

# CTRM SYSTEM EXPANSION POST-ACQUISITION **CASE STUDY**

DISCOVER

HOW CAPSPIRE ADVISED A NEW ACQUISITION OF AN EXISTING  
CLIENT ON WHAT A MODEL COMPANY SHOULD LOOK LIKE FROM A  
CTRM PERSPECTIVE



## 01 THE ASSIGNMENT

**A large, diversified energy company involved in wholesale marketing and retail activities had recently acquired another organization with varied lines of regulated and unregulated business ranging from energy services, wholesale marketing, to utilities. The parent company, was already using a specific tier-1 CTRM system, wanted to extend this system to the newly acquired organization. Because of capSpire's specialty with the natural gas and power marketing and extensive experience in implementing CTRM systems, the parent company engaged capSpire to advise on how to best accomplish this initiative.**

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## 02 THE GOAL

- **Understand the state of the new organization's current systems and the inherent risks associated with these systems, in addition to as-is business processes, requirements, and potential gaps compared to the parent company's CTRM system.**
  - **Obtain a realistic expectation about cost, effort, and timeline if the parent company's CTRM system was implemented.**
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## 03 THE PROBLEM

**Across its many different businesses, the newly acquired organization was using several CTRM systems, all of which had outdated technology or were extensively customized.**

## 03

### THE PROBLEM CONTINUED

**There was no single, integrated system or business intelligence platform to house all data for vital functions such as trading, credit, and risk, which led to multiple versions of the truth. This disconnect led to many inefficiencies and inconsistencies. Furthermore, too many processes were manual (relying on Excel spreadsheets) and weren't scalable. Additionally, these systems were costly to support and carried significant vendor and operational risks. The CTRM efforts of this organization needed to be transferred into and streamlined within the parent company's tier-1 CTRM system for cohesiveness, data visibility, and effectiveness.**

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## 04

### THE SOLUTION

**The capSpire advisory team partnered with leaders at the parent company to identify their primary drivers and requirements. Then the team met with representatives from the different businesses within the newly acquired organization to understand their perspectives, including their requirements for a CTRM system to be able to better conduct their jobs on a day-to-day basis.**

**capSpire presented a final report to executive leadership explaining:**

- **The gaps between the current state of the acquired organization's CTRM systems and business processes versus system requirements and aspirations**
- **Recommendations for optimal processes and technology**

# 04

## THE SOLUTION CONTINUED

- **Suggestions for enhancements along with the identification of the optimal technology for these functionalities**
- **The effort that would be involved in expanding the parent company's CTRM system to cover the newly acquired organization and streamlining processes**
- **Change-management impacts to the new organization**
- **The challenges that would most likely arise**
- **The benefits and efficiencies that could be realized from the project**
- **The step-by-step roadmap for how to achieve the parent company's goal**
- **The anticipated timeline and costs**

## 05 THE BENEFITS

- + Continued a relationship with a trusted partner that not only understands CTRM systems at a deep level, but also knows the markets they work in and how their businesses operate
- + Completed a baseline review of existing processes and technology versus their peers
- + Identified a clear path forward
- + Obtained insight into the necessary investment, total cost of ownership, over the next five to seven years

**WANT TO LEARN MORE? ASK FOR A DEMO.**

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