

Carve-Out

Pharma concern, PE-owned

COMPANY DETAILS

- **FTEs:** 9,000 globally
- **Responsibility:** 8 FTEs (all middle managers, 2 x IT)
- **Scope:** 8 of 32 production plants across Europe, 8 workstreams (2 of them IT)

SITUATION AND CHALLENGES

- **Incomplete Agreements**
The comprehensive contractual basis neglected the IT field, which has already led to severe contradictions and delays.
- **Significant complexities in IT and finance**
While this carve-out was taking place, a second one was also running in parallel, a data centre had to be replaced and sites with critical personnel for the carve-out were closed.
- **Personal grudges**
Some of the staff at the sites to be carved-out took the opportunity to settle old scores and left scorched earth in their wake.

ROLE / FUNCTION

Interim Project Management Office (PMO)

OBJECTIVES

1. **Full business functionality at Closure Date (Day 1)**
2. **Aligning the contractual base** to make sure that its followed
3. **Minimal costs** for the carve-out, minimal disputes, fast execution

MEASURES AND PROCEDURES

- 180 IT services identified, prepared for decision making and planning actions
- 91 actions prior / at Closure Date identified and monitored
- ⚠️ 41 key assumptions Identified and negotiated as collaborative base for both sides after escalation
- 54 contractual Transfer Service Agreement (TSA) documents adapted and monitored
- Established a project management office (PMO)
- Established a steering committee for the selling company incl. governance and reporting

RESULTS AND ACHIEVEMENTS

- ★ **Re-railed** a 350 MEUR carve-out
- **Major disputes mitigated**
- **Target operating model (TOM)** for the new carved-out company set up and launched