The Combined Operating Model before Day One: Decisions that Cannot Wait for Closing

A Lawful Pre-Close Design and Day One Readiness Framework

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Abstract

Merger leaders face a narrow pre-close design problem. Waiting until closing to choose governance, leadership interfaces, customer ownership, financial controls, data boundaries, system access and synergy accountabilities can waste the first months of ownership. Implementing those choices early can create gun-jumping, information-sharing, employment, privacy, regulatory and execution risk. This paper develops a lawful pre-close operating-model framework for decisions that cannot wait for Day One. It separates design from implementation; maps closing conditions and interim restrictions; defines a decision taxonomy and design authority; establishes the target model across customer propositions, value streams, organisation, governance, entities, workforce, finance, data, technology, controls and shared services; and converts the design into Day One and first-100-day releases. Five figures and five tables present the decision-rights boundary, operating-model dependency map, Day One critical path, synergy-accountability architecture and closing-ready operating-model certificate. The framework draws on current merger-control, interim-measures, information-exchange, cybersecurity, privacy, financial-reporting, employment and operational-resilience sources. Eight frequently asked questions and twenty-eight primary or authoritative references support application. Numerical values are illustrative analytical scenarios. Transaction-specific conclusions require verified transaction terms, regulatory status, interim restrictions, employee processes, licences, contracts, systems, controls and jurisdiction-specific advice from competition, legal, regulatory, employment, privacy, cyber, accounting, tax and other specialists.

JEL Classification: G34, L22, M10, M14, D23

Keywords: operating model, Day One, merger integration, pre-close planning, decision rights, synergy ownership, hold separate, governance, systems integration, M&A

1. Set the board's design mandate

The merger leadership team should define value objectives, legal boundaries, design scope, decision rights, evidence standards, timetable and escalation thresholds. The required output is a board-approved pre-close operating-model mandate. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [1][2].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that teams can confuse permission to plan with authority to implement. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

2. Separate design from implementation

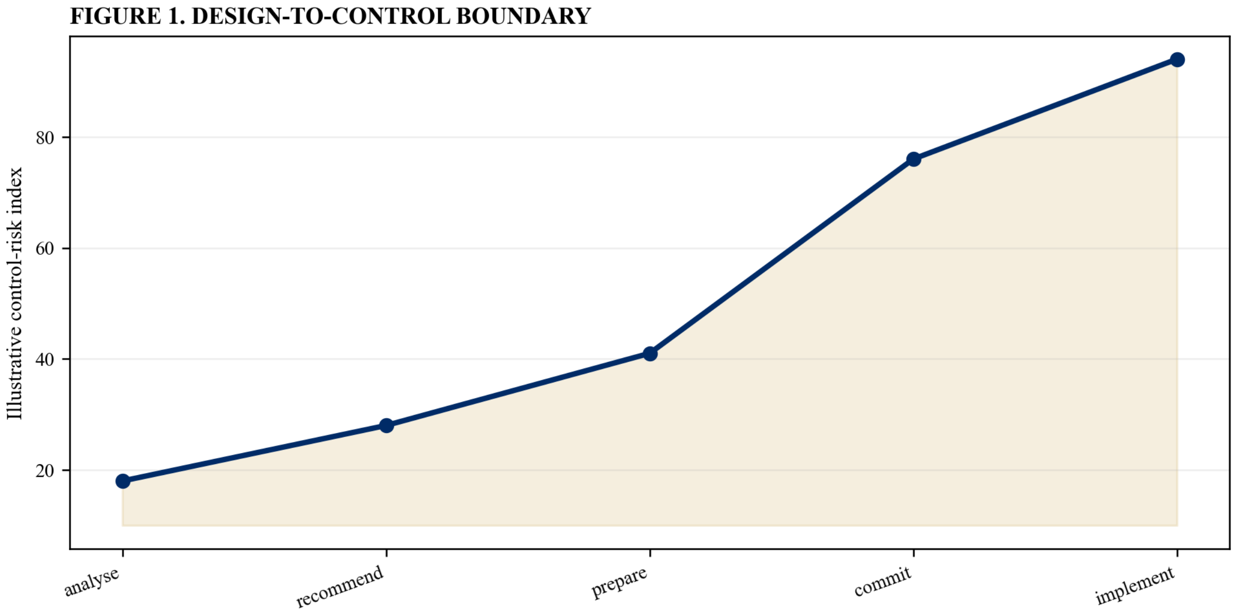
The merger leadership team should classify analysis, recommendation, preparation, access, communication, commitment and execution activities. The required output is a design-versus-control boundary map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [1][3].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that a planning workstream can direct the target's competitive conduct. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Figure 1. Design-to-control boundary



Illustrative analytical scenario; verified transaction evidence should replace index values.

3. Map the closing pathway

The merger leadership team should record filings, approvals, shareholder actions, financing, remedies, long-stop dates and plausible timing ranges. The required output is a condition and timing map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [4][5].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that the model can assume a date or perimeter that remains conditional. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

4. Create the decision taxonomy

The merger leadership team should distinguish current-party decisions, conditional recommendations, reversible preparation, closing actions and post-close choices. The required output is a governed decision register. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [2][6].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that provisional choices can harden into unauthorised commitments. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Table 1. Pre-close decision taxonomy

Decision class	Permitted output	Control
current-party	independent action	own authority
conditional design	recommendation	no implementation
reversible preparation	ready artefact	legal approval
closing action	cutover step	control transfer

Illustrative structure; verified transaction evidence and specialist review govern.

5. Define operating-model principles

The merger leadership team should agree customer, value, accountability, control, simplicity, resilience and local-autonomy principles. The required output is a ranked design-principles scorecard. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][8].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that functions can optimise locally without a coherent enterprise model. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

6. Establish the design authority

The merger leadership team should set sponsor, integration leader, functional owners, clean teams, advisers, challenge and approval forums. The required output is a pre-close design governance map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [1][9].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that decisions can be made without accountable owners or lawful access. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

7. Baseline both operating models

The merger leadership team should document structures, value streams, decision rights, capabilities, systems, costs, controls and service levels independently. The required output is a comparable current-state evidence pack. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][10].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that the louder organisation can become the undocumented default. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

8. Anchor the customer promise

The merger leadership team should define which customer outcomes, service commitments and trust attributes the combined model must protect. The required output is a customer-promise control statement. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [11][12].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that internal integration convenience can weaken the external proposition. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

9. Map end-to-end value streams

The merger leadership team should connect demand, sales, fulfilment, service, cash, product and support across organisational boundaries. The required output is a value-stream dependency map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][13].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that functional charts can conceal broken handoffs and duplicated accountability. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

10. Choose organisation layers

The merger leadership team should define enterprise, business, geography, product, customer and shared-service accountabilities. The required output is an organisation-layer blueprint. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][14].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that matrix complexity can multiply approvals without improving control. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

11. Design leadership interfaces

The merger leadership team should specify roles, spans, reserved matters, interim appointments, succession and conflict protocols. The required output is a leadership-interface map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [15][16].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that title allocation can precede capability and accountability design. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

12. Set decision rights

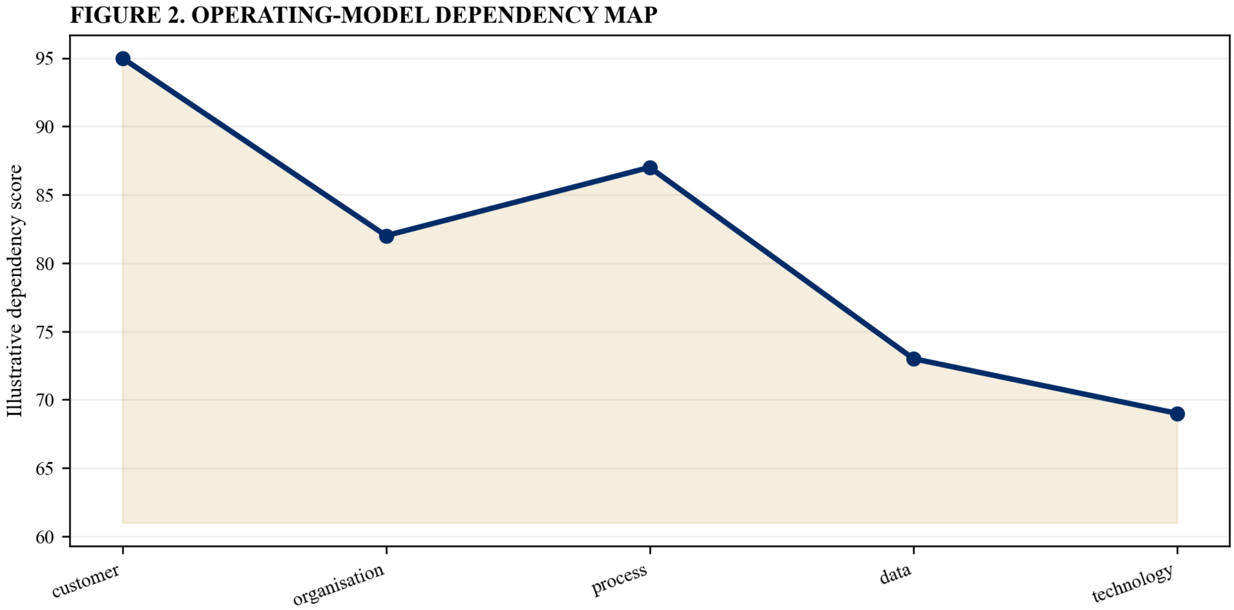
The merger leadership team should assign recommend, decide, execute, challenge and inform roles for value-critical decisions. The required output is a decision-rights matrix. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][17].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that shared accountability can leave urgent decisions ownerless. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Figure 2. Operating-model dependency map



Illustrative analytical scenario; verified transaction evidence should replace index values.

13. Design governance forums

The merger leadership team should define purpose, membership, inputs, thresholds, cadence, minutes and escalation for each forum. The required output is a governance operating calendar. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][18].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that meetings can proliferate while decisions slow. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

14. Map legal entities and authorities

The merger leadership team should reconcile boards, delegations, signatories, bank mandates, licences, contracts and statutory duties. The required output is a legal-to-operating authority bridge. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [19][20].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that a target model can require powers the entity or manager does not hold. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Table 2. Operating-model layer matrix

Layer	Core question	Evidence
enterprise	what is central	reserved matters
business	who owns value	P&L and capabilities
geography	what remains local	licence and customer need
shared service	what is standard	service catalogue

Illustrative structure; verified transaction evidence and specialist review govern.

15. Protect licences and regulated activities

The merger leadership team should identify notifications, approvals, controllers, responsible persons, ring-fences and conduct requirements. The required output is a regulatory continuity plan. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [4][21].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that a centralised model can breach licence perimeter or local accountability. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

16. Set brand and channel architecture

The merger leadership team should decide conditional brand roles, migration criteria, customer channels and transition evidence. The required output is a brand-and-channel option map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [1][11].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that premature convergence can destroy local trust or imply completion. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

17. Design the commercial model

The merger leadership team should map segments, propositions, coverage, pricing authority, incentives, pipeline and conflict rules. The required output is a post-close commercial blueprint. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [3][22].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that joint planning can expose sensitive information or coordinate competition. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

18. Protect customer ownership

The merger leadership team should define account continuity, relationship handoffs, consent, service evidence and escalation. The required output is a customer-transition register. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [11][12].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that customers can experience duplicate contact, silence or unapproved promises. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

19. Rationalise the product portfolio

The merger leadership team should classify retain, invest, integrate, migrate and retire options with customer and regulatory gates. The required output is a product decision portfolio. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][23].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that synergy assumptions can rely on product exits before evidence exists. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

20. Design service delivery

The merger leadership team should link capacity, locations, workflows, quality, resilience and service-level ownership. The required output is a delivery operating model. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [8][13].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that centralisation can save cost while lengthening recovery or response time. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

21. Design supply-chain ownership

The merger leadership team should map category authority, critical suppliers, concentration, continuity, contracting and change control. The required output is a supply-chain accountability map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [24][25].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that procurement consolidation can create a single point of failure. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

22. Design workforce architecture

The merger leadership team should map roles, capabilities, locations, consultation, selection, retention, succession and workforce data. The required output is a workforce transition blueprint. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [15][26].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that organisation design can prejudice required employee processes. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

23. Design finance and performance management

The merger leadership team should set ledger, close, reporting, planning, management information, policies and controller accountabilities. The required output is a finance operating-model map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [27][28].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that Day One can begin without one trusted view of performance. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

24. Design treasury and cash control

The merger leadership team should map accounts, signatories, liquidity, payments, debt, hedging, guarantees and trapped cash. The required output is a Day One cash-control schedule. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [20][29].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that legal ownership can change before cash authority and funding are operable. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Table 3. Day One control matrix

Domain	Minimum outcome	Proof
cash	payments authorised	bank test
customer	service ownership clear	account roster
people	employment and escalation live	manager rehearsal
cyber	identity and incident control	access test

Illustrative structure; verified transaction evidence and specialist review govern.

25. Design tax governance

The merger leadership team should map entities, registrations, transfer pricing, permanent establishments, indirect tax, attributes and decision ownership. The required output is a tax operating-model register. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [30][31].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that operational choices can create tax exposures outside the deal model. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

26. Design data ownership

The merger leadership team should classify domains, controllers, purposes, quality, access, lineage, retention and deletion. The required output is a combined data-governance blueprint. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [32][33].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that integration design can rely on personal or sensitive data without lawful use. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

27. Design the application landscape

The merger leadership team should classify systems to retain, separate, interoperate, migrate or retire with business owners and exit criteria. The required output is an application disposition map. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [34][35].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that technology sequencing can be driven by licence dates instead of business risk. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

28. Design infrastructure and cyber controls

The merger leadership team should map identity, networks, endpoints, cloud, logging, incidents, recovery and third-party dependencies. The required output is a Day One cyber architecture. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [24][34].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that new connectivity can expand attack paths before controls and monitoring converge. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

29. Design shared services and transition agreements

The merger leadership team should define service catalogues, volumes, standards, pricing, access, data, change, exit and dispute controls. The required output is a TSA and shared-service blueprint. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [13][36].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that temporary services can become an unpriced permanent dependency. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

30. Integrate risk and controls

The merger leadership team should map financial, operational, regulatory, conduct, cyber and resilience controls to owners and evidence. The required output is a combined control architecture. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [8][18].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that process redesign can remove compensating controls before replacements operate. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

31. Build the synergy accountability ledger

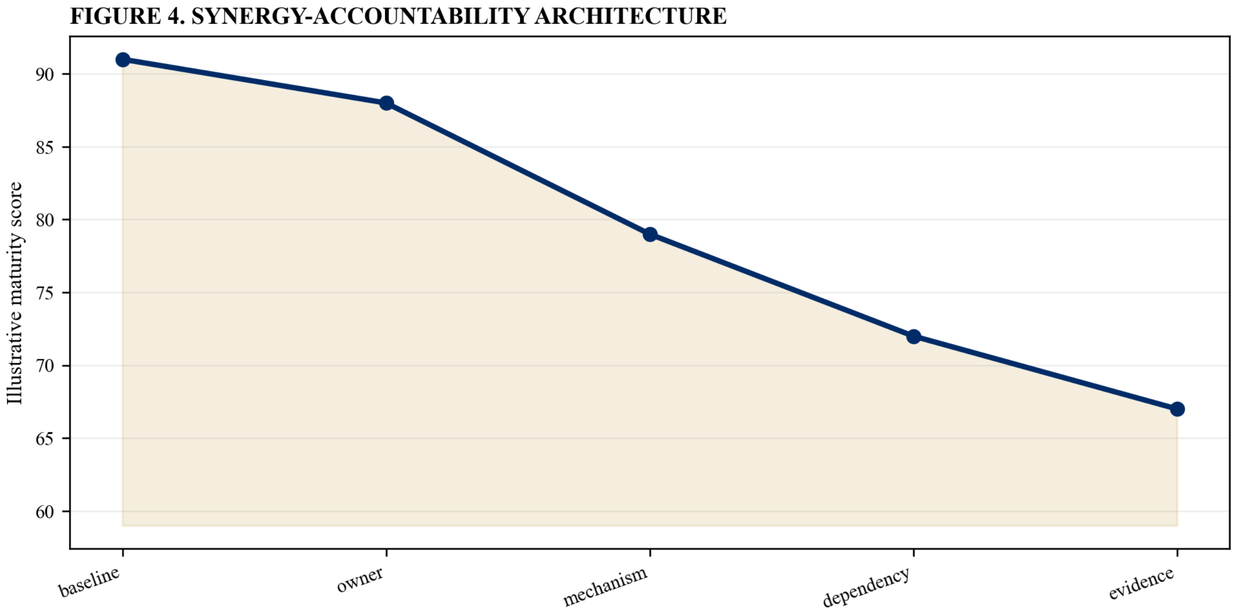
The merger leadership team should assign baseline, owner, mechanism, dependency, timing, investment, risk and evidence for every benefit. The required output is a board-owned synergy ledger. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][23].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that synergies can remain targets without controllable delivery paths. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Figure 4. Synergy-accountability architecture



Illustrative analytical scenario; verified transaction evidence should replace index values.

32. Quantify dis-synergies

The merger leadership team should model customer loss, talent exits, supplier changes, duplicated operations, remediation and service disruption. The required output is a net-value bridge. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [11][25].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that gross savings can conceal the cost of preserving revenue and resilience. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

33. Fund integration costs

The merger leadership team should phase technology, people, facilities, advisers, retention, working capital and contingency before benefits. The required output is an integration funding curve. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [27][29].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that value delivery can stall because one-time cash needs are understated. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Table 4. Net-value bridge

Component	Owner	Gate
gross synergy	business leader	mechanism proven
dis-synergy	customer or operations	mitigation funded
integration cost	CFO	cash approved
net value	sponsor	dependency reconciled

Illustrative structure; verified transaction evidence and specialist review govern.

34. Define the Day One minimum viable model

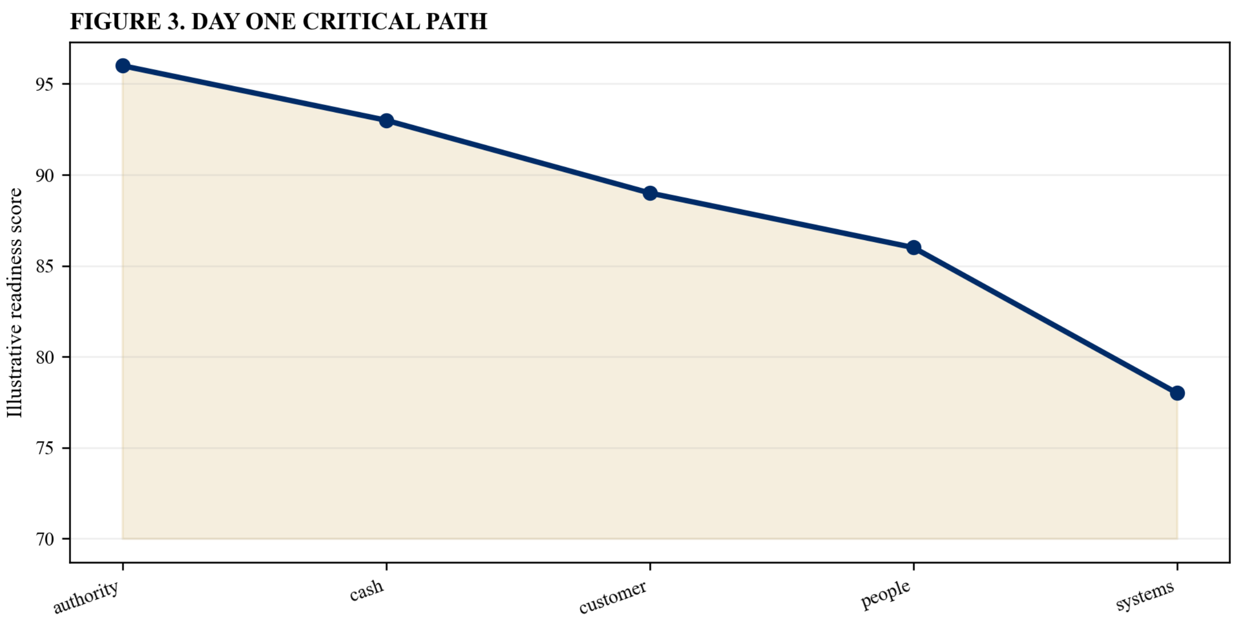
The merger leadership team should specify legal operation, authority, cash, customers, employees, suppliers, reporting, cyber and compliance essentials. The required output is a Day One critical-path plan. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [8][20].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that teams can pursue optimisation before continuity is secured. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Figure 3. Day One critical path



Illustrative analytical scenario; verified transaction evidence should replace index values.

35. Sequence the first 100 days

The merger leadership team should release decisions through evidence, dependency, consultation, technology and change-capacity gates. The required output is a 100-day decision roadmap. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][14].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that too many simultaneous changes can overwhelm scarce leaders and control teams. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

36. Prepare for a longer closing

The merger leadership team should maintain current-state changes, refresh assumptions, preserve optionality and control decision expiry. The required output is a long-close refresh protocol. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [1][4].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that the approved design can become obsolete before ownership transfers. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

37. Prepare for remedies and perimeter change

The merger leadership team should design modular options for divestiture, ring-fencing, behavioural commitments and excluded assets. The required output is a remedies-ready architecture. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [5][21].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that one irreversible target model can become unusable after regulatory change. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

38. Rehearse cutover and decisions

The merger leadership team should simulate authority, incidents, customer cases, payments, reporting, access and escalation with evidence. The required output is a Day One rehearsal record. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [8][34].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that a complete checklist can conceal untested cross-functional handoffs. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

39. Operate the readiness dashboard

The merger leadership team should track decision maturity, evidence, dependencies, critical-path status, stakeholder risk, cost and residual exposure. The required output is a board readiness dashboard. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [7][18].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that green workstreams can conceal red enterprise dependencies. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

40. Issue the operating-model certificate

The merger leadership team should reconcile design choices, legal boundaries, dependencies, owners, rehearsals, exceptions and residual risks. The required output is a retained closing-ready operating-model certificate. Record the design question, current-state evidence, future-state choice, legal boundary, dependency, owner, reviewer and approval status [1][8].

Translate the choice into a controlled operating-model release. Separate lawful pre-close analysis from implementation; specify what can be prepared, what triggers at closing and what remains a post-close management decision. Link organisation, process, data, systems, controls, people, cost and customer consequences.

The principal risk is that leaders can declare readiness without proving lawful operability. Quantify revenue exposure, service continuity, critical roles, cost, cash, control effectiveness, cyber risk, synergy timing and residual risk across base, delayed and remediated cases.

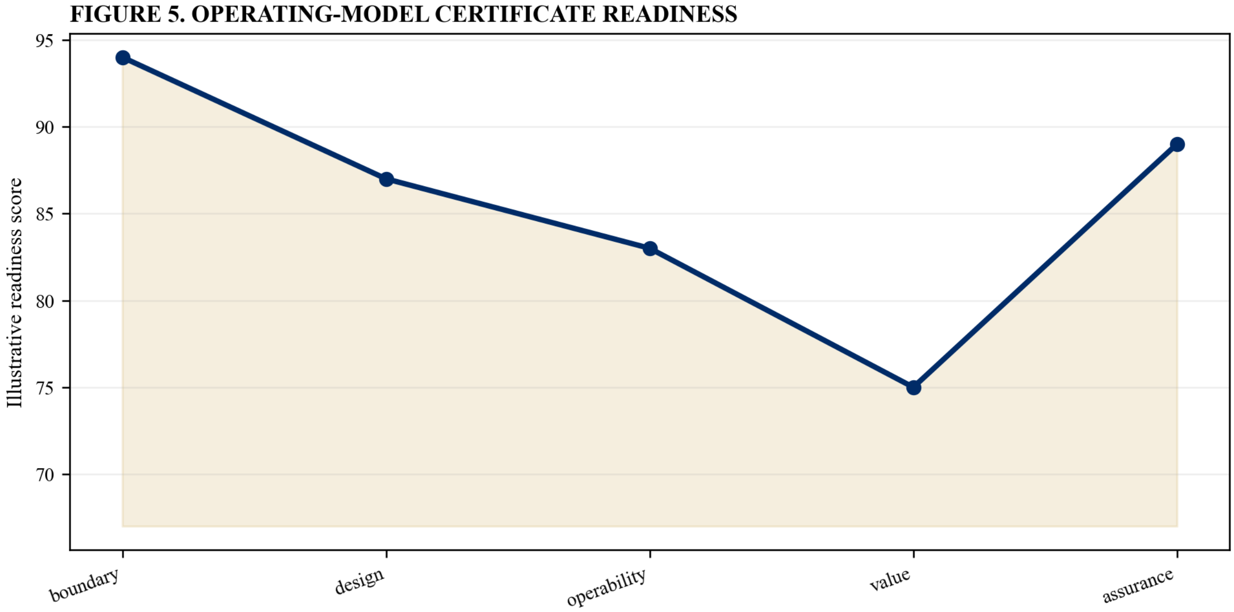
Retain source data, current-state maps, design options, legal advice, approvals, assumptions, dependencies, rehearsal evidence, exceptions and change records. Refresh after material developments and expire provisional decisions that no longer fit the closing path.

Table 5. Operating-model certificate

Conclusion	Retained evidence	Approval test
lawful design	boundary register	cleared
operability	Day One rehearsal	passed
value	net synergy ledger	owned
exceptions	owner and deadline	bounded

Illustrative structure; verified transaction evidence and specialist review govern.

Figure 5. Operating-model certificate readiness



Illustrative analytical scenario; verified transaction evidence should replace index values.

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Chennakeshav (CK) is a corporate finance and investment banking executive with 25+ years of global experience in deal origination, structuring and execution across M&A, growth capital and corporate strategy. He has led value-creation mandates for founders, corporates and funds; bridging the boardroom view to hands-on execution and close.

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