

VALUE CREATION:

4 Ways to Put Your Funds to Work Fast

The faster you can identify, evaluate, and purchase promising portfolio companies, the faster you can realize the value of your acquisition. In a market where deals are highly competitive, taking these four steps can help ensure you realize the full potential in short order.

Step 1

Size Up The Opportunity Quickly

- Mobilize immediately to get a due diligence team on site at the target company
- Consider operations, supply chain practices, and leadership capabilities
- Be aggressive and thorough
- Be realistic about the risks and look for red flags

TBM mobilizes quickly to put seasoned experts onsite, **usually within 1 week**, to assess the deal.


Step 2

Understand the Full Potential

- Pinpoint opportunities to accelerate EBITDA improvements and free up working capital
- Calculate the impact of improvements on future financial performance
- Identify operational improvements to achieve growth targets
- Be efficient, but be accurate so you can make a competitive offer as soon as possible

Quickly uncover additional synergies and savings opportunities that can **lower your deal multiple and reduce risk.**


Step 3

Establish Creditability with Your Target Firm's Leaders

- Cultural fit matters—sometimes more than price
- Do what you say you will
- Build trust and invest in a good working relationship
- Look for differences in management style and consider how they can be addressed

“Cultural fit between an acquirer and the target of a merger or acquisition is one of the most neglected areas of analysis prior to the closing of a deal.”¹

¹ Thomas Bouchez, HR M&A Leader, Mercer, Frankfurt, Germany


Step 4

Plan For Improvement

- Create your sustainable improvement plan
- Spell out specific operational excellence initiatives and integration strategy
- Focus on the greatest opportunities for improvement first
- Implement improvement plans as soon as possible post-deal

20-30%—Typical EBITDA improvement realized by quickly implementing optimized process plans



¹<https://www.shrm.org/resourcesandtools/hr-topics/global-hr/pages/considering-a-merger-or-acquisition-assessing-culture-is-key.aspx>

SEE HOW IT WORKS

2 Major Acquisitions Lead to 5x Share Price Improvement in About 2 Years

See how one PE firm acted fast to evaluate its opportunities and implement improvement plans in order to capture the full value of two lucrative deals.

[READ THE CASE STUDY](#)

Find out how TBM can help you put your funds to work faster.

[START THE CONVERSATION NOW](#)

SPEED WINS EVERY TIME

TBM specializes in operations and supply chain consulting for manufacturers and distributors. We push the pedal down in your operations to make you more agile and help you accelerate business performance 3-5x faster than your peers.

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