

Increasing agility for mergers and acquisitions

Leverage Identity to navigate
integration challenges and
accelerate time to value.



okta

Executive summary

In recent years, mergers and acquisitions (M&A) have become a key component of many growth strategies. Globalisation, acquisition of new products and services, and enhanced customer footprints are all opportunities that come when companies explore inorganic growth.

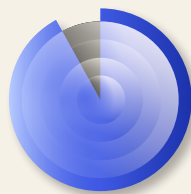
But the acquisition of new businesses comes with its fair share of downside and risk. Much of this risk stems from navigating the complex integrations of disparate technology stacks, which lead to delays, unproductive employees, underserved customers and security vulnerability if not carefully managed.

Identity is the element that links so much technical and human change inherent in M&A. As such, seizing control of Identity offers a unique opportunity for businesses to ensure a positive return on investment, leading to efficiency, accelerated growth and enhanced security.

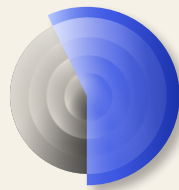


M&A are a strategic source of value creation

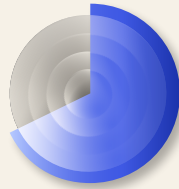
The past 30 years have seen a near exponential increase in global deal volume. Businesses increasingly see M&A as strategic tools to increase shareholder value, and there is no reason to think that trend will abate. A recent [Deloitte survey](#) found that:



92% of surveyed executives expect deal volume to increase or stay the same over the next 12 months



57% of corporate respondents have engaged in a divestiture in the past 12 months



68% of respondents say they are taking a greater interest in international deal-making over the next year

Complexity and technology barriers

As deals get more prevalent and larger, they naturally become more complex. That complexity comes at a cost, manifesting itself in the form of issues along a number of dimensions including:

Geographical

Businesses will find themselves going to market in new geographies, which introduces traditional challenges like language barriers and cultural norms, but also digital challenges like network latency and data residency requirements.

Technology and services

Businesses going through M&A transformation may encounter delays to release new products and services as processes are aligned, which could slow down innovation during the integration period.

Human capital

Users of merging or acquired organisations frequently have a poor transition experience, dealing with delays in access to services as well as changes in information systems. If not managed carefully, this frustration can lead to attrition.

Security

During a period of flux and integration, technology teams are often stretched thin. Integration can also lead to technical points of vulnerability, which makes companies going through M&A an attractive target for hackers.



Accelerating time to M&A value

Recognising that these technological hurdles can significantly impact the return on a deal, progressive organisations have developed a set of policies and processes they use to streamline the merger and acquisition process.

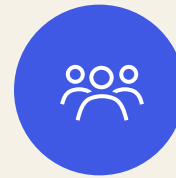
Merger and acquisition value drivers



Growth



Technology



Talent



Security

These projects run the gamut across people, processes and technology and include:

Domain consolidation

As new businesses are acquired, the number of domains under management increases. Smart organisations have dedicated teams focused on consolidating and integrating domains.

Adopting new applications

Integration is often an inflection point to improve the technological footprint for all employees, customers and partners. The path of least resistance is to simply adopt the technology stack of the acquiring company, but a best of breed strategy presents an opportunity to deliver additional value, at increased complexity.

Automating change management

With the rapid flux in organisational charts, user roles and attrition that comes with M&A, it is critical that businesses become adept in rapid and accurate change. Through automating de-provisioning and eliminating orphan accounts, organisations can reduce their attack surface and lighten the load for their IT team.

Enhanced security response

Due to the rapidly changing technological and access profile of the businesses, security response becomes critical. Companies that anticipate security vulnerability will be able to reduce risk by reacting faster.

Creating dedicated projects to address these areas of change is a great first step in improving execution and driving return on M&A activity.

Identity: The nexus of M&A change

Identity sits at the intersection of people and the technology services they consume. Taking control of Identity allows organisations to take control of some of the more complex dimensions of mergers and acquisitions:

The people: Managing the identities of both parent and acquired employees, partners and customers.

The technology: Managing access to both parent and acquired applications, devices, services, and APIs.

By creating a single source of truth you can automate processes, accelerate domain consolidation, connect all technology from Day One, and provide a unified, secure environment.



Why Okta?

Okta's approach recognises that identity is more than a back office function. Identity, and a modern, cloud-based approach to identity and access management, is a fundamental tool that can transform businesses.

Okta's transformative approach to business automation applies to the identity lifecycle process, helping businesses decrease merger and acquisition costs, accelerate business growth and enhance security.

Decrease M&A costs

- Our approach helps businesses streamline and drastically improve domain consolidation, which decreases IT transformation and maintenance costs.
- Directory integration automatically brings in user and group data, eliminating costly and inefficient manual import processes.
- Automate merger and acquisition related app provisioning requests, decreasing service desk time and increasing user efficiency.
- Automated onboarding and account management for Day One access to parent company resources, ensuring rapid time to value and happy, efficient employees for less costly attrition.

Accelerate business growth

- Day One access and easy best of breed IT systems mean productive employees ready to capitalise on new business opportunities.
- Scaling up infrastructure is automatic with a 100% cloud solution, which means more productivity as well as better ability to enhance more customers and partners to drive top line revenue.
- Faster integration of acquired products and services mean faster time to value and an increased market footprint.
- Single view of the customer across products, for enhanced customer analytics and better marketing effectiveness.

Enhance security

- Reduced likelihood of a security breach due to tighter identity and access management, which means less reputation loss and brand damage.
- Robust policy framework so policies can be managed centrally and flexibly means less security vulnerability.
- Out-of-the box, real-time security reporting gives your security analysts more time to spend securing the business and less time wasted on administrative tasks.

Roadmap to success

Ready to get started? We recommend these key success criteria to help you enhance your organisation's M&A readiness:

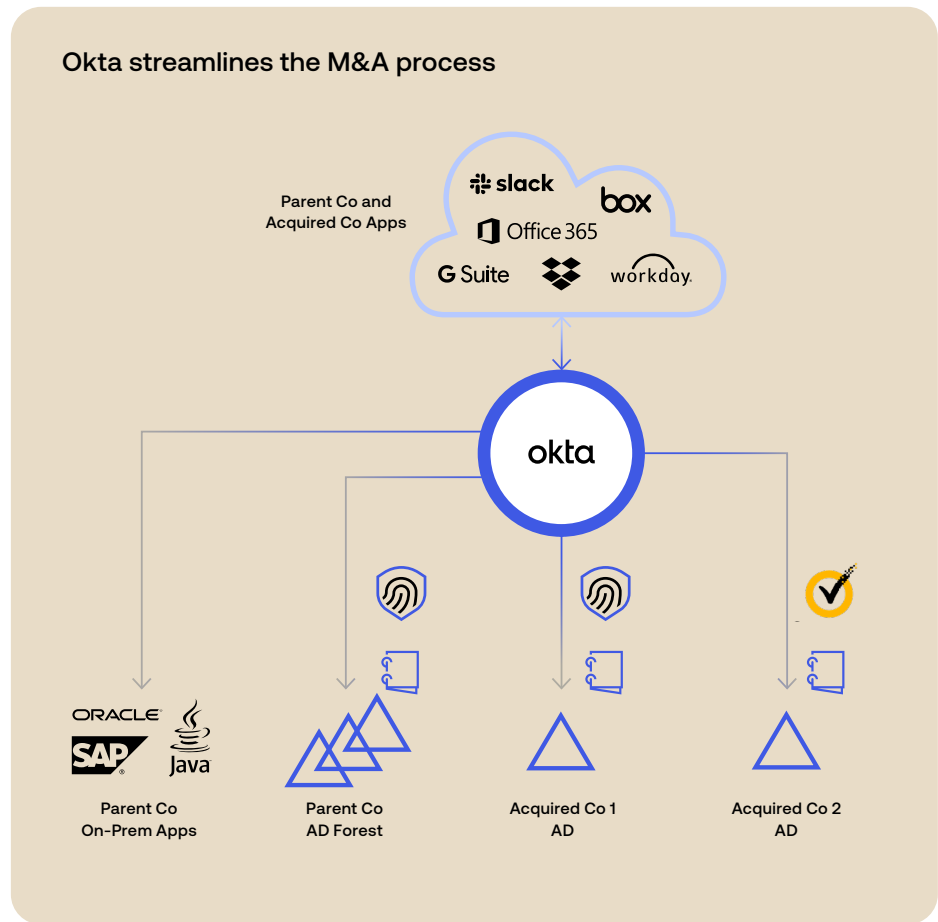
1. Eliminate domain consolidation wherever possible. Accelerate the process where necessary.
2. Be able to deliver a single source of truth for the post-M&A businesses.
3. Support a best of breed technology integration strategy easily and seamlessly, allowing users to get the best of both worlds from the new organisation.
4. Provide Day One access. Strive for maximum productivity from the start for your new organisations.
5. Be ready to unify security early. Eliminate the transitional state as a source of vulnerability and risk for your organisation.



We are here to help

Okta delivers a modern suite of identity and access management solutions that help businesses get maximum value from mergers and acquisitions. We have helped businesses of all sizes speed up the process, empowering users with enhanced productivity and driving down security risk.

We do it by connecting everything. We help progressive organisations adopt a modern approach to identity and access that helps employees, customers and partners, of acquirers and acquirees access systems more quickly, efficiently and safely.



About Okta

Okta is the World's Identity Company. We free everyone to safely use any technology—anywhere, on any device or app. Our Workforce and Customer Identity Clouds enable secure yet flexible access, authentication, and automation that transforms how people move through the digital world and puts Identity at the heart of business security and growth.



Whitepaper

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okta

EMEA Headquarters
20 Farringdon Road
London EC1M 3HE, UK
info_emea@okta.com
+44 203 389 8779