

# How Oomnitza can improve Mergers & Acquisitions

## Introduction and Context

When undertaking a merger or acquisition (M&A), a key part of due diligence is evaluating the IT infrastructure and systems of the target organization. This is critical for identifying any technology, security or compliance risk. Evaluating IT also can help a potential acquirer better understand technology spending requirements and technology consumption patterns, helping create more accurate financial projections of costs and saving opportunities. This is critical because every company is effectively a technology and software company. Performing due diligence has grown more complex as the diversity and number of assets under management by IT teams has grown exponentially.

Oomnitza can streamline due diligence processes and automate asset data collection from multiple siloed technology systems, as well as reconcile the data into a single source of trusted information, providing a unified resource of IT asset information available for due diligence collaboration by M&A teams. Oomnitza can also provide a baseline assessment of the asset-level security posture of an organization. This can illuminate hidden security and compliance risks that may be invisible to potential acquirers. Lastly, Oomnitza can also identify potential software license violations which might have serious financial ramifications for acquirers.

To summarize, the benefits Oomnitza brings to an M&A process include:

- ▶ Automated discovery of all IT assets across hardware, mobile, software, SaaS, and cloud infrastructure
- ▶ Normalization of all asset data across the entire IT estate
- ▶ Insights into IT usages patterns, processes, and spending
- ▶ Baseline information on security stance and potential cybersecurity risks
- ▶ Identification of potential software and SaaS licensing risks
- ▶ Knowing the value of the IT estate in one single pane of glass

## Use Cases: Leveraging Oomnitza For Better Due Diligence

A key component of Oomnitza is comprehensive Enterprise Technology Orchestration (ETO). Most IT organizations have multiple sub-categories of ITAMs such as CMDBs, SAMs, and MDMs. Each system has its own discovery agent. Some rely on manual recording. Oomnitza automates discovery by leveraging existing discovery agents in other platforms to create a comprehensive single agentless discovery process. This allows for the rapid, automated, and seamless integration of data from multiple manual subsystems into a single holistic perspective, which becomes an organization’s asset database of record. The benefits of this architecture include:

<p><b>#1.</b> NO NEED TO INSTALL,</p> <p><i>run and troubleshoot additional agents across all assets</i></p>	<p><b>#2.</b> NO NEED FOR MANUAL</p> <p><i>asset reconciliation or counting</i></p>	<p><b>#3.</b> A SINGLE POINT OF</p> <p><i>integration maintained by Oomnitza should agent outputs or APIs change and break previous integrations or data models</i></p>
<p><b>#4.</b> ABILITY TO ADD ADDITIONAL DATA</p> <p><i>sources to ETO automated discovery via Oomnitza's Python-based connector tool</i></p>	<p><b>#5.</b> ABILITY TO CONNECT</p> <p><i>ETO outputs easily into other tools including financial packages, security auditing tools, and data visualization packages such as Tableau or Looker.</i></p>	<p><b>#6.</b> ON-THE-FLY UPDATES TO</p> <p><i>important IT asset attributes in real time as changes happen during the deal cycle</i></p>

M&A teams can deploy Oomnitza and obtain a full discovery report in less than an hour. If the target organization is already using Oomnitza, then the M&A team can extract long-term IT asset and licensing data to create consumption, usage and procurement reports. This may be particularly interesting to private equity buyers which typically look to reduce costs and rationalize all spending as part of initial and high-leverage operational improvement campaigns.

## Use Case 1: It Security And Compliance Assessment

Autodiscovery allows deal teams to quickly survey and visualize the entire IT asset state, evaluate security, and validate compliance with key standards such as SOC-2 and ISO 27001. By tapping into existing ETO capabilities and aggregating the information, Oomnitza can quickly ascertain key cybersecurity metrics such as:



## Use Case 2: Software and SaaS license audits

One of the largest hidden risks facing acquiring companies is submerged license violations. Larger software vendors are known to target recently acquired companies for license audits and penalties for violations. Keeping track of license status and use has grown more complicated in the realm of SaaS, when multiple individuals share the same log-in credentials for SaaS and may use online services outside of authentication services such as Okta and Google Auth. By pulling in license data and comparing it to usage data, Oomnitza can:

- ▶ Accurately count number of licenses or instances of a SaaS in use
- ▶ Identify instances where unauthorized users are violating licenses
- ▶ Visualize license compliance status
- ▶ Prevent multi-million dollar “speeding tickets” from large software vendors
- ▶ Identify major risks for license violation exposure

## Use Case 3 - IT asset consumption and spending analysis

IT asset spend varies widely by industry. Estimates for spending as a percentage of revenues range from roughly 7-8% for financial services and technology companies to around 1.7% for construction and infrastructure companies. For service industries in particular, IT spend and IT consumption represents a large line item on annual budgets and a key element of any cost rationalization and optimization campaign. With Oomnitza as part of a due diligence process, finance teams analyzing deal prospects can:

### **BUILD ROBUST MODELS**

*of IT spend based on actual assets rather than balance sheet entries*

### **QUICKLY ASCERTAIN**

*what percentage of assets are near EOL and will have to be replaced*

### **CREATE A BREAKDOWN**

*of spending patterns on IT per unit and per spend type (hardware, software, SaaS, cloud)*

### **EXPORT IT ASSET DATA**

*to enable visualization and analysis of IT spend using their preferred modeling tools such as Tableau, Looker and Anaplan*

## Building A Business Case For Oomnitza For M&A

Demonstrating the value of deploying Oomnitza for M&A activities is a matter of showing costs and benefits. Like any other cost/benefit exercise you must evaluate the cost of Oomnitza versus the benefits in cost savings and efficiencies. A partial list of benefits might include:

- ▶ Reduced time completing IT infrastructure and asset due diligence
- ▶ Identification of IT security risks and non-compliance issues
- ▶ Automated normalization and reconciliation of IT assets across silos
- ▶ More comprehensive view of IT estate
- ▶ Ability to automate (and to repeat) IT due diligence
- ▶ Comprehensive view of compliance and security risks
- ▶ More accurate cost and resource data of IT assets
- ▶ Improved forecasting and visibility into future IT requirements
- ▶ Clear identification of software and SaaS license risks
- ▶ Easy export of IT asset data into data analysis and visualization tools like Tableau, Looker and Google BigQuery or BigTable.

Secondary benefits to M&A process teams derived from Oomnitza may also be significant. Secondary benefits might include the following:

### ACCURATE

*calculations of IT asset utilization rates*

### MORE ACCURATE

*forecasts of upcoming required IT asset spend*

### ABILITY TO IDENTIFY

*and model for excess licenses and other hidden opportunities to unlock efficiencies*

### ASSESSMENT OF

*cost of mitigation IT security risks and improving security stance*

### ENABLE BETTER

*IT architectural visibility and integration/consolidation*

Compare these benefits to the known past costs and inconveniences of running a more manual IT asset assessment analysis process. If the comparison indicates significant value add through deploying Oomnitza, you may still need to append specific metrics to your business case - such as hours saved, improved accuracy and cost savings from identifying opportunities for consolidation. Ultimately, as well, the most important benefit is hard to price to in fact is priceless - peace of mind that you know all the major risks present in the company you are about to purchase or merge with and are prepared for those risks.

## About Oomnitza

Oomnitza is an agentless enterprise technology orchestration solution for digital business. By consolidating technology asset data from siloed systems into a single pane of glass, our customers are able to optimize their technology spend, automate their governance processes to meet compliance and auditing requirements, protect from security risks, and ensure great employee experience and productivity. Oomnitza is headquartered in San Francisco.

[www.oomnitza.com](http://www.oomnitza.com)