



eBOOK

Predictive Identity:

A Key Enabler for a Successful
Merger or Acquisition



Each year, thousands of organizations undergo mergers and acquisitions in order to grow their customer base, expand into new markets or increase their product offerings. M&As deliver unique opportunities for big business transformation; they also come with a significant investment – not just in money but time. Not surprising, M&As also involve risk. It is estimated that M&A transactions overall only have a 50% chance of success¹ – much of this has to do with effective IT integration.

Achieving success and the desired return on investment means the newly merged organization must become productive as quickly as possible. One key component of success includes giving all new workers access to their critical IT systems, data and applications on Day 1. This access must be carefully controlled to ensure compliance with regulations such as the Sarbanes Oxley Act of 2002 (SOX) and the Health Insurance Portability and Privacy Act (HIPAA), and to safeguard data from unauthorized access.

Organizations that successfully navigate the M&A process center their IT strategy on identity governance – a key enabler for Day 1 access and beyond. A modern, predictive identity governance solution that incorporates artificial intelligence and machine learning while supporting cloud-first initiatives can significantly reduce the time, cost and effort involved while accelerating the benefits. Such a solution can support you in making a smooth transition throughout the M&A implementation lifecycle by enabling you to:

- Plan integration strategies before the merger by understanding all users and their access to applications, systems, data, and cloud infrastructures
- Get hundreds to tens of thousands of employees up and running on Day 1 by provisioning and deprovisioning access to essential applications quickly and automatically
- Automatically and simultaneously shut off access for those workers not continuing employment
- Reduce IT burden and cost by giving employees self-service capabilities for requesting access and managing passwords post-Day 1
- Quickly onboard and centrally manage applications and files from the acquired company and ensure the right users and groups can access them
- Ensure ongoing compliance by creating and enforcing user access policies; auditing user access activity; and performing access reviews and certifications post-merger
- Strengthen cybersecurity by identifying and remediating anomalous access activity

¹ <https://www.investopedia.com/articles/investing/102914/how-mergers-and-acquisitions-can-affect-company.asp>

This eBook details how a predictive identity solution can be used by organizations to effectively manage user access to applications, data, and cloud infrastructures in a compliant and secure manner before, during and after a merger or acquisition.

Before the Merger

Ensuring that workers are up and running on Day 1 requires planning long before the merger is finalized.

A predictive identity solution gives you a jump start on providing workers access to their applications by enabling you to define roles and associated access privileges for different users, departments, locations, and job functions in advance. Rather than having to manually hunt through spreadsheets to determine who should have access to what and then verify this information with line of business managers, predictive identity uses artificial intelligence to simplify the process of defining access models and roles. This also gives you a 360-degree view of users, groups and their related access, slashing Day 1 planning and execution from weeks to days.

Utilizing access models and roles helps ensure compliance with regulations such as SOX or HIPAA that require organizations to protect against fraud and internal threats. It does this by implementing and documenting internal controls as well as providing audit trails of all access and activity performed on sensitive business information. Access models and policies help make sure that the right users have access to the right resources—including applications, cloud infrastructure, privileged accounts and data files. They also help prevent toxic combinations of access by enforcing separation of duties to avoid fraud and conflicts of interest.

Day 1 Deployment

On Day 1, your objective will be to get new users up and running on the most essential systems such as HR, Active Directory, email and important financial applications as quickly as possible. A predictive identity solution accelerates and automates onboarding processes to quickly deliver access for hundreds to tens of thousands of users to the applications, systems and data they need; including cloud file storage locations such as Box, Dropbox and SharePoint. Automated offboarding processes also ensure that access for workers who will not be continuing employment is completely removed and documented.

All of this activity is then automatically recorded using audit trails. This becomes of significant importance when it comes to compliance – specifically SOX. Being able to prove that all workers staying or leaving had their access appropriately provisioned or de-provisioned is key.

After workers have been on-boarded, all their access activity is continuously and automatically monitored and documented; enabling organizations to quickly address any future inquiries from auditors, which are typically centered around the ‘who, what, when, where, and why’ regarding access. This automated detailed reporting has been shown to save weeks of time and effort when compared to traditional methods of hunting for and manually compiling information.

Post-Day 1

Most organizations use a phased approach to making applications from the acquired company available across the newly unified organization. Only after they have provisioned their most critical applications on Day 1 do most IT organizations prioritize and onboard additional applications from the acquired company. A predictive identity solution helps speed up this process by rapidly onboarding acquired applications and integrating them into your identity governance processes. By integrating these applications into a single, enterprise-wide predictive identity platform, your IT team can ensure the right users and groups have access to them – across the organization.

A predictive identity solution also streamlines managing access on an ongoing basis. After initial user access is granted, self-service capabilities enable workers to request access and manage their own passwords—reducing costly calls to the IT helpdesk and keeping productivity flowing. When users request access, AI-driven identity helps to provide recommendations of whether access should or should not be approved helping organizations make rapid, intelligent access decisions.

And of course, predictive identity continues to enable other essential functions post Day 1 such as automatically adjusting access when workers change roles and job functions. Predictive identity also enables your IT department to analyze peer groups and quickly identify risky outliers that may be over permissioned or possess questionable access. You can then perform ad hoc access reviews and certifications on these outliers to verify whether access is appropriate and adjust access accordingly. By performing periodic and ad hoc access reviews and certifications, you can continue to validate that access for each user is appropriate long after Day 1 deployment is complete.

Efficient Divestitures

Not only does a predictive identity solution play a key role in successful mergers and acquisitions, it is also called upon when organizations are required to divest a portion of their business. As part of the planning process, identity governance enables you to get a complete view of all users and their current access which can then be used to pre-plan access rights for users being spun off, those staying with the company or users being terminated. On Day 1, automation facilitates the offboarding of users from the parent organization, ensuring access is provisioned as part of their new organization or completely removed in no longer continuing employment. All activity is then documented and can be used to demonstrate compliance later to auditors.

Speed and Simplify your M&A Journey

With a predictive identity solution that supports you through pre-merger planning, Day 1 implementation, and post-Day 1 activities, you can ensure a smooth transition as you embark on any merger or acquisition. As a result, your business can operate without disruption in a secure and compliant manner that accelerates M&A profitability and reduces costs.

As a leader in identity, enterprises around the world rely on SailPoint to enable and execute a successful Day 1 transition – and beyond. SailPoint is well-experienced to help ensure your next M&A or divestiture is successful by helping you:

- Orchestrate Day 1 access, accelerating time to value
- Ensure continuous compliance throughout the M&A process
- Reduce IT burden and costs
- Mitigate M&A security risks

Contact us today to learn more about how SailPoint can help make your upcoming M&A or divestiture Day 1 a success.

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