

## Business stand up in a carve-out acquisition

### Situation

A private equity firm was acquiring a \$250M advisory business that was being carved out of a \$7B+ professional services firm. The carved-out business needed to be stood up and operationalized with an issue-free Day 1. At the time of the carve out, the acquired business had minimal back office capabilities, processes, or supporting technologies, and was being supported by very costly and stringent transition service agreements (TSAs).

### Solution

We led the pre-and post-carve-out activities to strategically operationalize the new business and position it for sustainable growth. Throughout the transition, we provided leadership and expertise across sales, marketing, HR, finance, and legal operations, including critical systems and processes implementation, talent acquisition, employee engagement, vendor contracting, internal and external branding, and strategic change management and communications.

### Impact

Our diligent approach and expertise in managing timely and efficient transitions resulted in:

- Established sales, marketing, HR, finance, and legal functions three months ahead of plan, and optimized key operations within first six months of deal close
- Successfully implemented key systems and processes across finance, T&E, HRIS, payroll, talent acquisition, and customer/marketing
- Completed system overhaul with full HRMS/CRM/ERP/PSA/GL stand-up
- Hired 700 people within the first 12 months while reducing overall attrition by 7% and terminating TSAs three months early.
- Maintained business continuity throughout the transition, enabling 2% YOY growth and projected 8-10% growth in year two



“I was amazed at how quickly and efficiently Buck was able to stand-up key operations, enabling our business to thrive and grow during the transition period.”

– Chief Solutions Officer

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## Benefits strategy, replacement, and implementation in a carve-out acquisition

### Situation

A private equity firm acquired a manufacturer and distributor of personal protective equipment, janitorial, and safety products. The newly-acquired business consisted of approximately 350 employees and was a carve-out from a 50K employee global manufacturer. The PE firm turned to us to drive the overarching strategy, vet and select new providers for healthcare and 401(k) benefits, and implement the new programs within 60 days to avoid employee disruptions.

### Solution

The newly-acquired business budgeted for healthcare cost increases in the 20% - 30% range and was concerned that they wouldn't be able to offer the same level of coverage and employer match previously provided by the former parent company. Through our benefits expertise and vendor/marketplace networks, we were able to secure the same level of health care coverage with little-to-no cost impact to employees and maintained the same company match, driving year one savings of more than \$600K (vs. plan). Some benefits were enhanced at the same or lower costs. Additional change management and communication leadership was provided to onboard employees and share details about their new benefits programs and enrollment process. All new programs were designed to scale with anticipated growth, both organically and through acquisition.

# 350

employees secured the same or enhanced level of benefits with almost 100% of network overlap from the previous provider, resulting in over \$600K in year one savings with zero disruption



## Case studies: Transition services

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### Benefits strategy, replacement, and implementation in a carve-out acquisition, continued

"I was shocked by the results; we were expecting a 20% - 30% increase in health care costs and Buck actually delivered a net-net savings!"

– **Chief Human Resources Officer**

#### Impact

- Established new health care and 401(k) savings programs within the first 60 days of close
- Enabled 401(k) loan roll-overs within the 60-day period to avoid participant loan defaults
- Terminated TSAs within 120 days of close
- Delivered tailored employee communications and open enrollment materials and facilitated employee meetings to effectively manage the change and the enrollment process
- Managed new benefit providers and payroll vendor to ensure zero disruptions to payroll deductions, claims processing, employee loans and distributions, etc.

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Learn how we can help both you and your newly-acquired portfolio company with your of time-sensitive transition needs. Contact us at **1 866 355 6647** or **talktous@buck.com** to get started.

**buck.com**



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