

# Dancing With Elephants



**Suresh Menon**

SVP/GM Software Solutions, Zebra Technologies



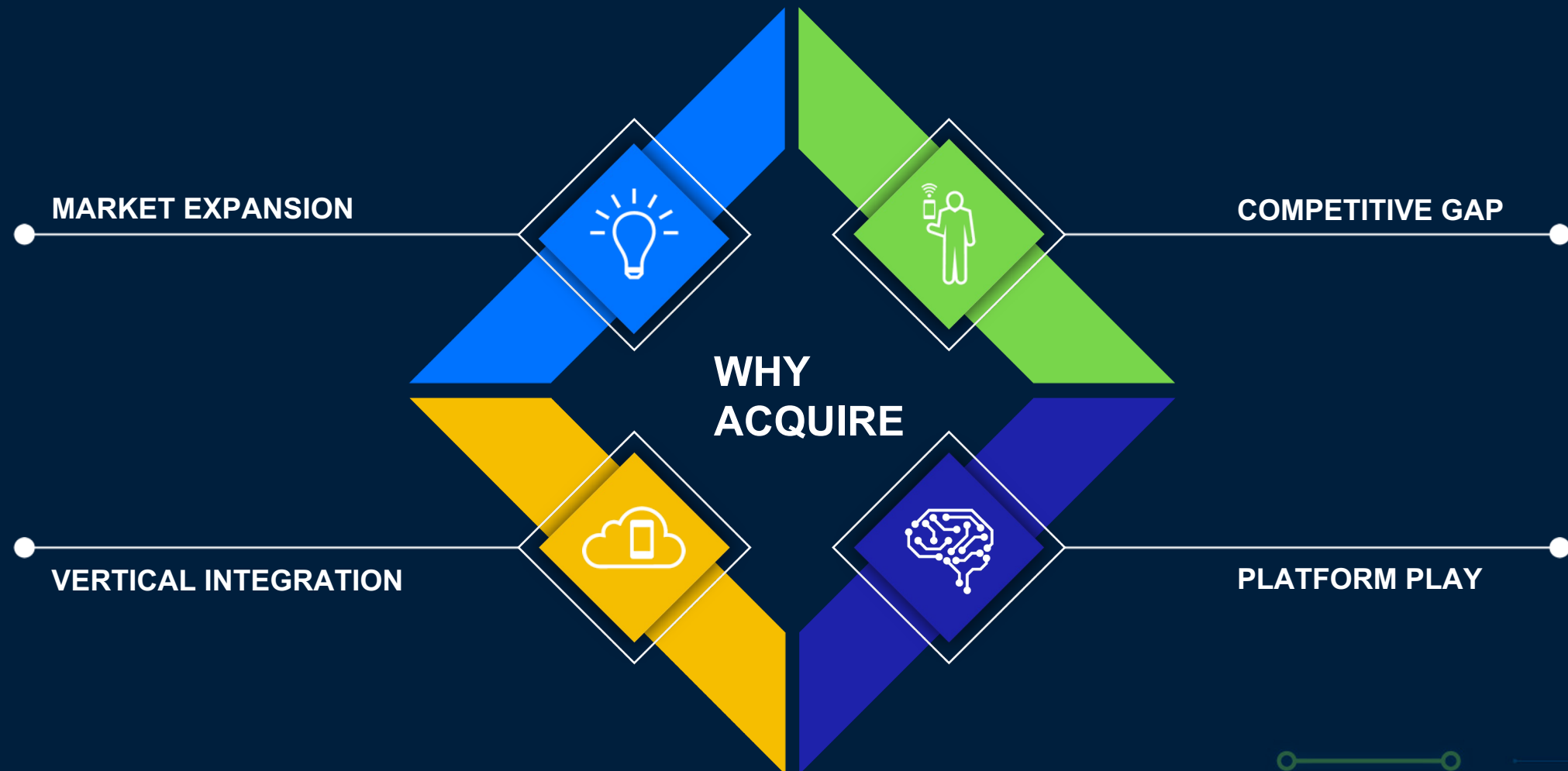
**BUILD**

**VS**



**BUY**

**The “addiction to acquisition”**



**MARKET EXPANSION**

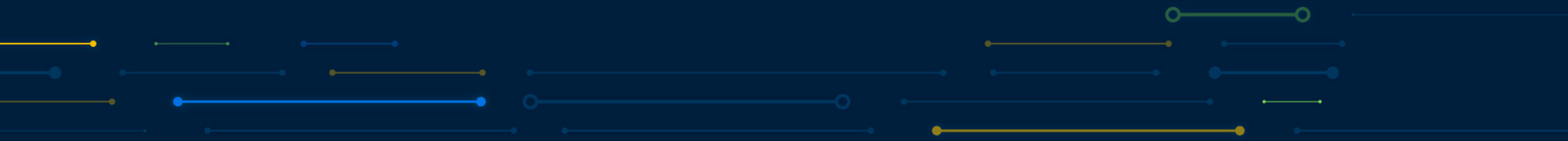




**COMPETITIVE GAP**

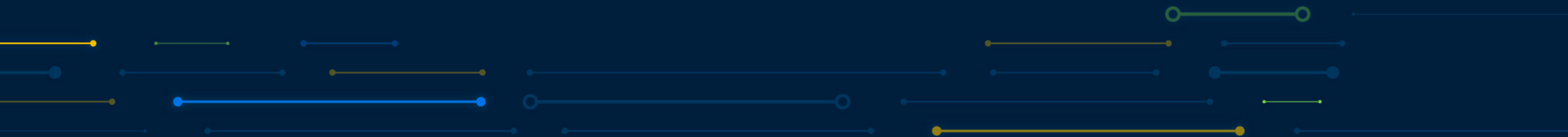


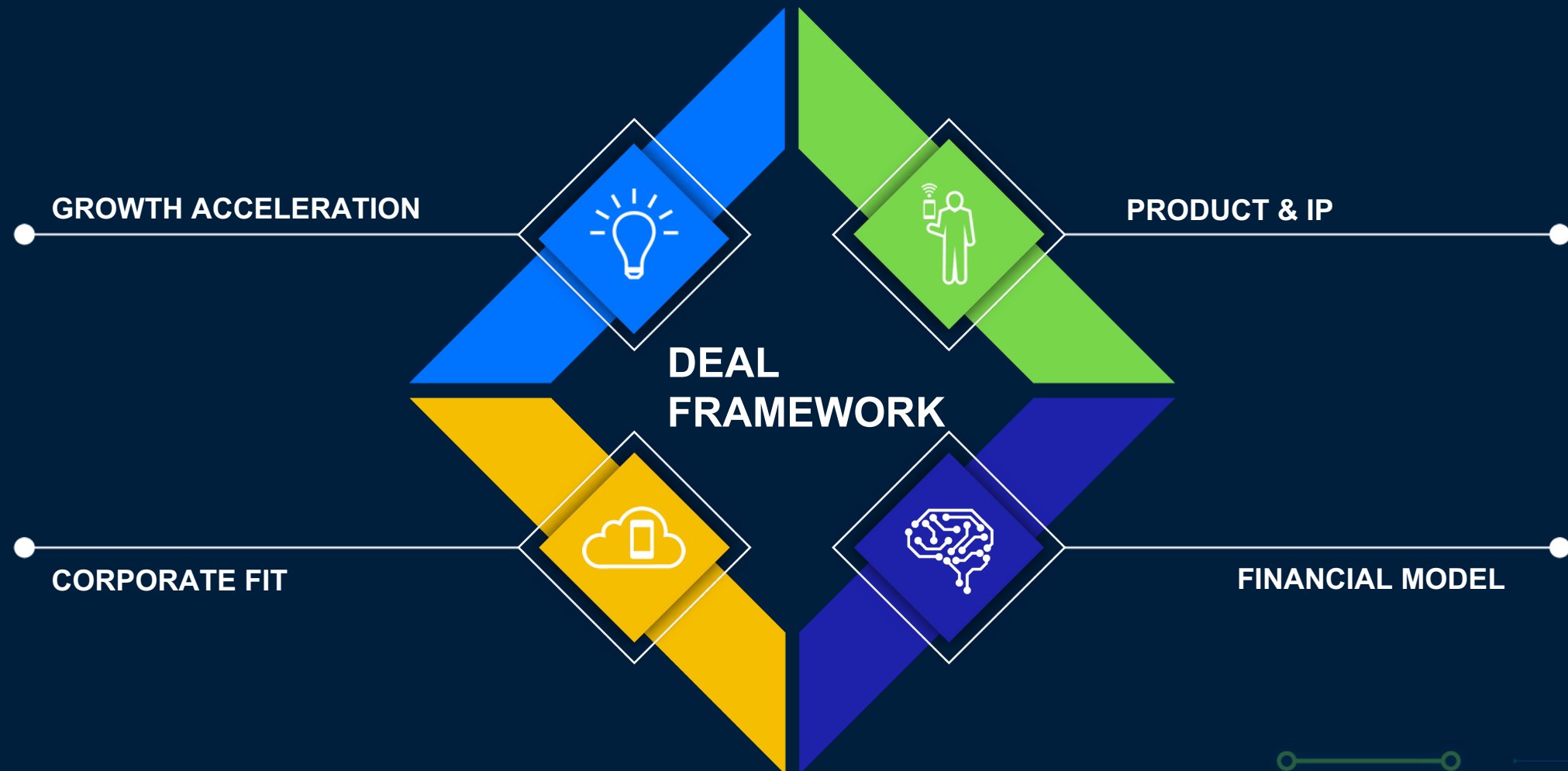
# VERTICAL INTEGRATION





# PLATFORM PLAY





GROWTH ACCELERATION



PRODUCT & IP



DEAL  
FRAMEWORK

CORPORATE FIT



FINANCIAL MODEL









The background is a dark blue gradient with numerous horizontal lines of varying lengths and colors (blue, green, yellow) scattered across the frame. Some lines end in small circles or dots, creating a digital or network-like aesthetic.

**THANK YOU**

Phase	Problem Areas	Current State	Gap	Desired State
Strategy	Strategy Rationale (Acquisition Type)	<ul style="list-style-type: none"> <li>• Acquisitions have been restricted to riskier, new markets</li> <li>• Industry / Target selection initiated in isolation of BU leadership / strategic plan</li> </ul>	<ul style="list-style-type: none"> <li>• Underestimated challenges</li> <li>• Ability to focus</li> <li>• Overestimated domain expertise, knowledge of business model, go-to-market motion</li> </ul>	<ul style="list-style-type: none"> <li>• Acquisitions strategy to <ul style="list-style-type: none"> <li>• reduce risk exposure</li> <li>• reduce distraction and narrow focus</li> <li>• leverage expertise</li> </ul> </li> <li>• Lockstep with BU leadership / strategic plan</li> </ul>
	Strategy Rationale (Product / Portfolio)	<ul style="list-style-type: none"> <li>• Acquired point solutions</li> <li>• Focused on solving specific problems</li> </ul>	<ul style="list-style-type: none"> <li>• Alignment of long-term software platform strategy and priorities</li> <li>• Understanding of customer priorities</li> </ul>	<ul style="list-style-type: none"> <li>• Acquisition strategy to augment current platform or accelerate product roadmap</li> <li>• End-state first, working backward strategic approach</li> </ul>
	Strategic Rationale (GTM)	<ul style="list-style-type: none"> <li>• M&amp;A targets were evaluated independent of GTM rationale</li> <li>• Disproportionate focus on size of market vs ability to execute</li> </ul>	<ul style="list-style-type: none"> <li>• Clear understanding of value drivers, where revenue synergies lie</li> <li>• Understanding of market buying dynamics</li> </ul>	<ul style="list-style-type: none"> <li>• Sales-first strategic approach</li> <li>• Single buying-persona / decision maker focus</li> <li>• Clear, attainable revenue synergies</li> </ul>
	Target Filtering (Expertise)	<ul style="list-style-type: none"> <li>• Acquired companies which may have had strong positioning in a niche product, but lacked broader portfolio strategy and positioning</li> </ul>	<ul style="list-style-type: none"> <li>• Thoughtfully developed long-term portfolio strategy</li> <li>• Clear understanding of priority and fit of point-solution acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>• Need to take an expertise first approach to understanding the problems at hand</li> <li>• Need to acquire companies that are mature, domain leaders until expertise is realized</li> </ul>
Due Diligence	Technology	<ul style="list-style-type: none"> <li>• Acquired legacy technology without strong platform strategy</li> <li>• Acquired pre-SaaS transformation companies</li> </ul>	<ul style="list-style-type: none"> <li>• Underestimated challenges of customizations</li> <li>• Underestimated challenges of building out a platform</li> </ul>	<ul style="list-style-type: none"> <li>• Acquire technology that is easily portable / integrated into our platform architecture</li> <li>• Technology should be scalable / repeatable</li> </ul>
	Management / Leadership	<ul style="list-style-type: none"> <li>• Poor alignment with leadership / management over long-term strategic vision</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding of management role within key business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Aligned vision with key stakeholders to help advocate for long-term strategic vision</li> </ul>
	Operations	<ul style="list-style-type: none"> <li>• Created top down, standalone, high-level operating plans</li> </ul>	<ul style="list-style-type: none"> <li>• Deep understanding of business model and strategic rationale across all functions</li> </ul>	<ul style="list-style-type: none"> <li>• Develop rigorous operational business model with consensus agreement on long-term investment requirements, synergies, and operational focus</li> </ul>
Integration	Planning	<ul style="list-style-type: none"> <li>• Material integration planning pushed post-close</li> <li>• BU not functionally ready to receive acquisition target</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient strategy resulted in key integration decisions / functional investments to be deferred</li> </ul>	<ul style="list-style-type: none"> <li>• Push greater % of integration planning into diligence</li> <li>• Prepare / develop functions to receive target</li> </ul>
	Structure / Timing	<ul style="list-style-type: none"> <li>• Acquired Asset left to run standalone for undefined term</li> <li>• Delayed rationalization of acquisition strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstration of strong vision to acquired team</li> <li>• Clear understanding of GTM and operating strategy</li> <li>• Unite and excite acquired team</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate immediately – communicating stabilizing message to acquired team during time of uncertainty</li> </ul>