

Preparing for an IPO

How to Use Outside Talent to Ensure Success

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Your in-box is overflowing, your team is overworked, the e-mails are stacked up, you’re already working 24/7, and you just don’t know how you are going to get everything done. Oh yea, did I forget to mention that you are getting ready for an IPO?

Leverage is the answer. Using outside talent is the way to get that leverage. There are many resources that fit the definition of “outside talent.” Like having a good toolbox, you want to access the best tools for the specific need. Sometimes an outside company like an investment bank, an accounting firm, or a PR agency is the right answer. Other times the right solution is the seasoned individual expert or independent consultant. In fact, using independent consultants is one of the most effective, efficient, and flexible ways to quickly address your needs. Hundreds of pre-IPO companies (many of them M² clients) have used independent consultants to ensure their success.

You get one shot in an IPO. You need to get it right. This is not the time to try to “get by” with the resources you’ve got in-house. The cost of making a mistake is just too high. You can’t control the market’s response to your IPO but you can control everything you do prior to that.

Here are three situations where independent consultants can make an impact.

- 1) Focused IPO tasks.
- 2) Key core business activities that need to be in place before the IPO
- 3) Backfilling for key personnel as they focus on the IPO.

An IPO is a one-time event that may require talent or expertise that you don’t have in-house and that you won’t need in-house after the IPO. You certainly don’t want to hire that expertise on a full-time basis. Perhaps you need a seasoned financial expert with IPO experience who can work with the CEO or CFO on critical analysis or in managing your



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investment bank for optimum results. Or perhaps an investor relations pro with pre-IPO experience could help you get the right image in front of the right analysts and influencers. We provided the latter to an early financial Web portal and she was instrumental in helping them achieve what was among the most successful IPOs to date.

Your core business activities need concentrated attention prior to your IPO. You may even have all your key personnel in place, but they need help to get everything done in time. Or you may be conducting searches for key personnel but critical projects need attention while the hiring process is underway. (We all know how hard it is to recruit full time talent in this market!) Once again, independent consultants are the perfect solution.

The types of projects where consultants can help are diverse, ranging from:

- an HR expert to develop compensation and benefits programs,
- a contract recruiter to help in hiring,
- a customer service expert to set up your call center operations,
- a marketing pro to develop and implement key advertising or direct mail programs,
- a business development expert to build key alliance relationships, or
- interim CFO, COO, or VP of Marketing.

We provided an Interim VP of Marketing to both a hot new retail site and an up and coming business-to-business hub and both have produced and begun implementing winning marketing plans in record Internet time.

Often your key management team ends up focusing on IPO tasks and then you face a question like: “who’s minding the store (your core business) while the CFO is preparing for the IPO?” Here again the independent consultant is a perfect solution. They can step in, hit the ground running, and focus on those critical projects. When the IPO is complete, the consultant moves on and your CFO (or other key manager) goes back to minding the store.

Take a strategic look at all that you need to get accomplished before the IPO. Then consider leveraging yourself and your core team by filling the gaps with independent expertise. You tap into valuable experience, create fresh perspective, support your team, and just get things done, flexibly, without the huge costs associated with big agencies or large consulting firms. The right person, at the right time, for only as long as you need them. It’s smart business. And it will help ensure success in what is one of the most important things you will do in your business: your IPO.