



Modernising Legacy Applications Post-Acquisition

How Private Equity-Backed Businesses Can Unlock Scalable Value Faster



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Executive Summary

In private equity-backed organisations, acquisition is often the catalyst for growth, but without the right technology foundation, it can just as easily become a source of friction. As new businesses are brought into the fold, legacy systems, overlapping applications, and fragmented data architectures quickly become barriers to integration and scale.

Our advice: don't treat this as a back-office clean-up task. The ability to realise value post-acquisition depends on having the right operational and technical foundations in place. That means assessing not just the applications, but your IT capability, IT capacity, and readiness to execute and support change. Done well, modernisation becomes a strategic enabler, accelerating integration, improving performance, and driving measurable business outcomes.

This paper explores why modernisation is critical in a post-acquisition context, what's required beyond technology, and how to build a roadmap that delivers outcomes at pace, without compromising control.



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this as a
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MODERNISING LEGACY APPLICATIONS POST-ACQUISITION

The Modernisation Mandate

We regularly hear variations of this narrative. In fast-moving, PE-backed organisations, this is the reality for IT leaders. Investors expect integration and performance improvements within 12–24 months, but legacy applications often stand in the way.

According to Gartner's 2024 CIO and Technology Executive Survey, 78% of CIOs in high-growth organisations said that modernising legacy systems is essential to delivering on digital ambitions. Yet only a third feel equipped to do it.

That's a clear signal: **modernisation isn't just a technology upgrade. It's a board-level concern.**

Modernisation, in this context, is not optional, it's essential.

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78% of CIOs in high-growth businesses view legacy modernisation as critical to their digital ambitions, yet fewer than one-third feel equipped to deliver it.

Gartner

This is the gap that needs closing, because modernisation isn't a technical upgrade it's a strategic enabler of post-acquisition value and it demands board-level attention.

MODERNISING LEGACY APPLICATIONS POST-ACQUISITION

What's Really Holding Businesses Back?

After an acquisition, most IT leaders face an increasingly unmanageable application landscape:

- Redundant systems performing the same function
- Legacy applications built on unsupported tech stacks
- Disconnected or siloed data
- Custom code with no clear ownership or documentation

These issues lead to increased cost, slower time to market, heightened cyber risk, and a lack of visibility across the business. But more than that, they erode confidence. When systems don't integrate, leadership can't act on insights or drive transformation.



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Application Modernisation: The Strategic Engine for Growth

Modernisation isn't about starting from scratch, ripping out and replacing everything. It's about aligning your application landscape with your business strategy, eliminating complexity, improving agility, and building a foundation to support your business now and for scale anticipating future business changes.

When done well, modernised applications stop draining resources and start creating real momentum for growth.

McKinsey research shows that businesses with a structured approach to modernisation reduce technical debt by up to 40% and significantly accelerate innovation.

For private equity-backed businesses, where acquisition is a core growth lever, this translates into faster integration, improved reporting, better-informed business decisions and ultimately stronger EBITDA performance.

The bottom line? Modernisation enables the business to move faster, integrate smarter, and realise value sooner. But it only works when it's woven into your growth strategy, not tacked on as a "technical fix".

Step by Step: Modernising Legacy Applications Post-Acquisition



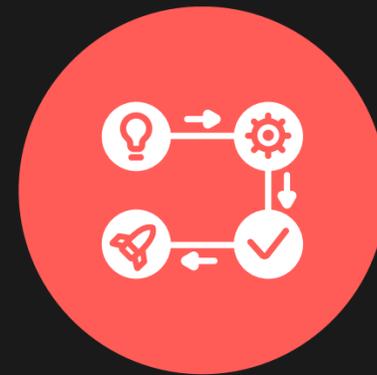
STEP ONE
BUILD THE BUSINESS CASE



STEP TWO
GET THE FOUNDATION RIGHT



STEP THREE
GET CLARITY



STEP FOUR
BUILD THE ROADMAP



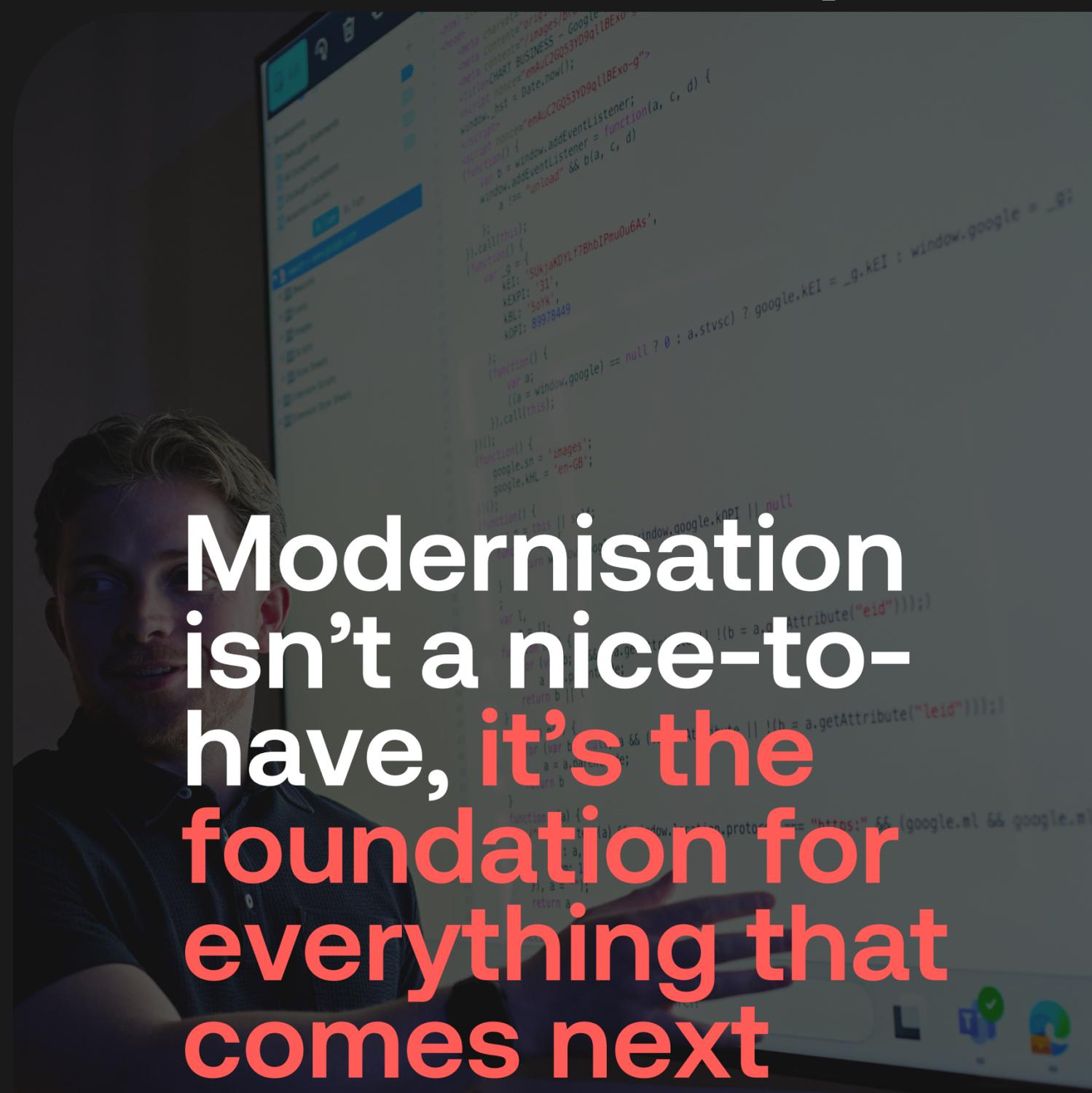
STEP FIVE
BUILD FOR WHAT'S NEXT

Step One: Building the Business Case for Modernisation

Let's be clear: modernisation isn't a nice-to-have, it's the foundation for everything that comes next. But creating the business case is tougher than ever.

Shrinking budgets and a growing focus on next-gen technologies like AI are pulling investment away from core modernisation efforts. That shift makes it harder to secure buy-in, but it also makes modernisation more critical. Without a modern, scalable foundation, those high-impact technologies simply won't deliver.

For private equity-backed businesses post-acquisition, this is where long-term value is created. The business case must go beyond just fixing legacy systems, it needs to directly link modernisation to growth, efficiency, and the ability to scale fast. In this context, modernisation isn't competing with transformation, it is the transformation.

A man with short hair and a beard, wearing a dark polo shirt, is looking at a computer monitor. The monitor displays a code editor with various lines of code in different colors (white, red, blue, green). The background is dark, and the overall scene is dimly lit, focusing on the man and the screen.

Modernisation isn't a nice-to-have, it's the foundation for everything that comes next

Step Two: Get the Foundations Right Before You Modernise

Before you evaluate a single application, take a step back and assess whether your organisation is ready to support meaningful change.

Modernisation doesn't usually fail because of the technology, it stalls because the people, capacity, or alignment just aren't there yet. In fast-paced, private equity-backed environments, it's easy to get caught up in delivery targets and timelines. But when you move too quickly without laying the right foundations, even the best-laid plans can hit resistance. Getting the groundwork right shouldn't be viewed as a delay, it's what makes real progress possible.

Questions to ask yourself:

- *Is your IT function equipped and empowered to lead this transformation?*
- *Are your security, compliance, and governance frameworks mature enough to support a modern, scalable estate?*

- *Do you have the change management capability to bring people with you across multiple business units?*
- *And crucially, is the wider business aligned on what modernisation is for, and how success will be measured?*

These aren't just operational details, they're the things that make or break a modernisation programme. Before you get into the technology, it's worth stepping back and asking: are we really ready for this? It's a question that often gets skipped in the rush to deliver. But if the organisation isn't set up to support change, even the best plans can stall. Taking the time to get that foundation right gives you a much better chance of making progress that actually sticks.

Step Three: **Get Clear on What You've Got**

Once you've confirmed your organisation is ready to modernise, the next priority is visibility. You can't make informed decisions without a clear picture of your application estate, especially when you're dealing with multiple acquisitions, each bringing their own systems and complexity.

Start with a structured audit. For every application in the business, ask:

- *What purpose does it serve?*
- *Who owns and uses it?*
- *What does it cost to run and support?*
- *How stable, secure, and supported is the technology?*
- *How critical is it to day-to-day operations or future plans?*

This goes beyond simply knowing what's in your stack. It's about understanding value versus risk. You're looking to identify what's core, what's outdated, what's duplicated, and what can be retired. When you map your application landscape this way, patterns start to emerge, and so do the priorities.

Portfolio-level rationalisation doesn't just improve technical efficiency. It strengthens governance, improves integration outcomes, and helps teams align behind a shared strategy. It's a smart, risk-aware way to bring order to the chaos.

Step Four: Build a Roadmap That Works for the Business, and the People

Modernisation isn't just about updating code, it's about how people work, collaborate, and make decisions every day. Every change you make will affect the teams using those systems, the processes they rely on, and the wider business around them. That's why it's so important to think beyond the tech and focus on the people it impacts.

Engage early. Bring the right people into the conversation. Understand how systems are being used in the real world, not just how they were designed to work. When teams feel heard, and when they understand the purpose behind the change, they're far more likely to support it.

From a technical standpoint, apply the **6R Framework; Retire, Retain, Rehost, Replatform, Refactor, Replace**, to shape your approach. Not everything needs to be rebuilt. Some applications simply need to be lifted onto more stable platforms. Others may require deeper transformation to meet future needs.

Prioritise based on business value and technical risk. Focus first on the systems that are holding you back, whether that's through cost, complexity, or lack of scalability. In some cases, moving to cloud-native platforms will give you faster wins. In others, investing in microservices will create the flexibility you need for long-term growth.

Think of this as building operational resilience and agility into the core of the business, not just modernising for the sake of it.

Step Five: Build for What's Next, Not Just What's Now

It's tempting to patch what's broken and move on, but short-term fixes rarely stand up to the demands of scale. If you want your modernisation efforts to support future acquisitions and continued growth, you need to design with repeatability and resilience in mind.

That means putting in place shared standards, consistent governance, and scalable foundations that allow new systems to be integrated with minimal friction. We advise building out:

- Shared cloud landing zones
- Standardised integration templates and APIs
- Embedded security and compliance guardrails
- Unified DevOps and CI/CD toolchains
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This approach doesn't just support your current modernisation programme, it creates a platform that can flex and grow with your business. And in private equity-backed environments, where the next acquisition is always around the corner, that repeatability is critical.



A Practical, Proven Approach to Modernisation

When it comes to modernisation, success depends on more than just the right technology stack. It takes a structured, grounded approach that balances engineering expertise with real-world business context.

At TXP, we support IT leaders through complex change by helping them make the right calls, not just about systems, but about capability, pace, and long-term sustainability. That includes:

- Assessing your full application and data estate
- Tackling legacy .NET and platform dependencies
- Designing cloud-native architectures and microservices
- Embedding strong governance, DevSecOps, and scalable platforms
- Supporting generational shifts in systems and skills

This isn't just about modernising what you have. It's about preparing the business to operate differently, more efficiently, more securely, and with far greater agility. We work with leadership teams to modernise the way technology is delivered, supported, and evolved over time



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Final Thoughts: *Treat Modernisation as a platform, not a Project*

Private equity investment depends on momentum. But legacy systems, if left unchecked, can grind that momentum to a halt. If your growth strategy relies on acquisition, then modernisation isn't a nice-to-have; it's how you make integration repeatable, performance visible, and scale achievable.

The tools exist. The frameworks are tried and tested. The real difference lies in how you use them, and whether your organisation is genuinely ready to make them work.

Modernisation isn't a one-off project you tick off the list. When it's done well, it sets the stage for everything that follows, helping the business move faster, make smarter decisions, and scale with confidence.

Ready to Turn Modernisation into a Platform for Growth?

We hope you found this whitepaper useful. If you have any questions or would like to discuss how the insights apply to your organisation, get in touch.

At TXP, we work with ambitious, fast-moving organisations to modernise with purpose, not just for today's integration challenges, but for tomorrow's opportunities. Whether you're navigating post-acquisition complexity or laying the groundwork for future scale, we can help you design and deliver a roadmap that's built to last.

Let's start with a conversation.

GET IN TOUCH



About the author

Matt Fox is the Chief Operating Officer at TXP, bringing over 35 years of experience in the IT industry and more than 25 years in building high-performing teams. Renowned for his ability to lead organisations through periods of change, Matt has played a pivotal role in guiding businesses through transitions, ensuring they emerge stronger, more resilient, and ready for the future.