

Mergers & Acquisitions + Enterprise Architecture: Best Practices

Mergers & Acquisitions are one of the most popular and fastest ways for a company to grow in the modern age. However, this places a burden on enterprise architects, who go from dealing with one mass of applications, technologies and processes to dealing with double that. This poster will detail best practices for preparation and handling of a merger or acquisition.

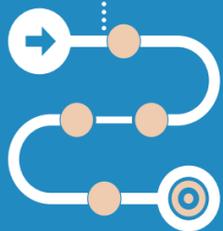
Pre-M&A Preparation

The majority of focus for Enterprise Architecture (EA) has always been on post-merger integration, but this can ignore the advantages that can be realized with proactive preparation



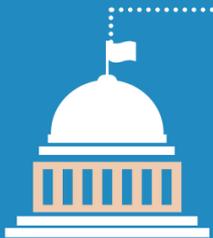
Be Part of Due Diligence

EA, and IT in general, can often be overlooked when it comes to due diligence, but they shouldn't be. By getting involved early, architects can begin to roadmap integration and ensure that technology portfolios deliver on their promises



Define a Common Strategy and Roadmap for IT

Having a clear goal to work towards ahead of time and a roadmap for achieving this makes it far easier to enforce core principles and prevent conflicts between IT departments and other stakeholders. Architects will also need to be aware of how divergent each organization is from this common roadmap.



Create M&A Architecture Governance

A set of general Architecture principles, and specific M&A Architecture principles, can also help guide integration decisions and provide an overall guiding light for the future of a firm's architecture.



Communicate and Engage with the Wider Business

Disruption from M&As can be particularly acute for IT and its use, which makes demonstrating plans and earning buy-in important ahead of time. This is of course true in general for M&As, which can lead to staff anxiety or siloes without strong communication.



Link Business Outcomes to Assets to Identify Risk

Despite their popularity, M&As often fail, as they are beset by risks. Identifying and understanding risks for new operations is difficult due to the lack of transparency and internal knowledge. EA can help to swiftly map business outcomes with the assets that produced them, and in this way highlight where risk may arise.

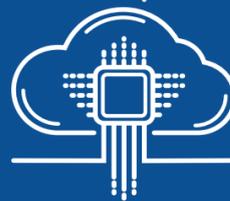
Post-M&A Integration

After a merger or acquisition, architects can be the most important people for the technology side, providing documentation of all post-merger steps.



Provide a Single Source of Truth

Introducing an entirely new company to an architecture landscape means dozens of new data sources. EAs can ensure that confusion does not reign by establishing a central repository that acts as a single source of truth



Have a Central Architecture Owner

Similarly, someone should be appointed as owner of the architecture, enabling both the Business and Technology Domains to co-ordinate post integration architecture activities with the Due Diligence and Integration teams



Establish a Capability Model

A business capability model covering the new combined enterprise offers basic insight into your current status and functionality, benchmarking against future business goals and desired outcomes, and providing a template to deliver these targets



Determine Current and Target States

Across the architecture, EAs will need to know where they are and where they want to be. For Infrastructure and application reference models, for data models, for business or technology models, this is perhaps the main task of EA



Minimize Overlap at the Application Level

It is inevitable that two companies will have applications and technologies that do the same or similar things; it is up to EAs to identify and rationalize those applications which are no longer required or do not align with business capabilities. This will cut costs and prevent wasted effort in Integration Architecture



Make the Difference

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