



# M&A-Toolbox

Developed by Rafael Meier at the University of Applied Sciences and Arts Northwestern Switzerland (FHNW) as part of his bachelor's thesis for Oaklins, the M&A Toolbox is a practical checklist that guides companies aiming for strategic growth through the buy-side process. It helps business leaders stay focused, avoid common pitfalls, and make informed decisions at every stage.



## Strategic Alignment and Deal Rationale

- ☐ **Clear Acquisition goals and investment thesis**
  - Why this target, why now? Define expected value drivers (e.g., market, tech, scale) and align them with corporate strategy.
  - Top firms maintain an M&A pipeline and review their investment thesis regularly.
- ☐ **Define Deal Selection criteria**
  - Industry, size, profitability, culture. Avoid opportunistic deals by proactively screening and building a target pipeline.
  - A structured selection process filters out misaligned opportunities early.
- ☐ **Focus on Value Creation and Synergies**
  - Identify and quantify synergies early (cost savings, cross-selling, scale effects).
  - Integrate them into a valuation model (e.g., DCF).
  - Realistic assumptions and a concrete execution plan are key to justifying the deal and ensuring success.



## Internal Preparation and M&A Team Structure

- ☐ **Building M&A Capabilities and Resources**
  - M&A requires dedicated ownership, not just a CFO sidetask.
  - Even small teams (2–3 people) can succeed if processes, governance, and advisor use are clear.
  - Preparation and internal readiness are essential for repeatable success.
- ☐ **Clear Roles and Decision-making Process**
  - Establish clear M&A governance.
  - Involve key departments early and ensure fast, transparent decisions.
  - Top management must support the process,
  - CEOs should actively champion and prioritize M&A efforts.
- ☐ **Lean Core Team with Cross-functional Expertise**
  - Keep the core team small but strategic.
  - Combine transactional know-how with business insight.
  - Cross-functional involvement builds internal M&A knowledge.
  - Learning loops like post-merger reviews drive continuous improvement.



## Financial Guardrails and Valuation Discipline

- ☐ **Valuation and Deal Discipline**
  - Set financial guardrails early (max price, IRR, payback, dilution).
  - Define a strict walk-away price to avoid overpaying.
  - Identify dealbreakers during due diligence and act accordingly.
- ☐ **Synergy Estimation and Business Case**
  - Build a realistic business case with scenario planning.
  - Quantify synergies using both top-down and bottom-up approaches.
  - Ensure synergies justify the premium and are integrated into valuation.
- ☐ **Financial Strategy**
  - Evaluate deal financing options (cash, debt, equity) and their impact on cash flow and leverage.
  - Include financing logic in standardized approval checklists and decision templates.



## Due Diligence and Risk Management

- ☐ **Structured Due Diligence Process**
  - Follow a standardized process with detailed checklists.
  - Prioritize key risks and dealbreakers early to avoid information overload.
- ☐ **Cross-functional Due Diligence Team**
  - Involve experts from finance, legal, IT, HR, etc.
  - A central Due Diligence lead ensures coordination, with external specialists added as needed.
- ☐ **Cultural Due Diligence**
  - Assess cultural fit through interviews, site visits, and data.
  - Identify potential integration issues early (e.g., leadership, systems, customers).



## Post-Merger Integration and Synergy Realization

- ☐ **Integration Strategy and planning**
  - Create a detailed PMI plan pre-closing, including governance, 100-day actions, and clear responsibilities.
  - Set up a Steering Committee with ownership assigned.
- ☐ **Integration Management**
  - Appoint a PMI lead with authority.
  - Build a joint integration team and track progress using KPIs.
  - Transparent communication reduces uncertainty and builds trust.
- ☐ **Synergy Tracking and Quick Wins**
  - Assign Synergy Owners and track KPIs.
  - Deliver early wins to build momentum and credibility.
  - A Synergy PMO supports execution.
- ☐ **Integration depth and culture**
  - Define how deep the integration should go.
  - Address cultural alignment early and retain key talent with incentives.