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The Growth Transformer's Playbook

M&A as the platform for growth and transformation

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Contents

Executive summary

The rules for growth are being rewritten – and the next decade will likely reward only those who can transform at speed, scale, and precision. Innovation, market expansion, disruptive offerings, operational resilience, and value creation are still important – but the dynamics shaping them are shifting rapidly.

This pace of change is redefining what it takes to compete – and to win. Transformation can no longer be treated as a linear project with a fixed end state; it should become a perpetual, adaptive capability embedded in the organization's DNA. The companies that will lead the next decade are those able to sense shifts early, pivot with precision, and sustain momentum while the ground moves beneath them.

A new wave of systemic shifts are amplifying challenges including – geopolitics, activist investor pressure, conflicts, increasing tariffs, the energy transition and shifting regulations, are helping to reshape the global economy. At the same time, powerful structural shifts are moving the goalposts: disruptive technologies such as artificial intelligence (AI) are redefining business models, consumer expectations are evolving at speed, supply chains are being realigned, the workforce should be rapidly reskilled, and the search for new growth frontiers is becoming ever more complex.

In this environment, the role of leadership is increasingly important. Executives should do more than navigate these challenges – they should harness it. Setting a bold, clear vision allows leaders to turn uncertainty into strategic opportunity and define a path that inspires the organization and signals intent to the market. Vision alone is not enough. Leaders should balance ambition with pragmatism, driving expansion while reinforcing resilience. This means reshaping portfolios, reconfiguring operating models, and embedding transformation as a continuous, organization-wide capability capable of responding to change in real time.

Ultimately, success is measured by the ability to translate transformation into tangible value. Leaders who can mobilize their organization to deliver the vision, while effectively communicating progress to stakeholders and markets, will create lasting shareholder and societal impact. The next decade will likely reward those who sense shifts early, pivot decisively, and sustain momentum even as the ground moves beneath them.

Merger and acquisition (M&A) strategies that are dedicated to achieving transformational growth gives leaders the agility, depth, and speed to turn strategic vision into continuous value creation. Beyond traditional deal-making, Transformational M&A strategies have evolved to enable connected, long-term moves that apply multiple levers to achieve continuous change. It provides the scale, scope, and speed of transformation necessary to build operational resilience and drive the innovative, enduring growth that shareholders expect in a rapidly changing world. Transformational M&A is not just about strategic growth, but also about redefining M&A execution by leveraging technology and data to enhance efficiency and improve outcomes through insight-driven and agile decision making.

Pursuing transformational M&A is not for the faint-hearted. It can create the businesses of the future and reset the long-term trajectory of entire sectors. For chief executives, it has the power to define a career, and for boards with the right expertise and vision, it offers the opportunity to deliver outstanding stewardship that earns the trust of investors, customers, and society alike. Being dedicated to this path with courage, consideration, and urgency, matched by rigorous planning and oversight, is proving critical to capturing its full potential and building enduring value.

This report offers a practical roadmap for realizing that ambition. Drawing on a decade of deal analysis, observations of organizations that have reshaped their industries through M&A, and the experience of Deloitte's strategy and M&A leaders globally, six leading practices have been identified that consistently separate high-performing acquirers from the rest. The companies that embrace these practices are referred to as growth transformers: organizations that go beyond transactional execution to use M&A as a core lever for strategic renewal and competitive advantage. By applying these practices and embedding the Transformational M&A framework detailed in this report, in organizational strategy, leaders can move with greater clarity and conviction – systematically unlocking new sources of value, accelerating growth, and building resilient organizations capable of sustaining competitive advantage.

Trevear Thomas
Global Chief Growth Officer,
Deloitte Global

"The three critical lenses for successful Transformational M&A are clear: managing short-term economic uncertainty, positioning for future growth and transformation, and driving deals with a relentless focus on speed to value."

Leading practices in Transformational M&A

A decade-long analysis by Deloitte Global of major deals shows that leaders pursuing transformational goals at the core of their M&A achieve two to three times better total shareholder returns than their peers making incremental change.

As discussed throughout this paper, based on this research and interviews with Deloitte's most senior strategy and M&A leaders globally six leading practices have been identified that growth transformers display to meet tomorrow's challenges:

1

Transformational M&A as a leadership mandate

Adopt a transformational mindset and establish strategic growth pathways

Growth transformers have leaders who can adopt a transformational mindset that is purposeful and underpinned by ambitious growth. They deploy integrated and bold strategies that include organic, inorganic, and collaborative moves, to help capture new and emerging growth opportunities. They use M&A as the launchpad and accelerator for transformation and are adept at communicating this transformation ambition persuasively to external markets and their internal workforce.

2

Maximized value from the portfolio

Continuously optimize for resilience, growth, and value creation

Growth transformers have an always on portfolio value maximization mindset, constantly examining their portfolio's value creation potential, cost optimization, innovative growth and M&A opportunities, just as an activist investor would. Value can be maximized when companies build a balanced portfolio of businesses founded on both resilience and growth potential – positioned so that M&A can serve as the catalyst for transformation.

3

Transform as you transact

Embrace the new playbook to drive transformation

Growth transformers know the importance of speed to value and break away from the linear, traditional growth and M&A playbooks that separate pre-deal strategy from post-deal execution and shy away from concurrent transformation. From day one of a transaction, they establish transformation imperatives with clear linkages to digital platforms, data architecture, and technology capabilities, embedding these into both their strategy and execution. This approach enables them to scale early, accelerate transformation as they transact, and deliver significant value from the moment the deal is signed.

4

AI and technology at the core

Elevate technology from enabler to value driver

Growth transformers see the potential of technology, digital, and disruptive technologies such as AI in creating new digitally enabled business models, helping to drive new revenue streams and shape new markets, rather than merely process efficiencies and offering function support. They position technology investments within considered and clearly defined capital budgets and measure return on enterprise value rather than costs and a more narrowly defined return on investment.

5

There is power in collaboration

Harness the ecosystem as you cannot do it alone

Growth transformers increasingly forge innovative collaborations and partnerships across a broad ecosystem, as they recognize that change in the scale and time required by the market can likely not be achieved alone. This includes engaging execution advisors like Deloitte, or partnerships and collaborations with private equity, hyperscalers, start-ups and even cross-sector peers, improving the ability to capture value accretive opportunities such as technology-enabled business model transformation.

6

Building a workforce for tomorrow

Transform through a culture of continuous learning and adaptability

Growth transformers know that successful transformation can hinge on a resilient, adaptable workforce and culture. This can require bold cultural and behavioral change, deep investment in skills for an AI-enabled future, and fostering new ways of working. Their ability to align vision, digital capabilities, and engage a workforce that is both stable and agile, enables them to realize transformative outcomes and outperform less adaptive competitors.

Adopting the Transformational M&A approach

What is Transformational M&A?

As indicated by Deloitte Global's research and the Transformational Index (see next page), Transformational M&A is continuously evolving to become a powerful methods for quick and broad growth, delivering massive value and outpacing systemic and structural disruptions.

It is totally focused on fundamental strategy change, targeting entirely new markets, technologies and business models. It involves a continuous series of interlinked acquisitions, divestments and partnerships to drive innovation and strategic repositioning.

Transformational M&A an essential enabler for companies seeking to reach the front of the next success wave. When well designed, executed and communicated, it can also significantly augment shareholder returns, as the analysis shows (see 'Transformational M&A Index').

Transformation demands that leaders find the right balance between resilience by securing the company's competitive positioning and expansion by building a platform for driving long-term growth.

How is it different from traditional deal making?

For growth transformers, the Transformational M&A route marks a substantial shift from what had been their traditional approaches (see below). Rather than incremental gains, it is a major transition in how the business succeeds in a changing environment.

While traditional deal making has long been pursued as a source of growth and shareholder value, the Deloitte Global research suggests its impact can be limited to incremental gains or even result in value destruction if not executed strategically or aligned with evolving market dynamics. Consequently, for deal making to serve as a genuine source of enduring growth and substantial shareholder value, it necessitates the adoption of a Transformational M&A approach.

In practice, rather than the traditional certainty-seeking strategy that has a defined finish and is often consolidation-led, Transformational M&A is one with simultaneous connected moves, applying multiple levers to achieve continuous and adaptable innovative growth.

Traditional M&A	Transformational M&A
Focuses on achieving certainty in deal outcomes and helps address short-term challenges	Focuses on strategic optionality and adaptability and focuses on both short- and long-term challenges
The M&A transaction is the primary growth pathway	Deploys multiple growth pathways: Buy (M&A) / Build / Collaborate
M&A moves are largely opportunistic and often one-off deals	Multiple M&A moves are executed in a programmatic manner with value maximization at the center of decisions
Linear and siloed path to execution and post deal transformation	Transformation enablers are baked into the deal during execution and interlinked with technology and culture change
Technology is a driver to help drive down costs	Intelligent technology harnessed and scaled to drive competitive advantage
Integration is central to value creation and cost synergy can be defined as the measure of success	Transforming while transacting is central to value creation and change, with total shareholder return (TSR) as the benchmark for success

For growth transformers, it can require the consideration and execution of multiple moves, interconnected in defense to help build resilience and in offense to drive long-term growth. In practice, resilience building steps can include creating cost excellence, strengthening the value chain, defending position and portfolio rebalancing. Growth moves include transformation enabled by intelligent disruptive technology, continued adjacency expansion, bold cross-sector convergence, imaginative alliances and scaling at the edge. These moves are explored in Deloitte Global's Transformational M&A framework in the Strategy chapter on page 11.

Growth transformers can initiate Transformational M&A either with large-scale, otherwise known as 'Big Bang' acquisitions, or with a series of smaller agreements, collaborations and partnerships. Every deal fulfills the principal objective of bold, continuous change, and is important to delivering the speed of transformation needed.

These businesses set and clearly and intentionally communicate their value goals upfront, and drive effective execution, integration and value capture. They closely link strategists, dealmakers and lawyers, integration and value capture teams. This can result in swiftly capturing positive results from the start and across multiple decades of deal making.[1,2,3]

Transformational M&A Index

While the urgency and strategic blueprint for Transformational M&A are increasingly pronounced today, its power is not a nascent concept but is powerfully evidenced by long-term performance.

The extensive Deloitte Global research, that draws on a decade of M&A data from 2015 to 2024 inclusive, provides evidence that the sophisticated strategies now formalized under the Transformational M&A playbook have consistently been employed by what we term 'growth transformers,' leading to significantly higher value creation. This study encompassed over 2,000 deals across various regions (North America, South America, Europe, and Asia Pacific) and sectors (technology, media, and telecommunications; energy, resources, and industrials; financial services; life sciences and healthcare; and consumer).

The research shows that these growth transformers have, on average, generated over twice the total shareholder value increase of their more traditional counterparts. Specifically, during this decade, growth transformers executing what we now identify as Transformational M&A achieved a 464% increase in total shareholder returns, significantly outperforming the 157% average across the S&P 1200. These substantial gains have consistently grown throughout the decade.

Transformational M&A Index vs S&P 1200

Source: Deloitte Global analysis based on data sourced from Refinitiv and Capital IQ

The Transformational M&A approach

A leadership mindset

How growth transformers view change

For many executives, pursuing Transformational M&A can be a defining act of their career and of their company's history. Such executives are increasingly willing to have expansive, difficult conversations to rethink the future, beyond their own tenure and they will likely need to deliver ongoing changes before, during and after each deal – and right across a long series of moves.

Looking at how deal making and change have continuously evolved in recent years, and what lies ahead in the fast-changing environment, it is clear that growth transformers display a distinct set of leadership perspectives and mindsets, these include:

Leading from the front is essential

Executives who embrace Transformational M&A can be separated from the pack by their decisiveness, strategic clarity, and ability to execute with precision. They understand that incremental change can likely not deliver the agility or impact required to thrive in a rapidly evolving landscape. Instead, they target rapid repositioning of their companies, unlocking new capabilities and opening new markets.

Such growth transformers begin with a sharp vision of the future, form deal-centered strategies to quickly acquire the capabilities and markets required, and use repeatable frameworks to help ensure rapid, integrated execution. For transformation, they work with their board to understand trends and imagine scenarios, provide strategic drive around what portfolio and capital allocation may be needed, and align middle management in actioning daily change. They abandon the idea of safe decision making and instead initiate multiple smart experiments, on top of a bedrock of stability.

They will likely continue to turn to their transformation strategies as the guiding compass for all their thinking on value and purpose – leading from the top while remaining open to correction and adaptability. Such a mindset accelerates results and also builds the muscle memory important to ongoing value – financially, technologically, operationally and culturally.

Key mindset considerations:

1. Transformation is not for the faint hearted
2. Shape transformational vision and lead decisively
3. Continuous transformation and agility
4. Understand change extends far beyond own tenure
5. Communicate constantly with all stakeholders

> Growth transformers continually turn to their transformation strategies as the guiding compass for all their thinking on value and purpose.

Communicate clearly and openly with stakeholders throughout the transformation

Growth transformers display clarity and openness of communication to secure backing for their changes, especially given the long-term nature of transformation. Shareholders and internal stakeholders alike expect clear articulation of measurements beyond efficiency, including plans for organizational development, operational capabilities and strategic positioning.

To help ensure this backing is in place, companies should engage with all stakeholders – from investors to suppliers to employees – using their inputs to develop a shared understanding of the desired future state, and how to get there. They should convey to all stakeholders why now is the time to act, and what a combined entity aims to achieve.

For investors, leaders should also help ensure that externally communicated intentions and commitments are much more cautious than any internal targets set – and communication and a relentless focus are important in helping to ensure shareholders remain supportive.[4] For staff, it important to help ensure everyone who is impacted by the change are involved with the change, with open two-way conversations, and incentives that align well to the new business.[5] Leaders should also be conscious that during acquisitions, cultural tone is heard by new employees right from deal announcement.[6] Additionally, the clarity and perceived value communicated on announcement day can powerfully shape initial market reaction, often setting the tone for long-term returns. It is important that announcement day messaging is aligned with the deal's strategic and financial merits reinforcing positive momentum.

Maintaining high standards of open and clear communication, combined with results, can have a significant impact on M&A outcomes. A Deloitte Global analysis shows that acquirers who begin with a positive market reaction and deliver on their communicated intentions, achieve returns 60 percentage points higher than acquirers who start with a negative reaction and match the detrimental forecasts. Deloitte Global research also shows that acquirers meeting or exceeding their announced synergy goals are on average able to achieve 1.3 times publicly announced cost synergies alone, and in some cases double.[7]

> The clarity and perceived value communicated on announcement day can powerfully shape initial market reaction, often setting the tone for long-term returns.

Strategy

Building a Transformational M&A playbook

Companies seeking sustained, future-ready growth should focus on building a modernized M&A playbook, where every action is grounded by a clearly articulated strategy that impresses where the business should play, and the capabilities required to win.

For growth transformers, there are several priority strategic steps:

Create horizon scanning

It is important that companies bring in sophisticated horizon scanning to ascertain what lies ahead. Such scanning often results in a rethinking of internal assumptions around how new technological and business shifts could overhaul their industry, and how operating in new ways could capture major future opportunities.

These horizon scanning capabilities can help detect early disruptive shifts in technology, consumer behavior and cross-sector convergence, as well as changes in regulation, exposure to geopolitics, staffing supply and many more areas. The findings should be used to monitor and anticipate changes, scoring developments according to the risks of inaction and the value of opportunities on offer, and crafting strategies in response.

In practice, using AI and human knowledge, practitioners draw from news feeds, patent filings, technology blogs, competitor activities, adjacent industry activities and conferences to spot the key shifts changing their sector. These shifts may range from agentic AI and robotics, to access over ownership, and collaboration over competition, to convergence for the future of every sector.[8] Knowledge can be furthered by a close engagement with ecosystem startups and other corporations, to venture capital firms, technologists and universities – and by being active in innovation hubs globally.[9, 10, 11, 12, 13]

Key strategy considerations:

1. Sophisticated horizon scanning reveals incoming change
2. Set a bold ambition but build adaptability
3. Define capabilities and pursue multiple growth pathways
4. Always-on portfolio management is critical to value
5. Balance resilience with innovative growth

Set a bold, relevant ambition to guide the transformation

Growth transformers set bold ambitions that harness these major incoming systemic and structural changes. Such aims may be to cement or expand positioning in a particular market or access it in innovative ways, reach new areas, offer a defined set of new products, or switch into a services led business model, for example.

In order to define this ambition, growth transformer's take their analysis of incoming trends, model future potential scenarios, and creatively reimagine business models. Their strategic vision should first articulate 'where to play' – anticipating how the transaction will position the combined entity to capitalize on market opportunities, address competitive threats, and create sustainable growth platforms. From this foundation, leaders should then be able to confidently allocate investment to the bold ambition, knowing it is both visionary and grounded in market realities. This is one of the only ways to develop a relevant strategy and confidently allocate the investment to it.

Leaders applying design thinking should be able to begin with the goal and identify the most effective Transformational M&A moves. These may include multiple acquisitions that capture new models and markets with AI, such as an Australian telecoms company's moves to reposition into automated and intelligent services. Or they may mean, among other moves, ongoing ecosystem alliances and portfolio rebalancing, as with a European consumer goods giant's 10-year transformational shift from fast moving goods to high margin items.[14]

> Strategic vision should first articulate 'where to play' – anticipating how the transaction will create sustainable growth.

Define the capabilities required to win

Once growth transformer's have determined where to play, they define how to win by identifying the specific capabilities essential for success in those chosen markets. This involves a clear assessment of the strategic and operational capabilities required to achieve the bold ambition – such as cutting-edge technology (including AI), specialized talent and workforce skills, valuable intellectual property, strategic market presence, and critical customer access.

A strong 'how to win' rationale aligns stakeholders around shared objectives and expectations and establishes the foundation for integration planning and execution. It articulates what the combined entity aims to achieve and how success will be measured, extending beyond financial metrics. Crucially, it is at this capability level that buy (acquisitions), build (organic growth), and collaborate (collaborations or partnerships) decisions are made, ensuring that every move is deliberate and can accelerate the realization of the company's reimagined future.

> A strong "how to win" rationale aligns stakeholders around shared objectives and expectations and establishes the foundation for integration planning and execution.

Take multiple growth pathways

Astute growth transformers consider opportunities through the lens of multiple buy, build and collaborate pathways. Companies may wish to pursue one, two or three of these pathways – though typically a combination of all three are needed.

In the first pathway, companies may buy another firm when its core solution creates obvious synergies, the market is understood, and control is paramount. When an important offering aligns with existing capabilities, companies may choose instead to organically build the new offering or capability. Companies should always also consider the third pathway, in which they collaborate – through ecosystem alliances, joint ventures, collaborations and partnerships. This pathway works best where a target is a custodian of key technology, or if it shares a broader goal, such as cutting carbon emissions or advancing automation. Alliances require similar diligence and management to acquisitions to ensure collective success.

> Astute growth transformers consider opportunities through the lens of multiple buy, build and collaborate pathways.

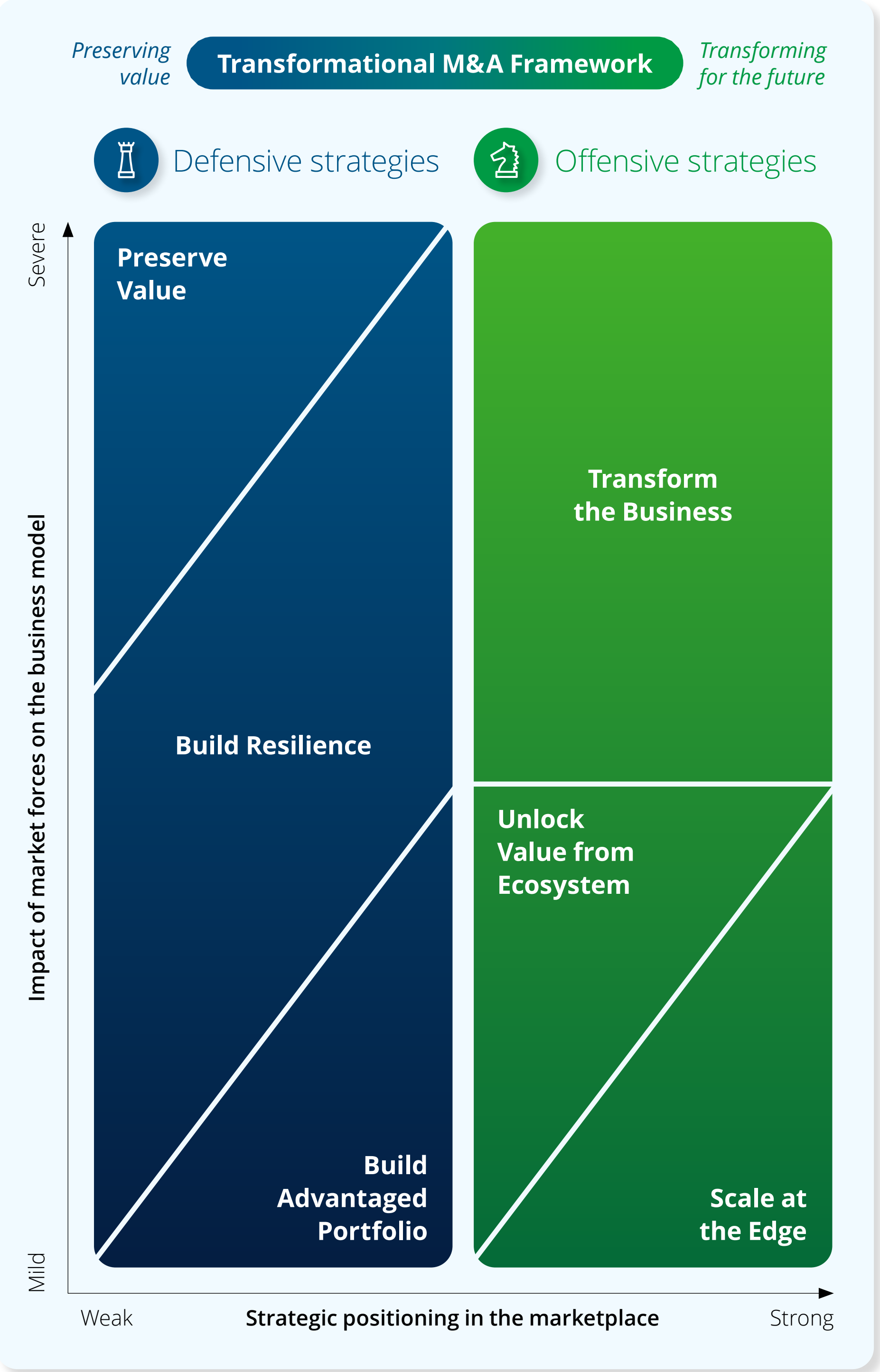
Balance resilience and long-term growth

Transformation demands that leaders cement the balance between securing the company's current competitive positioning while also building a platform for long-term growth. The Transformational M&A strategy, therefore, should have both resilience and bold expansion at its heart.

Many companies struggle to achieve this balance, an error that can quickly turn into a loss of relevance. Growth transformers, by contrast, use multiple moves that address both areas. Large deals typically need to be overlaid by a series of smaller moves.

For instance, if companies are facing adverse market conditions and pressure to create value, they might choose to focus on defensive strategies such as always-on portfolio rebalancing with the divestment of non-core assets, as well as regular opportunistic deals. Given that headwinds often pass by, growth transformers consider such moves in the context of long-term expansion. The markets expect new value so leaders also make offense moves that transform the business and drive innovative expansion.

Deloitte Global's Transformational M&A framework (see image, right) gives a view of the strategic choices, with a clear interplay between preserving value and driving growth.



Instigate always-on portfolio management

As they execute, growth transformer's shift from viewing portfolio moves as a periodic rebalancing exercise to treating them as an always-on discipline of portfolio management. Rebalancing has traditionally been about optimizing today's mix of businesses – pruning underperforming or non-core assets to release capital and adding scale in adjacent areas. Portfolio management, by contrast, is forward-looking and dynamic and creates value by continually shaping the portfolio to align with emerging customer needs, new technologies, and market disruption.

This approach requires not only acquisitions and integrations, but also the active consideration of strategic divestments as catalysts for future transformation. It increases the importance of constant automated and manual searches for new opportunities, with AI helping to spot relevant targets and even suggesting approaches. It also increases the importance of ongoing scenario planning and capital redeployment – testing assumptions against different futures so the business remains agile rather than reactive.

Companies do not need to immediately become active acquirers, but they should be well-placed to quickly buy priority organizations when opportunities arise.[15] Success will likely require maintaining a longlist of hundreds of valid targets and a refined shortlist of the most relevant, while also keeping potential ecosystem plays ready to deploy at the right time.

Successful Transformational M&A often requires that leaders make portfolio management constant and unrelenting and is critical to meeting the bold long-term ambitions. As companies proceed with an always on approach to portfolio management, it is important they continue to test their assumptions against scenario modeling so they remain agile and well-positioned to seize value as market conditions evolve.

Portfolio management creates value by continually shaping the portfolio to align with emerging customer needs, new technologies, and market disruption.

Focus on innovative value maximization

Value maximization should be at the core of Transformational M&A. Growth transformers design the conditions for rapid, enduring value capture using technology. They turn to cost efficiencies and vastly improved processes – and also to deep resilience, optimized capital structures and to new business models for accessing new markets, customer bases and selling new products or services. They also work closely with hyperscalers to rapidly augment capabilities.

Innovative moves around intelligent technology should be at the heart of these efforts. At the same time, growth transformers remain realistic, given the typically lengthy timelines for realizing value from such new technologies, and they help ensure any technology investments fit into the transformation strategy. Understanding the cost of capital and its impact on the deal's economics is crucial for sustained, long-term value creation and transformational success. Growth transformers consider the strategic implications of their capital structure. The funding of M&A – whether through internal cash, debt, or equity – carries different costs, constraints, and potential downsides that can impact the overall value proposition and financial resilience.

AI and transformational deals

AI is shifting the fundamental basis of competition and value. With over half (52%) of CEOs believing AI will drive revenue growth, the appropriate AI should be built into deal strategies and calculations.

Increasingly, companies can seek to acquire, collaborate or partner to gain capabilities – including in Generative AI (GenAI), automation, robotics and data – wherever there is a potential to improve operations and sell in new ways. Equally, they can divest disrupted assets.

Success in delivering shareholder value from AI depends on decisions being carefully aligned with overall strategies. It also can require careful automation in concert with personnel who have relevant skillsets.

To help unlock AI opportunities, companies can improve their market sensing and hire technical specialists who also have commercial perspectives. Board members should better understand the strategic possibilities and challenges involved, as responsible and effective transformation with AI can require great skill. Deloitte's AI Governance Roadmap guides businesses on key questions around long-term strategy, adaptability, skills, risk management, and trust.

Value maximization can also be achieved by acquirers applying the same rigor to revenue synergies as they do to costs. The Deloitte Global analysis shows that companies actively identifying, pursuing and tracking these synergies exceed their targeted gains by 23% on average.[16,17] This requires businesses to transform as they transact, as explored in the next chapter focused on *Execution*.

> Innovative moves around intelligent technology should be at the heart of transformation efforts.

The Transformational M&A Framework

Leaders looking to select the right M&A moves for their transformation objectives can turn to Deloitte Global's Transformational M&A Framework. By using it, they can choose a range of highly effective, interlinked resilience and growth steps based on their company's market positions and the impacts of disruption.

In areas where companies are strongly impacted by market factors and looking to cement their standing, leaders should initiate cost transformation and divest non-core assets to help drive value. Divestments should be properly considered and carefully executed, given the costs involved but also the opportunity to clarify corporate purpose and structure, boost market perceptions, raise capital and bolster shareholder value. Beyond this, building resilience may mean strengthening the value chain, and taking steps to defend competitive positioning. For areas where the impact of market factors is less severe, leaders should initiate opportunistic moves to help rebalance the portfolio.

Simultaneously, leaders should also turn to the transformational value moves. Where businesses have a strong strategic positioning but are experiencing a severe impact from market factors, leaders should effect tech-enabled transformation, through deals, collaborations and partnerships that open fresh digital routes to customers. And they can spot opportunities to expand into market adjacencies, while capturing cross-sector moves to create new products, services and segments. Where there is a less heavy impact from market factors, leaders can be bolder, while still: exploring their total ecosystem and making purpose-led innovative alliances with a wide variety of organizations. At the forefront, companies can venture invest in emerging growth segments, at the edge of their business models.

Defensive and offensive pathways

Defensive moves that build resilience and preserve value

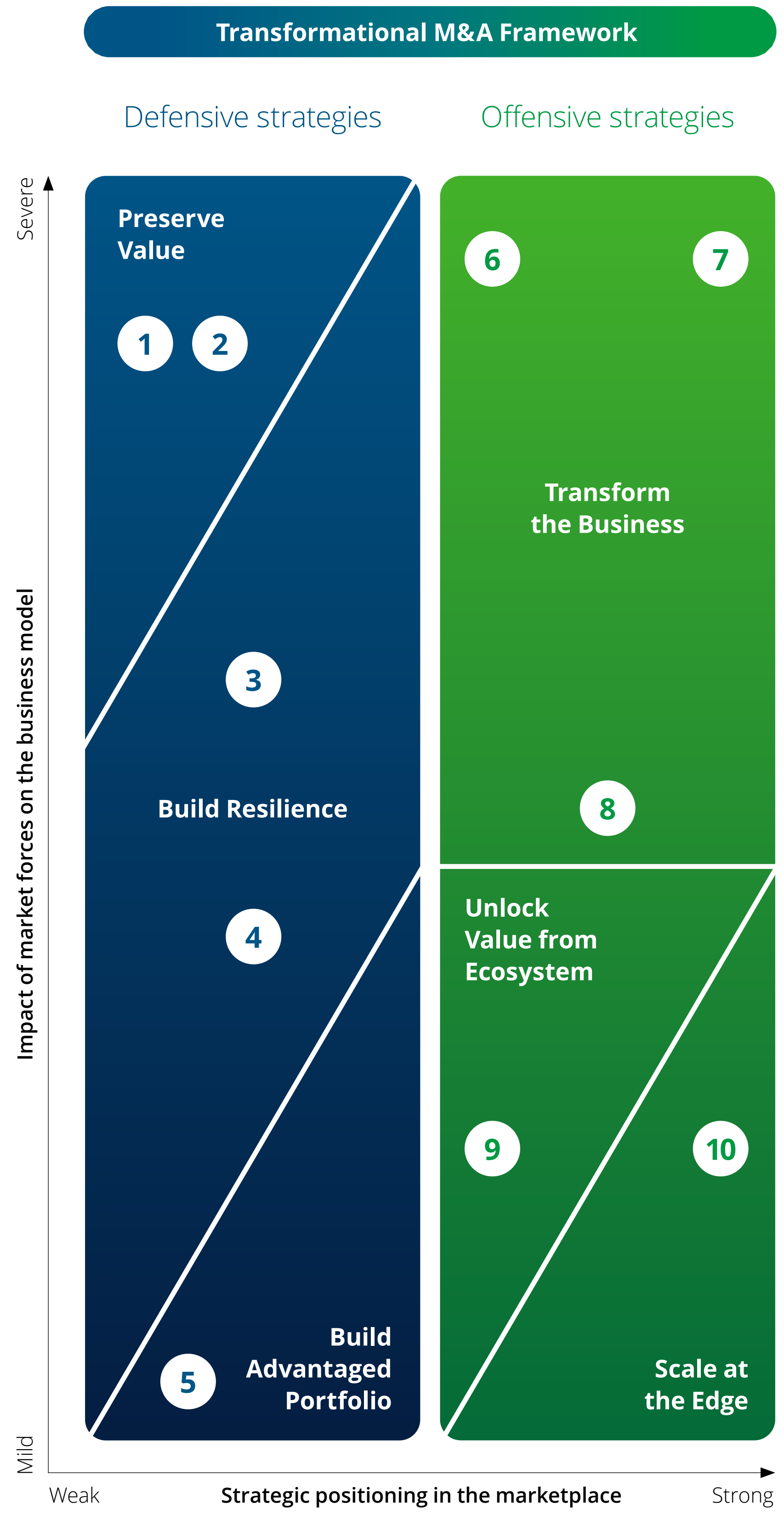
1 Cost excellence
How are you accelerating the shift from short-term cost containment to long-term transformation, and what approaches are you using to realign the business for growth?

2 Divesting non-core
What steps are you taking to identify and transform non-core assets to release capital for growth, and how are you maximizing their value ahead of divestment?

3 Strengthening the value chain
How are you strategically optimizing the operating model and building resilience within the supply chain in response to current market challenges?

4 Defending your competitive positioning
What actions are you implementing to protect and strengthen your competitive positioning against both traditional and emerging competitors?

5 Rebalancing the portfolio
How are you considering the implications of new normal factors for the current and future portfolio, and what processes do you use to identify and respond to new opportunities and risks?



Offensive moves that transform for the future and accelerate growth

6 Tech-enabled transformation
How are you leveraging organic and inorganic opportunities to help drive digital and technology-enabled transformation, and how do you ensure that technology investments align with the overall strategy?

7 Expanding into adjacencies
What opportunities are you exploring to generate new revenue streams by expanding into new markets and value chain adjacencies, and how are you prioritizing them?

8 Convergence
How are you capturing cross-sector convergence opportunities to create new products, reach new customers and market segments, and position the company for leadership?

9 Ecosystem and alliances
What value-creation opportunities are you pursuing through alliances with external collaborators, including nontraditional players and innovative startups, and how are you ensuring these partnerships drive the purpose-led objectives?

10 Scaling at the edge
How are you building and managing a portfolio of disruptive investments at the edge of the business, and what strategies do you use to identify and scale the ventures with the most potential?

Execution

Transforming while transacting

Key execution considerations:

1. Transform while transacting
2. Make careful choices of change levers
3. Speed and agility should be the focus
4. Forward thinking, AI enabled due diligence
5. Set ground for business model change

The less time post-deal integration takes, the more likely management will deliver the promised returns.

The importance and complexity of Transformational M&A call for a new approach to execution.

The Deloitte Global analysis shows that growth transformers increasingly transform as they transact, in order to accelerate value realization and secure gains for the long-term. This approach is most effective when there is a high purchase price, large value commitment, or a heavy reliance on digital tools.[18,19]

For growth transformers, the following considerations are key to success:

Speed and agility are paramount

The less time post-deal integration takes, the more likely management can deliver the promised returns.[20] By paying as much attention to the pace and quality of execution, as they do to strategy, growth transformers help ensure price and targeted value are realistic, due diligence thorough, cultural and leadership fit are thoughtful and effective, communication open, and the integration value enhancing from day one. Equally, they make their businesses ever more mature at transformational deals, so execution is improved and accelerated each time. They understand the importance of close collaboration between different deal and business teams.

In order to transform as they transact, it is increasingly important that growth transformers assess the change levers available (see box, right page). With their levers chosen, deal teams can explore alternative models and approaches to applying them as transactions proceed: for example, pilots to test the use of new technologies and capabilities or collaborating with hyperscalers to quickly launch operations fully.[21]

Before due diligence begins, execution processes should also be aligned with the planned integration personnel who will take over. Frameworks should clearly define the key processes and build in adaptability – functioning as a guiding compass with clear roles and responsibilities. It is important that they set the ground for fluidity, because successful transformation is only possible with a connected run of simultaneous acquisitions, divestments and collaborations that follow common processes.[22] Businesses can then affect multiple moves at the same time.

Forward-thinking, AI-enabled diligence

Growth transformers advance due diligence substantially, using human skill and AI. While diligence has traditionally looked at prior fundamental factors to inform leaders whether to proceed or not, growth transformers conduct it equally as an assessment of future opportunities: the models and value achievable, through the deal or the series of moves being conducted.

Growth transformers go beyond cost synergies, rigorously modeling revenue and strategic synergies to assess additional sales opportunities and long-term advantages. They compare the total expected future cash flow benefits, valued in today's terms, against any acquisition premium paid. This approach helps ensure the deal delivers a strong value proposition for shareholders and withstands robust economic scrutiny.

These broad assessments should also cover what is possible with enduring business models; with the right leadership, tax and intellectual property considerations (see 'Transformational tax considerations'); and with smart, well integrated technology.

Each acquisition, divestment or collaboration needs to be closely examined for strategic rationale, potential value creation, and organizational readiness for absorption. Practitioners should model how a combined operation would look and function, what changes would be made, and whether to fully integrate a business or keep it standalone. This can enable much better and faster decision-making.

In order to improve due diligence and valuations, companies should apply smart AI-based analytics, based on target, sector and historical deal data, to draw actionable insights that were previously unavailable – including deep predictive analytics on what the cashflow, operational and business model impact would be of an acquisition or collaboration, or even a series of deals, and what the risks may be. In this way, growth transformers replace straightforward 'go' or 'no-go' decisions, with a holistic view of value possibilities, and a strong emphasis on commercial due diligence (competitive dynamics, market demand and future operational viability).

Levers for transforming while transacting

Transformations are composed of a finite set of levers, from which companies can choose.

For example, process reengineering can help build towards automation through simplification and standardization, while organizational design can improve outputs by clarifying roles, incentives and reporting.

Meanwhile, capability and talent development enhance go-to-market models and skills, as business and operating model design respectively improve product or service provision.

Advanced use of intelligent technology, made possible by new data science and AI, is becoming critical. Digital core upgrades and data design can massively improve adaptability and insights from structured and unstructured information, opening new business model potential.

At the cutting edge, agentic AI or robotics adoption, implemented early in the transformation journey, can sharply improve outputs and speed of change, across acquisitions and divestments. Critically, AI should be supported by the right human skills and leadership.

Companies should choose carefully from these levers, as they use M&A to drive rapid change at scale. Repeated dealmaking can be the catalyst for more innovative and reliable adoption of these levers.

Evaluation of operational processes and new business models

Historically, M&A leaders have reserved business or operational model reinvention work for the final value capture stages of acquisitions. By contrast, growth transformers promptly link the act of acquiring with delivering early value.

When leaders begin planning new business or operational models as soon as a target is in the sights, by the point of execution and the deal being signed they are in a position to complete clear plans on synergies, cultural fit, and strategic alignment, knowing how a combined operation would look and function. Their considerations should encompass how a target's innovative products or technology could enhance existing market offerings – for example when firms acquire analytics capabilities to enhance customer segmentation or targeting. Or they may assess how product or service extensions could open a new segment – such as buying a platform to sell through subscription models. They should also consider effecting more fundamental model change, as with car companies buying AI businesses to quickly advance autonomous vehicles.[23]

Transformational tax considerations

Growth transformers increasingly bring in tax specialists early – when initially considering a target – because tax is an important source of synergies and value.

These considerations should be made at the start of the process, as direct and indirect tax gains can account for up to 20% of overall synergies from a deal. The gains are so substantial that in some cases they allow for a deal to be self-funding, which frees capital and generates confidence for future moves. Tax is also a major consideration before making divestments.

For success, gains should be made from a range of areas: firstly, efficiencies from repeatable tax frameworks for due diligence, integration and value capture, tailored to deal size. Many leaders are also re-evaluating their tax department structure, and use of AI and outsourcing, to align with efficiency needs and the identification of future tax gains.

Next, companies can ensure they meet global minimum tax, while simultaneously limiting liabilities by effectively structuring intellectual property and the geographies of their supply chain and production for different goods and services. This means carefully balancing demands for tax repatriation and customer market alignment.

Meanwhile, priority operational considerations include what type of model could best deliver the benefits targeted, what resources are needed for business-as-usual and the integration, and what degree of control and integration is required from day one. This affects decisions on whether finance and HR should be fully integrated, how automation could improve repeated processes – using the acquirer's or the target's automation capacities – and whether customer-facing functions are left alone for the first year.[24] Typically, where commonalities exist in culture, size and technology, full integration can be planned for shorter timeframes.[25,26]

By completing these plans at the execution stage, as due diligence proceeds and deals are signed, companies position themselves for effective value capture, as demonstrated in the next chapter.

Private equity transformation

As with corporates, private equity (PE) funds face a strong expectation to be transformative. Sitting on an estimated US$2.3 trillion of 'dry powder', amid sluggish markets and higher borrowing costs, funds are shifting focus from leveraging cheap debt and optimizing efficiencies to driving more substantial change within their portfolios – and sometimes with capabilities shared across those companies as an ecosystem. Increasingly, they will seek targets ranked third or fourth in their markets, where there is greater potential for competitive transformation.

For general partners leading PE funds, the mindset will mean driving change deeply through their own operations, and through their portfolio businesses for substantial margin improvements. An unrelenting focus on advancing management skills could be key, so that highly specialized niche skills are the priority. These may be at a subsector level: rather than simply healthcare or logistics, for example, specialization in healthcare diagnostics or industrial business logistics may be needed.

Many funds are now setting portfolio company targets as high as doubling revenue or profits. Part of this will be enabled by prioritizing transformation skills in those businesses – with Deloitte NSE research showing 75% of funds replace finance heads in portfolio companies. On the other hand, many can also empower existing leadership teams to make decisions more quickly, recognizing the importance of company cultures and employee support to sustained transformational success. Critically, funds can also embed digital value creation into the investment thesis prior to the deal close, making AI upgrades and data integrations immediately after acquisitions, to bring forward value capture to the first 18 months of a holding.

PE as a corporate transformation partner

Innovative corporate leaders are increasingly turning to private equity funds to help accelerate and guide the transformation of business units. In these situations, PE funds bring substantial change management skills – given their turnarounds of companies in short timeframes – as well as subsector specialization and advanced tech capabilities. This helps raise innovation levels, as long as the parties carefully consider their ownership levels.

In successful situations, funds may buy a stake in an asset, transforming it over five to seven years, with the original corporate owner sometimes having first option to buy it back at the end of the holding. With funds now focusing on deeper operational and transformational change in their portfolios, they are able to prioritize solving particular local or subsector challenges, developing bold new models, improving margins, and optimizing capital efficiency – all within tight timelines.

Several key examples show this in practice. A global fast food giant sold two key stakes in its China business to PE funds, which doubled the number of restaurants, raised sales by 30% and deepened customer engagement, before the corporate chain bought back a stake from one of the funds. Meanwhile, a large food manufacturer entered a joint venture with a PE house to scale its pizza business – a crowded but potentially lucrative subsector. And a French biopharma giant secured extensive PE backing to accelerate and de-risk development of a tumor antibody.

Transformation

Driving enduring growth and values

Key transformation considerations:

1. Establish foundations and learn from historic change
2. Address the intersect between people and technology
3. Place ecosystems at core of innovation
4. AI and cloud help deliver scalable value
5. Build a resilient, adaptable and tech-savvy workforce

By deliberately managing the intersection of technology and people growth transformers ensure that change is not only accelerated but also scalable, resilient, and enduring.

Achieving lasting transformation now demands a proactive stance – one rooted in continuous innovation, seamless alignment between people and technology, and a deep understanding of the interconnected ecosystem in which companies operate.

For growth transformers, several post-deal factors are critical:

Establishing transformation foundations

At the core of a successful transformation are leaders who possess a transformation mindset and understand that constant change requires a long series of simultaneous moves. They know to pull the right change levers across each of business model, technology and the workforce to help ensure transformation is effected quickly and enduringly. These actions lay the ground for change sprints, and measurement.

The creation of a transformation unit[27], with an influential leader and closely linked to other core parts of the business, can be important in shaping plans, driving progress, and advising on course correction for further complementary M&A moves.

Understanding the intersect of people and technology

Growth transformers center change on well-chosen and well-applied technology strategy that includes considerations for intellectual property and data assets. This is particularly important given the capacity of new intelligent systems and automation to improve operational efficiency, business models, and how customers are served personally at scale.

Yet technology alone cannot deliver sustained transformation. Its potential is unlocked only when paired with human skill, culture, and leadership. Growth transformers equip people with the right capabilities, foster a mindset of adaptability, and design organizations that encourage collaboration and adoption of new systems.

By deliberately managing this intersection of technology and people – aligning workforce development, incentives, and structures with digital innovation – growth transformers ensure that change is not only accelerated but also scalable, resilient, and enduring.

Ecosystem collaboration accelerates change rates

Growth transformers also garner success by skillfully orchestrating the broad ecosystem around them. In order to decide who to collaborate with, leaders start with their company's most pressing needs and ask which organizations across the ecosystem have the key relevant capabilities. They also look at specific challenges in the supply chain and what alliances can help, as well as how they can work together to combine core technologies. Each collaborator should be properly invested and offer a clear, unique benefit to the others.

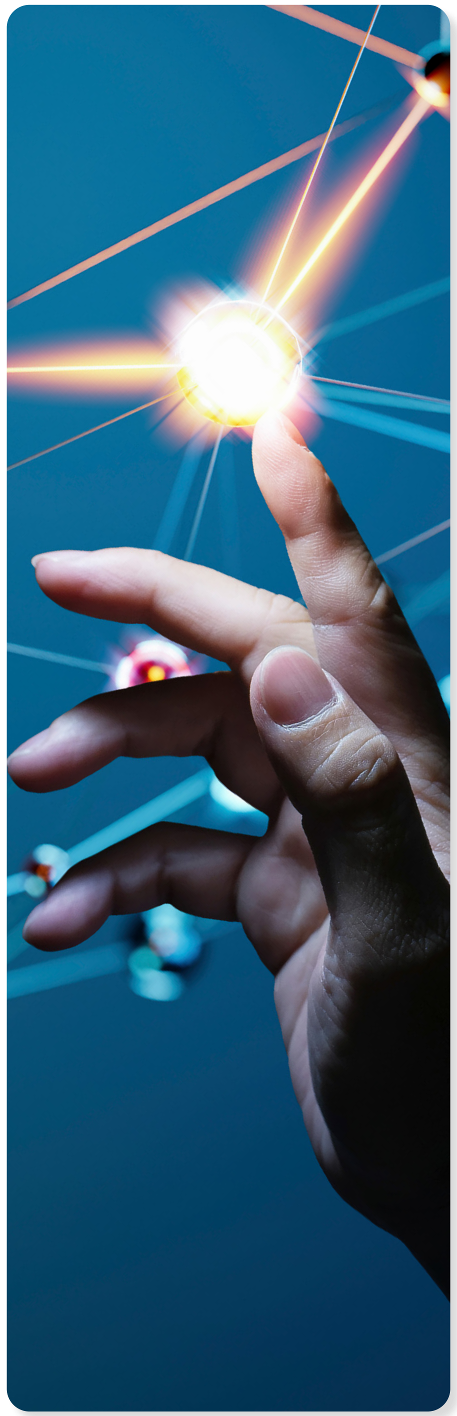
Among these alliances, growth transformers ensure their companies collaborate with hyperscalers (such as Amazon, Google and Microsoft) to quickly deliver large processes in the cloud; and with key system providers (such as Salesforce, SAP and Workday). At the same time, they work with advisors including Deloitte firms, who help select and integrate these systems, embedding proven frameworks and methods for enduring success. Such collaborations can accelerate changes and create competitive edge.

Learning from historic change improves outcomes

It is also important for leaders to learn from their own and their counterparts' historic change efforts. In many transformation attempts, a medium speed, execution quality and level of agility have sufficed for market conditions, but the fast-changing, complex systemic and structural shifts now mean much more thorough and rapid approaches are needed.

Looking ahead, future growth transformers should adopt a multifaceted, continuous change process, led by innovation, adaptability and experimentation. They should also adopt a holistic transformation approach, aligning strategic goals, technology investments, and people. Finally, they should openly and clearly communicate their plans and progress at all stages, to keep key stakeholders on-side, from investors and collaborators to employees and customers.

Growth transformers also garner success by skillfully orchestrating the broad ecosystem around them.



Growth transformers drive enduring change in three key areas:

1. Business model transformation

Enduring business model change lies at the heart of successful transformation. It involves fundamentally reimagining how a company creates, delivers and captures value, through acquisitions, divestments, collaborations and partnerships.[28]

Successful Transformational M&A requires leaders to take a constant and unrelenting approach to portfolio management. This is important to meeting the bold ambitions as conditions change. As companies proceed with their acquisitions, it is important they continue to test their assumptions against scenario modeling, and that they continually decide which assets should be divested and what capability should be brought in through acquisitions, collaborations or partnerships.

Growth transformers equally move beyond linking systems and processes, and instead envision possibilities that maximize the unique capabilities of each asset in their portfolio – and the capacities of each organization in the ecosystem.[29] They explore untapped markets and customer segments, identify innovative revenue streams, and develop fresh offerings that help address customers' diverse and changing expectations.

Leaders should be willing to disrupt legacy financial models, optimize cost structures, embed sustainability – and pursue bold moves in products and services, technology and alliances that make their business resilient, future ready, and a leader in their industry.[30]

The key business model considerations are:

Revenue model and value creation

Growth transformers look beyond the organic wins of cross-selling or price adjustments and focus on overhauling their revenue streams with M&A before another business disrupts them. This means acquisitions, collaborations and partnerships with innovative organizations that enable them to pilot new models – subscription, outcome-based or platform-based.

They also monetize sanitized proprietary data, launch entirely new service lines, and are willing to divest offerings that no longer fit their vision. Bold leaders use the combined assets, customer bases and capabilities gained through acquisitions, collaborations and partnerships to enter adjacent industries or create categories.

Supply chain monetization

For decades, supply chain efforts have focused on cost cutting. Growth transformers instead harness the scale, and capabilities present across their supply chain to foster alliances and partnerships that create new offerings, such as logistics-as-a-service, or contract manufacturing. They also place real-time data and analytics, and sustainability, at the core.

As firms gain influence and scale, they may also assertively consolidate vendors, and they may also innovatively open parts of the supply chain to ecosystem alliances, partners or competitors in exchange for new revenue streams or data.

Expanding like a disruptor

Growth transformer's increasingly approach market expansion with the urgency and audacity of a disruptor. They use the capabilities of their assets and collaborators within their ecosystem to enter new geographies and customer segments at great speed and depth. They also use digital platforms and local alliances to bypass traditional barriers, and to rapidly scale presence.

Leaders who expand their business in this way pilot, learn and iterate in real time.[31] They overturn norms and set aggressive market share targets. They are willing to make their competitors – and sometimes their own boards – uncomfortable.

Ecosystem alliances that change the status quo

Bold growth transformers move beyond classic transactional partnerships and build deep, strategic alliances that thrive on experimentation. This could mean forming joint ventures with unexpected partners – competitors, regulators or even activist investor groups – to collectively develop new offerings and markets.

It is essential that leaders incentivize alliances, collaborators and partners to co-innovate, by sharing risks, rewards and information, and with programs that reward collaboration, creating an ecosystem that is so effective it becomes competitively dominant.

Ecosystem transformation

As businesses look to embrace cutting edge technology and build relevant skills, may are turning to ecosystem alliances to accelerate change. Examples include:

- Nearly 30 businesses, eight trade associations and six research institutes allied for the food development partnership Ferments du Futur.
- An alliance between a major tire manufacturer, food company, science startup and large bank to develop bio-sourced materials for sustainable industrial production.
- Asia-based manufacturers temporarily swapping key digital talent to accelerate skills development and ideation.
- Healthcare businesses partnering with or acquiring clinics, insurers and health tech businesses to capture all parts of value chain.

Bold growth transformers move beyond classic transactional partnerships and build deep, strategic alliances.

2. Technology transformation

The future depends on constant tech-based transformation and many of the most successful integrations begin with early technology decisions, aligning investments with strategic priorities.

AI and other disruptive technologies can redefine value capture to center on innovation, agility and major new revenue streams. Real impact requires swift, well-informed actions, a clear link to enterprise value, strong governance from boards, alignment across leadership operations and culture, and with the right talent in place to deliver the transformation.

The path forward for growth transformers is defined by the following priorities:

Strategic alignment with early action

To unlock the potential of Transformational M&A, technology change should be embedded from the earliest stages of acquisitions, collaborations and partnerships, purposefully aligned with the overarching strategy and supported by well-considered talent strategies and governance structures that oversee the technology elements of the execution.

Growth transformers are deliberate and transparent about how each technology decision and investment supports the new business model. Those who consider technology decisions before a deal is finalized, are best positioned to accelerate and sustain value.

Adopting a holistic approach to return on investment

Growth transformers increasingly realize that traditional return on investment thinking can be insufficient for innovative technology. Spending should be considered in terms of impact on enterprise value; even multimillion dollar acquisitions or investments represent a relatively small downside risk, when set against the growth multiplier on offer. Companies should now consider carefully planned tech investments as part of a broader capital envelope, with a targeted value gain.

In most cases, success can depend on leadership helping to ensure the organizational skills, governance mechanisms, and cultural readiness to harness these technologies – as well as having a proactive IP and data strategy to secure and monetize core innovations.

Technology ecosystems for assertive moves

To achieve transformational value within accelerated timeframes, companies should engage alliance partners early. Such partners provide access to advanced tools, global infrastructure and specialized skills, enabling effective innovation and market expansion.

High-performing leaders constantly expand their digital ecosystems, integrating partners, suppliers and distributors into value chains, to create open innovation and value gains.[32]

AI and digital models at the core

Companies can rightly expect change from technology – such as AI, robotics, quantum computing[33], and cutting-edge sustainability for long-term viability. Growth transformers see that these technologies could represent a negative change to existing operations but also offer the chance for complete business model reinvention and the unlocking of significant, enduring value. Growth transformers also understand these technologies can redefine the boundaries of conceivable transformation.

With 47% of CEOs prioritizing AI investments,[34] innovation and intelligent technology are becoming imperative strategic considerations. This means board members should better understand the strategic possibilities and challenges associated with AI.

Success in delivering shareholder value from AI can depend on decisions being aligned with overall strategies. It is important that companies balance being first movers on AI with mitigating risks. Some of the best leaders are realistic about the prospects for generative and agentic AI and other relatively nascent technologies, with a mindset informed by a reading of recent hype cycles around innovations, whose potential value timelines were often overestimated. That sense of perspective, however, should be allied to a culture of experimentation and the ability to scale successful results.

Growth transformers change the core of their business, using AI and other disruptive technologies garnered through M&A and partnerships as important levers for value.[35]

Internally, AI can accelerate post-deal integration by automating finance, supply chain and IT processes.[36] Externally, it can unlock new revenues by turning merged customer and product data into actionable insights; powering cross-selling, dynamic pricing, churn prediction, and personalized engagement; and transforming business models.[37]

Examples of agentic and GenAI at the forefront of Transformational M&A include an oil business harnessing intelligent systems to transform into a services business. Meanwhile, mid-sized banks have been merging to build competitive intelligent tech that stands up against that of much larger rivals.[38]

> Growth transformers are deliberate and transparent about how each technology decision and investment accelerate and sustain value.

Reapproaching legacy systems

Bold growth transformers seize transformational deals as rare opportunities to overhaul their technology foundation. This reassessment starts with a detailed examination of every legacy application, database, and infrastructure component – mapping technical debt and hidden risks. This includes assessing the state, ownership and integration potential of critical data and IP assets. Successful leaders prioritize what should be retired, what can be rapidly migrated to the cloud and where innovation will deliver the greatest impact.[39]

They use partnerships with hyperscalers to accelerate these changes. By shifting investment away from legacy maintenance toward scalable architecture, leaders can free up large budgets and create the capacity for rapid product and experience launches.

3. Workforce transformation

Growth transformers build a resilient, adaptable workforce and culture to ensure success. This separates them from the pack, with most rivals focusing on financial and operational change.

Cultural and behavioral aspects should be a focus, with work to understand what motivates staff and supports mutual success. Such cultural gaps are often amplified during transformational deals, as identities and ways of working shift. Deloitte Global studies show that businesses considering these questions throughout their M&A lifecycles ultimately realize up to 30% higher levels of innovation.[40]

Growth transformer's lead from the front, using their clear vision and uniting diverse stakeholders – shareholders, regulators, employees, even communities – behind it.[41] For many, this is the toughest part as the effort requires consistent communication and transparency, a willingness to challenge short-termism, and a new definition of roles and skills for the future while fostering a culture of adaptability and accountability for value delivered.

Successful workforce transformation involves several interconnected considerations:

Success can be defined by building a workforce of the future

Transformational M&A can require leaders to build an agile workforce that understands technology and takes ownership, and that has the AI, ideation and communication skills for the future. Successful transformation is likely to only take place in an environment where staff are able to quickly adapt to change and be supported in developing the new skills needed. This setup can require shifts around culture, development and ways of working – as well as around work locations, as digital capacities and capabilities are often distributed around the world.

Leaders should consider their workforces' capacity to absorb and deliver change, while empathetically and motivationally supporting staff to advance the usage of new technology, including AI, to help improve their roles. They should consider how jobs can be reshaped to maximize technological capacities and employees' skills – and to consider making these roles more attractive given global talent shortages.

Anchor transformation in purpose and outcomes

Workforce transformation should be anchored in the purpose of the bold ambition. Growth transformers explain the human outcomes throughout their deals: such as stronger skills, better work design, opportunities for advancement, and alignment to purpose. They track these well beyond the formal change period. Clarity around who contributes to and gains from the transformation also helps build trust and momentum.

When it comes to how technology can impact future workforce structures, this should be modeled, and companies may need to build an AI-enabled workforce able to experiment.[42] Boards should be ready to adjust their governance frameworks, and adjust job roles as needed[43] – they may even create flexible cross-region teams based on skills and desired outcomes. They should also overhaul certain processes, such as to allow generative AI to handle laborious tasks or start ideas, while humans concentrate on strategy, creativity, connections and judgment.[44]

Take a highly personalized approach

Transformation should be made into a positive and engaging experience. This may only be possible when leaders focus on understanding employees, segmenting them, designing their journeys, and understanding what motivates them.

Equally, executive and departmental leaders should personalize these experiences. Data, digital tools, and generative AI are crucial for micro-targeting efforts at scale. Neuro-avatar technology, for example, can be used to appear as a virtual human guide on screen, personalizing interactions based on individuals' top motivational needs – such as power, connection, or stability.[45] For example, during the post-merger integration of a German group into an American listed company, neuro-avatars were used to tailor training on the US external financial reporting requirements.

Workforce transformation multipliers

Five actions can multiply human-centered change:

1. Tell a compelling and relatable story
2. Build transformation among middle managers who drive change
3. Find the committed and passionate 25% of staff and support them in grassroots momentum
4. Redesign roles and reskill staff for new capabilities
5. Harness the power of generative AI to monitor sentiment and personalize messaging.

Balance stability and agility

The concept of 'stagility' – a balance between stability and agility – is a key component of successful transformation.[46] Governance, clear metrics, and consistent reporting provide the backbone of stability, but adaptive leadership, open feedback loops, and co-created solutions inject the agility needed to respond to complexity. In combination, growth transformers create a resilient, fast-moving, future-ready workforce.

As they go through each deal, leaders should continually seek data and feedback on different aspects of operations: as diverse as execution stages or planning frameworks; and broader post-deal business processes such as customer service, sales funnels, back office operations and staff retention efforts. Risk appetite and capital allocation, too, may flex in line with strategic rationale.[47] Businesses may even discover that value is found at the edges of their operations, as with the airline loyalty programs that have become core value drivers.

Repeatable, disciplined change

With transformation an ongoing effort, leaders should take a holistic view. They should also sustain momentum without overwhelming their staff.

For success, it is critical to apply smart governance structures, strong measurement and clear reporting. These can be embedded into each M&A move, with the transformation unit ensuring focus and driving outcomes.

Transformation takeaways

Transformational M&A involves both short-term and long-term actions. While the initial focus often centers on stabilization and efficiencies, transformation is achieved over the long-term – including through reshaping business models, optimizing digital ecosystems, embedding AI into work processes, and reskilling for the future.

Growth transformers:

- Integrate strategy, technology and people from the start
- Empower the workforce as agents of change
- Balance ambition with rigorous execution
- Foster a culture of experimentation and long-term thinking
- Collaborate with ecosystem experts to drive successful transformation.

Conclusion

Businesses across sectors are facing pressure to transform. They should drive growth and elevate value amid substantial systemic and structural shifts. Some of the wisest leaders turn to Transformational M&A to help achieve these changes, aiming to create innovative new operational and business models at the scope and pace required.

For such growth transformers, the endeavor requires significant focus and skill, and they should bring their stakeholders on the journey. Transformational M&A is a holistic and bold strategy that demands careful planning, powerful execution and comprehensive value capture. Though it demands courage and challenging it may be, it can be an enabler of powerful change.

There are numerous considerations for growth transformers as they embark on this journey. Success demands that they envision the future, utilize simultaneous M&A moves, and enable business model, technology and workforce transformation. It equally demands that they build, lead and engage an ecosystem of alliance partners and collaborators for combined success.

With the pressures and opportunities in front of these companies, now could be the moment for businesses to start driving Transformational M&A at the center of their growth agenda.

Authors

Sriram Prakash
Global M&A Insight & Ideation leader, Deloitte Global
sprakash@deloitte.co.uk

Hugh Frecheville*
Strategy & Transactions director, Deloitte Asia Pacific
hufrechville@deloitte.com

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Indicates individual is not an employee of Deloitte Global or other Deloitte central entities and was instead commissioned to participate in authoring or contributing to this article

Contacts

Key contacts

Trevear Thomas
Global Chief Growth Officer, Deloitte Global
trethomas@deloitte.com

Simon Howard
Global Strategy & Transactions leader, Deloitte Global
sihoward@deloitte.es

Mark Jamrozinski
Global M&A leader, Deloitte Global
mjamrozinski@deloitte.ca

Francisco Salazar
Global Strategy & Business Design leader, Deloitte Global
frsalazar@deloitte.com

Vincent Batlle
Global End-to-end M&A leader, Deloitte Global
vbatlle@deloitte.fr

Kathleen O'Dell
Global Consulting Services Cross Business Go-to-market leader, Deloitte Global
kodell@deloitte.com

Christian Bout
Global Accounting & Reporting Advisory leader, Deloitte Global
cbout@deloitte.nl

Brian Pinto
Global M&A Tax & Legal leader, Deloitte Global
bpinto@deloitte.com

Karen Pastakia
Global Human Capital leader, Deloitte Global
kapastakia@deloitte.ca

Regional M&A contacts

Adam Reilly
M&A leader, Deloitte & Touche LLP
areilly@deloitte.com

Arturo Gayoso
M&A leader, Deloitte Spain
agayoso@deloitte.es

Dean Schinkel
Strategy, Risk & Transactions leader, Deloitte Canada
dschinkel@deloitte.ca

Eiko Nagatsu
Strategy & Transactions leader, Deloitte Asia Pacific
eiko.nagatsu@tohmatsu.co.jp

Gurminder S Dhillon
Strategy & Transactions leader, Deloitte LLP
gdhillon@deloitte.co.uk

Hermann Marambio
Americas M&A Transaction Services leader, Deloitte & Touche LLP
hmarambioa@deloitte.com

Konstantin von Radowitz
Strategy & Transactions leader, Deloitte AG
kvonradowitz@deloitte.ch

Marc Rauner
M&A leader, Deloitte Continental Europe
mrauner@deloitte.de

Sean McPhee
M&A Transaction Services leader, Deloitte Africa
smcphee@deloitte.co.za

Industry contacts

Asif Dhar
Consulting Services Life Sciences & Healthcare leader, Deloitte Global
adhar@deloitte.com

Emma Cox
Private Equity leader, Deloitte Global
ejcox@deloitte.co.uk

Iain Bamford
Telecommunications, Media & Entertainment M&A leader, Deloitte Consulting LLP
ibamford@deloitte.com

Kathryn Pavlovsky
Consulting Services Energy, Resources & Industrials leader, Deloitte Global
kpavlovsky@deloitte.com

Neal Baumann
Financial Services Industry leader, Deloitte Global
nealbaumann@deloitte.com

Nicola Johnson
Consumer Industry leader, Deloitte Global
njohnson@deloitte.com

Contributors

David Hill
Asia Pacific CEO, Deloitte Asia Pacific

Joel Schlachtenhaufen
Global PMI leader, Deloitte Consulting LLP

Jiak See Ng
Asia Pacific Strategy, Risk & Transactions leader, Deloitte Asia Pacific

Rob Hillard
Asia Pacific Consulting Businesses leader, Deloitte Asia Pacific

Jeff Weirens
Vice Chair Strategy & Transaction, Deloitte Consulting LLP

Charindra Pathiwille
Strategy, Risk & Transactions leader, Deloitte LLP

Thomas Menzler
Strategy & Transactions leader, Deloitte Continental Europe

Nicole Scoble-Williams
Global Future of Work leader, Deloitte Global

Rob Arvai
Strategy & Transactions partner, Deloitte Asia Pacific

Anne Toomey
Global End-to-end M&A director, Deloitte Global

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