Accelerate M&A value through Software as a Service

HPE and SteelPointe Partners

Make your merger a success

Mergers pose a great opportunity for businesses today, especially in terms of topline growth, operational productivity, and margin improvement. While it's easy to sign on the dotted line and close the deal, the actual process of integrating two businesses is much more challenging. In fact, according to multiple sources, a large percentage of mergers, especially midmarket mergers, fail because of poor integration planning and implementation.

Fortunately, there are steps you can take to help ensure success. Businesses like yours have options and ways to effectively approach, manage, and accelerate mergers and acquisitions (M&A) activity—including systems and cultural integration. To this end, Hewlett Packard Enterprise and SteelPointe Partners have joined forces to help you use Software-as-a-Service (SaaS) tools to inherently speed up and reduce the risk of many M&A processes.

The value of SaaS to integration

Most business processes today are enabled by systems, and to capture the value anticipated from a merger or acquisition, systems will need to be adopted across the organization—and therefore often integrated or made available to one side or the other of the new organization that previously had not utilized the systems or processes. The cycle time for this adoption can be critical to delivering upon the financial assumptions put forward in selling the merger or acquisition deal.

SaaS solutions can address this challenge from two perspectives. First, SaaS-based solutions can allow both parties in M&A to begin independently planning how they will migrate to new solution sets because there are no legal barriers to examining offerings readily available in the market (vs. providing access to the proprietary and internally developed systems of two parties prior to a merger or acquisition's close). SaaS solutions often also provide well-documented interfaces, process flows, and even training, thus simplifying integration challenges and lowering the costs associated with custom-coded solutions. Then, upon the close of a deal, both parties can be well prepared to discuss the finer points of migrating to a common implementation.

This brings us to the second value of SaaS. During the integration of the systems, where great value is often realized, testing is paramount because of the magnitude of the change and the high potential for failure. Hewlett Packard Enterprise offers virtually all of the necessary application lifecycle management tools to test the newly integrated business solutions. During the integration phase, testing demands will typically be far greater than they will be during post-merger activities and the resumption of more typical IT activities. This is where a SaaS application testing software solution is important. Testing for M&A can easily range from 100 to 200 percent beyond normal software testing demands. With a SaaS approach, you can increase your capacity to accommodate M&A activity peaks, and then reduce the level for normal operations.

Also similar to the value proposition offered from SaaS business applications, work and training on the software testing suite can begin early. Libraries of functional tests can be created to verify that the integration work performed was successful. All of the possible work that can be done ahead of a merger or acquisition's close to accelerate value realization can make the difference in meeting the financial targets proposed for the M&A activity. SteelPointe and Hewlett Packard Enterprise can even make the testing challenge easier for you by offering Testing as a Service (TaaS), which addresses the temporary increase in labor demands and other major testing complications associated with the M&A process.

A proven approach and an integration strategy with SteelPointe

SteelPointe Partners works closely with you to understand the personality of your business, as well as its culture, and the needs and motivations driving your merger. Drawing from tools, techniques, services, and software, SteelPointe develops priorities and crafts a strategy aligned with your vision, not only to meet your objectives, but also to speed your transformation process. In addition to strategy and architecture development, SteelPointe focuses on process optimization, documentation, training, and effective communication through all six phases of M&A integration (see figure 1).

| Due diligence | Pilot | Optimization & standardization | Deployment | Refinement | Equilibrium |

Figure 1: Six phases of M&A integration

SteelPointe's integration strategy incorporates Organizational Change Management (OCM) practices and follows an application lifecycle management process approach that focuses on the goals and objectives required to achieve shareholder value (see figure 2). This strategy includes the following steps:

1. SteelPointe works closely with you to identify processes that will help you meet your goals and objectives.

2. These processes then break down into tasks and workflows.

3. Tasks and workflows break down further into systems and systems integrations, as well as into data and data sources.

4. Data from these sources is then transported, exported, and loaded to another system across a suite of applications—both old and new.

Driven by business objectives and those processes required to deliver them
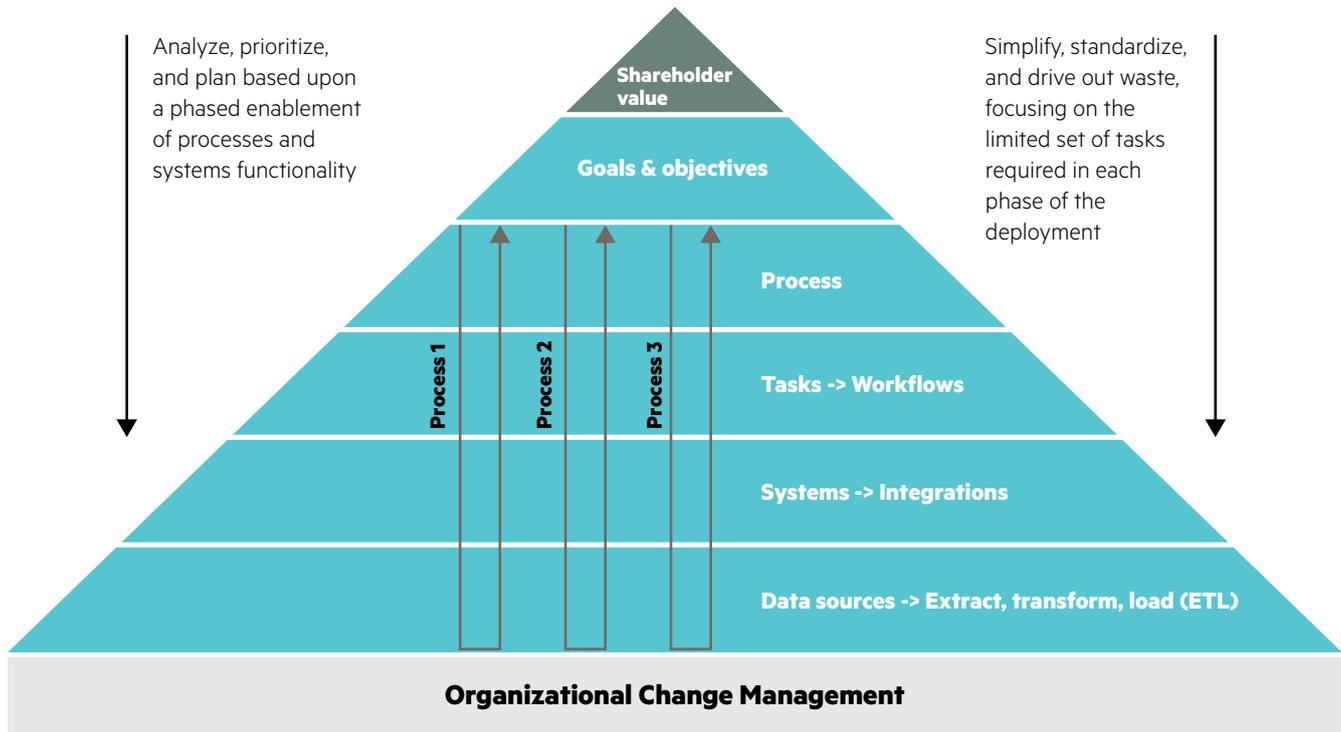
Analyze, prioritize, and plan based upon a phased enablement of processes and systems functionality

Simplify, standardize, and drive out waste, focusing on the limited set of tasks required in each phase of the deployment

Shareholder value

Goals & objectives

Process

Process 1 · Process 2 · Process 3

Tasks -> Workflows

Systems -> Integrations

Data sources -> Extract, transform, load (ETL)

Organizational Change Management

Figure 2: The SteelPointe integration strategy

By leveraging SteelPointe's methodologies and HPE SaaS software solutions, you can significantly boost productivity during the integration process. In addition, following the M&A activity, an organization will be equipped with a library of test scenarios that can be used with automated application testing solutions and tools, which can provide a high level of quality and testing productivity well into the future.

The HPE toolset advantage

SteelPointe's M&A methodology and process expertise, combined with HPE software solutions, provide you with a high level of flexibility and convenience to meet the many challenges inherently associated with M&A activity, and enable you to manage and evolve your new application lifecycle landscape after the M&A process is completed. Homegrown solutions, open source solutions, and simpler lower-cost solutions most often are far more rigid, less integrated, and more difficult to leverage given the many challenges faced by most development and testing organizations. HPE SaaS solutions:

- Require less infrastructure, testing, and development resources, providing a means to reach anticipated savings

- Are more readily adopted due to their proven intuitive user interface

- Generate fewer service desk calls due to more online resources and the stability of the platform

- Can be readily configured to adapt to a variety of application workloads that may shift annually, quarterly, monthly, or even daily

- Are more responsive to market swings

- Come at a lower initial cost, with the flexibility of an expense-based cost model

- Incorporate the best practices and lessons learned from a broad set of customers

- Are easy to pilot and test, quick to deploy, and less risky to implement

Moving to the SaaS delivery model for your next generation of business process implementation or testing can benefit your organization in the longer term as well, especially as companies today struggle to keep up with rapidly changing applications, business models, end-user technology, and laws and regulations. HPE SaaS software tools thoroughly simplify traditional testing, configuration, and application lifecycle management processes, and, through the significant use of automation, reduce the burden of migrating to new software releases. Your organization can remain current while avoiding the trap of being burdened with the upgrade costs typically associated with integration management and testing.

What are the HPE SaaS software tools that can accelerate your journey to value realization?

The Hewlett Packard Enterprise and SteelPointe Partners M&A solution takes advantage of HPE's industry-leading SaaS software solutions, including the HPE Adoption Readiness Tool (ART), HPE Application Lifecycle Management (ALM), HPE Fortify on Demand, and HPE SiteScope.

HPE Adoption Readiness Tool

Effectively and efficiently training employees on new processes and systems is one of the key success factors in realizing the anticipated benefits of a merger or acquisition. HPE Adoption Readiness Tool (ART) moves from point-in-time training to ongoing enablement. A fully customizable development platform for IT education, documentation, and performance support content; HPE ART supports the application lifecycle from inception to launch and beyond. You benefit through streamlined content creation, quicker adoption, and accelerated return on investment. A great advantage is its ability to work with virtually your entire application suite—regardless of whether applications are from other vendors or your custom solutions. HPE ART can simplify training challenges and accelerate the realization of benefits.

HPE Application Lifecycle Management

Every major merger or acquisition generally requires the integration and migration of systems. With either situation, risk needs to be managed and testing must be performed. HPE Application Lifecycle Management (ALM) is a set of application lifecycle management software products designed to accelerate the delivery of secure, reliable, modern applications. It combines a common platform with key applications to support application development and testing. Critically important to major projects like a merger, it provides a dashboard targeted at managing the core lifecycle of applications in support of merger or acquisition goals. HPE ALM solutions provide the visibility and collaboration, as well as the automation you need to manage the integrated suite of applications forming your new company.

HPE Fortify on Demand

Simple, fast, and secure, HPE Fortify on Demand is a managed application security testing service that makes it easy to initiate security tests on a few applications, or launch a comprehensive security program without the upfront investment of technology and resources. It combines advanced dynamic and static testing technologies with Hewlett Packard Enterprise's experience in evaluating software security, bringing professional-level software security expertise to organizations of all sizes.

HPE SiteScope

This agentless application monitoring software provides heterogeneous and hybrid support; quick time to value; and ease of installation, configuration, and use. HPE SiteScope continually monitors more than 100 types of IT components through a Web-based architecture that is lightweight and highly customizable. Now you can monitor critical components assessed as potential points of risk in the integration process. You can also stay apprised of problems and solve bottlenecks before they become critical with real-time information—without disrupting your current set of solutions and work practices. HPE SiteScope is a powerful tool that may also enable you to reduce the complexity of having multiple tools brought into play by each side of a merger or acquisition.

Why choose Hewlett Packard Enterprise-SteelPointe as your M&A partners?

Hewlett Packard Enterprise and SteelPointe Partners are jointly committed to accelerating your M&A transformation so that on day one of the integration's close, you can begin to realize value, and have a path to full value realization in place. With proven methodologies, tools, and services, we not only help your organization make the transformation faster, but also assist you in obtaining high-quality software and testing productivity post integration. The real value of our solution is the acceleration and cost structure of the integration process. With today's cost pressures, most IT and business teams are very lean and have few, if any, idle resources to take on the integration challenge. Hewlett Packard Enterprise and SteelPointe Partners can be your trusted service providers, allowing you to focus on your business processes while also offering peace of mind, knowing that testing is occurring, your systems will work, and you are avoiding long-term costs.

About SteelPointe Partners

At its core, the Houston, Texas-based SteelPointe Partners is a global IT management consulting, professional services, and outsourcing firm that focuses on transformation flexibility and speed. The award-winning provider redefines technology consulting and delivers business value through the optimization of IT strategies and operations—emphasizing the use of SaaS tools and OCM to accelerate and sustain client success.

Next steps

Contact your Hewlett Packard Enterprise or SteelPointe Partners representative to learn how you can improve shareholder value, create sustainable change, and ultimately drive M&A success.

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steelpointepartners.com
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