

Merger Integration

Industry & Client Situation

Our client, a US-based specialty services division of a global bank, was acquired by a Top 10 retail and commercial bank. Along with the usual integration challenges, this division represented a relatively unique complication for the acquiring bank:

- The division represented a new line of business and, therefore, its needs were unfamiliar to the acquiring bank
- From an operational perspective, the division's technology and operations had to be integrated into the acquiring bank [as opposed to being "converted" to the acquiring bank's existing platforms]

Our client engaged Bridge to help it transition its operations to the acquiring bank with minimal disruption to their customers.

Approach

The technology and operations transition included four major programs for domestic operations:

- Cash management (e.g., Wires, ACH, loans)
- Financial controls (e.g., general ledger and reconciliation functions),
- Regulatory and compliance-related operations (e.g., Anti Money Laundering, Office of Foreign Assets and Control)
- Non-cash operations (e.g., securities settlement) to the acquiring bank's relationships with settlement providers (e.g., the Federal Reserve Bank, the Depository & Trade Company)

Each program included multiple workstreams covering the division's interfaces with customers, the front office, and third-party providers. In addition, the team oversaw the integration of the technology platform into the acquiring bank's environment.

Workstreams within each program included systematic requirements and design phases, with current state analysis and identification of future state improvements for technology and processes. Once either technology or process improvements were developed, they were piloted and tested as part of the acquiring bank's integration program. Associate access to inquiry, training for new interfaces and operations, client and associate communications, and readiness assessments formed key components of the change management program associated with this transition.

Results

The transition programs were successfully tested and piloted. Conversion and transition to the acquiring bank took place on time, within budget, and with minimal disruption to the customer.