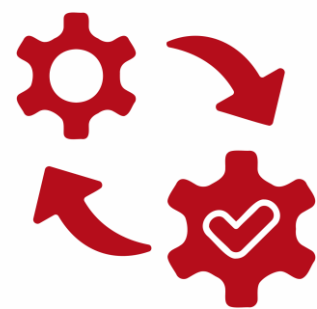


M&A TECH BITES

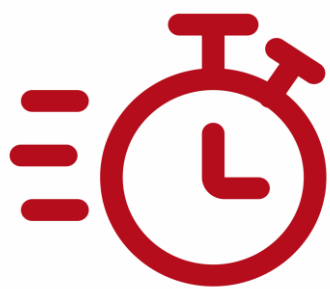
**How can an acquisition create value
rather than destroying it?**

To integrate: WHAT, WHEN, HOW?



What makes the **target valuable (speed, agility, culture)** is fragile
Only 14% of companies succeed at integration

The right timing



Integration **should be phased**, not rushed. **Preserve** what drives **value** first - **people, agility, innovation** -
Test, learn, then scale

The value question



83% of M&A failures come from integration challenges
The stakes: huge upside if done right, costly failure if done wrong

The result: Deal value evaporates before synergies appear



Digital acquisitions fail more often due to cultural clash

Cultural conflicts account for **30% of failed M&A integrations**, lasting success requires a strong **focus on people**

- 1 Cultural Asphyxiation**
 - Corporate risk aversion and slow governance suffocate startup agility
 - Within 12–18 months, morale and innovation collapse -> talent exodus
- 2 Core Rejection**
 - Internal teams reject new digital capabilities as “not invented here”
 - Resistance blocks integration and kills momentum
- 3 Talent Exodus**
 - Key experts leave due to bureaucracy and loss of autonomy
 - Once A-players go, others follow

*Ignoring these risks causes **massive value destruction***

*The **challenge** is not identifying them – it's **acting early to prevent them***



Technology must not be neglected

Technology missteps are among the **top causes of integration failure**
Speed without alignment creates technical debt, not value

1

Tech-stack collision

Forcing a premature migration of the target's modern, agile tech stack onto legacy enterprise systems - leading to Tech debt + crippled product

2

Data fragmentation

Disjointed data models and incompatible systems prevent unified reporting, analytics, and compliance visibility

3

Security & compliance gap

Merging systems with different security postures and regulatory baselines (e.g., HIPAA, GDPR) exposes vulnerabilities and delays go-live

*Neglecting tech integration risks **erodes deal value** quietly*

*The **challenge** is not building fast – it's **integrating with intent***



How to protect what you bought

 <p>Keep the company ring-fenced</p>	Preserve the target's autonomy across culture, brand, and operations; support without imposing
 <p>Appoint an ambassador</p>	Empower leaders to protect target's success , with steering access and veto rights
 <p>Agree on shared goals</p>	Set 1-2-year KPIs on product, performance, market traction - co-created with target leadership , not imposed
 <p>Technology & Data</p>	Assess technology first ; avoid early migrations. Integrate lightly to maintain speed
 <p>Protect and motivate key talent</p>	Retain core talent through autonomy and recognition . Monitor engagement; trigger action if attrition exceeds 10%
 <p>Enable collaboration with boundaries</p>	Facilitate knowledge sharing via quarterly exchanges and monthly demos while preserving autonomy

Sustainable integration protects innovation, retains top talent, and delivers synergy



READY TO CAPTURE VALUE?

Contact us at EPAM

We help organizations protect innovation, culture, and talent during M&A

We can help you answer:

- How much autonomy should the target keep + for how long?
- Where you need alignment, and where is independence critical?
- Which governance model accelerates value capture?
- How to retain the top 20% of talent post-close?
- Integrating for control or for growth?

Contact Us

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