CONSULTING CASE STUDY

Integrating a Private Company into Public Company Infrastructure

Case Study: Post-Acquisition Finance Integration & Compliance

Specialization: Accounting & Finance

Client Background

A large publicly traded company acquired a privately held, early-stage business. The acquired company operated with informal processes, limited systems, and minimal financial controls.

Challenge / Problem Statement

- **Compliance Gap:** Acquired business lacked financial controls required for public company compliance (SOX, SEC reporting)
- **Systems Integration:** Legacy systems incompatible with parent ERP infrastructure
- **Process Standardization:** Informal processes needed formalization
- **Data Consolidation:** Financial data needed integration into consolidated reporting
- **Timeline Pressure:** Complete integration within one year without impacting reporting
- **Cultural Integration:** Merging entrepreneurial culture with structured environment

FlexTek Phased Approach

Phase 1: Assessment & Strategic Roadmap
FlexTek finance consultant embedded as integration leader from day one:

- Documented current-state finance processes, systems, and organization
- Identified gaps between current state and public company compliance requirements
- Assessed parent ERP system and integration requirements
- Mapped data flows and chart of accounts alignment
- Evaluated finance team skills and capacity
- Reviewed compliance requirements (SOX controls, reporting standards)
- Defined success criteria: on-time integration, zero impact to reporting, full compliance

Key Deliverables: Comprehensive Integration Plan, Target Finance Organization Design, Systems Integration Blueprint, Compliance Roadmap, Change Management Plan.

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Phase 2: Execution

Our consultant led end-to-end integration across people, processes, systems, and data:

1. **Systems & ERP Integration:**
   - Configured parent ERP for acquired business unit
   - Migrated historical financial data with audit trail
   - Established automated interfaces
   - Executed cutover with minimal disruption

2. **Process Standardization & Controls:**
   - Designed standardized finance processes
   - Implemented SOX-compliant internal controls
   - Created control narratives for auditors
   - Established segregation of duties

3. **Organization & Governance:**
   - Designed finance organizational structure
   - Hired talent to fill capability gaps
   - Established governance frameworks
   - Implemented performance management

Outcome

- Completed full integration within **one-year timeframe**
- **Achieved compliance** with all public company requirements
- **Zero impact to period-close timelines** throughout integration
- Successfully **passed first post-acquisition audit** with no material findings
- Established **scalable finance infrastructure**
- **Built capable finance team** with appropriate skills
- Maintained business continuity with **no operational disruption**

Key Takeaways

- **M&A Expertise:** Deep experience in post-acquisition integration
- **Compliance Focus:** Successfully navigating public company compliance requirements
- **End-to-End Ownership:** Managed from assessment through sustainable operation
- **Stakeholder Management:** Managing relationships across corporate finance, IT, audit, legal
- **Risk Mitigation:** Comprehensive planning ensured no business disruption

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