.

Any third party software solution can have direct access to the line of systems data by using the Enterprise Enabler software, thus eliminating the redundancy of data for many enterprise reporting and analytical business needs. By have the option to eliminate unnecessary staging databases, the business experiences significant savings and efficiencies for due diligence engagements and ongoing operations. For due diligence professionals Enterprise Enabler shortens the timeline needed to identify and aggregate enterprise data and since it is metadata integration it is not intrusive to the clients Production IT environment.

Information Availability & an Agile Data Enterprise

Having a strong data integration strategy is an imperative according to industry experts. Whether acquiring, merging or divesting, integration directly impacts your ability to execute. Business leaders should be wary of embarking on an M&A growth strategy whose success relies on integrating highly fragmented IT architectures.

Today highly fragmented enterprises cobble together line of business systems with brittle point-to-point integrations. This patchwork mentality around integration inhibits a business's ability to reveal & remove information blind spots, perform due diligence and complete divestitures, mergers or acquisitions effectively. This piecemeal strategy results in prolonged business transactions and integration initiatives, which can last, from fiscal quarters to multiple years.

For due diligence having more comprehensive data gathering and completing this work in a fraction of the time is a competitive advantage. For any business having an enterprise in which all data is available for secure on-demand data orchestration is game changing in facilitating Due Diligence & Post M&A execution. Contact Stone Bond and learn how a Fortune 500 customer used Enterprise Enabler to gain a competitive advantage, reduce risk & rapidly complete acquisition integrations.

Stone Bond Benefits:

- Enterprise Enabler (EE) Travelling License makes any enterprise data available for due diligence analytics to greatly improve post execution of M&A or divestiture
- Direct integration of line of business systems to BI and analytics reporting and Collaboration software (e.g., SharePoint[®])
- Shrink the due diligence engagement timeline and cost while performing more comprehensive due diligence