

# Standing Up a \$400M Carve-Out During a Global Pandemic Colaber8's Role in Driving Integration, ERP Success, and Value Creation Under Extreme Constraints

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## Executive Summary

In early 2020, Colaber8 launched with a bold mission: to drive measurable outcomes for private equity and portfolio company transformations. Its first engagement, leading the carve-out of a \$400M business segment from a \$9.3B public company, coincided with the onset of the COVID-19 pandemic.

Over the course of 18 months, Colaber8 facilitated the stand up of back-office operations, implementation of a new ERP, and stabilization of the business... all while navigating global uncertainty, high resistance to change, and a transition services agreement (TSA) deadline. This whitepaper outlines the engagement, challenges, strategies, and lessons learned to inform future integrations and carve-out efforts.

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## Client Background

- **Business Size:** \$400M revenue
  - **Transaction Type:** Carve-out from a \$9.3B public company
  - **Private Equity Owned:** Yes
  - **Transition Services Agreement (TSA):** 18 months
  - **Industry:** B2B with decentralized US and Canadian operations
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## Engagement Scope

### Colaber8's Role:

- Lead strategic and operational carve-out efforts
  - Serve as Integrator between business teams, new leadership, and the private equity sponsor and its operating partner
  - Facilitate the stand-up of Finance, HR, and IT organizations
  - Support the design and implement a new ERP system
  - Drive change management under pandemic-era constraints
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## **Key Challenges**

### **1. Tight TSA Window**

Full back-office stand-up was required within an 18-month TSA period, leaving no room for timeline slippage.

### **2. ERP Replacement Under Pressure**

The legacy system belonged to the former parent company. The integration team needed to implement a new ERP (D365) while simultaneously designing new business organization and processes from the ground up.

### **3. Global Pandemic Environment**

The COVID-19 pandemic introduced enormous complexity, between lockdowns, remote work, health concerns, and shifting regulations. All strained morale and productivity. Staff were already navigating daily personal and professional disruptions.

### **4. New and Inexperienced Leadership Team**

Many members of the newly assembled executive team were in their first C-suite roles. While energetic and committed, they faced steep learning curves in navigating enterprise-level decision-making, cross-functional dependencies, and leading through change.

### **5. Reduced In-Person Coaching and Support**

Due to travel limitations during the pandemic, the CEO and CFO had limited access to their professional coaches, who could not be on-site as frequently as planned. This reduced the direct leadership development and real-time advisory support available during critical transformation moments.

### **6. Lack of Defined Business Processes**

As with many carve-outs in the lower to mid-market space, there were few, if any, documented end-to-end workflows. Departments were unclear on roles, responsibilities, and handoffs, making it difficult for the system integrator (SI) to gather requirements. Colaber8 collaborated with the business to define business processes in real time.

### **7. Change Fatigue and Resistance**

Employees were already under stress from pandemic-related disruption. The introduction of new systems, structures, and processes met predictable (but heightened) resistance. A change management approach grounded in empathy and clarity was essential.

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## **Strategic Approach**

### **1. The Integrator Model**

Colaber8 inserted an experienced executive-level Integrator (Tara Willis) who functioned as a strategic operator: actively driving execution by translating strategic goals into actionable plans, aligning cross-functional teams, and removing barriers to progress across business, systems, and leadership. Colaber8 worked as part of an integration team that included an interim CIO and a CFO coach, collaborating closely to ensure leadership alignment and operational readiness. This role was essential to keeping the transformation on track, especially in an environment with new leaders, high ambiguity, strict timeline and interdependent priorities.

Unlike traditional advisors or project managers, the Integrator role operated across silos, bridging business strategy, operational execution, and system deployment to ensure forward momentum and unified decision-making.

#### **What set Colaber8 apart:**

- Embedded within the leadership structure, not adjacent to it
- Capable of flexing across Finance, HR, IT, and Operations
- Focused on value creation, not just task completion
- Specialized resources to support leadership through specific business challenges

#### **Supplementing the Model:**

Recognizing the evolving nature of a carve-out, Colaber8 brought in targeted specialist resources to address challenges as they emerged. One key example: an inventory expert was engaged mid-stream to help the business proactively build a framework for managing inventory flows. The goal: control working capital and better align purchasing, fulfillment, and cash flow.

This rapid deployment of expertise helped the company avoid costly missteps and ensure critical levers like inventory were not left reactive or unmanaged during the ERP and back-office buildout.

### **2. Business Process Design Comes First**

Rather than relying on the system implementer (SI) to define workflows, Colaber8 worked collaboratively with departments to:

- Map out end-to-end processes

- Identify handoffs, gaps, and inefficiencies
- Translate operational needs into actionable system requirements

### 3. People-First Change Management

- Weekly virtual check-ins and team workshops to build trust
- Emphasized a minimum viable product (MVP) delivery to avoid “boiling the ocean”
- Phased training to ensure usability at go-live
- Frequent wins to maintain morale and adoption

### 4. Parallel Execution

Colaber8 managed parallel workstreams for:

- ERP design/build/test
- Talent acquisition and leadership onboarding
- Policy and process development
- Infrastructure and tech setup

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## Results & Outcomes

Metric	Result
ERP Go-Live	Achieved within 14 months (during pandemic)
TSA Exit	Completed on time within 18-month window
Back Office Buildout	100% new Finance, HR, and IT teams onboarded and operational
Process Coverage	Core business processes defined and deployed across all functions
Resistance to Change	Mitigated through targeted leadership engagement and support
Business Continuity	Maintained throughout transition with no major disruptions

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## Lessons Learned

- 1. Don't Assume Small and Mid-Market Companies Know Their Processes**  
SIs often expect defined requirements. Colaber8 led the way to design those processes in real-time to feed to the SIs, keeping them on track.
  - 2. Integrators are Non-Negotiable for Success**  
When the SI, business, and PE sponsor and its operating partner each speak a different “language,” an integrator is the translator and glue.
  - 3. MVP > Perfection**  
Launching a “good enough” ERP with critical workflows ensured value without delay. Enhancements were saved for Phase 2.
  - 4. Empathy Fuels Execution**  
Acknowledging the emotional toll of the pandemic helped Colaber8 lead with trust while delivering results.
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## Why It Worked: The Colaber8 Difference

- **Hands-On Leadership:** Embedded at the executive level, not just advisory.
  - **Cross-Functional Expertise:** Finance, HR, IT, and Operations aligned under a single strategic vision.
  - **Results-Oriented Execution:** Every initiative tied back to measurable value and operational impact.
  - **Trusted PE Partner:** Directly supported the PE sponsor and operating partner’s goal of stabilizing and scaling the portfolio company.
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## About Colaber8

Colaber8 is a boutique consultancy that partners with private equity firms, portfolio companies, and small to mid-sized businesses to facilitate high-stakes transformations, integrations, and carve-outs. Founder Tara Willis brings over two decades of experience in M&A, ERP, and business transformation with a proven ability to align teams and deliver under pressure.

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