Mergers &Acquisitions: A Study of Socio-Cultural Dimensions

THESIS

Submitted in fulfilment of requirements
For the award of degree of

DOCTOR OF PHILOSOPHY

In

MANAGEMENT

By

VIRENDER SINGH

2K13/DSM /PhD/07

Under the guidance and Supervision of

Prof (Dr.) G. C. Maheshwari
Delhi School of Management
Delhi Technological University

Prof. Rajan Yadav
Delhi School of Management
Delhi Technological University

Delhi School of Management

Delhi Technological University

Shahbad Daulatpur, Main Bawana Road, Delhi 110042, India

December 2022

Candidate's Declaration

I, hereby certify that the thesis titled **"Mergers &Acquisitions: A Study of Socio-Cultural Dimensions"** submitted in fulfilment of the requirements for the award of the degree of Doctor of Philosophy is an authentic record of my research work carried out under the guidance of Prof. (Dr.) Girish Chandra Maheshwari and Prof. Rajan Yadav. Any material borrowed, or referred to and all assistance received has been duly acknowledged.

The matter presented in this thesis has not been submitted elsewhere in part or fully to any other University or Institute for the award of any degree.

Date: 21.12.2022

Place: Delhi

Virender Singh

2K13/DSM /PhD/07

Delhi School of Management,

Delhi Technological University

DELHI TECHNOLOGICAL UNIVERSITY

(Government of NCT of Delhi)

Bawana Road, New Delhi 110042

Certificate

This is to certify that the thesis titled "**Mergers &Acquisitions: A Study of Socio-Cultural Dimensions"** submitted by Shri Virender Singh, Enrolment No. 2K13/PhD/DSM/07 in fulfilment of requirement for the award of degree of Doctor of Philosophy in Management is an authentic research work carried out by him under our guidance and supervision. The contents embodied in this thesis have not been submitted by him earlier to any institution or organization for any degree or diploma to the best of our knowledge and belief.

Prof (Dr.) Girish Chand Maheshwari
Delhi School of Management
Delhi Technological University

Prof. Rajan Yadav
Delhi School of Management
Delhi Technological University

Shahbad Daulatpur, Main Bawana Road, Delhi - 110042, India

Off. +91-11 27871018 Fax: +91-11-27871023,
Website: www.dtu.edu, www.dce.ac.in

Acknowledgement

This doctoral research experience has been a remarkable learning insight for me both academically and professionally. The journey was tough with challenges at each step but at the end was rewarding the time and effort. There were some who made this journey smooth and rewarding for me by their constant support and guidance. Hence at the outset, I would like to acknowledge the contributions of my guides, mentors, teachers, family members and course mate who facilitated my path of learning.

God has been gracious to me for not only giving an opportunity for learning but by also giving a highly proficient, erudite and a humble supervisor in the form of Prof G C Maheshwari to guide and support me with his vast experience in my research work. I am greatly indebted to him for providing guidance, support, wisdom and motivation along the way. Similarly, I am equally thankful to my joint supervisor, Prof Rajan Yadav, DTU for monitoring my progress (even lack of it) and for providing honest valuable feedback for improvement.

I would also extend token of gratitude to all faculty of Delhi School of Management (DSM), Prof P.K. Suri, Dr.Shikha Khera, Dr. Richa Mishra (formerly with DTU), Dr. Vikas Gupta, Dr. Meha Joshi, Dr. Archana Singh and Dr. Sonal for their expert advice for subject domain. I am highly grateful to all teachers of DSM who have enhanced my knowledge during my course work. Above all, I am grateful to my department, Delhi School of Management (DSM) for reposing faith in commitment and determination of all selected part time PhD students despite making a modest beginning in 2009. I also congratulate my batch mates of 2013 part time PhD and others who have successfully completed this journey despite constraints of family and professional life.

The silent support of family is least acknowledged and appreciated, at times even taken for granted. But I will like to dedicate the completion of my thesis largely to my better half; my wife Jayshree without whose sacrifices this dream would not have been fulfilled. Equally noteworthy is the role of my twin daughters, Diya and Riya who have keen observer of the progress of my work even to get motivated by my work. I am also indebted to the support and encouragement given by my dear parents despite their old ages and my siblings who stood like rock in my endeavour.

Last but not the least, I would like to express my heartfelt thanks to my organisation, Government of NCT of Delhi for giving me permission to apply, appear for classes and examinations and pursue part time PhD programme of DTU despite my commitment and pre-occupation in public dealing offices.

Virender Singh

PhD Scholar DSM

Executive Summary

Mergers and Acquisitions (M&A) are integral to the global strategies of corporations' zeal to grow inorganically, develop resource and capabilities and means of foreign market entry. However, a fairly large number of M&A fail or are able to achieve suboptimal results. Besides, studies on M&A have been conducted in disciplinary silos studied largely from financial or strategic perspective which has failed to account for cause of failures, if it occurs. This has accentuated the need to shift the focus to more qualitative aspects, especially the human aspect that drives the social-cultural adjustment progress and the largely under researched variables of Socio-Cultural dimensions involved in the M&A. Analysis of these aspect yields significant benefit in terms of integration, communication, leadership, change management and overall outcome of M&A. This research has attempted to address this research enigma by addressing theoretical perspective which have been largely ignored or not studied by correct methodology.

The current research stream is also a paradigm shift in M&A as it proposes various post mergers integrations mechanism like integration mechanism, perceived organization justice and cultural fit to be positively related to employees' psychological outcomes. An empirical investigation has been carried out to study the impact of various organization integration initiatives as correlates and predictive of employees' psychological outcome of satisfaction, adoption, affective commitment and achievement, all of which have a collective bearing on M&A outcome. The study established linkages that employees' psychological outcome and organizational integration initiative studied in unison are related and can be predicated to a certain level of confidence.

The study is divided into two major parts, empirical study of forty-eight M&A case worldwide by content analysis and select five M&A cases on which case study analysis has been done. Hence, a mix method approach is used applying statistical tools on qualitative data. This mix of qualitative and quantitative data has allowed rich insight into integration phase of M&A and is a pioneer design in M&A methodology. Based on the findings of research work a model has

been hypothesized for study of psychological outcomes the employees experience firsthand during integration phase. For case study analysis five cases, out of which four are cross border acquisition are examined on soft issues of M&A and inference drawn for each case on HR parameters of study by means of content analysis for outcome of M&A .Value creation in M&A can only be achieved only if employees of merging entities work synergistically are committed, merge culturally to merger a unified entity and work to achieve motive of the merger.

The study is hence significant for all stakeholders in M&A field be it Corporate, HR Managers, Investment Bankers', Consultants, Scholars and Academicians; all having an incentive in ensuring M&A achieve its desired objectives. For organization opting for inorganic growth, the study has implicit implications to move towards a more 'human relation model' of functioning to create a high performing work organization as major factors for failure in M&A are the intangible people issues. M&A are a tumultuous time for employees, management, and stakeholders alike, but with appropriate communication plan and focus on human aspects of mergers, companies will have a positive impact on employees' attitudes, emotions, and behaviours', which will maximize the probability of management controlling the volatile situation and achieve the cherished goal of smooth integration for creating wealth or synergy for merged entities.

Contents

List of Tables

List of Exhibits

List of Figures

List of Abbreviations

Full Word	**Abbreviation**
Air India Limited	AIL
Average Variance Extracted	AVE
Brazil, Russia, China, India & South Africa	BRICS
Case Study Research	CSR
Chief Executive Officer	CEO
Cross Border Mergers & Acquisitions	CBA
Cultural, Administrative, Geographical & Economic	CAGE
Daimler Chrysler	DC
Developed Economy	DE
Employees Stock Option Plan	ESOP
Foreign Direct Investment	FDI
Human Resource	HR
Human Resource Management	HRM
Indian Airlines Limited	IAL
Jaguar Land Rover	JLR
Joint Venture	JV
Leveraged Buy Out	LBO
Liberalisation, Privatisation and Globalisation	LPG
Mergers & Acquisitions	M&A
Multi National Enterprises	MNE
National Aviation Company of India Limited	NACIL
Organisational Behaviour	OB
Partial Least Square	PLS
Post-Merger Integration	PMI
Private Equity	PE
Social Identity Theory	SIT
Sovereign Wealth Fund	SWF
Structural Equation Modeling	SEM

Chapter 1 Research Work Introduction

Mergers and Acquisitions (M&A) are integral to the global strategies of corporation's zeal to grow inorganically. However, a fairly large number of M&A fail or are able to achieve suboptimal results. M&A is a vastly researched topic given its importance in corporate world from strategic management, economics, finance, organizational behaviour and process perspective. However, there is a need to integrate theoretical synthesis of various perspectives on M&A to overcome pitfalls of studies in disciplinary silos. The research studies that have been largely conducted on analyzing the financial or strategic perspective(s) of M&A to evaluate their success have failed to explain the cause of failures, if it happens. This has accentuated the need to shift the focus to more qualitative aspects, especially the human aspect that drives the social-cultural adjustment progress and the largely under researched variables of Socio-Cultural aspects involved in the M&A. Analysis of these aspect yields significant benefit in terms of integration, organizational justice, cultural fit, communication, leadership, change management and overall outcome of M&A.

Mergers and Acquisitions (M&A) have become an engine of growth for corporations and have acquired a significant role in the global economic system. The studies on M&A have explored various aspects of restructuring that include, valuation, impact on macroeconomic variables, influences on financial markets etc. However, it has been observed that very little or no attention was paid to Socio-Cultural factors involved in an M&A. But in today's dynamic business environment the situation has changed. The high importance of cultural dimensions in any M&A has now been proved in various studies lately. The key idea in any M&A transaction is to create value through a potentially synergetic activity. The understanding of the motives of various stakeholders is instrumental in the analysis of the potential creation of value through post-merger integration.

This study of Socio-Cultural dimensions is a paradigm shift in M&A research stream as it proposes organizational integration initiatives like integration mechanism, perceived organizational justice and cultural fit to be positively related to employees' psychological outcomes of affective commitment, adoption, satisfaction and achievement in post-M&A integration phase. The current empirical investigation is hence an attempt to study the correlates and predictors of employees' psychological outcome which have a direct bearing on M&A outcome, thereby implying that human behavioural constructs affect M&A's outcome.

1.1 The study's problem

Mergers & Acquisitions (M&A) are an integral part of corporate strategies which companies use as means of inorganic growth. Multinational enterprises (MNE) prefer M&A route for cross border entries and it accounts for 66% of all forms of foreign entry affording distinctive advantage *vis-a-vis* Greenfield entry and Joint Venture (Ellis & Lamont 2004). Resource and Capability are also considered as a source of competitive advantage, if firm does not have it, then to acquire through M&A. A large number of fortune 500 companies exist as a result of multiple corporate combinations (Harding & Rovit, 2004).

Even though being highly valued & prominent strategy for growth, M&A don't have a very high success rate and have been observed to not create wealth or synergy for merged entity. Despite the strategic gains of M&A like increase in market share, business unit integration, market extension, product extension, transfer of knowledge, their success is not assured (Mitleton-Kelly 2006; Das & Kapil, 2012). Researchers (Bragg, 2001; Carelton& Lineburry, 2004) suggest that more than half of all M&A fail due to insufficient pre and post M&A integration strategies. While other researches (Thach & Nyman, 2001; Marks & Mirvis, 2010; Garrison, 2019) indicate that barely 25-35% of M&A achieve their desired goals and can be considered as successful. Study by KPMG reported that only 17% of cross border acquisition created shareholder value, while 53% destroyed it (Economist, 1999). Hence M&A fail to achieve the desired goals or synergies for which the deal was intended for. It has been whispered that success is marred largely by poor handling of human aspects and cultural issues in the due diligence and integration process.

M&A is a vastly researched topic given the volume of money involved in the market for corporate control. However, there is a need to integrate theoretical underpinning of various perspectives on M&A. As various studies have concerned with financial and strategic aspects and failed to account for relatively high failure rate. Review of existing literature reveals that only 5 % of research studies have been carried out for human resource perspective. This study is thus an attempt to evaluate the impact of Socio-Cultural aspects on overall outcome of M&A to overcome the research void. M&A involves both hard and soft success factors, both of which are essential to study for the overall outcome of M&A. Needless to emphasize that financial and strategic success in acquisition have crumbled due to costly mistakes being made by ignoring the so vital human and cultural dimensions. The study focuses on balanced combination of organizational behaviour and process perspectives to study the effectiveness of organization in relation to M&A as researches point to human issues as primary causes of failure in most of M&A. While studies on financial and strategic perspective dominate the literature of M&A, limited studies have been done on behavioural constructs that affect the outcome of M&A.

1.2 Study Justification

M&A as source of inorganic growth is quite popular in organizations and as a strategic option utilized by mangers but with limited success. Nearly 7 out of 10 M&A fail to obtain their desired objective of synergy, growth, market expansion, wealth creation etc. Majority of M&A are hostile takeover marked by merger syndrome and time of uncertainty, and possible downsizing for employees of merging entities. Every employee reacts towards M&A in their own way leading to stress and anxiety about their future. Many eventually withdraw as a coping mechanism leading to lack of commitment and increased turnover negating any perceived synergistic benefits of the deal.

Hence the primary motivation for research is to study root causes for overall success or failure of M&A and how success rate can be dramatically improved by means of study of Socio-Cultural dimension of integration at play. For a developing country like India in post liberalization era, M&A's have opened new opportunities as well as challenges for Indian corporate as they collaborate and compete with global MNC's at global level. It is imperative for companies to gear up to the challenges by becoming conglomerates themselves by global acquisitions. The cultural forces at play in such M&A are detrimental to its overall performance and a challenging field of research. The study is hence an attempt to fill the vacuum of existing literature gap of M&A by study of post-merger integration initiatives on employees' psychological outcome affecting the result of

M&A. The study examines psychological constructs of satisfaction, adoption, affective commitment and achievement in relation to organizational integration initiatives, perceived organizational justice and cultural fit during post-merger integration. The study is divided into three major parts: -

a. Empirical study of select M&A cases of both India and World by converting Socio-Cultural variables into measurable scale and applying statistical tools for derivation of results. Hence an objective empirical analysis is carried out on subjective factors like Socio-Cultural variables to study impact of organization integration initiatives on employees' psychological outcome.
b. Development of conceptual model and framework based on the finding of results of empirical analysis as above.
c. Study of Socio-Cultural initiatives in select five M&A cases for various interplay of cross border, national/ organizational culture differences or interplay of both. Four out of these five cases have been selected in which at least one company involved is an Indian Company to study M&A in Indian landscape.

The study employs a dual approach: content analysis on selects M&A cases (48) for last thirty years up to 2018 and case study analysis on HR parameters of select 5 M&A cases of select organization on which detailed research is carried out in chapter five and six respectively . This mix of qualitative as well as quantitative data allows getting rich insight into integration phase of M&A. Even subjective parameters are objectively quantified improving validity & reliability of study while minimizing errors of external factors. It also studies task integration and human integration in conjunction to overall effect on M&A. The interplay of these variables has hardly been studied & will form basis of future research/studies.

Given the scarcity of scholarly research conducted on integration initiatives and key HR/Socio-Cultural practices in context of M&A in India, the study attempts to provide significant impetus for investigating the important roles of HR/Strategic practices in achieving successful corporate merger in Indian context. The study has key implications for research: -

- Implication for organization & managers opting for M&A as an inorganic growth strategy

- Implication for future research in the areas of Human Resource Management, Organizational Behaviour and Strategic Management.
- Study of M&A on Socio-Cultural parameters based on mixed method design.
- Study of Human Resource issues objectively by conversion of subjective parameters to scale and application of statistical tools for valid and reliable results.
- Study of Financial and Strategic control parameters in conjunction with HR parameters.

This study has proposed a hypothetical model for studying the psychological outcomes that employees experience first-hand during post M&A integration phase. Even though M&A has been studied by various disciplines like finance, strategy, organizational behaviour, human resource but there is little agreement on how to measure acquisition performance among these disciplines (Stahl & Voigt, 2008). While M&A are increasing in scope and volume worldwide, the success rate is very low failing to achieve the motives of shareholder value, return on investment and profitability. The major reasons for failure are the human issues which have been largely ignored. Integration related issues of employee's psychological outcomes during merger implementation are important because value creation can only occur after employees of merging entities work synergistically, merge culturally to form a unified entity and work to achieve motive of the merger.

The study has significance for stakeholders in the field of M&A like Corporate, HR Managers, Consultants, Investors and Scholars all of whom have interest in ensuring M&A achieve their desired objectives. The study also contributes to model framework build upon the results of quantifying the Socio-Cultural parameters into measurable scale on which tools and analysis has been carried out objectively to derive results. The study has implicit implications for organizations looking for inorganic growth to move beyond the 'gain model' of working towards a more 'human relation model' of functioning to create a high performing work organization.

The study proposes that organizational integration initiatives, organizational justice and cultural fit are directly related to employees' psychological outcome of satisfaction, adoption and affective commitment evidenced in achievement of

M&A. The study is a case study investigation to find predictors of employees' psychological outcome during M&A in which role of control and mediating variables are also examined. The study hence sets to examine a complex interplay of integration mechanism, cultural integration, and organizational justice in relation to effect on satisfaction, adoption, affective commitment and achievement by employees.

1.3 Literature Review: Gap Analysis

Literature review of HR aspects of M&A has revealed certain patterns in methodology adopted, themes, sub theme and Continent wise variation. Meta-Analysis of 257 research papers on Socio-Cultural aspects in M&A for the time period of 1988 to 2020 was done for issues or key points emerging out of this research. Results revealed that while in majority of cases the methodology used is case analysis. However, the empirical studies have been growing and have become popular in research stream lately. The theme of Culture, HR issues and Value Creation are the most dominant sub-theme identified in research papers. There is vast difference with regard to continents as well with Europe; America & Asia top three in terms of published paper. Asia has picked up dramatically in last two decades of 21st century and India has a huge potential for M&A studies on Socio-Cultural aspects. These inferences of the meta-analysis acted as a guiding framework in finalization of dependent, independent & control parameters for our research work. The methodology used was a mixed approach of qualitative as well as quantitative of empirical studies of select M&A as well as select case studies on M&A.

Socio-Cultural differences in M&A can create obstacles as well as also be a source of value creation and learning to achieve integration benefits. Socio-Cultural differences between merging firms may have an adverse impact on its post-merger economic profits. Capitalizing on the proposed gains from M&A requires extensive analysis to break the rigidities arising in knowledge transferring, resource sharing and reaping the advantages of potentially valuable capabilities and the ubiquity embedded in different cultural or institutional environment.

However, M&A is a complex process in the life of every corporation for which we have only incomplete knowledge. A probable reason for this aspect could be that researchers have considered only a partial explanation of them. M&A, which are a multifaceted phenomenon, have largely been studied in disciplinary silos instead of using multi-disciplinary approach. Thus, it might pose a problem for M&A researchers to follow which perspective to gain maximum integration success during M&A. Intensive research is required to be carried out to address this problem by addressing the theoretical perspectives which have been largely ignored or not studied by the correct methodology.

There is a need to understand determinants of performance and consequences of M&A as the failure rate are extremely high. Critical human, Socio-Cultural and strategic issues are largely ignored which may have a direct bearing on overall performance and M&A outcome. What impacts performance in M&A remains largely enigmatic. There is also an urgent need for proper estimation of synergies and valid measures for performance evaluation of M&A which may be even in terms of HR parameters. Short term stock price or financial indicators moderated by external factors, fails to measure success of M&A accurately. Majority of the studies are from financial, strategic or organizational behaviour viewpoint(s) while only 5% of the studies focus on the human aspect of M&A. This is largely unexplored territory for researchers' and scholars to explore.

Recent studies have pointed out that both hard (financial) as well as soft (non-financial) key success factors of M&A need to be given equal importance in research. Integration is critical for the success of M&A requiring extensive research. There is need for mixed method approach for balanced evaluation of M&A. People and organizational implication of each M&A type are unique and critical for overall the outcome of M&A. Thus, the current research is an attempt to fill up the gap by focusing on the Socio-Cultural dimensions of integration in M&A and the resultant effect on outcome of the deal.

1.4 Decoding Socio-Cultural Dimensions

Socio-Cultural factors summate the common traditions, preferences, habits, patterns and beliefs present in an organizational group. The Socio-Cultural factors exhibit a significant influence on the organizational culture. Notion of "organizational culture" introduced in relation to M&A's in 1980s, has been expressed as "*a set of norms and values that are widely shared and strongly held* *throughout the organization*” (O’Reilly & Chatman1996). The differences that persist in the organization culture poses significant barrier to the cultural integration process requires to be addressed in the early stages of the merger process (Cartwright & Cooper 1996). Quantum of integration is largely influenced by the cultural compatibility of merging organizations (David & Singh 1994; Javidan & House 2002).

Though cultural aspects are explored in forming steps of M&A, there is a little evidence to establish that an M&A proposal are discarded due to the cultural incompatibility (Dixon, 2005). In cultural exploration of M&A, the factors like cultural fitting (Catwright & Cooper, 1996; Schweiger & Goulet, 2000), similarity of management styles (Larsson & Finkelstein 1999), surrounding social climate (Hambrick & Cannella, 1993; Hunt, 1990), learning and knowledge transfers, acculturation dynamics (Nahavandi & Malekzadeh, 1988) and the dominance position of merging entities (Haspeslagh & Jemison, 1991; Hitt *et al.,* 2001) have been emphasized.

In the studies of Björkman *et al*. (2007), Foroghi *et al*. (2013), Brasoveanu *et al*. (2014), Iamandi and Munteanu (2014) and Dobre *et al*. (2015), the impact of cultural differences on M&A outcomes have been explored. These differences include audit quality, potential absorptive capacity, level of complementariness etc. In cross border acquisitions, the organizational and national cultural differences are shown to result in knowledge transfer (Vaara *et al.*, 2012) and the manner in which the social issue is dealt in a country can influence the investors’ decision (Ciobanu, 2014). There is large need for studies that analyse the impact of national cultural factors on M&A’s (Larsson & Risberg, 1998; Stahl & Voigt, 2008).

The Hofstede (1980) and Kogut and Singh (1988) work on “*cultural distance*” reveals that there are large difficulties, cost and risks associated with the cultural differences persisting in the organizational segments. Cultural distance affects the working philosophy, learning and the longevity of global strategic alliances (Parkhe, 1991). Cultural compatibility as proposed by Cartwright and Coopers’ (1996) that merging of entities where powers are balances results in third culture which may be adaptive to the entities and if this is not the case and then serious problems of integration may arise (Sales & Mirvis, 1984; Nahavandi & Malekzadeh, 1988; Olie, 1990; Elsass & Veiga, 1994; Javidan & House, 2002).

The situations where there are no or lesser perceived national cultural differences, the probability of success of cross border M&A is higher for outbound mergers (Bleeke *et al*., 1993; KPMG, 1999).

The degree of relatedness determines the degree of integration and change (Datta & Grant, 1990; Chatterjee *et al*., 1992; Lubatkin *et al.*, 1999; Singh & Zollo, 2004). In case of low interdependencies between the acquiring and the target firms' businesses, degree of integration due to the cultural differences does not create a significant impact on M&A outcomes.

The size of the firm may play an important role in the exercise of power in M&A (Datta & Grant, 1990; Pablo, 1994; Larsson & Finkelstein, 1999) and acts as important moderator of integration. In situation of cultural differences, the imposition of control may result in a devastating impact on the members of target firm. It can be inferred that the cultural influence has brought attention to the importance of the "softer side" of M&A and its impact on its performance.

1.5 The Study's objective

The significance of this research lies in paradigm shift in conceptual framework of examining M&A on Socio-Cultural issues, a major gap in the existing literature/studies. It also attempts to synthesize to a significant extent the three equally relevant schools *of* ***Strategic management, Human resource management and Organizational behaviour*** in M&A context.

The research motivation is also to probe deeply some key strategic issues related to need and objective of M&A including:

- To investigate the impact of various Socio-Cultural dimensions on post M&A performance.
- To investigate factors that influences in the success or failure of M&A strategies in Indian context.
- To create an effective Socio-Cultural framework for optimizing the espoused efficiency in M&As.

In this study the researcher attempts to (a) Identify and examine role of cultural determinant at play in M&A, (b) Conduct a detailed analysis of integration phase of M&A & its influence on overall outcome of M&A, and (c) analyse the Socio-Cultural factors critical for success or failure of M&A and the lessons for the future.

1.6 Methodology

1.6.1 Information Sources

The study has primarily used the cases of mergers and acquisitions derived from the published reports of various consulting companies nationally and internationally, articles published in journals, audited financial statements, magazines, published reports, intranet data and newspapers. The content analysis has been supplemented by interviews and discussions with experts and the officials of the selected M&A Company. Case studies by writers and business schools (Appendix I) were used for selection of M&A cases for carrying out objective empirical analysis of cases.

1.6.2 Study Period

The period of study has been for M&A for a period of thirty years up to 2018 so that a proper analysis on integration mechanism may be evaluated. The cut-off year 2018 has been taken for M&A to have taken place as a period at least 3 years is needed for evaluation of post-merger integration phase of have completed . As proposed by scholars like Zollo and Meier (2008), Ellis *et al.* (2009), and Megilio and Risberg (2011), three to five years is an average time period for integration process to be executed and a appropriate time to measure M&A performance. Hence, the outcome of any M&A can be properly gauged after a lapse of few years (3 years or more) since the deal has been executed.

1.6.3 Research Methodology

A mixed research design with a deductive approach was used for the study. Deduction approach involves moving from general statement to specific constructs by a pattern based on theoretical or logical framework to empirical observations to test if expected patterns do occur or not. The research constructs are shortlisted and interlinked into relationship based on extensive literature review of current theories/ framework of researchers. The study is divided into 3 parts:

1. The first part (qualitative) of the study shall explore the important integration initiatives and Socio-Cultural factors playing an important role in overall success of M&A based on content analysis of select M&A in recent time on which statistical tools & models have been applied for obtaining data and results.
2. Development of conceptual model and framework based on the finding of results as in Para 1 above.
3. Case study method has been used to study the parameters in select organization which have opted for M&A. Case research is warranted in those situations that require exploration of decision process instead of empirical generalization (Yin, 1984).

The case study method has been used to empirically test the research parameters in organization that have opted for M&A. It has been used to provide valuable insight in concept or hypotheses to which it is best suited due to constraints of the other methods. The organizational case study has been selected to answer the research questions and to develop research hypotheses. The study has used a variety of qualitative techniques to achieve the objectives of the study. The study has followed the Case Study Analysis method for expanding the research objectives.

Case Study Research (CSR) is qualitative research method to better understand a complex issue or object and can add value to findings of any existing research. The core emphasis in CSR is on detailed contextual analysis of a limited number of events or conditions and their relationships' method has been a popular method used by researchers in variety of fields. CSR is even more suited to the need of social scientists to utilize this method for examination of contemporary real-life situation while also providing for the application of ideas as well as extension of methods. The case study research method is an inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1984).

Case studies may however have certain complexity like those related to data from multiple sources, sub cases within a study and producing exhaustive data for analysis. But despite this limitation, the case study method helps to build upon theory, to apply solutions to situations, to explore, or to describe an object or phenomenon because Socio-Cultural parameters have overriding bearing on human behaviour by researchers.

Hence case study method is highly suited and beneficial for applicability to real-life, contemporary, human situations and its easy accessibility by means of written reports. Case study results relate directly to the common readers' everyday experience and facilitate an understanding of complex real-life situations (Soy, 1997). Case studies present specific real-life examples, enhance knowledge and provide key company information. Content analysis has been carried out to derive the results of the study. By means of qualitative content analysis, a large amount of text is converted into a highly organized and concise summary of key results (Erlingsson & Brysiewiczb, 2017). Hence even though CSR may be softer research technique but is harder to do.

For the purpose of analyzing the cultural aspects of mergers and acquisitions, five cases have been selected for various types like cross border vs. national and select cases of failure or success with underlining factors for outcome of M&A. These five cases are examined in detail for Socio-Cultural aspects of the deal as major reason for overall outcome of the M&A out of which 4 involves at least one Indian company. These cases are selected by means of theoretical sampling with the goal to choose cases that are likely to replicate or extend emergent theory for which ideally 4 to 10 cases are the ideal number. Cases are selected as they are particularly suitable for illuminating and extending relationship and logic among constraints (Eisenhardt & Garbner, 2007).

1.6.4 Analytical Techniques

The literature review of existing model and framework helped in identification of the following research variables

Explanatory Variables: The independent & dependent parameters and their constituents variables identified for proposed research work are enumerated below:-

Independent Parameters& their variables

1. **Task integration**- Collaboration, Knowledge sharing, Resource sharing, Decentralization
2. **Human Integration**-Identity, Value Recognition, Interaction, Confidence
3. **Organizational justice**- Stagnation, Separation, Other HR issues
4. **Communication**- Frequency, Quality, Reliability
5. **Culture compatibility**- Leadership parity, Shock, Dominance, Thinking

Dependent Parameters& their variables

1. **Satisfaction**- Employee continuing in acquired enterprise, Satisfaction
2. **Adoption –** Cultural outcome
3. **Affective commitment**- Sense of belonging, Emotional attachment
4. **Achievement –** Shareholders perspective, Employees' perspective, Evidence of motive accomplishment, Shareholder's value, &M&A re-transacted

Control Variables

1. **Size** (deal size in billion US $)
2. **Country - Acquirer**
3. **Country - Acquired**
4. **Motive(**Competition and Market Expansion, Growth , Hubris , & Others)

Remark: The parameters and description of dependent and independent parameters are indicated in details in the Research methodology section.

The essence of the study is to examine the various Socio-Cultural dimensions in merger and acquisitions. Based on the literature review, the HR outcomes as independent variables in M&A have been broadly classified into five key indicators, (a) Task Integration, (b) Human Integration, (c) Organizational Justice, (d) Communication, and (e) Cultural Compatibility in the first layer. Integration and Cultural Fit are the latent variables identified in second layer. The HR outcomes classified as dependent variables are measured in terms of (a) Affective Commitment, (b) Adoption, (c) Satisfaction, and (d) Achievement. To account for size, respective countries of M&A firms and motives for M&A, the control variables chosen are (a) Size, (b) Country – Acquirer, (c) Country – Acquired, and

(d) Motive. The theories and framework of the researchers with respect to all the above variable of study which have been shortlisted for empirical analysis are broadly summarized hereunder: -

Table 1.1 Theory/Framework of parameters of study

Parameter (Independent)	Variables	Theories/Framework of researchers
Task Integration	Collaborations, Job Rotation, Resource, Sharing & Decentralization	Birkinshaw *et al*. (2000): Cause of employee satisfaction and a shared identity. Haspeslagh and Jeminson (1991): Collaborations of people to realize potential benefits. Complementarities of capabilities to be given prominent role after integration learning and incorporating learning into acquired organization Shrivastav (1986): At different levels integration of procedures and physical assets. Cross transfer of skilled experts Marks and Mirvis (1984): Cross transfer of skilled expert Weber and Traba (2010) Resource sharing between merging entities
Human Integration	Identity, Value recognition, Interaction, Confidence	Birkinshaw *et al*. (2000) Creation of shared value and positive attitude towards integration. Cultural integration and mutual respect. Bjorkman *et al.* (2007) Shared values, norms, behaviour assist in developing trust. Shrivastav (1986) At different level, cultural integration

		merging culture and managerial viewpoint
Organizational Justice	Stagnation, Segregation, Other HR Issue Problem	Moorman's (1991) Measure of Procedure and Interactional Justice. Ambrose and Cropanzano (2003) Single factor Model. Colquitt (2001) Proposed a four-factor model, where interactional justice is grouped into informational justice and interpersonal justice (4 Factor Model) Vroom (1964) Expectancy theory reward related to performance and is deserved and wanted by the recipient. Fairness heuristic theory Vanden Bos *et al*. (2001) Functional and cognitive approach to dynamics of Justice. Cropanzano *et al*. (2001) Three major perspectives on perception of justice predictors of work-related criteria:- (i) Instrument approach emphasizing gain or loss (ii) An interpersonal approach emphasizing the nature of relationship among individual and organization. (iii) Moral principal approach which emphasize commitment to ethical standard

Communication	Frequency, Quality & Reliability	Neher (1997) Model context, shape and form, messages, methods and modalities of communication. Balle (2008) Model channels of communication and message and context of communication clear, consistent and continuous communication, Clampitt *et al*. (2000) Communication strategy continuum, types “Spray & pray, tell and sell, underscore & explore, identify & reply, withhold & uphold”. Schweiger &Denisi (1991) Impact of a realistic communications on employees undergoing merger, Realistic communication reduced dysfunctional outcome of merger. Coping effects of realistic communication to help employees in reducing negative impact on organizational effectiveness.
Cultural Compatibility	Leadership parity, shock, Dominance, thinking	Berry (1984) 4 Models of acculturation Kogut &Singh (1998) Aggregate measure of Hofstede cultural dimension Elass & Veiga (1994) Process of making adjustment between merging employees, desire of sub group to work together. Schweiger &Goulet (2005) Cultural understanding and reconciling culturally different through a deep

		level cultural loamy process. Dauber (2012) Distinct acculturation strategies can have vanity impact on post M & A outcome. Total of 16 facets of acculturation on organizational area & acculturation strategies (4*4). Better understanding on M&A failure. Mark & Mirvis (2011) Acculturation in M&A includes "cultural pluralism, cultural integration, cultural assimilation and cultural transformation".
Parameter (Dependent)	Variables	Theories/Framework of researchers
SATISFACTION	Employee turnover of acquired employees, Satisfaction-Qualitative assessment of statements	Price & Muller (1981) Satisfied and committed employees are less likely to leave as they value certain conditions of work which are available at workplace. Meyer & Allen (1991) Herscovitch &Meyer (2002) Employees with strong affective commitment have shown less turnover and remain in the organization
ADOPTION	Evidence of change culture of acquired's employees	Weber & Traba (2010 & 2012) Cultural compatibility influences satisfaction and adoption among employees Dauber (2011 & 2012) Culture integration as critical & most important parameter for outcome of M&A Datta & Puia (1995) & Chatterjee *et*

		al. (1992) Pre-M&A organizational cultural fit, the relatedness of trade-off to be merged companies, cultural distance, and prior acquisition learning experience have bearing on outcome of M&A
AFFECTIVE COMMITMENT	Sense of Belongingness Emotional attachment	Meyer *et al*. (1993, 1998 & 2002) Affective commitment is likely to be strengthened by work experience. Employees who believed in the value and importance of change .i.e., Merger identified with the organization and become more involved in it Bijlisma-Frankema (2001) & Appelbaum *et al* (2000) Strong relationship between organizational commitment and the performance of M&A Birkinshaw *et al*. (2000) Relationship exists between task & human integration with affective commitment of employees reflected in their intention to either stay or leave the organization, which effects productivity & ultimately performance of the organization
ACHIEVEMENT	Evidence of fairly priced (shareholders perspective), Evidence of fairly priced (employee perspective), Evidence of motive accomplishment, Shareholder value, M&A Re- transacted	Seth, Song & Pettit (2002) Motive is critical for understanding M&A outcome Luo & Tung (2007) & Zhu *et al.* (2011) Foreign firms acquire target firm featuring big size & financial performance that is associated with less competitive industries in host

		countries Porter (1985) Integration of multiple business entities by M&A into an amalgamated unit for achieving synergy and gaining competitive advantage Carpenter & Sanders (2007) M&A as a competitive strategy for motives like need for synergy creation. Need to focus clearly defining synergy instead of self-interest and hubris

There are number of factors which impact successful integration during M&A but the current study is based on existing researcher's models attempt to address three important parameters of integration, organizational justice and cultural fit in shaping the psychological outcome of employees. As depicted in Table above, these are human and task integration mechanism, communication, cultural compatibility and organizational justice. Organizational justice is a result of organizational policies and it has a direct impact on employees' commitment and satisfaction (Melkonian *et al*., 2011). In addition to these two dependent factors, two other factors of adoption and achievement have been studied. There is dearth of study on these factors and the study makes a modest attempt to address that gap.

The integration model of human and task integration have been modelled on those of earlier researchers (Haspeslagh & Jemison, 1991; Birkinshaw *et al.*, 2000; Weber & Tarba, 2010). Though the research studies task and human integration separately but a latent variable of integration has been introduced to understand the interplay of these two variables. In a similar vein, a latent variable of cultural fit has been introduced to study the interplay between communication (Schweiger & Denisi, 1991; Weber & Traba, 2011) and cultural compatibility in lines with the integrated model proposed by Weber and Traba (2011). Post-merger environment is characterized by "*Merger Syndrome*" among employees of merging firm marked by confusion and rumours. Lack of Communication has been described by Mitleton-Kelly (2006) as an integration issue for failed M&A. Hence continuous open ended two way communication is essential for successful integration as it reverses dysfunctional trends, reduces anxiety, increases motivation and satisfaction.

The study has also introduced into the study a framework of certain control variables which were identified after extensive literature review for their likely influence on outcome of M&A. The variables finally shortlisted are Size (Financial parameter), Country of Acquired & Acquirer (Organizational behaviour Parameter) and Motive (Strategic parameter). Statistical tests were carried out on each control parameter for their impact on both dependent as well as independent parameters.

Hence based on various theories of acculturation, justice theory, social cognition theory, change management theory, affective event theory, motivational theory, communication strategy and cultural fit, this study proposes a hypothetical framework for study of psychological outcomes that employee of merged organization experience during M&A integration process. M&A are studied in a host of disciplines be it finance, economy, strategic management, organizational behaviour and human resource management but till date there is hardly any agreement on how to measure acquisition performance among various disciplines leading to wrong interpretations of results.

Research also points out that M&A failure occur because excessive emphasis is placed on strategic and financial goals of the deal (Stahl & Mendenhall, 2005) while lack of emphasis is paid on post-integration management (Schweiger & Lippert, 2005) and also for undervaluing psychological, cultural and people issues (Davy*et al.*, 1989). Hence the major contributing factor in failure of M&A are the intangible 'people issues' which pose challenge to researchers for measuring and quantifying accurately. Therefore, a newly amalgamated organization must handle human problems and challenges to ensure success of M&A (Marks & Mirvis, 1985; Buono & Bowditch, 1989).

The study adopts a Mix Method research design wherein both quantitative and qualitative data were utilised to study the proposed relationship to overcome the challenges posed in study of psychological attitudes of merged employees. In select M&A cases, content analysis was done to quantify the data on selected parameters of study. Analysis of HR outcomes of M&A utilizing Structural Equation Modeling (SEM- PLS) was carried out after doing boot strapping. The results were then checked for reliability and validity of data. Chi square test has also been used for deriving results of independent vs. dependent variables and also for dependent vs. control variables of study. Significance of p is done at three levels 1%, 5% and 10 %. A detailed analysis of HR outcome of M&A using SEM has been carried out. Further reliability and validity test have been carried out on all variables by Construct Reliability and Validity Table. In Construct Reliability both convergent & discriminant validity has been carried out to generalize the measures. Finally, the realized structural model is formulated based on results of SEM-PLS method followed by hypothesis testing on results. The results are summarized and results compared with existing studies for validation.

These results are followed by second part of the research where five selected case studies on M&A are analyzed on select HR parameters. The soft issue related to merger are evaluated and inferences drawn in terms of these parameters. The case outcome is summarized in terms of independent HR parameters of study. The overall results and finding of the research are summarized along with recommendation for future research and limitation of the existing research.

Hence, it may be summarized that by scuttle combination of qualitative and quantitative method the study attempts to make an empirical contribution towards a better understanding of potential outcomes at employees' level of a managed integration mechanism and propound an intra organizational integration initiatives for achieving the desired goals of an M&A. Therefore, the interplay of complex relationship of integration mechanism and employee's psychological outcome during M&A is focus of study. The current research is a paradigm shift in M&A to study its outcome on behavioural aspects of merging employees', particularly on their attitude of satisfaction, adoption, affective commitment and achievement. The integration mechanism which enlists human, task and cultural integration mediated by communication initiatives as important drivers of integration accomplishment.

1.7 Thesis Structure

The current study is capsulated into seven chapters. The first chapter of the study is summarized view of the research detailing therein the problem of study, rationale of study, gap analysis of literature review for research formulation; objective of the study, methodology used and technique of analysis. As a starting point, parameters of study, its corresponding variables and the theories /

framework of existing researches are finalized after research work. The chapter concludes by indicating the plan of the study.

The second chapter is a prologue on M&A, builds on the historical evolution of M&A and various concepts like definition, role of regulators, motive, types, and perspectives of mergers. Based on their findings and summary, this research attempts to address this problem by addressing theoretical perspectives which have been largely ignored or not studied by the correct methodology. An attempt is made to integrate different theories of M&A to explain the two school of process and behavioural perspective of M&A by drawing inferences from related researches. Finally, key statistics on M&A in India and at Global level have been incorporated.

The third chapter gives a comprehensive review of literature on M&A dealing with all Socio-Cultural issues of research. This includes the inter relationship of different parameters/variables; independent, dependent, control and latent of study. This presents how organizational integration initiatives- integration, cultures fit and organizational justice help build employees' attitude and emotion which are manifested in HR outcome of measurable dependent variables. Based on gaps identified in existing literature review, research questions are formulated and the same are developed into hypotheses to test relationship among different variables. Besides, implications of meta-analysis of 257 research papers on Socio-Cultural aspects of M&A in terms of methodology adopted and select subtheme were utilized for research work.

The fourth chapter of this research presents a detailed plan of the research methodology adopted in this study. A mixed method research design has been used where quantitative data were obtained from selected case study by using content analysis technique. Three techniques of chi-square, mediation analysis and SEM-PLS are utilized on data for testing the hypotheses. Based on these, a perceived model, research construct and relationship of all variable is formulated. Finally, indicators, assumptions and limitations of study are broadly defined.

Chapter five is result analysis of Socio-Cultural dimensions of M&A wherein descriptive analysis of variables of study is done by using statistical tools. Results derived describe the nature of sample with mean, range variance kurtosis etc. Results of HR outcome are derived using SEM-PLS by boot strapping and its reliability and validity are ascertained. Based on the results, a structural model is realized and its predictive relevance and effect size is tested. Hypotheses testing are carried out on the results. Finally, comparison of results of hypotheses testing is done with earlier studies and inferences are drawn.

Chapter six is on selected case study analysis in which specific HR issues of the selected cases are examined. Total five cases out of which four are cross border acquisition are examined on soft issues of M&A and inference drawn for each case on these parameters by means of content analysis. At the end summary of all cases on HR parameters is carried out and outcome of M&A evaluated with reference to role of cross cultural management.

Chapter seven is summary of finding and conclusion of the study. The implications of study for researchers and various fields of management are outlined. A conceptual framework of M&A by deriving results based on mixed method approach has been developed. The limitation of the study and recommendation for future research concludes the research.

Chapter 2: Mergers & Acquisitions: Prologue

Mergers & Acquisitions (M&A) have evolved as strategies of inorganic growth and for foreign market entry for varied objectives to acquire latest technology, intellectual property or for geographical expansion (Ahuja & Katila, 2001; Cassiman *et al.,* 2006 Wang *et al.,* 2009).For Multinational Enterprises (MNEs), M&A route for cross border intervention and market expansion is more lucrative than Greenfield entry and Joint Ventures (Ellis & Lamont, 2004). M&A are not only crucial to achieve growth in the era of intense globalization but these are also instrumental to inorganic growth and development of business firm as means of foreign market entry. The importance of M&A at global level can be gauged by the fact that since the start of 21st century, about 850,000 transactions have been announced valuing US $ 61 trillion till date.

M&A are executed to generate resources and capabilities to the enterprises to enhance their competitive advantage. It is argued that M&A are not only crucial to achieve growth in the era of intense globalization but these are also instrumental in expansion of business enterprise robustly by evolving through successive stages of growth and development (Schweiger *et al.*, 1993; Vermelan & Barkema, 2001). Examination of macro and micro view of the M&A reveals that, there is a plethora of dimensions of M&A engaging the attention of companies, analysts, researchers, policymakers and other stakeholders. These include the flow of funds, market activity, Socio-Cultural aspects, regulation and various policy issues. In this chapter, the historical evolution of M&A, definitional framework, its type, and role of regulators, perspectives, motives and statistics on M&A are presented to provide the backdrop to the study.

2.1 Historic Evolution of M&A

Though the M&A have been to some to portray the development in market for corporate control or for others for synergistic growth since long, the evolution of M&A stylized as "*M&A Wave"* is characterised by distinct motives, characteristic and outcomes, as can be seen in some distinct period according to available literature (McNamara *et al.,* 2008; Kolev *et al*., 2012). The 20th century has been marked by clustering of M&A activities which can be categorized as a wave occurring in burst interspersed with periods of relative inactivity (Sudarsanam, 2003). The tenure as well start of a particular wave remains fluid but its end is usually characterised by specific events like war, recession or pandemic. The various waves are summarized as under: -

Wave #1: 1893-1904

The first merger wave started after period of economic expansion in 1890's and was characterized by concurrent consolidation of manufacturers within one industry like steel, oil, manufacturing and mining (Sudarsanam, 2003). This wave of M&A which was dominant in manufacturing sector came to be known as the "great merger movement" in the United State business landscape by 1897. The wave was marked by combinations of rivals' firms by means of horizontal mergers, economic growth and absence of antitrust laws (Stigler, 1950; Martynova & Renneboog, 2008) .In US and Europe consolidation of industrial production as per scholars like (Gregoriou & Renneboog,2007; Kolev *et al*., 2012) resulted in the following:-

i. Formation of intended monopolies through horizontal integration within industries.
ii. Created giant companies which exerted monopolistic market power.
iii. Companies with secure capacities of mass production and abundant supply of goods.

The first major merger was carried out between U.S. Steel and Carnegie Steel with 700 plus small steel firms by J.P. Morgan. In order to establish monopolies and market dominance, companies resorted to formation of trusts. The American Oil & Gas Company, Standard Oil Company of New Jersey founded in 1870 became a trust in 1899 named as "New Jersey Holding Company". In United States the first antitrust law, the Sherman Act, in 1890 was enacted by Congress to ban monopolistic business practices and to prohibit trusts. In India, merger coincide with history, East India Company had merged in 1708 with its competitor to restore monopoly of Indian Trade. The first wave ended when equity market crashed in 1903-05.

Wave #2: 1910s-1929

The second merger wave began in second decade of 20^{th} century but was relatively smaller in volume than earlier wave. The wave started at the critical time of economic recovery post World War One and as a market response to antitrust trust legislation aimed at breaking monopolies. While the monopolistic industries responded by creating oligopolies, i.e. diversification by combination of two or more industry (Kolev *et al*., 2012) involving acquisition of smaller collaborating firms for objectives like economies of scale, increased competitiveness and increased firm size (Stigler,1950). Hence horizontal deals were the norm in industry but small companies for their survival started expanding through vertical integration. By this companies intended to achieve economies of scale for competition against monopolistic powers. In United States two important antitrust laws namely Federal Trade Commission and the Clayton Act were enacted meant to proscribe unlawful mergers and business practices like dominant market position abuse though oligopoly structures like General Foods & IBM existed. The stock market crash of 1929 brought the second merger wave to a premature end and the coming years following the wave were the dark years the 'Great Depression' of the world (Temin, 1976).

Wave #3: 1955-1975

The third wave started in late 50's only occurred in both United States and Europe largely as a response to prevent anticompetitive M&A. The industry adopted by diversifying leading to change in market structure and creation of conglomerates, marked by unrelated diversification through takeovers of smaller private and public firms in a friendly manner (Shleifer & Vishny, 1991). Du Pont, General Electric are some prominent conglomerates having diversified business in multiple sectors. However, the merger in United States was subject to stringent Antitrust Laws. The Clayton and Sherman Acts were reinforced by Celler-Kafauver Act of 1950 made horizontal merger more problematic. The third merger wave started slowing by the late 1970's and collapsed completely by early 1980's due to economic recession triggered by oil crisis (Martynova & Renneboog, 2008). In India, the monopolies and restrictive trade practice (MRTPC) Act of 1969 was introduced with the prime objective of monopoly control, prevention of trade practices which are monopolistic and restrictive in nature and to prevent concentration of economic power for Select Corporation.

Wave #4: 1984-1989

The fourth merger wave of 80s occurred in United States, Europe and Asia ((Kolev *et al*., 2012) was triggered by administrative changes in antitrust laws allowing horizontal mergers, financial reforms like financial service sector was deregulated, new financial instruments were created supplemented by technological advancement in IT sector(Schleifer & Vishny, 1991; Kolev *et al*., 2012). This wave was marked by divesting of unrelated business, eliminating conglomerate inefficiencies, bids which were usually hostile takeover, going private transaction such as leverage buyout, management buyout and junk bonds (Ravenscraft, 1987; Bhagat *et al*., 1990; Kolev *et al*., 2012). Besides in comparison to previous wave, the target size was significantly larger and debt and cash financing was major source instead of equity. Morck *et al.* (1990) observed a bid for target firm in 1980's in related industry was positively correlated with stock market return for the shareholders of the bidding firm while the returns were negative for unrelated targets bidding. Unrelated diversification which was a popular approach in third wave merger was no longer responded to positively by the markets. Slowdown in the market in late 80s and stock market crash brought an end to the wave.

Wave #5: 1993-2000

The fifth wave started in the 90s and at global level with deals in United States, Europe and Asia. Due to globalization of product and services and economic prosperity, there was a significant increase in number of cross-border acquisitions in the 1990s. The value of deals was five times more than fourth wave. Multinational organization for growth and global diversification adopted inorganic growth by carrying out cross border merger and acquisitions (Gregoriou & Renneboog, 2007). The fifth wave has been characterized by the phenomenon termed "**Cross Border Merger & Acquisition**" due to globalisation, economic boom, stock market development, FDI flows, advancement in telecommunication & opening up of economies of countries (Kang& Johaansson, 2000; Gugler *et al*., 2003; Huang *et al*., 2008; Reddy, 2015). Mega deals of value US$ 5 billion and above were carried out on large scale. Some major deals involved Vodafone & Mannesmann, Pfizer & Warner-Lambart, British Petroleum & Amoco and Exxon & Mobil. The onset of 5th wave was largely due to technological innovations in the field of information technology and due to company's re-emphasis on their core competences to gain competitive advantage (Sudarsanam, 2003).

International M&A was carried out with the motive of tax system benefits, deregulation, and privatization and for R&D. Mergers were largely equity financed and friendly in nature (Andrade *et al*., 2001; Kolev *et al*., 2012). The wave came to an end due to economic factors at the beginning of 21st century due to bursting of dotcom bubble leading to crash of global stock markets.

Wave #6: 2003-2008

The sixth wave started in 1st decade of 21st century with deals in United States, Europe and Asia as a response to dotcom bubble, it was characterised by globalization, increasing use of private equity and shareholder activism (Wright, 2006). New entrants from China, India and Middle East companies came into fray and in these economies the government was selling stakes in public sector undertakings. Asian players started emerging in M&A fray on a global level. Shareholders became actively involved to handle agency problems by exercising more control and power over the actions and behaviour of a corporation by means of their ownership rights over the management. Leveraged Buy-outs (LBOs) also became prevalent due to large number of private equity deals. Example: American Online acquisition of Time Warner. The sixth wave ended due to recession in US economy caused by the subprime mortgage housing sector crisis by the end of 2007.

Wave #7: 2011-2019

The seventh wave started in 2nd decade of 21st century due to raising interest rate in US in comparison to the world and special focus on M&A activity in Brazil, Russia, India, China & South Africa (BRICS) countries. Ever since BRICS countries have emerged as an economic block due to cooperation between members, M&A activities and its commensurate FDI inflows are getting concentrated in these countries/continents. This wave is characterised by acquiring firm from emerging markets as the driving force behind M&A activities with unique motives like access to technology, resources, patents etc or competing better at domestic or international level using unconventional but effective integration approaches (Kale & Singh, 2012; Liou, Chao, & Yang,2016; Liou, Chao, & Ellstrand, 2017) . Emerging markets like India, Brazil and China have benefitted from this M&A boom due to substantive progress made in economic growth, deregulation of economy, institutional law reforms development in infrastructure & communication (Chari *et al*., 2010). CBA, industrial consolidation, disruptive innovation, stock or combination of stock and cash as financing, hostile takeovers, leveraged buy-outs, and a concentric merger characterizes this wave. The wave came to an end in 2019 with the onset of COVID-19 pandemic.

Wave# 8:2020 onwards

With the end of 7^{th} wave of merger, the global economy is witnessing Covid-19 pandemic aftermath which have far reaching and long-lasting effects. Since 2019, M&A activities have accelerated as organization worldwide decides on how to address disruption of business, economic distress and transformative opportunities to build scale & scope of business. Hence, the drivers for M&A activities will be the Covid-19 pandemic, economic recovery, industry consolidation, strategic acquisition, technology initiative and the regulating environment. The M&A trends will include divestitures, cross-sector deals, technology driven deals, deals driven by geopolitical changes & special purpose acquisition companies & mega deals. Countries like China and India will be at the forefront of Global manufacturing activities and economic recovery.

The walk over the M&A waves for last 130 years traces historical evolution of M&A activity and the manner in which corporate strategies change over time. Periods of economic boom and buoyant stock market from 1890's to 1930 caused the first three waves all of which came to an end for economic reasons only like crash of stock market (Sudarsanam, 2003). While stringent enforcement of anti-trust laws and technological innovations leading to the redeployment of assets were responsible for causing fourth and fifth wave respectively (Jovanovic & Rousseau, 2002).The sixth wave was characterized by lowering of interest rates helped in rising of private equity funds making levered acquisitions cheap and booming stock market, making available capital and overall environment conducive for M&A's (Cordeiro, 2014). In seventh wave, telecommunications and cable industry consolidated the creation of oligopolies and CBA characterized this wave (Hill *et al.,* 2016).

Each M&A wave are marked by pattern of soaring economic growth, innovation in technology, buoyant stock market and overcoming economic recession

(Sudarnsanam, 2003). To counter a particular problem, the focus of corporation also kept changing in each wave. Table 2.1 summarizes merger wave's chart across the last 130 years.

Table 2.1 – Summary of Waves and related aspects

Waves>	**Wave # 1**	**Wave # 2**	**Wave # 3**	**Wave # 4**	**Wave # 5**	**Wave #6**	**Wave #7**	**Wave #8**
Period	1893-1904	1910s-1929	1955-1975	1984-1989	1993-2000	2003-2008	2011-2019	2020–onwards
Mode of payment	Cash	Equity	Equity	Cash / Debt	Equity	Cash	Stock or combination of stock& cash	Stock
M&A outcome	creation of monopolies	creation of oligopolies	Diversification / conglomerate building	'bust-up' takeovers; LBO	Globalization	Globalization	Cross Border mergers	Cross Border mergers
Predominant nature of M&A	Friendly	Friendly	Friendly	Hostile	Friendly	Friendly	Hostile in foreign country	Accelerated due to transformative opportunities
No of deals completed	1800	8000	51500	25000	98000	90000	320000	155000
Beginning of wave	Economic expansion; new laws on incorporations; technological innovation.	Economic recovery; better enforcement of antitrust laws.	Strengthening laws on anti-competitive M&A's; Economic recovery after WW 2.	Deregulation of financial sector; Economic recovery.	Strong economic growth; Deregulation and privatization.	Abundant liquidity, low financing rates & rich cash balances, Technology innovation due to Y2K crisis	Rise in interest rate of US *vis-a-vis* world, BRICS countries growth potential	COVID-19 pandemic economic recovery, industry consolidation, technology initiative
End of wave	Stock market crash; First World War.	The Great Depression.	Market crash due to oil crisis.	Stock market crash.	Burst of the dot.com bubble; 9/11 terrorist attack	Subprime mortgage crisis	COVID-19 pandemic	Not applicable

Source: Compilation from various sources

2.2 Role of Regulators in M&A

The history of M&A waves has demonstrated that Government regulation determines the nature and flow of M&A activities. The regulator is a watchdog for any country with respect to M&A activities and their role in facilitating CBA capital flow is essential. Government hence tries to evolve a mechanism where regulator is guaranteed autonomy in decision but work with an overall objective to increase FDI inflows while protecting interest of local companies. With fast changing market dynamic and increase in CBA in the sixth merger wave and due to economic slowdown post Covid-19 pandemic, countries especially emerging markets have been reforming their competition and taxation laws to align them with market forces shaping direction and FDI inflows. A favourable yet equitable tax and regulatory mechanism will be necessary to attract investors. The manner of its implementation with an unbiased approach will make it efficient as well as effective for all stakeholders. A comprehensive review of select countries on important parameters is made below in Table 2.2.

Table 2.2: Regulatory Framework Comparison Worldwide

Country	Income Tax rate (in %)	Governing Act /Sections	Regulating Agency	Remarks
USA	37	Securities Act of 1933 Internal Revenue code of 1934(IRC) Internal Revenue code of 1986 Sherman Act(1890) Clayton Act(1914) Federal Trade Commission Act of 1914	Securities & Exchange Commission Revenue Authorities	IRC exempts US corporation in some special cases for taxation of M&A Sherman Act for anti-competitions Clayton Act is for preventing dominant market position abuse
Singapore	22	Income tax Act (Chapter 34) Economic Expansion(Relief from Income Tax) Act(Chapter 86) Comprehensive Economic Cooperation agreement (CLEA) with India	Revenue Authorities	Tax heaven for corporate for CBA with India due to CLEA.
UK	45	Finance Act 2009 Corporation Tax Act 2009	Revenue Authorities	Reporting of large transaction of foreign body corporate
EU	41.7	Articles 85 & 86 of	Revenue	Article 85 is modelled on

		treaty of European Union		Sherman Act in USA prohibits agreement & concerted practices affecting trade between EU members with objective of restriction, prevention and distortion of Competition Article 86 is akin to Clayton Act meant to prevent abuse of dominant Market position.
India	35	Section 230 to 240 of Act of 2013 of Companies Act FEMA Act, 1999(2018) SEBI Laws (1992) Foreign Exchange Management Regulations, 2000 Section 5, 6, 20-23, 29, 30 & 32 of CCI Act 2002 SEBI regulation of 2011 and listing regulation of 2015	Revenue Department SEBI CCI	Defines & allows cross border mergers M&A made smooth, efficient & fast tracked FEMA regulation issued to address grey areas in relation to CBA

Source: Author Compilation from various sources

From above comparison India appears to have modelled its regulatory framework for M&A largely with those of developed countries mentioned above with the larger objective of creating a regulatory environment conducive for CBA while ensuring level playing field for all companies, foreign as well as host companies. Regulations are designed for ensuring fair and equitable competition while protecting interest of the consumer. Various studies & findings of research of scholars like (Peng, 2003; Chari *et al*., 2010; Hur *et al*., 2011; Alguacil *et al*., 2011) have emphasized the role of Government regulation on nature, type and quantum of cross border acquisition and its resultant Foreign Direct Investment(FDI) inflows.

Even though these regulations have been used as reference in India what is lacking is the manner in which they are administered and the efficacy and neutrality of the system by the functionaries entrusted to implement it on ground. The level & quality of regulatory mechanism of a host country may also gauged by the number of numbers of abandoned or delayed deals. Study by Popli and Kumar (2015) observed high percentage of abandoned deals in emerging BRICS economies like

China (35%), India (27%) Russia (21%), Brazil (20%) and South Africa (19%) are due to government policies, political party interference & regulatory mechanism, however the success rate of deals in India (67%) is higher than China (47%) as reported by Sun *et al*. (2012). Recently many international deals have been either delayed or abandoned due to strict merger guidelines, political intervention & mercurial bureaucratic decision making (Wan & Wong, 2009; Reddy *et al*., 2016-b) with level of political intervention high in case developed economies target a firm which is either controlled by or politically linked firms in emerging countries like China or India as per Reddy *et al*. (2016). Role of regulator is hence an important factor determining the nature, flow and type of M&A activities in a host country.

2.3 Definitional Framework

Merger & Acquisition (M&A) are the formal business transaction like "*mergers, acquisitions, consolidations, tender offers, purchase of assets and management acquisitions*" involving the purchase of one company by another, yet M&A remain intriguing paradoxes of recent times (Langford & Brown,2004). M&A has been defined by various researchers as under:

According to researchers (Gaugham, 2002; Chunlai Chen & Findlay, 2003; Jagersma, 2005),

"*Merger is the combination of two or more companies in creation of a new entity or formation of a holding company*"

"*Acquisition is the purchase of shares or assets on another company to achieve a managerial influence, not necessarily by mutual agreement*"

Thus, a merger can be summed as a "*combination of assets of two previously separate firms into a single new legal entity, while an acquisition or takeover involves the transfer of control of assets from one company to another"* (Ghauri & Buckley, 2003). The terms *"mergers"* and *"acquisitions"* are frequently used interchangeably, albeit in reality their connotation is different. Acquisition is basically a friendly or hostile act but merger is friendly act whereby only one company remains and the other goes into liquidation. Merger is more often used symbolically by management to disguise an acquisition more of a combination of equals to alleviate takeover phobia manifested in *"Merger Syndrome"*. Contrast to this, in amalgamation both companies go into liquidation and new company is formed to acquire the business of the two.

According to Ramaiya (1977), "*A merger can also be defined as an amalgamation if all assets and liabilities of one company are transferred to the transferee company in consideration of payment in the form of equity shares of the transferee company or debentures or cash or a mix of the above modes of payment*."

"*An acquisition, on the other hand, is aimed at gaining a controlling interest in the share capital of acquired company. It can be enforced through an agreement with the persons holding a majority interest in the company's management or through purchasing shares in the open market or purchasing new shares by private treaty or by making a take-over offer to the general body of shareholders*."

Ghauri and Buckley (2003) have summed up a merger as a "*Combination of assets of two previously separate firms into a single new legal entity, while an acquisition or takeover involves the transfer of control of assets from one company to another*". Kansal and Chandani (2014), from a cultural perspective, have defined M&A as "*the unification of two or more organisations with different values and cultures and forces them into one cohesive unit*". Merger and Acquisitions are legally different transactions (Cartwright and Cooper 1994); however, terminologies are used interchangeably, and the focus of M&A studies from a definitional perspective is poor (Shimizu *et al*., 2004). It is common for the merger to be used by a parent company in an attempt to reduce the pains of the company being acquired. Hence, many mergers are actually acquisitions, with an estimate of only 3% of M&A being actual mergers (Teerikangas & Very, 2006). Thus, even though M&A is commonly standing for both merger & acquisitions but in reality, even in a merger, the management control is vested more in one firm than the other (Dass, 2008).

From a research perspective, the use of universal and rather unclear term of "*M&A"* used interchangeably may be reasons for confusing results and false conclusions in M&A research (Haleblian *et al*., 2009). As M&A refers to portfolio of transaction types so scholars emphasize on type of M&A transaction explicitly in research (Angwin,2012) and organisational context of merging firm being studied (Rouzies *et al*., 2018).

2.4 Motivation for Mergers and Acquisitions

Mergers and acquisitions (M&As) are an alternative to the internal growth of companies since they enable firms to enter new and foreign markets, give the organization a first mover advantage, bring economies of scale and scope while acquiring necessary know-how and knowledge transfer. M&A deals are very complex, and so are their motives and strategies. M&A may be carried out for various rationales though the primary one is to improve financial performance by achieving synergy. Researchers have formulated theatrical framework for various motives of M&A (Trautwein, 1990; Bower, 2001; Haleblian *et al*., 2009) all these are related to motives of finance, strategy and managerial hubris (Napier, 1989; Faulkner *et al.* 2012). Cartwright and Cooper (1996) have listed some motives like increased efficiency, economies of scale & scope, higher purchasing power, and market penetration for increasing profitability. Besides the motive for merger by companies from developing country may be vastly different reasons than that for a company from developed country. Still some salient motives for M&A may be summarised as under: -

Value creation

Mergers are usually undertaken with the motto of wealth creation for shareholders. The consolidation of firms is expected to yield synergies (combined value greater than individual values of the firms) for the merging entities. For an M&A to be considered successful in achieving its desired goals, two types of synergies are expected namely-

Revenue Synergies- Factors such as product diversification, market expansion, product cross selling and R&D activities which may contribute in revenue generation for the company (Eccles *et al.*, 1999) or knowledge or resource sharing (Capron, 1999).

Cost Synergies- Synergies which help to cut down cost structure of the company by events such as economies of scale across all divisions, access to new technology, patents & raw materials or even elimination of certain cost.

To achieve cost and revenue synergy a necessary pre-condition is that integration of merging entities to a certain degree is essential (Haspeslagh & Jemison, 1991).

Rapid Growth

Mergers and Acquisitions (M&As) are an alternative to the internal growth of companies since they enable firms to enter new and foreign markets, give the organization a first mover advantage, less risky than internal growth, bring economies of scale and scope while acquiring necessary know-how and knowledge transfer. Acquirers may also acquire firm from adjacent converging industry with the intention to expand inorganically by making direct entry in a new emerging industry (Bower, 2001).

Increased Market Power

M&A are one fastest way of increasing market power due to proportionate increase in market share of the merged entity. Analyzing this in terms of Porter's five forces model, the bargaining power of firm *vis-à-vis* buyers and suppliers is increased, competition in the industry is reduced and so is the threat of new entrant. Hence the firm limits competition and earns windfall gain due to its superior market dominant position (Seth, 1990b; Trautwein, 1990; Haleblian*et al*., 2009). In extreme cases it may result into monopoly, "*collusive synergies*" (Chatterjee, 1986) or restrictive powers of the company. Hence the need to regulate the merger for any restrictive trade practices, anti-competitive laws, dominant market position abuse and hostile takeovers, laws are essential to be implemented by regulator in a fair & transparent manner.

Acquisition of Resources & Capabilities

Companies often resort to merger route for acquisition of scare resource or capabilities that are either not available with them or cannot be developed internally. Some key examples include access to scare raw material, access to monopoly sectors in foreign countries, access to new technology, patents & copyrights. By M&A, companies are able to acquire resource and capabilities in the fastest and the most cost-effective way to leverage them into competitive advantage in the market.

Diversification

Mergers especially conglomerate merger are undertaken by firms for risk reduction and to reduce variability of its earnings by diversifying business operation into new markets, new products, balancing investment, resource sharing across business,

business expansion and channelization of excess cash flow as proposed by scholars (Hoskisson & Hitt, 1990; Shaver, 2006; Barkema & Schijven, 2008; Laamanen & Keil, 2008; Heimeriks *et al.*, 2009; Chatterjee, 2009). The diversification is hence meant to achieve uniformity in sales and growth, positive growth development, favorable competition shift and changes in technology.

Managerial Incentive

Mergers may also be motivated by personal goals and ambition of top management even to the extreme end of hubris. These managers cognitive limitations have been advocated by scholars like managerial hubris (Roll, 1986) or self-serving agendas (Rhoades, 1983; Berkovitch &Narayanan, 1993). Hence managers' starts building company more for size than its performance, a process called empire building is ushered. In addition, as the size of the company increases so does the compensation and power of the manager. Since bigger companies can afford to pay higher salaries, bonuses and ESOPs to managers, so there is a build in incentive for having a huge company. But managerial opportunism may tempt managers for promotion of suboptimal M&A for motives related to empire-building (Trautwein, 1990; Sudarsanam, 2012).

Taxation Issues

Taxation issues are one pivotal factor determining cross border merger and acquisition (CBA) and favorable tax laws of a host country may attract foreign capital via various modes of foreign investment including CBA by extending tax benefits like tax deferrals, relaxed norms or means of special tax privileges through Tax treaties. Efforts are made to invariably formulate a tax policy/ regime which is beneficial to all stakeholders to maximize their respective gains out of a CBA. CBA are central to the globalization process and countries need tax laws to better accommodate M&A to attract foreign funds interested in investment abroad. CBA tend to offer companies an effective, fast and inexpensive manner for entry into foreign market as an inorganic growth strategy (Kaplan, 1989; Scholes & Wolfsen, 1990; Collins *et al*., 1995; Blonigen & Davies, 2004; Di Giovanni, 2005; Herger *et al.*, 2016).

Countries hence tailor their tax laws like allowing deferral on tax to woo investor to pump capital into their economy. But the moment transaction crosses border, countries tend to be less enthusiastic to provide additional tax benefits to the concerned parties as relief of current taxation will be tantamount to exemption, a complete loss to tax the transaction for their gain. Hence tax implications on cross border deals are akin to a zero-sum game in which a balance has been maintained for benefit all stakeholders' parties, each trying to maximize its gain. Reforms in government regulation & taxation are a dynamic process which acts as a catalyst to the process of type, direction, flow & volume of CBA activities in a host country (Dharampala & Hines, 2009; Reddy *et al*, 2015 &2016; Dikova *et al*., 2016; Chari & Acikgos, 2016).

Unlocking Hidden Value

A loss-making company's fortune can be revived by its takeover by a professional company who by its managerial skills and management techniques may bring about a turnaround of the struggling company. The company in distress is purchased at a price way below market price and it gives the management to unlock the hidden values of the company both in human as well as task management. Acquirers hence may seek to gain windfall profit by purchase of undervalued targets (Barney, 1986) or takeover an underperforming company with the goal of complete reorganization and to sell it profitably in future (Trautwein, 1990) just as is case for major private equity firms (Kaplan& Stromberg, 2009). These companies work under the presumption that they implement strategies better than either by their previous owners (Cumming *et al*., 2007; Cuny & Talmor, 2007) or the competitors (Barney, 1986).

International Goals

Cross-Border Merger & Acquisitions (CBA) is an integral part of MNE's strategy for foreign market entry for inorganic growth for various objectives including market/ product expansion, capital outflow, transfer of technology, taxation planning etc. CBA is a term coined and central to the fifth wave of M&A wave worldwide, is an intrinsic business activity governed by host of rules, regulation and laws of the countries involved in the transaction. CBA may be both inward & outward depending upon resultant company is either is a host country or foreign and is dependent on various factors like institutional & regulatory environment, political environment, taxation structure, accounting standards, geographical and cultural environment of host destination country (Porter, 1980; Kang & Johansson, 2000; Alba *et al*., 2009; Zhang *et al*. 2011; Hennart & Slangen, 2015; Hitt *et al*., 2016).

Thus, there could be multiple reasons or motive for an M&A each having different set of circumstances and factor at play. Misplaced motives, synergy trap and unspecified motives may be responsible for overall outcome of M&A. Given the large amount of revenue, resource and capabilities involved in M&A, it could be catastrophic for the company in a hyper competitive market (Hur *et al*., 2011; Huizingia *et al*, 2012; Reddy *et al*., 2014, 2015, & 2016).

2.5 M&A Types

There are four commonly referred to types of business combinations based on profile of an offer in M&A called as: conglomerate merger, horizontal merger, circular and vertical merger, each of which has its own characteristics, motives, and challenges (Teerikangas *et al.,* 2012). Each merger type is dependent on factors like the economic function, rationale of the business transaction and relationship between the merging entities. However, all share the same aim to generate value out of the transaction for the company. The prominent M&A types are detailed as under:-

Horizontal merger

Horizontal merger consists of multiple firms who operate and compete in similar business activities and in all likelihood are competitors (Chunlai Chen & Findlay, 2003). Buono and Bowditch (1989) observed the rationale behind horizontal M&A which largely occurs when firms producing similar products or services catering to a geographical market then formation of larger firm have benefits of economic of scale. Since horizontal mergers may be detrimental to healthy competition in the industry by decreasing the number of active firms operating in an industry and also by means of collusion by industry firms, these mergers are regulated by government bodies. Merger between auto giants, steels manufacturer or drug companies will be categorized as horizontal merger. Examples include Facebook, WhatsApp, Instagram & Messenger integration, Disney & Hotstar, Walt Disney Pixar, Marriott and Starwood Hotels, Daimler Chrysler and Anheuser-Busch InBev & SABMiller.

Vertical merger

Vertical merger occurs when firms positioned in different stages of production lines merge leading to either backward or forward integration in the value chain (Chunlai Chen & Findlay, 2003). Thus, this is the transaction in which companies involved are in buyer-seller, client- supplier, and/or value chain relationships. The rationale for vertical integration of the firm at different stages may be varied. Firstly, transaction inside a firm helps in eliminating the costs of search for prices, awarding contracts, collection of payment and advertisement; reducing and of coordination in production (Kar & Soni, 2008). Besides, improvement in enhanced efficient information flow ensures improvement in plans related to inventory and production (Buono & Bowditch, 1989). However, it may be used by firms having monopolistic power in any one stage of supply chain by increasing barrier to entry through vertical integration thereby having leverage to erect barriers between purchaser by monopoly of supply of raw material or distributive outlet (Camonor & Wilson, 1967).

Conglomerate merger

As per Gaughan (2002), "*Conglomerate M&A occurs when the two companies that were involved in the M&A are from irrelevant industry, with the purpose to diversify capital investment hence diversifying risk, and also to achieve scale of economies*". This merger type is characterized by amalgamation of firms operating in unrelated type of business activities. There are three prominent types of conglomerate mergers. First called Product – extension merger between firms in related business meant to expand the product lines of firms, hence also termed as concentric merger. Second is geographical market-extension merger which involves merger of firms operating in distinctively geographical areas. The final is called as pure conglomerate merger as it involves unconnected or unrelated business activities to merge in a single entity (Buono & Bowditch, 1989). The reasons for indulging in this merger are various. These types of mergers have the potentially improves resource allocation, transfer of synergy & capabilities of managers. The structure and behaviour of acquired industries are transformed drastically by these processes, opening up new possibilities (Mueller, 1969). Some prominent examples of conglomerate merger include Ebay& PayPal, Walt Disney & American Broadcasting Company & Honeywell & Elster merger.

Circular Combination

Circular combination has defined by researchers (Ansoff & Weston, 1962) as, "Companies producing distinct products in the same industry, seek amalgamation to share common distribution and research facilities in order to obtain economies by expanding range of products, distribution facilities, R&D sharing, market segments, eliminating costs of duplication and promoting market enlargement". The rationale of the merger is to seek advantages of economies of resource sharing and diversification by the acquiring company. Examples includes Joint Venture between Mcleod Russel (Tea) and Eveready (Battery), Volkart Brothers (Switzerland) and Tata Sons (India) forming Voltas, Sony and Ericson

2.6 M&A - Perspectives

Mergers and acquisitions are complex phenomenon entailing a host of relationships that varies by functions or stakeholders. There are a variety of schools of thoughts underlying an M&A (Haspeslagh & Jemison, 1991; Larsson & Finkelstein; 1999; Paulter, 2003). In terms of academic disciplines, the M&A endeavors can be classified as follows: -

From a *strategic management perspective*, the M&A is viewed as combination as well a diversification strategy (Ansoff *et al.*, 1971; Walter & Barney, 1990; Bower, 2001). The resource-based view as highlighted by James (2002) perceives M&A as a means of transferring otherwise non-marketable resources and capabilities, though requiring anelaborate management process (Singh & Montgomery, 1987, James, 2002). M&A are intended to achieve integration from various perspectives at a broader organization level.

Scale of economies and market power has been highlighted as the rationale for M&A by various researchers and analysts (Goldberg, 1983; Ravenscraft & Scherer, 1987; Sedlacek & Valouch, 2015). The gains manly accrue to the acquiring firm (Jensen & Ruback, 1983; Jarrell *et al.*, 1998; Alexandridis *et al*., 2009; Graça & Robert, 2016).

Finance: Studies acquisition performance is measured on stock market-based indexes (Jensen & Ruback, 1983; Weston, 1989) the focus of this perspective was on wealth creation during M&A at the societal level, i.e., for shareholders. The school of finance believes that the performance of M&A can be well judged from the perspective of market valuation and wealth creation for stakeholders (Weston & Chung, 1983; Jarrel *et al*., 1988).

OrganizationalBehaviour School: M&A research in human resource management (HRM) has laid emphasis on psychological issues (Levinson, 1970; Marks, 1982; Astrachan, 1990) & how M&A affect careers (Walsh, 1989; Hambrick & Cannella, 1993). This research has focused on the behaviour of the individual and at organizational level for its implications on outcome of acquisitions. The ‘human side of M&A’ a largely neglected aspect by managers is the central theme of this research (Buono & Bowditch, 1989). Researchers have built on theory of acculturation (Berry, 1980; Dauber, 2012) to evaluate the behavioural changes which are inherent due to mixing of disparate organization cultures (Sales & Mirvis, 1984; Janson, 1994) to reduce stress at individual level.

Process perspective: The focus is on managerial action taken to steer the post M&A integration process (Haspeslagh & Jenison,1991; Pablo, 1994).The management ability to successful manage post-merger process in an effective manner will help in realization of potential synergies of Strategic & organizational (Lindgren, 1982; Shrivastav, 1986; Greenwood *et al.*,1994). Scholars have advocated that by process management and effective communication long term success can be obtained (Sinetar, 1981; Schweiger & DeNisi, 1991) and sensitivity to the concerns and expectations of individuals on both sides of acquisition can be addressed (Sales & Mirvis, 1984; Cartwright & Cooper, 1993).

A major departure from the conventional argument of fast growth by inorganic means (M&A) has been widely criticized by pioneering contribution of Penrose (1959) in the field of management basing on the resource view of firm. Penrose argued that managers of the firm are confronted with distinct strategic options; organic growth and acquisitive growth. Though the author (Penrose) outlined the effect of organic growth on adjustment cost and productive opportunity set but the author was silent on the acquisitive growth. The author stated that importance of merger may be properly evaluated in the backdrop of its effect on and limits to internal growth. Not only does the firm inert the potentiality of growth of the firm it acquires but a merger tend also to leave host of unused productive service available to combined firm which would have been available to the independent firm. While researchers have taken a resource-based view (Barney, 1991) or knowledge-based view (Kogut & Zander, 1992) with an objective understanding of M&A as a medium for transferring and combining resources and knowledge base of organization (Capron *et al*., 1998; Capron, 1999; Ranft & Lord, 2002; Sarala & Vaara, 2010) leading to improvement in competitive advantage of acquiring firm.

The study of M&A phenomenon which is a complex event in organizational life is compounded further by researchers who tend to consider only partial or selective explanation of M&A. These studies by scholars and academicians from vastly different disciplines, inconsistency and controversy due to "silos effect", proposed five distinct schools of thought are in existence, each rooted in its own distinct theoretical roots and objective functions (Faulkner *et al*., 2012). Thus, it poses a problem for M&A researchers to follow which perspective to gain maximum integration success during M&A. ***This research attempts to address this problem by addressing theoretical perspectives which have been largely ignored or not studied by the correct methodology***.

To integrate various theoretical themes this research tries to identify integrative views synthesizing M&A–critical disciplines are lacking, albeit on the rise (Mirc *et al.,* 2017). Integration as a concept has several distinctive stages and with factors at each stage emerging as source of problem. Therefore, the primary task is to clearly define those stages and their characteristic .M&A has been studied through various theoretical frameworks which are summarized as under:

(a) ***Strategic management****:* Studies M&A as a method of diversification, focusing on both the motives for different types of combinations (Ansoff *et al*, 1971; Walter & Barney, 1990) & the performance effects of these types (Singh & Montgomery1987; Seth, 1990) at the level of individual company. How strategic factors influence M&A outcome, variables such as firm relatedness, type & nature of acquisition, acquisition experience, communication to investor have been researched using either stock market (Chatterjee, 1986; Lien &Klein, 2006) or accounting-based measures (Anand & Singh, 1997; Krishnan *et al.*, 1997). King *et al*. (2004) combined the two measures on the entire above determinants and in their meta- analysis found M&A don't create value in long run. Hence researcher had limited success, other structural & organizational variable, non-financial intermediate performance measures like degree of integration, strategic and cultural fit, and speed of integration, intermediate goals & knowledge transfer have been suggested as possible determinants of M&A outcome.

(b) ***Economics:*** It has emphasized factors as economics of scale and market power as motive of merger & has examined acquisition performance with accounting-based measures (Goldberg, 1983; Ravenscraft & Scherer, 1987). This body of research has consistently shown that real positive gains accrue to the shareholders of the acquired (Danbolt, 2004; Georgen & Renneboog, 2004; Bertrand & Zitouna, 2008), but not the acquiring firm (Jensen & Ruback, 1983; Singh &Montgomery, 1987; Jarrell *et al.*, 1998). The reasons for value-destruction for acquiring firms include paying a high premium for the target firm's stock (Barney, 1986; Hayward & Hambrick, 1997) and integration challenges (Larsson & Finkelstein, 1999; Barkema &Schijven, 2008; Graebner *et al*., 2017)

(c) ***Finance:***Studies acquisition performance, relying on stock market-based measures based on short term cumulative abnormal returns (Jensen & Ruback, 1983; Weston & Chung, 1983; Jarrel *et al*., 1988) the focus of this perspective was on wealth creation during M&A at the societal level, i.e., for shareholders. While for studies based on accounting measures have found negative performance for the acquirer (King *et al*., 2004; Steigner & Sutton, 2011)

(d) ***Organizational Behaviour School:*** It researches M&A in human resource management (HRM) literature which has emphasized psychological issues (Levinson, 1970; Marks, 1982; & Astrachan, 1990) & how M&A affect careers (Walsh, 1989; Hambrick & Cannella, 1993). This research has focused on the behavioural implications of acquisitions, at both individual & organizational levels. The theme of this research is that the 'human side of M&A' (Buono & Bowditch, 1989) is frequently neglected by managers. Researchers have built on theory of acculturation (Berry, 1980) to examine the changes in behaviour resulting forced interaction of two different organizational cultures (Sales & Mirvis, 1984; Janson, 1994) to reduce stress at individual level.

(e) ***Process perspective:*** It focuses on the action taken by management to guide the post M&A integration process (Buono & Bowditch, 1989; Haspeslagh & Jenison, 1991; Pablo, 1994). The focus is on how and why things emerge and grow or terminate over time (Langley *et al*., 2013; Graebner *et al*., 2017). Strategic and organizational fit, it is argued, offer the potential for synergies, but their realization depends on the ability of management to manage post M&A process in an effective manner (Lindgren, 1982; Shrivastav, 1986; Greenwood *et al.*, 1994). Long term success can be achieved through process management, effective communication (Sinetar, 1981; Schweiger & DeNisi, 1991) and sensitivity to the concerns and expectations of individuals on both sides of acquisition (Sales & Mirvis, 1984; Cartwright & Cooper, 1993). Both pre and post M&A phases are studied with focus on variables like communication, integration, autonomy. Since M&A research is non-integrative in nature of so it acts a bottleneck in synthesizing all approaches.

The dominant schools of finance and economics does not give due emphasis on organizational, strategic & process perspective issues all of which are equally important to acquisition process and may play a major role in determining the outcome of M&A (Datta, 1991; Chatterjee *et al*., 1992). Since problems linked with accounting based and study event measures are well documented and there is growing importance of strategic, organizational & process perspective in M&A, so to overcome the existing limitations M&A performance is intended to be measured synergy realization. Synergy as per scholars (Larsson & Finkelstein, 1999) may be defined in terms of the actual net benefits created by integration of merging entities measurable in parameters like reduced cost per unit, increased income etc.

The fragmented literature on M&A perspective hence needs to be theoretically synthesized has been advocated by scholars (Faulkner *et al*., 2012; Teerikangas *et al*., 2012). Limited studies have been done on potential value of integrative approaches which have linked strategic and organisational perspective (Haspeslagh & Jeminson, 1991) by means of multiple cases studies of integration process (Jemison, 1988; Buono &Bowditch; 1989; Hitt *et al*., 1993). The contributions of these studies are substantial but have limited scope and were not tested empirically across M&A.

To balance the domination of economic, financial, and strategic perspectives of M&A, researchers started paying due attention to the importance of Socio-Cultural aspects after the 1980s (Buono *et al.*, 1985; Napier, 1989; Cartwright & Cooper 1990). The Socio-Cultural research stream is mainly focused on two key narratives concerning "*merger syndrome*", i.e., negative employee reactions in M&A (Cartwright & Cooper, 1996; Marks & Mirvis, 1997) and cultural differences and their performance effects (Teerikangas & Véry, 2006; Stahl & Voigt, 2008; Sarala *et al.*, 2019). The research was with a normative focus, with aim of generating *"tools"* for management or mitigation of "*human issues*" or "*cultural clashes*" in M&A (Buono *et al.*, 1985; Nahavandi & Malekzadeh, 1988; Brueller *et al.*, 2016). While HRM literature lay emphasis on psychological issues (Marks, 1982; Astrachan, 1990), communication initiatives (Sinetar, 1981; Schweiger & DeNisi, 1991; Angwin *et al*., 2016) on one hand, challenges related to "*cultural clashes*" (Buono *et al*., 1985) and "*acculturation*" (Nahavandi &Malekzadeh, 1988) in the post-M&A integration phase are researched on the other.

In process theory, value creation signified by task integration is the objective of the acquisition evaluated in terms of transfer of capabilities and resource sharing, on the other hand organizational behaviour perspective is primarily concerns with generation of satisfaction and shared identity employees of the merged entities, by process called human integration (Birkinshaw *et al*., 2000). Collectively the two leads to integration though human integration needs to precede task integration in order to be successful. The current study is an attempt to integrate different theories to explain the two school of process and behavioural perspective of M&A by drawing inferences from related researches (Larrson & Finkelstein, 1999; Birkinshaw *et al*., 2000). The summarized view of the two perspectives in relation to the variables researched, theories associated and key proposition shown in Table 2.3 below:

Table 2.3 Summarization of Theoretical Perspectives of M&A School's

Theoretical perspective	Objective Function	Dependent/ Control Variable studied	Theories Associated	Key proposition for theoretical perspective	Implication for HRM
Organizational Behaviour perspective	Study of impact of employees' attitude and behaviour	Satisfaction	Situational, Dispositional and Interactive theories	The congruence between culture of two merging organization (Cultural fit) will facilitate increased employees' commitment towards organization	Organisational & psychological topics important as human & their reaction critical to success of M&A
		Adoption	Cultural fit Cultural integration		

				leading to overall organizational satisfaction and productivity	
		Affective commitment	Acculturation & Affective event theories	Employees use heuristics to make sense out of the new context to reach to judgments of fairness and equity	
		Achievement	Performance theory Synergy creation		
Process Perspective	Value creation post M&A	Synergy Realization	Expectancy theory	Management action and the integration process determine the extent to which potential benefits of M&A(Motive) would be realized	Lack of explicit deduction in HRM, needs to re-naturalise humans through M&A process.

Source: Author compilation

Research on M&A has noticed that implication for HRM is implicit not explicit. Majority of research have investigated diverse potential antecedents predicting M&A performance without find clear and unequivocal relationship. The combination of organisational behaviour and process perspective interplay in terms of strategic and cultural fit, acquisition may fail in creating value in the absence of managerial action necessary to avoid negative human reactions and to leverage proposed synergies.

2.7 Statistics on Mergers and Acquisitions

2.7.1 M&A in India: An emerging economy

Merger & Acquisition phase in India has picked up exponentially post liberalization, privatization & globalization (LPG) phase since 1990's ushering direct investment by means of Greenfield ventures, M&A, Joint Ventures , Licensing, Strategic Alliance (Marks & Mirvis, 1998) from developed markets of Europe and America in particular. The markets like India, Brazil and South East Asian are referred as emerging markets in international business literature which now account for a substantial percentage of global direct investment (Nagano & Yuan, 2013). In Indian corporate landscape, M&A and other corporate restructuring have picked up after LPG phase (Ahuluwalia, 2002; Ray, 2010; Singh *et al*., 2011; Shaikh & Padhi, 2013). This necessitated the need for formulating new takeover codes by regulating agencies to make rules consistent and in sync with present market dynamics of the trade (Reddy *et al*, 2011 & 2013). There has been a significant rise in both inwards and outwards M&A deals in last two decades, which has been catalyzed by pro-active second-generation reforms and deregulation initiatives by the government with focus on ease of doing business to build investor confidence and for attracting foreign investments.

There have been merger waves worldwide since the first wave due to industrialization but the fifth wave in particular (1993-2000) has been characterized by the phenomenon termed "***Cross Border Merger & Acquisition(CBA)***" due to globalization, economic boom, stock market development, FDI flows, advancement in telecommunication & opening up of economies of countries (Gray &McDermott, 1987; Kang & Johaansson, 2000; Gugler *et al*., 2003; Goergen & Renneboog, 2004; Huang *et al*., 2008; Reddy, 2015). Emerging markets like India, Brazil and China have benefitted from this M&A boom due to substantive progress made in economic growth, deregulation of economy, institutional law reforms development in infrastructure & communication (Chari *et al.*, 2010).

However political influence or intervention is high in cross border inwards acquisition in emerging countries like India and China more so in M&A concerning State owned enterprises(SOE) , a factor which the foreign companies & their managers need to be accustomed to deal & account for in the risk assessment along with knowledge of legal system , regulatory provisions and tax subsidies (Erel *et al*., 2012; Barbopoulous *et al*., 2012; Zhang & He,2014).Better institutional laws have tended to increase information symmetry and time span for completion of M&A legal procedure & legal transaction cost related to cross border trade and investment transactions(Bris *et al*., 2008, Reis *et al*., 2013).

One key sector which has ushered M&A activities in emerging countries has been telecommunication & wireless service. Telecommunication has been one of prominent emerging industry that has provided a great deal of business opportunities in emerging markets due to economic & institutional reforms and rapid technological innovation in this high-tech industry necessitating expansion of market. The fact that China and India are the world's top two largest telecom market is a testimony to this fact. In high technology industries, Hitt *et al*. (2006) have observed that firms usually expand their business in to other growth market with the twin objectives of hedging risk & improving market share. However, the risk is higher while acquiring firms of developing markets by firms belonging to developed market (Reddy *et al.,* 2014). Hence CBA are inherently risky business propositions since large number of regulatory controls are maintained and host country risk factors of economic, political, financial & legal enforcement.

Institutional laws in India, mechanism and governance are relatively weak *vis-a-vis* emerging markets of China and Brazil. Besides regulatory and administrative agencies may not function in unison which may lead to ambiguous or conflicting decision making scaring away potential investors from carrying out deals (Shroff & Ambast, 2013).The **WEF-GCR (2015–16)** report has highlighted problems specific to India which includes "corruption as the first problem in India, followed by policy instability, inflation, access to financing, government instability/coups, inadequate supply of infrastructure, tax rates, inefficient government bureaucracy, and complexity of tax regulations in sequential order". Hence Indian foreign investment is lower than similarly place emerging economies of China, Brazil &Russia. Reddy *et al*. (2016 b) examined the cause & consequences of three litigated deals in India, i.e., Vodafone-Hutch & Airtel-MTS in telecom; Vedanta-Cairns in energy sector, on inbound acquisitions for testing Lucas's paradox paradigm, i.e., capital does not flow from developed to developing countries despite favourable conditions. They concluded that stringent regulation related to financial markets and capital gain tax guidelines were instrumental in abandonment or non-completion of many announced M&A deals.

Reports by Consultancy Companies like Deloitte (India) "Cross-border Transactions - an India Tax and Regulatory Update", in 2009 and KPMG report titled "Taxation of Cross-Border Mergers and Acquisitions", highlights issues of India's low rank in easy of doing business despite favourable talent and examines taxation issues relating to M&A tax nuances in India *vis-à-vis* other country respectively though in recent years ranking is improving.

2.7.2 M&A Activities in India

M&A activities in India have been steadily increasing over the last decade with 2018 being the landmark year in last 5 years. M&A activity in 2019 was higher than 2018 but deal value was drastically lower as there was only one mega deal possibly due to Election year where investors are wary due to uncertainty in political system and abnormal risk associated. Besides, the year 2019 has been marked by a series of worldwide economic uncertainties like the trade war escalation, prolonged Euro Zone slowdown, no-deal Brexit and even the risk of global recession. This problem has been compounded acutely by COVID-19 pandemic in 2020 which has thrown all economic activities into turmoil. Amid these global tensions and Covid19 pandemic, India recorded just over US$ 61 billion in deal values across around 1,200 transactions, which is a 44% drop in the values and more or less the same volumes as compared to 2018.This may be attributed to the fact that 2019 was election year in India so investor always have a cautious approach to mitigate their risk in period of political uncertainty.

However, M&A in 2019 is marked by some characteristic like highest funding for start-ups enterprises, increasing interest in sovereign wealth fund (SWF) and a consolidation phase in many sectors like telecom. About 60% of volume and value were accounted for by three sectors of energy, industrial goods, & telecom. M&A has been primary route but there is significant investment through Private Equity (PE) as a safe alternative mode of investment in host country. Both Inbound & outbound Cross Border deals have been undertaken in India which reflect of a changed mindset of Indian Corporate who are not only ready for partnership with foreign investor but are themselves aggressive acquirers of firms in host country.

The year 2020 was characterized by global trade tensions, corporate debt distress and economic slowdown in Indian economy while worldwide COVID-19 pandemic had affected economies despite all adverse conditions, deal volumes increased to 1301 deals for a total value of US$ 77 billion, a 30% growth over 2019. Reliance Industries was at the forefront mainly in technology and telecom sector raising US$ 26 billion, Face book's US$ 5.7 billion investments in JIO, US $ 4.5 billion GOOGLE, KKR &Silver Lake partners. Reliance retail venture acquired Future group for US$ 3.3 billion. COVID-19 impact was visible on Indian M&A landscape as only 350 deals, the lowest in last nine years were recorded valued at US$ 37.5 billion. The M&A deals making space were dominated by domestic buyers & sellers. While overseas acquisition by Indian companies was 76 transactions for value of US$ 3 million largely on account of Haldia's Petro Chemical's acquisition valued US$ 1.5 billion of Lumus Technology. Year 2020 was a bumper year for PE deal making with 950 deals worth US$ 40.2 billion, a 28% increase over 2019. The PE space accounted for more than half of total deal value in 2020 done with the strategic intent to achieve size, scale, product diversification and for better operating models. In the 2nd half of 2020, PE deals making was supported by investment in SWF and buyer's inclination for control deals and co-investment deals.

Sector wise deals in 2020 were spread across telecommunication, oil and refinery consumer goods, ports, finance, real-state and technology. While pandemic affected sectors like aviation, travel and tourism adversely, it was boon time for tech firms, e-commerce, and IT& ITES sectors. Year 2020 witnessed 17 mega deals (1 billion and above), nearly double to 2019. While deal volumes have been dealing over the years, value of total deals is on the rise indicative of increase in number of mega deals. The average ticket size of M&A has doubled from US $ 30 million in 2016 to US $ 60 million in 2020. With economic environment post Covid-19 threatening the very survival of the companies, takeovers are expected to continue in 2021 as well. Hence, the future outlook requires a focused approach from economic policymakers including realignment of regulatory framework of M&A to attract FDI and CBA. The pandemic has redefined business model that brings goods & services with technology with overall focus on consumers.

In 2021 COVID-19 has accelerated disruption across sectors and companies have reacted by transforming their business through M&A, which is at near all-time high. There have been 85 strategic deals valued greater than US $ 75 million during 2021, majority of them (80%) are first time buyers and are scope and capability deals (46%). M&A in India recorded 2100 deals valued US $ 91 billion in 2021, breaching three years level of 2019 by growing at 13%. The nature of deals was 15 midsized and 135 megadeals characterized by cash reserve and FDI inflows at their peak levels and interest rate were low. Hence with favourable capital, companies are resorting to M&A as a response to disruption and growth expectations. The strong M&A resurgence is prominent across the board with likes of start-ups, IT and e-commerce large conglomerates and MNC. Risk taking by first time buyers for acquisitions to enter new verticals, geographies or capabilities is the new norm. Hence the year 2021 despite all odds, has shown that companies are willing to reshape their portfolios by leveraging M&A as an important tool of transformation. This remarkable trend is continuing for Indian M&A landscape in 2022 with total M&A deal worth US $ 148 billion completed till third quarter, a an 16% increase on YOY basis . The sentiments have been fuelled by domestic M&A deals at US $ 106billion with top deals of HDFC, LTI-Mindtree, and ACC-Ambuja. In PE backed M&A, India (28%) has even crossed market share of China (24%). A graphical summary capturing M&A activities in India for the last years, top ten deals of 2021 and M&A deals in India since 1996 are depicted below.

Table 2.4: M&A Deals in India from 2018-2021

Deal Summary	**Number of M&A deals**				**Value US$ billion**			
Year	2018	2019	2020	2021	2018	2019	2020	2021
Domestic	272	255	210	374	34.3	16.4	16.3	23.6
Cross- Border	193	177	143	120	38.5	9.9	21.2	19.3
Inbound	101	95	66	57	25.7	79	18.1	11.3
Outbound	92	82	76	63	12.8	2	2.9	8
Internal merger & restructuring	12	11	7	5	17.4	1.3	0.035	0.025
Total M&A	478	443	360	499	90.2	27.6	37.5	42.9
Private Equity	795	816	953	1624	20.6	31.2	40.2	48.2
Grand total	1273	1259	1301	2123	110.8	58.8	77.7	91.1

Source: Grant Thornton Report, 2022(www.grantthornton.in)

Table 2.5: Top ten M&A transactions (by deal& value) in 2021

Acquirer	Target	Sector	USD million	Deal type	% stake	Cross-border/ domestic
Piramal Capital & Housing Finance Limited	Dewan Housing Finance Corporation Limited	Banking and financial services	5,103	Acquisition	100%	Domestic
Prosus N.V.- PayU	IndiaIdeas.com Ltd- BillDesk	IT & ITeS	4,700	Acquisition	100%	Inbound
Adani Green Energy Ltd	SB Energy India	Energy and natural resources	3,500	Acquisition	100%	Outbound
JSW Steel Ltd	Bhushan Power & Steel Ltd	Manufacturing	2,651	Acquisition	100%	Domestic
Total SE	Adani Green Energy Ltd	Energy and natural resources	2,476	Minority Stake	20%	Inbound
Talace Pvt Ltd	Air India Limited	Aviation	2,432	Acquisition	100%	Domestic
Sumitomo Mitsui Financial Group, Inc	Fullerton India Credit Company Limited	Banking and financial services	2,000	Majority Stake	75%	Inbound
Wipro Ltd	Capco	IT & ITeS	1,450	Acquisition	100%	Outbound
Tata Digital Private Limited	Supermarket Grocery Supplies Private Ltd- Innovative Retail Concepts Pvt Ltd - BigBasket.com	E-commerce	1,257	Controlling Stake	64%	Domestic
Think & Learn Pvt Ltd- Byju's	Aakash Educational Services Ltd	Education	1,000	Acquisition	100%	Domestic

This marks the largest acquisition in India's digital payments space.

The deal is the largest acquisition in the renewable energy sector in India.

IBC: With the 2.5 million tonnes BPSL buy, JSW Steel boosted its steelmaking capacity and regained its lost crown of the largest steel player in the country.

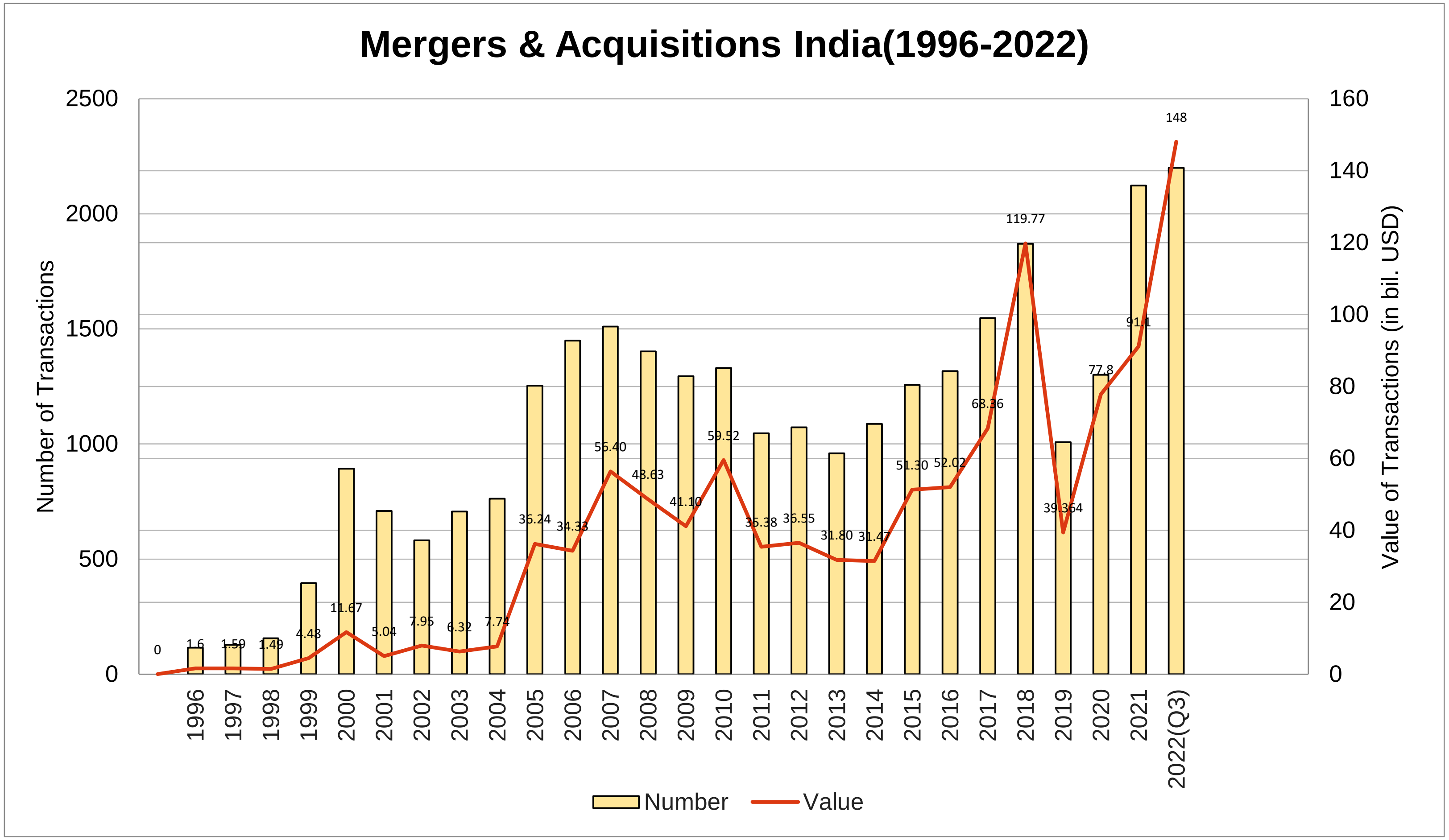
This deal is Total's biggest investment yet in renewables.

The transaction marks the largest M&A of a private company in the Indian financial services space in the last two years and the largest ever inbound control acquisition by a Japanese enterprise entering the Indian market.

This deal is one of the largest edtech acquisitions in the

Source: Grant Thornton report, 2022(www.grantthornton.in)

Exhibit 2.1: M&A deals in India since 1996(No & Value)



Source: IIMA data 2022

2.7.3 M&A Worldwide: A synopsis

Mergers and Acquisitions (M&A) is a popular means of inorganic growth and means of foreign market entry by multinational enterprises (MNEs) as well as national firms in a ultra-competitive globalised marketplace (Shimizu *et al*., 2004;Ferreira *et al*., 2014).M&A is an aggressive managerial strategy adopted by Multi National Enterprise (MNE) particularly of developing countries in fast changing global market landscape as a mode of entry in foreign market via various routes including Cross Border Acquisitions (CBA). CBA is a term coined and central to the fifth wave of M&A wave worldwide, is an intrinsic business activity governed by host of rules, regulation and laws of the countries involved in the transaction. CBA may be both inward & outward depending upon resultant company is either a host country or foreign and is dependent on various factors like institutional & regulatory environment, political environment, taxation structure, accounting standards, geographical and cultural environment of host destination country.

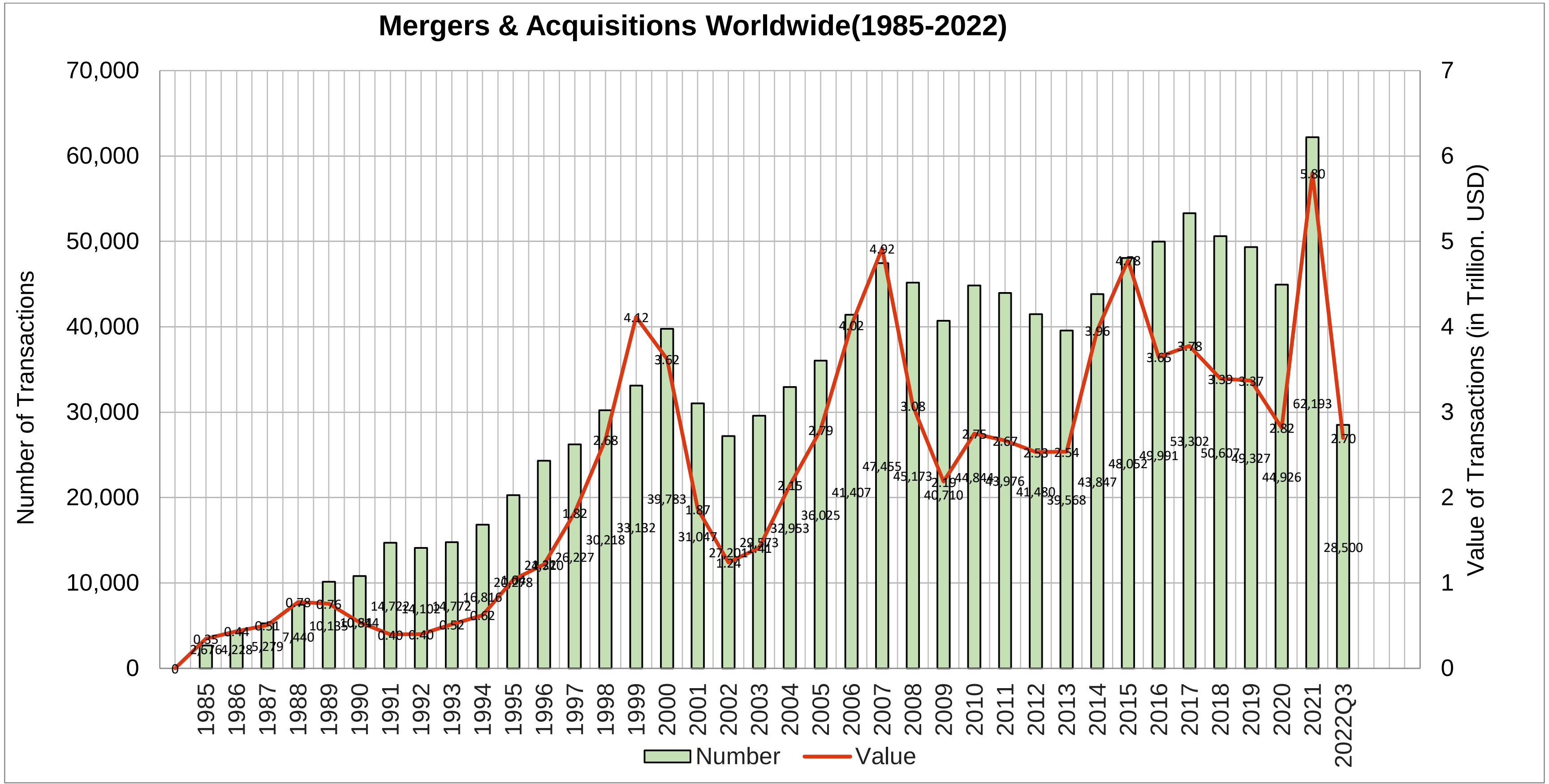
M&A are the best alternative for gaining competitive advantage, fastest way of foreign market entry & gaining technological synergies (Porter, 1980; Meyer *et al*., 2006, Hennart & Slogan, 2015; Hitt *et al*., 2016). Cross Border Acquisitions (CBA) have been defined by Shimzu *et al*. (2004) as one which involves merger of "An acquirer & target firm whose headquarters are located in different home countries". CBA is probably the fastest ways to enter a foreign market which takes place with mutual consent or agreement of at least two stakeholders' countries (Buckley & Casson, 1976; Alba *et al*., 2009). CBA are of two types inwards & outwards referred to as sales & purchase in economic perspective parlance of M&A (Kang& Johansson, 2000). CBA has characteristic which often involve cash payment & hostile takeovers, higher valuation with premium for host country characteristic, high abandonment rate acquirers with deep pockets and a complex process of for acquirer & target firm (Hopkins *et al*., 2003, Zhang *et al*., 2011)

M&A have now been extensively used as strategies for inorganic growth. Multinational enterprises commonly use M&A strategies for entry into foreign markets and develop resources and capabilities. M&A yield a distinctive advantage compared to other competitive modes (Ellis & Lamont, 2004). In the era of intense globalization, an M&A form of restructuring offers firms expansion through successive stages of growth and development (Schweiger *et al.*, 1993; Vermelan & Barkema, 2001). Harding and Rovit (2004) says that a large number of fortune 500 companies exist as a result of multiple corporate combinations.

Worldwide the last two decades of 21^{st} century has witnessed an exponential increase in CBA largely due to global financial crisis with the prime motto of creation of wealth. As per UNCTAD report of 2008, globalization and privatization waves of CBA originating in Developed Economies (DE) have flooded the emerging economies like India, China & Brazil and M&A account for 80% of all FDI flows. These are hence subject to host country determinants to success of M&A deals. The capital inflows into host country are dependent upon economic system and taxation structure in particular. Host country often tend to restrict or control CBA in comparison to Greenfield investment as the former provide immediate ownership & controlling benefits to MNE's.

The increasing importance of M&A specifically cross border can be gauged from the fact that out of Top 50 all-time deals, 38 have been carried out since 2000. The Exhibit 2.2 below summarizes the deal since 1985, a total of one million deals till date. M&A have been growing globally at a very sharp rate. There has been a tremendous increase in both number as well as value of M&A transaction worldwide. Since the start of 21^{st} Century till date a total number of 891,247 deals have been announced for a total value of US $ 65027 billion. In 2019, a total of 49327 deals were completed for US $3701billion. In 2020, 44926 deals worth US $ 2817 billion have been completed. In year 2021 global M&A volumes breached the $ 5 trillion mark for the first time in M&A history largely on the backdrop of deal activities accelerated by cheap financing and booming stock market. The overall volume stands at US $ 5.8 trillion, 64% increases over 2020 with 62193 deals in 2021. United States propelled by accommodative monetary policy of Federal Reserve lead the way by accounting for half of global volume as M&A value reaching US $ 2.5 trillion. Analysts predicts that positive sentiment will continue to fuel deal making in 2022 with flurry of M&As but the same has been little muted as only deals worth US $ 2.7 billion have been completed till third quarter. Exhibit 2.2 below depicts M&A activities worldwide since 1985 in terms of number & value of deals and Table 2.6 enlists the top 50 all-time M&A deals.

Exhibit 2.2: M&A Worldwide since 1985 (No & Value)



Source: IIMA data 2022

Table 2.6: Top 50 M&A deals all time

No	Year	Acquirer	Target name	Value(in Bn USD)
1	1999	Vodafone AirTouch PLC	Mannesmann AG	202.79
2	2000	America Online Inc	Time Warner	164.75
3	2013	Verizon Communications Inc	Verizon Wireless Inc	130.30
4	2007	Spin out	Philip Morris Intl Inc	107.65
5	2015	Anheuser-Busch Inbev SA/NV	SABMiller PLC	101.48
6	2007	RFS Holdings BV	ABN-AMRO Holding NV	98.19
7	1999	Pfizer Inc	Warner-Lambert Co	89.56
8	2017	Walt Disney Co	21st Century Fox Inc	84.20
9	2016	AT&T Inc	Time Warner Inc	79.41
10	2019	Bristol-Myers Squibb Co	Celgene Corp	79.38
11	1998	Exxon Corp	Mobil Corp	78.95
12	2000	Glaxo Wellcome PLC	SmithKline Beecham PLC	75.96
13	2004	Royal Dutch Petroleum Co	Shell Transport & Trading Co	74.56
14	2006	AT&T Inc	BellSouth Corp	72.67
15	1998	Travelers Group Inc	Citicorp	72.56
16	2001	Comcast Corp	AT&T Broadband & Internet Svcs	72.04
17	2018	Cigna Corp	Express Scripts Holding Co	69.77
18	2015	Royal Dutch Shell PLC	BG Group PLC	69.45
19	2014	Actavis PLC	Allergan Inc	68.45
20	2022	Microsoft	Activation Blizaard	68.7
21	2017	CVS Health Corp	Aetna Inc	67.82
22	2009	Pfizer Inc	Wyeth	67.29
23	2015	Dell Inc	EMC Corp	66.00
24	1998	SBC Communications Inc	Ameritech Corp	62.59
25	2015	The Dow Chemical Co	DuPont	62.14
26	1998	NationsBank Corp,Charlotte,NC	BankAmerica Corp	61.63
27	2022	Brodcome	VMware	61
28	2006	Gaz de France SA	Suez SA	60.86
29	2022	HDFC	HDFC Bank	60.4
30	1999	Vodafone Group PLC	AirTouch Communications Inc	60.29

31	2004	Sanofi-Synthelabo SA	Aventis SA	60.24
32	2018	Takeda Pharmaceutical Co Ltd	Shire PLC	60.12
33	2000	Shareholders	Nortel Networks Corp	59.97
34	2002	Pfizer Inc	Pharmacia Corp	59.52
35	2010	Preferred Shareholders	American International Group	58.98
36	2004	JPMorgan Chase & Co	Bank One Corp,Chicago,IL	58.66
37	2016	Bayer AG	Monsanto Co	56.60
38	1999	Qwest Commun Intl Inc	US WEST Inc	56.31
39	2015	Charter Communications Inc	Time Warner Cable Inc	55.64
40	2011	Shareholders	Abbott Labouratories-Research	55.51
41	2009	Vehicle Acq Holdings LLC	General Motors-Cert Assets	55.28
42	2005	Procter & Gamble Co	Gillette Co	54.91
43	1998	AT&T Corp	Tele-Communications Inc	53.59
44	1998	Bell Atlantic Corp	GTE Corp	53.41
45	2008	InBev NV	Anheuser-Busch Cos Inc	52.18
46	2007	Shareholders	Kraft Foods Inc	51.00
47	1999	Total Fina SA	Elf Aquitaine	50.07
48	1999	AT&T Corp	MediaOne Group Inc	49.28
49	2003	Bank of America Corp	FleetBoston Financial Corp,MA	49.26
50	2014	Shareholders	Paypal Holdings Inc	49.16

Source: IIMA Data 2022

Chapter 3 – Review of Literature

The impact of Socio-Cultural factors on outcomes of M&A has been explored in various studies primarily confined to developed countries like USA, UK, Canada and European Union. Socio-Cultural integration encompasses various human, social and cultural aspects of post-merger integration phase involving human issues related to justice, trust, identity and culture which calls for Socio-Cultural interventions(Schweiger & Goulet, 2005;Bjorkman *et al.,* 2007). Human resource management determinants are critical to the success of the merger and acquisition process (Rodríguez-Sánchez *et al.,* 2018). The research studies have attempted to explore the factors that influence the HR outcomes and attempt to identify the reasons for the success or failure of M&A.

This study assimilates the various perspectives of social dimensions of M&A to determine their impact on HR post-merger. In this chapter, the pertinent literature relevant to the study that describes the role of integration initiatives in forming psychological end states of employees manifested in HR outcomes has been presented. Analysis of literature reveals the Socio-Cultural dimensions (constructs) of M&A, which have been evaluated for their impact on HR outcomes (dependents) with role of each control variable examined in this relationship. The hypotheses have been formulated based upon the existing research gap.

3.1 Failure in M&A: A Vicious circle

It is well documented in the research studies that the failure rate in M&A is abnormally high. The causes of these failures have been analyzed from various perspectives. Harari (1997) has suggested reasons for repeated failure in M&A is due to the myopic vision of executives who focus on buying current competitors to gain market share and recommends a route of organic growth for firms. Balmer and Dinnie (1999) show that firms failed to address key issues of leadership and a proper communication plan for all stakeholders during the M&A phase. Gadiesh and Ormiston (2002) have identified five major causes of merger failure to be "*poor strategic rationale, mismatch of cultures, difficulties in communicating and leading the organization, poor integration planning and execution and paying too much for the target company*". They advocate the need for a clear strategic rationale for both pre- and post-merger behaviour. King *et al.* (2004), in a meta-analysis of commonly researched antecedent variables on M&A performance, concluded that their impact on the performance of M&A remains largely unexplained. Mitleton-Keely (2006), in a study conducted on 540 companies that participated in M&A, report five reasons for failure or potential failure of M&A stylized as soft issues of HR: -

1. Ignoring people & existing cultures
2. Integration was too slow
3. Lack of communication
4. In ability to address the issues related to retention of employees, suppliers and customers
5. Lack of clearly defined roles and responsibilities

Similar results have been obtained by scholars like Bijlsma-Frankema (2001), Faulker *et al.* (2002), Aguilera and Decker, (2004) and Krishnan *et al.* (2004), who underpinned M&A's failure on managers' lack of understanding of people factor, communication issues and cultural fit. Ulrich and Kummer (2007) have analyzed the reasons for choosing M&A in terms of why a deal fails, how failure is misinterpreted and why companies are convinced to try again. They called it as a 'Vicious Circle' from pressure to failure and have analyzed how failure can be broken. Bertoncelj (2013) attributed high failure rate as a consequence of current management and governance approach. Scholars like Sirower (1997), Early (2004), Bruner (2004), Jagersma (2005) and Ficery *et al.* (2007) have observed that vague and immeasurable definition of synergies to study competitive advantage as the major cause for companies to fall in the "Synergy Trap". Researchers and studies by consultancy firms like Cartwright and Cooper (1995), KPMG (1999), Bruner (2004), Bertoneclj and Kovac (2007) have identified the hard (Financial) and Soft (non-Financial) key success factors (KSF) that impact the M&A activities.

According to a KPMG study of 1999, "83% of all the mergers and acquisitions failed to produce any benefits to the shareholders and over half destroyed value". Renneboog and Vansteenkiste (2019) found that the failure or success of M&A is to be dependent on factors like serial acquisitions, CEO overconfidence, acquirer-target relatedness and complementarily shareholder intervention. Attah-Boakye *et al.* (2021) identified two vital aspects - size and profitability of the firm and how the outcome of M&A deal is significantly affected by the quality of the countries' economic and legal environment. The reason for failure often lies in neglecting a refined balance between hard KSF on one side and soft KSF on the other side, both of which complement each other and are collectively responsible for outcome of M&A.

The literature review and the data across various M&A deals points that despite the importance of M&A, the overall success rate is still abysmally low for varied reasons. We now search for plausible explanations, which could be for neglecting Human Resource factors or not taking some key but highly under-researched variables into cognizance. Scholars (Stahl & Voigt, 2005; Lodorfos & Boateng, 2006) have argued that cultural clashes and cultural incompatibility are the most frequent reasons for failure of M&A. Schuler and Jackson (2001) have advocated that combination of cultural differences and an ill-conceived human integration strategy as most prominent reason for failure of M&A. Hence, one of the biggest challenges in M&A is the human or cultural issues related to integration and its HR outcome. Shimzu *et al.* (2004) studied six behavioural constructs of cultural and relational fit, cultural and relational convergence, the human integration process, and organizational commitment as the potential success of M&A, all aspects related to the study are examined in detail in upcoming sections.

3.2 Processes of Socio-Cultural integration

Traditionally, the attempts to explain M&A outcome and high failure rate have been mainly focused on strategic and financial factors. However, a new vista of research has been directed at the Socio-Cultural and human resources issues involved in the integration of merging entities (Cartwright& Schoenberg, 2006; Teerikangas & Very, 2006; Weber &Tarba, 2010; Weber *et al.*, 2009, 2011; Gomes *et al.*, 2012). The impact of cultural fit on M&A performance has been explored in the studies of Weber *et al.*, 1996; Very *et al.*, 1997, Morosini, 1998; Brueller *et al.*, 2018; Dao and Bauer, 2020. Similarly, integration and its speed has been studied by Angwin, 2004; Buono & Bowditch, 1989;Homburg & Bucerius, 2006;Ellis *et al.*, 2012, organizational justice by Colliquit (2001) and communication and trust by Benner and Tushman (2003) and Graebner *et al.* (2017). Studies have broadly focused on the process of “*human integration*” (Birkinshaw *et al.*, 2000) or “*Socio-Cultural integration*” (Björkman *et al.*, 2007) as determinants of M&A success, or have sought to identify the factors and processes underlying the *"merger syndrome,"* which combines corporate mourning, worst-case rumours, stress reactions, and constricted communication (Marks & Mirvis,1998).

In terms of Socio-Cultural integration, to better study differences at the national and organizational cultural level in conjunction for their impact on the overall outcome of M&A, the influence exerted by Socio-Cultural integration processes is of paramount consideration. To determine important aspects of Socio-Cultural integration, the focus has been on social capital theory (Nahapiet & Ghoshal 1998; Tsai & Ghoshal, 1998). Research has explicitly and implicitly focused on the notion of social capital to explain the nature of inter-organizational alliances and M&A's (Shan *et al.*, 1994; Ahuja 1996; Madhavan 1996; Koka & Prescott 2002). Defined by Nahapiet and Ghoshal (1998), "*as the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit*", the nature of social capital is essential to explain performance differences among merging firms for two reasons (Koka & Prescott 2002). Primarily for ways of characterizing a firm's relationship set. On secondary aspects, it emphasizes the access to and flows of resources to the firm through its alliances. Social capital has three clusters of structural, relational and cognitive dimensions, respectively. Although the three dimensions are separated analytically, Nahapiet and Ghoshal (1998) recognize that many of the features are, in fact, highly interrelated. The structural dimension of social capital refers to the overall pattern of connections between employees –who you reach and how you reach them (Burt, 1992).

In contrast, the relational dimension describes the kind of personal relationships people have developed with each other (Granovetter, 1992). The cognitive size refers to those resources providing shared interpretations and systems of meaning among parties (Cicourel, 1973). Aspects of M&A Socio-Cultural integration that have been identified as relevant to synergy realization are - the creation of positive relationships (Stahl & Voigt 2005, 2008), the emergence of a sense of trust (Krug & Nigh 2001; Stahl & Sitkin 2005) and shared identity among organizational members (Larsson & Lubatkin 2001; Van Knippenberg *et al.*, 2002). The parameters of structural (interpersonal relationships), relational (trust) and cognitive (shared identity) social capital fit well with the guiding theoretical framework for advocating the use of social capital.

In cross-border M&A's, the structure of social network ties is paramount. Empirical evidences have shown 'extensive social ties across merging firms will foster an enhanced flow of information', leading to better decision making (Ishii & Xuan, 2010). Furthermore, the overall pattern of connections between the employees of two merging firms will affect how organizations can use their respective partner's external knowledge and learn from them (Yli-Renko *et al.*, 2001). Thus, the cross-firm social relationship is expected to strongly impact the results of Socio-Cultural integration of organizations in M&A.

For successful acculturation, the ultimate goal is a *shared identity*. From a social identity perspective, a merger may be defined as 'a formal re-categorization of two social groups as one new group' (Van Knippenberg *et al.*, 2002). The former pre-merger group now gets incorporated in the new group, so the process may be viewed as a continuation of this group even though the merged group is new. However, it now also incorporates includes the merger partner, thus implying a change in group membership (Van Knippenberg *et al.,* 2002). This interplay between 'new' and 'old' can create a shared identity whereby the beliefs, assumptions, and values of two previously independent work forces form a jointly determined culture (Larsson & Lubatkin, 2001). If a shared identity is created by merging entities, it is natural to expect above average performance to be achieved. Hence, research should focus on enacting forces of interpersonal relationship, trust and shared identity and its role on the overall outcome of M&A.

Trust also plays a vital role in the integration process following an M&A (Stahl & Sitkin, 2005). Research on intra- and inter-organizational trust has demonstrated the importance of trust for the overall success of M&A. The study has shown that trust can improve problem-solving, communication and enhance employee commitment (Jones & George, 1998; Rousseau *et al.*, 1998; Dirks & Ferrin, 2001). Trust is also of critical importance to forming and implementing cooperative alliances between firms (Das & Teng, 1998; Zaheer *et al.*, 1998). Collaborative alliances share many characteristics with M&A's, and therefore it is not surprising that trust also plays an essential role in the M&A process (Stahl & Sitkin, 2005). Interviews with managers and employees of acquired organizations (Krug & Nigh,

2001) have confirmed that trust is critical to the successful integration of merging firms. The ease with which two distinct organizations become one - is an essential determinant for merger success (Bereskin *et al.*, 2018). Wenjia (2019) has conducted a recent study on HR integration in cross-border post-acquisitions, reviewing the content and process of HR integration. The results demonstrate HR integration mechanisms to bear a critical component at each step of integration of businesses in an M&A, plays a key role as means of carrier of knowledge transfer, helps in synergy creation, as the moderator for process harmonization and change management.

3.3 Mechanism of Integration

An integration process attempts to implement organizational change affecting the acquired entity and, more importantly, merging employees to align the new unit with the desired strategic direction. In terms of the process view of M&A, the objective of the integration phase is to create an environment conducive for capability transfer. The progress of acquisitions further depends upon the kinds and quality of interactions between the two parties and how typical integration-related problems are avoided (Jemison & Sitkin 1986, Haspeslagh & Jemison 1991). More specifically, the significance of linking the pre- and post-deal phases has been emphasized (Marks, 1982; Hunt, 1990; Haspeslagh & Jemison, 1991; Haspeslagh & Farquhar, 1994; Krüger & Müller-Stevans, 1994), together with the complex nature of this relationship (Kitching, 1967; Marks & Mirvis, 1982; Shanley, 1994; Hajiro, 2015; Graebner *et al.*, 2017; Steigenberger, 2017). In M&A integration, the magnitude of handling two sub-processes has been outlined (Birkinshaw *et al.*, 2000; Stahl & Voigt, 2008). The Socio-Cultural process referred to as human integration involves managing the human factors and considering the role social categorization plays in combinations while the organizational process. Task integration involves managing the organization of the new entity around structure, systems and procedures, which has been termed by Osarenkhoe and Hyder (2015) as classical process perspective.

Research demonstrates that overall effective integration is an interactive process, requiring both human and task integration efforts. Poor human integration often blocks the successful task integration and task integration cannot be realized if the success with human integration has not been achieved (Birkinshaw *et al.*, 2000). It is also stated that human integration should proceed with task integration. It has observed that adjusting the speed of task and human integration separately exerts a positive effect on the performance of M&A's (Birkinshaw *et al.*, 2000; Gates & Very, 2003; Schweizer, 2005; Bauer *et al.*, 2016). Post-merger integration - the ease, with which two distinct organizations become one, is an essential determinant for merger success (Bereskin *et al.*, 2018). The process view consequently emphasizes key management capabilities (Jemison & Sitkin, 1986; Haspelagh & Jemison, 1991; Zollo & Singh, 2004) to reap the benefits of integration. The knowledge approach to M&A integration supports the process perspective (Jemison & Sitkin, 1986). Consistent with the organizational learning perspective in M&A (Vermeulen & Barkema, 2001), integration is contingent upon learning to build shared understanding.

Hence effective task integration and human integration are contingent on mutually reinforcing practices to foster learning and bonding in international combinations. The learning mechanisms likely to be implemented by integration managers are cultural awareness seminars, cross-cultural knowledge management teams and joint learning teams (Grotenhuis & Weggeman, 1999). The bonding mechanisms includes dedicated integration task forces and committees, international staff meetings, mixed project teams, joint functional meetings, and personnel rotation (Brannen & Peterson, 2009), inter-unit communication (Shrivastava, 1986).The complexity and inherent causal ambiguity of combining related activities, which originate in different organizational boundaries, make post-acquisition integration a complex, unpredictable, uncertain and ambiguous phenomenon, and perhaps the most challenging phase in M&A (Varra, 2003; Grabner,2004; Cording *et al.*, 2008; Gomes *et al.*, 2011).

3.3.1 Human Integration

The organizational behavioural school has studied the implications of acquisitions at the individual and organization levels, introducing the idea that it is the quality of the integration process that determines the success of the M&A (Meglio, 2002).Human integration focuses on employee satisfaction and creating a shared identity (Birkinshaw *et al.*, 2000) by emphasizing on collaborative problem solving to reconcile conflicts and reduce employee uncertainty from acquisitions (Jansen *et al.*, 2009).The organizational behaviour school implicitly and sometimes explicitly acknowledges human integration as one of the most critical yet least controllable issues in M&A (Shrivastava, 1986). Post-merger integration (PMI) and soft issues of M&A have received increased attention because the disappointing results of M&A which might be attributed to poor human integration (Appelbaum *et al.*, 2000; Marks & Mirvis, 2011; Weber & Fried, 2011a; Sarala *et al.*, 2016). Birkinshaw *et al.* (2000) found that successful integration requires two phases. Human integration is the focus area of managers in the first phase with the aim to foster cultural convergence, mutual respect and satisfaction on task integration. In phase two, renewed vigour is on task integration for building upon the success of human integration. Human integration should hence endeavour to build mutual respect and a sense of shared identity among merging employees & human integration is necessary for better task integration. Research has shown that human integration is of critical importance for M&A performance since it enhances the willingness of employees to share knowledge, interact and cooperate with those of another company (Larsson & Finkelstein, 1999).

Without human integration, employees' uncertainty about the future can create both active and passive employee resistance that reduces performance at the individual and collective levels that can hinder achieving an acquisition's desired goals (Larsson & Finkelstein, 1999). For example, stress from changing procedures and workplace norms (Cartwright & Cooper, 1993; Covin *et al.*, 1996) have been associated with lower cognitive efficiency and performance, and unpredictable failures in coordination (Snook, 2000). Seo and Hill (2005) established that there is a need for a more systematic approach toward human integration in acquisitions by integrating various theoretical streams and M&A literature into one by defining the various stages and their characteristics. On the one hand, slower integration is credited with improved relationship formation and lower conflict (Ranft & Lord, 2002; Homburg & Bucerius, 2006; Gomes *et al.*, 2013). Further, trust-building needs time, but it has positive financial effects in the long run (Bijlsma-Frankema, 2001). At the same time, rapid change helps in minimizing uncertainty related to new procedures and norms post-acquisition (Covin *et al.*, 1996; Amis *et al.*, 2004). Zollo and Singh (2004) have proposed that the benefits accruing from cost efficiencies gained by achieving higher levels of human integration may be greater than the cost inherent to the integration process.

Early human integration, including staff efforts to learn the culture of another company, may lead to a more benevolent attitude towards collaborative realization (Schweiger & Goulet, 2005). Dao and Bauer (2020) proposed that human integration and its consequences for HRM need to be considered in a context-dependent manner. Human integration is an evolving event, as employees evolve from the integration process. To better establish an understanding for implications in human resource management, it is imperative that changes need to be analyzed over time. Finally, research needs to consider new methods or their combinations to overcome the denaturalization of humans in M&A. Uzelac *et al.* (2016) discusses the effect of post-merger transition speed on the execution of M&A and the driving role of decision-making priorities. The results of the analysis are focused on 99 M&A exchanges with acquirers from the German-speaking region of Europe, which indicate that rapid human integration is beneficial for M&A implementation. In contrast, rapid integration of assignments has a crucial negative impact. Di Mao (2021) states that human integration requires careful and deliberate decision making to design human integration programmes focusing on the development of activities like "*corporate culture coaching, collaborative games, team-building missions, and group tourism*" . The human integration mechanism from the target to the acquired firm is a complicated task. Hence a deliberate decision-making style can promote both the speed of human integration as well as the performance of M&A's.

Since Socio-Cultural and human resources issues are a significant discriminator among firms, lack of human integration may be counterproductive to the realization of projected synergies (Larsson & Finkelstein, 1999; Birkinshaw *et al.*, 2000; Stahl& Voigt, 2008; Bauer& Matzler, 2014; Krug *et al.*, 2014). Even though research on integration has made serious progress in understanding the phenomenon, there is still no common understanding of M&A integration. At the same time, managers continue to attribute M&A failure to cultural or other soft problems (Vaara *et al.*, 2014). In particular, the effects on the human side of M&A integration and its antecedents and consequences are less explored and understood (Sarala, Vaara, & Junni, 2019). Hence, the current study attempts to study the role of human integration on the overall outcome of M&A by studying its effects on HR outcomes.

3.3.2 Task Integration

Task integration mechanism has been proposed and conceptualized by scholars like Shrivastav (1986), Nahavandi and Malekzadeh (1988), Haspelagh and Jemison (1991), Mirvis and Marks (1992), Brikinshaw *et al* (2000), Stahl and Voigt (2008) as a complementarily to human integration. Task integration entails managing the organization of the merged entity in terms of structural, systematic and procedural changes to achieve operational synergies or integration. Collectively the merging partners share each other's distinctive capabilities and bring synergy in *"tasks*" of R&D, production, marketing and areas contributing to competitive advantage by means of organizational practices and coordinated systems. Hence, scholars have observed that knowledge transfer and resource sharing are facilitated and effective task integration translates into operational synergies, coordination and shorter periods (Cheng, 1984; Reus & Lamont, 2008, Zhang *et al.*, 2015). Birkinshaw *et al.* (2000) proposed the concept of Post-Merger Integration (PMI) from a process perspective, whereby human and task integration are processes that can be understood separately.

Task integration involves endeavours for synergy creation, knowledge transfer, and resources to perform certain tasks or activities. Symbiotic relationships exist between integration mechanism and interplay of task and human integration with an affective commitment of employees reflected in their intention to either stay or leave the organization, which affects productivity and ultimately the performance of the organization. Effective task integration and human integration are dependent on jointly reinforcing practices to foster learning and bonding in international deals. Task integration of processes crosses multiple disciplines, such as production, marketing, accounting and finance, with each area offering potential coordination problems and conflicts (Shrivastava, 1986). Coordination costs represent a significant reason for lower acquisition performance (Zhou, 2011) as integration also disrupts the environment for coordinating work (Paruchuri *et al.*, 2006; Ullrich & van Dick, 2007), with greater integration becoming increasingly difficult (DiGeorgio, 2002; Puranam *et al.*, 2009). Additionally, faster integration of processes results in less communication (Saorin-Iborra, 2008), when additional time for participative decision making helps employees to adopt new routines (Nemanich & Vera, 2009).

On the other hand, Bauer and Matzler (2014) stated that PMI is not one dimensional, but task integration is necessary for resource and capability sharing. The speed of task integration needs to be slower than human integration (Brikinshaw *et al.*, 2000; Bauer *et al.*, 2016). It has been observed that adjusting the speed of task and human integration separately exerts a positive effect on the performance of M&A’s (Birkinshaw *et al.*, 2000; Gates and Very, 2003; Schweizer, 2005; Bauer *et al.*, 2016). Bauer *et al.* (2016), in their study of 116 acquisitions between 2007 to 2009 in Europe, concluded that acquisition experience and cultural fit both moderates faster task integration, as it can be codified. Bansal (2020) has concluded that human, cultural and task integration are three factors that lead to forming the employee’s perception of justice during M&A, which influences the synergy realization and psychological outcomes of the employees. The existing literature review of human and task integration acts as a guiding principle to build all these research questions related to integration mechanism: -

Research question/prepositions 1 – Are Task integration activities positively related to employees’ level of satisfaction, adoption, commitment and achievement in the merged entity to the extent to which they affect the outcome of M&A.

Research question/prepositions 2 – Are Human integration activities positively related to employees’ level of satisfaction, adoption , commitment and achievement in the merged entity to the extent that affect the outcome of M&A.

Research question/prepositions 3-Does Integration[1] as a latent variable has any mediating role on HR outcomes of M&A.

3.4 Culture

Hofstede (1980) has defined culture as "*The collective programming of the mind which distinguishes the members of one human group or category of people from another*." The concept of “culture" is used both for nations and organizations. National and corporate cultures differ in terms of how culture is manifested in each symbol, hero, ritual, and value (Adler, 1997). Buono and Bowditch (1989) claim

[1]As a Latent Variable.

culture has many meanings and interpretations associated with its meaning. The authors also mention that about 164 different definitions & meanings of culture were identified by Deresky (1997). In the context of M&A, a distinction needs to be made between national and organizational culture. While national culture may be defined as "*the collective programming of the mind* "by (Hofstede 1980) which is measured in terms of differences in management style, business practices or work-related values and norms. Hence the national cultural distance hypothesis proposes the complexities involved in cross-cultural contact are higher if the cultural difference between the nations of the merging organization is disparate (Hofstede, 1980; Kogut & Singh, 1998). As national culture is believed to operate at a deeper level and is learnt early (Hofstede 1980), it is expected that national cultural differences create relatively more significant barriers to successful integration than do organizational cultural differences (Stahl & Voigt, 2008).

Organizational culture has been defined as "*a set of norms and values that are widely shared and strongly held throughout the organization*" (O'Reilly & Chatman, 1996). They argue that organizational culture may be a source of confusion, hostility and trust deficit in merging organizations. In line with the culture fit perspective, it has been proposed that organizational cultural differences can pose significant barriers to achieving integration benefits. They have to be considered at an early stage of the M&A process (Cartwright & Cooper, 1996). The degree of culture compatibility between the organizations involved in a merger or an acquisition has been identified as a critical determinant of the subsequent integration process (David & Singh 1994; Cartwright & Cooper 1996; Javidan & House 2002). Thus, cultural distance hypothesis works at three different levels.

I. At National level, example US Vs UK culture
II. At Organizations level, example Oracle vs. Sun culture
III. National and Organizational Level combined, example Tata Vs. Corus culture

Employees often react negatively to M&A referred as "cultural clash" and are shown to have dysfunctional consequences like lack of commitment, increased turnover and decline in shareholders' value (Buono & Bowditch, 1989; Sales & Mirvis, 1984; Chatterjee et al., 1992; Lubatkin *et al.*, 1999). Scholars (Weber, 1996; Very *et al.,* 1997) have identified process of "Socio-Cultural integration" as vital factor for poor performance of M&A.Stahl and Voigt (2005) study on the impact of cultural difference on M&A performance have identified Socio-Cultural integration measures of voluntary turnover and stress as essential variables for M&A outcome. Scholars have argued that lack of cultural fit as major cause for high failure of M&A (Cartwright & Cooper, 1993; Weber, 1996; Teerikangas &Very, 2006; Weber *et al.*, 2009, 2011). Hence researchers suggest the need for merging companies to strive to achieve a level of cultural fit to avoid conflicts and create shareholders value (Nahavandi & Malekzadeh, 1988; Chatterjee *et al.* 1992).

There is also a need for studies at the organizational level for corporate culture difference (Chatterjee *et al.*, 1992) to differences in norms and values shared at the level of organizations to studies at the level of countries (Olie, 1990) probing into detrimental effects of differences at national cultures of acquiring and the acquired organisations. Taken collectively, cross-border mergers are an arduous task involving double-layer acculturation (Barkerma *et al.*, 1996). At national and organizational levels, similarities in norms and values are argued to ease the development of trust and post-acquisition success (Williams, 2001; Björkman *et al.*, 2007). Other scholars have reported that cultural difference positively affects M&A outcome (Weber *et al.,* 1996; Larsson & Lubatkin, 2001; Ahammad & Glaister, 2011). Research into cultural differences on the Socio-Cultural dimensions of M&A has yielded mixed results. The contradictory findings suggest the relationship between culture, post-merger integration processes, and overall outcomes to be more complex and may necessitate further and detailed empirical enquiry (Stahl & Voigt, 2008), which will be the focus on our examination in upcoming sections.

Culture is also a significant determinant of strategies and tactics in international business negotiation because negotiations involve communication, time, and power, and these variables vary across different cultures (Ghauri & Usunier, 2003). There is increasing literature on culture and negotiation detailing the influence of culture on negotiation tactics, and outcomes await further scholarly inquiry (Gelfand & Dyer, 2000). Khan *et al.* (2017) show that distributed leadership increases the chance of the emerging economies' multinational enterprises

(EMNEs) cross-border M&A success through the mediating role of socialization integration mechanisms. Leadership is essential for M&A's aligning organisations and culture with the expectations of M&A's (Sitkin & Pablo, 2005; Waldman & Javidan, 2009; Gomes *et al.*, 2012; Rao-Nicholson *et al.*, 2020).

Negotiation has been investigated mainly from social psychological and behavioural decision perspectives (Bazerman *et al.*, 2000; Ghauri, 2003; Thompson *et al.*, 2010). International business negotiations received increasing attention as a part of the managerial process, highly relevant to implementing international business strategies ranging from macro-strategic perspective on organizations to micro-behavioural views on individuals (Ghauri & Usunier,2003; Weiss, 2006). From the negotiation process perspective, Ghauri (2003) structures the international business negotiation process in the pre-negotiation, negotiation, and post-negotiation stages, each influenced by factors such as culture, strategy, background, and atmosphere.

As a metaphor, the inter-cultural negotiation process resembles a dance, where one person does the waltz with another doing the tango (Adair & Brett, 2005). Viewing a kind of 'dilemma of differences', the different cultural scripts present procedural conflict at the bargaining table, while differences in preferences present opportunities for both parties (Tinsley *et al.*,1999;Tinsley, 2001). Multiple models of negotiation exist (Lewicki *et al.*, 1992), such as the parties' relationship and parties' behaviours (Weiss, 1993), the stages view of negotiation (Graham,1985b), cultural influences (Gelfand & Brett, 2004), self-regulation (Brett *et al.*, 1999) and dynamics of relational self (Gelfand *et al.*, 2006).

Culture can influence the process of business negotiations (Graham, 1985b), and business negotiations vary across cultural groups (Graham *et al.*, 1994). Understanding culture and cross-cultural issues is central to understanding negotiation in today's globalised and interdependent world (Gelfand & Brett, 2004). Two functions of negotiations exist, namely, ''value creation'' via integrative negotiation (win-win) and ''value claiming'' via distributive negotiation (win-lose), according to Thompson *et al.* (2010) with the former approach preferred by both merging entities in international combinations.

3.4.1Organizational culture differences

Organizational culture differences have been observed to affect post-merger integration and performance (Weber, 1996; Weber *et al*.,1996; Weber & Tarba, 2012). The meta-analysis conducted by Stahl and Voigt (2008) points out that cultural differences affect Socio-Cultural integration and synergy realization and increases shareholder value. Social and operational integration mechanisms are conducive to the post-acquisition transfer of capabilities (Bjorkman *et al.*, 2007). Moreover, various cultural integration mechanisms, such as communication (Schweiger &Denisi, 1991; Weber & Tarba, 2010) and use of expatriates (Hebert *et al.*, 2005) can be effective means for overcoming the cultural distance between the amalgamating entities.

The influence of corporate culture differences and other human factors on the effectiveness of the post-acquisition integration is complex and varies across different industry sectors (Weber, 1996;Weber *et al.*, 1996; Weber & Fried, 2011a, 2011b). For example, Sarala (2010) indicated that organizational culture differences increase post-acquisition conflicts, leading to inferior post-acquisition performance. Idris *et al.* (2015) stated that for successful M&A integration, early planning, deploying the best people in charge of implementation and corporate culture integration are essential activities. Although corporate culture analysis can alleviate the tension between the acquiring and target firms during the M&A process (Weber *et al.*, 2011, 2012;Weber & Tarba, 2012), it can be argued that organizational culture distance cannot be easily overcome and is expected to influence the M&A outcome. Karimi (2019) in his study for companies listed in Nairobi stock exchange showed that corporate culture influences workers and even cultural variations influence employee loyalty. Merger success depends on employees' involvement, and the way the knowledge about merger is conveyed to the employees is very significant.

3.4.2 National cultural differences

Several research studies have advanced our understanding of the effects of national and organizational culture differences and of post-acquisition integration mechanisms (Sarala, 2010; Sarala &Vaara, 2010). Hofstede’s (1980) national culture values framework has been used in a variety of studies in management and psychology (Kirkman *et al.*, 2006). The relationship between national cultural distance and Cross Border Acquisition (CBA) performance remains a puzzle. Some studies point to positive effects and others highlight the negative ones (Rottig *et al.*, 2013). In his explorative study of cross-border mergers and acquisitions, Angwin (2001) concluded that national cultural distance plays an important role in affecting the acquirer's perceptions of target companies, which affects post-acquisition performance. The role of national cultural distance on cross border acquisition performance has also been validated by scholars (Chakrabarti *et al.*, 2009). Based on their study, the authors concluded that acquisitions performance to be better in the long run when the target and the acquirer are from culturally disparate nations. Results were also driven largely by national cultural distance instead of dimension-wise differences except for masculinity dimension differences.

Reus and Lamont (2009) indicated that national cultural distance impedes the understanding ability of key capabilities that need to be transferred, constrains communication between acquirers and their acquired units, thus having a negative indirect effect on acquisition performance. Uhlenbruck (2004) study of 170 acquisitions in Europe concludes that national cultural distance is responsible for reducing the extent to which acquirers learn from experiences abroad and hinders the sales growth of acquired firms. Bhaskaran and Gligorovska (2009) stated the need to re-examine the fallacy that a homogenous national culture influences organizational culture. Organizational culture is influenced more significantly by several factors other than national culture. Yet rather strikingly, Slangen (2006) showed that the planned level of post-acquisition integration moderates the relationship between national cultural distance and acquisition performance, manifested at levels of planned integration, at a high level a negative impact while at low level a positive impact on acquisition performance.

The specific dimension of national culture can help elucidate the post-acquisition integration approach and subsequent post-acquisition performance (Morosini *et al.*, 1998; Sarala & Vaara, 2010; Weber *et al.*, 2011;Liu & Woywode, 2013). Sachsenmaier and Guo (2019) proposed a three-stage cross-cultural confidence development theory, indicating that faith can be built on financial variables, advanced by mutual understanding, unwavering consistency & passionate bonding.

Furthermore, national cultural distance can prompt learning in the context of CBAs because differences in beliefs, values, and practices can promote learning and innovation (Barkema &Vermeulen, 1998; Vermeulen & Barkema, 2001). Holtbrugge and Mohr (2010) have shown that national cultural values affect the learning style preferences of individuals. Hence, it can be reasonably argued based on existing literature that national culture distance may serve both as an opportunity or threat. The way it is handled will determine the outcome for the M&A.

3.4.3 Organizational and National Culture difference

Culture is manifested at various levels with organizational & national culture two important level of analysis in research. Various studies like that of Barkema *et al.* 1996; KPMG, 1999; Tusi & Tollefson;2007, Dauber; 2011 & 2012; Weber & Traba, 2012 etc. have over the time established the importance of culture integration as critical and most important parameter for success or failure of M&A even more so in cross border M&A(CBA).

CBA are even more complex as they involve a "*Double-Layer Acculturation*" process at the level of national and organizational cultures, respectively. Scholars like Lubatkin (1983), Chatterjee *et al.* (1992), Datta and Puia (1995) and Haleblian and Finkelstein (1999) have identified some prominent factors in an international transaction having a bearing on the outcome of M&A, which among other things includes pre-M&A organizational cultural fit the relatedness of trade-off to be merged companies, cultural distance, and prior acquisition learning experience. However, Chakrabarti *et al.* (2009) study of 800 acquisition cases found that CBA performs better in the longer term if the firms are culturally distinct, contrary to the common understanding.

Larsson and Lubatkin (2001) have stated that culture influences individual commitment, which leads to an impact on the productivity of the organization. Cultural differences manifested by the country of the acquirer and acquired parameters may create organizational challenges that impede integration and increase integration cost (Cartwright & Price, 2003; Brock, 2005). National culture differences are often the reason for complicating business transactions (Hofstede, 1980) and are linked to a high M&A failure rate in tandem with organizational culture (Olie, 1990 & 1994). Cultural compatibility influences satisfaction and adoption among employees' is inconsonance with studies of earlier researchers (Dass, 2008; Weber & Traba, 2010).

Andreassi *et al.* (2014) examines the effect of high-performance HRM practices on job satisfaction across four cultural regions - Asia, Europe, North America, and Latin America. The result indicates that HRM practices are valued differently across cultures. Hence managers should avoid imposing one's culture on others at the workplace as the same is not directly transferable. While Hofstede (2015) advocated that cross-culture management can benefit immensely from models of micro-processes that either create or sustain culture, yielding patterns at group or organizational level.

Ahammad *et al.* (2014) in a survey of 591 UK firm examined the direct effect of national as well as organizational cultural difference in CBA success with mediating role of knowledge transfer on outcome of M&A. They concluded that differences at national and organizational level helps in creating unique knowledge-based resources and promotes firms to actively transfer these in the merging entity. Hence, even though scholars and researchers acknowledge the utility of cross-border merger and acquisition, its success is not guaranteed. Child *et al.* (2001) that the benefits offered by cross cross-cultural M&A to MNCs are accompanied by tremendous challenges, especially at post-acquisition stage (Shimizu *et al.*, 2004).

Given the increasing number of cross border M&A & their growing importance in the global market, a better understanding of the opportunities & challenges for the firms following this strategy is required, but as Shimizu *et al.* (2004) pointed out, neither scholars nor practitioners have an understanding of the variables involved (Weber & Drori,2011). Cross Border M&A include as most significant risk cultural, regulatory or risk in a competitive environment in the target market, Firstbrook (2007). KPMG study of 1999 showed only 17 % created while 53% destroyed it in cross border M&A. Hence CBA are risky proposition requiring extensive analysis. In cultural situations, when companies hail from culturally diverse backgrounds, problems encountered increase manifold.

In a Bain & Company study involving 250 global executives, 83% of the participants stated that dealing with the culture integration as early as possible was the leading success factor for M&A integrations (Harding & Rovit, 2004). In another study of 125 American based M&A valued above US $1 billion from 1996 to 2000, Bain & Company found issues related to cultural integration were deal makers or breakers. Ironically, the cultural differences themselves did not significantly impact success, but early identifications & proactively dealing with existing cultural issues resulted in up to a 13.9% increase in shareholder return (Harding & Rovit, 2004).

Scholars (Morosini *et al.,* 1998) have advocated for embracing cultural difference in M&A integration as it has shown to have both synergistic as well as disruptive effects, it may be an asset not a liability per se. So, it is imperative for top management to take into consideration cultural differences into account as enablers for M&A integration instead of neglecting those (Ashkenas & Francis, 2000).Therefore, culture acts as a double-edged sword requiring superior integration capabilities by incorporating learning and bonding mechanism.

Hence, it can be argued that cultural capability directly relates to the M&A outcome but how it affects the Socio-Cultural dynamics of M&A deserves proper research. But while scholars have made advances in measuring the cultural dynamics, there is an urgent need to define, conceptualize and measure cultural constructs accurately. Besides, scholars argue for a multi-level view of culture in organizational and sociological research instead of the current one level of culture: either national or corporate (Teerikangas & Very, 2006). Modern researchers have also taken national cultural distance and organizational culture differences as distinct constructs on the assumption of not being significantly correlated. Therefore, the existing literature review of culture and its various types of differences acts as a guiding principle to build this research question: -

Research question/prepositions 4 –Is Cultural compatibility of the merging entities positively related to employees' level of satisfaction, adoption, commitment and achievement to the extent to affect the outcome of M&A.

3.5 Communication

Communication is an integral part of the M&A negotiation process and during the post-merger integration phase. The process schools highlight communication as the most critical success factor for integration (Schweiger & DeNisi, 1991; Badhe, 2003; Bryson, 2003; Weber *et al.*, 2012 & 2014; Angwin *et al.*, 2016). Controlled communication enables employees to make sense of merger promoting cooperation is hence a facilitator of M&A process (Jetten *et al.*, 2002; Epstein, 2004; Lüscher & Lewis, 2008), continual and transparent communication is considered as a depiction of trust and justice (Schweiger & DeNisi, 1991; Ellis *et al.*, 2009) and communication policy is vital in bridging cultural differences (Smith & Hershman, 1999; Appelbaum *et al.*, 2000a; Weber& Traba, 2013). Communication has been studied in various research on some key parameters like consistency (Clement & Greenspan, 1998 ;Hubbard, 2001), medium of communication (Riad & Vaara, 2011; Riad *et al.*, 2012) frequency (Burns & Rosen, 1997b; Appelbaum *et al.*, 2000a; Hubbard, 2001), timing of communication program (Cartwright & Cooper, 1996; Clemente & Greenspan, 1998), management reliability (Nikandrou *et al.*, 2000) and honesty (Burns & Rosen, 1997b; Appelbaum *et al.*, 2000a;Hubbard, 2001).

For the post-acquisition integration process, communication is the most critical component. In their research, Balmer and Dinnie (1999) have highlighted the need to take care of corporate identity and corporate communication issues. Contact between employees of the two companies is needed for managerial and cultural integration (Shrivastava, 1986). The creation of communication channels can facilitate the coordination and knowledge flows between firms (Chesbrough & Teece, 2002). The release of a preview of merger announcement reduced dysfunctional outcomes of a merger compared to the employees who received limited information (Schweiger & Denisi, 1991).Messmer (2006) has identified two issues, i.e., early communication & staff involvement, to effectively deal with anxiety among employees during the merger phase. While former includes timely, honest and direct information, the latter includes guarantee of cooperation and support for PMI phase. Together these will reduce the risk of rumours, misunderstanding and wrong expectations.

Appelbaum *et al.* (2007) states communication influences the employee's adoption of a new culture, ability to cope with stress & maintain the change process & that communication is difficult to achieve since the communication process faces numerous potential roadblocks. Feldman and Murata (1991) have advocated the essentiality of good communication and management strategies during the M&A phase. Lodorfos and Boateng (2006) suggest that managers must actively involve all stakeholders, especially employees, in the merger processes by timely and honest two-way communication.

It is urged to take a contextual view of communication in order to understand negotiation process, whereas different situational conditions can affect the patterns of frequencies, sequences, and phases of negotiation communication (Weingart & Olekalns, 2004). Despite similarities between the negotiating parties in national culture and language, the merger negotiation between two large telecom operators, the Swedish Telia and the Norwegian Telenor, eventually failed mainly due to communication strategies (Fang *et al.,* 2004; Meyer &Altenborg, 2008).

The medium choice of communication affects the negotiation process and outcomes (Valley *et al.,*1998). Face-to-face communication enables participants to foster greater rapport and cooperation than audio-only communication (Drolet & Morris, 2000). However, when arousal is high, audio-only communication may reduce the likelihood of pressure tactics (Lewis & Fry, 1977). The negotiation process of M&A has benefitted immensely by advancement in technology and modern communication channels like mobile, fax, internet, & social media. Moreover, media accounts of acquisition can promote international relations, which may affect international acquisitions (Riad *et al.,* 2012).

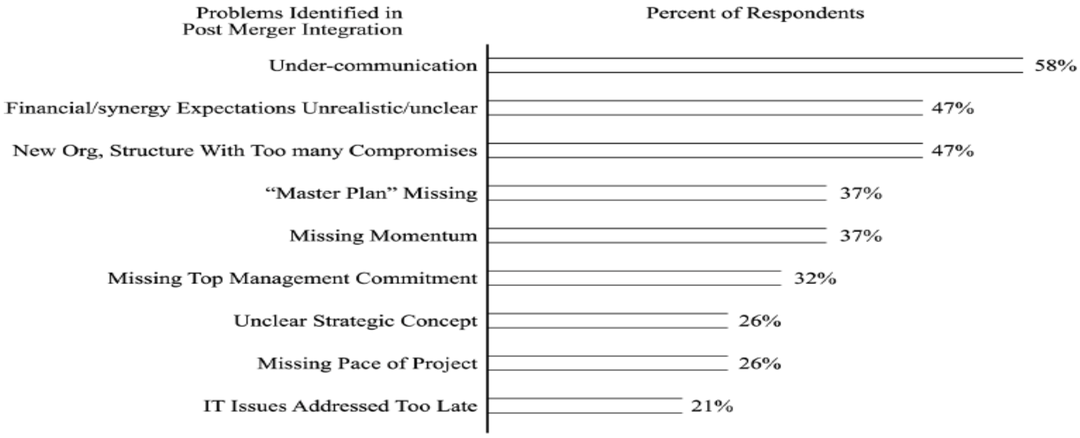
Interestingly, Saorı´n-Iborra (2008) reached to the conclusion that the time pressure perceived by negotiation parties during acquisition negotiations impacts the communication between them. Another study using interaction data from employee communication logs found out that the communication patterns across firms develop slowly, and communication routines persist even in an acquisition event (Allatta & Singh, 2011). The intended integration approach is ‘‘*absorption acquisition*’’. There is a relatively high need for interdependence between the firms to transfer capabilities and a low need for autonomy between firms to preserve the boundaries (Haspeslagh & Jemison, 1991). However, the communication patterns are slow to change, even in such an active high-level integration mode. A clear communication strategy, aligned with the integration strategy and the desired culture of the new organization, is a critical component of a successful integration strategy (Gomes *et al.*, 2011). During the negotiation phase of cross border M&A, clear and frequent communication involving key stakeholders help the merging entities better to understand the expectations and the post-merger integration strategy. Thus, integrative negotiation process in CBA is smoothened by the use of this communication strategy.

According to Datta and Yu (1991), the better informed the acquiring firm is of the target firm, the better are the odds of attaining the most significant benefits from the negotiation process. Coff(1999) observed the role of lengthening of the negotiation process in knowledge-intensive industries leading to slower momentum, thereby allowing the negotiating parties to share information without time pressures better. In the same vein, Weber *et al.* (2014) note that information exchange between amalgamating entities can reduce ambiguity, thus improving the chances of negotiations and also the overall M&A deal success.

Nanna-Balle (2008) has hence defined communication as a strategic tool in the integration phase of M&A and role played by middle managers as change agents, on which the entire integration process hinges. Hence for dealing with massive change, a meticulous thought through communication plan is essential for its success. Ahmmad *et al.* (2016) observes that communication influences the effectiveness of the antecedent phase of the negotiation process and the effectiveness of the concurrent phase in conjunction with cultural distance factors. Zagelmeyer *et al.* (2018) commented on the role of management communication and information flows during all stages of an M&A process. These are effective events that trigger positive or negative emotions in a cognitive appraisal process. These emotions drastically influence employee attitudes, behaviour, and performance; drastically influence employee attitudes, behaviour, performance, and overall outcome of M&A.

The relative importance of communication in the overall outcome of M&A success or failure have been brought about by a study of AT Kearney Global PMI survey of 500 senior executives in the year 1998/99 it is communication, rather than lack of it which was the biggest reasons for the failure of M&A during integration (58%) as highlighted in Figure 3.1 below:-

Figure 3.1: Problems in Post-Merger Integration



Source: "A.T. Kearney's Global PMI survey 1998-99"

In their research, Angwin *et al.* (2016) concluded that even though effective two-way communication is critical in M&A outcomes, yet hardly any research has studied the linkages between different communication approaches and M&A outcomes, proposed new communication typologies found association between employee commitment and merger performance. Using case study-based analysis, the authors found the relative importance of communication in M&A and are the first to show it in the context of African banking M&As. Devine (2002) has stated that implementing an acquisition requires consistent, content-rich & customized communication. Mitleton-Kelly (2006) described lack of integration as a communication issue and a reason for failed M&A.

Hence, there is unanimity that effective organizational communication during the M&A phase helps in reducing uncertainty, merger mania, enhances post M&A commitment in amalgamated unit, helps in transition phase, and increases overall M&A success rate (Risberg, 2001;Aguilera & Dencker, 2004; Allatta & Singh, 2011). Therefore, research and studies on communication have forced scholars to recommend that companies create a process of flexible, timely and continuous communication program to communicate to employees as early as possible for the impact the integration process will have on them. Hence it is imperative to empirically test the relationship, if any, between communication strategies and its influence on M&A performance. Therefore, based on these studies we develop the next research questions on communication and its interplay with culture: -

Research question/prepositions 5 –Are communication initiatives undertaken during M&A impacts the psychological outcomes of employees' level of satisfaction, adoption, commitment and achievement to the extent to affect the outcome of M&A.

Research question/prepositions 6- Does Cultural fit[2] as a latent variable have any mediating role on HR outcomes of M&A.

3.6 Organizational Justice

Organizational justice may be defined as the way employees perceive that they are being treated in a fair and just manner. The interpersonal relationship between employees and management influences the parameter of justice in an organisation. It is argued that there is a correlation between the ethical behaviour of employees and organisational justice. From a psychological perspective, the treatment of employees by their employers can result in an emotional response that makes justice the centre of attention (Lind and Tyler, 1998; Cropanzano *et al.*, 2001; Elis *et al.*, 2009; Schlindwein & Geppert, 2020). Limited studies have shown positive effects of justice perceptions on employees' reactions in reorganization (Brockner *et al.*, 1994; Mansour-Cole & Scott, 1998; Kernan & Hanges, 2002; Neves & Caetano, 2006).

Lipponen *et al.* (2004) in their cross-sectional study examined the relationships among post-merger organizational identification, perceptions of common in-group identity, and procedural and interactional justice in an organizational merger. The authors found a positive relation between post-merger organizational identification and perceptions of common in group identity, which resulted in a positive attitude towards employees of the merging firm. Klendauer and Deller (2009) have examined how the organizational commitment of managers in merger is affected due to perspective of three justice scale of distributive, procedural and interactional justice. Interactional fairness was found to have stronger relationship with affective commitment and positive changes in job commitment (Amiot *et al.*, 2007) in comparison to distributive & procedural justice. Also, internal communication helps in increasing managers' affective commitment if the procedure is fair, while

[2]As a latent variable.

Tyler (1988) concluded that procedural fairness is more significant than that of distributive justice in determining employees' level of trust.

Cho *et al.* (2017) stated that human resources managers must pay attention to the psychological stability of employees during mergers which are a significant factor that effects the commitment of the employee. Research has also found organization justice to influence employee's attitudes strongly and behaviours in forms that are manifested employing psychological withdrawal and voluntary turnover (Seo & Hill, 2005). Mitchell *et al.* (2001) propounded and influential theory on turnover, the Job Embeddedness Model (JEM) which argues that "links" an employee has within workplace can have a significant influence on turnover. These links were empirically examined by Soltis *et al.* (2013) in their study on role of social support and distributive justice on employees' turnover and the authors observed a complex interplay of formal and informal social ties influencing employees' desire to harbour turnover intention.

Monin *et al.* (2013) states that justice is important in sense-making during M&A. Bansal (2020) has stated that human, cultural and task integration are three factors which lead to forming of the employee's perception of justice during M&A, which influences the synergy realization and psychological outcomes of the employees. Researchers have started analysing how the ethical behaviour of employees is impacted by organisational justice four factors of - distributive, procedural, informational, and interpersonal justice though belatedly as stated by Cartwright (2005). Hence the organisational justice theory, studies & research work provides a mechanism to understand better and empirically test employees, perception of trust, fairness and change management during M&A (Komodromos, 2013). The following sub-sections have discussed the distributive justice – focussing on employee retention and interpersonal justice focussing on employee identity.

3.6.1 Retention of employees

Several studies have shown that the turnover intention of managers at the acquired firms is higher than at firms not engaged in acquisitions (Cannella & Hambrick, 1993; Krug & Hegarty, 1997, 2001). According to Price (1977), Turnover is the movement of members across the boundary of the organization wherein (a) *Voluntary* means a show-motto action on the part of employees leaving the organization and (b) *Involuntary* – the employees are forced to leave. The voluntary turnover is hypothesized to reflect M&A failure and is expensive primarily because of the significant cost involved in training and loss of employee expertise (Baron & Krepps, 1999; Noe *et al.*, 2010). A variety of factors can be drawn from the literature that influence employee turnover like Justice (Price, 2001), Stress (Muller, 1994; Cooke *et al.*, 2020), Autonomy (Price & Mueller, 1990), Social Support (Soltis *et al.*, 2013), Employees' Organizational Identification (VanKnippenberg *et al.,* 2002; Holtom *et al.,* 2005) Supervisor Support (Merartz *et al.*, 2007), Recognition (Arkoubi *et al.*, 2007).

Various studies indicate that the top management turnover is higher than average in acquired firms (Walsh 1988; Lubatkin *et al.,* 1999; Krug 2003; Krug *et al.,* 2014). Walsh (1988) first reported that 25% of top managers left the company in the first year after *acquisition* and only 40% of top managers stayed with the acquired company five years after acquisition. Cannella and Hambrick (1993) analysis of 197 largest traded U.S companies acquired between 1980 and 1985 show that 49% of the target firm's executive departed by the end of 2^{nd} year of acquisition, and more senior executive departed more quickly than less senior executives. Krishnan *et al.* (1997) analysis of 147 publicly traded targets between 1986 and 1988 reveals that by the end of 3^{rd} year, 47% of target company senior executives leave the organization.

Buchholtz *et al.* (2003) investigated top management turnover and reported that about 75% of top managers left the company by the end of the third year after acquisition. Krug (2003) study of 730 firms, out of which 585 were acquired *vis-a-vis* a control group of 145 companies not acquired, shows that poorly performing firms are most likely to make changes in their executive teams. In the same vein, Bergh (2001) explored the association between target company executive retention and the probability of target firm divesture and found that target firms with the highest of divesture are the fewest incumbent executives retained. The acquired firms that successfully retain their executives are least likely to be divested.

According to Cannella and Hambrick (1993), managers are an integral part of the acquired company's resource foundation. Therefore, one of the significant determinants of acquisition success is the retention of acquired firm employees. Thus, the acquisition's success can depend largely on the retention of employees, their skills and knowledge (Walsh & Ellwood, 1991;Ahammad *et al*.,2012; Krug *et al*.,2014). Studies suggest that top management turnover in M&A's has important implications for post-acquisition performance (Walsh, 1989;Cannella & Hambrick 1993; Haleblian *et al.* 2009; Amie *et al.,* 2010; Butler *et al.,* 2012). An employee retention plan can lower CEO resistance to takeover (Buchholtz & Ribbens, 1994).

When the value of the acquisition is generated by leveraging the knowledge present in the human capital of the target firm, it is crucial to avoid the turnover of key staff to retain competitive advantage of firm (Ranft & Lord, 2002; Aime *et al.,* 2010; Ployhart *et al.,* 2014). Post-acquisition integration, which includes coordination between the two firms engaged in the acquisition, is considered to be one of the most important factors in realizing the synergistic benefits of the M&A (Larsson & Finkelstein, 1999; Larsson & Lubatkin, 2001; Byun *et al.,* 2020). Employee retention is an essential component in successful integration management (Gomes *et al.,* 2011; Weber *et al.,* 2011).

Difference in HR policy of acquiring and acquired organisations may have serious bearing on retention, satisfaction and employee performance. Although human resources (HR) practices such as training, communication, and autonomy are important to M&A performance, there is no clear best practice to address the cross-cultural conflict situation that can arise in CBAs in which employee turnover is more than normal (Krug & Aguilera,2004; Weber & Tarba, 2010; Weber *et al.,* 2011). Weber and Tarba (2010) suggest that acquiring companies should use HR practices to develop integration capabilities during the post-acquisition phase to improve M&A performance. Post-acquisition integration is influenced by the national institutional environment, including the complex legal and labour market arrangements in different countries (Capron & Guillen, 2009). CBAs performance can be improved provided the perception of employees of the target firm is positive concerning their retention policy and potential for job creation in the merging company.

The cornerstone of the process-based view of absorptive capacity is the organization's stock of prior knowledge, which is at the basis of the knowledge flow within the organization (Lane *et al.,* 2006). Furthermore, as highlighted by Weber and Tarba (2011), Weber *et al.* (2012) and Weber, Tarba, and Oberg (2014), the combinative competencies, namely organizational processes by which firms acquire and synthesize knowledge resources in order to realize the synergy potential, are of utmost importance for M&A success. Jansen *et al.* (2005) study identifies differential effects for components of absorptive capacity manifested at twin levels of organizational mechanisms linked to coordination capabilities which improves a unit's potential absorptive capacity while socialization capabilities increase a unit's realized absorptive capacity.

It can be argued that both national cultural distance and organizational culture differences affect absorptive capacity (Vaara *et al.*, 2012). In the case of international acquisitions, the prospect of the acquired firm providing a distinct set of routines and capabilities enhances in the presence of national cultural distance (Morosini *et al.*, 1998), ones which cannot be replicated in the home country and are distinct from those of the acquiring firms. In a similar vein, this benefit can be complemented in the transfer of distinct capabilities and expertise offered by acquiring firm, which may not be easily replicated in the host country of acquired firm. Hence cultural distance helps in the creation of rich knowledge-based resources characterized by ambiguity and social complexity. Besides, differences in national cultural and organizational culture may facilitate the formation of knowledge-based resources and encourage the transfer of knowledge in the merging entities, leading to the creation of competitive advantage for the firm. Thus, the competitive advantage of the combined firm is enhanced due to knowledge-based resources, resulting in improved competitive advantage of the combined firm. This results in improved post-acquisition performance in the long term. National and organizational culture mediates the overall relationship between knowledge transfer and CBA outcome.

The existing research results also validate the findings that the performance of CBAs is directly affected by three factors of knowledge transfer, cultural distance, and employee retention; the latter two factors also mediating the relationship between knowledge transfer and CBA performance. Debgey *et al.* (2019) have stated that acquired firm loss of autonomy moderates acquired firm employee retention and on larger scale employees' commitment and involvement in the acquired firm. Liu *et al.* (2021) have done pioneering work on analyzing temporal and spatial dimensions of bi-cultural talent management in cross border mergers.

Several studies (Cannella & Hambrick, 1993; Hambrick & Cannella, 1993;Zollo & Singh,1998; Lubatkin *et al.,* 1999) contend that the departure of incumbent senior management from acquired companies has a negative effect on M&A performance because of the severe disruptions caused by uncertainty, organizational conflicts, and the loss of key talent at the acquired firms. Other studies and meta-analyses (Ernst & Vitt, 2000; Ranft & Lord, 2000, 2002; Ranft, 2006; Butler *et al.,* 2012) also provide corroborative evidence that high turnover can adversely affect M&A performance but not all turnover may be dysfunctional as studies have pointed out how non performing employees leaving the organisation may help in improving performance (Nyberg, 2010; Ployhart *et al.,* 2014).

Ranft and Lord (2000) hence maintain that retention of key employees is a prerequisite for the successful appropriation of competencies by the acquiring firm. Knowledge embedded in the acquired firm can only be transferred to the amalgamated firm if the employees are retained. Tacit knowledge is difficult to articulate and codify; it is primarily ''*acquired by and stored within individuals in the highly specialized form*'' (Grant, 1996). Individuals with tacit or special knowledge are critical for a long-lasting competitive advantage to the firm; retention of such employees is critical to knowledge transfer. Hence the real challenge is to retain employees with high human capital whose skills help in formation of value creation in M&A (Pablo, 1994). A study based on 75 high-tech acquisitions indicates that extensive communication and preservation of key employees is conducive to the transfer of knowledge in acquisitions (Ranft, 2006) and prior acquisition experience influences acquisition performance (Zollo & Singh, 2004).

Assuming acquisition as a type of knowledge, it may well be argued that the key employees affect knowledge transfer from the prior acquisition to the current deal. Ellis *et al.* (2011) proposed retention of top executives in largely related acquisitions may help acquirer accumulate experiences from smaller related acquisitions. Then even in the absence of key employees' retention, the effect knowledge transfer on CBA performance might be eradicated. By contrast, a study based on grounded qualitative research argues that greater autonomy granted to the target firm may inhibit the transfer of acquired firm's technologies and capabilities inherent in its tacit knowledge (Ranft & Lord, 2002).

A key research area is a negative relationship between top management turnover post-merger and post-acquisition performance in a concentrated effort to better understand the underlining causes for high attrition of executives of acquired firm. Hence, focus should be on the retention of key employees during the merger to maximise knowledge transfer and understand antecedents behind increased departures. Most acquiring firms want the talent of the acquired firm to stay in place for the benefit of potential synergy (Brueller *et al.*, 2016; Sarala *et al.*, 2016; Graebner *et al.*, 2017). As advocated by Krug *et al.* (2014) "*turnover may best be understood by looking at executives' psychological attributes and perceptions of the acquisition*". This research focuses on the same by studying turnover dimensions on dependent variables representing the psychological state of merging employees.

3.6.2 Social Identity Theory (SIT)

Merger processes from an intergroup perspective has been studied by various scholars (Haunschild *et al.*, 1994; Terry & Callan, 1998; van Knippenberg & van Leeuwen, 2001). Since organizational mergers have an abysmal low success rate, it is paramount to understand the necessary conditions determining the possible success or failure of mergers. The inter group perspective is an objective way to consider responses to merger of organizations. A certain structural condition characterizes organizational mergers—two companies merge into a single entity. Hence, new group identity is imposed on the group members of the merging organizations (Haunschild *et al.*, 1994). These intergroup dynamics play an important role at the beginning of a merger process and may jeopardize the success of a merger (Blake & Mouton, 1985; Buono & Bowditch, 1989). These dynamics can understand by the twin concepts of social identity theory and social identity model. The social identity theory (SIT) according to Tajfel and Turner (1986) and Riketta (2005), is regarding group processes and group relation while the social identity model of post-merger identification is based on the perspective of a possible decrease in the status position within the merger of high-status group and low status group (Van Knippenberg & Van Leeuwen, 2001). Hence all M&A are characterized by premerger phase status, which is jointly influenced by members' premerger status and perceived merger patterns on merger support.

Social identity theory (Tajfel & Turner, 1986; Hogg & Abrams, 1988; Hogg & Terry, 2000) is a conceptual theory of group processes and intergroup relations. This theory is based on the premise of individuals perceiving the social world in terms of social categories. The perceived membership in social categories contributes the self-definition of individuals. Hence, it can be argued that individuals not only define themselves on the twin concepts of personal identity but also social identity. Hence, group membership acts as a catalyst in transforming self-interest and motivation into collective interest and motivation.

Hence, perceptions of group-level consequences should impact individual evaluations and decisions (de Cremer & van Vugt, 1999; Haslam, 2001), assuming that individuals strive to achieve or maintain a positive self-concept. The social identity valence is evaluated on the twin basis of membership in social groups or categories and their value connotations *vis-a-vis* relevant reference group. SIT predicts that subgroups will tend to maintain their boundaries as a strategy against merging into a larger group (Pettigrew,1979; Hogg & Terry 2000) while organizational identity—as a construct linking the individual to their organizational group—represents an important basis for social identity (Hogg & Terry 2000; Haslam *et al.* 2003).

Hence, employees of merging firms may cooperate with merged organizations only if they are either able to maintain their former identity or are legitimately adapted to the new identity by the dominant group (Hornsey, 2008). Hence PMI phase may well see protracted attempt where each group tries to demarcate its boundary, and any integration attempt is construed as a threat to their identity. The organizational identity as defined by Stets and Burke (2003) through integration has social and material consequences. It may have positive aspects in the form of cohesion, solidarity, operate effectively and common purpose on the one hand but dysfunctional aspects in control, conflict and power relations (Sveningsson & Alvesson 2003).

Developing further on SIT, Van Knippenberg and Van Leeuwen (2001) have postulated the social identity model of post-merger identification taking status relation of groups involved in M&A into account. While employees of dominant organization feel a sense of continuity of their pre-merger identity and will try to maintain their premerger position. As a result, high status group will identify strongly with the merged entity while the reverse holds true for the low-status group. This model is inconsistent with earlier research (van Knippenberg *et al.*, 2002) and the perception that a high-status group will dominate the merger (Dackert *et al.*, 2003). Therefore, the support levels in merger patterns may be contingent on group membership in high or low-status group organizations. The different perspective might lead to the development of an attitude of "*Us*" versus "*Them*" during the integration phase of the merger (Buono & Bowdwitch, 1989) which may affect its outcome.

Hogg and Terry (2000) proposed that organizational behaviour can be understood by identity-related constructs and processes. A new phase in organizational behaviour research can be ushered by using individual level and group level constructs in models of organizational phenomenon like M&A. Using SIT, they propounded that belief about nature of relationship between in group and concerned out-group will determine success of mergers by positive social identity. Weber and Drori (2011) developed a framework for the successful formation of a new post-merger organizational identity, can act to moderate the effects of culture clash in M&A's on acquired management attitudes and behaviour and to reduce high levels of key talent and top management turnover, thereby influencing post-merger integration success. The theory has been applied in studying organizational processes (Haslam, 2001; Hogg & Terry, 2000). Moreover, SIT has been used to understand the intergroup dynamics during organizational mergers (Terry, 2001; van Knippenberg & van Leeuwen, 2001). Recent studies focus on multiple identities and discursive and constructed approaches (Sveningsson & Alvesson 2003; Karreman & Alvesson 2004). Research has demonstrated that socio-structural characteristics of linkages between the merging groups impact on intergroup conflict and employee responses to the merger, which helps us to build upon the following research question:-

Research question/prepositions 7– Does perception of organizational justice positively impact the psychological outcomes of employees' level of satisfaction, adoption, commitment and achievement to the extent that it affects the outcome of M&A.

3.7 Human Resource Outcomes

3.7.1 Satisfaction

Martin and Roodt (2008) define job satisfaction as effective work orientation towards employee present job & employer. Empirically it has been associated with increased job performance (Iaffaldano & Muchinsky, 1985), lower intention to leave (Cropanzano *et al.* 1997) and less turnover (Irvine & Evans, 1995). Scholars have in their study found complex interplay between job satisfaction, organisational commitment and turnover (Price, 2001; Van Dick *et al.,* 2004; Al Arkoubi *et al.,* 2007) .The Socio-Cultural parameter of satisfaction among the affected employees during M&A has also been key topic of research by scholars (Marks & Mirvis, 2002; Weber & Traba, 2010) as an important construct to measure M&A performance. Price and Muller (1981) postulate a model that indicates that employees value certain conditions of work and if these conditions are found in the workplace, employees will be more satisfied and committed and less likely to leave.

Research has also found organization justice to strongly influence employees' attitudes and behaviours in forms manifested by means of psychological withdrawal and voluntary turnover (Seo & Hill, 2005). Sinkovics *et al.* (2011) state that employees who perceive managerial action as unfair reacted with anger, disillusionment, lowers job satisfaction and subsequently job withdrawal. A sense of grief engulfed the employees who were previously satisfied with the pre-merger firm and become more dissatisfied in the new firm. Employees' biases during the integration phase are a possible source of conflict. Employees even participate in acts of rejection and non-compliance towards the parent company (Diven, 1984; Pikula, 1999).

Meyer and Allen (1991) validated the existing literature that employees with strong affective commitment have shown fewer turnovers and remain in the organization. The same is also consistent with the study of Herscovitch and Meyer (2002) who argue that employees exhibiting affective commitment, a desire to remain in an organization voluntarily are more likely to attend work regularly, perform task to the best of their ability and take more discretionary acts(autonomy), all of which increase productivity and commitment to work. Gunkel *et al.* (2016) proposed that managerial support influences the employees' emotions and active resistance behaviour. Managerial communication has effect only on employees' passive resistance behaviour but not on employees' emotion.

Besides work-related turnover, intention is significantly affected in a significant manner due to cultural dimensions but effect is limited in terms of employees' emotions.

Leon (2020) shows that managerial communication, managerial support and organizational culture are associated with turnover intention and management must develop a post-merger integration plan to attain competitive advantage and successful mergers and acquisitions. Employee satisfaction is believed to be dependent on human integration and facilitate creating shared identity among employees of the merged organization. Kavanagh and Ashkansay (2006) observed that companies adopt different approaches to achieve integration ranging from immediate to incremental approaches. However, a hurriedly executed integration result in turmoil (Burno & Bowditch,2003), while a slow approach to integration provides an opportunity for building resistance & anxiety, diffused focus & energy, negatively impacted employee satisfaction and performance (Rai & Sinhna,2002; Chanmugan *et al.*,2005; Mitleton-Kelly,2006). Hence the pace of integration needs to be optimal for ensuring employees satisfaction.

Human integration on commitment (Steele,2014), communication initiative on commitment and satisfaction (Dass,2008; Weber & Traba, 2010), Organizational justice on commitment and satisfaction (Cropanzano & Fogler,1991; Greenwood *et al.*, 1994; Tang & Baldwin,1996; Steensma & Van Millegen, 2003) have also been studied by researchers. Even though a direct relationship between job satisfaction & corporate performance remains to be established with certainty (Rusu *et al.*, 2006), it appears that lower job satisfaction is a cause of absenteeism, which in turn is shown to have a negative influence on organizational performance (Sousa-Poza,2000)

3.7.2 Adoption

Larsson and Risberg (1998) examines the effect of national and corporate culture clashes on staff responses and execution in M&A. Research on the influence of national and organizational cultural clashes on staff responses and M&A execution was carried out. Datta and Puia (1995) in concluding that wealth effects are affected by relatedness and cultural distance between merging firms and CBA fails to create value for acquiring firm shareholders. It is also suggested that even though cultural relatedness is not directly related to value creation, it has an important role in the value creation process. Weber (1996) found those relations between and the function of these factors of corporate culture fit and performance are complex. Lodorfos and Boateng (2006) examined the role of culture and provided a framework for enhancing the success rate of M&A.

CBA are even more complex as they involve a "*Double-layer Acculturation*" process at the level of national and organizational cultures, respectively. Scholars like Lubatkin (1983), Chatterjee *et al.* (1992), Datta and Puia (1995) and Haleblian and Finkelstein (1999) have identified some prominent factors in an international transaction having a bearing on the outcome of M&A, which among other things includes pre-M&A organizational cultural fit the relatedness of trade-off to be merged companies, cultural distance, and prior acquisition learning experience. Appelbaum *et al.* (2009) point out that although a strong organizational commitment is imperative when it comes to M&A performance and therefore success, organizational commitment is often reduced when a lack of cultural fit exists. Researchers (Weber *et al.*, 1996; Steele, 2014) propose that for an employee to be committed to the new organization after an acquisition, they need to exhibit proactive and adaptive behaviour.

Marks and Mirvis (2011) have proposed a system for how Human Resources Management (HRM) can work with corporate associates in M&A acculturation supervision. Their program *specifies* HR practices for four different social ends — pluralism, incorporation, assimilation and transition as cultural adoption end states for CBA. In the article "Opposing Position in M&A research: Culture, Integration & performance" by Daniel Dauber, University of Warwick, UK 2012, the author has made a review of 68 articles on M&A published in highly acclaimed journals. He defined different types of acculturation strategies namely integration, assimilation, separation & marginalization, for which integration has been wrongly used as a universal term. Integration being used and not measured accurately gives inconsistent and unreliable research findings. Dauber (2011) has also formulated a matrix for 16 acculturation strategies.

Weber and Traba (2012) indicated lack of cultural assessment at all stages of M&A, including screening, planning, and negotiation, was responsible for a high failure rate of M&A. Larsson and Lubatkin (2001) have stated that culture influences individual commitment, which leads to impact on the organisation's productivity. Culture differences manifested by the country of acquirer and acquired parameters may create organizational challenges that impede integration and increase integration cost (Cartwright & Price, 2003; Brock, 2005). National culture differences are often the reason for complicating business transactions (Hofstede, 1980) and are linked to high M&A failure rate in tandem with organizational culture (Olie, 1990 & 1994).

Cultural compatibility influences satisfaction and adoption among employees in consonance with studies of earlier researchers (Dass, 2008; Weber & Traba, 2010).Lin *et al.* (2015) proposed post acquisition performance has a three-way interaction with acquisition strategy, organizational integration and acculturation. Superior performance in related acquisitions is dependent upon tighter acculturation with higher organizational integration.

3.7.3 Affective Commitment

Meyer and Allen (1997) define affective commitment as "*The employee's emotional attachment to, identification with and involvement in the organization. Employees with a strong affective commitment continue employment with the organization because they want to do so*". They also explained that employee affective commitment is improved when their personal needs are fulfilled and strengthened by positive work experience. They also divided antecedents of affective commitment into three perceived self-justice, strong work ethics and expectation of success. These are also consistent with the study of Herscovitch and Meyer (2002), who argue on the same lines concerning need of affective commitment of employees. Khan *et al.* (2020) have analyzed employee emotional resilience during post-merger integration across national boundaries. Financial and non-financial rewards were found out to play a critical role in employees' emotional resilience. Another key dimension of employee emotional resilience was the operation of core principles of equity.

Meyer *et al.* (1993 & 1998) in various studies argue that affective commitment is likely to be strengthened by work experience. Meyer *et al.* (2002) also stated that employees who believed in the value and importance of change i.e., Merger, identified with the organization and become more involved in it. Uslu (2014) has advocated for innovative approaches to increase psychological ownership of employees which will have a positive effect on the job commitment via emotional commitment to the merged entity. In addition, M&A literature has confirmed a strong relationship between organizational commitment and the performance of M&A (Bijlisma-Frankema, 2001; Schuler &Jackson, 2001).

Birkinshaw *et al.* (2000) establishes a relationship between integration mechanism interplay of task & human integration with the affective commitment of employees reflected in their intention to either stay or leave the organization, which effects productivity and ultimately the performance of the organization. Hence existing research points to the changing nature of employment relationships in the form of M&A manifested in terms of employees' affective commitment. Therefore, cultural fit or acculturation between merging entities at the national and/or cross border level is a key adoption parameter for achieving post-merger integration and calls for cultural due diligence. Appelbaum *et al.* (2000) observed that though a robust organizational commitment is imperative for M&A performance and its success, organizational commitment is largely reduced when there is lack of cultural fit.

In their study, Cho *et al.* (2017) have suggested possible ways of increasing employees' affective commitment in a situation that witnesses frequent changes like in a merger, for which HR Managers need to focus on employee's psychological stability. Febriani and Yancey (2019) found that employees who underwent the preservation approach perceived less culture change during the merger and had employee engagement and greater organizational commitment as compared to those who went through a transformational approach. Degbey *et al.* (2020) have proposed that the effect of acquired firm employees' psychological ownership on employees' commitment and involvement and, ultimately, acquired firm employees' retention is moderated by loss of acquired firm autonomy. Hence affective commitment is an important workforce predictor of staff turnover and its consequential performance.

3.7.4 Achievement

The achievement aspect of M&A by the various stakeholders has been analyzed from the perspective of performance after the merger. Research on M&A has focused on several important issues, such as performance outcomes from acquisitive entry (Li & Nitsch *et al.*, 1996; Brouthers, 2002) and shareholders' wealth creation by cross border M&A (Kang, 1993; Datta& Puia, 1995). Recently, more attention has been paid to post M&A issues such as integration process(Weber *et al.*,1996 ;Child *et al.*,2001), integration process from an employee view point (Risberg,2001), post-M&A of acquired firms executives(Krug & Hegarty,2001; Krug & Nigh,2001), post-M&A performance of the acquired firm(Very *et al.*, 1997) and acquiring firms(Morosini *et al.*,1998; Larsson& Finkelstein,1999) & the resulting knowledge transfer & organizational learning(Bresman *et al.*, 1999; Bhagat *et al.*, 2002; Shimizu *et al.* ,2004; Brueller *et al.*, 2016).

In search of linkage between organizational initiatives and organizational M&A performance, various researches have measured M&A performance by various qualitative and quantitative data. Measures in organisational behaviour and strategic management which are widely used to determine M&A performance are: turnover (Arthur,1994; Huselid,1995; Singh,2000), productivity (Kaufman,1992, Youndt *et al*,1996), Job satisfaction (Paterson *et al.*,1997), profitability (Martell & Carroll,1995; Harel& Tzafir,1999), employee commitment to their organization (Barkema & Vermeulen,1998 &2001; Papadakis,2005), lack of feeling of work alienation (Kanungo,1992; Wheeler & Buckley,2001), & synergy realization (Chatterjee *et al.*, 1992).

In many such models though post acquisition performance has been found to be moderated by unspecified variables (King *et al.*, 2004) and metrics on performance rely on poor measures (Barkema & Schijven, 2008). Hence there is an urgent need for a holistic approach to understand what determines performance and consequence of M&A (Haleblian *et al*., 2009).There is also a need to measure M&A at organisational level (Meglio & Risberg, 2010) as well as integration level(Zollo & Meier, 2008). Scholars (King *et al.*, 2004; Zollo & Meier, 2008) have hence stressed on measuring M&A performance by combination of subjective and objective measures.

Though extensive research in the M&A field has proven effects of financials constructs on M&A performance, scholars have lately started to concede intercultural synergy factors as the root cause of the failure of M&A instead of traditional monetary, financial or legal issues. People issues i.e., intercultural differences causing communication breakdowns that results in poor productivity, be the cause of failure in 65% of M&A as per research findings. According to Weber and Drori (2011), the closer a parent company comes to the appropriate level of integration i.e., one that fits synergy potential and cultural dimensions, the higher level of performance of the M&A. However, research in how behavioural constructs affects M&A is largely limited till date. Scholars contend that the relationship between HR practices and organizational financial performance are complex and may depend upon several contingency variables (Paauwe & Farndale, 2006).

3.8 Control Variables

3.8.1 Size Aspect of M&A

The negative difference in the size of acquiring and acquired company may result in misunderstanding of disproportionate level and also reflect lack of empathy. It often results in a complete lack of knowledge on the part of large acquiring companies about the competencies required for managing a small company and reverses it. The difference in size may be measured in objective ways like the difference in the number of employees of the merging entities or differences in sales or their assets. Research on size of firm has shown mixed results with some scholars like Kusewitt Jr (1985), Mantravadi and Reddy, (2007), Kruse *et al*., (2007) and Prazio (2011) indicating positive effect of large size to others side of Brutton *et al.* (1994), Ramaswamy and Waeligin (2003) and Bradely *et al.* (2018) of small size advantage or size having no effect at all. Firm size has been found to influence performance as suggested by various scholars (Hitt *et al.*, 1997; Haleblian *et al.*, 2009; Shi &Prescott, 2012). Ahuja and Katia (2001) have concluded that success of merger is target and acquiring company is similar in size. The value of knowledge and skill is easier to recognize and assimilate in a situation where acquirer and target company size is either similar or the same size (Clioen & Lerinthal, 1990).

Homberg *et al.* (2009) concluded that it is necessary condition for realization of planned synergy that the acquirer is bigger than the target company. Frick and Torres (2002) stated that financial returns for acquirer shareholders are strongly influenced by average size of Target Company. The authors concluded that higher returns are generated for relatively small deals than larger one's average size of Target Company has a strong influence on financial returns for the acquirer. (Hackbarth &Morellec, 2008) observed that M&A in large transaction result in poor performance due to integration problems of acquirer's business system. Gorton *et al.* (2009) found empirical support for the identity of acquirers and target. The profitability of acquisition is dependent on firm size distribution within an industry. They also found higher returns being generated for smaller acquirers than larger acquirers.

Serrasqueiro and Nunes (2008) have identified various reasons for the impact of the firm's size on performance like larger firms benefitting from economies of scale, handle market volatility, and even risky situations, possibly due to diversification of activities. Studies have shown mixed results on the effect of size on the firm's performance. While some studies observed positive post acquisition accounting performance are mainly due to large mergers due to factors like increased asset productivity, enhanced customer attraction &employee productivity (Healy *et al.*, 1992), while others (Cornett & Tehranian, 1992) attributed it to asset growth while still others like Moeller *et al.* (2004 & 2005) indicate small acquirers undertaking small acquisition tend to result in positive announcement gains while large acquisition led to losses.

Fuller *et al.* (2002) observed returns to acquirers on the relative size of the target compared to the bidder varied for various types of offers, cash, stock, combination & stock financing. Even though firm size is likely to influence acquisition returns in important ways, its effects are highly complex and underdeveloped. Also study by Boateng *et al.* (2019) shows that the acquirer size, prior experience, conditions culture distance. Hence it leads to the following research question on size as a control variable of the research.

Research question/prepositions 8- Does difference in size of acquiring and acquired companies influence performance and hence overall outcome of M&A

3.8.2 Motives and Synergies of M&A

Motives for an M&A may vary based on the type of organization, industry or trade-related, country type (emerging, developed or developing), modes of entry type in foreign markets etc. Motive can also be classified as external (Growth, Globalization) or internal (synergy etc.). The motive has been selected as one of our control variables after carefully reviewing existing literature. As stated by Seth et *al.* (2002) understanding the motive is critical for understanding M&A outcome.

As a strategic management advocate, Porter (1985) said that the primary reason for an M&A is to achieve synergy by integrating two or more business units into a combination with an increased competitive advantage. Contemporary M&A are usually justified as an intention to provide cost-saving, akin to vertical integration strategy. Townsend (1968) stated that contemporary M&A are justified for cost saving by means of vertical integration synergy for companies meant to gain economies of scale or remove redundancies. M&A as competitive strategy such as entering a new product/market/geographical segment or changing basis of competition, motives would be to develop a new niche, product line extension, complement product/services (Levison, 1970), to increase market power (Trautwien, 1990; Pennig *et al.*; 1994), increasing market share (Gopinath, 2003), to synergy creation (Townsend, 1968;Porter, 1985; Campbell& Gold, 1998; Seth *et al.*; 2000&2002; Carpenter& Sanders, 2007). The categories were classified by Wheelan and Hunger (2001) into following types viz:-

a. Concentration Strategies: - Vertical and Horizontal Growth

b. Diversification Strategies: - Concentric and Conglomerate diversification

Researchers on diversification (Palich *et al.*,2000; Graham*et al.* 2002; Campa & Kedia, 2002) have questioned efficacies of diversification strategies as moving to have luck of existing resources and capabilities as a risky proposition (Shimzu *et al.* ,2006) with the high failure rate. Brock *et al.* (2006) also affirmed that diversifying firms must constantly cope with the influence of entering remote markets, unfamiliar legal system and foreign cultures. A Survey of research of firms' diversification has thus far not found these benefits to be consistently significant (Palich *et al.*, 2000; Hitt *et al.*, 2006).

The motive of firms from developing countries and that of emerging countries of economies like India, China etc. may also be markedly different (Tripathi & Lamba, 2015). In, their research of 69 deals by Asian MNC, the authors have identified five major motives for cross border M&A while also identifying different motives for developed & developing countries. The motive for firms in developed countries is more in terms of traditional synergies like becoming bigger by expansion, create economies of scale or to enter new product markets while that for firms in emerging economies/countries is to gain complementary competencies, absorption or access to technology, patents, copyrights or to gain scare resources and assets including financial capital (Luo & Tung, 2007). This fact has been supported in the study by Zhu *et al.* (2011), which investigated the motive of acquiring firms making a partial acquisition in emerging markets on a sample of 1171 domestic and cross border deals for the period spanning 1990-2007 and found that foreign firms acquire target firm featuring big size and financial performance that is associated with less competitive industries in host countries.

Synergy transferred during the integration process is through the transfer of capabilities & resource sharing, which leads to cost-saving and increased revenue. Haspeslaph and Jenison (1991) stated that synergies ultimately result from the interaction between the people in the organization. The onus in acquisition is on managers entrusted with the task of improving the company's competitive position and creating synergy or providing more muscle in the markets or with suppliers. In the absence of true synergies, the merger may result in sub-optimal benefits and a lack of integration effectiveness. Therefore, the higher the effectiveness of integration efforts put to bring about task integration and synergy integration, the higher the synergy potential (Weber& Drori, 2011). Thus, the integration process may be counterproductive to the merger's original rationale, i.e., acquisition of capabilities. The managers need to be considerate of this fact and hence need for granting autonomy wherever culture difference is essential to achieve merger goals is required.

Studies have found synergy as one of the most important motives of M&A's but have overlooked the investigation of the use and reporting of synergy value. For example, a KPMG(1999) study on post-merger integration described the importance of synergy during M&A. Synergy is achieved by combining disparate parts of the merged entity leading to increased revenues, higher efficiency and combined results greater than parts of standalone units. This cost or revenue synergy cannot be achieved by mere addition of either new technology or talented employees. Thus, as pointed out by Marks and Mirvis (1996) in merger of equals, merger strategists often devise changes in the form of a mutual learning process in which the members of both combining organisations take advantage of their counterparts' strength to revise and improve their practices.

But as pointed out by Steele (2014), in Asia, a sizable proportion of acquiring companies aren't rushing to become hands-on managers. A recent study conducted by Mckinsey, including 120 in-depth case studies of Asian acquirers, reveals that Asian firms take a different approach to cross-border M&A. About 50% of all deals did not aim for either rapid integration or maximization of synergy, while over 33% of deals entailed only limited functional integration with a special focus of business stability and on selective capturing of synergies in fields like procurement. No functional integration was attempted in another 10% of cases. The managers at Asian firms do a deliberate trade-off between maximizing gain to minimization of short-term risk of failure. These moves leverage them to expand geographically, product and capability wise. With time and a learning curve the acquirers gain experience overtime to operate and manage the merged firm. This approach termed 'light touch' has some core elements, including a 'minimalist' form of governance structure, retaining the core top management team, setting up key performance indicators, and very limited back-office integration.

In addition to the above studies, authors like Riikka *et al.* (2017) have argued for a detailed understanding of the "human side," which conceptualize M&A's as practice-oriented processes. Furthermore, for uncovering richness in the human side of M&A, the authors advocate for the essentiality of qualitative research, which needs to be supplemented by quantitative analysis. Finally, cross-fertilization between various methodologies is also essential in research in management studies. Teerikangas (2020) finds that M&A scholars make theoretical contributions using different theoretical positioning and research design strategies in his study of 76 papers published for the period of 1966 to 2016 in academic journals. Middle-range theorizing was contributed by the majority of papers, while some papers also contribute to higher-order thus leading to a call for renewal of former. Hence this leads to next research question on motive as a control variable of research.

Research question/prepositions 9- Is motive of M&A critical for understanding overall M&A outcome?

3.8.3 Country of the acquirer and acquired

The country of origin of the acquirer and acquired may affect the M&A outcomes. Countries may refer to a block or common category like developed, emerging or intermediate. Each country or economy may have different motives different for M&A. Cross border M&A has to undergo double-layered acculturation with a difference at the level of national and corporate culture. Culture as defined by Hofstede (2011) is defined as "*the collective programming of the mind, which distinguishes members of one category of people from another"*. Larsson and Lubatkin (2001) have stated that culture influences the commitment of the employee, having a direct bearing on the productivity of the organization. Culture differences manifested by the country of the acquirer and acquired parameters may create organizational challenges that impede integration and increase integration cost (Cartwright & Price, 2003; Brock, 2005). National culture differences are often cited as complicating business transactions (Hofstede, 1980) and are associated with high M&A failure rate (Li & Guisner, 1991).

Researchers have largely given primacy to national culture as it effects both cross border deal completion and post integration success (Weber *et al.*, 1996; Shimzu *et al.*, 2004; Chakrabarti *et al.*, 2009; Malhotra *et al.*, 2011) while Stahl and Voigt (2008) finds that organizational culture has a stronger impact on M&A than national culture as companies are involved in change process not countries. However, corporate culture is difficult to define and even harder to measure even though some say it is heavily influenced by national culture. Schien (1985) has defined corporate culture as "*Belief & value shared by senior managers regarding appropriate business practices*". Cultural difference studies have pointed to mixed results with some pointing to synergy by enhancing a variety of organization practices to help merging entities perform better (Chakrabarti *et al.*, 2009) while the majority say it impedes integration. Hence cultural difference may be an opportunity or a threat depending on how it is dealt but is critical for overall outcome of M&A. Recent studies have examined cultural distance and its impact on cross border acquisition success particularly in emerging markets (Chakrabarti *et al.*, 2009; Malhotra *et al.*, 2011; Ahern *et al.*, 2012). Researchers have questioned simplistic conceptualisation of national culture (Nakata & Shivkumar, 2001; Kirkmam *et al.,* 2006) and developing more robust cultural measures (Guest *et al.,* 2004).

Hence culture difference is of interest to scholars wishing to compare M&A activities between different countries acquirer and acquired with focus on impact if any of nationality is moderating the organization culture performance relationship. For study of culture parameters, several scholars have conceptualized culture. Still, the most robust, popular & widely used national culture difference framework is of Hofstede (2001), who, after an exhaustive study & analysis in 70 countries gave five dimensions of cultural assigning index scale to each & every country. The dimensions of individualism-collectivism, Uncertainty avoidance, power distance, masculinity-femininity and long-term orientation. Authors have analyzed moderating role of power distance which has significant impact on performance, in relationship with specific job characteristic & job satisfaction like to aspects of organizational or procedural justice (Lee *et al.,* 2000;Kirkman *et al.,* 2009;Loi *et al.,* 2012), empowering employees and to autonomy (Huang & Van de Vilert, 2003; Huie *et al.*, 2004; Fock *et al.*, 2013), power distance role in job characteristic/ satisfaction (Taras *et al.*,2012;Hauff& Richter, 2015).

Studies have found that acquirers hailing from nations with more rigid power structures perform better while acquiring targets belonging to countries with less rigid power structures. Cultural difference (power difference index of Hofstede) can potentially impact the post-acquisition integration process, if target firm characterized with rigid hierarchical power structure resists smooth assimilation into the acquiring firms' organizational structure. Potential of conflict is higher if both firms follow rigid power structure & target resists any loss of autonomy. While difference in individualism has positive effect, as acquirers coming from more individualistic societies benefit from higher synergies if target firm is from a collectivistic society.

Various scholars (Shimzu *et al.*, 2004; Collins *et al.*, 2009; Boatang *et al.*, 2011) have classified cross border acquisition determinants into three board categories: -

I. Factors at firm level (Firm size, financial resources, multinational experience, product diversity, acquisition prior experience & international strategy)

II. Factors at industry level (technology intensity, advertising intensity & sales force intensity)

III. Factors at country level (market growth potential, cultural distance, exchange rate, GDP growth, political & legal system, institutional law, tax regime & accounting systems)

On the basis of the said research studies the following research questions have been formulated: -

Research question/prepositions 10- Does acquirer's company home country has any influence on outcome of M&A?

Research question/prepositions 11- Does acquired's company home country has any influence on outcome of M&A?

3.9 Meta-analysis of research papers: Research findings

With the objective of providing a better understanding of Socio-Cultural dimensions of M&A on its performance and outcome, past research work was also reviewed in a comprehensive manner. Literature review of HR aspects of M&A have revealed specific patterns in the methodology adopted, themes, sub themes and continent wise variation. Meta-Analysis of 257 research papers on Socio-Cultural aspects in M&A for the time period of 1988 to 2020 was done for issues or key points emerging out of this research. After reviewing and assessing these papers, it was observed that lately, there had been significant growth in the research work associated with M&A's and their Socio-Cultural aspect.

As is substantially evident, Socio-Cultural differences in M&A can create obstacles as well as be a source of value creation and learning to achieve integration benefits. Socio-Cultural differences between merging firms may have an adverse impact on its post-merger economic profits. Capitalizing on the proposed gains from M&A requires extensive analysis to break the rigidities arising in knowledge transferring, resource sharing and reaping the advantages of potentially valuable capabilities and the ubiquity embedded in different cultural or institutional environment.

Results of the meta-analysis have revealed that while most methodology is case study and literature analysis; empirical studies are growing in popularity. The theme of Culture, HR issues and Value Creation are the most dominant sub-theme in the research paper. There is a vast difference about continents as well with Europe; America & Asia top three continents in terms of published paper. Asia has picked up dramatically in last two decades of 21st century and India has a huge potential for studies on Socio-Cultural aspects. These findings acted as a guiding principle in finalising dependent, independent and control parameters/variables for our research work. Summary of the literature on M&A suggests that the most popular methodologies exploring the HR aspect of M&A are Case Study Analysis and Literature Analysis. However, empirical analysis is picking up at a fast pace. The results of the analysis are depicted in the tables below (Tables 3.1 to 3.3).

Table 3.1: Summary results on Methodologies Adopted in research papers

Methodology	No. of Research Papers
Case Study	37
Critical review	9
Data Analysis	14
Empirical analysis	30
Field interview analysis	4
Framework Building	3
Knowledge-based review	5
Literature analysis	38
Longitudinal real time analysis	5
Market analysis	11
Random Sampling Method	4
Structural equation Model	13
Survey Analysis	22
Miscellaneous	62
Total	**257**

Table 3.2: Distribution of Research Papers across Continents

Continent	Frequency	Percentage
Europe	102	39.69%
America	80	31.13%
Asia	58	22.56%
Africa	5	1.95%
Australia	12	4.67%
Total	**257**	**100%**

Table 3.3 Distribution of Research Papers according to select Sub-Themes

S. No	Sub-theme	Number of papers
1	Papers specific to the aspect of culture in M&A	84
2	Papers elaborating on human resource management in M&A	46
3	Papers elucidating value creation in M&A	64
4	Papers on role of management in M&A	43
5	Papers on Organizational Behaviour in M&A	11
6	Papers related to Integration in M&A	9
TOTAL		**257**

Time period for Table 3.1 to 3.3: 1988 to 2020

Hence as observed in analysis of data, the majority of work on Socio-Cultural aspects has been done in Europe, America and Asia. Researchers in the past have not focused much on developing or under-developed economies However, it is observed that research in Asia has been picking up substantially in the last two decades of 21st century. The summary reveals the scope for research in the field in India has huge potential, which can benefit corporations and their managers dealing with M&A alike. Future researchers should focus on M&A's taking place in under-developed countries and how much attention is being paid to the Socio-Cultural dimension by these countries. The scope for researchers and scholars to explore this unchartered territory is enormous in the literary field. Hence, these findings are the cornerstone for valuable insight into our research framework in selection of methodology, sub themes of relevance of Socio-Cultural dimensions for study, and results of the research for their relevance to Indian Corporate landscape. The gap identified in research has been used as a rationale for development of hypotheses for testing.

Hence based on the analysis of existing literature and research studies, it is imperative to examine the effect of Socio-Cultural factors on post M&A performance. The need for a holistic approach on what determines M&A performance by means of combination of objective and subjective measures has been stressed upon. By arriving at underlying Socio-Cultural factors at play in M&A outcome, the results and overall success rate of M&A can be drastically improved.

Chapter 4 - Research Methodology

Research on M&A has focused on several issues. First, in search of linkage between organizational initiatives and organizational M&A performance, various researches have been conducted utilizing qualitative and quantitative data. Measures that are widely used to determine M&A performance include: *turnover* (Arthur, 1994; Huselid, 1995; Singh, 2000), *productivity* (Kaufman, 1992; Youndt *et al.* , 1996), *job satisfaction* (West *et al.* , 1997), *profitability* (Harel and Tzafir, 1999; Martell & Carroll, 1995), *employee commitment to their organization* (Barkema & Vermeulen, 2001; Papadakis, 2005), *lack of feeling of work alienation* (Kanungo, 1996; Buckley, 2001), *synergy realization* (Chatterjee *et al.* , 1992) etc. According to Weber and Drori (2011), the closer a parent company comes to an appropriate level of integration, i.e., one that fits synergy potential and cultural dimensions, the higher level of performance of the M&A.

M&A entails a shift in the roles of the merging or acquiring organization. A shift in these roles can result in dysfunctional behaviour, as described in the Kubler-Ross four-stage Model of Bereavement's (1969).Psychological tension caused by incompatible multiple roles can result in stress or, in the worst-case scenario, an employee leaving the organization (Katz & Kahn, 1979).With M&A engineering uncertainty with changes, the likelihood of an employee becoming depressed is high, and the employee may even find themselves unable to fit into a new or dominant organizational culture, resulting in additional stress (Cartwright & Cooper, 1990).

M&A are said to be disturbers of cultural equilibrium, frequently leading to organizational culture collisions and causing threats to employees' basic needs, be it social or security, resulting in job dissatisfaction and a lack of organizational commitment. Anxiety impact of M&A has been elaborated by researchers such as Schwinger and Denisi (1991) and Seo and Hill (2005). According to Cartwright and Schoenberg (2006), proper planning is essential and communication can be an effective way to cope with anxiety. Given that the relationship between HR practices and organizational financial performance is complex and may depend on several contingency variables (Paauwe & Farndale, 2006), the link between M&A performance and behavioural constructs is limited.

From strategic management, economics, finance, organizational behaviour, and process perspective, M&A is a vastly researched topic given its importance in the corporate world. However, there is a need to integrate the theoretical synthesis of various perspectives on M&A. Besides, as per the review of existing literature, very limited research studies have been carried out from a human resource perspective. This study is thus an attempt to study and evaluate the impact of Socio-Cultural aspects on the overall outcome of M&A to fill this existing research void, as various studies done on financial and strategic aspects have failed to account for the relatively high failure rate. M&A involves both hard and soft key success factors, both of which must be studied for the overall M&A outcome, the study emphasizes on due importance to soft aspects of M&A and analyses its role in overall outcome of M&A. Hence the overall aim of this research is to not only cover key soft issues of merger by synthesizing various schools of M&A but simultaneously utilising the correct methodology for empirical analysis of both qualitative as well as quantitative data.

4.1 Research Objectives

The study explores the various Socio-Cultural dimensions of M&A and their impact on the HR outcomes. More specifically, the study seeks to explore the following objectives.

a. To examine the impact of various Socio-Cultural dimensions on post-performance outcome of Mergers and Acquisitions (M&A). A conceptual framework has been developed of independent, control, mediating and dependent parameters.
b. To expound the influential factors underlying the success or failure of M&A deals with special focus on Indian context.
c. To formulate an effective Socio-Cultural framework for optimizing the efficiency of M&A.

Their relationship as in Para (a) above is studied by means of two moderating/latent parameters of integration and cultural fit and four control variables of size, country of acquirer, country of acquired and motive. The data collected by means of content analysis is tested empirically through statistical tools of chi square test and structure equation modeling (PLS) and mediation analysis. Finally, the results of the data are verified for reliability and validity constructs.

For study of same select M&A as in Para (b) above, case studies are examined for Socio-Cultural factors and the overall outcome of M&A has been explained in Socio-Cultural factors by means of case study analysis. The underpinning factors of Socio-Cultural dimensions have been enlisted and their impact on the overall outcome of M&A has been discussed.

With respect to Para (c) above, based on the finding of the empirical analysis and case study research, a model is formulated for Socio-Cultural parameters and its overall effect on the outcome of M&A. This has been done by using the results of structural equation modeling (PLS) method.

The overall purpose of this study is to examine the impact of organizational integration initiatives, organizational justice and cultural fit on employees' psychological outcomes which shape their reaction post integration phase of M&A. The integration initiatives include human and task integration mechanism, M&A related communication initiatives, cultural compatibility and organizational justice on psychological outcomes of satisfaction, adoption, affective commitment and achievement. In this context, the study empirically examines the impact of the following relationships: -

1. Integration initiatives on psychological outcomes during M&A transaction in terms of employees' attitude of satisfaction, adoption, affective commitment and achievement.
    - Organizational integration initiative (human, task, communication and cultural compatibility) on employees' attitude of satisfaction.
    - Organizational integration initiative (human, task, communication and cultural compatibility) on employees' attitude of adoption.
    - Organizational integration initiative (human, task, communication and cultural compatibility) on employees' attitude of affective commitment.
    - Organizational integration initiative (human, task, communication and cultural compatibility) on employees' achievement.
2. To study the impact of organizational justice on various psychological outcomes.

Apart from the above objectives, some select M&A transaction involving Indian Organizations (four out of five) have also been selected to study the effect of Socio-Cultural factors in Indian M&A Landscape. However, as already indicated, there is hardly any study worth mentioning in the Indian context for Socio-Cultural aspects of M&A.

4.2 Research Design

The study has undertaken a comprehensive review of existing literature to focus on key research paradigms of study. The analysis of the literature was carried out to identify the research gap and the methodologies currently used for research. Research design may be defined as the approach and strategy adopted for the study and the way a given strategy is executed by the processes. As per Robson (2002), "*Design is concerned with turning research questions into projects.*" Research design is the guiding force behind the research process from beginning to end as it specifies the framework within which all the essential work will be completed. Besides, research work needs to be of relevance to the problem statement under examination, and the procedure of research should be practically achievable. The objective or purpose of the research study determines the type of research design selected. The current study, therefore, is a combination of exploratory and descriptive methods of research to study the HR parameters of M&A.

Scholars are becoming more aware that mergers and acquisitions are multifaceted, complex phenomena that necessitate a multidisciplinary approach to research (Pablo, 1994;Larsson & Finkelstein, 1999).Mixed method research, which combines elements of quantitative and qualitative perspectives for the purpose of comprehensive understanding, is uncommon in M&A studies (Johnson *et al.* , 2007;Rouzies, 2010).This method has emerged as an alternative to the dichotomy between quantitative and quantitative schools and intends to overcome the limits of each traditional research design and hence has been proposed by various scholars for use in research (Jick, 1979; Parkhe, 1993;Creswell, 1994; Hurmerinta-Peltomäki & Nummela, 2006).

The study hence adopts a mixed-method research design wherein both quantitative and qualitative data are collected to study the correlates of integration initiatives, organizational justice, and cultural fit during M&A to gain a multidimensional picture of this complex phenomenon. Though mix method in M&A is very rare but it overcomes the limits of each traditional research design- qualitative and quantitative thus offering a balanced evaluation of M&A. The mixed methods approach aids in the generation of alternative explanations for the studied relationship, the development of stronger inferences based on collective results, the expression of divergent views, leading to balanced evaluation, and the avoidance of methodological conformity in the study of M&A (Teddlie & Tashakkori, 2009; Meglio & Risberg, 2010).

This approach to the study of M&A is drastically different from the traditional method of M&A studies in significant ways. First, the success parameter of M&A is measured in terms of the psychological state of affected employees, in contrast to the ambiguous criteria of accounting or finance which failed to measure success or failure of M&A accurately. Secondly, the integration initiatives are conceptualized in terms of both similarities as well as complementarities across businesses for competitive advantage. Thirdly, the study has taken into consideration control variables of finance, strategy, and organizational behaviour, which have synthesized with HR parameters of study with other M&A schools of thought. Finally, research in M&A has been limited largely with respect to negative employees' emotions that are generated while the current study aims to study on the likely effect of positive psychological attitude of employees on M&A outcome.

4.3 Method of research

The analysis of Socio-Cultural dimensions of M&A has been studied in the literature through qualitative analysis. The common procedure adopted by researchers conventionally is content analysis of case studies of M&A for the researched dimensions. Most of these dimensions are expressed by indicators that are qualitative. In this study the selected dimensions viz. (a) Task Integration, (b) Human Integration, (c) Organizational Justice, (d) Communication, and (e) Cultural Compatibility has been evaluated by qualitative statements (as per the perceived model). Therefore, the study has adopted case study methods to realize its objectives.

Case Study Research (CSR) is a qualitative research method to better understand a complex issue or object and add value to any existing research findings. The core emphasis in CSR is on detailed contextual analysis of a limited number of events or conditions and their relationships. CSR method has been a popular method used by researchers in variety of fields (Woodside &Wilson, 2003; Eriksson & Kovalainen, 2008; Woodside, 2010).

CSR is even more suited to the need of social scientists who utilize this method to examine contemporary real-life situation while also providing for the application of ideas and extension of methods. The case study research method is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1984). CSR is used mainly for two reasons, to find answers to 'why' and 'how' and to perform theory building research on concrete evidences and in-depth analysis (Eisenhardt & Graebner, 2007).

However, case studies may have certain complexity like those related to data from multiple sources, sub cases within a study, and producing exhaustive data for analysis. But despite this limitation, the case study method helps apply solutions to situations, build upon theory, apply solutions to situations, explore, or describe an object or phenomenon because Socio-Cultural parameters have overriding bearing on human behaviour by researchers. Hence case study method is highly suited and beneficial for applicability to real-life; contemporary, human situations and its easy accessibility by means of written reports. Case study results relate directly to the common readers' everyday experiences and facilitate an understanding of complex real-life situations (Soy, 1997).

However, if a need is felt for robust theory based on the basis of grounded propositions, constructs, and relationships, multiple cases need to be taken instead of a single case study. Multiple cases have been used in our research since multiple cases increase external validity, guard against observer biases, and help in richer theory building, and systematically collect, patternize, analyze, and compare data across cases, create more theory driven variance and divergence in the data, not to create more of the same (Meyer, 2001; Pauwels & Matthyssens, 2004; Bengtsson & Larsson, 2012).

In the M&A stream, scholars have extensively used case study research and content analysis for different objectives like in-depth analysis, testing hypotheses, longitudinal case studies, case survey methods, and survey-based studies (Yin, 1994, 2003; Stake, 1995; Meyer, 2001; Larsson & Lubatkin, 2001; Reddy, 2015). The case study method is well suited for international business research or cross-border acquisitions "*where data is collected from cross-border and cross-cultural settings*" as well as emerging markets (Ghauri & Firth, 2009; Meyer *et al.*, 2009). Hence, there is utility in adopting the case study method in M&A research for international acquisition for the purposes of case analysis, testing extant theory and developing new theory.

The cases shortlisted for research are scrutinized exhaustively by means of content analysis. Content analysis is a popular qualitative research technique which employs three approaches: - "*conventional, directed and summative*". Each approach is used to interpret meaning to context of data albeit with a different coding scheme, origin of codes, and threat of trustworthiness. Each approach is suited to a different research design and analysis technique. The prime objective of content analysis is to organize and elicit meaning from the qualitative data – expressed in words from which conclusions can be drawn like interviews, written open questions or case studies. The level of analysis may be manifest or latent, but both enable the researchers to apply statistical tools to give meaning to data and obtain research conclusions. For increasing the validity and reliability of the whole process, general principles of the method are applied. Krippendorff (2004) hence defined content analysis as "*a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use*".

Research using qualitative content analysis focuses on language characteristics as communication with attention to the content or contextual meaning of the text (Budd *et al.,* 1967; Lindkvist, 1981; McTavish & Pirro, 1990). Text data might be in verbal, print, or electronic form and might have been obtained from narrative responses, open-ended survey questions, interviews, focus groups, observations, or print media such as articles, books, or manuals (Kondracki & Wellman, 2002). Content analysis has been carried out to on all shortlisted case studies to derive the study results. A sound coding process is a key to trustworthiness in content analysis research (Fogler *et al.,* 1984). Qualitative content analysis aims to systematically transform a large amount of text into a highly organized and concise summary of key results by coding process (Weber, 1990; Erlingsson & Brysiewiczb, 2017).

Overall emphasis in research methods has been on achieving triangulation by means of multiple data collection methods which provides stronger substantiation of construct and hypothesis while being an apt method to merge qualitative and quantitative data source suited to CSR method. While reliability emphasizes on trustworthiness of data, with linkages to data triangulation and case study protocol lwhile for internal validity linkages among data, investigator and theory triangulation is desired.

4.4 Data Sources and Sampling Framework

The study has followed the case analysis method to analyze and interpret results in light of the research objectives. The study has primarily used mergers and acquisitions cases derived from the published reports of various consulting companies nationally and internationally, articles published in journals like Harvard Business Review, Asia case, Ivey, magazines, websites, annual reports, published reports, audited accounts statement/ balance sheets of companies, intranet and newspapers articles. The study has used a variety of qualitative techniques to achieve the study's objectives. After finalizing the parameters, the case studies and reports on M&A have been obtained. The content analysis of cases has been duly supplemented by interviews and discussions with experts. The statements for indicators have been converted to measurements in order to support the processing of Chi-square and SEM tests.

Purposive Sampling method has been used to select the cases given the nature of the study. 75 case studies (Appendix I) on M&A covering the various HR dimensions have been identified. Of these, 52 case studies have been selected that fully comprise of the data required on the selected parameters. A dichotomy was found in 4 case studies from the reported data that were abnormally high or low, an outlier diluting the research findings. These cases were discarded to maintain validity of results. Finally, 48 case studies have been selected for content analysis and further processing on PLS-SEM.

In addition, eight case studies have been shortlisted for the through content analysis for stylized issues – facts, HR concerns, implications and analysis. These cases were selected as soft issues of merger which were considered pivotal to the outcome of M&A. On the basis of objective analysis of case inferences were formulated for Socio-Cultural factors of M&A which may improve the overall success of M&A. Finally, the results of case study are evaluated in terms of existing literature and research by various scholars in the field of M&A. In order to facilitate comparisons of selected dimensions, finally five cases studies have analyzed and presented in Chapter 6.

4.5 Techniques of Analysis

4.5.1 Chi-Square

The study has analyzed the impact of M&A size on selected HR outcomes – (a) Affective Commitment, (b) Adoption, (c) Satisfaction, and (d) Achievement. For this purpose, chi-square test has been used since there is only one independent parameter and many dependent parameters and sample size is relatively small (n=48).

Statistically speaking, $\chi 2$-distribution expressed with k degrees of freedom represents the distribution of a sum of the squares of k independent standard normal random variables. Chi Square is commonly used for probability distributions in inferential statistics to test hypotheses and formulate confidence intervals. It is basically related to the normal distribution since with increase in sample size, the sampling distribution of the test statistic approaches the normal distribution. As test statistic is asymptotically normally distributed, so for large samples, chi-square distribution used for hypothesis testing may well be approximated by a normal distribution. Chi square offers distinct benefits in research of robustness with respect to distribution of data, is easily computable, exhaustive information can be derived and is flexible in handling data from multiple groups but has a limitation of sample size requirements and difficulties in interpretations when categories are large.

4.5.2 Structural Equation Modeling (PLS)

The study uses the PLS-SEM procedure to study the relationship between the selected Socio-Cultural constructs and the latent constructs (HR Outcomes). Structural Equation Modeling (SEM) is a second-generation multivariate data analysis method built on statistical modeling techniques that can be viewed as a combination of factor analysis and regression or path analysis (Haenlein & Kaplan, 2004; Statsoft, 2013). The foundation of SEM is on theoretical constructs symbolized by the latent factors, with relationships between the theoretical constructs represented by regression or path coefficients between the factors to test linear and additive causal models. The structural equation model implies a structure for the covariances between the observed variables (exogenous or endogenous), which provides the alternative name of covariance structure modeling. Structural equation models are depicted by means of a graphical path diagram, while the statistical model is represented in a set of matrix equations.

There are different approaches to SEM in which PLS is a soft modeling approach to SEM with no assumptions about data distribution (Esposito-Vinzi *et al.*, 2010). It is preferred when the followings conditions exist: - sample size is small, applications have little available theory, predictive accuracy is paramount and correct model specification cannot be ensured (Hwang *et al.*, 2010). Even though PLS-SEM is not appropriate for all statistical analysis, but despite its limitations, PLS is useful for structural equation modeling in applied research projects, especially when there are limited participants and the data distribution is skewed, and hence is deployed in the fields of behaviour science, organization, and business strategy (Hulland, 1999; Bass *et al.* , 2003; Sosik *et al.* , 2009; Wong, 2011).In deciding upon the sample size in our PLS-SEM analysis, we have considered the background of the model, the distribution characteristics of the data, and the psychometric properties of variables. The formula suggested by Hair *et al.* (2013) of sample size been driven by following factors in a structural equation model design: -

- The standard significance level of 5%
- The standard statistical power of 80%
- The standard minimum coefficient of determination (R2 values) used in the model of .25

- The maximum number of arrows pointing at a latent variable (one arrow)

Based on these guidelines and model table any sample size of about 50 is sufficient for one arrow latent variable. The final results of SEM-PLS analysis and complete charts are presented in Appendix III. Since SEM-PLS has no issues with small sample size, achieves high level of statistical power with small sample size, is robust at < 5% p value, is a non-parametric method so no distribution assumption required, normality problem not encountered and works well with metric data so it is well suited to our research goals.

Mediation Analysis

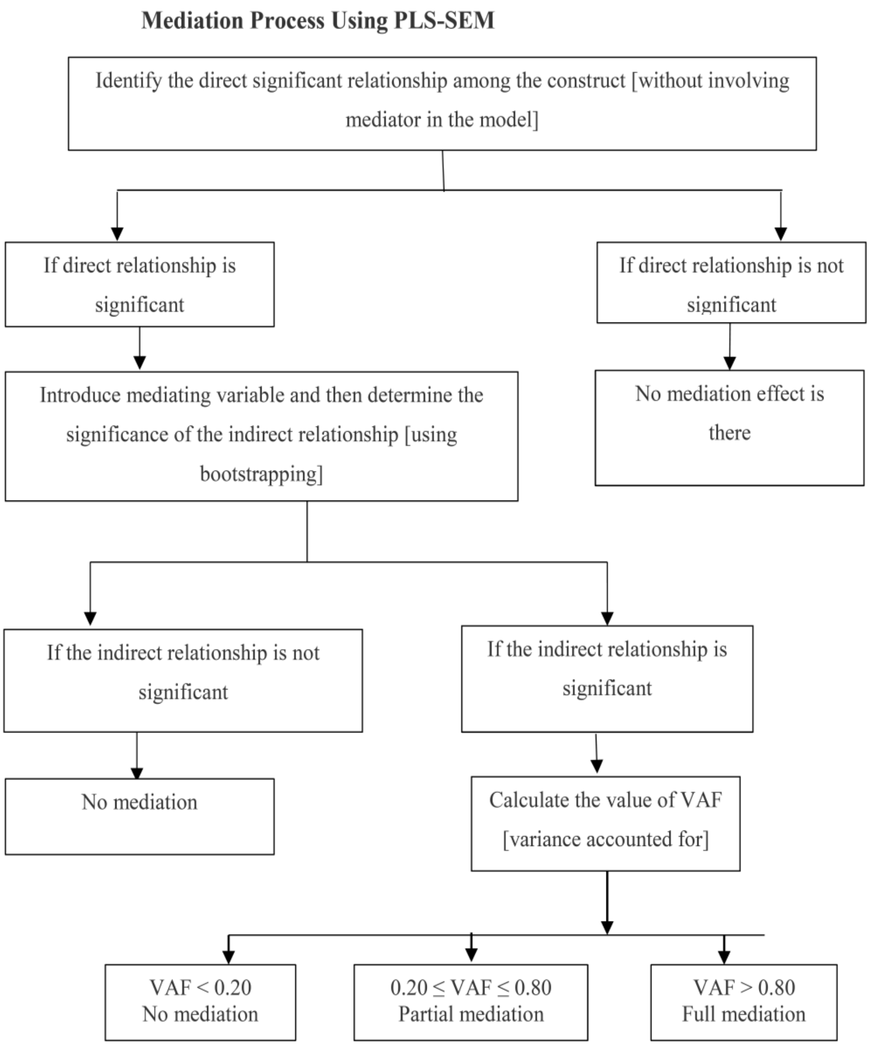
Mediation is defined as "*the indirect effect of an independent variable on a dependent variable that passes through a mediator variable*" (Edwards & Lambert, 2007). It determines the effect on a dependent variable (endogenous variable) caused by an independent variable (exogenous variable) when a third variable is diffused in the model, called a mediating variable. The indirect effect is known as "mediating effect" in the structural model. This effect is due to presence of series of two or more direct effect which are depicted by multiple arrows in the structural model. Shrout and Bolger (2002) have suggested a bootstrapping method to assess the significance of mediating variable. Initially, bootstrapping method is performed to identify the significance of direct relationship between constructs without involving mediating variable. It may have some or entire effect on the dependent variable if the direct relationship is found to be significant.

Hence, the mediating variable will be introduced in the model for those constructs that have a direct significant relationship. However, in case the direct relationship is found to be insignificant then, it implies that mediator variable does not influence dependent variable. When the mediator variable is introduced in the model, the bootstrapping method is conducted to determine the relationship among the constructs. In case, if the indirect effect is found to be insignificant, then, there is no mediation in the model. Else, the mediating variable incorporates some of the direct effect. To determine the level of mediation among the constructs, "*variance accounted for*" (VAF) is computed (Hair *et al.,* 2014). VAF measures the indirect effect's extent relative to total effect, summation of direct effect and indirect effect. VAF is computed as follows:

VAF = [Indirect effect/Total effect]

If the direct effect is high and the indirect effect is very small after the introduction of a mediator variable then in this case, VAF is less than 0.20 and hence, it is concluded that there is no mediation effect. However, if the mediation effect is above 0.20 and less than 0.80, then it is said to be partial mediation and if VAF value is greater than 0.80 then such a situation is called full mediation.

Figure 4.1: Mediation process using PLS-SEM



Source: Hair et al., (2014)

4.6 Hypotheses formulated for testing

For the selected research dimensions, hypothesis have been formulated and tested as discussed in the following paragraphs.

Task Integration

The Task integration mechanism involves processes to achieve maximum operational synergies has been postulated by various researchers like (Shrivastav, 1986; Haspeslagh & Jemison, 1991, Brikinshaw *et al.*, 2000). These mechanisms are important for employees of both acquired as well as acquiring organization. The acquiring firm has to keep into consideration underlying complementarities in capabilities and how they are able to give these capabilities a prominent role after integration (Haspelagh & Jeminson, 1991)

Haspelagh and Jeminson (1991) and Birkinshaw *et al.* (2000) have posited various organizational initiative of Task Integration which includes:-

I. ‘Autonomy in decision making’

II. ‘Joint project/task teams’

III. ‘Job Rotation’

IV. ‘Knowledge sharing among employees’

V. ‘Cross transfer of skilled expert’ (Marks & Mirvis, 1984; Shrivastav, 1986)

VI. ‘Resource sharing between the merging entities’ (Weber & Traba, 2010)

Weber and Traba (2010) have observed that achieving task integration becomes an imperative in M&A success as it produces sustainable competitive advantage. The acquirer must transfer acquired firm assets, human capital with tacit skills & knowledge than its competitors possess and ensure transfer of practices that gives distinct differentiation from rival firm. But as human and task integration involves different managerial actions and objectives, separate hypotheses have been tested for each task.

Following hypothesis has been formulated to study the relationship between task integration activities on HR outcomes: -

Hypothesis 1 – There is a significant relationship between task integration activities on integration mechanism in M&A.

Human integration

Merger in reality is largely a human phenomenon as it is employees of two organizations who need to merge so human integration is essential for a shared identity of merged entity. Human integration mechanism as proposed by research scholars likes (Haspeslagh & Jemison, 1991; Briskinshaw *et al.* 2000; Steele, 2014) framework has been source of various studies on the human aspect of mergers. Employee satisfaction is believed to be dependent on human integration and facilitates the process of creating a shared identity among employees of the merged organization.

Employees' biases developed during the course of the human integration phase are a potential source of conflict during integration. Employees may participate in acts of rejection and non-compliance towards the acquiring company (Seo & Hill, 2005). On the other hand, human integration generates satisfaction and finally, shared identity among employees involved with an acquisition (Steele, 2014). Therefore, achieving employees' satisfaction becomes paramount to achieving integration.

Human and task integration work in conjunction with each other as factors of human integration like enhanced employee satisfaction will assist in capability transfer and easy sharing of resources, while task integration is instrumental in creating a shared identity and enhancing levels of employee satisfaction. Managing change in personal situations is central to the Birkinshaw *et al.* (2000) concept of managing human integration, generating satisfaction and shared values. This helps in developing the following hypothesis:-

Hypothesis 2 - There is a significant relationship between human integration activities on integration mechanism in M&A.

Organizational Justice

The study conducted by Cropanzano and Folger (1991) and Tang and Baldwin (1996) argued that distributive justice predicts satisfaction with outcome while procedural justice influences the evaluation of the organization and its authorities. Fair procedural treatment can ensure employees' loyalty, leading to organizational commitment. Hence, outcomes (distributive justice) are difficult to question if procedural justice is fair. As proposed by McCain *et al.* (2010), distributive and procedural justice have a positive influence on ethical behaviour, which in turn positively affects employees' job satisfaction, and of all three proposed determinants of employees' perception of fairness, distributive justice is considered to have the strongest positive effect. Interactional Justice is likely to reduce the negative influence of individual emotions and attitudes such as anger and dissatisfaction, or to constrain rumours associated with merger syndrome and help build employee satisfaction during a merger and acquisition (Steensma & Van Milligen, 2003).

Scholars have hence stressed upon organizational justice for having a direct bearing on the level of affective commitment of employees in terms of its various scales. Researchers like (Tornblom & Vermunt, 1999; Hauenstein, *et al.,* 2001; Lind, 2001a &b, Lind & van den Bos, 2002; Ambrose & Arnaud, 2005) have advocated for need of focusing on overall fairness judgments for a complete and holistic understanding of justice in the organizational backdrop of a merger. Scholars like Greenberg and Shapiro (2001) have also asserted that employees respond to general justice experience, thereby implying overall justice for research. The employees perceived organizational justice during an M&A influences the psychological outcome of employees (Bansal, 2020).

Justice is how all procedures are done tartly, and every employee is treated fairly (Price, 2001). Justice within the organization influences both job satisfaction and organization commitment (Mueller & Price, 1990). If employees feel they are not being treated fairly, turnover in the organization can be influenced if there is enough and understandable information. Research has found that organization justice can influence employee's attitude and behaviours in forms of psychological withdrawal and voluntary turnover (Seo & Hill, 2005). This helps in developing the following hypotheses:-

Hypothesis 3a - There is a significant relationship between perception of organizational justice and employees' affective commitment in M&A.

Hypothesis 3b - There is a significant relationship between perception of organizational justice and employees' adoption in M&A.

Hypothesis 3c - There is a significant relationship between perception of organizational justice and employees' satisfaction in M&A.

Hypothesis 3d - There is a significant relationship between perception of organizational justice and achievement in M&A.

Communication

Communication to employees has been identified as a critical success factor in overall outcome of M&A. In a study by Hewitt Associates, "*Communication to employees was identified as a critical factor in overall success of an M&A*" (Tentenbaum, 1999). A Wyatt company study of CEO of 531 United State firms found that if they had another chance to go a major restructuring, they would have focused on communication with the employees more (Larkin & Larkin,1996). This is consistent with a KPMG survey of managers of 131 of Canada's top corporation that found, mangers viewed communication as the most important factor in achieving successful organizational change (Barret & Luedecke, 1996). As pointed out by Devine (2002), implementing an acquisition requires communication be consistent, content rich and customized. Post M&integration exist in an environment of confusion &rumours (Bekier & Shelton, 2002; Honore & Maheia, 2003). Mitleton-Kelly (2006) described lack of communication as an integration issues & a reason for failed M&A. Continuous open communication at all levels is an essential element of success during integration (Napier *et al.*, 1989; Schweiger& DeNisi, 1991; Badhe, 2003) while continual and transparent communication is representative of trust and justice.

This is highly surprising, considering that M&A are suggested to be "highly emotional life events" (Buono & Bowditch, 1989) and researchers from a variety of academic disciplines strongly agree that emotions influence human thinking, attitudes, and behaviour and are highly relevant for organizational behaviour (Fridja, 1986; Ashkansy & Daus, 2002; Huy, 2002; Baron, 2008; Sinkovics *et al.* , 2011). As explained by Devine (2002), "*An individual goes through a series of* *emotional responses in response to change. During M&A, waves of emotions throughout the organization are generated as employees experience personal and work changes*". In an A.T. Kearney's Global PMI survey 1998-99 nine problems were identified in post- M&A integration. Out of these nine factors, 58%, the highest number of respondents identified under-communication as the most prevailing problem in the post M&A integration. Messmer (2006) also identified two different strategies management should use to deal with the anxiety that an M&A process is likely to create among employees; 'Early communication & Staff involvement'**.** Early communication includes 'timely, honest & direct information, together with a realistic assessment of future opportunities & obstacles, such as career diversification & downsizing plans. This communication type early in M&A process helps reducing risk of rumours, misunderstandings or wrong expectations among groups and individuals.

Communication is hence an important integration and adoption influencing factor which helps employees in transition phase of change and cultural compatibility as it helps alleviate the concerns of the employees in tensed changed environment marked by uncertainty. Uncertainty also stems from a morbid fear of loss of status and control for individuals within and outside the organization. But as Marrow *et al.* (1967) and Marks (1982) proposed, communication sets the climate of uncertainty to assurance. Hence, in case of positive reaction in the acquired firm or stabilizing volatile situations, both situations are linked to a formal communication plan.

Sound communication plan and employee satisfactions indicate that if employees are informed about their future and changes in the organization, they tend to feel assured (Balmer & Dinnie, 1999; Appelbaum *et al.*, 2000). Communication throughout the M&A process is essential for its overall outcome. Providing clear, consistent, factual, sympathetic and up to date information in various ways through different channels increases the employees' ability to cope, which ultimately enhances productivity & overall performance of the firm. This helps in developing the following hypothesis:

Hypothesis 4 – There is a significant relationship between communication and cultural fit influencing HR outcomes.

Culture

Culture is manifested at various levels with organizational & national culture two important level of analysis in research. Scholars have documented were vividly about culture difference but cultural difference per se may be an opportunity not just a threat, provided cultural compatibility achieved in mergers. Various studies like that of (Barkema *et al.,* 1996; KPMG, 1999; Tusi & Tollefson;2007, Dauber; 2011 & 2012; Weber & Traba,2012) have over the time, established the importance of cultural integration as critical & most important parameter for success or failure of M&A even more so in cross border M&A(CBA).

CBAs are even more complex as they involve a "double-layer acculturation" process at the level of national and organizational culture, respectively. Scholars like Lubatkin (1983), Datta and Puia (1995), Chatterjee *et al.* (1992) and Haleblian and Finkelstein (1999) have identified some prominent factors in an international transaction having a bearing on the outcome of M&A, which, among other things, include pre-M&A organizational cultural fit, the relatedness of trade-off to be merged companies, cultural distance, and prior acquisition learning experience.

Larsson and Lubatkin (2001) have stated that culture influences individual commitment which leads to impact on productivity of the organization. Culture difference manifested by country of acquirer and acquired parameters may create organizational challenges that impede integration and increase integration cost (Cartwright & Price, 2003; Brock, 2005). National culture differences are often the reason for complicating business transactions (Hofstede, 1980) and are linked to high M&A failure rate in tandem with organizational culture (Olie, 1990 & 1994). Cultural compatibility influences satisfaction and adoption among employee's inconsonance with studies of earlier researchers (Dass, 2008; Weber & Traba, 2010). Cultural difference studies have pointed to mixed results with some pointing to synergy by enhancing a variety of organization practices to help merging entities perform better (Chakrabarti *et al.,* 2009) while the majority say it impedes integration. Hence cultural difference may be an opportunity or a threat depending on how it is dealt but is crucial for the overall outcome of M&A. This helps in developing the following hypothesis:

Hypothesis 5 - There is significant relationship between cultural compatibility and cultural fit influencing HR outcomes of M&A.

Mediation Effects

Integration

The integration mechanism needs to be studied as a latent variable in the interplay of the collective sum of both human as well as task integration. Task integration is a key indicator of HR outcomes in M&A, as measured by variables such as knowledge sharing, resource sharing, collaborations, and decentralization. It is a key factor that helps in framing employees' perception of justice during M&A, which is related to synergy realization and psychological outcomes of the employees (Weber *et al.*,2011).Task integration mechanisms as propounded by Haspelagh and Jemison (1991) and Birkinshaw *et al* (2000) have been researched in conjunction with human integration to cover up the existing research gap of either taking human and task integration independent to each other or task integration proceeding prior to human integration. As a result, the integration mechanism interplay of task and human integration with employees' affective commitment, reflected in their intention to stay or leave the organization, productivity, and, ultimately, the organization's performance, needs to be researched. This helps in developing the following hypotheses: -

Hypothesis 6a –There is a significant relationship between integration mechanism and employees' affective commitment in an amalgamated entity.

Hypothesis 6b –There is a significant relationship between integration mechanism and employees' adoption in an amalgamated entity.

Hypothesis 6c –There is a significant relationship between integration mechanism and employees' satisfaction in an amalgamated entity.

Hypothesis 6d –There is a significant relationship between integration mechanism and achievement of the amalgamated entity.

Cultural Fit

Cultural fit is interplay between communication & cultural compatibility with level of satisfaction among employees having bearing on overall performance of the organization is a latent variable of study. The concept of cultural fit is used as an indicator as suggested by scholars (Datta, 1991; Cartwright & Cooper, 1993; Cartwright, 2006; Bauer & Matzler, 2014). It is interplay between cultural compatibility and communication plan of an organization during M&A. Hence cultural fit or acculturation between merging entities at the national and/or cross border level is a key adoption parameter for achieving post-merger integration and calls for cultural due diligence. Appelbaum *et al.* (2000) points out that although a solid organizational commitment is imperative when it comes to M&A performance & therefore, success, organizational commitment is often reduced when a lack of cultural fit exists.

According to research studies, the communication approach is extremely important to M&A performance because it provides clear and up-to-date information that increases employees' coping abilities, which improves commitment and overall performance. Communication is a key variable for post-merger integration to be more effective and successful. Studies by consultants like Hewitt Associates, Wyatt Associates, KPMG, and AT Kearney PMI survey have all highlighted the role of communication in the overall success or failure of M&A. An effective communication strategy ensures affective commitment, smooth change management, and effective removal of cultural differences (Napier *et al.,* 1989; Schweiger & Denisi, 1991). This helps in developing the following hypotheses: -

Hypothesis 7a - There is a significant relationship between cultural fit and employees' affective commitment in an amalgamated entity.

Hypothesis 7b –There is a significant relationship between cultural fit and employees' adoption in an amalgamated entity.

Hypothesis 7c –There is a significant relationship between cultural fit and employees' satisfaction in an amalgamated entity.

Hypothesis 7d –There is a significant relationship between cultural fit and achievement of the amalgamated entity.

Control Variables

Size

The negative difference in size between the acquiring and acquired company may result in misunderstandings of a disproportionate level and also reflect a lack of empathy. Large acquiring companies are ignorant about the competencies required for managing a small company and also the reverse of it. A difference in size may be measured in objective ways, like the difference in the number of employees of the merging entities or the difference in sales or their assets. Research on the size of firms has shown mixed results with some scholars like Kusewitt Jr (1985), Mantravadi and Reddy, (2007), Kruse *et al.* (2007) and Prazio (2011) indicating a positive effect of large size of the firm having positive effect while on the other side scholars like Brutton *et al.* (1994), Ramaswamy and Waeligin (2003)and Bradely *et al.* (2018)advocating small size advantage or size having no effect at all. Firm size has been found to influence performance as suggested by various scholars (Hitt *et al,* 1997; Haleblian *et al.,* 2009; Shi *et al.,* 2012). Ahuja and Katia (2001) have concluded that the success of a merger is when the target and acquiring company are similar in size. The value of knowledge and skills is easier to recognize and assimilate in a situation where the acquirer and target company size are either similar or the same size (Cohen & Levinthal, 1990).

Homberg *et al*. (2009) concluded that it is a necessary condition for the realization of planned synergy that the acquirer be bigger than the target company. Frick and Torres (2002) stated that financial returns for acquirer shareholders are strongly influenced by the average size of the target company. The authors concluded that higher returns are generated for relatively small deals than larger ones. The average size of the target company has a strong influence on the financial returns for the acquirer. Hackbarth and Morellec (2008) observed that M&A in large transactions results in poor performance due to integration problems of the acquirer's business system. Gorton *et al.* (2009) found empirical support for the identity of acquirers and targets and that the profitability of acquisition is largely dependent on the distribution of firm size within an industry. They also found higher returns were generated for smaller acquirers than for larger acquirers.

Serrasqueiro and Nunes (2008) have identified various reasons for the impact of the size of a firm on performance, like a larger firm benefiting from economies of scale, handling market volatility and even risky situations, possibly due to diversification of activities. Studies have shown mixed results on the effect of size on the performance of the firm. While some studies observed that positive post acquisition accounting performance is mainly due to large mergers (Healy *et al.* 1992), others attributed it to asset growth (Cornett & Tehranian, 1992), while still others, like Moeller *et al.* (2004 & 2005), indicate small acquirers undertaking small acquisitions tend to result in positive announcement gains while large acquisitions lead to losses. Fuller *et al.* (2002) observed returns to acquirers on the relative size of the target as compared to the bidder varied for various types of offers: cash, stock, combination, and stock financing. Even though firm size is likely to influence acquisition returns in important ways, its effects are highly complex and underdeveloped. This helps in developing the following hypothesis:-

Hypothesis 8 – The size of M&A deal has a significant influence on HR outcomes of M&A.

Motive

Motives for an M&A may vary for based on type of organization, industry or trade-related, country type (emerging, developed or developing), modes of entry type in foreign markets etc. Motive can also be classified as external (Growth, Globalization) or internal (synergy etc). Seth *et al.* (2002) have stated that understanding motive is critical for understanding M&A outcome.

Porter (1985) said that primary reason for an M&A is to achieve synergy by integrating two or more business units into a combination with increased competitive advantage. Contemporary M&A are usually justified as an intention to provide cost-saving, akin to vertical integration strategy. Townsend (1968) stated motive of M&A for companies is for cost saving akin to vertical integration strategy, meant to gain economies of scale or remove redundancies. M&A as competitive strategy such as entering a new product/market/geographical segment or changing basis of competition, motives would be to develop a new niche, product line extension, complement product/services (Levison,1970); to increase market power (Trautwien,1990;Pennig *et al.*,1994), increasing market share (Gopinath,2003), to synergy creation (Townsend, 1968;Campbell & Gold, 1998; Seth *et al.* ;2000 & 2002;Carpenter & Sanders,2007).

These categories have been classified by Wheelan and Hunger (2001) in to following types viz: Concentration Strategies (Vertical & Horizontal Growth) &

Diversification Strategies (Concentric & Conglomerate diversification). Researchers(Palich *et al.,* 2000 ; Graham *et al.,*2002; Campa & Kedia, 2002) have questioned efficacies of diversification strategies as moving to having lack of existing resources and capabilities as a risky proposition(Shimzu *et al.,*2004) with high failure rate. Brock *et al.* (2006) also affirmed that diversifying firms must constantly cope with influence involved in entering remote markets, unfamiliar legal system and foreign cultures. Survey of research of firms' diversification has thus far not found these benefits to be consistently significant (Palich *et al.,* 2000; Hitt *et al.,* 2006).

The motives of firms from developing countries and those of emerging countries may also be markedly different, as identified by the study of Tripathi and Lamba (2015) on Asian MNCs found five major motives for cross-border M&A while also identifying different motives for developed and developing countries. The motive for firms in developed countries is more in terms of traditional synergies like becoming bigger by expansion, creating economies of scale or entering new product markets, while that for firms in emerging economies or countries is to gain complementary competencies, absorption, access to technology, patents, copyrights or to gain scare resources and assets, including financial capital (Luo & Tung, 2007). This fact has been supported in the study by Zhu *et al.* (2011), which investigated the motives of acquiring firms making partial acquisitions in emerging markets found that foreign firms acquire target firms featuring large size and financial performance that is associated with less competitive industries in host countries. This helps in developing the following hypothesis: -

Hypothesis 9 – Motive of M&A deal has a significant influence on HR outcomes of M&A.

Country of acquirer & acquired

Cross border M&A have to undergo double-layered acculturation with a difference at the level of national and corporate culture so control variables of country of acquirer and acquired need to proper research in terms of their overall effect on outcome of M&A. Culture differences manifested by the country of the acquirer and acquired parameters may create organizational challenges and has been to found to impede integration and increase integration cost. National culture differences are often cited as complicating business transactions, are associated with high M&A failure rate, effects both cross border deal completion and post integration success. Some scholars however advocate that organizational culture has a stronger impact on M&A than national culture as companies is involved in change process not countries. Scholars like Barkema *et al.* (1996) have stated that acquirer's nationality effects upon the integration procedures introduced in the acquired firm.

Hence cultural difference of country of acquirer & acquired may have effect on integration process and the resultant overall outcome of M&A. Cultural difference is of particular interest of research to compare M&A activities between different countries acquirer and acquired with focus on impact, if any of nationality in moderating the organization culture performance relationship. Scholars have classified cross border acquisition determinants factors at country level to be market growth potential, cultural distance, exchange rate, GDP growth, political & legal system, institutional law, tax regime and accounting systems etc. This helps in developing the following hypotheses: -

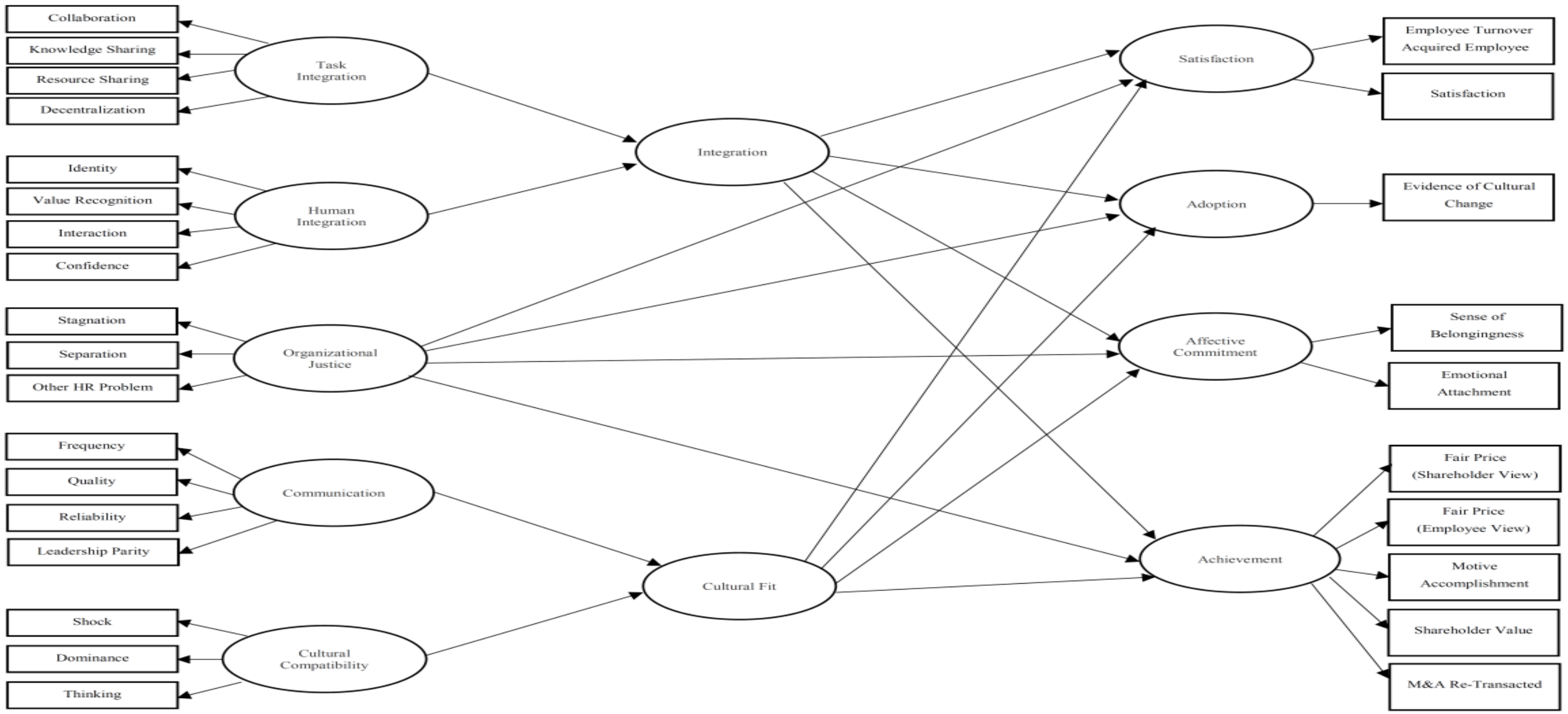
Hypothesis 10 – Country of acquirer in M&A deal has a significant influence on HR outcomes of M&A.

Hypothesis 11 –Country of acquired in M&A deal has a significant influence on HR outcomes of M&A.

4.7 Perceived Model, Research Constructs and Relationship

The perceived model, research constructs and their relationship to be tested empirically is summarized in the Figure 4.2 below:

Figure 4.2: Perceived Model, Research Constructs and Relationship



4.7.1 Research Constructs and Conversion

The research constructs variables of independent, dependent, mediating and control have been shortlisted, properly described in statement form and have been converted to appropriate conversion for measurement in Table 4.1 below: -

Table 4.1: Research Constructs and Conversion

Parameter(s)/Variable(s)	Description	Conversion*
Independent		
TASK INTEGRATION		
Collaborations(TI 1)	How many joint projects were undertaken benefitting from synergies in the 3 years immediately after M&A	None (0), 1(1), >1(2)
Job Rotation (TI 2)	Evidence of know-how shared with acquired company	Nil (0), Some (1) or Good (2)
Resource Sharing (TI 3)	Evidence of resource physical and intellectual being used	Nil (0), Some (1) or Good (2)
Decentralisation (TI 4)	Whether the power control is participative in nature	Nil (0), Some (1) or Good (2)
HUMAN INTEGRATION		
Identity (HI 1)	Whether key position have changed post-merger	None (0), Few (1), Many (2)
Value Recognition (HI 2)	Evidence of any recognition programme or statement from any retired employee of the acquired company	None (0), <2 and >0 (1), >2 occasion (2)
Interaction (HI 3)	Evidence of interaction and/or meetings	None (0), Few (1) or More (2
Confidence (HI 4)	Evidence of conflict	None (0), Few (1) or More (2)
ORGANISATIONAL JUSTICE		
Stagnation (OJ 1)	Evidence of no promotion or salary increase within 3 years of M&A	None (0), Few (1) or More (2)
Separation (OJ 2)	Evidence of lay off or transfers	None (0), Few (1) or More (2)
Other HR issue problem (OJ3)	Host of other employee issues	None (0), Few (1) or More (2)
COMMUNICATION		
Frequency (CO 1)	Evidence of communication	None (0), Few (1) or More (2)
Quality (CO 2)	Evidence of Language or cultural Barriers	None (0), Few (1) or More (2)
Reliability (CO 3)	Evidence of faith on communication	None (0), Few (1) or More (2)
CULTURAL COMPATIBILITY		
Leadership Parity (CC1)	Difference in Leadership Style; trust, authority and recognition	None (0), Small (1), Big (2)

Shock (CC2)	Evidence of cultural shock	None (0), Few (1) or More (2)
Dominance (CC3)	Evidence of Dominance	None (0), Few (1) or More (2)
Thinking (CC4)	Performance Growth Rate Expectations	None (0), Few (1) or More (2)
Latent (Mediating)		
Integration	Overall Integration	Not Directly Measured
Cultural Fit	Overall Cultural Fit	Not Directly Measured
Dependent		
Satisfaction		
Employee turnover of acquired employees(ST 1)		Low (0), Moderate (1), High (2)
Satisfaction-Qualitative assessment of statements(ST 2)		High (2), Somewhat (1), Low/Not (0)
Adoption		
Evidence of change culture of acquired's employees (ADOPTION)		FULL (2), SOME (1) OR NO (0)
Affective Commitment		
Sense of Belongingness (COM 1)		Low (0), Moderate (1), High (2)
Emotional attachment (COM 2)		Yes (0), Doubt (1), None (2)
Achievement		
Evidence of fairly priced (shareholders perspective) (AC1)		Yes (2), Somewhat (1), No (0)
Evidence of fairly priced (employee perspective) (AC2)		Yes (2), Somewhat (1), No (0)
Evidence of motive accomplishment(AC3)		Yes (2), Somewhat (1), No (0)
Shareholder value(AC4)		Not Achieved (0), Achieved (1), Over Achieved (2)
M&A Re- transacted (AC5)		Yes (0), Part (1), Full (2)
Control		
Size (Deal Size in Billion US $)		>0and<0.5(0), >0.5and<1.0(1), >1.0(2)
Country(Acquirer)		US (0) Europe, Japan (1) Rest of Asia, Others (2)
Country(Acquired)		US (0) Europe, Japan (1) Rest of Asia, Others (2)
Motive		Competition and Market Expansion, Growth (0), Hubris (1), Others (2)

* Values or statements derived from the content of the case have been converted to categorical variables. The values are indicated in parenthesis.

4.8 Structural Limitations and Assumptions of the study

The study has proposed the hypothetical model to synthesise two most relevant and dominant schools in Socio-Cultural dimensions of process and organisational school. While organisational school of thought emphasizes on Cultural fit and Socio-Cultural integration as necessary for synergy while process school focuses on integration decision for Post-Merger Integration at different levels, human and task, speed of integration, procedural and informational justice for effective and efficient integration process. Hence the two mediating variable of our study integration and cultural fit signifies a scuttle and equitable combination of these two schools. Furthermore, relevant research constructs have been shortlisted and converted into measurable scale as earlier. The model seeks to examine the role of certain control variables of finance; strategy etc for their effect if any on the outcome of M&A.*As a departure from existing research, an attempt has been made to investigate diverse potential antecedents predicating performance by striving to find a clear and unequivocal relationship.*

In development of our research model and a framework for empirically testing by means of case study method, the study has certain structural limitations and assumptions which are outlined as under:-

- The study utilizes case study method and has selected case study of journals like Harvard, Ivey etc which are primarily meant for academic purpose. The in-depth analysis and exhaustive details of some critical HR aspects of this study may either be not covered at all or not given due weight age. Such missing data is required to be supplemented by various media sources, balance sheet, website of the company, interaction with experts or any secondary source where that information can be retrieved.
- The cases have been written by various authors and any author bias, error or non-reporting of constructs will be translated into corresponding error while assigning values to constructs. Hence the efficacy of teaching cases as an alternative to field research as source of secondary data collection is limited.
- The terminology used in case studies is assumed to convey their usual meaning only. No distinction is made between latent and manifest meaning to any statement while carrying content analysis on cases.

- The three-digit scale of (0, 1 & 2) is very limited in scope due to build in constrains of SEM-PLS model. An expanded scale may be more useful provided there are enough case studies on HR factors of M&A available so that software like AMOSS, SPSS and LISERAL can be run on data for more accurate results.
- The study is largely limited to human aspects of M&A process except for a few control variables of finance, organisational behaviour and strategy. Human aspects in M&A are important but only in conjunction with other factors like finance, strategy, economic etc. Hence, they might not be the only factor or perhaps may be not always be the most dominant factor in each M&A.
- The study is a synthesis of two major schools of M&A perspective of process and organizational behaviour on integration but does not incorporate other schools like finance, economic and strategy adequately enough.
- The study is limited to post merger phase of integration while integration is an ongoing process spanning throughout the entire phase of M&A.
- Employees' attitude, perceptions and emotions to an M&A is an evolving and dynamic process which may change over time. However, the study has limited it to a static process in and around a few years post integration.
- The study has selected certain constructs/ parameters as a complete homogenous group like culture, acculturation and organizational justice though sub variations exist. While some concepts like commitment have been studied only by specific part of affective commitment for specific relevance to study.
- The perceived model complex interplay between independent, dependent, control and latent parameters/variables. This has been finalized after exhaustive exercise but there is adequate scope of expanding, modifying or changing scope of relationship of parameters/variables.

Chapter 5 Analysis of Socio-Cultural dimensions of M&A

The essence of the study is to examine the role of various Socio-Cultural dimensions in merger and acquisitions outcome. Based on the literature review, the HR outcomes in M&A have been broadly classified into five key independent indicators – (a) Task Integration, (b) Human Integration, (c) Organizational Justice, (d) Communication, and (e) Cultural Compatibility in the first layer[3]. Integration and Cultural Fit are the latent variables identified in second layer[4]. The HR outcomes classified as dependent parameters[5] are measured in terms of (a) Affective Commitment, (b) Adoption, (c) Satisfaction, and (d) Achievement. To account for size, respective countries of M&A firms and motives for M&A, the control variables chosen are (a) Size, (b) Country – Acquirer, (c) Country – Acquired, and (d) Motive. We have collected 52 case studies of M&A that includes the cases from India and other parts of the world. Of these, 48 cases in which the desired sample size satisfies the data requirements for all the parameters/variables and matches the prerequisites of SEM-PLS method are used for analysis. The details of all parameters/variables; independent, dependent control and mediating and their corresponding values have been summarised in Appendix II. The analysis results and the techniques used are presented in the following sections.

As stated by research scholars like (Pablo,1994; Karim, 2006; King *et al.*,2008) M&A usually occurs in tandem with optimization of human resources, however study of effects of human side of M&A integration as well as its antecedents and consequences are less explored and understood (Sarala *et al.*, 2019). Hence existing research gap has necessitated the need to understand human side of M&A (Varra *et al.*, 2010; Sarala *et al.*, 2019). Even though HRM scholars have done some research on the subject but traditionally their focus have been on individual topics in M&A like trust or identity(Olie,1994;Bijlsma-Framkema,2005), employees commitment to their organization (Porter *et al.*, 1974; Barkema & Vermeulan, 1998 & 2001;Papakadis,2005), job satisfaction (Paterson *et al.*, 1997), Communication(Benner & Tushman,2003) less turnover (Irvine & Evans,1995; Amoit *et al.*, 2006), increased job performance (Iffalando & Muchinsky, 1985),

[3]Given in Section 3.2 to 3.6 of Chapter 3.
[4]Given in Section 3.7 of Chapter 3.
[5]Given in Section 3.8 to 3.10 of Chapter 3.

lower intention to leave(Scott & Taylor, 1985;Cropanzo *et al.*, 1997),cultural difference and socialization (Khan *et al.*, 2021) or lack of feeling of alienation (Kanungo,1992; Wheeler & Buckley,2001; Bansal,2020).

Hence the limited existing literature is fragmented, studied as binaries without any attempt to synthesize various key variables on their overall impact of M&A outcome. The existing gap in literature indicates fragmentation of research and highlights the need to synthesize current knowledge on human aspects of M&A (Grabener *et al.* 2017). Hence, our research is a holistic attempt to encompass the perspective by integrating Post Merger Integration and Socio-Cultural (HR-related) issues into a more border and integrative perspective as M&A is dependent upon strategic, organizational & procedural issues (Larsson & Finkelstein, 1999).

5.1 Analysis of Impact of Control Variables on Independent and Dependent variables

Chi-square analysis has been conducted to examine the association of the selected constructs with the control variables. The results obtained respectively for independent and dependent variables are shown in Table 5.1 and Table 5.2 respectively. The significance (p-value) has been examined at three levels – 1%, 5% and 10%. The inferences derived are as follows.

Size has been found to have no association with all the selected independent variables. Reliability of Communication [CO3] is found to be significant with respect to the country of the acquirer at 1% level. At 5% level, Human Integration - Identity [HI1] and Human Integration - Confidence [HI4] are significant. Task Integration - Knowledge Sharing [TI2] and Task Integration - Resource Sharing [TI3], and Cultural Compatibility - Shock [CC2] are significant at 10% level.

Affective Commitment - Sense of Belongingness [COM1], Affective Commitment - Emotional Attachment [COM2], Achievement - Acquiring Employee's perspective [AC2] and Achievement - Shareholder's Value (Growth Options) [AC4] exhibit significance to the country of acquirer. Satisfaction evidenced from the expression statements i.e., ST2 is significantly associated with the acquired company's country – p-value significant at 10% level. No other dependent variable exhibits significance to “Country- Acquired” variable.

Table 5.1 – Chi-Square Test Results (Independent vs. Control Variables)

Variable(s)	Size		Country-Acquirer		Country-Acquired		Motive of M&A	
	χ2	p-value	χ2	p-value	χ2	p-value	χ2	p-value
Task Integration-Collaboration [TI1]	2.289	0.683	5.675	0.225	5.455	0.244	4.385	0.356
Task Integration - Knowledge Sharing [TI2]	2.577	0.631	8.250	0.083***	6.198	0.185	3.149	0.533
Task Integration - Resource Sharing [TI3]	4.757	0.313	8.221	0.084***	7.984	0.092***	6.290	0.179
Task Integration -Decentralisation [TI4]	5.385	0.250	6.376	0.173	2.506	0.644	6.857	0.144
Human Integration - Identity [HI1]	5.423	0.247	10.801	0.029**	1.943	0.746	3.452	0.485
Human Integration - Value Recognition [HI2]	6.381	0.172	7.209	0.125	2.479	0.648	1.633	0.803
Human Integration -Interaction [HI3]	2.931	0.570	4.301	0.367	11.706	0.020**	3.137	0.535
Human Integration - Confidence [HI4]	3.406	0.492	9.942	0.041**	1.475	0.831	7.306	0.121
Organisational Justice - Stagnation [OJ1]	2.730	0.604	4.705	0.319	6.219	0.183	3.160	0.531
Organisational Justice - Separation [OJ2]	5.868	0.209	3.476	0.482	4.300	0.367	7.276	0.122
Organisational Justice - Other HR Issue [OJ3]	3.627	0.459	5.678	0.225	3.898	0.420	2.289	0.683
Communication -Frequency [CO1]	4.093	0.394	7.551	0.109	4.344	0.361	2.965	0.564
Communication -Quality-[CO2]	7.452	0.114	1.926	0.749	3.507	0.477	5.626	0.229
Communication -Reliability [CO3]	0.775	0.942	24.160	0.000*	9.756	0.045**	1.817	0.769
Cultural Compatibility - Leadership [CC1]	3.118	0.538	4.500	0.343	9.588	0.048**	1.935	0.748
Cultural Compatibility - Shock [CC2]	1.374	0.849	9.289	0.054***	6.282	0.179	4.474	0.346
Cultural Compatibility -Dominance [CC3]	3.107	0.540	6.140	0.189	5.132	0.274	4.813	0.307
Cultural Compatibility - Thinking [CC4]	1.134	0.889	4.733	0.316	3.600	0.463	3.419	0.490

** Significant at 1% level.** Significant at 5% level.*** Significant at 10% level.*

Achievement -Stakeholder's Perspective (Motive accomplishment), [AC3] Achievement - Shareholder's Perspective (Fair Deal Price) [AC1] and Achievement - Shareholder's Value (Growth Options) [AC4] are significantly associated with size at 1%, 5% and 10% levels respectively.

Table 5.2 – Chi-Square Test Results (Dependent vs. Control Variables)

Variable(s)	Size		Country-Acquirer		Country-Acquired		Motive of M&A	
	χ2	p-value	χ2	p-value	χ2	p-value	χ2	p-value
Satisfaction - Employee Continuing [ST1]	4.883	0.299	5.353	0.253	4.121	0.390	5.481	0.241
Satisfaction - Expression of Satisfaction [ST2]	4.058	0.378	5.489	0.241	8.665	0.070***	3.147	0.534
Adoption - Cultural Outcome [Adoption]	6.512	0.164	3.677	0.452	7.386	0.117	6.837	0.145
Affective Commitment - Sense of Belongingness [COM1]	2.566	0.633	7.917	0.095***	6.259	0.181	6.890	0.142
Affective Commitment - Emotional Attachment [COM2]	1.330	0.856	11.444	0.022**	5.611	0.230	2.068	0.723
Achievement - Shareholder's Perspective (Fair Deal Price) [AC1]	9.669	0.046**	11.740	0.019	4.569	0.334	5.704	0.222
Achievement - Acquiring Employee's perspective [AC2]	5.302	0.258	8.936	0.063***	3.497	0.478	4.186	0.381
Achievement - Stakeholder's Perspective (Motive accomplishment) [AC3]	23.700	0.000*	6.401	0.171	1.610	0.807	4.164	0.384
Achievement - Shareholder's Value (Growth Options) [AC4]	8.507	0.075***	14.097	0.007*	0.547	0.969	4.273	0.370
Achievement - M&A Re-transacted [AC5]	6.601	0.195	7.226	0.124	3.177	0.529	0.653	0.957

** Significant at 1% level, ** Significant at 5% level, *** Significant at 10% level.*

5.2 Results of Control Variables

As per existing research, the negative difference in the size of acquiring and acquired company may result in misunderstanding of disproportionate level and reflect lack of empathy. It often results in complete lack of knowledge on the part of large acquiring companies about the competencies required for managing a small company and also opposite of it. Since M&A involves two entities so the target and acquirer are two added dimensions for which concept of relative size is studied in relation to performance in M&A .While most research and studies indicate that failure rate of smaller M&A is lesser than large M&A but these results can be improved under certain conditions. Study of relationship of size with operational & financial synergies has found correlation between size and financial performance. Size and cultural relatedness parameters are equally important for overall performance of M&A. Hence size or relative size is two important parameter which needs to research by scholars as control variable to ascertain its outcome on performance of M&A.

The literature review and studies conducted on this issue indicates limited research conducted in size as a control variable affecting the overall outcome of M&A. The managerial decision is to ponder over appropriate strategy for inorganic growth via M&A be either to have large number of smaller but continuous mergers over the years or to go for a mega merger which may be far more complex to execute and manage. The HR issues to be handled during merger when size differential has huge impact on the outcome of M&A are area of focus for researchers, scholars & managers alike. The study empirically examines effect of size, a financial concept in conjunction with HR parameters of satisfaction, adoption, affective commitment and achievement for overall outcome of M&A.

Authors have suggested a number of objective methods for measuring differences in size, including differences in the number of employees, sales, or assets of the merging entities. Some scholars, such as Kusewitt Jr (1985), Mantravadi and Reddy (2007), Kruse *et al.* (2007), and Prazio (2011) have indicated large size of firm having a positive effect, while others, such as Brutton *et al.* (1994), Ramaswamy and Waeligin (2003), and Bradely *et al.* (2018), have proposed a small size advantage or no effect at all.

Additionally, research indicates that firm size affects performance (Hitt *et al*., 1997; Haleblian *et al*., 2009; Shi& Prescott, 2012). Ahuja and Katia (2001) have concluded that the size of the target and acquiring companies must be comparable for a merger to be successful. It is easier to recognise the value of acquired knowledge and skills and to assimilate when the acquirer and target companies are of similar or identical size (Clioen & Lerinthal, 1990). Homberg *et al.* (2009) concluded that the acquirer must be larger than the target company for the planned synergy to be realised. Frick and Torres (2002) stated that the average size of the target company has a significant impact on financial returns for acquirer shareholders. Their study of high-tech computer companies from 1990 to 2000 revealed an average size of less than US $400 million, or roughly 1 percent of the acquirer's market value. Due to integration issues with the acquirer's business system, Hackbazth and Morellec (2008) state that M&A's involving large transactions result in subpar performance. Gorton *et al.* (2009) stated that smaller acquirers generate higher returns than larger acquirers because larger acquirers tend to overlay, whereas the goal of M&A for smaller acquirers is to better position themselves in the industry and become a desirable takeover target in the future.

Depending on the firm's size, its performance may be affected by economies of scale and the ability to withstand market shifts and high-risk situations through diversification as cited by Serrasqueiro and Nunes (2008). Regarding the effect of firm size on performance, research has produced contradictory findings. Some authors, such as Healy *et al.* (1992), have discussed increased asset productivity, enhanced customer attraction, employee productivity, and even asset growth by Cornett and Tehranian (1992), while others, such as Moeller *et al.* (2004 & 2005), indicate that small acquirers engaging in small acquisitions tend to result in positive announcement gains while large acquisitions result in losses. Fuller *et al.* (2002) found that returns to acquirers on the relative size of the target relative to the bidder varied for different types of offers, including cash, stock, combination, and stock financing. Even though firm size is likely to influence acquisition returns in important ways, its effects are highly complex and underdeveloped.

In our findings, Size has been found to have no significant association with any of the selected independent and dependent variables. The result is contrary to most of *existing findings of various studies conducted to date. Hence it may be reasonably concluded the merger should achieve value to the stakeholders independent of size.*

Motive

Motives for an M&A may vary based on the type of organization, industry or trade-related, country type (emerging, developed or developing), modes of entry type in foreign markets etc. Motive can also be classified as external (Growth, Globalization) or internal (principle, synergy etc). Various scholars have advocated have stated that understanding the motive is critical for understanding M&A outcome. The primary motives for M&A by scholars have been to achieve synergy, for cost saving, economies of scale, entering a new product/market/geographical segment or changing basis of competition, develop a new niche, product line extension, complement product/services to increase market power , increasing market share and managerial hubris. However, the motive of firms from developing countries and that of emerging countries may be markedly distinct. The motive for firms in developed countries is more in terms of traditional synergies like becoming bigger by expansion; create economies of scale or to enter new product markets while that for firms in emerging economies/countries is to gain complementary competencies, absorption or access to technology, patents, and copyrights or to gain scarce resources and assets including financial capital.

There is no correlation between M&A motivation and the HR outcomes of M&A. Motive have been chosen as one of our control variables following a thorough examination of the existing literature. As stated by Seth, Song, and Pettit (2002), understanding motivation is essential for comprehending M&A success or failure. As a proponent of strategic management, Porter (1985) stated that the primary purpose of a merger and acquisition is to achieve synergy by combining two or more business units with a competitive advantage. Modern mergers and acquisitions are typically motivated by a desire to reduce costs, comparable to the vertical integration strategy. Townsend (1968) stated that businesses sought economies of scale or the elimination of redundancies akin to vertical integration synergy. M&A as competitive strategy such as entering a new product/market/geographic segment or changing the basis of competition, motives would be to develop a new niche, product line extension, complement product/services(Levison,1970); to increase market power(Trautwien,1990;Pennig *et al.*,1994),increasing market share(Gopinath,2003); and to create synergy (Townsend, 1968;Levison,1970;Campbell & Gold, 1998; Seth *et al.*,2000 & 2002;Carpenter & Sanders,2007).

Wheelan and Hunger (2001) classified the categories into the following categories:-

a. Concentration Techniques- Vertical and Horizontal Expansion

b. Diversification Techniques - Diversification via Concentric and Conglomerate

Diversification researchers (Palich *et al.*, 2000;Graham *et al.*, 2002; Campa & Kedia, 2002) have questioned the efficacy of diversification strategies, citing the lack of existing resources and capabilities as a risky proposition with a high failure rate (Shimzu *et al.,* 2004). Brock *et al.* (2006) also asserted that firms pursuing diversification must continually deal with the influence of entering remote markets, unfamiliar legal systems, and foreign cultures. In a survey of research on the diversification of businesses, these benefits have not been found to be consistently significant (Palich *et al.,* 2000; Hitt *et al*, 2006).

As identified by Tripathi and Lamba (2015) in their research Asian MNC have five major motivations for cross-border M&A while also identifying different motivations for developed and developing countries, the motives of firms from developing countries and those from emerging countries may also be significantly different. Traditional synergies, such as becoming larger through expansion, creating economies of scale, or entering new product markets, are the primary motivation for firms in developed countries, whereas firms in emerging economies or countries seek complementary competencies, absorption, access to technology, patents, copyrights, or scarce resources and assets, including financial capital (Luo & Tung, 2007).

Zhu *et al.* (2011) investigated the motives of acquiring firms making partial acquisitions in emerging markets and discovered that foreign firms acquire target firms with large size and financial performance, which is associated with less competitive industries in host countries. However, due to the high failure rate of mergers and acquisitions, all stakeholders, including researchers, investors, and management, must focus on defining synergy rather than self-interest and hubris (Cartwright & Schenberg, 2006; Carpenter & Sanders, 2007). However, objectively quantifying synergy is a complex phenomenon, and companies may fall into the "*Synergy trap*" if they fail to realise M&A's potential objectives or goals (Sirower, 1997; Burner, 2004; Early, 2004; Fiery *et al*., 2007).

In our findings, motive has been found to have no significant association with any of the selected independent and dependent variables. From the finding our study it can be reasonably concluded that motive of M&A has no effect on outcome of M&A.

Country of acquirer & acquired

Cross border M&A have to undergo double-layered acculturation with a difference at the level of national and corporate culture, so control variables of country of acquirer and acquired needs proper research in terms of their overall effect on outcome of M&A. Culture differences manifested by the country of the acquirer and acquired parameters may create organizational challenges and has been to found to impede integration and increase integration cost. National culture differences are often cited as complicating business transactions, are associated with high M&A failure rate, effects both cross border deal completion and post integration success. Some scholars however advocate that organizational culture has a stronger impact on M&A than national culture as companies is involved in change process not countries.

Hence cultural difference of country of acquirer & acquired may have effect on overall outcome of M&A. Cultural difference is of particular interest of research to compare M&A activities between different countries acquirer and acquired with focus on impact if any of nationality is moderating the organization culture performance relationship. Scholars have classified cross border acquisition determinants factors at country level to be market growth potential, cultural distance, exchange rate, GDP growth, political and legal system, institutional law, tax regime and accounting systems.

The acquirer's and acquirer’s countries of origin have also been considered as control variables. Countries may refer to a block or common category, such as developed, emerging, or intermediate, as described above; however, each country or economy may have distinct M&A motives. International cross-border mergers and acquisitions must undergo acculturation at both the national and corporate culture levels. Hofstede (2011) defines culture as "*the collective programming of the mind that distinguishes members of one group of people from others*." According to Larsson and Lubatkin (2001), culture influences employee commitment, which has a direct effect on the productivity of the organisation.

Culture differences manifested by the acquirer's country and the acquired parameters may create organisational challenges that impede integration and increase the cost of integration (Cartwright & Price, 2003; Brock, 2005). National culture differences are frequently cited as complicating business transactions (Hofstede, 1980) and are correlated with a high merger and acquisition failure rate (Li& Guisner, 1991)

Stahl and Voigt (2008) conclude that organisational culture has a greater impact on M&A than national culture because companies, not countries, are involved in the change process. However, corporate culture is difficult to define and even more difficult to measure, despite the fact that some claim it is heavily influenced by national culture. Studies on cultural differences have yielded contradictory results, with some indicating synergy by enhancing a variety of organisational practises to improve the performance of merging entities (Chakravarti *et al.*, 2009) while the majority claim it hinders integration. Consequently, cultural differences can be an opportunity or a threat, depending on how they are handled, but they are crucial to the overall success of an M&A. Recent research has examined the impact of cultural distance on cross-border acquisition success, particularly in emerging markets (Chakrabati *et al.*, 2009; Malhotra *et al.* 2011; Ahern *et al.*, 2012). Researchers have questioned simplistic conceptions of national culture (Nakata & Shivkumar, 2001; Kirkmam *et al.*, 2006) and developed more robust cultural measures (Guest *et al.*, 2004). Hence the relationship between culture, post merger integration and M&A performance is complex requiring further refined research.

Therefore, culture difference is of interest to scholars who wish to compare M&A activities between different countries acquirer and acquired, with a focus on the impact, if any, of nationality in moderating the relationship between organisation culture and performance. For the study of culture parameters, numerous scholars have conceptualised culture, but the most robust, popular, and widely used national culture difference framework is that of Hofstede (2001), who, after a comprehensive study and analysis of 70 countries, assigned five dimensions of cultural index scale to each and every country which includes individualism-collectivism, uncertainty avoidance, power distance, masculinity-femininity, and long-term orientation as dimensions. Authors have analysed the moderating role of power distance, which has a significant impact on performance, in relation to specific job characteristics & job satisfaction, such as aspects of organisational or procedural justice (Lee *et al.*, 2000 ;Kirkman *et al*., 2009;Loi *et al.,* 2012), empowering employees and to autonomy (Huang & Van de Vilert, 2003; Huie *et al.,* 2004; Fock *et al.,* 2013) and power distance (Taras *et al.*,2012; Hauff &Richter, 2015).

According to studies, acquirers from nations with a more rigid power structure perform better when acquiring targets from nations with a less rigid power structure. If a target firm with a rigid hierarchical power structure resists assimilation into the acquiring firm's organisational structure, cultural difference (Hofstede's power difference index) may have a negative effect on the post-acquisition integration process. When both companies adhere to a rigid power structure and target resists any loss of autonomy, the likelihood of conflict increases. While differences in individualism have a positive impact, acquirers from more individualistic societies enjoy greater synergies when acquiring a firm from a collectivistic society. Different researchers (Shimzu *et al.,* 2004;Collins *et al.*, 2009; Boatang *et al.*, 2011) have categorised cross-border acquisition determinants into three board categories:-

I. Factors at the firm level (Firm size, financial resources, multinational experience, product diversity, acquisition prior experience and international strategy)
II. Factors at the industry level (technology intensity, advertising intensity and sales force intensity)
III. Factors at the country level (market growth potential, cultural distance, exchange rate, GDP growth, political and legal system, institutional law, tax regime and accounting systems)

In our findings, both country of acquirer and acquired has been found to have no significant association with any of the selected independent and dependent variables. From the findings our study it has been established that country of acquirer and acquired have no effect on HR outcome of M&A. From the analysis of *results of all four control variables it can be concluded that all hypothesis related to control variables H8, H9, H10 & H11 don't have any bearing on independent or dependent variables to a significant effect so as to affect HR outcome. Hence no further testing in perceived model is necessitated as their effects are insignificant to the perceived model.*

5.3 Analysis of HR Outcomes of M&A using SEM

The study has used Structural Equation Modelling to examine the impact of selected indicators on the defined HR outcomes. For this purpose, the loadings across the variable(s) group have been computed (Table 5.3).

Table 5.3 – Outer Loadings of Indicators and Latent Variables

Variable(s)	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
AC1 <- Achievement	0.709	0.672	0.184	3.858	0.000*
AC2 <- Achievement	0.824	0.783	0.167	4.921	0.000*
AC3 <- Achievement	0.822	0.752	0.205	4.009	0.000*
AC4 <- Achievement	0.756	0.705	0.207	3.651	0.000*
AC5 <- Achievement	0.345	0.326	0.298	1.158	0.247
Adoption <- Adoption	1.000	1.000	0.000		
CC1 <- Cultural Compatibility	0.524	0.478	0.221	2.372	0.018**
CC1 <- Cultural Fit	0.414	0.391	0.195	2.122	0.034**
CC2 <- Cultural Compatibility	0.762	0.778	0.070	10.899	0.000*
CC2 <- Cultural Fit	0.779	0.784	0.060	13.019	0.000*
CC3 <- Cultural Compatibility	0.744	0.703	0.157	4.735	0.000*
CC3 <- Cultural Fit	0.477	0.458	0.171	2.793	0.005*

CC4 <- Cultural Compatibility	0.757	0.752	0.103	7.333	0.000*
CC4 <- Cultural Fit	0.696	0.687	0.094	7.396	0.000*
CO1 <- Communication	0.647	0.628	0.143	4.517	0.000*
CO1 <- Cultural Fit	0.556	0.539	0.147	3.780	0.000*
CO2 <- Communication	0.826	0.828	0.058	14.234	0.000*
CO2 <- Cultural Fit	0.759	0.760	0.089	8.525	0.000*
CO3 <- Communication	0.858	0.857	0.034	24.969	0.000*
CO3 <- Cultural Fit	0.739	0.732	0.072	10.198	0.000*
COM1 <- Affective Commitment	0.916	0.914	0.034	26.555	0.000*
COM2 <- Affective Commitment	0.792	0.770	0.123	6.454	0.000*
HI1 <- Human Integration	0.605	0.590	0.146	4.145	0.000*
HI1 <- Integration	0.555	0.543	0.132	4.191	0.000*
HI2 <- Human Integration	0.860	0.843	0.073	11.775	0.000*
HI2 <- Integration	0.697	0.678	0.131	5.333	0.000*
HI3 <- Human Integration	0.756	0.763	0.066	11.490	0.000*
HI3 <- Integration	0.783	0.780	0.065	12.085	0.000*
HI4 <- Human Integration	0.717	0.706	0.104	6.892	0.000*
HI4 <- Integration	0.592	0.582	0.133	4.441	0.000*
OJ1 <- Organisational Justice	0.922	0.906	0.092	10.068	0.000*
OJ2 <- Organisational Justice	0.832	0.828	0.146	5.683	0.000*

OJ3 <- Organisational Justice	0.886	0.849	0.129	6.851	0.000*
ST1 <- Satisfaction	0.840	0.837	0.113	7.433	0.000*
ST2 <- Satisfaction	0.860	0.851	0.115	7.511	0.000*
TI1 <- Task Integration	0.698	0.693	0.100	6.944	0.000*
TI1 <- Integration	0.728	0.724	0.088	8.259	0.000*
TI2 <- Task Integration	0.695	0.700	0.117	5.940	0.000*
TI2 <- Integration	0.511	0.524	0.142	3.593	0.000*
TI3 <- Task Integration	0.924	0.920	0.033	27.766	0.000*
TI3 <- Integration	0.816	0.808	0.085	9.558	0.000*
TI4 <- Task Integration	0.909	0.907	0.035	26.086	0.000*
TI4 <- Integration	0.858	0.854	0.066	13.023	0.000*

** Significant at 1% level, ** Significant at 5% level, *** Significant at 10% level.*

From the p-values it can be inferred that all the loadings are significant except AC5 in the latent variable. Thus, the PLS-SEM model can be formulated with the selected variables. The next section discusses the reliability and validity of data.

5.3.1 Reliability and Validity

To assess the measurement model, it is important to ascertain the reliability and validity of data. The reliability measurement is based on scale between +- 1, higher the value signifies higher level of reliability. The Cronbach's Alpha factor loadings, composite reliability and Average variance extracted for each construct presented in the table below. Most of the constructs surpassed 0.7 which is considered to be high factor loadings except the variables as 'Communication, Cultural compatibility, Affective commitment and Satisfaction' though they all are nearer to 0.7 only. The composite reliability surpassed 0.7 as factor loading, which is quite impressive and highly acceptable. The average variance extracted (AVE) fulfils the requirement of 0.5 expect three variables of cultural compatibility, cultural fit and integration but these are also close to 0.5. Therefore, majority of variables streamline the need for reliability with stated conditions, so we can conclude that data is highly reliable as indicated in Table 5.4 below: -

Table 5.4: Construct Reliability and Validity of all parameters of study

Parameters	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Achievement	0.760	0.870	0.830	0.510
Adoption	1.000	1.000	1.000	1.000
Communication	0.677	0.704	0.823	0.612
Cultural Compatibility	0.666	0.693	0.794	0.495
Cultural Fit	0.761	0.795	0.827	0.417
Affective Commitment	0.649	0.726	0.845	0.733
Human Integration	0.719	0.737	0.827	0.548
Integration	0.847	0.864	0.883	0.494
Organisational Justice	0.861	0.914	0.912	0.776
Satisfaction	0.616	0.618	0.839	0.723
Task Integration	0.824	0.856	0.885	0.662

Apart from reliability, another important aspect to asses is constructed validity which study the theoretical constructs based on inferences that are made from operationalisation. The motive of construct validity is to generalize the measures. The construct validity uses both convergent and discriminant validity hand on hand to simplify and analyze the theoretical measurements. Convergent validity beneath that the measures of construct should be related to one another and discriminant validity defines the measures of construct should distinct. To draw the pattern of construct validity, both convergent and discriminant validity needs to perform looking for figures correlated to each construct.

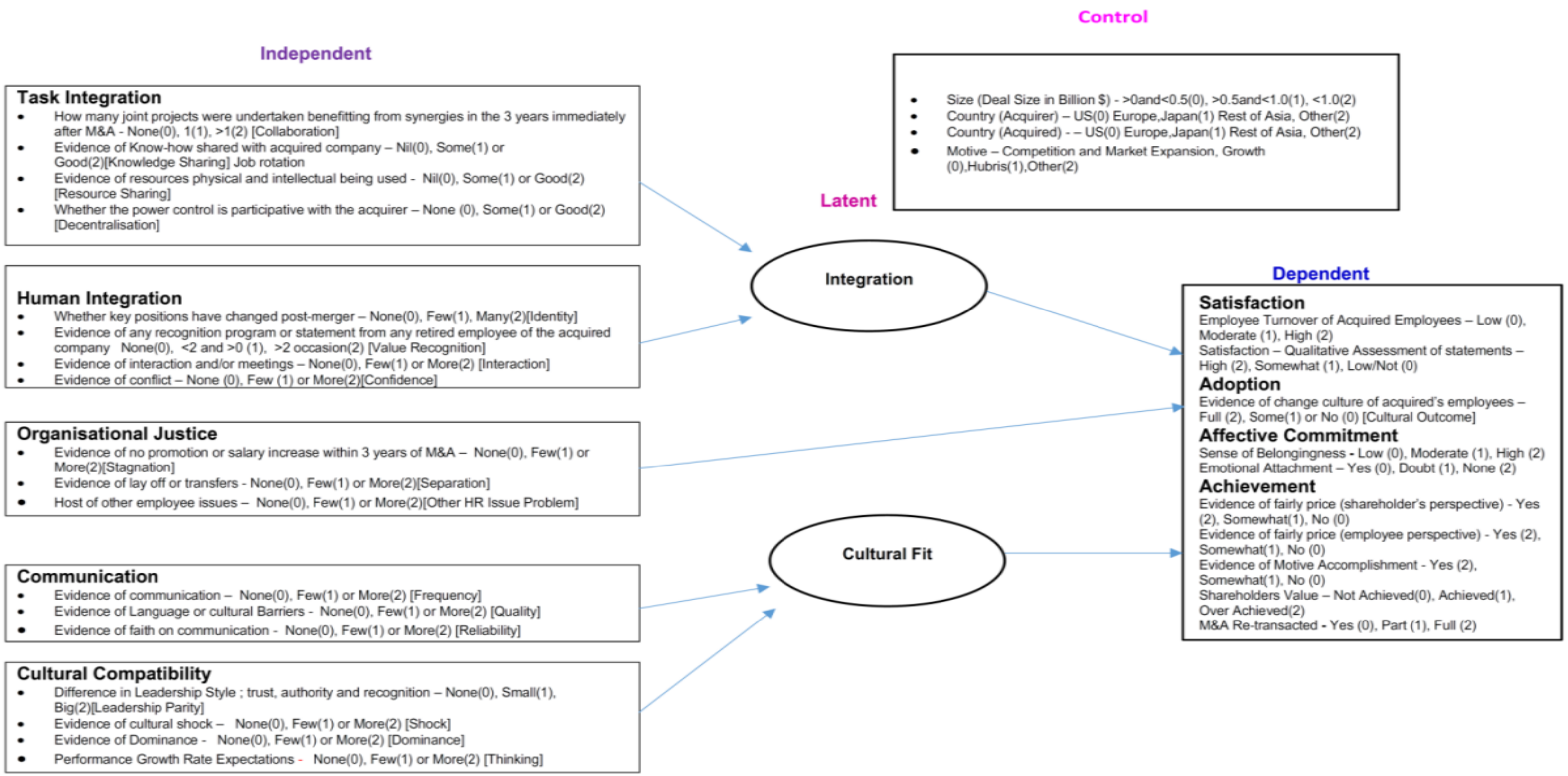
The correlation among the construct measures shows the degree of convergent validity that needs to be high but not defined as how much to be high. The discriminate validity can be achieved by comparing square root of each construct (AVE) to its correlated figures of other variables. The requirement is that the value of AVE should be higher than correlated values of other variables. If the study fulfils the requirement, then it can be concluded that discriminant validity is achieved. The table below showcases that the AVE values are higher than correlated values of other constructs that meet the stated requirement, thus supporting discriminant validity. Henceforth, the table represents that both convergent and discriminant validity can be assumed to be realised, therefore so construct validity is achieved. The results of the correlation matrix of independent and dependent parameters are summarised in Table 5.5 below:-

Table 5.5 – Correlation Matrix of independent and dependent parameters

Parameter(s)	Achievement	Adoption	Communication	Cultural Compatibility	Affective Commitment	Human Integration	Organisational Justice	Satisfaction	Task Integration
Achievement	0.714								
Adoption	0.354	1.000							
Communication	0.396	0.674	0.782						
Cultural Compatibility	0.420	0.500	0.557	0.704					
Affective Commitment	0.255	0.276	0.513	0.371	0.856				
Human Integration	0.329	0.556	0.647	0.426	0.591	0.740			
Organisational Justice	0.214	0.274	0.102	0.078	-0.159	0.014	0.881		
Satisfaction	0.474	0.518	0.335	0.567	0.343	0.420	0.309	0.850	
Task Integration	0.462	0.425	0.544	0.357	0.412	0.651	-0.085	0.239	0.814

Figure 5.1: Perceived Structural Model

The elaborated[6] perceived model is as follows:-

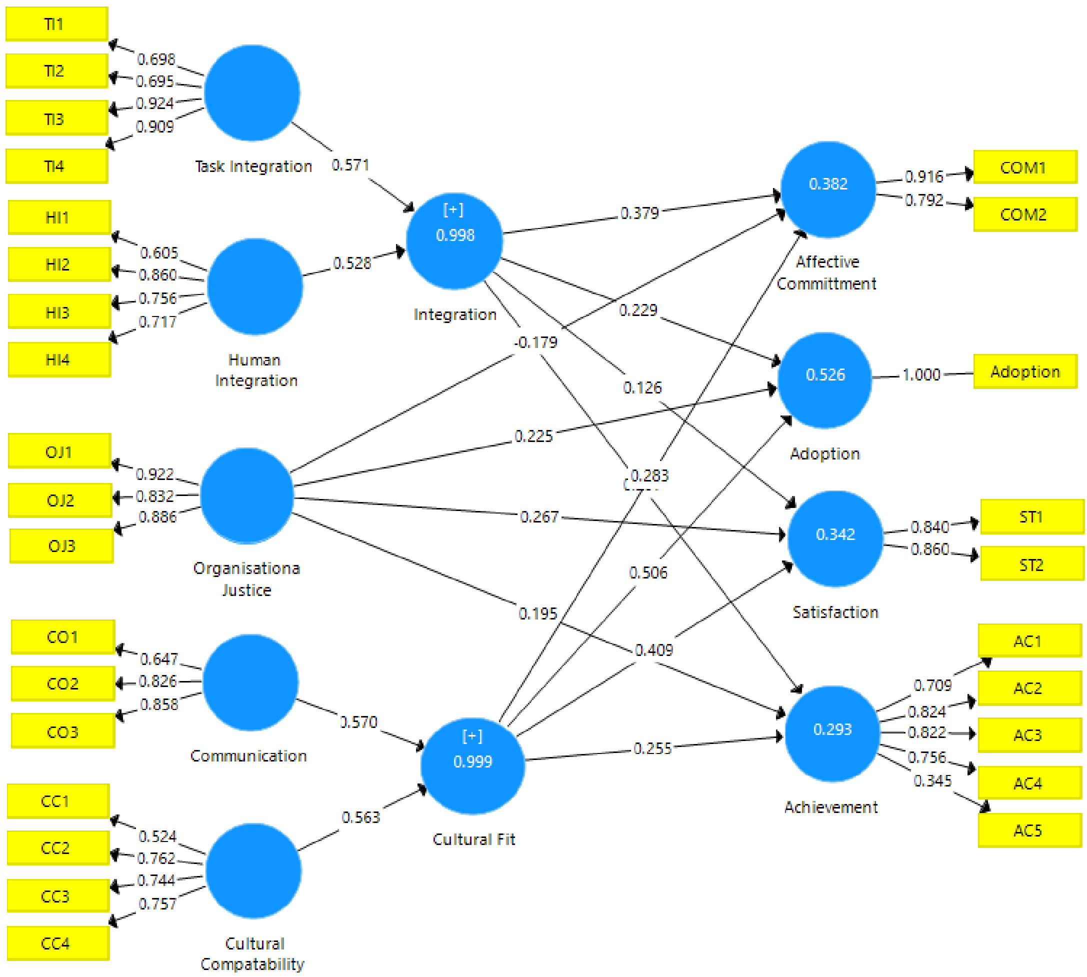


[6]Based on Section 4.7 of chapter 4

Figure 5.2 - Realized Structural Model

A smart PLS output is designed to measure the structural model using bootstrapping process depicted in Figure 5.2. The parameter used in interpreting the results are to accept the hypothesis when p< 0.01 (t >1.645) or p < 0.05 (t > 1.96) or p < 0.001 (t > 2.58) otherwise not accept the hypothesis.

Figure 5.2 Realized Structural Model



The results of the data reveals that nine hypotheses got accepted by fulfilling the set requirement and remaining seven constructs got not accepted. Therefore, the hypotheses related to communication-cultural fit, cultural compatibility- cultural fit, cultural fit-adoption, cultural fit-satisfaction, cultural fit-affective commitment, human integration-integration, integration-affective commitment, organization justice-adoption and task integration-integration supposed to be accepted and thus conclude that there is significant relationship exist between these variables and to implicate the construct. *Hence results from the quantitative analysis of this study supports the hypotheses H1, H2, H3b, H4, H5, H6a, H7a, H7b & H7c*.On the other hand, remaining variables as cultural fit-achievement, integration-achievement, integration-adoption, integration-satisfaction, organization justice- achievement, organization justice- affective commitment and organization justice- satisfaction resulting in rejecting the hypothesis and thus expressed the relationship between variables. Therefore, *hypotheses H3a, H3b, H3d, H6b, H6c, H6d and H7d are not accepted*. Table 5.6 shows the significance of path coefficients.

Table 5.6 – Path Coefficients Significance of parameters of study

Parameter(s)	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	p-values
Communication -> Cultural Fit	0.570	0.558	0.062	9.159	0.000*
Cultural Compatibility -> Cultural Fit	0.563	0.565	0.068	8.321	0.000*
Cultural Fit -> Achievement	0.255	0.214	0.251	1.016	0.310
Cultural Fit -> Adoption	0.506	0.506	0.128	3.958	0.000*
Cultural Fit -> Affective Commitment	0.283	0.297	0.149	1.897	0.058***
Cultural Fit -> Satisfaction	0.409	0.396	0.175	2.334	0.020**
Human Integration -> Integration	0.528	0.522	0.078	6.782	0.000*
Integration -> Achievement	0.297	0.335	0.265	1.121	0.263
Integration -> Adoption	0.229	0.221	0.144	1.595	0.111
Integration -> Affective Commitment	0.379	0.368	0.139	2.728	0.006*
Integration -> Satisfaction	0.126	0.133	0.146	0.865	0.387
Organisational Justice -> Achievement	0.195	0.190	0.191	1.019	0.309
Organisational Justice -> Adoption	0.225	0.208	0.110	2.037	0.042**
Organisational Justice -> Affective Commitment	-0.179	-0.182	0.143	1.250	0.212
Organisational Justice -> Satisfaction	0.267	0.293	0.188	1.425	0.155
Task Integration -> Integration	0.571	0.572	0.078	7.369	0.000*

** Significant at 1% level, ** Significant at 5% level, *** Significant at 10% level.*

5.3.2 Predictive Relevance and Effect Size

Effect size is presumed to depict the effect of latent independent variable on a dependent variable based on the value of f2 which represent the effect in terms of none, small, moderate or large. The value for f2 is certain by using the formula as R2 / (1-R2). The table below highlights that independent variables have medium to large effect on dependent variables.

Table 5.7: Coefficient of Determination of independent &latent variables

Parameter(s)	R Square	R Square Adjusted
Achievement	0.293	0.245
Adoption	0.526	0.494
Cultural Fit	0.999	0.999
Affective Commitment	0.382	0.340
Integration	0.998	0.998
Satisfaction	0.342	0.297

Table 5.8: F-Square Values

Parameters	Achievement	Adoption	Affective Commitment	Communication	Cultural Compatibility	Cultural Fit	Human Integration	Integration	Organisational Justice	Satisfaction	Task Integration
Achievement											
Adoption											
Affective Commitment											
Communication						**264.349**					
Cultural Compatibility						**258.212**					
Cultural Fit	0.055	**0.322**	0.077							**0.151**	
Human Integration								**85.538**			
Integration	0.075	0.067	0.140							**0.015**	
Organisational Justice	0.052	0.104	0.050							0.105	
Satisfaction											

5.3.3 Hypotheses Testing Results

The first set of hypotheses (H6a, 6b, 6c&6d) examined the effect of integration on affective commitment, adoption, satisfaction, and achievement during the M&A among employees. Integration is a latent variable that combines the task and human integration. The result depicts that there is no significant relationship exists for three elements as the p-value is higher than 0.05 as 0.111, 0.387 and 0.263 for adoption, satisfaction and achievement respectively (H6b, H6c & H6d) but there is an effect of integration on affective commitment with p-value as 0.006 at 1% so, therefore, there is a significant relationship exist only for affective commitment (H 6a). The study hence concluded that the jobs with combined task and duties of employees are well managed and human relationships among employees if present, and then employee commitment is achievable.

The second set of hypotheses (H3a H3b….); H3 underpins the relationship of organizational justice with all dependent variables as affective commitment, adoption, satisfaction and achievement. The result concludes that only a single relationship exists between organizational justice and adoption with p-value 0.042 at 5 %(H3b) and the remaining variables as affective commitment, satisfaction and achievement (H3a, H3c & H3d) do not influence by organizational justice having higher p-value. The finding is likely to support the organizational policies for reduced working pressure, work-life balance, timely pay, and less retrenchment implying the employees' concern. Thus, organizational justice as employees' favourable policies is always accepted and adopted by management and employees but are not necessary to satisfy them.

The third hypotheses (H7a, 7b, 7c&7d); H7 analyzed the relationship between cultural fit and multi variables such as affective commitment, adoption, satisfaction and achievement. The cultural fit as latent variable is a combination of communication and cultural compatibility. The study reveals that there is an existence for adoption, affective commitment and satisfaction which can be influenced by cultural fit with significant p value as 0.000 at 1%, 0.058 at 10% and 0.020 at 5% respectively (H7a, H7b& H7c). But on the other hand, achievement does not change with a change in cultural compatibility. Henceforth, communication and cultural compatibility influences the satisfaction, affective commitment and adoption among the employees while performing their duties during M&A. The streamlined communication and healthy cultural environment provide favourable and motivated working premises to employees and management, leading to effectively surpassing their obligation. Thus, directly satisfied and adopted the changed policies and environment to work upon.

The final set of hypotheses is regarding the relationship of independent variables to the latent variables of integration and cultural fit (H1, H2, H4 and H5). The p values of entire four hypotheses are 0.000 at 1% hence all four are accepted. This validates the rationale of taking these latent variables for study due to their combined effect on HR outcomes of M&A. Thus, from the study it can be concluded that task integration and human integration should go in unison to achieve integration during M&A. Ignoring one at the cost of other may produce undesirable results. In a similar vein, cultural fit is a perfect blend of communication initiatives and cultural compatibility of the merged organisation having a bearing on M&A outcome. This process can be smoothened by a good leader with proper communication skills.

All HR issues do exist majorly on how the organization handles the M&A strategically. The result is quite different for different companies based on their nature of business, market business and growth prospects. The HR issues will be predicted to be continuing without any strong solutions. Some of the companies can manage the issues concerning employees during M&A but the majority fails. The result shows that affective commitment can only be influenced by integration and adoption is subjected to organizational justice and cultural fit.

5.4 Comparative analysis of the results vis-a-vis previous studies

Merger, in actuality, is largely a human phenomenon as it is people who need to merge, so human integration is essential for the shared identity of merging entities. Human integration mechanisms have been conceptualized by research scholars such as Haspeslagh and Jemison (1991), Briskinshaw *et al.* (2000), and Steele (2014) framework to overcome any existing gaps. Hence, in the research study, we found a relationship to exist between integration mechanisms interplay of task and human integration with the affective commitment of employees, reflected in their intention to either stay or leave the organization, influencing productivity and ultimately the performance of the organization.

The integration mechanism has been studied in our research as a latent variable in the interplay of the collective sum of both humans as well as task integration. Task integration is a key indicator of HR outcomes in M&A, as measured by variables such as knowledge sharing, resource sharing, collaboration, and decentralization

(Reus & Lamont, 2008, Zhang *et al.*, 2015). It is a key factor that helps in framing employees' perception of justice during M&A, which is related to synergy realization and psychological outcomes of the employees (Weber *et al.* 2011). Task integration mechanisms as advocated by Haspelagh and Jemison (1991) and Birkinshaw *et al.* (2000) have been researched in conjunction with human integration to cover up the existing research gap, i.e., either of two integrations in isolation or task integration proceeding before human integration.

Employee satisfaction is believed to be dependent on human integration and facilitation of the process of creating a shared identity among employees of the merged organization. As observed by Kavanagh and Ashkansay (2006), companies adopt different approaches to achieve integration, ranging from immediate to incremental. However, a hurriedly executed integration results in turmoil (Burno & Bowditch, 2003), while a slow approach to integration provides an opportunity for building resistance and anxiety, diffused focus and energy, and negatively impacted employee satisfaction and performance (Rai & Sinhna, 2002; Chanmugan *et al.*,2005; Mitleton-Keely, 2006). Hence, the pace of integration needs to be optimal for ensuring employee satisfaction in terms of a fine balance between human and task integration as propounded by Uzlec *et al.* (2016) in their research study on effect of post-merger transition speed on the execution of M&A and the driving role of decision-making priorities.

The current study has validated, to a reasonable extent, the existing research and integration models as there has been a significant effect of integration on the affective commitment of the employees. Task integration has also shown a relationship with variables of resource sharing and knowledge sharing as a catalyst to supplement the human integration initiatives, collectively leading to increased commitment and performance of the employees (Bauer *et al.*, 2016; Bansal, 2020).

The study has also validated the existing literature that employees with strong affective commitment have fewer turnovers and remain in the organization, as propounded by Meyer and Allen (1991). The same is also consistent with the study of Herscovitch and Meyer (2002), who argue that employees who want to remain because of desire (affective commitment) are likely to attend work regularly, perform tasks to the best of their ability, and take more discretionary acts (autonomy), all of which increase productivity and commitment to work. This finding backs up previous research on the relationship between integration mechanisms and affective commitment, such as Meyer *et al.* (2002) and Kim and Kim (2014), translating into increased performance of M&A (Bijlisma-Frankema, 2001).

On the contrary, employees who remain out of obligation (normative commitment) may do so if they view it as a part of their task or as a means of reciprocating benefits received, which in turn reduces their intention to leave the organization (Kyei-Poku,2002). Also, as explained by Meyer and Allen (1997), employee affective commitment is enhanced when their personal needs are fulfilled and strengthened by positive work experience. This is consistent with concepts and studies by various scholars on issues like emotional resilience (Khan et al., 2020), psychological stability (Cho *et al.*, 2017), psychological ownership (Degbey *et al.*, 2020) and need for preservation approach for greater organisational commitment in M&A (Febriani & Yancey, 2019).

Organizational justice has been stressed by scholars as having a direct bearing on the level of affective commitment of employees in terms of its various scales. Researchers like (Tornblom & Vermunt, 1999; Hauenstein, *et al.*, 2001; Lind, 2001a & b; Lind & van den Bos, 2002; Ambrose & Arnaud, 2005) have advocated the need to focus on overall fairness judgments for a complete and holistic understanding of justice in the organizational backdrop of a merger. Recently, discussion by scholars like Greenberg and Shapiro (2001) has also asserted that employees respond to general justice experience, thereby implying overall justice for research. The employees' perceived organizational justice during an M&A influences the psychological outcome of employees (Bansal, 2020).

Justice is the extent to which all procedures are done tartly and every employee is treated fairly (Price, 2001). Mueller and Price (1990) demonstrate that organizational justice influences both job satisfaction and organizational commitment (Mueller & Price, 1990).If employees feel they are not being treated fairly, turnover in the organization can be influenced if there is enough and understandable information. Research has found that organizational justice can influence employees' attitudes and behaviours in the form of psychological withdrawal and voluntary turnover (Seo & Hill, 2005). The study examined the concept of whether overall justice mediates the relationship between specific justice types and has an overall effect on employee psychological outcomes.

The result of our study validates the fact that justice is important in sense-making during M&A (Monin *et al.,* 2013) and overall, justice should be the parameter for research study. It has an overall effect on how employees adapt to the changing environment because it has a relationship with the adoption of the employees in the merged entity. The study partly validates the role of organizational justice in the psychological resilience of employees as indicated in various studies by scholars like Zaheer *et al.* (2003),Ellis *et al.* (2009), Van Dick *et al.* (2009), Klendaauer and Deller (2009) ,   Melkonian *et al.* (2011) and Bansal (2020).

Consistent with the existing literature (Covin *et al.*, 1996), M&A generates a wave of less favourable responses from employees of the merging firm in respect of post-M&A organizational commitment and satisfaction. Our research examined this fact threadbare and found that there is a significant relationship between cultural fit interplay between communication and cultural compatibility with the level of satisfaction among employees, having a bearing on the overall performance of the organization. Scholars have documented vividly about cultural differences, but cultural differences per se may be an opportunity, not just a threat, provided some degree of cultural compatibility is achieved in mergers. Culture is manifested at various levels, with organizational and national culture being two important levels of analysis in research.

Various studies like that of Weber *et al.* (1996), Barkema *et al.*, 1996, Bain & Co 1999, KPMG 1999,Tusi & Tollefson, 2007; Dauber, 2011 & 2012; Weber & Traba, 2012 etc. have over time established the importance of culture integration as a critical and most important parameter for the outcome of M&A, even more so in cross-border M&A. The parameters like knowledge transfer, retention of employees, value creation and overall integration that enhance the chances of success of M&A are dependent on cultural integration.

In our research framework, the concept of cultural fit is used as an indicator, as suggested by scholars like Datta (1991), Cartwright and Cooper (1993), Cartwright (2006) and Bauer and Metzler (2014). This is the interplay between cultural compatibility and the communication plan of an organization during M&A. Earlier research has shown that a communication approach is extremely important to M&A performance because it provides clear and up-to-date information, which improves employees' coping abilities and overall performance. Communication is a key variable for post-merger integration to be more effective and successful. Studies by consultants like Hewitt Associates, Wyatt Associates, KPMG, and AT Kearney PMI survey have all highlighted the role of communication in the overall success or failure of M&A. An effective communication strategy ensures affective commitment, smooth change management, and culture difference barriers are removed effectively (Napier *et al.*, 1989; Schweiger & Denisi, 1991, Angwin *et al.*, 2016).

Fieldman and Murata (1991) and Messmer (2006) advocated early communication as one strategy to deal with anxiety created by a tense environment of uncertainty among employees, even characterized by "Merger Syndrome". As stated by Appelbaum *et al.* (2007), communication tends to influence employees' ability to adapt to a new culture, sustain the change process and deal with stress. However, communication, as assigned to organizational leaders, is difficult to achieve as the process faces numerous obstacles. Our study has hence studied the concept of cultural fit concerning various dependent variables. The parameters of adoption, affective commitment, and integration were significantly related to cultural fit, all of which have a direct bearing on the overall success of M&A. The results are in line with the studies and conceptual frameworks of various scholars like Berry (1980, 1983, 1987, and 1997), Nahavandi and Malekzadeh (1988), Buono and Bowditch (1989), Elsass and Veiga (1994),Larsson and Lubatkin (2001), Kavanagh and Ashkanasy (2004), Siakas and Siakas (2015), Ahmmad *et al.* (2016) and Zagelmeyer *et al.* (2018).

The results of the research data analysis using various statistical tools are in sync with existing research findings (Haspeslegh & Jemison, 1991; Larsson & Finkelstein, 1999; Mair & Collerette, 2011) on integration mechanisms during M&A. The results are indicative of the fact that perceived organizational initiatives (integration mechanism and cultural fit) in tandem with perceived organizational justice impact the psychological outcome of employees' attitudes of affective commitment, satisfaction, adoption, and achievement, all of which have a collective bearing on M&A performance and outcome. The degree of relationship has been found to be significant but not to the extent to show a direct causal relationship, but significant enough for the purpose of validation of our research and with key observations for future research to improve further upon the current study.

5.5 Salient observation of research findings

The study has been an objective attempt to address the existing gap in the research literature for lack of or study of Socio-Cultural aspects in isolation to each other only. The study has established a linkage that *employee's psychological outcomes and organizational integration initiatives studied in unison are related*. Hence the study focuses on the interrelationship between employee's psychological outcomes and organizational integration initiatives both human and task integration in unison. In earlier studies, HR issues have been studied in binary pairs like the effect of human integration on commitment (Steele, 2014), the commitment initiative on commitment and satisfaction (Fish, 2007; Dass, 2008; Weber & Traba, 2010), and organizational justice on commitment and satisfaction (Cropanzano & Fogler, 1991; Greenwood *et al.*, 1994; Tang & Baldwin, 1996; Steensma & Van Millegen, 2003).

M&A research of organizational behaviour and process schools is also bereft of adequate human integration initiatives. The research of task integration mechanism is also in a nascent stage as researchers have failed to understand the importance of aligning human integration before and in tandem with task integration even though satisfaction is presumed to be the outcome of integration initiative (Birkinshaw *et al.*, 2000). Thus, the current study is a holistic attempt to consider Socio-Cultural issues on M&A outcome and attempts conceptual framework incorporation employees' psychological variables & organization integration initiatives in relation to integration mechanism and cultural fit in M&A.

Earlier researchers have highlighted the lack of or even absence of attention to post M&A integration issues as vital determinants of overall success or failure of M&A (Kitcling, 1967; Haspelagh & Jeminson, 1991; Bellinger & Hilmann, 2000; Lisauskas& Lauraitye, 2004). As Haspelegh and Jeminson (1991) and Birkinshaw *et al.* (2000) proposed, integration is a dual function of

I. Human Integration (To proceed before Task Integration)

II. Task Integration

Both integration mechanisms require different as well as distinct management actions and focus on different objectives. Therefore, an objective need was felt for testing both parameters on different dimensions by means of a separate hypothesis and to study the interrelation, if any between the two. Various researchers have given prominence to human (cultural) integration alignment over task alignment as a merger involves humans, i.e., employees with critical human issues of satisfaction, anger, frustration, and belongingness, as stated by Haspelagh and Jeminson (1991).

The findings of our research validate the findings of Brikinshaw *et al.* (2000) that cultural alignment, read as human integration, is of vital significance to task integration and needs to precede it for effective integration to take place. But both human and task integration may not be achieved to the desired level, and an overemphasis on either side of the integration mechanism can have a significantly negative impact on the outcome of M&A inconsonance with the findings of Birkinshaw *et al.* (2000). Therefore, both human and task integration need to be given equal weightage and need to complement each other. Hence, to address this research concern, the concept of integration as a mediating variable was introduced in our study.

Researchers (Haspelagh & Jeminson, 1991; Birkinshaw *et al.*, 2000) have posited various organizational initiatives of task integration, which include autonomy in decision making, joint project/task teams, job rotation, knowledge sharing among employees, cross-transfer of skilled experts (Marks & Mirvis, 1984; Shrivastav, 1986) and resource sharing between the merging entities (Weber & Traba, 2010). Some of these variables have been researched in hypothesis testing for their effects and relationships with dependent parameters. Operational synergies are brought out by employing task integration through overall organizational integration efforts. Weber and Traba (2010) observed that achieving task integration becomes imperative in M&A success as it produces sustainable competitive advantage, the acquirer must transfer acquired firm assets, human capital with tacit skills and knowledge that its competitors possess and ensure transfer of practices that gives distinct differentiation from rival firm.

The results of our research validate the findings of Gates and Very(2003) which indicates that no matter how efficient the acquirer's strategy is, combining the operation of the two merging firms will constitute a challenging management task and will result in the casualty of employees' positive psychological outcomes, if not managed effectively. Acquiring firms need to hence take into cognizance the perception held by the employees of acquiring firm as perception influences key factors as job satisfaction (Burno & Bowditch, 1989; Newman & Krzystofiak, 1993; Fairfield-Sonn *et al.*, 2002; Herscovitch & Meyer, 2002) organizational commitment (Newman & Krzystofiak, 1993; Fried *et al.*, 1996). This has been validated appropriately by research findings on psychological outcome and the perception of organizational integration initiatives and employees' psychological outcomes towards newly merged firms in lines with the research findings of Birkinshaw *et al.* (2000) as well as Appelbaum *et al.* (2000).

Organizational justice was another independent parameter as the focus our study for its relationship to various dependent parameters. In line with research like (Hauenstein, *et al.*; 2001; Lind, 2001a &b, Lind & Van den Bos, 2002; Ambrose & Arnaud, 2005), the focus was on overall fairness judgment for the understanding concept of justice in M&A. Hence, the study examined the concept of overall justice mediating the relationship of specific justice types and its overall effect on employees' psychological outcomes. Thus, the research investigated how employees' perceived fairness of justice impacted the various dependent parameters in post-M&A implementation. Perceived fairness is highly related to HR based decision making and outcomes in corporate merger context and has an effect on employees' attitude & behaviour, it is essential to understand how HR administered practices in post M&A implementation affect the perceived fairness.

The qualitative result of the study, however only partially supported the equality criterion in time of change (Cobb *et al.*, 1995) as organizational justice seems to significantly impact only adoption parameter in M&A. This may be partially attributed to the fact that in ambiguity and confusion during times of change, employees give personal meanings to equality practices and policies during post M&A implementation, in lines with research findings of Melkonian *et al.* (2011) who concluded how justice perception of employees shift over time during merger and that with the passage of time and accumulation of direct experience, employees tend to acquire direct information about decision process to form their own justice judgments.

Management culture is a developing system of beliefs, values, and assumptions shared by the managers about the desired way of managing the organization. It can also adjust to its environment (Chatterjee *et al.*, 1992, Weber & Pliskin, 1996; Lubatkin *et al.*, 1999). Culture as per Hofstede five Culture dimensions is the most studied, researched, conceptualized parameter of Socio-Cultural aspect of M&A manifested at dual level in cross border M&A as national and corporate culture, which as per Dauber (2012) require double layered acculturation. The author has also reviewed 68 articles on M&A specific to culture, integration & performance but results were mixed & difficult to interpret. Weber and Traba (2012) indicated lack of cultural assessment at all stages of M&A, including screening, planning, and negotiation was responsible for high failure rate of M&A. Even earlier research was limited to study of either the pre-acquisition or post-merger integration stage only.

The role of leaders as communication managers has been advocated by Schweiger and Denisi (1991) who ought to take responsibility for change management by informing the subordinates about the planned stages. True communication is a cherished but difficult task to achieve, since communication process assigned to organizational leaders who faces potential numerous obstacles (Applebaum *et al.*, 2000). Authors insist on the significance of how leaders can effectively manage and motivate employees during M&A. Therefore, as suggested by Thach and Nyman (2001) role of the leader needs to be specified at the time of acquisition of the organization itself. They introduced M&A leadership models to focus on phase of "*limbo"* a process characterized by lack of information, uncertainty & ambiguity affecting employees and leaders alike. The antidote to overcome this includes increasing level of communication to three times the normal. There are various leadership kinds each having a different structure and correlation to post merger satisfaction but as observed by Covin *et al.* (1997) leadership style should be a key consideration in planning for a merger.

Whitekar (2011) points out a positive impact on merger success for organizations that form communication plans and joint team-building activities like team meetings, strategy updates, strategy updates, and training on integration with all employees within the first six months of the merger (Schwiger & Goulet, 2005; Badrtalei & Bates, 2007). This research also demonstrates similar results for cultural compatibility in tandem with human integration initiatives. Researchers like Veiga *et al.* (2000) and Larsson and Lubatkin (2001) too have found that successful acculturation is possible even in conditions of significant difference, provided the acquirer invests in formal and informal control. The study has found relationship between communication and cultural compatibility influences satisfaction and adoption among employees' inconsonance with studies of earlier researchers (Fish, 2007; Dass, 2008; Weber & Traba, 2010).

Communication is hence an important integration and adoption influencing factor that helps employees in transition phase of change and cultural compatibility as it helps alleviate the employees' concerns in a tensed changed environment marked by uncertainty. Uncertainty also stems from morbid fear of loss of status and control for individuals within and outside the organization. But as proposed by Marrow *et al.* (1967) and Marks (1982) communication sets the climate of uncertainty to assurance. Hence, in case of positive reaction in the acquired firm or stabilizing volatile situations, both situations are linked to a formal communication plan. A significant correlation has been found between a sound communication plan and employee satisfaction, which indicates that if employees are informed about their own future and changes in the organization, they tend to feel assured, a fact supported by the study of Balmer and Dinnie (1999). The results are also in line with the proposition of Appelbaum *et al.* (2000) that communication throughout the M&A process is essential for its overall success. Providing clear, consistent, factual, sympathetic and upto date information in various ways through different channels increases the employees' ability to cope, which ultimately enhances productivity & overall performance of the firm as validated by findings of scholars (Angwin *et al*., 2016; Zagelmeyer *et al.*, 2018).

From the findings/research carried out on a mixed-method approach, it can be reasonably concluded that effects of overall integration mechanism, organizational justice and cultural fit are fairly consistent in predicting to a certain level of confidence in attitudinal outcome of affective commitment, adoption, satisfaction and achievement all collectively having a bearing on outcome of M&A.

5.6 Implications of the Study

The investigations on Socio-Cultural issues of M&A have found quite significant though not complete relationship between perception of organizational integration initiatives, cultural compatibility, perceived organizational justice & communication plan on employee's psychological outcomes in the newly merged entity. In summarizing the findings of research with existing literature and theories on the subject, certain Socio-Cultural issues like organizational integration mechanisms of task and human integration, communication plans, perceived organizational justice, and culture compatibility/fit plays a significant role in positively affecting employees' attitudes and behaviour during the entire course of the integration process, influencing post-deal value creation and synergy, if any, and ultimately the overall outcome of M&A. It is likely that the effects of the overall integration mechanism, organizational justice, and cultural fit are fairly consistent in predicting, to a certain level of confidence, the attitudinal outcome of affective commitment, adoption, satisfaction, and achievement in the M&A integration phase.

The study is thus indicative of positive attitudes, emotions, and performance ineffective integration, cultural compatibility, and perceived organizational justice. These results in positive employees' emotions like more satisfaction, better adoption to post merger integration phase, an affective commitment is all manifested in reduced employee turnover and increased productivity resulting in increased achievement of employees. Therefore it will be fair to predict that there is no line of divide between reasons for failure country wise across the globe. These Socio-Cultural dimensions with some level of local cultural variations will play at critical role in outcome of any M&A be it local or cross border.

Thus, it can be fairly concluded that by taking quick, timely, and decisive action on Socio-Cultural aspects of M&A, in addition to other key financial and strategic aspects, companies will be able to better achieve the desired synergies, goals, and success in M&A deals. M&A are a tumultuous time for employees, management, and stakeholders alike, but with proper communication and focus on human aspects of mergers, companies will have a positive impact on employees' attitudes, emotions, and behaviours, which will maximize the probability of management controlling the volatile situation and achieve the cherished goal of smooth integration for creating wealth or synergy for merged entities. Acquiring companies can increase their chance of success when by various integration initiatives they are able to retain key executives who adapt to the new culture of merged entity and are able to achieve the desired performance. Hence it can be reasonably summarised that addressing behavioural issues during integration and creation of a new organisational identity of the merged employees are critical to overall success of M&A.

The study points out that there are Socio-Cultural drivers as well as inhibitors of integration in any M&A. These Socio-Cultural drivers of integration are indicative of positive initiatives like integration mechanism and cultural compatibility undertaken by organisation undergoing M&A for positively shaping employees' response to cope with cultural exchange or even shock by host of enabling conditions. Post-merger integration effectiveness may be enhanced by employees' cultural adoptability, psychological and structural factors. It may also be concluded that it is cultural dynamics and not cultural difference per se that influence M&A performance.

Chapter 6 Case Analysis of Selected M&A's

The study seeks to examine the HR dimensions of M&A with specific reference to the Socio-Cultural dimensions. To analyse these dimensions, eight cases have been shortlisted, of which five have been finalised based on the completeness of information required for the analysis on the selected HR parameters. Four of these cases (Cases 1-4) are cross-border mergers and acquisitions, and one (Case 5) is within the home country (India). Four out of five cases involve at least one Indian corporation. The results obtained from the content analysis of the selected cases and comparisons with the existing studies are presented in the following sections.

6.1 Selection of cases and its rationale

The Daimler Chrysler (DC) case is a cross-border merger between German and American auto giants. The DC case has been selected on the grounds that certain HR issues were responsible for the overall outcome of the merger. The major challenges of the counterparties to the merger were the integration of disparate cultures, diverse market segments, product positioning, and diametrically opposite approaches to functional activities. The merger was primarily thought of as a merger of growth without layoffs, but employee turnover, both voluntary and involuntary, was one key issue that shaped the outcome of M&A.

One of the biggest challenges of the deal was to blend the two different cultures, which were vastly different on Hofstede's composite national culture distance. Hence, the merger was selected to objectively analyse the cultural traits of the two companies in order to evaluate cultural issues during transition management at play and the way they were handled for blending the two disparate cultures. The case selection was also done as it was termed "*Merger of Equals made in Heaven" and* to study the driving force behind the merger. However, majority of M&A transactions are takeovers, with one dominant power controlling management. The case study also tested this assumption of equality between merging entities.

The Daiichi-Sankyo Ranbaxy M&A is between an innovative pharmacy company in Japan and a generic drug manufacturer in India, both Asian countries but culturally distinct. The case was specifically selected to evaluate the difference in corporate culture and national culture on the overall outcome of M&A as it called for double-layered acculturation. These cultural differences were further amplified by the difference in business models (innovator vs. generic) between the merging entities. The case study examines the cross-cultural differences at two levels national and organisational, with the management working hard to implement the hybrid business model.

This case of cross-border acquisition, even for an organisation in the related industry, was selected to evaluate how cultural orientations from diverse business models and company history are instrumental in shaping employee behaviour. Hence, the case study examines the Socio-Cultural challenges that comfort an established Japanese proprietary drug group in its acquisition of an India-based global generic drug firm, focusing on major issues of culture while undertaking a cross-border merger. The case of a Japanese company was also selected because majority of the M&A involving Japanese Company with Indian Corporations have failed, so the case is meant to understand deeply any underlying reason or pattern for their failure.

The Tata Motor-Jaguar Land Rover (JLR) case is a cross-border acquisition of a British brand by an Indian auto company. The case study firm has been selected as a deviation case and as an antithesis to the integration approach of M&A. The case highlights a different strategy: giving autonomy to merged company and selective integration. The efficacy of such an approach is to be tested by analysing the case objectively. The case study is also an objective analysis of the strategy adopted by a company from an emerging to acquire a premium brand of a developed economy. The case has been selected for making a comparison of the organisational strategy of performance outcome of Tata (Successful) vs. Ford (Failure) for JLR on human resources parameters. The analysis will help to better understand the underlining rationale behind why firms from emerging economies may adopt altogether different strategies than the traditional ones and also identify key success factors that were ignored by established multinationals in developed countries. The case results were analysized using the CAGE (Cultural, Administrative, Geographical, and Economic) framework to better understand cross-border merger strategies and as a blueprint for successful merger.

US giant Walmart’s acquisition of Flipkart, an Indian e-commerce giant, ranks as the world's biggest purchase of an e-commerce company in the retail sector. The deal was selected for analysis as both companies had carried out their due diligence with regard to financial, legal, and technical aspects. But in this landmark deal, could HR-related parameters be the spoiler of the deal or could Walmart ensure its acquisition would be a success. The case was purposefully selected to understand the various dimensions of international merger and acquisition in the e-commerce field and that human resource issues are paramount over financial, technical, and legal dimensions in the outcome of cross-border M&A. The case also advocates the need for cultural management, the critical role played by HR managers, and change management in cross-border M&A.

The merger of two Indian public sector undertakings, "Air India Limited" (AIL) and "Indian Airlines Limited" (IAL) into "National Aviation Company of India Ltd" (NACIL) was selected to study cultural parameters in case the merging companies belong to the same nation and hence national cultural differences is not a factor at play. The case showcases that despite no difference in national culture and being run as a public sector undertaking by the same employer, the Government of India, both the organisations were starkly different in terms of their organisational culture. The case focuses on issues that arise in M&A decisions involving large state-owned and operated entities, such as airlines, during times of deregulation and intense competition. *The case has important lessons to be learned about due diligence and effective merger execution when the global and domestic industry structure is unstable and rapidly changing*. This case discusses the problems faced by the merged entity because of human resource issues, which need to be considered during the due diligence phase itself.

6.2 Daimler – Chrysler Merger (CASE 1)

A classic case of Daimler Chrysler M&A happened during 1998 and its effects are presented post five years. The main facts of the case have been derived from the case book Harvard republished in 2005 and other sources like published reports and journals. The parameters analysed are turnover related factors post-merger, leadership and communication perspectives, synchronization of business models and cultural compatibilities. The impacts of the factors on the operating performance of the merged firm have been examined.

6.2.1 Facts and Issues

"*Merger of equals made in Heaven*", the case of Daimler Chrysler, is considered endowed with strategic intent. It is an example of the best cross border merger of German and American Auto Giants; US $36 billion total value of equity, the combined revenues of the US $ 132 billion, 4 million vehicles annual sales, 4.21 lakh employees and the fifth largest manufacturer of automobiles in the world in terms of vehicles sales & 3rd position in the revenue. The rationale of this M&A is to become the "Number one" in the premium car segment worldwide.

It has been observed that a significant challenge of the counter parties to the merger was *the integration of disparate cultures, diverse market segments and product positioning and diametrically opposite approaches to functional activities.* The champions of merger viz. Gruble, the senior vice president of the corporate strategy, was entrusted with the responsibility of leading the PMI team from Daimler, while Thomas T. Stall Kamp, President of Chrysler, was the cheerleader for the merger.

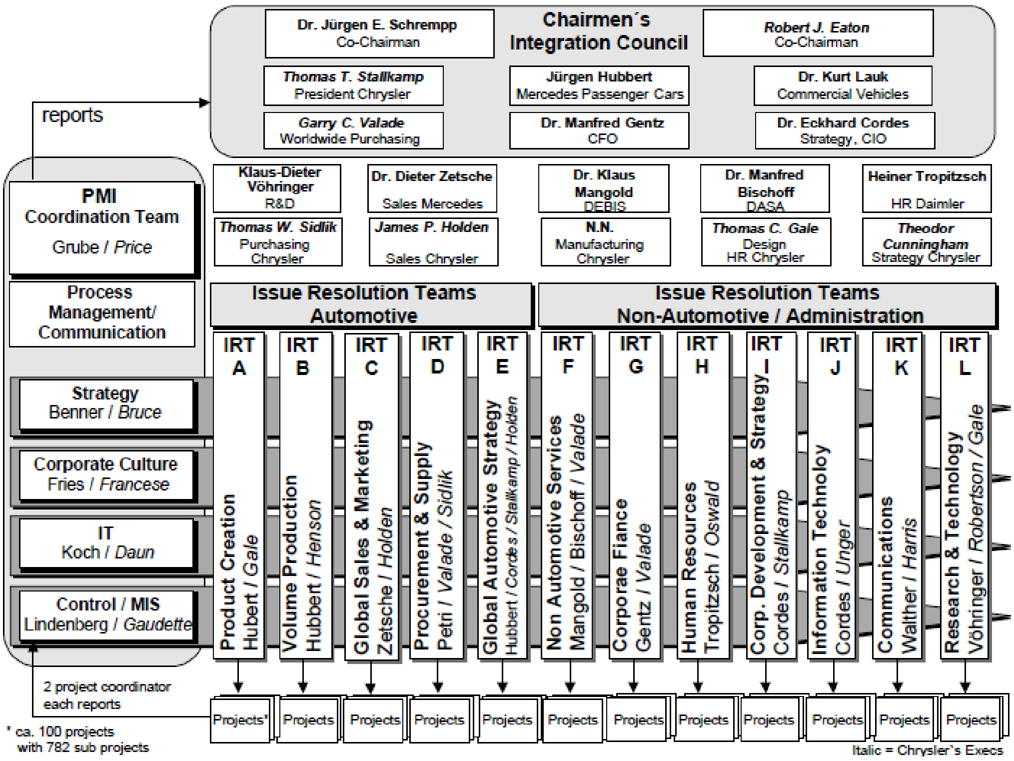
For giving effect to the merger, a Chairman's Integration Council (CIC) was constructed in May, 1988 and the Post-Merger Integration (PMI) process was institutionalized with tasks such as – (a) identifying board financial goals and allocating them by business area and (b) establishing the principles of the integration phase. Schrempp and Eaton outlined the following ten principles as guidelines for PMI activities (Harvard Case, 2005)-

- Speed, Speed, Speed
- Attend to day-to-day business
- Merger of Equals- Neither German nor American
- Walk the walk- Company top executive will set the tone for integration by example and personal behaviour
- Accountability & transparency
- Leverage strength of both
- Maximum Autonomy to the integration task force
- Principle of minimal intentions
- Responsiveness
- Openness

PMI structure is based on the principle of "*distributed leadership*" for the period of 10th April till June 1998. This hybrid approach reflects a combination of decentralized management in board structure with 2-4 Daimler Chrysler members basically overseeing the bottom-up task forces of integration and CIC that is centralized, directing 12 person's coordination team of PMI which Grube heads. This involved 300 senior executives spending 40% of working days on PMI.

In the designed structure, the small task force in both of the companies had identified 100 issues that were relevant and affecting the process of integration, which were clubbed into twelve "Issue resolution teams" (IRTs) - Headed by Daimler & Chrysler executives. Grube and PMI team were responsible for culture, strategy, IT & Post-merger information system (Information System). The set-up for PMI is shown in Figure 6.1 as given below.

Figure 6.1 - Daimler Chrysler PMI Organization



Source: Author's compilation from Case writer and annual reports.

As a matter of strategy, it was thought that brand dilution would be avoided by keeping the identity of association of individual brands. The typical organization and cultural decision turned out to be havoc and negated the success of the Chrysler invention teams that have an autonomous platform. Consequently, Chris

Theodore and Rushwin, Shamel T, the vice president's inventor(s) of the platform's strategy at Chrysler, left to join Ford Motors in March 1999.

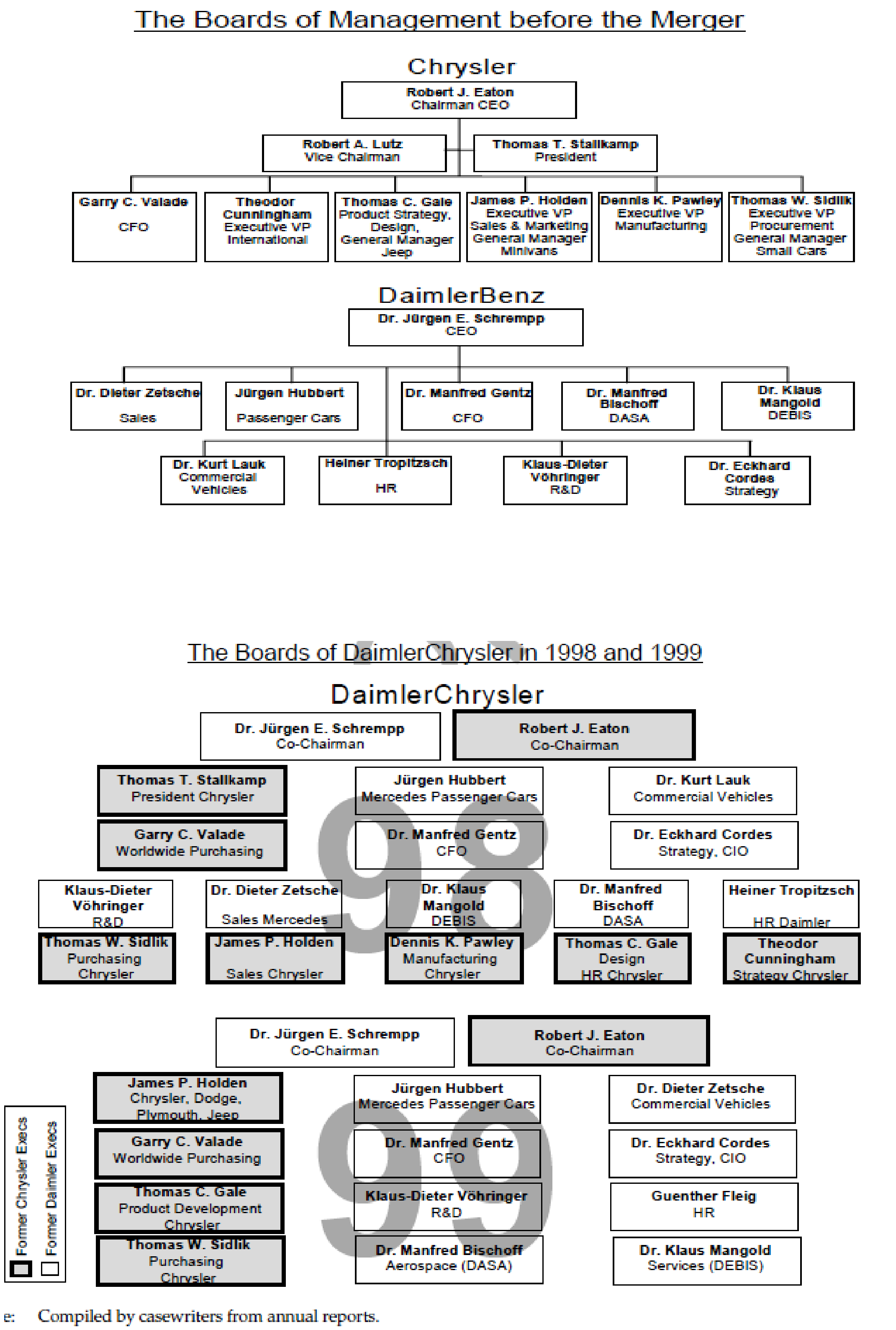
We now highlight the soft issues in the merger. The merger was primarily thought of as "*a merger of growth without layoffs*". The workforce increased by adding 19000 employees in 1998. An effort was made in attracting talent and coping with management relations. However, there were departures on both sides, voluntary as well as involuntary.

Human Resource activities were mainly fragmented. Henier Tropitzsch, did not retain sole responsibility of HR and Oswald Kathleen from Chrysler was appointed as co-head of the Human Resource from Jan- Sept' 1999. Renschler Andreas was mainly responsible for personal development for the worldwide senior executives, limiting him as a national representative in PMI teams and eventually retiring in 1999 to Guenther Fog.

Even after completing one year into the new operation, no harmony between German and U.S. Headquarters was visible. Chairman Schrempp removed all senior executives who threatened his dominance, including Stallkamp, who the American had trusted and respected. He also accelerated integration by reducing management from 18 to 13 with 8 Germans and 5 Americans on board. The board of management before and after is summarised in figure 6.2 below. He also created 3 separate divisions: -

- Chrysler Brand Headed by James Holden
- Mercedes Benz Division
- Commercial truck Division

Figure 6.2: Board of Management pre- and post-merger of Daimler Chrysler



Source: Compiled by case writers from annual reports

After a year, only one-third of the top executives of Chrysler stayed with the company with Robert Eaton set to retire soon in March 2000. In the 2nd year after the merger, Schrempp fired James Holden, the last President of DC for alleged financial crosses though later he admitted to other issues. Tom Gale retired as a consultant, key designer Neil Waling, John Herltiz, and manufacturing manager Denis Pawley left. Finally, with the dismissal of James Holden, practically all the Chrysler leaders had quit fired or left.

Within two years into the merger, most top Chrysler executives had turnover either voluntary (retired or left) or involuntary (fired or replaced) and their position was taken by German staff. This caused lot of anxiety, fear and stress among American employees leading to a lack of commitment and low productivity. Chrysler's main competitiveness of building mass car building was not utilized to overcome Daimler’s weakness of meeting the needs of new markets. The major executives leaving the company are summarized in the following Table 6.1.

Table 6.1 – Summarised view of key executives’ turnover post-merger of Daimler Chrysler

Daimler	Chrysler
Grube- Left in 1999	Robert Lutz, V.C- Retired in July 1998(Voluntary)
Kart Lauk, Commercial Vehicle- Retired Sept 1999(Voluntary)	Pawley, Ex. V.C- Retired in Jan 1999(Voluntary)
Heinrich Rodewig- Chief legal conserve Retired (Voluntary)	Stallkamp, President- Retired in 1999(Voluntary)
Peter-Hans Kailbach- Head of Washington Division-Retired (Voluntary)	Stephen Harris, V.P Cooperate Communication- Left for G.M with Tom Kowaleski and Tony Cervone (Involuntary)
Hans-Berhard Port-MD Chrysler Germany Retired (Voluntary)	Chris Theodore, Senior V.P and Shamel Rushwin Senior V.P International Management - Left for Ford (Involuntary)

Source: Case study and Company Data

6.2.2 Soft Issues (HR) in Merger

The case entails the following HR issues that have a bearing on overall outcome of M&A.

- **Human Resources -**Even though the merger was announced as a merger of growth without layoff but there was a large-scale voluntary turnover of top executive as summarised in Table 6.1 above. Mckinsey reported that about 70% of top managers left the merged company within 5 years leading to loss of talent & expertise. Even the human resource activities of the merged company like the functioning of PMI teams was largely fragmented and ad-hoc in nature.
- **Compensation Issues: -** Chrysler compensation package at U.S Standard was very high vis-à-vis German counterparts. Hence it was decided to raise the compensation of German top might to US levels. This 'Globalization of Compensation' was limited to the top level of management, only not trickle down to the lower-level employees. The salary of Chrysler employees was only guaranteed for two years.
- **Culture-**Even though this was the largest cross-border merger with prominent cultural issues, no culture due diligence was still conducted in the pre-integration phase of M&A. But despite all meeting and cross-cultural training no one addressed the key issue of the freewheeling American style vs. Bureaucratic German Style .Each had vastly different philosophy and work ethics.
- **Communication: -** Communication departments on the two sides of merger "on the front line of the culture wars". While Heris at Chrysler was a trusted source, Christophe Walter Stood for the German "One Company, One Voice" approaches. But after a serious of misunderstanding, Heris left the company in Feb'1999.Though internal communication with internal media (Business TV, Magazine for Employees & Headline) & Intranet-based Lotus Notes were used, neither Schzempp nor Eaton addressed middle management in speeches. External communication was addressed to several target groups. For the public, a merger marketing Campaign (Expect the extraordinary) was launched at corporate level. Daimler Chrysler however decided to keep of media communication for Mercedes and Chrysler brands as distinctly separate. Daimler Chrysler felt the "*need to improve its efforts to communicate the merger story to its investors, but financial analysts were dissatisfied with the level of communication for car maker recall policy while Mercedes Executive wanted any product recall to be associated with vehicle brand, Chrysler's executives wanted to connect also with the company*".

- **Knowledge Management-** To overcome the problem of "*Brain Drain*", personnel turnover, language differences, employee anxiety and integration issues were meant to be addressed. Chrysler- "*tech clubs*" informal cross-platform organization –Designers and Engineering division were there. The tech club was a platform for collaboration& communication between engineers & designers working on similar problems. The club also held informal meetings & exchanged industry best practices.
- **EBOK-**Engineering book of knowledge to capture knowledge generated in tech clubs as a mechanism of learning. Supplier program of SCORE-suppliers entered idea of cost saving in lotus system-reviewed by Chrysler's department for possible approaches.
- **"Knowledge Islands"-** were developed with Daimler Chrysler. Even though Knowledge Management practices had been applied, they lacked connection with other parts of the company.

Comparison of Merging Companies

Table 6.2 summaries the key cultural traits of the merging companies.

Table 6.2: Comparative analysis of Cultural Traits of Daimler & Chrysler

Parameter	Daimler	Chrysler
Decision making	Methodical	Encouraged Creativity
Values	Authority, Bureaucracy and Centralized decision making.	Efficiency, Empowerment, Equal rights
Cultural traits	German Model Team oriented, high-power distance, collectivism	American Model Individualism, less power distance, short term orientation
Compensation Structure	Low salaries	Generous pay packages- twice of Daimler
Communication Style	Formal & reserved discussion	Informal &free discussion
Working methods	Lot of red tape Long reports and discussions	No red tape Minimum reports
Organizational structure	Pronounced hierarchies Top-down-management	Flat hierarchies
Approach to solution	Detailed plans and implementation	Shoot then Aim

Source: Author compilation from case study

6.2.3 Inferences

Analysis of the case facts and cultural companions leads to following implications.

Cultural Issues - The Daimler Chrysler M&A was a cross border merger between a German Company with an American Company with a distinct style of Governance, work attitude, organizational structure and work approach. Hence, one of the biggest challenges of the deal was to blend the two different cultures. Hofstede has given an index to the Composite National Culture Distance Index, differentiating between German and American culture. However, no cultural due diligence appears to be have done on the deal. While the American employees lay stress on creativity, cross-platform teams, liberal pay packages, flat organizational hierarchies, the German employee focused on bureaucratic design, making, average pay packages, top-down management, centralized decision making, formal reporting. During the merger with proper planning such complementariness of skills and working style can be leveraged into competitive advantage for the entity. However, Daimler Chrysler decided that one branch will be responsible for each brand instead of joint brands, this decision was largely a cultural decision which eventually offset the benefits of the Chrysler autonomous platform team could have provided to the Mercedes weakness of not able to meet the demand of the emerging market of Asia and China due to its under capacity in manufacturing.

Communication: Honest two-way communication is critical to success of M&A. M&A requires continuous open two-way communication for which staff involvement is essential. But from the beginning communication was flawed and misleading. The merger was announced as "Merger of Equal". However, it was diametrically opposite to the announced theme. It was an acquisition of American Company by German Company as later confirmed by Schrempp to press/media. German officers largely took all the initial decisions like Name of the company, Headquarter of Joint entity, and brand issues. Hence, there was no joint decision making. Most decisions were unilateral and forced upon the American Board/employees. Schrempp's functioning was more Autocratic, which sent a confusing signal to the American Staff. The company took up some internal & external communication exercise. Still, no effort was made to address cultural mismatch issues or to address fear of anxiety and tension in the employee of the acquired firm. Like brands, Daimler Chrysler also decided to keep Media

Communications for both Mercedes and Chrysler brand separate. This dichotomy extended to Policy of product recall also where on the one hand, Mercedes Staff wanted it to be vehicle based while Chrysler's wanted it to also connect to company.

***Employee Satisfaction and Involvement*:** One of the most important aspects of Post-Merger Integration (PMI) is one employee's psychological outcome of both merged entities. M&A are difficult times for any employee, marked by a period of uncertainty, anxiety & lack of trust. The emotional turmoil is such that it leads to conflict and even alienation. As already observed in the literature review, job satisfaction and performance are related. The level of commitment of employees and its correlated productivity helps in building synergy and adding value to the deal. In Daimler Chrysler (DC) case, employees of Chrysler were not involved with a buzz in the corporate circle that in DC, only Daimler is there, Chrysler is silent. Employees of Chrysler, including top management were neither involved nor satisfied with working & style of CIC team. Most of the decisions were unilateral without consultation or considering an observation of the Chrysler executives. They slowly & steadily withdrew from making a positive contribution to the company, and many either shifted or were eventually fired. This had an adverse impact on productivity and morale or esprit de corps of the merged company.

***Retention of Employees**:* As also indicated in early studies on employee turnover, M&A are times where the attrition rate of executives' specifically top executive is abnormally high *vis-a-vis* a normal company. The turnover ratio of new joined executive is also high due to uncertainty in the company & its fluid organizational structure. The case study of DC has validated the proposition that during M&A turnover within first 2 years of acquisition is way above normal and this trend continues for at least 5 years into the deal. The case has highlighted that all top Chrysler Executive had either left, retired or were fired within 2 years of the deal. Daimler executive were in a dominant position from starting to deal and within 2 years, the entire Board was hijacked by Daimler Staff. The compensation package and bonus were never brought to parity with American standards, forcing the talented Chrysler executive to leave the company for career in other auto giants. The enhanced package was only limited top level executive & did not trickle down to others in management. There was no mentoring program or training scheduled for employee's retention. The key task of integration of employers of merged entity was done in an ad-hoc and dominant style by German Executives. Therefore, the deal was a failure on human issues reflected by extraordinary departures of all staff and executive of Chrysler team. There was no trust between Daimler staff and Chrysler staff, which was creative, efficient and have distinct capabilities, but still could not add value to the new company. Human capabilities are an irreplaceable asset and one of major driving force of such M&A but if not handled efficiently can lead to failure or lack of success of the deal.

The leadership team for change management - Leaders has a pivotal role in managing and motivating of employees of acquired companies. Studies have also confirmed the relationship between leadership style and satisfaction of employees during the merger. The leaders act as a catalyst in the change management set in during PMI. However, in DC case, there was a lack of management control between the two merging entities. Schrempp was supposed to be the de - facto leader of the joint team, but his action & decision reflected a more autocratic approach of management. His leadership lacked the vision of any phased integration of American executive for long term benefits. He neither took any steps to prevent mass attrition of the Chrysler executive nor made any plans for integration of combined work force.

Daimler Chrysler integration was completed in November 1999, just 1.5 years after the merger announcement, while CIC teams were disbanded two months prior. To manage & resolve post-merger integration issues that divided the merging companies, two high-level committees named Automotive and Marketing and Sales councils were created. During the initial phase of merger, the German Management gave leverage to Chrysler betting on their past success. But certain factors like large turnover of skilled management, de-motivated staff, lack of commitment etc forced the German management to take complete control of management from 2000 onwards leaving aside the facade of 'merger of equals' to a mere cliché. Hence, instead of gaining synergy and competitive advantage over rivals, the companies were doomed for failure. Their US $ 36 billion partnership was eventually dissolved in 2007 within 9 years for a mere US $ 7.4 billion.

It is observed that Daimler Chrysler thought M&A to be a game changer but eventually failed to achieve most of its desired benefits. The case highlights that apart from financial and strategic issues, soft issues like human resources and Socio-Cultural adjustments have to be dealt with equal importance. Over-reliance on any issue at the peril of the other will lead to the non-achievement of synergies expected from the merger. The case underlines the forces at play for Socio-Cultural issues at work during M&A which are cross-cultural and cross-borders as well. The issue of employee turnover can be best handled by a framework proposed by Campion (1991) presented in Table 6.3

Table 6.3: Campion (1991) Turnover Framework of Merger

<table>
<tr><th colspan="5">Acquirer’s Evaluation of Merger</th></tr>
<tr><td rowspan="4">Executive Evaluation of Merger</td><td rowspan="2">Positive</td><td>Positive</td><td>Negative</td><td rowspan="3">Is avoidable</td></tr>
<tr><td>Executive stays
(A)</td><td>Executive is fired
Poor performance
(B)</td></tr>
<tr><td>Positive or Negative</td><td>Executive Quits
Higher Status/ Salary
Power
(C)</td><td>Executive Quits
Low Status
Lost Autonomy
Cultural Conflict
(D)</td></tr>
<tr><td>Positive or Negative</td><td>Executive Quits
Family Reason
Spouse
(E)</td><td>Executive Quits
Retirement
Health
(F)</td><td>Not related to M&A</td></tr>
</table>

Source: Campion, M. (1991). Meaning and measurement of turnover

Based on the above evaluation matrix of executive and acquirer evaluation of merger (positive or negative), we propose the following steps.

Step 1- Identify the Poor Performers as per Cell B and Cell D above

Step 2 – Keep the Good Performer - Cell A & Cell C above. Reduce the turnover in Cell C, grant titular status.

Step 3 - Minimize the effects of unavoidable turnover - Cell E and Cell F by training replacement appropriately. Retain the good employee till good replacements are inducted. To further throw light on the suggested strategy the following matrix based on Abelson (1987) criterion in   shown in Table 6.4

Table 6.4: Abelson Turnover Matrix of Acquisition

	Acquirers Evaluation of Acquisition		
Executive Evaluation of Acquisition	Evaluation	Positive	Negative
	Positive	Executive Stays (A)	Executive is fired Involuntary (B)
	Positive or Negative	Detrimental & avoidable Executive quits (C)	Avoidable but beneficial Executive quits (D)
	Positive or Negative	Detrimental but unavoidable Executive quits (E)	Unavoidable but beneficial Executive quits (F)

Source: Abelson, M.A. (1987). Examination of avoidable and unavoidable turnover

The strategic plan for managing the acquired company executives' post-acquisition should be as follows. As is evident in the framework not all executive turnover is dysfunctional. On the contrary, timely identification of poor performers or executive unwilling to work for personal reasons will be beneficial to the company for achieving desired results. Such unwilling or incompetent staffs' needs to be replaced with skilled and trained manpower best suited for the job. Hence some of the implicative practices from the case are -:-

a. Keep top management, team skills and functional backgrounds complementary - In the case of strategic and organizational fit, commonalities exist and it is easy to transfer skills. Commonalities between merging firms may mitigate cultural differences, improving communication, co-operation, shared understanding, and leading to better performance.

b. *Executive Tenure should be maximized* – Studies like Donald Bergh (University of Denver) show that tenure length is positively correlated to more successful acquisition.

c. *Focus on retaining Top performer executives* - The top performer and executive have the desired skills and capabilities as an essential differentiator & they are sought after by leading organizations as Human asset. They are offered attractive packages by head-hunters so focus should be on retaining such talent in the company.

d. *Leadership Continuity*- A visionary leader who is able to accommodate & integrate all employees of the merged entity with a stable period during M&A for at least 3 to 4 years is critical for ensuring the smooth M&A transition as agent of change management.

e. *Communication*- Honest & two-way communication with all employees during the entire phase of M&A is essential to allay fear, anxiety & to build trust with employees. It has a direct bearing with organizational commitment & productivity of the employees.

The failure rate in cross border merger is extremely high as indicated in the literature review. Cross Border M&A(CBA) include as most significant risk cultural, regulatory or risk in a competitive environment in the target market as stated by Firstbrook (2007) and difference in languages, leadership style, organisational culture and political orientation (Mittermair & Knourek, 2006). KPMG study in 1999 showed that only 17 % were created while 53% were destroyed in cross border M&A. Hence, CBA are risky propositions with low success rate and require extensive analysis.

Cartwright and Coopers' (1996) model of culture compatibility proposes that, in "mergers of equals, 'the combining firms' corporate cultures must be similar or adjoining types to integrate successfully". The underlying rationale is that for achieving a balance of power each organisation needs to adapt to other's culture to create a coherent working culture for merging entity. But as each organisation strives to retain their own culture, integration problems are inevitable if cultural differences are large. For example, Badrtalei and Bates (2007) reported negative effect of different organisational cultures in post-merger performance of Daimler Chrysler, indicating that culture should be blended rather than changed in M&A.

M&A involves the shifting of roles of the merging or acquiring organization. A change in these roles may lead to unproductive behaviour, as described in the four-stage model of the Kubler-Ross Model of Bereavement (1969). A psychological tension for multiple incompatible roles can lead to stress or ultimately employee leaving the organization (Katz and Kahn, 1978). M&A are uncertain times with changes. The like hood of an employee getting depressed is high. The employee may even find them self-unable to fit into new or dominant organisational culture, leading to more stress and hence this was a case of failure due to incompatible cultures or lack of cultural fit (Cartwright & Cooper, 1990; Nguyen and Kleiner, 2003). A high level of employee turnover both voluntary and involuntary result as the same is influenced by various factors like justice, stress autonomy, social support, supervisor support and recognition contributing to the overall failure of the deal was one indicator of this effect.

Doney *et al.* (1998) stated that one corporate culture cannot simply suppress and replace the other. A process of acculturation has to be laid for smooth integration. Bligh (2006) advocates of '**Cultural Leadership**' during post-merger cultural integration, none such leadership was forthcoming from either German or American Management. Srivastava (1986) states for best outcome of M&A, two companies should integrate to attain a mutual organizational culture. However, in reality acquired organisation culture and routines are forced upon the acquired organisation (Napier, 1989). Hence there is need for **'Cultural Due Diligence'** as advocated by Carleton (1997) which Daimler Chrysler did not carry out at the outset. It is derived that Socio-Cultural aspects of merger have a bearing on overall outcome of M&A. Employee satisfaction, organizational commitment, productivity associated with it are related to turnover of employees. Employee turnover and human resource aspects need appropriate handling during the M&A process.

The Daimler Chrysler case showcases that a merger that was thought to be a game-changer eventually failed to achieve most of its desired benefits. The case highlights that apart from financial and strategic issues, soft issues like human resources and Socio-Cultural adjustments have to be dealt with equal importance. Over-reliance on any issue at the peril of the other will lead to the non-achievement of synergies expected from the merger. The case underlines the forces at play for Socio-Cultural issues at work during M&A, which are cross-cultural and cross-borders. The Socio-Cultural aspects like employee satisfaction, organizational commitment, productivity associated with it are related to turnover of employees, all of which have managerial implications. The role of leadership and effective two-way communication is essential for change management.

6.3 Daiichi Sankyo - Acquisition of Ranbaxy (CASE 2)

A classic case in the pharmaceutical industry of Daiichi Sankyo of Japan with Ranbaxy of India M&A case happened during 2008, and its effects are analysed four years later. The main facts of the case have been derived primarily from the case book of Asia case.com published in 2012 and other sources like published reports and journals. The parameters analyzed are turnover related factors post-merger, comparison of business models, comparison of culture difference on Hofstede dimensions, evaluation of post-merger integration process, and synchronization of business models, change management and cultures compatibilities. In addition, the impact of the factors on the operating performance of the merged firm has been examined.

6.3.1 Facts and Issues

The acquisition of Ranbaxy by Daiichi is between two Asia-Pacific countries, India and Japan, each having distinctive cultural traits. Daiichi Sankyo was formed by a merger in 2005 between Sankyo and Daiichi, both Japanese companies. In the year 2008, it had net sales of US $8.1 billion, presence in 21 countries, and employed over 8,000 employees. On the other hand, Ranbaxy, the largest Indian pharmaceutical company, is renowned for producing quality but cheap generic versions of branded drugs, holding a position among the top ten generic companies worldwide. The company had a presence in 46 countries, with manufacturing plants in seven countries and used to cater to patients in nearly 125 countries. 40% of all sales were exports, which made it the only Indian company in the elite top 100 pharmaceutical companies across the globe. Consequent to acquiring Ranbaxy, Daiichi Sankyo became the first Japanese drug maker to have a presence in four different segments of new prescription drugs: generics, innovator, over-the-counter, and vaccines. The deal allowed Daiichi entry into the generic business, which was gaining importance in Japan, entry into the growing Indian pharmaceutical market, and access to cheap Indian resources and qualified scientists. The acquisition was hence labelled as "*the innovator and generic pharmaceutical powerhouse*".

At the announcement of the deal, Malvinder Mohan Singh, Ranbaxy's Chief Executive and Managing Director Singh contended that, "*This will put us on a new and much stronger platform to harness our capabilities in drug development, manufacturing and global reach. Together with our pool of scientific, technical and managerial resources and talent, we will enter a new orbit to chart a higher trajectory of sustainable growth in the developed and emerging markets, organically and inorganically. This is a significant milestone in our mission of becoming a research-based international pharmaceutical company*". While the president and chief executive officer Daiichi Sankyo Company Limited Takashi Shoda said "*The proposed transaction is in line with our goal to be a global pharmaceutical innovator and provides the opportunity to complement our strong presence in innovation with a new, strong presence in the fast-growing business of non-proprietary pharmaceuticals. While both companies will closely cooperate to explore how to fully optimize our growth opportunities, we will respect Ranbaxy's autonomy as a standalone company as well*".

The Global pharmaceutical industry consists of two distinctive markets, one of the innovative drugs researched & sold in rich developed countries at a premium covering for patent costs by innovators like Daiichi Sankyo while the other of generic of these innovator drugs manufactured & sold in developing countries at a cheaper price. Daiichi Sankyo's acquisition of Ranbaxy was a novel and pioneer effort by Japanese Company to test a hybrid business model incorporating key elements of the Indian generic drug business into a Japanese pharmaceutical company in the proprietary drug business.

It has been observed that the major challenge of the counter parties to the merger was the *integration of a hybrid business model, two vastly different cultures, different market segments, change management in the hybrid model and managing cultural diversity*. On these lines, the case study evaluates these parameters on the overall outcome of M&A.

6.3.2 Impact of different Business Models

Since there are major differences between Innovator & generic business model in the pharmaceutical industry, each feature will have a different meaning of success to managers & employees. An objective comparison of the two companies' business models is summarised in Table 6.5.

Table 6.5: Comparison of Business Models (BM) of Daiichi and Ranbaxy

Parameter	Daiichi Sankyo's BM	Ranbaxy's BM
Category	Innovator	**Generic**
Characteristic	Proprietary, R&D, High price, Brand recognition, Developed market	Generic, Copying, Low price, Mass outreach, Developing markets
Risk-taking	Focus risk on R&D for blockbuster drugs.	Focus risk on developing new markets and networks.
Creativity and innovation	Building R&D capabilities.	Concentrate on innovations in reverse engineering and manufacturing processes
Business success	Clinical trial successful improving bioavailability of drug leading to regulator's approval; Acceptance of drug use by medical profession.	Able to obtain regulators' approval for bioequivalence of drugs; Building new network sand new markets; Able to compete with other generics firm on price and supply chain efficiencies; Maximizing efficiencies and constant cost cutting.
Drivers for change	Patents, growth of generic drugs, low R&D, high cost of R&D, price pressure, healthcare reforms, reduced drug life cycle	Intense competition, entry of proprietary drug innovator, consolidation by M&A, Government mandated price cut

Source: Author compilation of Company Data

6.3.3 Impact of Corporate History

The impact of the corporate history of the two merging entities with the view how it has shaped assumption, behaviour and eventually the outcome of M&A has been examined. Daiichi Ranbaxy formed by the merger of two 100-year-old veteran Japanese companies had a history of working in a protected and isolated Japanese market in an environment marked by similar rules, norms and routine. Hence their cultural values are akin to most Japanese companies characterised by values of corporate collectivism, emphasizing social harmony, decision-making based on consensus and avoidance of conflict.

Ranbaxy a company formed in 1961 was a closely held family business with strong entrepreneurial leaders looking for growth and expansion opportunities even outside India. The company took risks and challenges of selling drugs in both developed & developing countries in the process of forming business alliances & building a global business network. The cultural orientation of this action will impact the company's stand on issues related to leadership style, decision-making process, and information gathering and communication patterns.

Impact of National Culture

Many scholars have advocated that national culture have a greater impact on shaping organisational behaviour. The effect of national culture effect on Japanese companies is well studied; Daiichi Sankyo with a rich corporate history will manifest many of these values. Though the impact of national culture on Indian companies is under researched, some prominent culture orientation like the prominence of family held business has been observed. The summaries of Japanese and Indian corporate values are indicated in Table 6.6.

Table 6.6: Comparison of Japanese and Indian Corporate Values

Japanese Corporate Values & Practices	Indian Corporate Values & Practices
Patriarchal leadership is deeply embedded Boardroom diversity is low Cross-shareholdings by banks and large firm's– reinforced cultural orientation "Old Boy' network – Appointments are given to retired government officials	Family ties form the basis of leadership succession. Ranbaxy was a family-held business Senior professionals/managers were not seen as potential successors. Meritocracy not encouraged Authority and decision-making concentrated – entrepreneurial, family and trusted staff

Source: Author compilation from case study

Hence, to realise synergy and strategic vision out its acquisition of a generic drug firm, Daiichi Sankyo will have to implement the hybrid business model by revisiting cultural issues of integration. This will require proper implementation of change management programme and urgent need of senior management to address the challenges of cultural diversity in the group. These aspects will be reviewed in the subsequent Para's of the study.

6.3.4 Soft Issues (HR) in Acquisition

The case entails the following HR issues that have a bearing on overall outcome of M&A.

The difference in National Culture -The two merging companies differed vastly in terms of Hofstede Cultural parameters. The cultures of Japan and India have been compared based on latest 6-D (Cultural Dimension) model and score and characteristic are summarised in Table 6.7.

Table 6.7: Comparison of India and Japan on Hofstede Culture Dimensions

Parameter	India (Score/characteristic)		Japan (Score/characteristic)	
Power distance	77	Unequal power accepted. Top-down hierarchy in society and organizations	54	Hierarchical & meteoritic society. Equality is enshrined since birth
Individualism	48	More than Japan. Both individualistic as well as collectivism	46	Less individualistic. Collectivism to family & company
Masculinity	56	Competitive & ambitious, but to a lesser degree	95	Highest in the world but moderated by collectivism. A high degree of achievement and competition in life
Uncertainty avoidance	40	Medium. Low Acceptance of future events	92	Avoids uncertainty. Change very difficult to implement.
Long term orientation	51	Absence of dominant pattern	88	Strong efforts to prepare for the future
Indulgence	26	Culture of restrain	42	Culture of restrain marked by cynicism & pessimism

Source: Hofstede-Insights.com

As the above chart indicates, both Indian and Japanese cultures have vastly different scores on parameters of uncertainty avoidance, long term orientation, power distance & masculinity. The differential in these cultural dimensions not only affect the way organisation behave & take decisions but also determines the overall outcome of the merger. Atul Sobti, CEO of Ranbaxy summed up the difference in an interview "*The Japanese are very process-oriented. They have* *tremendous respect for teamwork. On compliances and quality, there can be no compromises. And those are the areas that we need to work on. Culturally, those are also not our (country's) biggest strengths. We will be sharply focusing on these issues*."

Organisational Culture difference -Ranbaxy as a company has been founded on a culture based on transparency and trust. Some of key organisational culture parameters are autonomy to their employees, entrepreneurial culture of innovation and creativity, staff identity, adequate compensation, cross-functional teamwork's and professional work culture. Daiichi Sankyo culture is for growth, empowerment & reward system built-in on consensus. The company's core values include innovation, integrity and accountability. The company emphasizes on mutual growth of all stakeholders.

Hybrid Model – Daiichi Sankyo was the pioneer Japanese pharmacy company to experiment in hybrid business model in 2008 by acquiring majority stake in Ranbaxy to gain first mover advantage. The company strategy was to build a new hybrid model to leverage strengths of both generic and innovator business. However, the comparison in Table 6.5 above reveals differentiating features, different drivers of change in industry, & different success parameters for generic and innovator business models. Hence for making the model function effectively, a paradigm shift was required by the company to implement its vision for hybrid model by addressing and overcoming cultural issues and post-merger integration challenges.

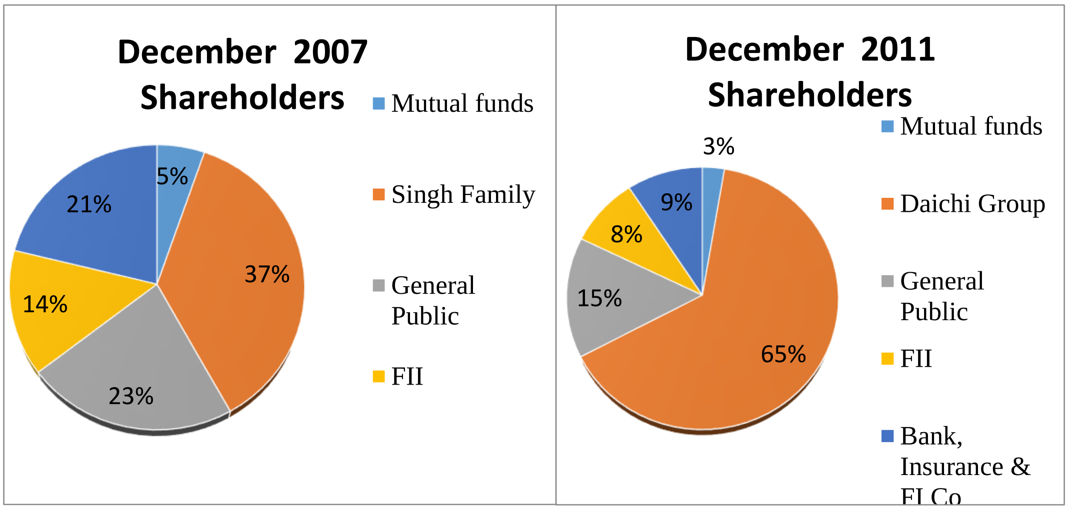
Change Management – There are certain key change management issues under hybrid business model with respect to issues like need for high or low level of research and development, extent and focus of quality and safety management, quality assurances aspects, sales and marketing issues of branding, segmentation, marketing and pricing, all of which require clarity and decision making. For hybrid model to be successful, transformational change is required. The real challenge is to make merger work is to address diversity in business practice and underlying assumption of the two-merging firm to implement an effective change management strategy.

Cultural Transformation- Contents of the case reveal that up till 2011 Daiichi Sankyo adopted a policy of managing increased cultural diversity to avoid cultural conflict to the extent possible. For culture transformation, cross-functional teams were set up for information sharing transparently. While Japanese believed in decision on consensus, Indian believes in individualism and top-down approach. The way forward was the amalgamation of the two approaches; at times, the top-down approach is preferred for speed for an industry driven by deadline. Increasingly 'Nemawashi', a Japanese concept of consensus in advance was getting embedded in the working culture of the merged entity. This sentiment is echoed in the statement of Sandeep Gitora, Senior VP and Head, Global Human Resource, "*Ranbaxy has seen a cultural transformation from a promoter-led organisation to a 100% professionally run business managed by professionals where there is shared responsibility and accountability*". Hence employees start to take decision at their own level without the fear of failure. Information sharing was fuelled by joint responsibility; joint accountability was also between manufacturing and sales. These were based on Daiichi core values of agility, shared accountability and teamwork. Hence, manufacturing focuses on 100% accuracy, consensus building, collaborations, and adherence to process, largely Japanese work culture.

Employee Turnover & leadership changes – Daiichi Sankyo merger was marked by large executive turnover. The trend was started by none other than the Chairman and Chief Executive officer, Malvinder Singh who was grandson of the founder of the company. His retirement in May 2009 was four years prior to completion of his term. His replacement as Chief executive officer, Atul Sobti, the erstwhile Chief operating officer too resigned within a year in August 2010 citing differences with Japanese management on future course of merged company. He was replaced as Chief Executive Officer by Arun Sawhney for period of three years. Two Singh family members who were promoters of Ranbaxy, Sunil Godhwani and Balvinder Dhillon also resigned for issues most likely related to merger. In January 2011, President and Chief financial officer of the company Omesh Sethi quit the company.

After the breaking of the FDA scam in the United States, Ranbaxy pleaded guilty of selling adulterated drugs and were fined US $ 500 million as damages by the Justice Department. Daiichi decided to eliminate members of management team responsible for the fiasco. More Japanese executive were inducted into Ranbaxy senior management and executive teams in India while 400 employees holding equivalents positions in management in India were given pink slip. By 2013, following FDA case settlement; the company eliminated some of the shareholders (Singh Brothers) for concealing information and misrepresentation as demonstrated in Figure 6.3 below. The company also reconstituted the Board of Directors and executive management team by including Japanese executive. In 2013, Ranbaxy reduced its workforce globally, including senior and middle level managers, to achieve optimal workforce through downsizing.

Figure 6.3: Shareholding pattern of Ranbaxy pre &post-merger



Source: Ranbaxy Website

Post-Merger Integration –Integration issues of the company were summed up by Takashi Shoda, President and CEO of Daiichi Sankyo, to build a global management structure with clear cut roles and responsibilities across all locations and functions but fine-tuning the integration to suit functions and geography. Kiyoshi Morita, Chairman, Daiichi Sankyo define the company integration philosophy in their statement, "*We need to define the issues that our group companies should autonomously address locally and the ones that global headquarter should tackle globally*". Post-acquisition of Ranbaxy, the prominent integration mechanism included the following:-

a. An independent integration team of three members, two Japanese and one Indian (Ranbaxy) was set up at Ranbaxy in July 2009 in the synergy office to drive forward integration efforts.

b. Ranbaxy set up two Japanese subsidiaries with the twin objectives of filing generic drug application and marketing generic drug in Japan.
c. A working committee headed by Daiichi Sankyo former United States head of Quality Control appointed as Director of Quality Assurance at Ranbaxy with the charge to define, design and implement a new global quality organisation at Ranbaxy.

Both Daiichi and Ranbaxy formulated friendly HR policies and compensation packages to ensure smooth integration. To pre-empt any early exit, Ranbaxy even paid retention benefits to top executive by means of paying loyalty bonus. But one key integration challenge in this merger was organisational leadership at Ranbaxy, a family held succession ties and lack of importance on meritocracy of managers. Hence, as part of the integration plan, a talent development programme to groom, identify, and train high potential managers for possible succession was essential. In integration plan the role of middle level management as agent of change for post-merger integration was enshrined.

6.3.5 Inferences

Analysis of the case facts and cultural comparisons leads to following implications.

Cultural Issues - The Daiichi-Sanko Ranbaxy M&A was a cross border merger between a Japanese company with an Indian company with a distinct style of governance, work attitude, organizational structure and work approach. Hence, one of the biggest challenges of the deal was to blend the two different cultures. Hofstede has given an index to the Composite National Culture Distance Index, which has a vast difference between Japanese and Indian culture as evident in Table 6.7 above. However, no significant culture due diligence appears to be have done on the deal. While the Japanese employees lay stress on creativity, colle ctivism, equality, meritocracy, avoids uncertain situations and tend to be future oriented in approach, the Indian employee focused on top-down management, individualistic character, moderately competitive, restrained attitude and low uncertainty avoidance.

During the merger with proper planning such complementariness of skills and working style can be leveraged into competitive advantage for the entity. While Ranbaxy could have handled generic business for Daiichi in Japan and elsewhere, Daiichi would have complemented it by its core strengths in innovator drug model for realisation of synergy. But the Japanese company focus on the hybrid model without adequate and commensurate changes at the cultural level proved to be counterproductive. The cultural problem of Japanese Companies in business alliances with Indian Companies are well documented and with the sole exception of Maruti Suzuki in Automobile sector, none of major Japanese companies have been able to establish market dominance or leadership in most sectors of Indian market.

Double Layer Acculturation- The Daiichi Sanko Ranbaxy merger is a perfect example of differences at the dual level of both national culture and corporate culture. This double-edged sword requires superior integration capabilities that must incorporate learning, bonding, training, cultural integration and cultural fit. Outcome of cultural difference is hence dependent upon factors like nature and degree of cultural difference, integration approach perused, management approach and steps taken by the company. Only if it managed effectively, efficiently and diligently, it may be an asset not a liability to the organisation. In Daiichi case most of such preconditions were missing and the hybrid model of organisational structure accentuated the problem. The difference was summed by statement of an industry analyst who remarked "*The problem is though Daiichi Sankyo has changed the management of Ranbaxy, it has failed to change the people or their behaviour at the ground level. As a result, factories continue to function the way they used to before the Japanese parent came on board*."

Post-merger Integration mechanism **-** The nature and extend of cultural difference and organisational imperatives of a hybrid model necessitated special focus on post-merger integration mechanism to make the merger successful. But examination of PMI efforts reveal that not only was minuscule in nature but was marked with misplaced priorities. Only one PMI team was formed to manage all integration steps. Even the majority of members of team were Japanese while need was to have equal representation of both companies. Despite the avowed stand of Daiichi Management of local representation and fine tuning to geography were both missing. The Director of quality control was a former United States employee of Daiichi, while for reaping in benefit ideally Ranbaxy executive should have been assigned that duty.

The hybrid model could have more successful by selective centralisation of divisions like Quality and Safety Management, Supply Chain Management in hybrid mode where logistic cost can be curtailed while having a dedicated VP and CFO respectively for each business units to avoid confusion. For the integration to be successful Daiichi Sankyo should have first made noteworthy efforts to unite the two cultures as there was significant difference in geography, culture and constraints of the two merging countries.

Another important component was the organisational leadership plan which was missing in the scheme of merger. Leadership changes were frequent starting with the immediate resignation of Chairman and CEO, Malvinder Singh in 2009. Thereafter leadership changes were frequent and ad-hoc in nature more out of need for expediency instead of merit. There was no grooming plan or training for top-level executives to be future company leaders. The role of middle level managers who are at forefront of Human Integration process of merger is essential. They act as emotional managers by identifying employees' response to change and cultivation of positive emotions during M&A turmoil. The content of the Daiichi Ranbaxy merger reveals that post-merger integration was made more difficult due to unethical practices by middle-level managers, leading to uncertainty and chaos. The removal of these employees and their replacement by Japanese executive further compounded the integration issues.

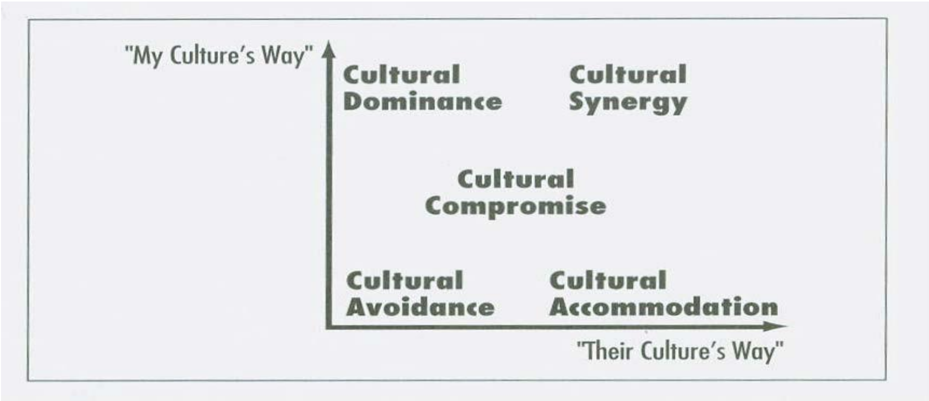
Given the stated objective to develop a hybrid business model, the Daiichi Ranbaxy merger integration plan missed out on some key strategic areas as detailed below:-

- Parts of successful R & D clusters – building further on Ranbaxy success story of Novel Drug Delivery system (NDDS) and Novel Drug Discovery research (NDDR), two-star products that allowed Ranbaxy to differentiate from other generic and original drugs.
- In Manufacturing- Leveraging of Ranbaxy reverse engineering and low-cost production with Daiichi Sankyo quality control and quality assurance capabilities.
- Global generic drugs market and sales network in emerging and developing market- Since Ranbaxy had a global presence, Daiichi Sankyo could have tapped into building global networks instead of a functional integration that was unviable as two operated in different market segments.

***Efficacy of hybrid Business Model* –** The hybrid business model in pharmaceutical industry is a recent but challenging phenomenon at times imposed on a company due to rapid changing dynamics of the industry. Daiichi-Sankyo core competence as an innovator was vastly different from a generic drug company. The drivers of success, business model parameters & distinctive features of generic and innovator business differ vastly. Hence for success of hybrid business model transformational leadership is required with a clear-cut change management plan. The culture at Daiichi Ranbaxy was not attuned to the nature and fast pace of change needed to implement the hybrid model to derive synergies. There was no vision for either formulation of a change management plan or its implementation. An effective change management strategy required to address diversity in business practice was missing and also the timing and pace of its implementation. Analysts argue that hybrid model with Daiichi Sankyo opted by Ranbaxy is to use its sales network to market the parent's medicine. "*This is not a very promising model for a company like Ranbaxy, which once had its own product pipeline and clocked significant revenue*," an industry analyst stated. The hybrid model was meant to be best of both worlds for merging companies but it ended up in eroding what the companies had built up successfully as generic and innovator companies respectively.

***Managing Cultural Diversity* –** Plans for organisational change required to have desired synergy from M&A initiative including cultural diversity. There are various ways to managing cultural diversity like avoidance, accommodation, compromise, dominance and synergy of culture as detailed in Figure 6.4 below. Daiichi Sankyo took the safest approach of avoiding cultural conflict with Ranbaxy. There was no effort for cultural integration of varying cultural complementary. The lack of cultural integration is summed up in the statement of Sanjiv Kaul who worked closely with Ranbaxy till 2004, "*Ranbaxy has seen individual creativity and entrepreneurial culture change to a systems orientation under Daiichi, with its people caught between the two today*".

Figure 6.4 – Culture integration model (Adler& Gunderson, 2007)



Source: Adler &Gunderson (2007): International Dimension of Organisational Behaviour

***Change management initiatives* –** Change management and cultural diversity are the two most critical steps for achieving desired synergies out of M&A. Since this merger was a hybrid model, change management on issues related to R&D, Quality and safety management and Sales and marketing. Even though hybrid model was conceptualised the change management strategy was not formulated to address key issues.

***Leadership and Turnover issues*-** The takeover of Ranbaxy was marred by leadership changes from the outset with the resignation of then Chairman and CEO, Malvinder Singh creating problems for Daiichi who had to initially rely on promoters and their teams to initially allow company to run. There was other notable exit like Anil Sobti, Omesh Sethi and some departmental head of the R&D section prior to M&A. There was a definite crisis of leadership that neither the turnover nor the integration plan of Daiichi was able to address. The lack of strong, charismatic leader during the tumultuous time of merger was one of reasons for failure of integration plan and cultural compatibility of merging companies. Following the FDA scam there was large attrition of senior and middle level executive that were replaced by Japanese executive including in board of directors and promoters. These steps derailed the integration process completely.

Finally in 2014 Sun Pharma acquired Ranbaxy from Daiichi Sankyo in a proposed US $ 4billion deal ending six years of merger which was way lower than the initial price paid by them in 2008 of US$ 4.6 billion to the Singh Brothers of Ranbaxy. The transaction came as a significant relief for Daiichi-Sankyo, which had been struggling with Ranbaxy’s manufacturing and quality-related issues in the US, the largest pharmaceutical market.

As per Olie (1994), the cause of merger failures is both at the organizational and national cultures. The cultural clash in international cross border mergers is manifested two-fold at corporate and national culture. Few empirical studies have been conducted that investigate the corporate and national cultural clashes where they are the most visible, that is, in international mergers (Weber *et al.*, 1996). The first factor, the degree of integration, may be either weak or strong from financial integration to operational integration. Operational integration involves important changes for the target firm or the partner firm, and therefore, the cultural differences are more obvious. Consequently, M&A’s with a high level of interaction between the two parties involves a greater conflict potential than consolidation with a low level of interaction.

When discussing the second factor, Olie (1994) refers to the degree of acculturation. Every mode of acculturation leads to conflict. The author mentions that there are two extremes: assimilation and integration. In the majority of M&A’s, the culture, practices, and identity of the acquiring firm are transmitted to the acquired company. The acquired company becomes a part of the parent company and commonly loses its corporate identity. This is referred to as assimilation. Assimilation is the most common form of integration post-merger. In such merger, the acquired organisation is forced to adopt the culture and identity of the dominant acquirer. Conflict if any is resolved by sheer force instead of any mutual consent and in most cases the acquired company ceases to exist. When there is a mutual exchange of cultural elements, it refers to integration. Integration is manifested at broadly two levels, one where acquired firm on their strength and status is allowed freedom for culture and identity or when both acquired and acquirer to share and mutually negotiated exchanges.

Cross-border M&A as per Barkema *et al.* (1996) are even more complex as they involve a "*Double-layer Acculturation*" process at the level of national and organizational cultures, respectively. Lubatkin (1983), Chatterjee *et al.* (1992), Olie (1994), Datta and Puia (1995), Haleblian and Finkelstein (1999) have identified some prominent factors in an international transaction having a bearing on the outcome of M&A, which among other things includes pre-M&A organizational cultural fit, the relatedness of trade-off to be merged companies, cultural distance, and prior acquisition learning experience. The success of M&A is dependent on continuously managing all issues of the merging process from the start of the negotiation phase till the end of the integration phase.

The Daiichi Ranbaxy case study analysis has focused on Socio-Cultural issues as part of post M&A integration process. It showcases how culture influence shapes the two merging groups organisational culture. How differences in cultural orientation in cross border merger influences major organisational process. Also, cultural diversity and change management have been emphasized for organisational change required to achieve desired synergy. The integration programme is planned as per motive and rationale of M&A initiative. For cross border merger, employee behaviour is shaped by cultural orientations from diverse business models and company histories, even in related industry. An effective way hence is to factor differences in national/ethnic culture between M&A partners is to explore cluster of corporate values and practices that organisations emerging from the same national origins have in common.

6.4 Tata Motors - Acquisition of Jaguar Land Rover (CASE 3)

A classic case of the Tata and Jaguar Land Rover M&A occurred in 2008, and the consequences are being studied four years later. The main facts of the case have been derived from the case book of Harvard University published in 2009, the case published in the Journal of Applied Economics and Business Research in 2018 and other sources like published reports and journals. The parameters analysed are separation strategy, selective integration, takeover of reputed brand by a company from an emerging economy, synchronisation of business models, and cultural compatibility. The impacts of the factors on the operating performance of the merged firm have been examined.

6.4.1 Facts and Issues

In 2008, Indian based low-cost automobile maker, Tata Motors, a Tata Group subsidiary acquired two premium British brands, Jaguar and Land Rover (JLR) from Ford Motors Corporation for cash and debt free deal worth US $ 2.3 billion. The acquisition was meant to facilitate company entry into global arena, diversify into high end premier market and reduce its dependence on Indian market. The acquisition hence provided it with opportunity to spread business globally and across different customer segments by means of product and market diversification strategies.

Ratan Tata (Tata Group Chairman) passion for cars, even to the extent of designing some models of Tata cars, has been well known. However, the acquisition of JLR was a challenging task for him and Tata Group management as, even though the acquisition would give Tata Motors access to much needed new technology as well as a market for a company whose core strength is commercial trucks and passenger cars for middle class customers in India, the handling of two marquee British premier brands catering to ultra-rich consumers may be a different ball game. Even though Tata Motors had made international acquisitions like Daewoo Motors of Korea recently, the scale and financial resources required for turning around a loss-making company like Jaguar were enormous.

In Financial Year 2006-2007, Tata Motors was the Tata Groups largest operative company and number one automaker in India. Tata Motors hold a dominant position in commercial truck market of India and had prominent share in passenger's car segment with the reputation for producing sturdy vehicles. However, commercial vehicle business forced Tata to take a more comprehensive global strategy, Tata Motors was forced to internationalize and in 2004 by acquiring Korean commercial vehicle company Daewoo. Then in June 2008, Tata Motors acquired Land Rovers Jaguar from Ford. Hence, Tata Motors within a short span made its presence felt in the premium and small car segments both of which have fastest growth rate in automotive sector. By means of selective acquisitions, the company catapulted itself as a global auto player in diverse segments.

The case study is an objective analysis of strategy adopted by company from emerging economy to takeover a reputed brand name company of developed economy. Tata Motors pursued a consistent separation strategy in HRM, new product, product development and working culture. The company was also highly selective in terms of integration efforts for which department/ unit to integrate. Consequent to the acquisition of JLR, Tata Motors pursued a strategy of separation in all area of business activities; this was in sharp contrast to Ford Motors, who pursued an aggressive integration strategy with the twin objectives of maximization of synergy and economies scale. In this case, the strategies in all four streams of management have been examined with special focus on human resource practices.

6.4.2 Soft Issues (HR) of Acquisition

Human Recourses strategies and dealer management- When Tata Motors acquired JLR from Ford there was large scale scepticism and negative response from several stockholders. Concerns of Tata taking over senior management of JLR transfer of technology from JLR for manufacturing of cheap cars and to use JLR network key for selling and promotion of Tata products like Nano Car were issues raised by dealers. However, all the fears were allayed by Rattan Tata, chairman of Tata Group in his first official meeting with employees and stockholders of JLR. Two important announcements made were that Tata that JLR's business operation would be operated in United Kingdom (UK) instead of shifting to India and that operation of JLR would be as a separate business entity. He also presented the road map of JLR to the American dealers and to support his argument and instil confidence in dealers, presented the case of Corus merger with Tata Steel where a similar strategic approach was adopted.

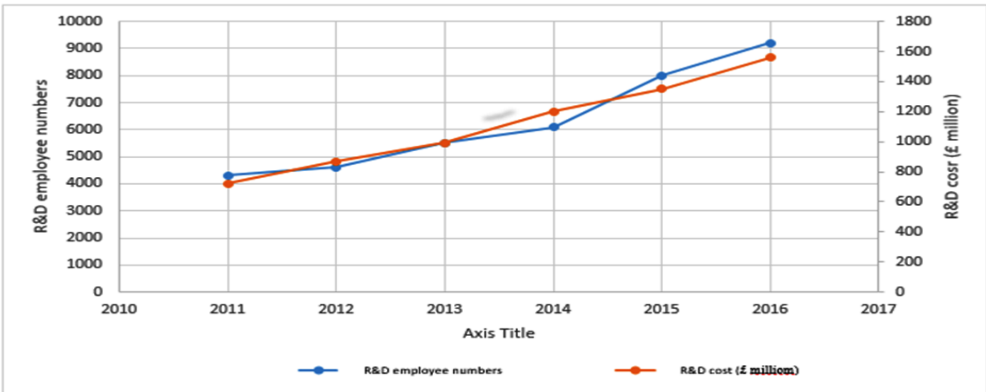
Management Structure and Employees turnover - On the day merger was announced, Tata Motors in an official press release decided to appoint David Smith, the acting CEO of JLR to continue as the new CEO of the merged company to utilise his vast experience of 25 years with JLR and Ford. This step was a starting point as no major restructuring took place at JLR under Tata. There were neither any job cuts due to change of ownership. With the exception of few former Ford employees who voluntary turnover to ford again, there was hardly any attrition of employees. Even the post-merger transition team formed for the post-merger integration process at JLR was comprised of largely JLR employees, except for a few professionals from Tata. Above all, the board of JLR did not have any manager on board from Tata.

Compensation: - A welcome change that Tata carried out relates to change in pattern of compensation at JLR. While bonuses were directly linked to share price under Ford management, Tata abandoned this system to introduce a fixed bonus system. A new performance review-based system on lines at Tata Motors was introduced. After the death of CEO of JLR, the board of JLR was filled with former BMW professional, an expert in management of luxury brands. Till date, many BMW employees hold key position and executive votes in units of research and technology, engineering and manufacturing.

Autonomy in product design:-While during Ford ownership, the company participated quite actively decision-making process of product design requiring a hierarchical level of approval. This led to dilution of original JLR design. The decision related to investment and product development was also made at ford headquarters. However, Tata owners gave JLR's design and product development team full autonomy. The chairman of Tata only participated in design meetings but never participated in model selection.

Focus on R&D and collaborative projects:-JLR made investment of 150 million pounds for an innovation centre at University of Warwick to improve collaborations, unlike the Ford's ownership. JLR post acquisition invested heavily in R&D despite all financial constraints. Data from annual reports during this period indicate JLR's human resources increased exponentially from 2500 employees in product development at JLR increased to 9000 in 2016. The details of R&D investment and R&D resources are shown in Figure 6.5. The benefit of this increased spending on R&D investment & resources reflected in number of patents granted. In Europe, within 06 years of ownership of Tata, 670 patents were granted to JLR by EPO vs. 204 patents during 8 years under Ford. The details are summarized in Figure 6.5 below.

Figure 6.5: Yearly R&D employees and cost of Jaguar Land Rover



Yearly R&D employees and R&D cost of Jaguar Land Rover

Source : Annual Reports, 2012 to 2016

Source: Annual Reports of company

Integrating JLR:-JLR was twice the size of Tata and hence integration was a serious challenge as witnessed in the abject failure of Ford Motors to integrate JLR. Initially Ford promised to supply engines, transmission, stamping and also financing support for dealers. Tata will have to find more permanent supply source and credit management for a long-term vision, which they eventually planned to execute. Ratan Tata, Tata Group Chairman, while acquiring JLR said, "*We are very pleased at the prospect of Jaguar and Land Rover being a significant part of our automotive business. We have enormous respect for the two brands and will endeavour to preserve and build on their heritage and competitiveness, keeping their identities intact. We aim to support their growth, while holding true to our principles of allowing the management and employees to bring their experience and expertise to bear on the growth of the business*." An integration committee comprising senior executives of JLR and Tata Motors was formed to oversee the integration process and set milestones and long-term goals for the merged company. Both Jaguar and Land Rover had plans to launch expensive new brands, supporting these brands was financially prudent but leveraging technological capabilities of these premium brand was an integration challenge.

Labour and Trade Union Issues- It was expected that Tata will use a "*light Touch*" approach of integration just like the acquisition of a Daewoo Motors of Korea. The company took into confidence the top management as well as labour unions of JLR. From the time of the merger talks, trade unions of JLR demanded that none of the three JLR be closed by the acquirer. They even demanded that Ford maintain a minority stake in the company even after the sale. Both Union and British Media criticized the role of private equity firms associated with the deal for their takeover tactics. The unions strongly opposed private equity investors buying JLR because they feared they would discontinue pension schemes, make employees superfluous, and strip assets.

Branding Strategy – Consequent to the merger a major challenge was to maintain brand image of luxury iconic brand due to change of ownership. For the executive of JLR key consideration for branding strategy was 'country of origin, manufacturing and design' for its marquee brand images. The managerial puzzle was how to manage the brand image of "*Premium British Brands*" post-acquisition due to the new owner reputation of a low-cost car maker from a developing country India.

6.4.3 Inferences

Human Resources strategy and Dealer Management:-Tata acquisition of JLR made several stockholders apprehensive about the Tata group experience of low-cost cars for developing market to rise to the occasion of managing an ultra-premium brand developed country. The apprehensions over change to be made of country of origin, manufacturing and design location are well documented. The problem was compounded on cultural and historical facts as well as a former colony was set to acquire the "*Jewel in the crown*" of British empire, the response of Tata was mature and beyond the expectation of all stockholders and industry pundits.

Tata adopted a well-crafted communication plan by showcasing the success of their Corus steel merger having similar set of conditions. In terms of management, existing JLR managers were retained post acquisition by Tata without any preference or promotion of its employees to be taken on board. The post-merger integration process was managed by mainly JLR employees. In terms of customary and decision-making, Tata's participation was base minimum and maximum customary was given to JLR employees. Tata even brought experienced professionals from other luxury car manufacturers like BMW to the board of JLR, bringing in freshness ideas and creating positive brand image. All these steps helped build trust and confidence among the employees, manifested in minimal employee turnover past acquisition.

Employee retention – There was uncertainty and sense of fear among JLR trade union with regard to security of their jobs in Britain post acquisition. Employees were retained, but within four years of acquisition, the number of United Kingdom employees doubled. In fact, by 2015, JLR was the largest employer in the automobile sector in Britain, employing 35,000 plus employees worldwide and earning the distinction of the 5th best employer to work for in the Britain for 2014-2015.Tata with its policy of accommodation was able to retain most of the employees of JLR. Only with few Ford employees, most of the employees stayed at the company, so key talent was retained. Hence Tata was able to earn respect and generate trust of JLR management & union, which contributed to its overall success.

Cultural Integration and accommodation – Tata adopted a distinctive approach of separation strategy with selective integration. Culturally the two companies were like chalk and cheese but Tata followed a path of cultural accommodation in the acquisition. Integration committee comprising senior executives of JLR and Tata Motors in equal numbers was formed to oversee the integration process and set milestones and long-term goals for the merged company. Managing Director of Tata stated that "*change of ownership has little to do with change of culture*". This shaped Tata Management approach. Tata purposefully left the existing management structure intact and British managers were at the helm of affair.

Retention of position of all important personnel was done and no attempt was made to implant Indian executive on JLR. All key personnel were retained at their position. The managers were motivated through constant challenges and working in cooperation with them. Existing practices were retained but goals and plans were assigned to implement. Tata was able to build trust in JLR as personnel were allowed to retain their position and were allowed to retain their position and held belief in their capability to solve problems. The trust was manifested in the statement of M.D. who stated publicity that "*it is Tata's responsibility to take care of JLR and Tata won't shy away from investment, if it is required*". Such a statement helped in building trust & cooperation between the merging companies.

Branding Strategy – Since JLR was a premium brand in the elite segment of Automobiles in which Tata had no experience. So as part of the branding strategy it went ahead with backing up the stronger horse. The brand image, quality standard and niche market of JLR were preserved as individual brands without any linkage to Tata. Tata also took some key steps like increase in R&D, market expansion, decentralized decision making, investing profit in development of technology and promoting brand image of JLR, all of these initiatives helped in building brand equity. In a bid to develop trust with internal and external stakeholders, Tata developed an effective communication strategy for all phases of merger. Tata also resisted the temptation to move to manufacture to cheaper location such as India and China as overall success of JLR was on backdrop of quality design, engineering and manufacturing, all critical to brand image and branding strategy of

JLR. An objective comparison of strategy implemented by Ford and Tata respectively is made out in Table 6.8 below.

Table 6.8- Comparison of Organisational strategy of Tata and Ford for JLR

Business Functions	Categories	Organizational strategy	
		Under Ford	Under TATA
Human Resources	Decision Making Communication Structure	Centralized(Integrated) Separated Integrated	Decentralized(Separated) Integrated Separated
Marketing	Distribution Channels After Sales Service Customer Service	Integrated with PAG (Ford) Integrated with PAG (Ford) Separated	Separated Separated Separated
New Product Development	Product Development Team member exchange Exchange of design-related information	Integrated with both Ford High. High (bidirectional)	Product Development Low Low (JLR to TATA)
Production	Production sites Use of components Supplier selection Warehouses Transportation medium	Integrated Integrated with both Ford and PAG Separated Integrated Integrated	Partially Integrated Separated Separated Separated Separated

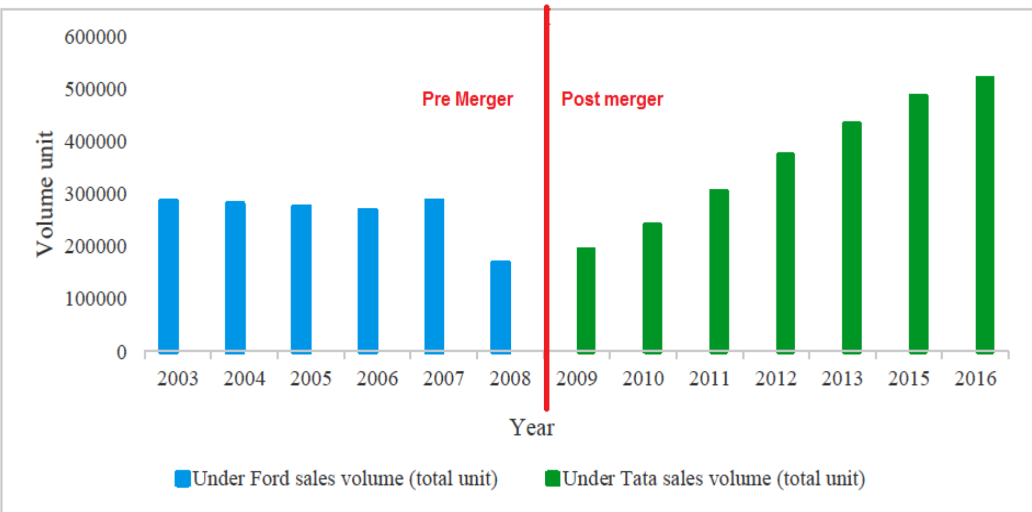
Source: Case compilation

To summarise the case, we use the CAGE (cultural, administrative, geographical, and economic) framework to understand cross-border merger strategies as a template for successful merger. CAGE refers to the interplay of the cultural, administrative, geographical, and economic. A key cultural challenge was that while Tata Motors operated in mass manufacturing, JLR was in a niche segment. Tata took an approach of selective functional integration but largely allowed JLR to work as an independent unit. This facilitated the retention of brand recognition. Tata also installed loyalty, trust, commitment, and a sense of belongingness to the organization. On the administrative front, Tata made no major changes in the management of JLR and gave full autonomy to JLR staff in production, design and quality controls. They were motivated to achieve their target, and their goals were well defined. There were clear two-way communication channels for feedback from managers on key issues.

In geographical factors, some key decisions taken for investment were setting up new products and investment in new equipment to the tune of 5 billion British pounds. When the demand for cars picked up, a new manufacturing facility was also set up in China. Tata Group also linked its steel plant to provide steel alloys for JLR's new cars. In terms of economic factors during times of resource crunch and declining revenues, initially, Tata kept infusing capital into the company, waiting patiently to reap the benefits as a part of its long-term vision for the company’s turnaround. The HR initiative, along with marketing new product development and products, contributed positively to employee commitment, satisfaction, and overall performance. This resulted in increased turnover, net profit, new product development, growth in R&D, an increase in the number of patents in production, and new market entry.

Acquisition performance:-When Tata acquired JLR in 2008 for US $2.3 billion, there were some inherent disadvantages of a smaller motor vehicle manufacture from developing country without significant experience to manage a premium car brand whose value was already cored by Ford’s mars market brands. However, the Tata positive approach and strategy of infusing capital when initially the company was in losses paid off as they transformed the acquired brands to be profitable within five years. By 2014, JLR’s retail sales were twice as compared to 2007 and even gross profit showed a steady increase for the period 2008 to 2015. The financial valuation of JLR in 2012 estimated by financial experts stood at US $14 billion, a fivefold increase under Tata’s leadership. The compilation of yearly sale of Jaguar and Land Rover under Ford and Tata Motors is depicted in Figure 6.6.

Figure 6.6: Yearly Sales of Vehicles: Jaguar Land Rover under Ford & Tata

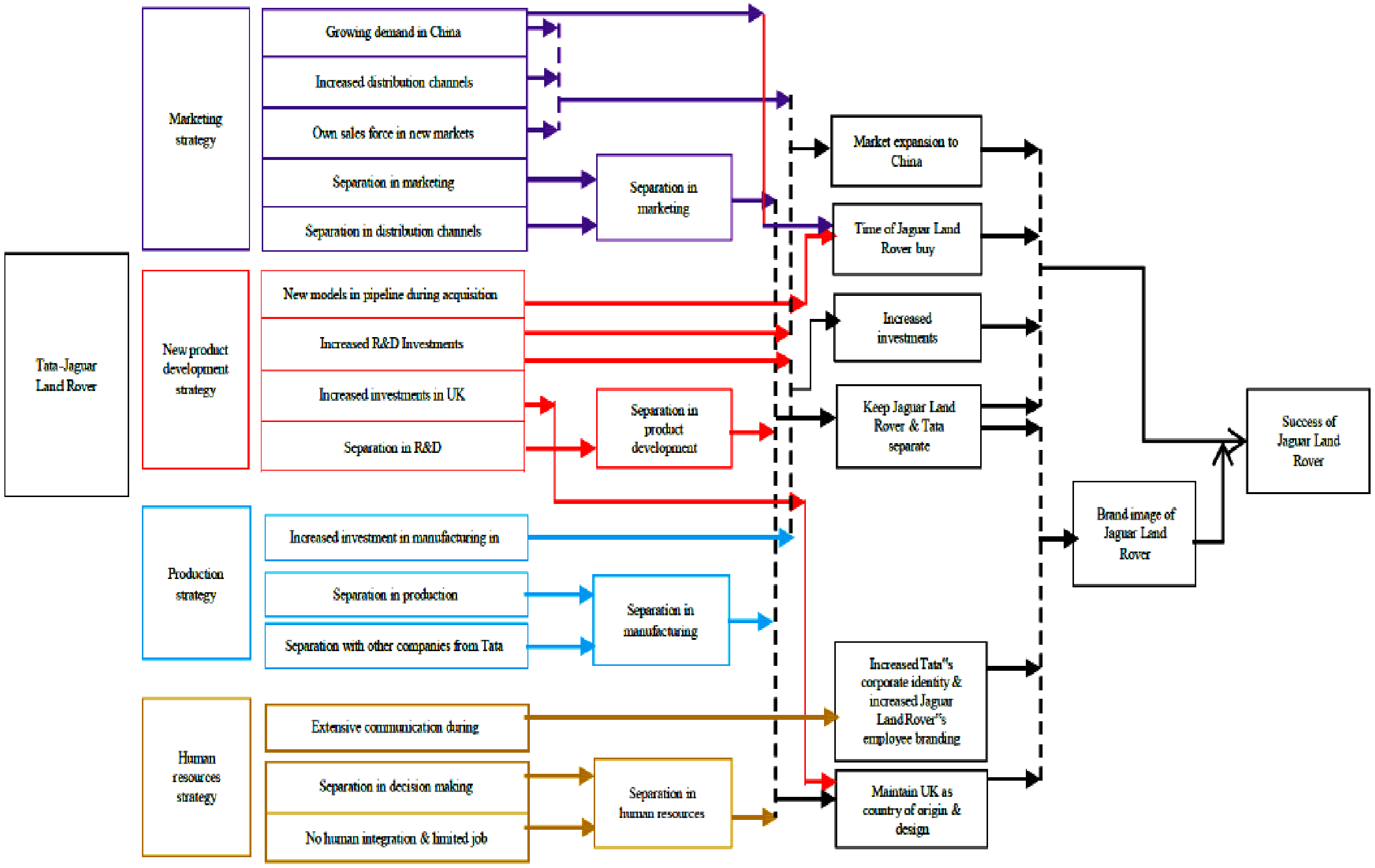


Compilation of yearly sales figures of Jaguar Land Rover under Ford and Tata
Source: Annual Reports **(2003 to 2016)**

Source: Annual Reports of company

The case highlights some key takeaway regarding strategies MNC's from emerging economies may adopt to be successful in post-acquisition integration when cultural difference exists both at the national and corporate level. The case indicates that Tata Motors pursued a distinctively opposite strategy to Ford Motors in their acquisition of JLR. As comparison in Table 6.8 shows, the Indian company pursued a diagonally opposite strategy of separation in tandem with selective elements of technology and human resource exchange. Kale *et al.* (2009) reported that "*separation strategy has made a good fit in corporate structure",* a widespread phenomenon in emerging economies like India, Taiwan, Korea, and Turkey. However, the separation strategy has limited gains such as reputational and brand management but yields no synergies of an integration strategy. The key success factors in all dimensions including human resource strategy have been indicated in Figure 6.7 below.

Figure 6.7: Key Success factor of Tata Jaguar Land Rover Deal



Source: Karabag et al. (2018): Journal of Applied Economics and Business Research, Appendix A, Page 23

The result of the case study are consistent with select few studies which advocate that for M&A to succeed, the degree of integration should be low and the acquired firm should preserve its autonomy resulting in M&A strategy involving a high degree of separation (Puranam & Srikanth, 2007) , separation strategies are more vital where the acquirer does not hold enough experience or expertise in the operation of acquired firms business and thus would benefit from preserving the autonomy of acquired firm (Datta & Grant,1990; Hanbrick & Cannella, 1993). This strategy is similar to various scholars like Haspeslagh and Jemison's "*Preservation"* strategy (1991), Nahavandi and Malekzadeh's "*Separation"* (1988) and Siehl and Smith's "*Courtship/Just Friends*" (1990) and Mirvis and Marks "*Preservation*" styles (2001); emphasis is on maintaining the acquired firm's culture and practices as independent from the acquirer. This approach may be suitable for short term results, but as pointed out by many scholars, it does not result in integration and overall control over the merging company. After achieving initial results, the acquiring company needs to build on gains by taking control of management and post-merger integration initiatives.

The case also indicates a new pattern of cross borders merger where MNC's from developing countries are acquiring MNC's from developed countries where the rational and motive of M&A is completely different. This approach is termed as 'light touch' in management and has some core elements, including a 'minimalist' form of governance structure, retaining the core top management team, setting up key performance indicators, and very limited back-office integration. This case is also an antithesis to the dominant concept of integration strategy in M&A as it shows cases how by selective integration and preserving the culture & autonomy of acquired company, success rate in M&A can be drastically improved.

6.5 Walmart- Acquisition of Flipkart (CASE 4)

A classic case of Walmart's acquisition of Flipkart M&A has happened during 2018, and its effects are analysed over post two years. The main facts of the case have been derived from the case book of Ivey Publication in Harvard case study published in 2019 and other sources like published reports and journals. The parameters analysed are cultural difference, role of managers in cross border acquisition, the rationale for M&A in international arena, synchronization of business models and an appropriate framework for cultural compatibilities. The impacts of the factors on the operating performance of the merged firm have been examined.

6.5.1 Facts and Issues

In May 2018, Walmart, US retail giant, acquired 77% stake in Flipkart India Private Limited, Indian E-Commerce Giant in May 2018 for a mega-deal valued US$ 16 billion at an overall valuation of US $ 20 billion. The deal stands out as the largest acquisition of an Indian company and the biggest purchase of an e-commerce company in the retail sector globally. However, in terms of branding strategy, both merging companies decided to keep separate brands and operating structure post-deal. Walmart foray into Indian retail market was through a cash carry whole sale business by partnering Bharat Retail Ltd with limited stores(twenty-one) operating in India. This was largely because of the restriction imposed by government on foreign direct investment in the multi-brand retail sector in India. As a result, the operation and business of cash and carry was below par while Walmart global competitor, Amazon had invested heavily in Indian market and was reaping rich dividends.

With acquisition of Flipkart, Walmart hoped to make a positive second entry in Indian retail market of US$ 600 billion in size and growth rate of 60 percent in online retail sale segment, with the aim to gain foot hold in Indian market and challenge the dominance of Amazon at a global scale. For Flipkart, the acquisition provided it with much needed operating capital in a highly hyper competitive market and to leverage Walmart’s vast retail expertise and grocery and supply chain knowledge.

The case study sets out to examine this cross-border merger on specific HR parameters to evaluate the outcome of merger. Even though Flipkart acquisition was in line with Walmart’s globalization strategy for expanding business and building technology, there were cultural factors at play to act as potential deal-breakers. HR issues and activities are critical to the success of cross border mergers, was Walmart diligent enough to carry out proper due diligence before acquisition in key aspects of M&A to ensure successful integration or were their

HR consideration that would possibly affect the expected outcome of the acquisition. The case will examine these parameters in the coming section of the case study.

6.5.2 Rationale for the Deal

The rationale or motive for international M&A may be varied. But as Deloitte study on trends in M&A for 2018 reported, technology acquisition was the primer driver for M&A pursuits. Talent acquisition was another important driver for M&A strategy. These two were the prime motive of Walmart to acquire Flipkart for its technology and talent, in a concentrated effort to fight its competitor, Amazon a company which was driving the digital business worldwide including US market. Amazon itself was actively bidding by offering huge amount US $ 20 billion to Flipkart, so Walmart closed the deal timely otherwise its entry into Indian market would have been delayed indefinitely. If Amazon had succeeded in taking over Flipkart, Walmart would not be able to find a suitable partner for entry into Indian retail market as in the multi brand retail segment there is a restriction as per rules for entry of foreign companies. The other reasons included entering an emerging market like India with a huge customer base in the retail sector after the company had failed in its ventures in the United Kingdom, Brazil, and Japan.

In India, Walmart faced challenges like regulatory issues, high real estate prices, limited cash and carry business success, protests by local traders, etc. Flipkart offered Walmart a readymade solution in the form of a solid customer base, an impressive net sales record, diversified business, technical expertise, and knowledge of e-commerce, all of which Walmart could use to compete with Amazon. Hence, Walmart wanted to use Flip Kart as its "*key centre of learning*" for its business at a global level.

6.5.3 Cultural Comparison of merging companies

On the basis of content analysis of the case study an objective comparison of culture of the two merging companies is made and summarized in Table 6.9 below. This would enable us to identify soft HR issues related to the case as well as underlying reasons for the same.

Table 6.9: Comparison of Cultural traits of Walmart and Flipkart

Cultural Trait/parameter	Walmart Culture	Flipkart Culture
Values	Customer service Respecting the individual Strive for Excellence Act with integrity	Ownership, Audacity, Bias for action and Customer-first
Work culture	Set of policies, rules & procedure Grassroots process Servant leadership Open door policy for managers Sundown policy for employees	Fostering entrepreneurial traits of innovation Ownership Calculated risk
Compensation policies and benefits	Exploitative employer Low wages & skimpy benefits	Generous paymaster Compensation in fixed pay, variable pay & stock options Maternity & paternity leaves
Work environment	Sexual harassment by managers Gender discrimination Employee dissatisfaction	Treated women with equality and respect Purposeful work Trailblazing career growth
Belief system	Stability, Customer service	Work visibly counts

Source: Case compilation

6.5.4 Soft Issues of Acquisition

Cultural Compatibility- A mismatch of culture or lack of cultural integration between the merging entities may lead to a cultural clash, as is evident from the case content. The acquisition was a cultural incompatibility between Flipkarts entrepreneurial culture, which is innovative, flexible, and that of Walmart more traditional culture having hierarchical process, established practices, constancy, and thoughtful planning. While Flipkart was extravagant in terms of working in spacious offices and handsome pay packages even to new graduate, Walmart in contrast followed economic severity which was evidenced in pay packages which were tight, executives were allowed to fly only economic class and there was overwhelming focus on cost cutting.

While Flipkart's leader fostered an open and empowering culture for employees (Flipsters) manifested in action more than papers. New trainee employees introduced the source of Flipkart’s early innovation like e-kart and first order management system, keeping with the company's value system of ownership bias for action and customers first. The imprint of Flipkart culture can be found in social media blogs. Post stories and positive job recommendation by current and ex-employees and positive rating of 4.2 out of 5 on Glassdoor, the job review portal. In stark contrast, Walmart defined its value and associated behaviour as being based on high performance and customer satisfaction. The company expected its employees associate to practice these values and behaviours.

Walmart aligned its HR strategies with key business strategies to drive home its values. However, for an unbiased industry expert and trade analyst observed that culture of Walmart was perceived differently outside as that of "hire and fire" based on unrealistic expectations of customer service from employees even in face of mad and demanding customer, lack of proper work life balance, inadequate compensation and lack of integrity among top management. Hence, Walmart was hardly recommended for employment by its own employees and its employee review rating in Glassdoor was 3.2 out of 5 only.

Leadership Issues: A charismatic and visionary leader is required for the twin objective of proper communication and as change management leader. His tenure should be stable to oversee the integration phase of M&A and should have autonomy in decision making. The top leadership at the acquired company was of conflicting nature as an analyst predicted that CEO of Flipkart would report to executive from Walmart. The resignation of Sachin Bansal, the company's visionary co-founder, was sign of things to follow. His resignation was over alleged difference with Walmart for his demand of larger & active role of Flipkart. Sachin exit was detrimental to the company's interest as it affected the morale of Flipkart employees for whom he was easily accessible and as a technocrat who had domain knowledge to handle complex information technology (IT) issues.

The other co-founder Binny Bansal was appointed as Chairman and his for role as CEO. In November-2018, Binny Bansal was forced to resign from Flipkart on allegation of "serious personal misconduct". Even though issues were personal, it was likely to stir sentiments (Indian) of Flipkart employees. Both the Bansal's co-founder had a cult status in India among start up nationalist sentiments (Indian) of Flipkart employees. In a knee jerk reaction, Walmart appointed Kalian Krishnamurthy as group Chief executive officer and reshuffled the organization to incorporate Mantra and Jabong.com into Flipkart. But Krishnamurthy was famous for ineffective hiring of leaders and working directly with managers instead of vice presidents. He didn't trust among employees since he had forced out 12 leaders since his second tenure at Flipkart in 2016.

Employees Turnover & Talent Retention- Employee turnover is a major challenge in any M&A but more prominent in cross border acquisition characterized by above average turnover of both voluntary and involuntary due to insecurity and lack of trust among employees. The important rationale of merger was nature of talent hired and nature by Flipkart for building and successfully running an IT based E-platform Company. 233 of Flipsters-turned entrepreneurs had founded 207 start-ups over and above 53 of Flipkart founded and funded. The entrepreneurial acumen of Flipsters was well-regarded by Industry experts like Inc42 (tech news portal) referred to ex- Flipkart employees who had turned entrepreneurs and secured financial standing as "Flipkart Mafia.". Flipster start-ups were able to rise total funding of US $ 218 million. Thus, it is evident that Flipster processed both entrepreneurial acumen and financial proficiency. Hence, success of CBA, hinges on the way it manages employee's retention and talent utilization to determine the outcome of merger.

Regulatory and legal issues: The issue pertaining to about various stakeholders', regulatory agencies and employees attracts legal and statutory compliances/approvals. The deal ran into trouble on regulatory issues with active protest by Indian local traders, Trade union body Confederation of All India Traders (CAIT). Protest was filed with regulatory agencies for violation of FDI norms by the company and appeal against deal approval in National Company law appellant tribunal (NCLAT). While Walmart announced that no employee will be fired, but it discriminated between the current and former employee about buyback of their employee stock option plan (ESOP). While current employees were offered 100 percent of their ESOP for buyback, former employees were allowed to rest 30 percent of their ESOPs, remaining 70 percent would need to be helped for an indefinite period. ESOPs in India are an important way of attracting talent. Hence, beating current and former employee of a successful start-up differently in an acquisition by an international company would generate mistrust and set back the entire Indian start up ecosystem by several years.

Role of HR Managers in CBA - HR managers play a key role throughout the three processes of M&A, pre-merger, acquisition and post-merger integration stages. Analysis of deal reveal that critical HR actions/ activities required for success of M&A were missing or not implemented properly. A summarized view of the same is given in Table 6.10.

Table 6.10 – Role of Managers in a different phase of Cross border merger

HR activity	Pre-Acquisition phase	Acquisition phase	Post-acquisition phase
Strategic Partner	Identify reasons for international M&A Search for & select the target/partner		Fix the success parameters and stages in integration.
HR Planning	Planning for the process of acquisition	Create new strategies Communicate vision and rationale to key stakeholders	As strategic partner learning form process and course correction
HR Due Diligence	Form international M&A teams Carry out HR due diligence	Design and implement teams Decide HR policies and practices	As administrative expert makes course correction
Integration	Communicate and conduct HR due diligence Cultural audit, mapping and planning for psychological effects	Employee involvement and motivation Retaining key employees Managing uncertainty and change in the process Allaying sense of fear and mistrust in existing employees	Assess employees As the role of the employee champion is to make course corrections through learning
Change Management	Assess the cultural and identity barrier to change	Manage the process of change and integrating culture	As a change agent, assess the new culture and learning process. Monitor the success of integration

Source: Author compilation of Ivey case study on Walmart Flipkart acquisition

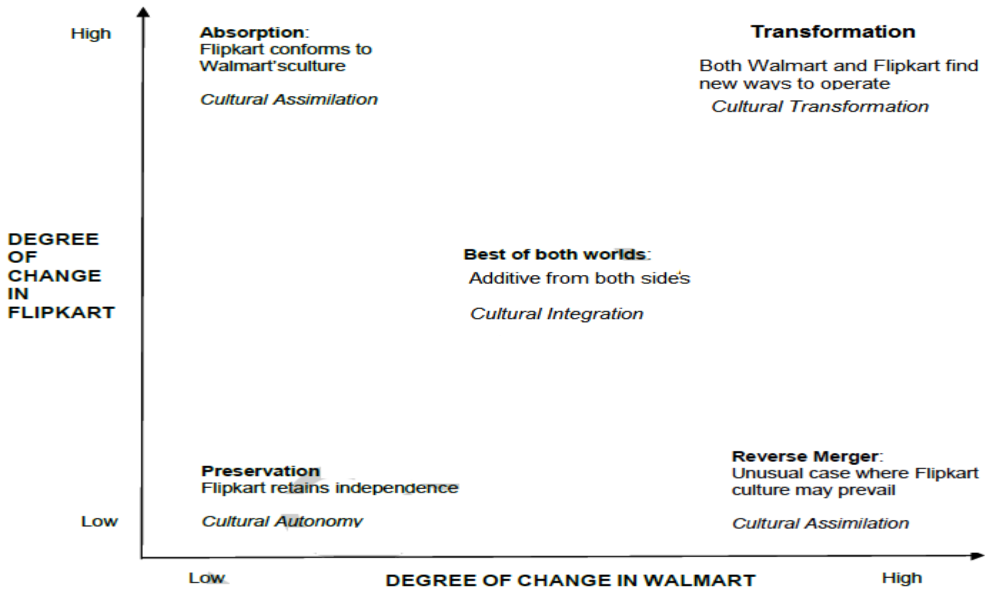
Hence as evident from the above table, the role of the managers in CBA is multidimensional as strategic partners, administrative experts, and employee champions, agents of change and communication leaders at each stage of the M&A process. The majority of these HR activities to be meant to be executed by HR meant to be executed was missing or not implemented.

6.4.1 Implications

Proposed Framework for Cultural compatibility

HRM alignment with Business strategy- Cultural differences are inevitable, and an integral part of every CBA and this deal was no exception. Walmart was a traditional US brick and mortar company while Flipkart, an Indian e-commerce start-up had differences in national culture, differences in organizational culture that was perceived austere for Walmart and extravagant for Flipkart. The managerial challenge was to acknowledge how this difference manifests and manage these differences to build complimentary at each phase of M&A. The process will culminate into setting up of cultural end state for various combinations as indicated in Figure 6.8.

Figure 6.8: Cultural end state in cross border mergers (Mark& Mirvis)



Source: Mark & Mirvis (2011): "A framework for human resources role in managing culture in M&A"

Several possible cultural end state results from acquisition, each having its own pros and cons depending upon the rationale and type of M&A are presented. However, for an effective HRM alignment strategy, it was imperative for Walmart's HR managers to clearly specify desired end state of merging entities to executives, leaders and employees of both sides at pre-acquisition stage, in an effort to reduce post-merger dissonance as a result of either unclear or unmet expectation on both sides. Simultaneously the Flipkart HR team would have responsibility to communicate the vision and rationale of deal to internal staff to motivate them.

The role of HR managers during the acquisition phase is to intensify cross-cultural learning across merging entities and drive the amalgamated company towards the desired cultural end state, encouraging all stakeholders to respect both difference and similarity in partners to build common ground and create a working culture.

Finally, HR managers need to reinforce and preserve the emerging culture, in order to drive the transition and change across various stages of M&A; the process is catalysed by set of change agents. This is a template for cultural integration for HR managers but in reality, culture superiority or dominance of dominant partner may potentially derail the entire process, hinder smooth change, may lead to resistance and turnover and eventually prevent attainment of desired end culture.

Walmart chief executive, Doug McMillan, while addressing Flipkart staff at an official meeting in Bengaluru in 2019 made two assurances. One that Flipkart's name would not be changed to Walmart, second it would not be run by a bureaucracy from the United States. He stated, "*We hope we learn from you how to build an ecosystem, more about innovation and payments—we will help with sourcing and supply chain expertise. It is our intention to just empower you and let you run—speed matters, decisiveness matters. You can't run Walmart like its one monolithic thing. Respect in people, striving for excellence, acting with integrity, doing things we can be proud of, and the customer focus as the set of values shared between the two companies*".

Road map for successful integration:

Based on interviews, blogs, article and comments of management professionals, industry experts and trade analyst, some prominent and critical work culture changes required for alliance to be successful are proposed as under:-

a. *Non-Imposition of Walmart culture on Flipkart*- Even though Flipkart will now be run as a retail chain analysts warn that "*if company culture is being dictated from US, the Flipkart deal will fail*". A working culture where Walmart can add some innovation and entrepreneurial zing while Flipkart be more process oriented and do deliberation will help complementary cultural synergies
b. *Blueprint for successful integration*- The key to successful integration is letting Flipkart's product and tech teams remain independent and autonomous at least for a select few year post deal. For the implementation of integration plan key

elements include a clear vision and purpose of deal, clarity in communication of plan and leaders as agents of change agents to help drive transition and change. The plan needs 12 to 18 months for implementation to achieve desired goals.

c. *Attrition of Management & Interdependence*- Analyst believe that voluntary turnover of employees at mid to senior level is integral to any M&A. As part of natural selection only the best and ones willing to adopt to changing cultural environment would continue the endeavour for any company should be on retention of key skilled staff ready to contribute to the merged entity by his performance. Experts also believe that Walmart strength lies in product development, sourcing and supply chain management, while that of Flipkart in diversified business, technical expertise, in-depth knowledge of e-commerce and robust IT infrastructure. The integration between the two will create well intended and much needed interdependencies for the deal.

d. *Compensation and Pay benefits* – The difference in Walmart's austerity vs. Flipkart's extravagance is manifested in employees' compensation and perks. This was one major issue impeding successful integration of employees. Walmart was cognizant of these differences and recognized that in an effort to be competitive to Amazon, appraisal system and pay packages need to be revamped. Walmart willingness to adopt is reflected in attracting and retaining some great technical talent from Indian start up in Flipkart's operation.

e. *Working culture type*- Walmart's traditional culture is vastly different from start-up culture of Flipkart. While some experts predict that Walmart would not embrace start up culture of Flipkart and replace it by Walmart's culture in three to five years. Others believe that culture is never static, these two cultures (traditional vs. millennial) will be evolving and at some stage converging. Only time will tell how this chapter unfolds

f. *Integration*- This integration is a challenging task but if this does work without much trouble for HR teams, a new chapter in working culture of corporate world will be ushered.

Current Status of merger

This deal has been a landmark between World biggest retailer and India's leading e-commerce start-up company, so the stakes were extremely high and so was the expectation out of the deal. The success for this M&A will have boosted the entrepreneurial culture for start-up companies with the prospect of selling company profitably at a later date. Since the deal is still in infancy, no judgment can be made regarding its outcome to be a success or failure. Time is the real test of business acumen of Walmart and how its rises to the occasion. Walmart CEO, Doug McMillon in a business trip to India one year into the deal stated that Walmart is looking for India as a land of opportunity.

Till 2021, the inclusion of Flipkart has negatively impacted operating profits of Walmart. But Flipkart has managed to reduce losses sustainably while showing revenue growth. Hence, even though the desired synergies and financial benefits are still not visible, it will be premature to comment on deal utility and outcome. The only major success achieved by Walmart in this deal is by thwarting Amazon to acquire Flipkart which would have made its inorganic entry into Indian market a distinct dream. The battle for the Indian retail market is hooting up with big player's foreign players Amazon and Walmart fighting out local giants Reliance and Tata in a hyper competitive market. In a latest development in April 2022, the Government of India has also announced to launch an open network for digital commerce (ONDC) to take on dominance of Amazon and Flipkart in Indian e-commerce market.

Managerial takeaway

The case underlines the role of Human Resource Management (HRM) in international mergers and acquisition. As observed by Aguilera and Decker (2004), a strategic fit framework is required to access the M&A strategy in tandem with HRM strategy; the same has been done to illustrate how it works. HRM role in terms of resources, processes, value, and the role of HR managers in all the three integration phases of cross-border M&A are influenced by strategic fit and the national context. As Child *et al.* (2001) points out that, "*Attention to human resource is particularly important following an acquisition, more so if cultural differences are involved*" observations relevant to the case study.

Equally important consideration in HRM for M&A is the level and speed of integration. Haspeslagh and Jeminson (1991) had identified two important parameters of strategic fit and structural autonomy. Based on these two dimensions, Child *et al.* (2001) examined empirically cross border merger and acquisition and found different level of integration across countries, ranging from no integration, partial integration to full integration. Hence, cross-border mergers are characterized by culture differences and a resultant difference in level of integration depending upon the organization's response to deal with cultural complexity.

The case also brings to fore National vs. Organisational culture difference which results in the problem of "Ecological fallacy" as defined by Tsui et al. (2007) i.e., the wrong assumption that each individual/organization holds the same culture, as companies are involved in the change process & not countries. However, organizational cultural differences might be better predictor of differences between organizations and their impact on M&A outcome than national cultural difference in contrast to assumptions of other scholars.

The litmus test for Flipkart deal will be the ability and acumen of Walmart in managing organizational cultural diversity and level and speed of integration of this cross-border merger. The minimum period for integration to be completed is at least 3 to 4 years after the merger has lapsed. The outcome of M&A can only be judged once this period is completed and desired results of the merger are achieved.

6.6 Air India - Indian Airlines Merger (CASE 5)

A classic case of Air India merger with Indian Airlines in aviation industry took place during 2007 and its effects are analysed post seven years later are presented. The main facts of the case have been derived from the case book of Ivey Publication in Harvard case study published in 2014 and other sources like published reports, parliamentary reports and journals. The case captures facts and circumstances of two former national carriers leading to the merger and the associated operational and cultural differences between the two merging entities. The parameters analyzed are due-diligence management, post-merger integration, human resource issues, leadership issues and government role in running, controlling and managing Airline businesses. The impacts of the factors on the operating performance of the merged firm have been examined.

6.6.1 Facts and Issues

Till mid 80's the Indian government had heavily regulated the airlines industry for decades. Civil aviation in India was monopolized by two government owned airlines, Air India Limited (AIL) and Indian Airlines limited (IAL). However, from mid-80's Government started opening up the sector as part of its "Open Skies" policy to meet the fast-growing demands for domestic air travel and a global trend of deregulation. This ended the dominance of Indian Airlines in the domestic sector. The Indian aviation industry was characterized by two prominent things.

a. **Entry of numerous private airlines: -**Jet Airways, Air Sahara, Spice jet and Indigo eating into market share of IAL.
b. **Low-cost carrier domination:-**Air Deccan, Spice Jet, Indigo Go Air and Kingfisher red operating as low-cost carrier (LCC) on the concept of no-frills air travel forced Indian Airlines to decrease fares to attract customers effecting profits & revenues.

Analyzing the airlines industry in India on Porter's five forces model, it appears that is not as attractive as after the open skies policy and entry of LCC. In a report in 2007, the consultants to the national carriers highlighted one major reason for sub-optional performance as stand-alone operators of State-owned AIL and IAL. In this industry context and based on report of consultant, Indian Civil Ministry choose to merge the two carriers to create a single large entity.

The Global airlines were a growing industry characterized by deregulation and elimination since 1980's. This led to increased alliance formation across Airlines (Star Alliance), code sharing, hub and spoke arrangement between domestic LCC and international Airlines to develop operational synergies improve passenger load and cut cost. The deregulation set up a chain reaction of M&A of global Airline players like Delta and North West Airlines, American Airlines and US Airways, United Airlines and Continental Airlines, leading to consolidation in the Global Airlines Sector. The ripple effects were felt by Air India too as an integrated global player along with Indian Airlines in domestic sector.

In 2007, India as Civil Aviation Minister pioneered the merger of two national carriers, AIL and IAL into a single entity "National aviation company India limited" (NACIL), which retained the name **AIR INDIA** with "Maharaja" retained as the mascot. IAL ceased to exist in February 2011 its 19,300 employees as on 2007 got merged into the combined entity. The minister explained the rationale behind the merger, "*My vision was to form global airlines. This merger will take the mega airlines straight into the top thirty airlines of the world and top 10 of Asia in terms of sheer size. A global airline with the precision and reliability of Lufthansa and passenger service standards of Singapore airlines will be formed.*"

But the real reasons for merger were competition, from foreign airlines, threat from emergence of low-cost airlines in Indian skies, need for financial and operational synergies, need for reduction in competition, and match mergers in airlines industry both at Indian and global level. In post-merger Airline's market of India, Air India position slumped from top to fourth position behind leader's Jet Airways, Indigo and Spice jet. The newly merged Air India was plagued by multiple crises including escalating financial losses. Its market share declined eventually facing the Govt. of India to grant a bailout package to the Airlines including Rs 300 billion in subsidies.

After the merger, some grave survival problems including huge financial losses, lack of integration of AIL & IAL, disillusioned work force, strike and labour issue, mismanagement of differently coded operations, and massive debt due to that purchase of large airlines fleet had threatened the very existence of company. The case study will now first identify and then examine the role of HR issues specific to the case and their overall contribution in the outcome of the merger.

6.6.2 Soft Issues of Merger

Leadership Crisis - The merger was carried out and implemented under the aegis of Civil Aviation Ministry, nodal department entrusted for supervising operational affairs and decision making. But the ministry made some irrational decisions like increasing the purchase order from 28 to 68 aircraft at an additional burden of Rs 500 billion resulting in significant financial drain on company's balance sheet. The civil aviation minister on his part was responsible for being insensitive in handling pilot strike by terminating 101 striking pilots in complete disregard to Air India pilot union body the Indian Pilot Guild. Commenting on this strike, Air India executive Director, Jitendra Bhargava remarked that minister should have been aware and sensitive to the demand of 300 pilots for giving up strike and ensuring smooth operation of Air India. The minister was apparently misled by Air India management for taking this harsh step.

The merged company had its share of employee strikes, including an unprecedented agitation by 150 Air India pilots initially starting 7th May 2012, which brought the carrier's international operations to a halt and resulted in losses of approximately Rs3, 300 million. The strike was due to conflict of interests between IPG pilots, who belong to the pre-merger Air India on one side, while the former Indian Airlines pilots, represented by the Indian Commercial Pilots Association (ICPA) on the other. While the former association was against the government's move to train Indian Airlines pilots on flying the long-haul Dreamliner plane, the latter had moved court earlier, protesting that the airline was only sending the erstwhile Air India cockpit crew for training on the Dreamliner, for which the court had ordered an equal number of pilots from IAL and AIL to be sent.

The strike which was declared illegal by courts still lasted 58 days and during its peak 400 pilots were on strike in which AI suffered a loss of Rs 600 crores. The airline had virtually no working capital to keep flying. Since it could not pay wages, the airline first asked its employees to take pay cuts and then defer salary disbursal from the first until the fifteenth of the month. With losses of US$1.5 billion, the airline had simply lost the capability to honour its commitments. It approached the government for a US$2 billion bailout package to continue its operations.

V.Thulasidas one of the two CMD handling the merger, appointed post-merger team consisting entirely of civil servants instead of a mixed team which would have major share of civil aviation professionals. The team of civil servant lacked professional expertise and adapt in their bureaucratic approach was evident in many disastrous decisions like increased aircraft purchase order. Arvind Jadhav, CMD (2009-2011) was criticized for mishandling of Air India financial crisis, debt burden, delayed staff salary payment and allowances (cause of three major strikes by unions) as well as failure to tackle the employee union tactfully. An aviation expert remarked he has ruined whatever was left of the airlines. Managing the obituary of the airlines rather than running it. He even gave way prime profitable routes with 100 percent load to other airlines.

Lack of Integration- Synergy - The AIL-JAL merger brought together two completely disparate entities despite being both governments run and born out a same parent company, Tata Airlines. The difference was acknowledged by the civil minister statement, "*There was cultural mismatch at the organizational level of Air India and Indian Airlines manifested in difference across pay scale, promotion policies, and area of operation*". The problems encountered due to differences were also echoed by chairman of parliament-committee on public sector undertaking (COPU) in a report no. CPU 937 tabled in parliament. COPU Chairman Sh. V. Kishore Chandra S. Deo stated in the report tabled in Parliament in March 2010 that "*The merger is a kind of marriage between two incompatible individuals having wide variances with hardly any meeting ground. The committee noted that the merger of the erstwhile Indian Airlines and Air India was an ill-conceived and erroneous decision neither arrived at by the two Airlines on their own accord nor mutually considered by them to their best interests*".

The Committee in their eighteen recommendations concluded that as promised to the employees of the two-merging organization before merger any cut or advancement need to be commensurate to the scale of pay in order to justify the assurance "No employee would be placed at a disadvantage at any stage". But the disparity in pay and promotion were evident like for executive cadre pay scale are according to norms of Department of Public Enterprises (DOE) while for non-executive like pilots it was as per industry norms. Hence, it took AIL pilots more than twice the flying time to become commanders than their IAL counterparts who fly on domestic routes.

Bloated Head count - The merger resulted in a combined work free of 27000 which was the highest in the airlines industry for number of employees per aircraft at 221. Industry norms were significantly lower and airlines like Lufthansa at121, Singapore airlines at 140 & British Airlines at 178 and employees that were all more efficient than Air India. Aviation expert Ranganathan commented, "*It is a fact that staffs is overstaffed, positions were created to please political bosses. Staffs were not hired according to operational requirement. People were hired not for competence but for political connection"*. Similar concerns were highlighted by GR Gopinath, founder of low-cost airlines Air Deccan; he observed that the national carrier needed to be made learner and completely restructuring to survive.

The second biggest liability of AI is overstaffing next only to their Rs 400 billion debt, AI salary expenditure is 18% of total expenditure while other airlines kept their expenditure at 9.5 %.

HR Integration - An aviation expert had observed that, "*Before the merger, due diligence on HR issues was very poor given integration challenges of two companies with different HR practices.*" Both these national carries employees started to feel the heat of the merger even before its completion in the backdrop of dissimilar rules and service conditions. They were different in number of working days (AIL five days to IAL six days) and their promotion policy (IAL pilot were promoted unconditionally every six years whereas AI pilots were getting promotions after 10 years if there was a vacancy).IAL employees on the other hand alleged discrimination, job insecurity and lack of future promotional avenues. NACIL had to face issues of job security as AIL and IAL promotional time spam differential will adversely affect IAL employee's promotion prospects post-merger.

- These differences and leaving several issued unaddressed were highlighted by Parliament Standing Committee (PAC) on this merger, as the committee claimed that the merger process was guided entirely by external consultants engaged by Government of India. It also highlighted the improper study and incomplete discussion with employees of both airlines regarding system and HR management integration, which resulted in frustration and there were no new service rules or standing orders to government and NACIL employees.
- This issue was manifested while introducing the new Boeing Dreamliner Aircraft, NACIL decided to train former AIL pilot to fly instead of former IAL pilots. Hence, in 2012 the Indian Airlines pilot union , named "Indian Commercial Pilots Association" (ICPA) demanded an equal opportunity to fly the Dreamliners, leading to a turf war with Air India's Indian Pilot's Guild (IPG), a conflict stemming out of lack of clearly established rules for career enhancement and skill improvement while the civil aviation ministry was hopefully of resolving the crisis by training both AIL and IAL pilots but instead ended up stirring pilot's agitation and mass leave in which IPG pilots placed certain demands. Hence, the two wings trade unions intense rivalry not only impacted the company's operation but caused significant, irreparable harm to

“Air India” brand reflecting adversely of merged entity’s market share and profitability.

Failure in IT integration - Apart from human resources, Civil Ministry identified information technology integration failure in the merger and other source of the crisis. Pre-merger, the airlines used different ticket reservation system, UNISYS for AIL and IBM for IAL. Merger had planned integration of two but a common reservation system was not established till 2011, resulting in increased cost and insignificant aircraft utilization.

VRS Scheme - AI had staff strength of 27,000 and the highest manpower ratio in the airlines industry of 1:221 which was expected to come down to 1:150 by recent hiving off a ground handling and maintenance business of company into a separate unit. VRS scheme was expected to further reduce and conform to Airlines industry standard of 1:100, as per Civil Ministry. The target group was AI employees with 15 years of service or 40 years of age. But as an AI official commented, “*We plan to undertake a screening of all VRS application by immediate bosses as part of the VRS, so that only those whose performance was not up to the mark leave the company and not the fruitful workers, that too in such difficult times*”. Civil aviation ministry confirmed that idea is to reduce flab but not at the cost of replacing performing employee.

Justice Dharmaadhikari Report: The expert committee under the chairmanship of retired Justice Dharmaadhikari was constituted in 2011 to look into various pay/wage rationalization and restructuring in the post merged entity of Air India. The motto was to resolve Human Resource issues of the two merging airlines and to suggest ways to make the merger successful. The committee in its report made the following important recommendations:-

a. Listing on stock exchange to facilitate ESOP for voluntary retirement for 7000 employees.
b. VRS scheme to be introduced for staff rationalization.
c. Revised pay for all staff as per Department of Public Expenditure guidelines.
d. New Pay scales to be implemented only when the companies become profitable.

e. Curtailment of free passage to family members of employee-only and application of LTC rules to limit the number of free travels.

f. Specific HR measures like common canteens, six days working, star between two oak leaves for senior commanders, pension polices at employee's discretion, re-fixing of salary of cabin crew, license allowance to only aircraft in service, special allowance to engineers and cabin crew entitled for allowances as pilot, were HR specific majors recommended to have pay and service condition parity.

6.6.3 Inferences

Analysis of the case facts and cultural companions leads to following implications.

An objective analysis of AIL-IAL merger on Porter's five forces framework reveal that it did not impact any of the five forces, this minimal impact means one or more of the mergers' intended purposes were not meet. The HR issues of the case and its impact on outcome of M&A being a failure as summarized as under:-

I. *Leadership crisis:* - Frequent changes in leadership, bureaucrats instead of professionals, increased aircraft purchase, leadership mishandling of strikes, improper HR integration planning and management team's inexperience contributed to lack of post-merger operational benefits.

II. *Lack of synergy:* -The AIL-IAL merger tried to combine two completely disparate and incompatible entities but failed miserably. The difference between the two airlines made achieving synergy and operational benefits impossible.

III. *Failure in HR integration issues:* -The two companies HR management policies were very difficult. Issues like five working days vs. six and different time span for promotion of six vs. ten years in promotion were never resolved leading to confusion and discontent for working conditions. Attempts were made to bring these two companies together including report of committee headed by Justice Dharmadhikari which made recommendation on various employee integration issues of unified Air India. However, the report was never implemented and some issues are now sub-judice in Supreme Court. Hence, HR integration was never achieved for any operational benefits.

IV. *Bloated Head Count:* - Post merger, Air India Had the highest employee number per aircraft in Indian Airlines industry contributing significantly to cost structure, decreased profitability and lower financial benefits. An ambitious

VRS policy for staff reduction was launched but its implementation was restricted to only non-performers but it turned out to be a complete non-starter.

V. *Trade Union Issues and strike:*-The merger instead of achieving integration of employees of two airlines, created fissure between the staff and trade union of two airlines on issues related to pay structure, promotion, working days, career advancement and pay structure, promotion working days career advancement and opportunities, this turf war resulted in many strikes which not only impacted the company financially but also in terms of brand image globally.

VI. *Non implementation of Justice Dharmadhikari report*: - The report suggested some sweeping changes to ensure smooth integration and HR measures for making merger successful but was not implemented by the Civil aviation Ministry. Instead, a three-member committee was found in 2012 to study the implication and implementation to the report. The matter subsequently got embroiled in controversy as with the matter under litigation in Supreme Court for implementation.

VII. *Difference in Area of Operation:* -There was difference in the nature, scale and area of operations of the two Airlines as one was the global airlines and the other one was is local operation. There were culture training target customers all were vastly different. After international merger standard were used for both the airlines, which created employee's satisfaction among members of IAL.

The net outcome of all the above-mentioned HR issues reflected upon performance of the Airlines is summarized on select parameters is indicated in Table 6.11.

Table 6.11 - Evaluation of AIL & IAL merger based on selected parameters

Parameters	Evaluation of AIL and IAL merger based on the parameters
Growth in market share	**The market share of Air India and Indian Airlines reduced post-merger. Hence this criterion of successful merger was not satisfied.**
Enhanced brand strength or reputation	**As evident from the case, Air India's brand strength became weaker after the merger because of huge losses, debt burden, employee issues and other factors.**
Reduced operating/overhead cost	**For both the airlines, the operating/overhead cost increased after the merger.**
Entry into new market	**There was no entry into new markets by the merged entity.**
Access to new technology and know-how	**There was no gain in terms of access to new technology or know-how.**

Source: Authors Adoption of Nik Aliena Salwanee binti Dato' Nik Mohamed Model, (2008) "Key Success Factor in Mergers & acquisitions," However, there were certain issues relating to merger's timing and the type of entity merged. Firstly, merger was done in 2007 without any due diligence of financial projections, not validated and just before purchase of large number of aircrafts by both companies. Ideally Ministry of Civil Aviation should have waited for operations of two airlines to have streamlined and be made more efficient. Merger post streamlining of operations would have made integration simple and smooth for both entities. Alternatively, a merger should have been considered in the pre-merger process of fleet acquisition by IAL and AIL independently. The idea of merger itself was flawed as it is very difficult to merge two disparate entities with different aircraft type organizational culture, work environment policies, and procedure. There were also differences in working; HR practices pay structure promotional avenues. Hence, this merger was the marriage of two incompatible individuals with hardly any common growth.

Air India: The Road Ahead

Investigation requires an internal and external environment overview. A decision can be made on its analysis. IE matrix is a strategic management to formulate strategy based on external factor evaluation (EFE) and internal factor evaluation. Based on the content analysis of case study, the IE matrix for the AIL-IAL deal is as under in Table 6.11.

Table 6.11: IF-EF Matrix of AIL-IAL Deal

S.No	IFE matrix	Weight	Rating	Weighted Score
	Internal Strength			
1	Government support	10	3	0.3
2	Strong legacy	7	3	0.21
3	Brand new fleet of aircraft	5	3	0.15
4	Strong hub presence	7	3	0.21
5	Largest air carrier in India	4	4	0.16
6	Strong international presence	3		
7	Well trained and experienced pilots and other employees	4	4	0.16
	Weakness			
8	Bureaucratic pressure	10	4	0.4
9	High expectation from community	6	3	0.18
10	Overcapacity	8	3	0.24
11	Excessive headcount post-merger	5	3	0.15

12	Employee integration issue	12	4	0.48
13	Unstable management	4	3	0.12
14	High debt burden	5	3	0.15
15	Low profitability and utilization of capacity	6	3	0.18
16	Disintegrated system	4	3	0.12
	Major weaknesses (Serial No. 12) minor weaknesses (Serial No. 13)			
	Major strengths (Serial No. 1) minor strengths (Serial No. 5)			
	Total weighted score	100		3.21
	EFE Matrix	Weight	Rating	Weighted Score
	Opportunity			
17	Increasing domestic market base	9	4	0.36
18	Government funding	7	3	0.21
19	Bilateral allowing Air India to fly to foreign destination	8	2	0.16
20	Dedicated set of customers	6	2	
21	Customers getting wealthier, tend to be less price-conscious and prefer to choose quality service over cost	6	2	0.12
	Threats			
22	Private airlines	12	4	0.48
23	Foreign airlines	8	2	0.16
24	Increasing global aviation turbine fuel price	12	2	0.24
25	Depreciating rupee value	10	3	0.3
26	Unsupportive stakeholders	6	3	0.18
27	Lack of public support	3	2	0.06
28	Rising labour costs	4	3	0.12
29	Decreasing load factor	4	2	0.08
30	Increased speed and service of Indian railway	5	2	0.1
	Major threats (Serial No. 22) minor threats (Serial No. 23)			
	Major opportunities (Serial No. 17) minor opportunities (Serial No. 20)			
	Total weighted score	100		2.57
	Total IFE score = 3.21 & EFE score = 2.57			

Source: Authors IF-EF matrix proposed by F.R. David, (1999):"Strategic Management Concepts"

AIL-IAL merger highlights some key issues of HR which must be accounted for clearing the merger process:-

Importance of due diligence:-Due diligence, including cultural due diligence, is an important step in any merger process. AIL-IAL merger failed on account of improper due diligence and incorrect estimates of merger benefits.

Compatibility between merging entities:-AIL-IAL merger was characterized by disparate native of merging entities, making integration difficult and synergies difficult to realize. Any merger strategy must account for merging entities compatibility and in case of difference than an appropriate integration plan.

Role of leadership:-The case also discusses the role of leadership in merger process the case witnessed many missteps and deeds of different leaders that lead to merger failure

Importance of HR Integration: -The case discusses in length various HR issues faced by merging entities. Hence, HR integration must be considered during the due diligence process.

Scholars claim that mergers between firms within the same industry help the merged entities to gain market power by eliminating less efficient management, charging higher prices, providing economies of scale, offering great product variety achieving higher distribution clout and reducing competitive activities, most of these activities were not achieved in this merger.

Organizational culture, a concept introduced in the 1980's is defined as "*A set of widely shared values and strongly held throughout the organization*". Cartwright and Cooper (1996) have proposed organizational difference as an impediment to achieving integration benefits that need attention at the early stage of M&A. Cultural difference can affect the post-acquisition integration process as it involves absorptive capacity social integration and audit quality (Björkman *et al.,*2007). Horwitz *et al.* (2002) stated that identifying attributes of organizational culture & HRM practices required for successful transaction in M&A. Bhaskaran and Gligorovska (2009) stressed the need to re-examine the fallacy that a homogenous national culture influences organizational culture. *Organizational culture is influenced more significantly by several factors than national culture, as evident in this case study of two Indian Airlines companies held by the same owner. Sarala et al.(2016) states that organizational cultural differences is the basis for providing a* *broader skill base for the employees, but it may also have a negative influence due to organizational cultural differences as skill bases are difficult to manage or replicate among employees*.

Knilans (2009) stated that the primary success factor for any integration is cultural integration. Integration involves combining two company's system into one set, including IT System, human resources policy and procedure. Study by Rockwell (1968) defines four must-do planning factors: identifying merger objectives, specifying gain for owners, checking management ability, and seeking a good fit. Epstein (2005) using factor in his research has identified six determinants of M&A success as strategic vision and fit, deal structure, due diligence, pre- merger planning, post-merger integration and external factors.

Air India the company continues to be in trouble but the Government has bailed out by offering package in 2012. There are plans to list the company on stock exchange and stock exchange and turn around plans of equity infusion to make it cash positive. The focus of management is on boosting employee morale, improving fuel efficiency maximizing revenue generation and reducing staff count and lost.

Current Status of merger

On 8th October 2021, Department of Investment and Public Asset Management Secretary T. K. Pandey, Government of India announced the sale of National Carrier to highest bidder Tata group at Rs 18000 crores in a Rs 2700 crores cash and Rs 15300 crores debt deal has completed on 27th January 2022. The deal will ensure the privatisation and return of Air India to their original owner after 68 years of its nationalisation and all brands and slots of state-owned airlines. Tata will also get low-cost subsidiary Air India Express, 50% stake in ground handling firm AISATS, 141 Aircrafts and nearly 7000 domestic and international airport slots. Tata will have to pay additional Rs 9185 crores as capitalised lease obligation of 42 leased Boeing Dreamliner Aircrafts. In all 8 Air India logo will be transferred to Tata, a non-transferrable period of 5 years. The deal will usher Tata Sons as the second largest airlines in domestic market with 25% market share. Henceforth, Tata will have two budget airlines- AI Express and Air Asia India while Air India and Vistara build an international premium airline.

Tata will have to ensure that the interest of working employees and retired ones are taken care of. Civil Aviation Ministry, Secretary, Rajiv Bansal said “The government has addressed all the concerns of the employees. The winning bidder will retain all employees for a period of one year. In the second year, if anyone has to be removed, they will be offered Voluntary Retirement Scheme. They will be provided gratuity and provident fund benefits as per the applicable law of the land. The post-retirement medical benefits of those who have retired, outstanding dues of Air India employees amounting to Rs 1332 crores and those who will be retiring will also be taken care of by the government” .Air India and Air India Express collectively have about 13,500 total permanent employees among highest head count worldwide. While the Air India staff union have expressed happiness over Tata Sons winning bid for Airlines, key HR challenges including strikes will be first major hurdle for Tata Son.

Chairman emeritus of Tata Sons, Ratan Tata, said on the deal, “The Tata Group winning the bid for Air India is great news! While admittedly it will take considerable effort to rebuild Air India, it will hopefully provide a very strong market opportunity to the Tata Group’s presence in the Aviation industry.” Tata Sons Chairman N Chandrasekaran said: “This is a historic moment, and it will be a rare privilege for our Group to own and operate the country’s flag bearer airline. It’ll be our endeavour to build a world-class airline that makes every Indian proud.”

The deal is great news for Indian aviation sector and a win-win for all stakeholders though restructuring will call for long term and patient capital. Tata group will need access to capital to the tune of Rs 10,000 crores to support this airline acquisition and may take at least four to five years for the company's operations to turnaround under the new owner. Tata will be infusing Air India with capital, synergy with other companies like TCS in IT and Indian Hotels in Hospitality and even more desperately needed good management .However as observed in the case study merging cultures of a government run PSU with a Corporate Conglomerate will be a key challenge to overcome as and when Tata Sons will infuse professionalism, corporate culture and company’s value system into the airlines.

6.7 Role of Cross culture management & Summarisation of M&A Case Studies

The results of the selected case studies can be concluded by observing that management of cross-cultural interaction can either destroy or facilitate Socio-Cultural integration processes which in turn have a mediating effect on M&A outcome and the eventual realisation of synergies, if it happens. The summary findings of the case study highlight the need of cultural assessment at various stages of the M&A process to best promote cross-culture management. Cross cultural management is a key factor to successful integration of two merging organisation with role of HR practices instrumental in its execution.

Cross cultural M&A such as in Conglomerate M&A has strong presence and operation of bi-cultural employees who have equal knowledge, experience and practice of two different cultures. These employees are instrumental in relation to global talent mobility is the cross-cultural challenge and its implication for international HRM talent management (Collings, 2014). These employees contribute to the organisation by facilitating identity integration bringing about synthesis in post- M&A settings (Fitzsimmons, 2013). In terms of SIT and social category theories, bi-cultural employees are likely to possess multiple identities (Ramarajan, 2014) constructed and developed over time, hence there is a powerful scope for HRM involvement to facilitate Socio-Cultural integration.

Due to the inherent potential of bi-cultural employees to play a significant intermediately and facilitating role between emergent and forming social groups in cross-cultural M&A settings, it can be reasonably concluded that multi-culturalism can influence specific capabilities of multi-cultural managers in multi-national companies (Lucke *et al.*, 2014). Hence to reduce the complexity of cross-cultural M&A and increase the likelihood of cross-cultural M&A success, the HR function and appropriate talent management can play a significant role. By leveraging the advantages of bi-cultural employees may assist the organizations to address issues, challenges stemming from multiple levels and it leverages the power of micro-foundation and human side factors of M&A (Liu *et al*., 2017; Sarala *et al*., 2019). Furthermore, the retention of bi-cultural employees and utilization of their competence may significantly facilitate the process of cross-cultural M&A, especially the identity integration ability and multicultural experience of bi-cultural employees of MNC's. Therefore, the appropriate alignment of HR function and talent management practices may contribute to a nuanced appreciation, thus overcoming the obstacles and challenges of cross-cultural M&A.

Hence in terms of HR functions, there is need of proper selection and training of the managers who will be in contact with members of the foreign acquisition team as it may reduce the potential of conflict. Their diplomatic skills, cultural sensitivity, negotiation and conflict resolution abilities will help in employee's identification process. To avoid the pitfalls of integration, cultural difference should be investigated before a merger takes place and subsequently compared utilising data collected after the merger (As IS to BE concept). Effective communication is instrumental in reducing stress, negative emotions and turnover while simultaneously increasing commitment and cooperation.

Hence it may be concluded that in case behavioural issues, cultural differences and organisational identity become a serious, then instead of M&A strategic alternatives like Joint Venture, Partnership, strategic alliance etc be explored in initial stages to capture dynamics of cultural difference at an early stage to be factored in pre acquisition due diligence and post acquisition cultural audit. This will help in study of human aspects before actual failure post merger.

The summary findings of all case studies in terms of HR parameters of study and their overall effect on the outcome of the M&A has been summarised below in Exhibit 6.1 & 6.2 respectively below.

Exhibit 6.1: Summary finding of select case studies

Name of Deal	Year	Sector	Acquirer Country	Acquired Country	Value	Type	Rationale	HR issues	Current status	Outcome
Daimler Chrysler	1988	Automobile	Germany	United States	US $36 billion Mega deal	Cross border merger disguised as merger of equal	Number one in auto sector	Cultural issues Communication Employee satisfaction Employee retention Leadership issue for change management	Dissolved in 2007 for US $7.4 billion	Failure
Daiichi Sankyo Ranbaxy	2008	Pharmaceuticals	Japan	India	US $ 4.6 Billion	Cross Border Acquisition	To become innovator and generic pharmaceutical powerhouse	Cultural issues Differences in national and corporate culture Post-merger integration Hybrid Business model & change management Cultural diversity Employee turnover Leadership continuity	Acquired by Sun Pharma for US$ 4 billion	Failure
Tata Motors and Jaguar Land Rover	2008	Automobile	India	Britain	US $ 2.3 billion	Cross Border Acquisition	Product and market diversification	Human resource strategy Dealer management Employee retention Culture integration Autonomy &collaborations	Still together	Success

Walmart & Flipkart	2018	Retail e-commerce	United States	India	US $ 16 billion mega deal	Cross Border Acquisition	Market entry Technology acquisition	Culture compatibility Leadership issues Employee turnover & talent retention Regulatory issues Role of HR managers	Still together	Yet to be judged conclusively
Air India & Indian Airlines	2007	Aviation	India	India	Rs 7.7 billion net loss	Domestic Merger	Leverage of combined operational resources	Leadership crisis Lack of integration Bloated head count HR integration VRS scheme Trade union issues	Privatised &taken over by Tata Sons for Rs 18000 crores.	Failure

Exhibit 6.2: Summary finding of select case studies on HR parameters of study

M&A deal	Human Integration	Task Integration	Organizational Justice	Communication	Cultural Compatibility	Outcome
Daimler-Chrysler	PMI formed on distributive leadership failed to achieve desired results. Dominated by Daimler staff	Tech Clubs & E Bok had limited effect. Knowledge island lacked in connection	Board dominated by Daimler executive, Chrysler executive salary not matching	Unilateral top-down approach of communication. No consolidation of brands & media communication	Differences of cultural traits indicated in comparative analysis	Merger failure
Daiichi Sankyo-Ranbaxy	PMI minuscule in nature & marked with misplaced priorities. Only one team with Japanese majority. Unethical practices by middle level managers	Missed part of R&D clusters, manufacturing , global generic market & sales network in emerging & developing markets	Large number of employee turnover due to mistrust. FDA scam forced attrition of large no of middle & senior executive to be replaced by Japanese executives	Certain key change management issues under hybrid business model were required to be addressed by a communication plan was missing	Differences between Japanese and India culture along with differences in corporate culture necessitated a smooth double layer acculturation	Merger Failure
Tata Motors - Jaguar Land Rover	CEO & Board members of JLR not from Tata. Won confidence of top management as well as labour unions. No attempt was made to impose Indian managers on JLR. All key personnel were retained at their position	JLR to have autonomy and work as separate entity Autonomy to JLR to design product development team. Light touch approach of integration was adopted. UK maintained as country of origin & design	Introduced concept of fixed bonus system & performance review system. Retention of employees and new job added Ranked as fifth best employer in UK	Distinctive Branding strategy to preserve brand image of JLR. Honest & timely communication strategy was adopted to allay concerns of JLR staff. Extensive communication increased Tata's corporate identity & JLR employee branding.	Tata adopted a distinctive approach of separation strategy with selective integration. Culturally both companies were different but adopted a path of cultural accommodation	Merger Success

Walmart–Flipkart	HR issues of Leadership with exit of both charismatic co-founders Sachin & Binny Bansal. Flipsters-turned entrepreneurs integration key to success of M&A Walmart Hire & Fire culture, unrealistic expectorations on customer service levels, lack of work life balance, inadequate compensation hurdles for integration.	Complementary core strength of Walmart in product development, sourcing and supply chain management need to synergise Flipkart's diversified business, technical expertise, in-depth knowledge of e commerce & robust IT infrastructure	Difference in Walmart's austerity vs. Flipkart's extravagance in compensation and perks enjoyed by employees. Issue impeding successful integration of employees. ESOP as a motivator for start up	Communication by HR managers to Walmart for rationale & nature of M&A while for Flipkart managers responsibility of communicating the vision and purpose of the deal to Flipkart employees. Informal ways to formal ways of communication , more process oriented	CBA with distinctive difference in national and organisational culture (Austere Vs Extravagant). Role of HR managers critical in creating a working culture for cultural integration not a replacement of culture	Desired results yet to be seen. Further period of at least 1 year needed for final outcome
Air India - Indian Airlines	AIL-IAL merger brought together two completely disparate entities despite being both governments run and born out a same parent company Before the merger, due diligence on HR issues was very poor given integration challenges of two companies with different HR practices	Both Airlines used different ticket reservation system but no integration of the two systems was carried out in time. Justice Dharmaadhikari Report on various issues related to pay/wage rationalisation, restructuring Human Resource issues of the two merging Airlines successful were never implemented	Large Disparity in pay & promotion of the merging companies. VRS scheme was introduced to reduced bloated head count but was marred in implantation stage. Issues like five working days vs. six and different time span for promotion of six vs. ten years in promotion were never resolved	Lack of professional approach & bureaucratic set up led to top-down communication approach. Pilot strike & labour issues indicated lack of communication between management & staff. Air India's brand strength became weaker after the merger due to no branding strategy	Despite being both state owned Indian Aviation company, the culture of two were distinctively different. Air India way of doing things, Indian Airlines way of doing things their pay scale, their promotion policies and their area of operation were also entirely different.	Merger Failure

Chapter 7 Summary and Conclusion

The study was selected for research as per gap in literature review which indicated that only 5% of research in M&A is on human aspects of M&A. In India, hardly any significant contribution has been made by scholars in this field. Therefore, the employees' perception of organizational integration initiatives (human integration and task integration mechanisms), communication initiatives, cultural compatibility and perceived organizational justice were studied in order to study the relationships between these variables and employees' psychological outcomes like employees' level of affective commitment, satisfaction, adoption and achievement. The empirical analysis of the data as well as summary findings of the case studies support the argument that these integration initiatives together with organizational justice are partially correlated with and predicts individuals' psychological outcome variables during M&A.

The study also attempts to bridge the gap in existing research literature concerning purported relationship, if any between employees' psychological outcomes and organizational integration initiatives. Linkages between these variables have been studied separately, for example- human integration and commitment (Steele, 2014), communication initiatives, commitment and satisfaction (Fish, 2007; Dass, 2008; Weber & Tarba, 2010) organizational justice, commitment and satisfaction (Cropanzano & Folger, 1991; Greenwood, Hinings & Brown, 1994, Tang& Baldwin, 1996; Steensma & van Milligen, 2003). For a longer period of time this variable was not studied by researchers in conjunction with other post- M&A psychological outcome. The study also utilized upon some control variables to examine their role on the outcome of M&A. These variables were from financial, organisational behaviour and strategy fields and hence they were studied in conjunction with HR variables as a pioneer work for integrating variables related to different perspective of M&A.

The goal of the study was also to systemically investigate by empirical methods into the correlates and predictors of employees’ positive psychological outcome as a result of organizational integration initiatives during M&A in corporate landscape with special focus on India. The study has implications based on the finding of the research conclusions:-

(1) Implications for organizations and managers opting for M&A as an inorganic growth strategy.

(2) Implications for researchers in the area of Organizational Behaviour, Human Resource Management and Strategic Management.

(3) For research and study of human aspects of M&A in Indian landscape in order to investigate critical role of HRM practices to achieve positive outcome of corporate mergers in India and across Globe.

(4) To focus on mixed method approach in study of M&A by synthesizing various perspective of M&A schools.

7.1 Implications for organizations and executives opting for M&A as a growth strategy

The study helps in identifying key organizational initiative practiced or implemented in successful M&A in India or worldwide besides helping in studying predictors of employees' psychological outcome. The research findings gave valuable insight to organization and managers the employees' psychological dynamic underlying the integration process. Hence by knowledge of these factors, managers may make informed decision making, properly plan for integration planning, design a communication plan and make improvements in integration implementation process.

This study throws light on the fact that acceptance of change by employees cannot be automatic. There are deep seated attitudes and emotions which may tend to dominate over the benefits of these changes. Institutionalizing various integration policies and HR initiatives taken towards communication and cultural integration with an objective of achieving successful human and task integration will help organizations gain success as a result of positive psychological outcomes of survivors.

This study proposes a hypothetical framework that investigates the relationship of organizational integration initiatives and the psychological outcomes of the employees of during M&A, which will help organizations, determine the antecedents of negative psychological outcomes of employees so that they could avoid the possible circumstances where employees tend to be negative. Further, the study is a theoretical explanation and empirical test to the roles of integration initiatives; integration mechanisms, integration related communication, perceived organisational justice and cultural programs in the overall outcome of corporate M&A, which leads the path to Indian corporate leaders towards a template to achieve smooth integration during M&A.

Moreover, M&A involve labour issues, but well planned and chalked out integration strategies can help ease that pain. The results of the study recommends that effectively managed human and task integration mechanisms, continuous and customized communication, steps for ensuring organisational justice, grievance resolution and multifaceted training programs hold centre stage position in the road map to successful integration during M&A.

7.2 Researchers in the field of Human Resource Management, Organizational Behaviour and Strategic Management

This research lends psychological perspective to study of outcome of M&A and is paradigm shift in the way to study of M&A phenomenon. It makes modest attempts to synthesize the three equally relevant schools of Strategic Management, Human Resource Management and Organizational Behaviour in M&A. The results of this study partially corroborate findings of previous research stressing the role of human integration mechanisms and task integration mechanisms and integration related communication initiatives (Birkinshaw *et al.*, 2000) who have divided integration into two equally important processes i.e., task integration and human integration. The results support their contention that M&A success depends on both processes needing to be effective. While human integration is essential for building on satisfied and committed employees, task integration will complement it in achieving synergies. The results of this aspect of the study pave the path for further exploration of these variables, like pace and timing of integration, collective impact of both human and task integration studied by means of mediating variable of integration in our study. These variables require further research for their contribution on outcome of M&A.

The study found that organizations where communication was effective and emphasis was given on cross-cultural and emotional aspects of training, employees were found to possess high level of satisfaction and affective commitment and lower level of feeling of alienation than the employees of those organizations where human integration was side- lined. The organization that were following cultural monitoring exercise during M&A's were those where employees reported positive emotions like satisfaction, sense of identity and pride. Effective inter-cultural management regardless of their earlier differences, help organizations to learn from each other by combining strength and qualification of respective culture each having a distinct approach to task at hand. This helps in forming acculturation or a working culture between merging organization.

Besides, on the basis of framework of justice and social identity theories, the study attempts to provide a sound theoretical linkage between integration initiatives and perceived justice to study the integration success. Hence practical insights are offered as to how and which integration initiatives to be emphasized while prescribing organizations during M&A, thus providing guidelines for academicians and practitioners studying M&A situations. Socio-Cultural research is hence a tool for managing or mitigating human issues and cultural clashes in M&A, the softer side of M&A.

Finally, due to limited scholarly research conducted on integration initiatives and Human Resource practices in the context of M&A in India, the study may usher the systematic investigation of critical role of HR strategic practices in increasing success rate of M&A in Indian context. M&A are multifaceted phenomenon but multi-disciplinary research remains rare, are confined to disciplinary silos. M&A which has largely been seen from a financial perspective needs to be looked objectively from other perspective schools of organisational behaviour, strategy and human resource management. There is also a need for integration of various schools of thought as both Hard (financial) as well as Soft (non-financial) key success factors exists of M&A.

7.3 Development of a conceptual framework of M&A by deriving results based on mixed method approach

The study was formulated on some key research objective which included examination of impact of various Socio-Cultural dimension of post-performance of M&A. In research design mix method was used for study. It is a unique and pioneering way to study M&A outcome on human aspects. The outcome was measured in psychological state of the employees. Independent and dependent parameters/variables were synthesized with control variables of field of finance, organisational behaviour and strategy thus leading to synthesis of various perspectives of M&A. Integration initiatives were conceptualised in terms of both similarities as well as complementarities. Various analysis and statistical tools were utilised to derive results, which were further tested for reliability, validity and construct reliability. All these steps resulted into formulation of a robust realised structural model.

Hence the study is a pioneering work for development of conceptual model/framework of M&A outcome by objectifying subjective statement and converting them to measurable scale by means of content analysis on which test can be carried out. SEM-PLS method was used as it was suited to the data analysis & nature of our study. As indicated in findings our literature reviews that empirical analysis as a methodology is gaining popularity in human aspect of M&A and in India the potential is huge as till date hardly any research on cultural aspects of M&A has been done using empirical analysis.

7.4 Limitations of the Study

The study is largely limited to human aspects of M&A except for a few control variables in the field of finance, organisational behaviour and strategy. Even though the study established a limited degree of relationship between independent and dependent variables but to what degree and extent was not established. Human aspects of M&A do have a contribution to the overall outcome of M&A but it is neither the only factor and may be not always be the most dominant factor. Hence as already indicated in study a synthesis of various perspectives and theories of M&A like finance, economic, strategic, process and organisational behaviour is essential.

The study has selected case study published in case writers and reputed journals for collection of data for various parameters/variables of independent, control and dependent construct. Since the cases have been written by various authors, which are meant primarily for academic purposes so it may useful to a limited extend as an alternative to field research and in case of any author bias, error or non-reporting, the same lacuna may be translated into corresponding error while assigning numbers to that construct. These limitations are in build to any research based on content analysis of a case study.

Presently, there is lack of grounded theory qualitative research in post-merger integration in M&A. The study can be further improved by obtaining qualitative data by interview & questionnaire with employees & manager who has undergone the integration phase of M&A.HR managers and integration managers can be selected with the aim to gain information regarding organisational initiative during M&A to supplement the quantitative study. Similarly, employees who have undergone the merger and have personal experience related to the organisational initiatives during M&A which influenced their attitudes, feelings and emotions can be a reference group for study.

The study was also limited to post merger integration process while integration is ongoing process during pre and post M&A as well. The integration mechanism being well in the pre-deal stage and hence study period may be advanced to accommodate the pre-PMI phase. On a similar vein the post PMI now extends well beyond 3 years post integration and hence the period of study needs to account for this extended period. No clear consensus exists regarding the appropriate time to assess employee attitudes following a merger (Schweiger & DeNisi, 1991). Nevertheless, it may be safely stated that merger survivors' attitudes and perceptions of organizational integration initiatives and attitudes of commitment, satisfaction and adoption keeps on evolving, developing, and changing with passage of time. Since M&A, integration and acculturation are a dynamic process so better &reliable results may be obtained by means of a longitudinal study. Hence for fool proof results all three phases of integration pre, during and post integration needs to be accounted for and M&A has to be taken into consideration as dynamic process evolving over time.

There was a significant amount of research material on mergers, acquisitions, and integrations spanning the decades of the 1980s and 1990s (Nahavandi & Malekzadeh, 1988; Olie, 1990; Datta & Grant, 1990; Haspeslagh& Jemison, 1991; Elsass & Veiga, 1994; Catwright & Cooper, 1996). There was noticeably limited information on these subjects prior to 1980 and since 2000 till date. Availability of literature on the employees' psychological phenomenon related to business was also extremely limited (Astrachan, 1990; Pablo, 1994; Whittle, 2002; Vaara, 2003;

McGrady, 2005; Seo & Hill, 2005). On examination of existing literature on M&A in India, majority of the study were on measuring post-merger profitability of amalgamated firm while reported work on cultural issues are barely none and thus there was very limited literature available that specifically addressed employees' psychological phenomena of commitment, satisfaction and adoption in the M&A's taking place in Indian context.

7.5 Recommendations for Future Research

The study of organizational integration initiatives to post M&A integration has been largely under researched in India. Hence, its study will open new vistas for scholars and academicians for a fundamental understanding of psychological phenomenon during integration. The underlying knowledge will help managers and organization to make informed decision making and proper integration planning to have a positive outcome of M&A outcome. The hiatus in research for human aspects of M&A both in India and globally, is a potential for future research. Our research findings provide for some fundamental recommendations for future research as detailed below:-

I. New variables and dimensions studies during integration process.
II. Conducting interdisciplinary studies of M&A.
III. Conducting similar studies from different perspectives, and
IV. New/advanced research methods to be used during this study.

7.5.1 New variables/Dimensions of study during integration

The study has shortlisted certain variables independent, control, mediating and dependent based on theories/ framework of existing researchers. Though the list is comprehensive enough for this study but certain other new variables representative of Socio-Cultural dimensions may well be incorporated in future studies. These include variables of effective leadership, perceived synergy, change management, alienation, training initiatives, trust, sense making and giving, competitive advantage, power distance, social status etc. These variables may be from different fields of finance, strategy, organizational behaviour or process but need to pass the test of being quantifiable to scale or measurable parameter. Apart from addition of new variables, in research area some additional theatrical exploration may be done along with other HR practices, organizational elements, integration initiatives and system which may help in improving knowledge of M&A and its performance.

Human factors have been largely neglected aspect of M&A research in tandem with HR activities and policies may be considered collectively to study human aspects of M&A in a holistic manner. The current study has examined limited and selective relationship like that of affective commitment, organizational justice and integration for their limited variables only. For example, Allen and Meyer (1991) have proposed three dimensions of commitment which includes normative and continuance apart from affective. These concepts and variables have been vividly and differently defined by various scholars leaving it open to the judgment of the researchers to select a particular set. Therefore, future researchers may consider expanding, modifying or changing the scope of relationship of variables and construct based on their selected criteria.

7.5.2 Conducting interdisciplinary M&A study

This study has been done on organizational behaviour perspective with limited human resource and strategic management field. The study has included some financial and strategic control variables in conjunction with HR parameters. Future research may expand the scope and size of such research by including components of various perspective of M&A like finance, accounting, economics, organizational behaviour, strategic and process perspective. A proper synthesizing of all perspective given due weightage to each will help in arriving better results for the outcome of M&A. Interdisciplinary in M&A research is seen as a way to develop a more holistic understanding of what determines the performance of M&As (Cartwright &Schoenberg, 2006) to overcome the hiatus of M&A research limited to disciplinary silos. Hence in future there is an urgent need for more collaborative and interdisciplinary work on M&A to achieve the cherished goal of better understanding of M&A performance. *In terms of the current research there is a scope for rework by incorporating the concept of strategic fit with their parameters/ variables which can be easily synthesized with hypothetical model proposed. This will blend three relevant schools of strategy, process and organisational schools on M&A.*

7.5.3 Conducting similar studies from different perspectives

The variable position may be flexible for the future research instead of being water tight. The concept of organizational justice taken as independent parameter in our research may well be taken as a mediating variable as advocated by certain researcher as the perceptions of justice are the resultant of organizational integration and HR initiatives and lead to high order employees' attitude of commitment and satisfaction. The mediating variables in our study captures the collective effect of two different independent parameters like integration is for combined effect of task and human integration that despite being independent in our study influence each other. Future studies may also explore on various mediators and control variables to get valid and accurate results. Also, since M&A as well as integration and acculturation are a complex, dynamic and continuous process so longitudinal research may be more appropriate and for better reliability of results.

The study also studies cultural compatibility to a largely uniform state of affairs while merging of cultures may be either relatively close or radically different. However as various scholars have indicated various cultural states like four of Berry (1984) and Nahavandi and Malekzadeh (1988), five of Marks and Mirvis (1985 & 2011) and sixteen of Dauber (2012). Hence future researchers may test the difference of integration initiatives and employees’ attitudinal responses in different cultural integration end states. Besides, cultural is not a monolithic concept as contra culture, sub culture and other variations of culture may exist.

Finally, to test the validity of the model, researchers should carry out testing of M&A hypothesis across the globe and across varied industries to examine cultural difference at national and organisational level or even for combination of both. This will help in better understanding of employees’ reaction under different circumstances under which individual integration & HRM practices accomplish their finest potential in developing integration capabilities during post- M&A phase.

7.5.4 New/Advanced Research methods to supplement existing research

The present studies have selected M&A cases from case writers & reputed journals on which content analysis has been done. The study uses mediation analysis and

PLS-SEM technique to arrive at the results. Future studies may supplement the research by obtaining data qualitative data by questionnaire, in dept interview & semi structured interview of employees who have undergone M&A. These employees have personal experience related to the organisational initiatives during M&A which influenced their attitudes, feelings and emotions. HR managers, strategist and integration managers can be selected with the aim to gain information regarding organisational initiative during M&A by in depth interview & questionnaire. Based on data so collected co relational cross-sectional design can used to study research variables, multiple regression to examine factors of integration contribution to variance &its extent, test like Annova and Tukey's to measure difference in integration initiatives, factor analysis & thematic content analysis on qualitative data can be done. Finally deeper insights and better analysis would be possible by use of advanced Software like AMOS, SPSS and LISERAL.

References and Bibliography

- Adair, W. L., & Brett, J. M. (2005). The negotiation dance: Time, culture, and behavioral sequences in negotiation. Organization Science, 16(1), 33–51.
- Adler, E. (1997): Seizing the Middle Ground: Constructivism in World Politics Constructivism in World Politics. European Journal of International Relations, 3, 319-363.
- Aguilera, R., & Dencker, J. (2004). The role of human resource management in cross-border mergers and acquisitions. The International Journal of Human Resource Management, 15, 1355–1370.
- Aguilera, R., & Dencker, J. (2004). The role of human resource management in cross-border mergers and acquisitions. The International Journal of Human Resource Management, 15, 1355–1370.
- Ahammad, F. M., Glaister, K. W., Weber, Y., & Tarba, S. Y. (2012). Top management retention in cross-border acquisitions: The roles of financial incentives, acquirer's commitment and autonomy. European Journal of International Management, 6(4), 458–480.
- Ahammad, M. & Glaister, K. (2011). Post-acquisition management and performance of cross border acquisitions. International Studies of Management and Organization. 41. 69-87.
- Ahammad, M. F., Tarba, S. Y., Liu, Y., Glaister, K. W. & Cooper, C.L., (2016). "Exploring the factors influencing the negotiation process in cross-border M&A," International Business Review, Elsevier, vol. 25(2), pages 445-457.
- Ahluwalia, M.S. (2002), "Economic reforms in India since 1991:has gradualism worked?" Journal of Economic Perspectives, Vol. 16 No. 3, pp. 67-88.
- Ahuja, G. (1996), 'Collaboration and Innovation: A Longitudinal Study of Inter firm Linkages and Firm Patenting Performance in the Global Advanced Materials Industry,' unpublished Ph.D. dissertation, University of Michigan.
- Ahuja, G., & Katila, R. (2001), "Technological Acquisition and the Innovation Performance of Acquiring Firms: A Longitudinal Study", Strategic Management Journal, 3(2): 197-220.
- Aime, F., Johnson, S., Ridge, J. W., and Hill, A. D. (2010). 'The routine may be stable but the advantage is not: Competitive implications of key employee mobility'. Strategic Management Journal, 31, 75–87.
- Alba, J. D., Park, D., & Wang, P. (2009). Corporate governance and merger and acquisition (M&A) FDI: Firm-level evidence from Japanese FDI into the US. Journal of Multinational Financial Management, 19(1), 1–11.

- Alexandridis, G. & Petmezas, D. & Travlos, Nickolaos. (2009). Gains from Mergers and Acquisitions Around the World: New Evidence. Financial Management. 39. 1671-1695.
- Alguacil, M., Cuadros, A. and Orts, V. (2011), "Inward FDI and growth: the role of macroeconomic and institutional environment", Journal of Policy Modeling, Vol. 33 No. 3, pp. 481-496
- Allatta, J. T., & Singh, H. (2011). Evolving communication patterns in response to an acquisition event. Strategic Management Journal, 32, 1099–1118.

- Allatta, J. T., & Singh, H. (2011). Evolving communication patterns in response to an acquisition event. Strategic Management Journal, 32, 1099–1118.

- Ambrose, M. L., & Arnaud, A. (2005). Distributive and procedural justice: Construct distinctiveness; construct interdependence, and overall justice. In J. Greenberg & J. Colquitt (Eds.), The handbook of organizational justice (pp. 59–84). Mahwah, NJ: Erlbaum.
- Amiot, C., Terry, D., Jimmieson, N., & Callan, V. (2006). A longitudinal investigation of coping processes during a merger: Implications for job satisfaction and organizational identification. Journal of Management.
- Amiot, C.E., Terry, D.J., & Callan, V.J. (2007). Status, fairness, and social identification during an intergroup merger: A longitudinal study. British Journal of Social Psychology, 46, 557-577.

- Amiot, C.E., Terry, D.J., & Callan, V.J. (2007). Status, fairness, and social identification during an intergroup merger: A longitudinal study. British Journal of Social Psychology, 46, 557-577.

- Amis, J., Slack, T., & Hinnings, C. (2004). The pace, sequence, and linearity of radical change. Academy of Management Journal, 47, 15–39.

- Amis, J., Slack, T., & Hinnings, C. (2004). The pace, sequence, and linearity of radical change. Academy of Management Journal, 47, 15–39.

- Anand, J., & Singh, H. (1997). Asset redeployment, acquisitions and corporate strategy in declining industries. Strategic Management Journal, 18(Special Issue), 99–118.
- Andrade, G., Mitchell, M., & Stafford, E. (2001). New evidence and perspectives on mergers. Journal of Economic Perspectives, 15(2), 103–120.
- Andreassi, J., Lawter, L., Brockerhoff, M., & Rutigliano, P. (2014). Cultural impact of human resource practices on job satisfaction. A global study across 48 countries. Cross Cultural Management: An International Journal. 21. 55-77.
- Angwin, D. N. (2012). Merger and acquisition typologies: A review. In D. Faulkner, S.Teerikangas, & R. Joseph (Eds.), Handbook of mergers and acquisitions (pp. 40–70). Oxford, U.K.: Oxford University Press.

- Angwin, D. N., Mellahi, K. Gomes, E., & Peters, E. (2016). How communication approaches impact mergers and acquisitions outcomes. International Journal of Human Resource Management, 27(19–20), 2370–2397.
- Ansoff, H. I., Brandenburg, R. G., & Radosevich, R. (1971). Acquisition Behaviour of U.S. manufacturing firms, 1946-1965, Vanderbilt Press, Nashville.
- Ansoff, H.I & Weston, J.F (1962): "Merger Objectives and Organisational Structure," The Quarterly Review of Economics and Business, Vol.2, No.3, pp.49.
- Appelbaum, S., Gandell, J., Yortis, H., Proper, S. and Jobin, F. (2000a), "Anatomy of a merger: behaviour of organizational factors and processes throughout the pre during post-stages (part 1)", Management Decision, pp. 649-61.
- Appelbaum, S.H., Lefrancois, F., Tonna, R., Shapiro, B.T., (2007). "Mergers 101 (part two): training managers for culture, stress, and change challenges", Industrial and Commercial Training, Vol. 39, pp.191 – 200.
- Appelbaum, S.H., Roberts, J., and Shapiro, B.T. (2009). Cultural strategies in M&As: Investigating ten case studies, Journal of executive education, Vol. 8, Issue 1, p. 33–58.
- Arkoubi, K. A., Bishop, J.W. & Scott, D. (2007), "An investigation of the determinants of turnover intention among drivers". Loyola University, Chicago, Volume 5, Issue 2, Pages 470-480.
- Arthur, J. (1994). 'Effects of human resource systems on manufacturing performance and turnover'. Academy of Management Journal, 37: 3, 670–687
- Ashkanasy, N. M., & Daus, C. S. (2002). Emotion in the workplace: The new challenge for managers. The Academy of Management Executive, 16(1), 76-86.
- Ashkenas, R., & Francis, S., (2000). "Integration managers: special leaders for special times" Harvard Business Review, 78 (6) 108-116.
- Astrachan, J. H. (1990). Mergers, acquisitions, and employee anxiety: A study of separation anxiety in a corporate context. New York, NY: Praeger.
- Attah-Boakye, R., Guney, Y., Hernandez-Perdomo, E., Mun, J., (2021). Why do some merger and acquisitions deals fail? A global perspective. Int. J. Finan. Econ. 26 (3), 4734–4776.
- Badrtalei, J and Bates, D.L. (2007): Effect of Organizational Cultures on Mergers and Acquisitions: The Case of DaimlerChrysler International Journal of Management Vol. 24 No. 2. Pp 303-317.
- Balle, N. (2008). Hearts at stake. Corporate Communications: An International Journal, 13, 56-67.

- Bansal, A. (2020), "Thinking of mergers and acquisitions? Think of justice: a people perspective", International Journal of Manpower, Vol. 41 No. 4, pp. 435-456.
- Barbopoulos, L., Paudyal, K. and Pescetto, G. (2012), “Legal systems and gains from cross-border acquisitions”, Journal of Business Research, Vol. 65 No. 9, pp. 1301-1312.
- Barkema, H. G., & Schijven, M. (2008). Towards unlocking the full potential of acquisitions: The role of organizational restructuring. Academy of Management Journal, 51(4), 696–722.
- Barkema, H. G., Bell, J. H. and Pennings, J. M. (1996). Foreign Entry, Cultural Barriers and Learning, Strategic Management Journal, Vol. 17, No. 2 (Feb.):151-166.
- Barney, J. (1991). Firm resources and sustained competitive advantage. Journal of Management, 17(1), 99–120.
- Baron, J. N., & Kreps, D. M. (1999). Strategic human resources. Framework for general managers. New York: Wiley and Sons.
- Baron, R., 2008. The role of affect in the entrepreneurial process. Academy of Management Review 33 (2), 328-340.
- Barrett, M., & Luedecke, B. (1996). What management says it wants in communicating change. Communications World-San Francisco, 13, 29–32.
- Bass, B., Avolio, B., Jung, D., & Berson Y. (2003). Predicting unit performance by assessing transformational and transactional leadership. Journal of Applied Psychology 88(2), 207–218.
- Bauer, F., & Matzler, K. (2014). Antecedents of M&A success: The role of strategic complementarily, cultural fit, and degree and speed of integration. Strategic Management Journal, 35, 269–291.
- Bauer, F., Matzler, K., & Wolf, S. (2016). M&A and innovation: The role of integration and cultural differences—A central European targets perspective. International Business Review, 25(1), 76–86.
- Bazerman, M. H., Curhan, J. R., Moore, D. A., & Valley, K. L. (2000). Negotiation. Annual Review of Psychology, 51(1), 279–314.
- Bekier, M.M., & Shelton, M.J. (2002). Keeping your sales force after the merger: merging companies should look to their revenues, not just their costs.
- Bengtsson, L., & Larsson, R.(2012).Research in mergers& acquisitions with the case study method: Idiographic understanding of longitudinal integration processes. Working paper, 2012/4, Centre for Strategic Innovation Research. In: Y. Weber (Ed.), Handbook for Mergers and Acquisitions Research (pp. 172–202). Cheltenham, UK: Edward Elgar.
- Benner, M. & Tushman, M. (2001). Exploitation, Exploration, and Process Management: The Productivity Dilemma Revisited. The Academy of Management Review. 28(2). Pp 238-256.

- Bereskin, F., Byun, S., Officer, M. & Oh, J-M. (2018).The Effect of Cultural Similarity on Mergers and Acquisitions: Evidence from Corporate Social Responsibility. Journal of Financial and Quantitative Analysis. 53. 1-45.
- Bergh, D. D. (2001). Executive retention and acquisition outcomes: A test of opposing views on the influence of organizational tenure. Journal of Management, 27(5), 603–622.
- Berkovitch, E., & Narayanan, M. P. (1993). Motives for takeovers: An empirical investigation. Journal of Finance and Quantitative Analysis, 28(3), 347–362.
- Berry, J. W. (1980). Social and cultural change. Handbook of cross-cultural psychology, 5, 211-279.
- Bertoncelj, A & Kovac, D. (2007): An integrated approach for a higher success rate in mergers and acquisitions, Volume 25, Issue. 1, Pages 167-188.
- Bertoncelj, A. (2013): Value creation chain in mergers and acquisition, Doctoral paper, Department of Engineering, University of Cambridge.
- Bertrand, O., & Zitouna, H. (2008). Domestic versus cross-border acquisitions: Which impact on the target firms' performance? Applied Economics, 40(17), 2221–2238.
- Bhagat, R., Kedia, B., Englis, P., & Triandis, H. (2002). Cultural Variations in the Cross-Border Transfer of Organizational Knowledge: An Integrative Framework. The Academy of Management Review. 27. No 2. Pp 204-221.
- Bhagat, S., Shleifer, A., & Vishny, R. W. (1990). Hostile takeovers in the 1980s: The return to corporate specialization. Brookings Papers on Economic Activity. Special issue: Microeconomics, 1–72.
- Bhaskaran, S. & Gligorovska, E. (2009). Influence of national culture on trans-national alliance relationships. Cross Cultural Management: An International Journal. 16. 44-61.
- Bhaskaran, S. & Gligorovska, E. (2009). Information communication technology adoption by small-to-medium-sized food enterprises in Australia. International Journal of Enterprise Network Management. 3(4). Pp 332-346.
- Bijlsma-Frankema, K, (2001). On managing cultural integration and cultural change processes in mergers and acquisitions. Journal of European Industrial Training, 25(2/3/4), 192-207.
- Birkinshaw, J., Bresman, H., & Håkansson, L. (2000). Managing the post-acquisition integration process: How the human integration and task integration processes interact to foster value creation. Journal of Management Studies, 37(3), 395–425.
- Björkman, I, Stahl, G & Vaara, E. (2007). Cultural Differences and Capability Transfer in Cross-Border Acquisitions: The Mediating Roles of

Capability Complementarity, Absorptive Capacity, and Social Integration. Journal of International Business Studies. 38. 658-672.

- Blake, R. R., & Mouton, J. S. (1985). How to achieve integration on the human side of the merger. Organizational Dynamics, 13, 20-39.
- Bleeke, J. and Ernst, D., (1993). “The Death of the Predator”, in Bleeke, Joel & David Ernst, Eds. Collabourating to Compete: Using Strategic Alliances and Acquisitions in the Global Marketplace, New York: John Wiley: 1-10.
- Blonigen, B. A., & Davies, R. B. (2004). The effects of bilateral tax treaties on US FDI activity. International Tax and Public Finance, 11(5), 601–622.
- Boateng, A., Du, M., Bi, XG. & Lodorfos, G (2019). Cultural distance and value creation of cross-border M&A: The moderating role of acquirer characteristics. International Review of Financial Analysis. Elsevier, vol. 63(C), pages 285-295.
- Bower, J. L. (2001). Not all M&A’s are alike—and that matters. Harvard Business Review, 79(3), 93–101.
- Bradely, C., Hart, M., Smith, S. & West, A. (2018),’ Research Shows That Smaller M&A Deals Work Out Better’ HBR, May 2018.
- Bragg, T. (2001). Lessons from a mismanaged merger. Industrial Management 43(2). 6-6.
- Brannen, M. & Peterson, M. (2009). Merging Without Alienating: Interventions Promoting Cross-Cultural Organizational Integration and Their Limitations. Journal of International Business Studies. 40. 468-489.
- Braşoveanu, IV, Dobre F., and Brad L. (2014). Increasing Financial Audit Quality Using a New Model to Estimate Financial Performance." Romanian Journal of Economic Forecasting 17.3: 88-107.
- Bresman, H., Birkinshaw, J. M., & Nobel, R. (1999). Knowledge transfer in international acquisitions. Journal of International Business Studies, 30 (4): 439–462.
- Brett, J. F., Northcraft, G. B., & Pinkley, R. L. (1999). Stairways to heaven: An interlocking self-regulation model of negotiation. Academy of Management Review, 24(3), 435–451.
- Bris, A., Brisley, N., & Cabolis, C. (2008). Adopting better corporate governance: Evidence from cross-border mergers. Journal of Corporate Finance, 14(3), 224– 240.
- Brock, D. M., Yaffe, T., & Dembovsky, M. (2006). International diversification strategies and effectiveness: A study of global law firms. Journal of International Management, 12(4), 473–489.
- Brockner, J., Konovsky, M., Cooper-Schneider, R., Folger, R., Martin, C., & Bies, R. J. (1994). Interactive Effects of Procedural Justice and Outcome Negativity on Victims and Survivors of Job Loss. The Academy of Management Journal, 37(2), 397–409.

- Brouthers, K. (2002). Institutional, Cultural and Transaction Cost Influences on Entry Mode Choice and Performance. Journal of International Business Studies. 33. 203-221.
- Brueller, N. N., Carmeli, A., & Markman, G. D. (2016). Linking merger and acquisition strategies to postmerger integration: A configurational perspective of human resource management. Journal of Management, 44(5), 1793–1818.
- Bruner, R. F. (2004): Applied Mergers and Acquisitions, University Of Virginia, Wiley Finance, New York.
- Bruton, G. D., Oviatt, B. M., & White, M. A. (1994). Performance of acquisitions of distressed firms. Academy of Management Journal, 37, 972–990.
- Bryson, J. (2003), "Managing HRM risk in a merger", Employee Relations, Vol. 25 No. 1, pp. 14-30.
- Buchholtz, A. & Ribbens, B. (1994). Role of Chief Executive Officers in Takeover Resistance: Effects of CEO Incentives and Individual Characteristics. Academy of Management Journal. 37. 554-579.
- Buchholtz, A. K., Ribbens, B. A., & Houle, I. T. (2003). The role of human capital in post-acquisition CEO departure. Academy of Management Journal, 46(4), 506–514.
- Budd, R. W., Thorp, R. K., & Donohew, L. (1967). Content analysis of communications. New York: Macmillan.
- Budhar, P.S. (2000). 'Evaluating levels of strategic integration and devolvement of human resource management in the UK'. Personnel Review, 29: 2, 141–161
- Buono, A. F., & Bowditch, J. L. (1989). The human side of mergers and acquisitions: managing collisions between people, cultures, and organizations. San Francisco: Jossey-Bass.
- Buono, A. F., Bowditch, J. L., & Lewis, J. W. (1985). When cultures collide: The anatomy of a merger. Human Relations, 38(5), 477–500.
- Burns, M. and Rosen, A. (1997b), "HR aspects of a take-over: part 2; running it into the ground", Career Development International, Vol. 2 No. 4, pp. 157-9.
- Burt, R.S. (1992), Structural Holes: The Social Structure of Competition, Cambridge, MA: Harvard University Press.
- Butler, F., Perryman, A., & Ranft, A. (2012). Examining the effects of acquired top management team turnover on firm performance post-acquisition: A meta-analysis. Journal of Managerial Issues. 24. 47-60.
- Camanor, W.S. & T.A. Wilson. (1967). Advertising market structure and performance. Review of Economics and Statistics, November 49:423-440.
- Campa, J. M., & Kedia, S. (2002). Explaining the diversification discount. The Journal of Finance, LVII (4), 1731–1762.

- Campbell, A., & Goold, M. (1998). Desperately seeking synergy. Harvard Business Review, 76,131–145.
- Cannella, A., & Hambrick, D. (1993). Effects of executive departures on the performance of acquired firms. Strategic Management Journal, 14, 137–152.
- Capron, L. (1999). The long-term performance of horizontal acquisitions. Strategic Management Journal, 20(11), 987–1018.
- Capron, L., & Guillen, M. F. (2009). National corporate governance institutions and post acquisition target reorganization. Strategic Management Journal, 30(8), 803–833.
- Capron, L., Dussauge, P., & Mitchell, W. (1998). Resource redeployment following horizontal acquisitions in Europe and North America, 1988–1992. Strategic Management Journal, 19(7), 631–661.
- Carleton J.R.,(1997). Cultural Due Diligence. Training, 34, 11, 67−75. Cartwright, S. & Cooper, C.L. (1990), the impact of mergers and acquisitions on people at work: existing research and issues. British journal of management, 1, 65-76.
- Carleton, J. R. & Lineberry, C. S. (2004). Achieving Post-Merger Success: A Stakeholder’s Guide to Cultural Due Diligence, Assessment, and Integration. Hoboken, NJ: Wiley.
- Carpenter, M. A., & Sanders, W. G. (2007). Strategic management: A dynamic perspective. Upper Saddle River, NJ: Pearson Prentice Hall.
- Cartwright, S. & Cooper, C.L. (1996). Managing mergers, acquisitions, and strategic alliances: Integrating people and cultures (2nd ed.). Oxford: Butterworth & Heinemann.
- Cartwright, S. and Cooper, C.L. (1995), "Organizational marriage: “hard” versus “soft” issues?", Emerald Publishing, Vol. 24 No. 3, pp. 32-42
- Cartwright, S. and Cooper, G. (1996), Managing Mergers, Acquisitions and Strategic Alliances: Integrating People and Cultures, 2nd ed., Butterworth-Heinemann Ltd, Woburn, MA.
- Cartwright, S., & Cooper, C. L. (1990). The impact of mergers and acquisitions on people at work: Existing research and issues. British Journal of Management, 1(2), 65–76.
- Cartwright, S., & Schoenberg, R. (2006). Thirty years of mergers and acquisitions research: Recent advances and future opportunities. British Journal of Management, 17, S1–S5.
- Cassiman, B., Colombo, M.G., Garrone, P., and Veugelers, R. (2006). ‘The impact of M&A on the R&D process: An empirical analysis of the role of technological- and market-relatedness’. Research Policy, 34, Issue 2, 195–220.
- Chakrabarti, R., Gupta-Mukherjee, S., & Jayaraman, N. (2009).Mars-Venus marriages: Culture and cross-border M&A. Journal of International Business Studies, 40:216–236.

- Chanmugam, R., Anslinger, P. & Park, M. (2004). Post-merger integration myths versus high performance realities. Outlook – Point of View, Accenture, July 2004.
- Chanmugam, R., Shill, W., Mann, D., Ficery, K., & Pursche, B. (2005). The intelligent clean room: ensuring value capture in mergers and acquisitions. Journal of Business Strategy, 26(3), 43-49.
- Chari, A, Ouimet, P. P. and Tesar, L, (2010), The Value of Control in Emerging Markets, Review of Financial Studies, 23, issue 4, p. 1741-1770.
- Chari, M., & Acikgoz, S. (2016). What drives emerging economy firm acquisitions in tax havens? Journal of Business Research, 69(2), 664–671.
- Chatteree, S., Lubatkin. M., Schweiger, D. M, &Weber, Y. (1992) `Cultural differences and shareholder value in related mergers: Linking equity and human capital'. Strategic Management Journal 13: 319-334.
- Chatterjee, S. (2009). The keys to successful acquisition programs. Long Range Planning, 42, 137–163.
- Chatterjee, S., Lubatkin, M. H., Schweiger, D. M., & Weber, Y. (1992). Cultural differences and shareholder value in related mergers: Linking equity and human capital. Strategic Management Journal, 13, 319–334.
- Chen, C., & Findlay, C.(2003), "A review of cross-border Mergers and acquisitions in APEC". Asian-Pacific Economic Literature, Vol. 17 pp14-38.
- Cheng, J. (1984). Organizational coordination, uncertainty, and performance: An integrative study. Human Relations, 37(10), 829–851.
- Child, J., Faulkner, D. and Pitkethly, R. (2001). The Management of International Acquisitions. New York: Oxford University Press.
- Cho, I., Park, H., & Dahlgaard-Park, S. M. (2017). The impacts of organisational justice and psychological resilience on employee commitment to change in an M&A context. Total Quality Management and Business Excellence, 28(1), 1–14. Cicourel, A.V. (1973), Cognitive Sociology, Harmondsworth, UK: Penguin Books.
- Ciobanu, R. (2014a). Does the Toehold Influence the Success of an M&A Transaction?, International Journal of Academic Research in Accounting, Finance and Management Sciences, 4(1), 235-239.
- Clampitt, P.G., DeKoch, R.J. and Cashman, T. (2000), "A strategy for communicating about uncertainty", Academy of Management Executive, Vol. 14 No. 4, pp. 41-57.
- Clemente, M. and Greenspan, D. (1998), Winning at Mergers and Acquisitions, Wiley, New York, NY.
- Coff, R. W. (1999). How buyers cope with uncertainty when acquiring firms in knowledge-intensive industries: Caveat Emptor. Organization Science, 10(2): 144-161.

- Cohen, W. L., & Levinthal, D. M. (1990), “Absorptive Capacity: A new Perspective on Learning and Innovation”, Administrative Science Quarterly, 35(1): 128-152.
- Collings, D. G. (2014). Integrating global mobility and global talent management: Exploring the challenges and strategic opportunities. Journal of World Business, 49(2), 253–261.
- Collins, J. H., Kemsley, D., & Shackelford, D. A. (1995). Tax reform and foreign acquisitions: A microanalysis. National Tax Journal, 48(1), 1–21.
- Colquitt, J. A. (2001). On the dimensionality of organizational justice: A construct validation of a measure. Journal of Applied Psychology, 86(3), 386–400.
- Cordeiro, M. (2014) - The seventh M&A wave; Camaya Partners Report. Retrieved,camayapartners.com
- Cording, M., Christmann, P., & King, D. R. (2008). Reducing causal ambiguity in acquisition integration: Intermediate goals as mediators of integration decisions and acquisition performance. Academy of Management Journal, 51: 744–767.
- Cornett, M.M., & Tehranian, H. (1992).Changes in corporate performance associated with bank acquisitions, Journal of Financial Economics, Volume 31, Issue 2, Pages 211-234.
- Covin, T., Sightler, K., Kolenko, T., & Tudor, R. (1996). An investigation of post acquisition satisfaction with merger. Journal of Applied Behavioural Science, 32(2), 125–142.
- Creswell, J. W. (1994). Research design: Qualitative and quantitative approaches. Thousand Oaks, CA: Sage.
- Cropanzano, R. and Folger, R. (1991) Procedural Justice and Worker Motivation. In: Steers, R.M. and Porter, L.W., Eds., Motivation and Work Behaviour, 5th Edition, McGraw-Hill, New York, 131-143.
- Cropanzano, R., Byrne, Z. S., Bobocel, D. R., & Rupp, D. R. (2001). Moral virtues, fairness heuristics, social entities, and other denizens of organizational justice. Journal of Vocational Behaviour, 58, 164–209.
- Cropanzano, R., Howes, J. C., Grandey, A. A., & Toth, P. (1997). The Relationship of Organizational Politics and Support to Work Behaviours, Attitudes, and Stress. Journal of Organizational Behaviour, 18, 159-180.
- Cumming, D. J., Wright, M., & Siegel, D. S. (2007). Private equity, leveraged buyouts and governance. Journal of Corporate Finance, 13(4), 439–460.
- Cuny, C. L., & Talmor, E. (2007). A theory of private equity turnarounds. Journal of Corporate Finance, 13(4), 629–646.
- Danbolt, J. (2004). Target company cross-border effects in acquisition into the UK. European Financial Management, 10(1), 83–108.

- Dao, M. A., & Bauer, F. (2021). Human integration following M&A: Synthesizing different M&A research streams. Human Resource Management Review, 31(3), Article 100746.
- Das, A. & Kapil S. (2012). Emplaning M&A performance: A review of empirical research, Journal of strategy and management, Bingley, Vol. 5.2012, 3, pp. 284-330.
- Das, T.K., & Teng, B.S. (1998), 'Between Trust and Control: Developing Confidence in Partner Cooperation in Alliances,' Academy of Management Review, 2, 491–512.
- Dass, T.K. (2008). Human resource processes and the role of human resources function during merger and acquisition in the electricity industry (Doctoral Dissertation, University of Cincinnati).
- Datta D.K., Grant J.H. (1990). Relationships between type of acquisition, the autonomy given to the acquired firm, and acquisition success: An empirical analysis. Journal of Management 16:1, 29-44.
- Datta, D. & Puia, G. (1995): Cross-border acquisitions: An examination of the influence of relatedness and cultural fit on shareholder value creation in US acquiring firms Management International Review 35(4):337-359.
- Datta, D. K. (1991). Organizational fit and acquisition performance: Effects of post-acquisition integration. Strategic Management Journal, 12(4), 281–297.
- Datta, D. K., and Grant, J. H. (1990). 'Relationships between type of acquisition, the autonomy given to the acquired firm, and acquisition success: An empirical analysis'. Journal of Management, 16(1): 29-44.
- Datta, D. K., and Puia, G. (1995). Cross-Border Acquisitions: An Examination of the Influence of Relatedness and Cultural Fit on Shareholder Value Creation in US Acquiring Firms. Management International Review, 35(4), 337- 359.
- Dauber, D. (2011). Hybridization in mergers and acquisitions (Doctoral thesis). Vienna University of Economics and Business, Austria.
- Dauber, D. (2012), "Opposing positions in M&A research: culture, integration and performance", Cross Cultural Management: An International Journal, Vol. 19 No. 3, pp. 375-398.
- David, F.R. (1999):"Strategic Management Concepts, 7e, Princeton Hall, Upper Saddle River, NJ, p. 191.
- David, K., and Singh, H. (1994), 'Sources of Acquisition Cultural Risk,' in The Management of Corporate Acquisitions, eds. G. Krogh, A. Sinatra, and H. Singh, London: Macmillan Press, pp. 251–292.
- Davy, J.A., Kinicki, A., Kilroy, J. & Scheck, C. (1988). After the merger: Dealing with people's uncertainty. Training and Development Journal, 57-61.

- de Cremer, D., & van Vugt, M. (1999). Social identification effects in social dilemmas: A transformation of motives. European Journal of Social Psychology, 29, 871-893.
- De Leon, M. V. (2020). Impact of managerial communication, managerial support, and organizational culture difference on turnover intention: A tale of two merged banks. Problems and Perspectives in Management, 18(4), 376-387.
- Degbey, W.Y., Rodgers, P.W., Kromah, M.D., & Weber, Y. (2020). The impact of psychological ownership on employee retention in mergers and acquisitions. Human Resource Management Review, 100745.
- Deresky, H. (1997). International Management: Managing Across Borders and Cultures. 2nd Edition. Addison- Wesley Publishing Company. V.
- Devine, M 2002, Successful mergers, The Economist & Profile Books Ltd, London.
- Dewenter, K.L. (1995). Does the market react differently to domestic and foreign takeover announcements? Evidence from the U.S. chemical and retail industries. Journal of Financial Economics, 37, 421-441.ees.
- Dharmapala, D., & Hines, J. R. (2009). Which countries become tax havens? Journal of Public Economics, 93(9), 1058–1068.
- di Giovanni, J. (2005). What Drives Capital Flows? The Case of Cross-Border M&A Activity and Financial Deepening. Journal of International Economics. 65. 127-149.
- DiGeorgio, R. (2002). Making mergers and acquisitions work: What we know and don’t know—Part I. Journal of Change Management, 3, 134–148.
- Dikova, D., Panibratov, A., Veselova, A., & Ermolaeva, L. (2016). The joint effect of investment motives and institutional context on Russian international acquisitions. International Journal of Emerging Markets, 11(4), 674–692.
- Dirks, K.T., & Ferrin, D.L. (2001), ‘The Role of Trust in Organizational Setting,’ Organization Science, 12, 450–467.
- Dixon, I. E. (2005). SHRM Case study: Culture Management and Merger and Acquisition, Society for Human Resource Management.
- Dobre, F., Brad, L. & Ciobanu R. (2015). The value of discretionary accruals computed using both national and international standards. Journal of Accounting and Management Information Systems 14.1: 153-169.
- Doney, P. M., Cannon, J. P., & Mullen, M. R. (1998). Understanding the Influence of National Culture on the Development of Trust. The Academy of Management Review, 23(3), 601–620.
- Drolet, A. & Morris, M. (2000). Rapport in Conflict Resolution: Accounting for How Face-to-Face Contact Fosters Mutual Cooperation in Mixed-Motive Conflicts* 1,* 2,* 3. Journal of Experimental Social

Psychology. 36. 26-50. 10.1006/jesp.1999.1395.Dynamics, Vol. 28 No. 2, pp. 22-36.

- Early, S. (2004): “Merger and Acquisitions: New Mckinsey research challenges conventional M&A wisdom”, Strategy & Leadership, Volume 32, No. 2. Pp 4-11.
- Eccles, R. G., Lanes, K. L., & Wilson, T. C. (1999). Are you paying too much for that acquisition? Harvard Business Review, 77(4), 136–146.
- Edwards, J. R., & Lambert, L. S. (2007). Methods for integrating moderation and mediation: A general analytical framework using moderated path analysis. Psychological Methods, 12(1), 1-22.
- Eisenhardt, K.M., & Graebner, M.E. (2007). Theory building from cases: Opportunities and challenges. Academy of Management Journal, 50(1), 25–32.
- Ellis, K. M., Reus, T. H. and Lamont, B. T. (2009), "The effects of procedural and informational justice in the integration of related acquisitions", Strategic Management Journal, Vol. 30 No. 2, pp. 137-161.
- Ellis, K. M., Reus, T. H., Lamont, B. T., & Ranft, A. L. (2011). Transfer effects in large acquisitions: How size-specific experience matters. Academy of Management Journal, 54(6), 1261–1276.
- Ellis, K. M., Weber, Y., Raveh, A., & Tarba, S. Y. (2012). Integration in large, related M&As: Linkages between contextual factors, integration approaches, and process dimensions. European Journal of International Management, 6(4), 368–394.
- Ellis, K.M. and Lamont, B.T. (2004), "“IDEAL” Acquisition Integration Approaches In Related Acquisitions of Equals: A Test of Long-Held Beliefs", Advances in Mergers and Acquisitions (Advances in Mergers & Acquisitions, Vol. 3), Emerald Group Publishing Limited, Bingley, pp. 81-102.
- Elsass, P. M., & Veiga, J. F. (1994). Acculturation in Acquired Organizations: A Force-Field Perspective. Human Relations, 47(4), 431–453.
- Epstein, M. (2004). The Drivers of Success in Post-Merger Integration. Organizational Dynamics - ORGAN DYN. 33. 174-189.
- Epstein, M. (2005).The determinants and evaluation of merger success. Business Horizons. 48. 37-46. 10.1016/j.bushor.2004.10.001.
- Erel, I., Liao, R. C., & Weisbach, M. S. (2012). Determinants of cross-border mergers and acquisitions. Journal of Finance, 67(3), 1045–1082.
- Erlingsson, C., & Brysiewiczb, P. (2017), “A hands-on guide to doing content analysis”, African Journal of Emergency Medicine, 7(3), 93-99.
- Ernst, H. & Vitt, J. (2000). The Influence of Corporate Acquisitions on the Behaviour of Key Inventors. R&D Management. 30. 105 - 120. 10.1111/1467-9310.00162.

- Esposito Vinzi, V., Trinchera, L., & Amato, S. (2010). PLS Path Modeling: From Foundations to Recent Developments and Open Issues for Model Assessment and Improvement. In. V. Esposito Vinzi, W.W. Chin, J. Henseler & H. Wang (Eds) Handbook of Partial Least Squares: Concepts, Methods and Applications (47-82) Berlin, Germany: Springer Berlin Heidelberg.
- Evans, P. & Pucik, V. & Barsoux, Jean-Louis, (2002). The Global Challenge: Frameworks for International Human Resource Management.
- Fairfield-Sonn, J. W., Ogilvie, J. R., & Del Vecchio, G. A. (2002).Mergers, Acquisitions and Long-Term Employee Attitudes. Journal of Business & Economic Studies, 8(2), 1–16.
- Fang, T., Fridh, C., & Schultzberg, S. (2004). Why did the Telia-Telenor merger fail? International Business Review. 13. 573-594.
- Faulkner, D., Pitkethly, R., & Child, J. (2002). International mergers and acquisitions in the UK 1985–1994: A comparison of national HRM practices. International Journal of Human Resource Management, 13(1), 106–122.
- Faulkner, D., Teerikangas, S., & Joseph, R. (2012). Handbook of mergers and acquisitions.Oxford, U.K.: Oxford University Press.
- Febriani, D. M., & Yancey, G. B. (2019). The effect of integration approaches and human resources initiatives on changes in organizational culture and employee attitudes during a merger. The Psychologist-Manager Journal, 22(2), 108–131.
- Feldman, M.L., & Murata, D.K. (1991). Why Mergers Often Go "Pfft." (Cover Story/Merger Report) (Cover Story). ABA Banking Journal, 83, 34.
- Ferreira, M. P., Santos, J. C., de Almeida, M. I. R., & Reis, N. R. (2014). Mergers & acquisitions research: A bibliometric study of top strategy and international business journals, 1980–2010. Journal of Business Research, 67(12), 2550-2558
- Ficery, K., Herd, T. & Pursche, B. (2007) Where Has All the Synergy Gone? The M&A Puzzle. Journal of Business Strategy 28: 29-35
- Firstbrook, C.(2007).“Transnational mergers and acquisitions: How to beat the odds of disaster”. Journal of Business Strategy, Vol. 28 (No. 1) (2007), pp. 53-56.
- Fitzsimmons, S. R. (2013). Multicultural employees: A framework for understanding how they contribute to organizations. Academy of Management Review, 38(4), 525–549.
- Fock, H., Hui, M.K., Au, K. and Bond, M.H. (2013), "Moderation effects of power distance on the relationship between types of empowerment and employee satisfaction", Journal of Cross-Cultural Psychology, Vol. 44, No. 2, pp. 281–298.

- Folger, J. P., Hewes, D. E., & Poole, M. S. (1984).Coding social interaction. In B. Dervin & M. J.Voigt (Eds.), Progress in communication sciences (pp. 115-161). Norwood, NJ: Ablex.
- Foroghi, D., Amiri, H., Fallah, Z.N. (2013). Corporate Governance and Conservatism. International Journal of Academic Research in Accounting, Finance and Management Sciences, 3(4), 61-71.
- Frick, K. A., & Torres, A. (2002), "Learning from High Tech Deals", McKinsey Quarterly.
- Fried, Y., Tiegs, R. B., Naughton, T. J., & Ashforth, B. E. (1996).Managers' reactions to a corporate acquisition: A test of an integrative model. Journal of Organizational Behaviour, 17, 401–427.
- Frijda, N. H. (1986). The emotions. Cambridge: Cambridge University Press.
- Fuller, K., Netter, J., & Stagemoller, M. (2002), "What Do Returns to Acquiring Firms Tell Us? Evidence form Firms That Make Many Acquisitions", Journal of Finance, 57(1): 1763-1793.
- Gadiesh, O., & Ormiston, C. (2002). Six rationales to guide merger success. Strategy and Leadership, 30(4), 38-40.
- Garrison, D. (2019). Most mergers fail because people aren't boxes. Forbes.https://www.forbes.com/sites/forbescoachescouncil/2019/06/24/most-mergers-failbecause-people-arent-boxes/#ddd83aa52770.
- Gaughan, P. A., (2002). Mergers, Acquisition and Corporate restructuring. 6th ed. New York: John willey & Sons, Inc.
- Gelfand, M. & Brett, J. (2005). The Handbook of Negotiation and Culture. Bibliovault OAI Repository, the University of Chicago Press. 50. 10.2189/asqu.2005.50.1.157.
- Gelfand, M. & Dyer, N. (2000). A Cultural Perspective on Negotiation: Progress, Pitfalls, and Prospects. UNF Research. 49(1), Wiley-Blackwell. Pp 62-99.
- Gelfand, M. J., Major, V. S., Raver, J. L., Nishii, L. H., & O'Brien, K. (2006). Negotiating relationally: The dynamics of the relational self in negotiations. The Academy of Management Review, 31(2): 427-451.
- Geok, W. B., & Chua., W. (2012): Cultural Challenges Of Integration: Value Creation And Daiichi Sankyo's Indian Acquisition, The Asian Business Case Centre, Nanyang Business School, Singapore.Pp 1-16.
- Georgen, M., & Renneboog, L. (2004). Shareholder wealth effects of European domestic and cross-border takeover bids. European Financial Management, 10(1), 9–45.
- Ghauri, P. N. (2003). A framework for international business negotiations. In G. J. C.Usunier (Ed.), International business negotiations (pp. 3–22). Kidlington, 2nd.Edition, Oxford: Pergamon.
- Ghauri, P. N., & Usunier, J.-C. (2003). International business negotiations. 2nd Edition, Kidlington, Oxford: Pergamon.

- Ghauri, P., Gronhaug, K. and Kristianslund, I. (1995), "Research methods in business studies: a practical guide", Prentice Hall, New York.
- Ghauri, P., N., & Buckley, P., J. (2003). International Mergers and Acquisitions: Past, Present and Future. Advances in Mergers and Acquisitions, Volume 2, pages 207–229.
- Ghauri, P.N., & Firth, R. (2009).The formalization of case study research in international business. Der Markt, 48(1–2), 29–40.
- Gibney, F. Jr.; Szczesny, J. R. Daimler-Benz-Chrysler: Worldwide Fender Blender,(1999). http://www.time.com/time/magazine/article /0,9171,991030,00 .html
- Goergen, M., & Renneboog, L. (2004). Shareholder wealth effects of European domestic and cross-border takeover bids. European Financial Management, 10(1), 9-45.
- Goldberg, W. H. (1983). Mergers: Motives, modes, methods. Aldershot, U.K.: Gower.
- Gomes, E., Angwin, D., & Peter, E. & Mellahi, K. (2012). HRM issues and outcomes in African mergers and acquisitions: A study of the Nigerian banking sector. International Journal of Human Resource Management - INT J HUM RESOUR MANAG. 23. 2874-2900.
- Gomes, E., Angwin, D., Weber, Y., & Tarba, S. (2013). Critical success factors through the mergers and acquisition process: Revealing pre- and post-M&A connections for improved performance. International Business Review, 55, 13–35.
- Gomes, E., Weber, Y., Brown, C., & Tarba, S. (2011) Managing Mergers, Acquisitions and Strategic Alliances: Understanding the Process. Hampshire, UK: Palgrave McMillan.
- Gopinath, C. (2003). When acquisitions go awry: Pitfalls in executing corporate strategy. The Journal of Business Strategy, 24, 22–27.
- Gorton, G., Kahl, M., Rosen, R. J. (2009), "Eat or Be Eaten: A Theory of Mergers and Firm Size", Journal of Finance, 64(3): 1291-1344.
- Graça, T. B. d., & Masson, R. (2016). A structural event study for M&As: An application in corporate governance. Applied economics, 48(43/45).
- Graça, Tarcisio & Masson, Robert. (2016). Acquirers gain twice as much as targets in M&As: a different perspective on a longstanding perception. Quantitative Finance Letters. 4. 71-76. 10.1080/21649502.2017.1286089.
- Graebner, M., Heimeriks, K., Huy, Q. & Vaara, E. (2017). The Process of Postmerger Integration: A Review and Agenda for Future Research. The Academy of Management Annals. 11. 1-32.
- Graham, J. L. (1985b). The influence of culture on the process of business negotiations: An exploratory study. Journal of International Business Studies, 16(1), 81–96.

- Graham, J. L., Mintu, A. T., & Rodgers, W. (1994). Explorations of negotiation behaviours in ten foreign cultures using a model developed in the United States. Management Science, 72–95.
- Graham, J., Lemmon, M., & Wolf, J. (2002). Does corporate diversification destroy value? The Journal of Finance, LVII (2), 695–720.
- · Granovetter, M.S. (1992), 'Problems of Explanation in Economic Sociology,' in Networks and Organizations: Structure, Form and Action, eds. N. Nohria and R. Eccles, Boston, MA: Harvard Business School Press, pp. 25–56.
- Greenwood, R., Hinings C. R., & Brown, J.(1994): Merging Professional Service Firms, Organization Science, 5(2), 239–257.
- Greenwood, R., Hinings C. R., & Brown, J.(1994): Merging Professional Service Firms. Organization Science, Vol. 5, No. 2.
- Gregoriou, G. N., & Renneboog, L. (2007). International mergers and acquisitions activity since 1990: Recent research and quantitative analysis. Imprint: Academic Press.
- Grotenhuis, F. & Weggeman, M. (2002). Knowledge management in international mergers. Knowledge and Process Management. 9. 83 - 89.
- Gugler, K., Mueller, D. C., Yurtoglu, B. B., & Zulehner, C. (2003). The effects of mergers: An international comparison. International Journal of Industrial Organization, 21(5), 625-653.
- Gunkel, M., Schlaegel, C., & Taras, V. (2016). Cultural values, emotional intelligence, and conflict handling styles: A global study. Journal of World Business, 51(4), 568–585.
- Hackbarth, D., & Morellec, E. (2008), "Stock Returns in Mergers and Acquisitions", Journal of Finance, 63(3): 1213-1252.
- Haenlein, M. & Kaplan, A. M. (2004). A beginner's guide to partial least squares analysis, Understanding Statistics, 3(4), 283–297.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2013). A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM). Thousand Oaks: Sage.
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed, a Silver Bullet. Journal of Marketing Theory and Practice, 19(2), 139-152.
- Hair, J. F., Risher, J. J., Sarstedt, M., &Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. European Business Review, 31(1), 2-24.
- Hair, J., Sarstedt, M., Hopkins, L., & Kupplewiser, V. (2014). Partial least square structural modeling (PLS-SEM): An emerging business research, European Business review. 26. 106-121.
- Hajro, A. (2015) Cultural influences and the mediating role of Socio-Culturalintegration processes on the performance of cross-border mergers and acquisitions, The International Journal of Human Resource Management, 26:2, 192-215,

- Haleblian, J., & Finkelstein, S. (1999). The influence of organizational acquisition experience on acquisition performance: A behavioural learning perspective. Administrative Science Quarterly, 44(1), 29-56.
- Haleblian, J., Devers, C. E., McNamara, G., Carpenter, C. A., & Davison, R. B. (2009).Taking stock of what we know about mergers and acquisitions: A review and research agenda. Journal of Management, 35(3), 469–502.
- Hambrick, D. C., & Cannella Jr, A. A. (1993). Relative standing: A framework for understanding departures of acquired executives. Academy of Management journal, 36(4), 733-762.
- Harari, O. (1997). Curing the M&A madness. Management Review, 86 (7): 53-56.
- Harel, G. H., & Tzafrir, S. (1999). The Effect of Human Resource Management Practices on the Perceptions of Organizational and Market Performance of the Firm. Human Resource Management, 38, 185-200.
- Haslam, S. A. (2001). Psychology in organizations: The social identity approach. London: Sage.
- Haspeslagh, C. P., & Farquhar, B. A. (1994). "The Acquisition Integration Process: A Contingent Framework," Palgrave Macmillan Books, in: Georg Krogh & Alessandro Sinatra & Harbir Singh (ed.), The Management of Corporate Acquisitions, chapter 16, pages 414-447, Palgrave Macmillan.
- Haspeslagh, P. and Jemison, D. (1991) Managing Acquisitions: Creating Value through Corporate Renewal. New York: The Free Press.
- Hauenstein, N. M. T., McGonigle, T., & Flinder, S. W. (2001). A meta-analysis of the relationship between procedural justice and distributive justice: Implications for justice research. Employee Responsibilities and Rights Journal, 13, 39–56.
- Hauff, S. & Richter, N. F. (2015): Power distance and its moderating role in the relationship between situational job characteristics and job satisfaction: An empirical analysis using different cultural measures. Cross Cultural Management: An International Journal, 22(1): 68-89.
- Haunschild, P. R., Moreland, R. L., &Murrell, A. J. (1994). Sources of resistance to mergers between groups. Journal of Applied Social Psychology, 24, 1150-1178.
- Hayward, M. L. A., & Hambrick, D. C. (1997). Explaining the premiums paid for large acquisitions: Evidence of CEO hubris. Administrative Science Quarterly, 42(1), 103–127.
- Healy, P. M., Palepu, K. G., & Ruback, R .S. (1992): 'Does Corporate Performance Improve after Mergers?' Journal of Financial Economics, Vol 31, pp 135-75.
- Hebert, L., Very, P. & Beamish, P. (2005). Expatriation as a Bridge Over Troubled Water: A Knowledge-Based Perspective Applied to Cross-Border Acquisitions. Organization Studies. 26. 1455-1476.

- Heimeriks, K. H., Klijn, E., & Reuer, J. J. (2009). Building capabilities for alliance portfolios. Long Range Planning, 42, 96–114.
- Hennart, J.-F., & Slangen, A. H. (2015). Yes, we really do need more entry mode studies! A commentary on Shaver. Journal of International Business Studies, 46(1), 114–122.
- Herger, N., Kotsogiannis, C., & McCorriston, S. (2016). Multiple taxes and alternative forms of FDI: Evidence from cross-border acquisitions. International Tax and Public Finance, 23(1), 82–113.
- Herscovitch, L., & Meyer, J. P. (2002). Commitment to organizational change: Extension of a three-component model. Journal of Applied Psychology, 87(3), 474–487.
- Hill, C., Quinn, B. Solomon, S. (2016): Mergers and acquisitions: a cyclical and legal phenomenon, Edward Elgar Publication. USA.
- Hitt, M. & Harrison, J. & Ireland, R. (2001). Mergers and Acquisitions: A Guide to Creating Value for Stakeholders. Oxford University Press
- Hitt, M. A., Franklin, V., & Zhu, H, (2006). "Culture, institutions and international strategy," Journal of International Management, Elsevier, vol. 12(2), pages 222-234.
- Hitt, M. A., Hoskisson, R. E., & Kim, H. (1997): International Diversification: Effects on Innovation and firm performance in product diversified firms, Academy of Management Journal, Vol. 40, No. 4, pp 767-798.
- Hitt, M. A., Li, D., & Xu, K. (2016). International strategy: From local to global and beyond. Journal of World Business, 51(1), 58–73.
- Hofstede, G. (1980). (Revised 1984). Culture's consequences: International differences in work-related values. Sage Publications: London, UK.
- Hofstede, G. (2001). Culture's consequences: Comparing values, behaviours, institutions, and organizations across nations. Sage Publications.
- Hofstede, G. J. (2015). Culture's causes: the next challenge. Cross Cultural Management; An International Journal, 22, pp 545-569.
- Hogg, M. A., &Abrams, D. (1988). Social identifications: A social psychology of intergroup relations and group processes. London: Routledge.
- Hogg, M. A., &Terry, D. J. (2000). Social identity and self-categorization processes in organizational contexts. Academy of Management Review, 25, 121-140.
- Holtbrügge, D. & Mohr, A. (2010). Cultural Determinants of Learning Style Preferences. Academy of Management Learning and Education, The. 9. 622–637. 10.5465/AMLE.2010.56659880.
- Holtom, B. C., Mitchell, T. R., Lee, T. W. & Inderrieden, E. J. (2005). 'Shocks as causes of turnover: What they are and how organizations can manage them'. Human Resource Management, 44, 337–352.

- Homberg F., Rost, K., & Osterloh, M. (2009), "Do synergies exist in related acquisitions? A meta-analysis of acquisition studies", Review of Managerial Science, 3(2): 75-116.
- Homburg, C., & Bucerius, M. (2005). A marketing perspective on mergers and acquisitions: How marketing integration affects post merger performance. Journal of Marketing, 69(January), 95–113.
- Homburg, C., & Bucerius, M. (2006). Is speed of integration really a success factor of mergers and acquisitions? An analysis of the role of internal and external relatedness. Strategic Management Journal, 27: 347–367.
- Honore, R.A., and Maheia, M.W., (2003). The Secret to a Successful RIM Merger or Acquisition. The Information Management Journal, 37 (5), 57-63.
- Horwitz, F. M., Anderssen, K., Bezuidenhout, A., Cohen, S., Kirsten, F., Mosoeunyane, K., Smith, N., Thole, K., & Van Heerden, A. (2002). Due diligence neglected: managing human resources and organisational culture in mergers and acquisitions. South African Journal of Business Management, 33(1), 1–10.
- Hoskisson, R. E., & Hitt, M. A. (1990). Antecedents and performance outcomes of diversification: A review and critique of theoretical perspectives. Journal of Management, 16(2), 461–509.
- http://hj.diva-portal.org/smash/get/diva2:4650/FULLTEXT01 assessed on 10th March 2020.
- https://burniegroup.com/mergers-and-acquisitions/ assessed on 10th June 2021
- https://corporatefinanceinstitute.com/resources/knowledge/deals/motives-for-mergers/ assessed on 20th May 2021
- https://efinancemanagement.com/mergers-and-acquisitions assessed on 15th June 2021
- https://home.kpmg/xx/en/home/insights/2021/03/india-taxation-of-cross-border-mergers-and-acquisitions.html assessed on 20th November 2021
- https://imaa-institute.org/ assessed on 15th January 2022
- https://unctad.org/system/files/official-document/wir2000_en.pdf assessed on 5th December 2020
- https://www.grantthornton.in/ assessed on 20th March 2022
- https://www.hofstede-insights.com/ assessed on 30th September 2021
- https://www.investopedia.com/terms/m/mergersandacquisitions.asp assessed on 20th June 2022
- https://www.mbda.gov/news/blog/2012/04/5-types-company-mergers assessed on 5th July 2020
- https://www2.deloitte.com/in/en/pages/tax/articles/deloitte-india-tax-publications-archive.html assessed on 15th January 2021

- https://www3.weforum.org/docs/gcr/2015-2016/ Global_Competitiveness_Report_2015-2016.pdf assessed on 10th April 2020
- Huang, T. -Y., Hu, J. -S., & Chen, K. -C. (2008). The influence of market and product knowledge resource embeddedness on the international mergers of advertising Agencies: the case-study approach. International Business Review, 17(5), 587-599.
- Huang, X. and Van de Vliert, E. (2003), "Where intrinsic job satisfaction fails to work: national moderators of instrinsic motivation", Journal of Organizational Behaviour, Vol. 24, No. 2, pp. 159-179.
- Hubbard, N. (2001), Acquisition Strategy and Implementation, Revised Edition, Palgrave, Basingstoke.
- Hui, M.K., Au, K. & Fock, H. (2004), "Empowerment effects across cultures", Journal of International Business Studies, Vol. 35, No. 1, pp. 46-60.
- Huizinga, H., Voget, J., & Wagner, W. (2012). Who bears the burden of international taxation? Evidence from cross-border M&As. Journal of International Economics, 88(1), 186-197.
- Hulland, J. (1999). Use of partial least squares (PLS) in strategic management research: a review of four recent studies. Strategic Management Journal, 20(2), 195–204.
- Hunt, J. W. (1990). Changing pattern of acquisition behaviour in takeovers and the consequences for acquisition processes Strategic Management Journal 11 (1), pp 69 – 77.
- Hur, J., Parinduri, R. A., & Riyanto, Y. E. (2011). Cross-border M&A inflows and quality of country governance: developing versus developed countries. Pacific Economic Review, 16(5), 638-655.
- Hurmerinta-Peltomäki, L., & Nummela, N. (2006). Mixed methods in international business research: A value-added perspective. Management International Review, 46, 439–459.
- Huselid, M. (1995). ‘The impact of human resource management practices on turnover, productivity and corporate financial performance’. Academy of Management Journal, 38: 635–670.
- Huy, Q.N (2002), “Emotional Balancing of Organizational Continuity and Radical Change: The Contribution of Middle Managers”, Administrative Science Quarterly, Vol 47(1), pp 31-69.
- Hwang, H., Malhotra, N. K., Kim, Y., Tomiuk, M. A., & Hong, S. (2010). A comparative study on parameter recovery of three approaches to structural equation modeling. Journal of Marketing Research, 47 (Aug), 699-712.
- Iaffaldano, M. T., & Muchinsky, P.M. (1985). Job satisfaction and job performance: A meta-analysis. Psychological bulletin, 97(2), 251-273.

- Iamandi, I.-E., and Munteanu, S.M. (2014). Corporate Social Responsibility through Education and Sport. An EU Comparative Case. Romanian Economic Journal 17:73-97.
- Idris, S., Wahab, R., & Jaapar, A. (2015). Corporate cultures integration and organizational performance: A conceptual model on the performance of acquiring companies. Procedia - Social and Behavioural Sciences, 172, 591-595.
- Irvine, D.M. and Evans, M.G. (1995). Job Satisfaction and Turnover among Nurses: Integrating Research Findings across Studies. Nursing Research, 44, 246-253.
- Ishii, J., and Xuan, Y. (2010), 'Acquirer-Target Social Ties and Merger Outcomes,' Working Paper, Harvard Business School.
- Jagersema, P. K. (2005) Cross border acquisition of European Multinationals. Journal of Journal Management, 30, 13-34.
- James, A. (2002). The Strategic Management of Mergers and Acquisitions in the Pharmaceutical Industry: Developing a Resource-based Perspective. Technology Analysis & Strategic Management - TECHNOL ANAL STRATEG MANAGE. 14. 299-313.
- Jansen, J. J. P., Van Den Bosch, F. A. J., & Volberda, H. W. (2005). Managing potential and realized absorptive capacity: How do organizational antecedents matter? Academy of Management Journal, 48(6), 999–1015.
- Janson, L. (1994). Towards a dynamic model of post acquisition cultural integration. In A. Sjögren, & l. Janson (Eds.), Cultural and Management, Stockholm: Institute of International Business.
- Jarrell, G. A., Brickley, J. A., & Netter, J. M. (1988). The market for corporate control: The empirical evidence since 1980. Journal of Economic Perspectives, 2, 49–68.
- Javidan, M., and House, R.J. (2002), The Impact of National Culture on Large Cross-Border Mergers: Lessons from GLOBE, Paper presented at the Strategic Management Society conference, Paris, France.
- · Jayakumar, T. & Srivastava, S. (2019), Walmart's Acquisition Of Flipkart: A Showstopper Deal?, Ivey Business School Foundation. Pages 1-15.
- Jemison, D. B., & Sitkin, S. B. (1986). Corporate acquisitions: A process perspective. The Academy of Management Review, 11(1), 145–163.
- Jensen, M. C., & Ruback, R. S. (1983). The market for corporate control: The scientific evidence. Journal of Financial Economics, 11, 5–50.
- Jetten, J., Duck, J., Terry, D., & O'Brien, A. (2002). Being Attuned to Intergroup Differences in Mergers: The Role of Aligned Leaders for Low-Status Groups. Personality and Social Psychology Bulletin. 28(9), 1194–1201.

- Jick, T. J. (1979). Mixing qualitative and quantitative methods: Triangulation in action. In J. van Maanen (Ed.), Qualitative methodology (pp. 135–148). London, UK: Sage.
- Jones, G.R., and George, J.M. (1998), 'The Experience and Evolution of Trust: Implications for Cooperation and Teamwork,' Academy of Management Review, 23, 531–546.
- Jovanovic, B. and P. Rousseau (2002). The Q-theory of mergers. American Economic Review, 92: 198-204.
- Kale, P., & Singh, H. (2012). Characteristics of emerging market mergers and acquisitions. In D. Faulkner, S. Teerikangas, & R. Joseph (Eds.), Handbook of mergers and acquisitions (pp. 545–565). Oxford, U.K.: Oxford University Press.
- Kang, J. F. (1993): "The international market for corporate control. Mergers and acquisitions of US firms by Japanese firms" Journal of Financial Economics, 34, pp 345-371.
- Kang, N., & Johansson, S. (2000). Cross-border mergers and acquisitions: Their role in industrial globalisation. OECD Science, Technology and Industry Working papers, 2000/01. OECD Publishing.
- Kansal, S. & Chandani, A. (2014). Effective Management of Change during Merger and Acquisition. Procedia Economics and Finance. 11. 208–217.
- Kanungo, R. N. (1992). Alienation and empowerment: Some ethical imperatives in business. Journal of Business Ethics. 11 (5-6):413-422.
- Kaplan, S. N. (1989). Management buyouts: Evidence on taxes as a source of value. Journal of Finance, 44(3), 611–632.
- Kaplan, S. N., & Strömberg, P. (2009). Leveraged buyouts and private equity. Journal of Economic Perspectives, 23(1), 121–146.
- Karim S (2006) Modularity in organizational structure: the reconfiguration of internally developed and acquired business units. Strateg Manag J 27(9):799–823
- Karimi, KL (2019). Effects of business mergers on employee loyalty in selected companies listed at the Nairobi Securities Exchange. Global Journal of Management and Business Research 1(1): 41–46.
- Katz, D. & Kahn R.L. (1978). The social psychology of organizations, 2nd edn. Wiley, New York.
- Kernan, M. C., & Hanges, P. J. (2002). Survivor reactions to reorganization: Antecedents and consequences of procedural, interpersonal, and informational justice. Journal of Applied Psychology, 87, 916–928.
- Khan, Z., Rao-Nicholson, R., Akhtar, P., & He, S. (2021). Cross-border mergers and acquisitions of emerging economies' multinational enterprises— The mediating role of socialization integration mechanisms for successful integration. Human Resource Management Review, 31(3), 100578.

- Khan, Z., Soundararajan, V. & Shoham, A. (2020). Global Post-Merger Agility, Transactive Memory Systems and Human Resource Management Practices. Human Resource Management Review, 30, 100697.
- King, D. R., Dalton, D. R., Daily, C. M., & Covin, J. G. (2004). Meta-analyses of post acquisition performance: Indications of unidentified moderators. Strategic Management Journal, 25(2), 187–200.
- King, D. R., Slotegraaf, R., & Kesner, I. (2008). Performance implications of firm resource interactions in the acquisition of R&D-intensive firms. Organization Science, 19(2), 327-340.
- Kirkman, B., Lowe, K., & Gibson, C. (2006). A Quarter Century of Culture's Consequences: A Review of Empirical Research Incorporating Hofstede's Cultural Values Framework. Journal of International Business Studies. 37. 285-320.
- Kirkman, B.L., Chen, G., Farh, J.-L., Chen, Z.X. and Lowe, K.B. (2009), "Individual power distance orientation and follower reactions to transformational leaders: A cross-level, cross-cultural examination", Academy of Management Journal, Vol. 52, No. 4, pp. 744-764.
- Kitchling, J. (1967): 'Why Do Mergers Miscarry', Harvard Business Review, Volume 45, pp 84-101.
- Klendauer, R., & Deller, J. (2009). Organizational justice and managerial commitment in corporate mergers. Journal of Managerial Psychology. 24(1), 29-45.
- Knilans, G. (2009). “Mergers and acquisitions: Best practices for successful integration.” Employment Relations Today 35: 39-46.
- Kogut, B., & Zander, U. (1992). Knowledge of the firm, combinative capabilities, and the replication of technology. Organization Science, 3(3), 383–397.
- Kogut, B., and Singh, H. (1988). The Effect of Culture on the Choice of Entry Mode. Journal of International Business Studies, Fall, 411-432
- Koka, B., and Prescott, J. (2002), ‘Strategic Alliances as Social Capital: A Multidimensional View,’ Strategic Management Journal, 23, 795–816.
- Kolev, K., Haleblian, J., & McNamara, G. (2012). A review of the merger and acquisition wave literature. In D. Faulkner, S. Teerikangas, & R. Joseph (Eds.), Handbook of mergers and acquisitions (pp. 19–39). Oxford, U.K.: Oxford University Press.
- Komodromos, M. (2013). Employees’ perceptions of trust, fairness, and management of change using an organisational justice framework: A brief review of the literature. Int. J. of Teaching and Case Studies. 4. 83 - 94.
- Kondracki, N. L., &Wellman, N. S. (2002). Content analysis: Review of methods and their applications in nutrition education. Journal of Nutrition Education and Behaviour, 34, 224-230.

- KPMG (1999). Mergers and acquisitions: A global research report – Unlocking shareholder value. Report, KPMG: New York.
- · Krippendorff, K. (2004): Content analysis: an introduction to its methodology Sage Publications Inc., Thousand Oaks, California (2004)
- Krishnan, H.A, Miller, A, & Judge, W.Q. (1997). Diversification and top management team complementarily: is performance improved by merging similar or dissimilar teams? Strategic Management Journal 18(5): 361–374.
- Krishnan, R.A., Joshi, S. and Krishnan, H. (2004), "The influence of mergers on firms' product mix strategies", Strategic Management Journal, Vol. 25 No. 6, pp. 587-611.
- Krug, J. A. (2003). Executive turnover in acquired firms: A longitudinal analysis of long term integration effects. Paper presented at the academy of management meeting.
- Krug, J. A., & Hegarty, W. H. (1997). Post acquisition turnover among U.S. top management teams: An analysis of the effects of foreign vs. domestic acquisitions of U.S. targets. Strategic Management Journal, 18, 667–675.
- Krug, J. A., & Hegarty, W. H. (2001). Predicting who stays and leaves after an acquisition: A study of top managers in multinational firms. Strategic Management Journal, 22(2), 185–196.
- Krug, J. A., Wright, P., & Kroll, M. J. (2014). Top management turnover following mergers and acquisitions: Solid research to date but still much to be learned. Academy of Management Perspectives, 28(2), 147–163.
- Krug, J.A., & Aguilera, R.V. (2004). Top Management Team Turnover In Mergers & Acquisitions. Advances in Mergers and Acquisitions, Volume 4, 123–151.
- Krug, J.A., and Nigh, D. (2001), 'Executive Perceptions in Foreign and Domestic Acquisitions: An Analysis of Foreign Ownership and Its Effect on Executive Fate,' Journal of World Business, 36, 85–105.
- Krüger, W., and Müller-Stevans, G. (1994) Matching Acquisition Policy and Integration Style. In: G. von Krogh, A. Siknatra and H. Singh (Eds.), The Management of Corporate Acquisitions (pp. 50-87). London: The Macmillan Press Ltd.
- Kruse, T. A., Park, H. Y., Park, K. & Suzuki, K. (2007): 'Long-term Performance Following Mergers of Japanese Companies:"The Effect of Diversification and Affiliation, presented at American Finance Association meetings in Washington DC". Pacific-Basin finance journal, Elsevier, vol. 15(2), pages 154-172
- Kübler-Ross, E. (1969). On death and dying. New York, NY: Macmillan.
- Kusewitt, J. B. (1985): 'An Exploratory Study of Strategic Acquisition Factors Relating to Performance', Strategic Management Journal, Vol 6, pp 151-169.

- Laamanen, T., & Keil, T. (2008). The performance of serial acquirers: Toward an acquisition program perspective. Strategic Management Journal, 29, 663–672.
- Lane, P., Koka, B., & Pathak, Seemantini. (2006). The Reification of Absorptive Capacity: A Critical Review and Rejuvenation of the Construct. The Academy of Management Review. 31. 833-863.
- Langley, A., Smallman, C., Tsoukas, H., & van de Ven, A. H. (2013). Process studies of change in organization and management: Unveiling temporality, activity, and flow. Academy of Management Journal, 56(1), 1–13.
- Larsson, R. & Risberg, A. (1998). Cultural awareness and national vs. corporate barriers to acculturation'. In Gertsen, M., Søderberg, A. and Torp, J. E. (Eds), Cultural Dimensions of International Mergers and Acquisitions. Berlin: De Gruyter, 39–56.
- Larsson, R. and Finkelstein, S. (1999) Integrating Strategic, Organizational, and Human Resource Perspectives on Mergers and Acquisitions: A Case Survey of Synergy Realization. Organization Science, 10, 1-26.
- Larsson, R., and Lubatkin, M. (2001), 'Achieving Acculturation in Mergers and acquisitions: An International Case Study,' Human Relations, 54, 1573–1607.
- Lee, C., Pillutla, M. and Law, K.S. (2000), "Power-distance, gender and organizational justice", Journal of Management, Vol. 26, No. 4, pp. 685-704.
- Levinson, H. (1970). A psychologist diagnoses merger failures. Harvard Business Review, 48,139–147.
- Lewicki, R. J., Weiss, S. E., & Lewin, D. (1992). Models of conflict, negotiation and third party intervention: A review and synthesis. Journal of Organizational Behaviour, 13(3), 209–252.
- Lewis, S. & Fry, W. (1977). Effects of Visual Access and Orientation on Discovery of Integrative Bargaining Alternatives. Organizational Behaviour and Human Performance. 20. 75-92.
- Lien, L. B., & Klein, P. G. (2006). Relatedness and acquirer performance. Advances in Mergers and Acquisitions, 5, 9–24.
- Lin, B., Chen, W., & Chu, P. (2015). Mergers and Acquisitions Strategies for Industry Leaders, Challengers, and Niche Players: Interaction Effects of Technology Positioning and Industrial Environment. IEEE Transactions on Engineering Management, 62, 80-88.
- Lind, E. A. (2001a). Fairness Heuristic Theory: Justice Judgments as pivotal cognitions in organizational relations. In J. Greenberg, & R. Cropanzano (Eds.), Advances in organizational justice (pp. 56–88).Stanford, CA: Stanford University Press.
- Lind, E. A. (2001b). Thinking critically about justice judgments. Journal of Vocational Behaviour, 58, 220–226.

- Lind, E. A., & Tyler, T. R. (1988). The social psychology of procedural justice. New York: Plenum.
- Lind, E. A., & van den Bos, K. (2002). When fairness works: Toward a general theory of uncertainty management. In B. M. Staw & R. M. Kramer (Eds.), Research in organizational behaviour (Vol. 24, pp. 181– 223). Boston: Elsevier.
- Lindgren, U.A. (1982). Foreign acquisitions: Management of the integration process. Institute of International Business, Stockholm School of Economics.
- Lindkvist, K. (1981). Approaches to textual analysis. In K. E. Rosengren (Ed.), Advances in content analysis (pp. 23-41). Beverly Hills, CA: Sage.
- Liou, R. S., Chao, M. C. H., & Ellstrand, A. (2017). Unpacking institutional distance: Addressing human capital development and emerging-market firms' ownership strategy in an advanced economy. Thunderbird International Business Review, 59(3), 281–295.
- Liou, R.-S., Chao, M. C.-H., & Yang, M. (2016). Emerging economies and institutional quality: Assessing the differential effects of institutional distances on ownership strategy. Journal of World Business, 51(4), 600–611.
- Lipponen, J., M.E., Olkkonen, and M., Moilanen, (2004). "Perceived Procedural Justice and Employee Responses to an Organizational Merger, European Journal of Work and Organizational Psychology 13(3), pp.391-413.
- Liu, Y. & Woywode, M. (2013). Light-Touch Integration of Chinese Cross-Border M&A: The Influences of Culture and Absorptive Capacity. Thunderbird International Business Review. Volume 55(4). Pages 469-483.
- Liu, Y., Sarala, R. M., Cooper, C., & Xing, Y. (2017). Human side of collaborative partnerships: A micro-foundational perspective. Group & Organization Management, 42(2), 151–162.
- Liu, Y., Vrontis, D., Visser, M., Stokes, P., Smith, S., Moore, N., Thrassou, A., & Ashta, A. (2021). Talent management and the HR function in cross-cultural mergers and acquisitions: The role and impact of bi-cultural identity. Human Resource Management Review. 31(3). Article 100744.
- Lodorfos, G. and Boateng, A. (2006), "The role of culture in the merger and acquisition process: Evidence from the European chemical industry", Management Decision, Vol. 44 No. 10, pp.1405-1421.
- Loi, R., Lam, L.W. and Chan, K.W. (2012), "Coping with job insecurity: the role of procedural justice, ethical leadership and power distance orientation", Journal of Business Ethics, Vol. 108, No. 3, pp. 361-372.
- Lubatkin, M (1983): 'Mergers and Performance of the Acquiring Firm', Academy of Management Review, Vol 8, No 2, pp 218-25.

- Lubatkin, M., Schweiger, D., & Weber, Y. (1999). Top management turnover in related M&A’s: An additional test of the theory of relative standing. Journal of Management, 25(1), 55–73.
- Lubatkin, M., Schweiger, D., & Weber, Y. (1999). Top Management Turnover M Related M&A’s: An Additional Test of the Theory of Relative Standing. Journal of Management, 25(1), 55–73.
- Lücke, G., Kostova, T., & Roth, K. (2014). Multiculturalism from a cognitive perspective: Patterns and implications. Journal of International Business Studies, 45(2), 169–190.
- Luo, Y. & Tung, R. (2007). International Expansion of Emerging Market Enterprises: A Springboard Perspective. Journal of International Business Studies. 38. 481-498.
- Lüscher LS, Lewis MW. (2008). Organizational change and managerial sense making: Working through paradox. Academy of Management Journal 51(2): 221–240.
- Madhavan, R. (1996), ‘Strategic Flexibility in the Steel Industry: The Role of Inter-firm Linkages,’ unpublished Ph.D. dissertation, University of Pittsburgh.
- Maertz, C.P., Griffeth, R.W., Campbell, N.S., & Allen, D.G. (2007), The effects of perceived organizational support and perceived supervisor support on employee turnover. Journal of Organizational behaviour. Vol. 28, No 8. Pp. 1059-1075.
- Maire, S., & Collerette, P. (2011). International post-merger integration: Lessons from an integration project in the private banking sector. International Journal of Project Management, 29, 279-294.
- Malhotra, S., Sivakumar, K., & Zhu, P. C. (2011). A comparative analysis of the role of national culture on foreign market acquisitions by U.S. firms and firms from emerging countries. Journal of Business Research, 64(7): 714–722.
- Management Perspectives, 22, 55–77.
- Mansour-Cole, D. M., & Scott, S. G. (1998). Hearing it through the grapevine: The influence of source, leader-relations, and legitimacy on survivors' fairness perceptions. Personnel Psychology, 51(1), 25–54.
- Mantravadi, P. & Reddy, A. V. (2007) “Relative Size in Mergers and Operating Performance: Indian Experience”, EPW, Vol. 42, NO 39, pp 3936-42.
- Mao, D. (2021). Effects of transformational leadership and TMT heterogeneity on M&A integration and performance in China. PhD thesis, University of Essex.
- Marks, M. L & Mirvis, H. P. (2011). “A Framework for the Human Resources Role in Managing Culture in Mergers and Acquisitions,” Human Resources Management 50, no. 6: 859–877.

- Marks, M. L. (1982). Merging human resources: A review of current research. Mergers and Acquisitions, 17, 38–44.
- Marks, M. L., & Mirvis, P. (1997). Joining forces: Making one plus one equal three in mergers, acquisitions and alliances. San Francisco, CA: Jossey-Bass.
- Marks, M. L., & Mirvis, P. H. (1985). Merger syndrome: Stress and uncertainty. Mergers and Acquisitions, 20(2), 50–55.
- Marks, M. L., & Mirvis, P. H. (1992). Rebuilding after the merger: Dealing with survival sickness. Organizational Dynamics. 21 (2), 18-32.
- Marks, M. L., & Mirvis, P. H. (1997). Revisiting the merger syndrome: Dealing with stress. Mergers and Acquisitions, 31(3), 21–27.
- Marks, M.L. (1982). Merging human resources: A review of current research. Mergers & Acquisitions, Vol. 17, pp. 38-44.
- Marrow, A. J., Bowers, D. G., & Seashore, S. E. (1967). Management by participation: creating a climate for personal and organizational development. [1st ed.] New York: Harper & Row.
- Martell, K. & Carroll, S. (2006). How strategic is HRM?. Human Resource Management. 34. 253 - 267.
- Martin, A. & Roodt, G. (2008). Perceptions of organisational commitment, job satisfaction and turnover intentions in a post-merger South African tertiary institution”. SA Journal of Industrial Psychology. Vol. 34 No. 1 pp. 23 – 31.
- Martynova, M., & Renneboog, L. (2008). A century of corporate takeovers: What have we learned and where do we stand? Journal of Banking and Finance, 32(10), 2148–2177.
- McGinn (nee Valley), K., Moag, J., & Bazerman, M. (1998). A Matter of Trust: Effects of Communication on the Efficiency and Distribution of Outcomes. Journal of Economic Behaviour & Organization. 34. 211-238.
- McNamara, G. M., Haleblian, J., & Dykes, B. (2008). The performance implications of participating in an acquisition wave: Early mover advantages, bandwagon effects, and the moderating influence of industry characteristics and acquirer tactics. Academy of Management Journal, 5(3), 113–130.
- McTavish, D.-G., & Pirro, E.-B. (1990). Contextual content analysis. Quality and Quantity, 24, 245-265.
- Meglio, O. (2002), “Processi d’Integrazione post-acquisizione e creazione del valore: apsettieconomici, sociali e integration capability”, Finanza Marketing e Produzione, Vol. 1, pp. 39-62.
- Meglio, O., & Risberg, A. (2010). Mergers and acquisitions: Time for a methodological rejuvenation of the field? Scandinavian Journal of Management, 26, 87–95.

- Meglio, O., & Risberg, A. (2011). The (mis)measurement of M&A performance— A systematic narrative literature review. Scandinavian Journal of Management, 27(4), 418–433
- Melkonian, T., Monin, P., & Noorderhaven, N. (2011). Distributive justice, procedural justice, exemplarity, and employees' willingness to cooperate in M&A integration processes: An analysis of the air France-KLM merger. Human Resource Management, 50(6), 809–837.
- Messmer, M. (2006), ''Leadership strategies during mergers and acquisitions'', Strategic Finance, January, pp. 15-16.
- Meyer, C. & Ellen, A. (2008). Incompatible strategies in international mergers: The failed merger between Telia and Telenor. Journal of International Business Studies. 39. 508-525.
- Meyer, K.E., Estrin, S., Bhaumik, S.K., & Peng, M.W.(2009). Institutions, resources, and entry strategies in emerging economies. Strategic Management Journal, 30(1), 61–80.
- Meyer, C.B. (2001).A case in case study methodology. Field Methods, 13(4), 329–352.
- Meyer, J. P., & Allen, N. J. (1991): A three-component conceptualization of organizational commitment, Volume 1, Issue 1, 1991, Pages 61-89.
- Meyer, J. P., & Allen, N. J. (1997). Commitment in the Workplace: Theory, Research, and Application. Thousand Oaks, CA: Sage.
- Meyer, J.P., Stanley, D.J., Herscovitch, L. and Topolnytsky, L. (2002) Affective, Continuance, and Normative Commitment to the Organization: A Meta-Analysis of Antecedents, Correlates, and Consequences. Journal of Vocational Behaviour, 61, 20-52.
- Meyer, R. F., Rukstad, M. G., Coughlan, P. J. & Jansen. S. A. (2002) "DaimlerChrysler Post-Merger Integration (A)." Harvard Business School Case 703-417, September 2002. (Revised December 2005.) Pages 1-28.
- Mirc, N., Rouzies, A., & Teerikangas, S. (2017). Do academics actually collabourate in the study of interdisciplinary phenomena? A look at half a century of research on mergers & acquisitions. European Management Review, 14(3), 333–357.
- Mirvis, P. H., & Marks, M. L. (1992). Managing the merger: Making it work. New Jersey: Prentice Hall.
- Mirvis, P.H., & Marks, M.L., (2001). Making acquisitions and acquisitions work: strategic and psychological preparation. Academy of Management Executive 15
- Mitchell, T., Holtom, B., Lee, T., Sablynski, C., & Erez, M. (2001). Why people stay: Using job embeddedessness to predict voluntary turnover. Academy of Management Journal, 44, 1102–1121
- Mitleton-Kelly, E. (2006). Co-evolutionary integration- the co-creation of a new organizational form following a merger or acquisition. Barth, T., Casti, JL, Mitleton-Kelly, E., Sanders, IT, 39-66.

- Mitra, S., & Hota, P.K. (2004). Air India Limited and Indian Airlines Limited merger. Is it flying? Richard Ivey School of Business Foundation.Pp 1-20.
- Moeller, S. B., Schlingemann, F. P., & Stulz, R. M. (2004), “Firm Size and the Gains from Acquisitions”, Journal of Financial Economics, 73(2): 201-228.
- Moeller, S. B., Schlingemann, F. P., & Stulz, R. M. (2005), “Wealth Destruction on a Massive Scale? A Study of Acquiring Firm Returns in the Recent Merger Wave”, Journal of Finance,60(2): 757-782.
- Monin, P., Noorderhaven, N., Vaara, E. and Kroon, D. (2013), "Giving Sense To and Making Sense of Justice in Postmerger Integration", Academy of Management Journal, Vol. 56 No. 1, pp. 256-284.
- Moorman, R. H. (1991). Relationship between organizational justice and organizational citizenship behaviours: Do fairness perceptions influence employee citizenship? Journal of Applied Psychology, 76(6), 845–855.
- Morck, R., Shleifer, A., & Vishny, R. W. (1990). Do managerial objectives drive bad acquisitions? Journal of Finance, 45(1), 31–48.
- Morosini, P., Shane, S., & Singh, H. (1998). National cultural distance and cross-border acquisition performance. Journal of International Business Studies, 29(1), 137–158.
- Mueller, C. W., Boyer, E. M., Price, J. L., & Iverson, R. D. (1994). Employee Attachment and Non coercive Conditions of Work: The Case of Dental Hygienists. Work and Occupations, 21(2), 179–212.
- Mueller, C.W. and Price, J.L. (1990) Economic, Psychological, and Sociological Determinants of Voluntary Turnover. Journal of Behavioural Economics, 19, 321-335.
- Mueller, D. C., (1969), A Theory of Conglomerate Mergers, The Quarterly Journal of Economics, 83, issue 4, p. 643-659.
- Nagano, M. & Yuan, Y.(2013). "Cross-border acquisitions in a transition economy: The recent experiences of China and India," Journal of Asian Economics, Elsevier, vol. 24(C), pages 66-79.
- Nahapiet, J., & Ghoshal, S. (1998), ‘Social Capital, Intellectual Capital, and the Organizational Advantage,’ Academy of Management Review, 23, 242–266.
- Nahavandi, A., & Malekzadeh, A. (1988). Acculturation in acquisitions and acquisitions. Academy of Management Review, 13, 79–90.
- Napier, N. (1989). Mergers and Acquisitions, Human Resource Issues and Outcomes: A Review and Suggested Typology*. Journal of Management Studies. Wiley Blackwell, 26(3). 271 - 290.
- Napier, N. K., Simmons, G., & Stratton, K. (1989). Communication during a merger: Experience of two banks. Human Resource Planning, 12(2), 105-122.

- Neher, W.W., (1997), Organizational Communication – Challenges of Change, Diversity and Continuity, Allyn and Bacon, Boston.
- Nemanich, L., & Vera, D. (2009).Transformational leadership and ambidexterity in the context of an acquisition. Leadership Quarterly, 20, 19–33.
- Neves, P., & Caetano, A. (2006). Social Exchange Processes in Organizational Change: The Roles of Trust and Control. Journal of Change Management, 6(4), 351–364.
- Newman, J.M., & Krzystofiak, F.J. (1993). Changes in Employee Attitudes after an Acquisition. Group & Organization Management, 18, 390 - 410.
- Nguyen, H., & Kleiner, B., (2003). The effective management of mergers. Leadership & Organization Development Journal, 24(8), 447-454.
- Nik Aliena Salwanee binti Dato' Nik Mohamed Model, (2008). "Key Success Factor in Mergers and Acquisitions"
- Nikandrou, I., Papalexandris, N. and Bourantas, D. (2000), "Gaining employee trust after acquisition: implications for managerial action", Employee Relations, Vol. 22 No. 4, pp. 334-55.
- Nitsch, D., Beamish, P., Makino, S., (1996). Entry mode and performance of Japanese FDI in Western Europe. Manag. Int. Rev. 36, 27 – 43.
- Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright P. M. (2010). Fundamentals of Human Resource Management. 9th edition, McGraw Hill Publishers.
- Nyberg, A. (2010). 'Retaining your high performers: Moderators of the performance–job satisfaction–voluntary turnover relationship'. Journal of Applied Psychology, 95(3), 440-453.
- O'Reilly, C.A., & Chatman, J.A. (1996), 'Culture as Social Control: Corporations, Cults, and Commitment,' in Research in Organizational Behaviour (Vol. 18), eds. Barry M. Staw and Larry L. Cummings, Greenwich, CT: Jai Press, pp. 157–200.
- Olie, R. (1990) "Culture and integration problems in international mergers and acquisitions‟, in European Management Journal, 8: 206-215.
- Olie, R. (1994) "Shades of culture and institutions in international mergers‟, in Organization Studies, 15: 381-405.
- Osarenkhoe, A., & Hyder, A. (2015). Marriage for better or for worse? Towards an analytical framework to manage post-merger integration process. Bus. Process. Manag. J., 21, 857-887.
- Paauwe, J, & Farndale, E (2006) International human resource management and firm performance. In: Stahl, G, Bjorkman, I (eds) Handbook of Research in International HR Management. Cheltenham: Edward Elgar.
- Pablo, A. L. (1994). Determinants of acquisition integration level: A Decision -making perspective. Academy of Management Journal, 37, 803–836.

- Palich, L. E., Cardinal, L. B., & Miller, C. C. (2000). Curvilinearity in the diversification–performance linkage: An examination of over three decades of research. Strategic Management Journal, 21(2), 155–174.
- Papadakis, V.M. (2005).The role of broader context and the communication program in merger and acquisition implementation success, Management Decision, 43 (2) (2005), pp. 236-255.
- Parkhe, A. (1991). Inter-firm diversity, organizational learning, and longevity in global strategic alliances. Journal of International Business Studies, 22: 579–601.
- Parkhe, A. (1993). “Messy” research, methodological predispositions, and theory development in international joint ventures. Academy of Management Review, 18, 227–268.
- Paruchuri, S., Nerkar, A., & Hambrick, D. (2006). Acquisition integration and productivity losses in the technical core: Disruption of inventors in acquired companies. Organization Science, 17, 545–562.
- Paterson, K., (2000). Courting employees (enlisting support of workers during mergers and acquisitions). Best's Review, 100 (12), p. 81.
- Pathak, A. A., (2016),"Tata Motors’ successful cross-border acquisition of Jaguar Land Rover: key takeaways", Strategic Direction, Vol. 32 Iss 9 pp. 15 – 18.
- Patterson, M., West, M. A., Lawthom, R., & Nickell, S. (1997). Impact of people management practices on business performance. London: Institute of Personnel and Development. Lancaster University. London.
- Pautler, P. (2003). Evidence on mergers and acquisitions. Antitrust Bulletin 48:119–207.
- Pauwels, P., & Matthyssens, P. (2004).Thearchitecture of multiple case study research in international business. In: R.Marschan-Piekkari, & C. Welch (Eds.), Handbook of qualitative research methods for international business. Cheltenham, UK: Edward Elgar.
- Peng, M. W. (2003). Institutional transitions and strategic choices. Academy of Management Review, 28(2): 275-296.
- Pennings, J. M., Barkema, H., & Doma, S. (1994). Organizational learning and diversification. Academy of Management Journal, 37, 608–641.
- Penrose, E. (1959) .The Theory of the Growth of the Firm. Basil Blackwell, Oxford.
- Pikula, D. A. (1999). Mergers & Acquisitions: Organizational Culture & HR Issues. Vancouver, BC: Industrial Relations Centre.
- Ployhart, R. E., Nyberg, A. J., Reilly, G. & Maltarich, M. A. (2014). ‘Human capital is dead; longlive human capital resources!’ Journal of Management, 40, 371–398.
- Popli, M., & Kumar, V. (2015). Jumping from springboard? The role of marginal cultural distance in cross-border M&A deal completion. Thunderbird International Business Review in press. pp. 169-187.

- Porter, L. W., Steers, R. M., Mowday, R. T. and Boulian. P. V. (1974). Organizational commitment, job satisfaction and turnover among psychiatric technicians. Journal of Applied Psychology, 59, 603-609.
- Porter, M. E. (1980). Competitive strategy: Techniques for analyzing industries and competitors. New York: Free Press.
- Porter, M. E. (1985). Competitive advantage. New York: Free Press.
- Porzio, M. (2015),"Bigger Is Rarely better", Forbes Online edition (Accessed on 10th June 2021.
- Price, J.L. (1977). The Study of Turnover. Iowa State University Press, Ames. Price, J., & Mueller, C. (1981). A causal model of turnover for nurses. Academy of Management Journal, 34, 543-565.
- Puranam, P. & Srikanth K. (2007). What they know vs. what they do: How acquirers leverage technology acquisitions. Strategic Management Journal 28, 805–825.
- Puranam, P., Singh, H., & Chaudhuri, S. (2009). Integrating acquired capabilities: When structural integration is (un)necessary. Organization Science, 20, 313–328.
- Rai , S., & Sinha, A.K. (2002), 'Job delight: beyond job satisfaction', Indian Journal of Industrial Relations, 23:3, 126-136
- Ramaiya, A. (1977): Guide to the Companies Act, Eighth Edition.
- Ramarajan, L. (2014). Past, present and future research on multiple identities: Toward an intrapersonal network approach. The Academy of Management Annals, 8(1), 589–659.
- Ramaswamy, K. P. & Waegelein, J. F. (2003): 'Firm Financial Performance Following Mergers', Review of Quantitative Finance and Accounting, Vol 20, pp 115-26.
- Ranft, A. & Lord, M. (2000). Acquiring new knowledge: The role of retaining human capital in acquisitions of high-tech firms. The Journal of High Technology Management Research. 11. 295-319.
- Ranft, A. (2006). Knowledge preservation and transfer during post-acquisition integration. Advances in Mergers and Acquisitions, 5, 51–67.
- Ranft, A. L., & Lord, M. D. (2002). Acquiring new technologies and capabilities: A grounded model of acquisition implementation. Organization Science, 13(4), 420–441.
- Rao-Nicholson, R., Carr, C., & Smith, S. (2020). Cross-cultural leadership adjustment: A strategic analysis of expatriate leadership at a British multinational enterprise, Volume62, Issue 6, Pages 675-687.
- Ravenscraft, D. J. (1987). The 1980s merger wave: An industrial organization perspective. In L. E. Browne & E. S. Rosengren (Eds.), The merger boom (pp. 17–37). Boston, MA: Federal Reserve Bank.
- Ravenscraft, D. J., & Scherer, F. M. (1987). Mergers, sell-offs and economic efficiency. Washington, DC: Brookings Institution.

- Ray, K.G. (2010), Mergers and Acquisition – Strategy, Valuation and Integration, PHI Learning, Pages 287-294.
- Reddy K. S. (2016),"Regulatory framework of mergers and acquisitions", International Journal of Law and Management, Vol. 58 Iss 2 pp. 197 – 215.
- Reddy, K. & Nangia, V. & Agrawal, R. (2011). Review, rewriting and impact of Indian takeover code. International Journal of Law and Management. 53. 241-251.
- Reddy, K. S. (2014). Extant reviews on entry-mode/internationalization, mergers & acquisitions, and diversification: Understanding theories and establishing interdisciplinary research. Pacific Science Review, 16(4), 250–274.
- Reddy, K. S. (2015). "Determinants of Cross-border Mergers and Acquisitions: A Comprehensive Review and Future Direction," MPRA Paper 63969, Pages 1-60, University Library of Munich, Germany, 2015.
- Reddy, K. S., Nangia, V. K., & Agrawal, R. (2013). Corporate mergers and financial performance: a new assessment of Indian cases. Nankai Business Review International, 4(2), 107-129.
- Reddy, K. S., Xie, E., & Huang, Y. (2016b). The causes and consequences of delayed/ abandoned cross-border merger & acquisition transactions: A cross-case analysis in the dynamic industries. Journal of Organizational Change Management, 29(6), 917–962.
- Reis, N.R., Ferreira, M.P., Santos, J.C. (2013). Institutional distance and cross-border mergers and acquisitions completion: A conceptual framework.
- Renneboog, L. & Vansteenkiste, C. (2019). "Failure and success in mergers and acquisitions," Journal of Corporate Finance, Elsevier, vol. 58(C), pages 650-699.
- Rhoades, S. A. (1983). Power, empire-building, and mergers. Lexington, MA: Lexington Books.
- Riad, S., & Vaara, E. (2011). Varieties of national metonymy in media accounts of international mergers and acquisitions. Journal of Management Studies, 48, 737–771.
- Riad, S., Vaara, E., & Zhang, N. (2012). The intertextual production of international relations in mergers and acquisitions. Organization Studies, 33, 121–148.
- Riikka M. S., Eero, V, Paulina, J. (2019).Beyond merger syndrome and cultural differences: New avenues for research on the “human side” of global mergers and acquisitions (M&As),Journal of World Business, Volume 54, Issue 4,Pages 307-321.
- Ringle, C. M., Wende, S., and Becker, J.-M. 2015. "SmartPLS 3." Boenningstedt: SmartPLS GmbH, http://www.smartpls.com.
- Risberg, A. (2001), "Employee experiences of acquisition processes", Journal of World Business, Vol. 36 No. 1, pp. 58-84.

- Robson, C. (2002), "Real World Research: A Resource for Social Scientists and Practitioner Researchers", Blackwell, Oxford.
- Rockwell, W. F. (1968). How to acquire a company. Harvard Business Review, 46, 121–132.
- Rodríguez-Sánchez, J-L. & Mora-Valetin, E-M., & Ortiz-de-Urbina-Criado, M. (2018). Successful Human Resources Management Factors in International Mergers and Acquisitions. Administrative Sciences, 8(3), 45.
- Roll, R. (1986). The hubris hypothesis of corporate takeovers. Journal of Business, 59(2), 197–216.
- Rottig, D., Reus, T., & Tarba, S. (2013). The Impact of Culture on Mergers and Acquisitions: A Third of a Century of Research. Advances in Mergers and Acquisitions. 12. 135-172.
- Rousseau, D.M., Sitkin, S.B., Burt, R.S., and Camerer, C. (1998), 'Not So Different After All: A Cross-Discipline View of Trust,' Academy of Management Review, 23, 393–404.
- Rouzies, A., Colman, H., & Angwin, D. N. (2018). Distorted and adaptive integration: Realized post-acquisition integration as embedded in ecology of processes. Long Range Planning. 52 (2), 271-282.
- Rovit, S., & Harding, D. (2004) Mastering the Merger: Four Critical Decisions That Make or Break the Deal. Harvard Business Review Press, Pages 224.
- Rusu M., Miettinen, A., & Varjonen A. (2006). HRM and firm's performance after a merger: A longitudinal study. 21st workshop on strategic human resource management, March 30–31, Aston, UK.
- Sachsenmaier, S., & Guo, Y. (2019). Building trust in cross-cultural integration: A study of Chinese mergers and acquisitions in Germany. International Journal of Cross Cultural Management, 19(2), 194–217.
- Sales, A. & Mirvis, P. (1984). When cultures collide: Issues in acquisition, managing organisational transitions, pp 107-133.
- Saorı´n-Iborra, M. C. (2008). Time pressure in acquisition negotiations: Its determinants and effects on parties' negotiation behaviour choice. International Business Review, 17(3), 285–309.
- Sarala, R. M. (2010). The impact of cultural differences and acculturation factors on post-acquisition conflict. Scandinavian Journal of Management, 26(1), 38–56.
- Sarala, R. M., & Vaara, E. (2010). Cultural differences, convergence, and crossvergence as explanations of knowledge transfer in international acquisitions. Journal of International Business Studies, 41(8), 1365–1390.
- Sarala, R. M., Junni, P., Cooper, C. L., & Tarba, S. Y. (2016). A Socio-Culturalperspective on knowledge transfer in mergers and acquisitions. Journal of Management, 42(5), 1230–1249.
- Sarala, R. M., Vaara, E., & Junni, P. (2019). Beyond merger syndrome and cultural differences: New avenues for research on the "human side" of

global mergers and acquisitions (M&As). Journal of World Business, 54(4), 307–321.

- Satu, T. & Helene L. C. (2020). Theorizing in the qualitative study of mergers & acquisitions, Scandinavian Journal of Management, Volume 36, Issue 1.
- Schlindwein, E., & Geppert, M. (2020). Towards a process model of emotional sensemaking in post-merger integration: linking cognitive and affective dimensions. Critical Perspectives on International Business, 17(3), 399–416.
- Scholes, M. S., & Wolfson, M. A. (1990). The effects of changes in tax laws on corporate reorganization activity. Journal of Business, 63(1), pp S141-164.
- Schuler, R., & Jackson, S. (2001). HR Issues and Activities in Mergers and Acquisitions. European Management Journal. 19(3). 239-253.
- Schweiger, D. M., & Denisi, A. S. (1991). Communication with employees following a merger: A longitudinal field experiment. Academy of Management Journal, 34(1), 110-135.
- Schweiger, D. M., & Goulet, P. (2000). Integrating mergers and acquisitions: An international research review. Advances in Mergers & Acquisitions. 1. Emerald Group Publishing Limited, Bingley, 61-91.
- Schweiger, D. M., & Goulet, P. (2005). Facilitating acquisition integration through deep level cultural learning interventions: A longitudinal field experiment. Organization Studies, 26, 1477–1499.
- Schweiger, D. M.; Csiszar, Ernst N.; Napier, Nancy K. (1993). Implementing International Mergers and Acquisitions. Human Resource Planning. Vol. 16 Issue 1, p53-70. 18p. 1 Chart.
- Schweizer, L. (2005). Organizational integration of acquired biotechnology companies into pharmaceutical companies: The need for a hybrid approach. Academy of Management Journal, 48: 1051–1074.
- Scott, K. D., & Taylor, G. S. (1985). An examination of conflicting findings on the relationship between job satisfaction and absenteeism: A meta-analysis. Academy of Management Journal, 28(3), 599–612.
- Sedláček, J. & Valouch, P. (2015). Motifs of M&A in the US, European and Asian markets. 10.2991/ermm-15.2015.95.
- Seo, M., & Hill, S. (2005). Understanding the human side of merger and acquisition. Journal of Applied Behavioural Science, 41, 422–443.
- Serrasqueiro, Z. S., & Nunes, P.M. (2008). Performance and size: Empirical evidence from Portuguese SMEs. Small Business Economics, 31(2), 195–217.
- Seth, A. (1990). Value creation in acquisitions: A re-examination of performance issues. Strategic Management Journal, 11(2), 99–115.

- Seth, A., Song, K. P., & Pettit, R. R. (2002). Value creation and destruction in cross-border acquisitions: An empirical analysis of foreign acquisitions of U.S. firms. Strategic Management Journal, 23, 921–940.
- Seth, A., Song, K., & Pettit, R. (2000). Synergy, materialism or hubris? An empirical examination of motives for foreign acquisitions of US firms. Journal of International Business Studies, 31, 387–405.
- Shaikh, I. and Padhi, P. (2013), "RBI's monetary policy and macroeconomic announcements: impact on S&P CNX Nifty VIX", Transition Studies Review, Vol. 19 No. 4, pp. 445-460.
- Shan, W., Walker, G., and Kogut, B. (1994). 'Interfirm Cooperation and Startup Innovation in the Biotechnology Industry,' Strategic Management Journal, 15, 129–139.
- Shanley, M.T. (1994). Determinants and Consequences of Post-Acquisition Change. Palgrave Macmillan Books, in: Georg Krogh & Alessandro Sinatra & Harbir Singh (ed.), The Management of Corporate Acquisitions, chapter 15, pages 391-413.
- Shaver, M. J. (2006). A paradox of synergy: Contagion and capacity effects in mergers and acquisitions. Academy of Management Review, 31(4), 962–976.
- Shi, W. (Stone), Sun, J., & Prescott, J. E. (2012). A Temporal Perspective of Merger and Acquisition and Strategic Alliance Initiatives: Review and Future Direction. Journal of Management, 38(1), 164–209.
- Shimizu, K., Hitt, M. A., Vaidyanath, D., & Pisano, V. (2004). Theoretical foundations of cross-border mergers and acquisitions: A review of current research and recommendations for the future. Journal of International Management, 10(3), 307–353.
- Shleifer, A., & Vishny, R. W. (1991). Takeovers in the '60s and the '80s: Evidence and implications. Strategic Management Journal, 12, 51–59.
- Shrivastava, P. (1986). Postmerger integration. Journal of Business Strategy, 7, 65–76.
- Shroff, R. and Ambast, A. (2013). "Ss. 5 and 6 of the Competition Act, 2002" Journal of Financial Crime; London Vol. 20, Iss. 1, 88-115.
- Siakas, K. and Siakas, D. (2015), "Cultural and Organisational Diversity Evaluation (CODE): A tool for improving global transactions", Strategic Outsourcing: An International Journal, Vol. 8 No. 2/3, pp. 206-228.
- Siehl, C., Smith, D., (1990). Avoiding the loss of a gain: retaining managing executives in an acquisition. Human Capabilities Management 29 (2), 167 -185.
- Sinetar, M. (1981). Mergers, morale, and productivity. Personnel Journal, 60, 863–867.
- Singh, H. & Zollo, M. (2004). Globalization through acquisitions and alliances: An evolutionary perspective. The INSEAD-Wharton alliance on

globalizing: strategies for building successful global businesses. Pp 129-158.

- Singh, H., & Montgomery, C. A. (1987). Corporate acquisition strategies and economic performance. Strategic Management Journal, 8(4), 377–386.
- Singh, J.P., Kumar, N. and Uzma, S.H. (2011), “The changing landscape of corporate governance”. Int. J. of Indian Culture and Business Management. 4. 506 - 522.
- Sinkovics, R. R., & Penz, E. (2011). Multilingual elite-interviews and software-based analysis. International Journal of Market Research, 53(5), 705-724.
- Sirower, L. M., (1997): The Synergy Trap: How Companies Lose the Acquisition Game, Free Press.
- Slangen, A. (2006). National cultural distance and initial foreign acquisition performance: The moderating effect of integration. Journal of World Business. 41. 161-170.
- Smith, K. and Hershman, S. (1999), “Making mergers work for profitable growth: the importance of pre-deal planning about post-deal management”, London, Mercer Management Consulting.
- Snook, S. (2000). Friendly fire: The accidental shootdown of U.S. Black Hawks over northern Iraq. Princeton, NJ: Princeton University Press.
- Solmaz Filiz Karabag., S. F., Jyoti, D., & Berggren, C. (2018). Separation or Integration for Successful Acquisition? A Comparative Study of Established and Emerging Economies’ Firms, Journal of Applied Economics and Business Research, JAEBR, 8(1): 1-23.
- Soltis, S. M., Agneessens, F., Sasovova, Z., & Labianca, G. J. (2013). A Social Network Perspective on Turnover Intentions: The Role of Distributive Justice and Social Support. Human Resource Management, 52(4), 561–584.
- Sosik, J. J., Kahai, S. S., &Piovoso, M. J. (2009) Silver bullet or voodoo statistics? A primer for using the partial least squares data analytic technique in group and organization research. Emerald Management Reviews: Group & Organization Management, 34(1), 5-36.
- Soy, S. K. (1997). The case study as a research method. Unpublished paper, University of Texas.
- Stahl, G. K., & Voigt, A. (2008). Do cultural differences matter in mergers and acquisitions? A tentative model and examination. Organization Science, 19(1), 160–176.
- Stahl, G.K., and Sitkin, S.B. (2005), ‘Trust in Mergers and Acquisitions,’ in Mergers and Acquisitions: Managing Culture and Human Resources, eds. G.K. Stahl and M.E. Mendenhall, Stanford, CA: Stanford University Press, pp. 82–102.

- Stahl, G.K., and Voigt, A. (2005). 'Impact of Cultural Differences on Merger and Acquisition Performance: A Critical Research Review and an Integrative Model,' Advances in Mergers and Acquisitions, 4, 51–83.
- Stake, R.E. (1995). The art of case study research. London: Sage.
- Statsoft (2013). Structural Equation Modeling, Statsoft Electronic Statistics Textbook. http://www.statsoft.com/textbook/structural-equation-modeling/
- Steele, D. M. (2014). Mergers & Acquisitions: The roles of cultural/relational fit and human integration in cultural/relational convergence and organizational commitment (Doctoral dissertation, TUI University.
- Steensma, H. & Milligen, F. V., (1994): Bases of Power, Procedural Justice and Outcomes of Mergers: The Push and Pull Factors of Influence Tactics Journal of Collective Negotiations v. 30, n. 2 pages 113-134.
- Steger, U. & Kummer C. (2007). Why Merger & acquisition (M&A) waves reoccur- The vicious cycle from pressure to failure. IMD 2007-11.
- Steigenberger, N. (2017). The Challenge of Integration: A Review of the M&A Integration Literature. International Journal of Management Reviews, 19, 408-431.
- Steigner, T., & Sutton, N. K. (2011). How does national culture impact internalization benefits in cross-border mergers and acquisitions? Financial Review, 46(1), 103–125.
- Stigler, G. (1950). Monopoly and oligopoly by merger. American Economic Review, 40(2), 23–34.
- Sudarsanam, S. (2003). Creating Value from Mergers and Acquisitions, the Challenges. Prentice Hall, Financial Times (2003).
- Sudarsanam, S. (2012). Value creation and value appropriation in M&A deals. In D.Faulkner, S. Teerikangas, & R. Joseph (Eds.), Handbook of mergers and acquisitions (pp. 195–253). Oxford, U.K.: Oxford University Press.
- Sun, S. L., Peng, M. W., Ren, B., & Yan, D. (2012). Comparative ownership advantage framework for cross-border M&As: The rise of Chinese and Indian MNEs. Journal of World Business, 47(1), 4–16.
- Tajfel, H., & Turner, J. C. (1986). The social identity theory of intergroup behaviour. In S. Worchel &W. G. Austin (Eds.), Psychology of intergroup relations (pp. 7-24). Chicago: Nelson-Hall.
- Tang, T.L.-P. & Sarsfield-Baldwin, L.J. (1996): Distributive and Procedural Justice as Related to Satisfaction and Commitment. SAM Advanced Management Journal, 61, 25-31.
- Taras, V., Steel, P. and Kirkman, B.L. (2012), "Improving national cultural indices using a longitudinal meta-analysis of Hofstede's dimensions", Journal of World Business, Vol. 47, No. 3, pp. 329-341.

- Teddlie, C., & Tashakkori, A. (2009). Foundations of mixed methods research: Integrating quantitative and qualitative approaches in the social and behavioural sciences. Thousand Oaks, CA: Sage.
- Teerikangas, S., & Véry, P. (2006). The culture–performance relationship in M&A: From yes/no to how. British Journal of Management, 17(1), 31–48.
- Teerikangas, S., Joseph, R., & Faulkner, D. (2012). M&A: A synthesis. In D. Faulkner, Teerikangas, & R. Joseph (Eds.), Handbook of mergers and acquisitions (pp. 661–685).Oxford, U.K.: Oxford University Press.
- Temin, P. (1976). Lessons for the Present from the Great Depression. The American Economic Review, 66(2), 40–45. http://www.jstor.org/stable/1817196
- Terry, D. J., & Callan, V. J. (1998). In-group bias in response to an organizational merger. Group Dynamics: Theory, Research, Practice, 2, 67-81.
- Tetenbaum, T.J. (1999). “Beating the odds of merger & acquisition failure: seven key practices that improve the chance for expected integration and synergies”, Organizational
- Thompson, L. L., Wang, J., & Gunia, B. C. (2010). Negotiation. Annual Review of Psychology, 61, 491–515.
- Tinsley, C. H. (2001). How negotiators get to yes: Predicting the constellation of strategies used across cultures to negotiate conflict. Journal of Applied Psychology, 86(4), 583-593.
- Tinsley, C. H., Curhan, J. J., & Kwak, R. S. (1999). Adopting a dual lens approach for examining the dilemma of differences in international business negotiations. International Negotiation, 4(1), 5–22.
- Tornblom, K. Y., & Vermunt, R. (1999). An integrative perspective on social justice: Distributive and procedural fairness evaluations of positive and negative outcome allocations. Social Justice Research, 12, 39–64.
- Townsend, H. (1968). Scale innovation, merger and monopoly. Oxford: Pergamon Press Ltd.
- Trautwein, F. (1990). Merger motives and merger prescriptions. Strategic Management Journal,11, 283–295
- Tripathi, V. & Lamba, A. (2015). What drives cross-border mergers and acquisitions?: A study of Indian multinational enterprises. Journal of strategy and management, 8(4). pp. 384-414.
- Tsai, W., and Ghoshal, S. (1998), ‘Social Capital and Value Creation: The Role of Intra firm Networks,’ Academy of Management Journal, 41, 464–476.
- Tsui, A., & Tollefson, J. (2007). Language policy, culture, and identity in Asian contexts. Hillsdale, NJ: Erlbaum.

- Tsui, A., Nifadkar, S., Ou, A. (2007). Cross-national, cross-cultural organizational behaviour research: Advances, gaps, and recommendations. Journal of Management, 33, 426–478.
- Tyler, T. (1987), "Conditions Leading to Value-Expressive Effects in Judgments of Procedural Justice: A Test of Four Models", Journal of Personality and Social Psychology, Vol. 52, No. 2, pp. 333-344.
- Uhlenbruck, K. (2004). Developing Acquired Foreign Subsidiaries: The Experience of MNE's in Transition Economies. Journal of International Business Studies. 35. 109-123.
- Ullrich, J., & van Dick, R. (2007). The group psychology of mergers & acquisitions: Lessons from the social identity approach. Advances in Mergers and Acquisitions, 6, 1–15.
- Uslu, T. (2014). Perception of organizational commitment, job satisfaction and turnover intention in M&A process: a multivariate positive psychology model, Unpublished PhD Thesis, Marmara University, Department of Business Administration.
- Uzelac, B., Bauer, F., Matzler, K. & Waschak, M. (2016). The moderating effects of decision-making preferences on M&A integration speed and performance. International Journal of Human Resource Management, 27(20), 2436-2460.
- Vaara, E. (2003). Post-acquisition integration as sensemaking: Glimpses of ambiguity, confusion, hypocrisy, and politicization. Journal of Management Studies, 40: 859–894.
- Vaara, E., Junni, P., Sarala, R. M., Ehrnrooth, M., & Koveshnikov, A. (2014). Attributional tendencies in cultural explanations of M&A performance. Strategic Management Journal, 35(9), 1302–1317.
- Vaara, E., Sarala, R., Stahl, G. K., & Bjo¨rkman, I. (2012). The impact of organizational and national cultural differences on social conflict and knowledge transfer in international acquisitions. Journal of Management Studies, 49(1), 1–27.
- Van den Bos, K., Lind, E. A., & Wilke, H. (2001). The psychology of procedural justice and distributive justice viewed from the perspective of fairness heuristic theory. In R. Cropanzano (Ed.), Justice in the workplace: Volume II—From theory to practice. (pp. 49–66). Hillsdale, N.
- Van Knippenberg, D., & van Leeuwen, E. (2001). Organizational identity after a merger: Sense of continuity as the key to postmerger identification. In M. A. Hogg & D. J. Terry (Eds.), Social identity processes in organizational contexts (pp. 249-264). Brighton, UK: Psychology Press.
- Van Knippenberg, D., Van Knippenberg, B., Monden, L., and Lima, F. (2002), 'Organizational Identification after a Merger: A Social Identity Perspective,' The British Journal of Social Psychology, 41, 233–252.

- Veiga, J., Lubatkin, M., & Calori, R. (2000). Measuring organizational culture clashes: A two - nation post - hoc analysis of a cultural compatibility index. Human Relations. 53.
- Vermelan, F., & Barkema, T.,(2001). Learning through acquisitions. Academy of Management Journal. Vol 44, No.3, 457-476
- Vermeulen, F., & Barkema, H. (2001). Learning through acquisitions. Academy of Management Journal, 44: 457–476.
- Very, P. & Schweiger, D. (2003). Creating Value through Merger and Acquisition Integration.,Vol. 2, Emerald Group Publishing Limited, Bingley, pp. 1-26.
- Very, P., Lubatkin, M., Calori, R., & Veiga, J. (1997). Relative standing and the performance of recently acquired European firms. Strategic Management Journal, 18(8), 93–614.
- Vroom, V. H. (1964). Work and motivation, Wiley, New York.
- Waldman, D. A., & Javidan, M. (2009). Alternative forms of charismatic leadership in the integration of mergers and acquisitions. The Leadership Quarterly, 20(2), 130–142.
- Walsh, J. (1989). Doing a deal: Merger and acquisition negotiations and their impact upon target company top management turnover. Strategic Management Journal. 10. 307 - 322.
- Walsh, J. P. (1988). 'Top management turnover following mergers and acquisitions'. Strategic Management Journal, 9, 173–183.
- Walsh, J. P. (1989). Doing a deal: Merger and acquisition negotiations and their impact upon target company top management turnover. Strategic Management Journal, 10(4), 307–322.
- Walsh, J. P., & Ellwood, J. W. (1991). Mergers, acquisitions, and the pruning of managerial deadwood. Strategic Management Journal, 12(3), 201–217.
- Walter, G. A., & Barney, J. B. (1990). Management objectives in mergers and acquisitions. Strategic Management Journal, Issue 11, 79–86.
- Wan, K.-M., & Wong, K.-F. (2009). Economic impact of political barriers to cross-border acquisitions: An empirical study of CNOOC's unsuccessful takeover of Unocal. Journal of Corporate Finance, 15(4), 447–468.
- Weber, R. P. (1990). Basic content analysis. Beverly Hills, CA: Sage.
- Weber, Y., & Fried, Y. (2011b). The role of HR pratices in managing cultural clash during the post merger integration process. Human Resource Management, 50(5), 565–570.
- Weber, Y., & Pliskin, N. (1996).The effects of information systems integration and organizational culture on a firm's effectiveness Information & Management, 30, pp. 81-90.
- Weber, Y., & Tarba, S. Y. (2010). Human resource practices and performance of mergers and acquisitions in Israel. Human Resource Management Review, 20(3), 203–211.

- Weber, Y., & Tarba, S. Y. (2011). Exploring integration approach in related mergers. International Journal of Organizational Analysis, 19, 202–221.
- Weber, Y., & Tarba, S. Y. (2013). Socio-Culturalintegration in mergers and acquisitions – New perspectives. Thunderbird International Business Review, 55, 327–331.
- Weber, Y., Rachman-Moore, D., & Tarba, S. Y. (2012). HR practices during post-merger conflict and merger performance. International Journal of Cross Cultural Management, 12, 73–99.
- Weber, Y., Shenkar, O., & Raveh, A. (1996). National and corporate cultural fit in mergers/acquisitions: An exploratory study. Management Science, 42(8), 1215–1227.
- Weber, Y., Tarba, S. & Reichel, A. (2011). A Model of the Influence of Culture on Integration Approaches and International Mergers and Acquisitions Performance. International Studies of Management & Organization. 41. 9-24.
- Weber, Y., Tarba, S. Y., & O¨ berg, C. (2014). A Comprehensive guide to mergers & acquisitions: Managing the critical success factors across every stage of the M&A process. London: Pearson & Financial Times Press
- Weber, Y., Tarba, S. Y., & Reichel, A. (2009). International mergers and acquisitions performance revisited – The role of cultural distance and post-acquisition integration approach implementation. Advances in Mergers and Acquisitions, 8, 1–18.
- Weber, Y., Tarba, S. Y., & Rozen-Bachar, Z. (2011). Mergers and acquisitions performance paradox: The mediating role of integration approach. European Journal of International Management, 5(4), 373–393.
- Weber, Y., Tarba, S. Y., & Rozen-Bachar, Z. (2012). The effects of culture clash on international mergers in the high tech industry. World Review of Entrepreneurship, Management and Sustainable Development, 8, 103–118.
- Weber, Y.,Tarba, S.Y., & Reichel, A. (2011).A model of the influence of culture on integration approaches and international mergers and acquisitions performance.International Studies of Management and Organization, 41(3), 9–24.
- Weiss, S. E. (2006). International business negotiation in a globalizing world: Reflections on the contributions and future of a (sub) field. International Negotiation, 11(2), 287–316.
- Wenjia, C-H., (2019). The challenge of HR integration: a review of the M&A HR integration literature. Journal of Chinese Human Resource Management. Ahead-of-print. 10.1108/JCHRM-03-2019-0009.
- Weston, J. F., & Chung, K. S. (1983). Do mergers make money: A research summary. Mergers & Acquisitions, 18(3), 40–48.
- Weston, J. F., (1989) "Divestitures: Mistakes or Learning?" Journal of Applied Corporate Finance, 2, pp. 68-76.

- Wheelen, T. J., & Hunger, J. D. (2001). Strategic management and business policy (8th ed.). Upper Saddle River, NJ: Prentice Hall.
- Wheeler, A. & Buckley, M. (2001). Examining the motivation process of temporary employees: A holistic model and research framework. Journal of Managerial Psychology. 16. 339-354.
- Whitaker, M.K. (2011). Dimensions of organizational culture during a merger: A quantitative perspective from non-managerial employees. Doctoral dissertation, Capella University.
- Williams, M. (2001). In whom we trust: Group membership as an affective context for trust development. Academy of Management Review, 26, 377–396.
- Wong, K. K. (2011). Review of the book Handbook of Partial Least Squares: Concepts, Methods and Applications, by V. Esposito Vinzi, W.W. Chin, J. Henseler & H. Wang (Eds). International Journal of Business Science & Applied Management. 6 (2), 52-54.
- Woodside, A.G. (2010). Case study research: theory, methods and practice. Bingley, UK: Emerald.
- Woodside, A.G., & Wilson, E.J. (2003). Case study research methods for theory building. Journal of Business& Industrial Marketing, 18(6–7), 493–508.
- Wright, M., Renneboog, L., Scholes, L., & Simons, T. (2006). Leveraged buyouts in the UK and Europe: Retrospect and prospect. Journal of Applied Corporate Finance, 18(3), 38–55.
- Yin, R. K. (1984). Case Study Research: Design and Methods. Newbury Park, CA: Sage.
- Yin, R.K. (2003). Case study research: design and methods (3rd edition).Thousand Oaks, CA: Sage.
- Yli-Renko, H., Autio, E., and Sapienza, H.J. (2001), 'Social Capital, Knowledge Acquisition, and Knowledge Exploitation in Young Technology-Based Firms,' Strategic Management, Journal 22, 587–613.
- Youndt, M. A., Snell, S. A., Dean, J. W., & Lepak, D. P. (1996). Human Resource Management, Manufacturing Strategy, and Firm Performance. The Academy of Management Journal, 39(4), 836–866.
- Zagelmeyer, S., Sinkovics, R. R., Sinkovics, N., & Kusstatscher, V. (2018). Exploring the link between management communication and emotions in mergers & acquisitions. Canadian Journal of Administrative Sciences, 35(1), 93-106.
- Zaheer, A., McEvily, B., and Perrone, V. (1998), 'Does Trust Matter? Exploring the Effects of Inter organizational and Interpersonal Trust on Performance,' Organization Science, 9, 141–159.
- Zhang, J. & He, X. (2014).Economic nationalism and foreign acquisition completion: The case of China, International Business Review, Volume 23, Issue 1,Pages 212-227.

- Zhang, J., M. F. Ahammad, S. Y. Tarba, C. L. Cooper, K. W. Glaister, and J. Wang. 2015. "The effect of leadership style on talent retention during Merger and Acquisition integration: evidence from China." The International Journal of Human Resource Management 26(7): 1021-1050.
- Zhang, J., Zhou, C., & Ebbers, H. (2011). Completion of Chinese overseas acquisitions: Institutional perspectives and evidence. International Business Review, 20(2), 226–238.
- Zhou, Y. (2011). Synergy, coordination costs: and diversification choices. Strategic Management Journal, 32, 624–629.
- Zhu, Z., & Huang H. (2007).The cultural integration in the process of cross-border mergers and acquisitions."International management review 3(2), 40-44.
- Zollo, M., & Meier, D. (2008). What is M&A performance? Academy of Management Perspectives, 22(3), 55–77.
- Zollo, M., & Singh, H. (1998). "The impact of knowledge codification: Experience trajectories and integration strategies on the performance of corporate acquisitions". Center for Financial Institutions Working Papers 98-24, Wharton School, University of Pennsylvania.

Appendices

Appendix I - List of Selected Sample M&ACases (Discarded cases in red)

S.No.	Name of the M&A	Case Selected Y/N	Country of Acquirer	Country of Acquired
1	Danish Unidanmark with Finnish-Swedish MeritaNordbanken (Nordea)	Y	Denmark	Finland &Sweden
2	Arcelor-Mittal Steel	Y	Luxemburg/Europe	Indian
3	Renault-Dacia	Y	French	Romania
4	Occidental Petroleum's acquisition of Anadarko Petroleum	Y	American	American
5	Nepal Investment Bank Ltd. Acquires Jebil's Finance Ltd	Y	Nepal	Nepal
6	Ericsson-Marconi	Y	Swedish	British
7	Bayer-Schering	Y	Germany	Germany
8	Ranbaxy-Sun pharma	Y	India	India
9	Merck-Sigma	Y	German	American
10	Microsoft-Nokia	Y	American	Finland
11	Amazon-Zappos	Y	American	American
12	Kotak Mahindra-ING Vysya Bank	Y	India	India
13	Adidas-Reebok	Y	German	American
14	Yahoo-Bookpad	Y	American	Indian
15	Sterling India Resorts-Thomas Cook India	Y	Indian	Indian
16	Aditya Birla Minacs-CSP CX	Y	Indian	Indian
17	Asian Paints-Ess Ess Bathoroom	Y	Indian	Indian
18	HUL-Segment of GSK	Y	Indian	Indian
19	Fuji-Xerox	Y	Japanese	American
20	Itau-Unibanco	Y	Brazil	Brazil
21	Kellogg-Worthington	Y	American	American
22	Momentum-Metropolitan	Y	South African	South African
23	Turkish-Fortis bank	Y	Turkey	Belgian-Dutch
24	Whole food market-Wild Oats	Y	American	American
25	ICICI bank- Bank of Rajasthan	Y	India	India
26	UPL-Arysta	Y	India	India
27	Torrent Pharma- Unichem	Y	India	India
28	Diachi – Ranbaxy	Y	Japan	India
29	Hindalco-Novellis	Y	India	American

30	Luminous Schnieder Electric	Y	India	France
31	Lockheed- NationScape	Y	American	American
32	Active Gear- Mercury Athletic	Y	American	American
33	Tata Communication – VSNL	Y	India	India
34	Ultratch cement - Jaypee Group	Y	India	India
35	HP – Compaq	Y	American	American
36	Volvo Construction – Samsung	Y	Sweden	South Korea
37	Alladin-FAST	Y	American	American
38	Ford Volvo	Y	American	Sweden
39	British Petroleum-Amoco	Y	British	American
40	Volkswagen-Skoda	Y	German	Czech Republic
41	Cisco-StrataCom & Cerent	Y	American	American
42	Deutsche Bank-Bankers Trust	Y	Dutch	American
43	Dollar-Thrifty	Y	American	American
44	Southern Pacific Rail - Union Pacific Corporation	Y	American	American
45	Renault-Nissan	Y	France	Japan
46	Ace-Care	Y	Caribbean	Caribbean
47	Royal Trcutco and Royal bank of Canada	Y	Canada	Canada
48	Sag-BAG	Y	European	Mexico
49	AOL Time Warner Inc	Rejected		
50	Allergan & Actavis	Rejected		
51	Norwich Union & CGU Plc	Rejected		
52	Cisco System & Open DNS	Rejected		
53	JSW Steel & Ispat	N		
54	Mae Terra & Uniliver	N		
55	Utah Symphony & Utah Opera	N		
56	Tata & Corrus	N		
57	Zoomlion & Cifa	N		
58	Microsoft & Sendit	N		
59	Vodafone Inc & Hutch	N		
60	Volvo & Samsung	N		
61	Ultratech Cement & JP Group	N		
62	Oil & Wasser	N		
63	AM-Pharma/Pfizer	N		
64	Disney & Pixar	N		
65	Kraft Foods Inc. and Cadbury PLC	N		

66	Indian Bank and Allahabad Bank	N	
67	Mindtree & L&T	N	
68	Symphony Limited & International Metal Products Company (IMPCO)	N	
69	Renault & Nissan	N	
70	Bluestar Group & Adisseo	N	
71	Diageo India & United Spirits Limited (USL).	N	
72	Quickturn & Speedsim	N	
73	Kia Motors (Kia) & Hyundai Motors	N	
74	Lenovo & IBM	N	
75	Makemytrip & Goibibo	N	

Appendix-II: Results of Data Analysis

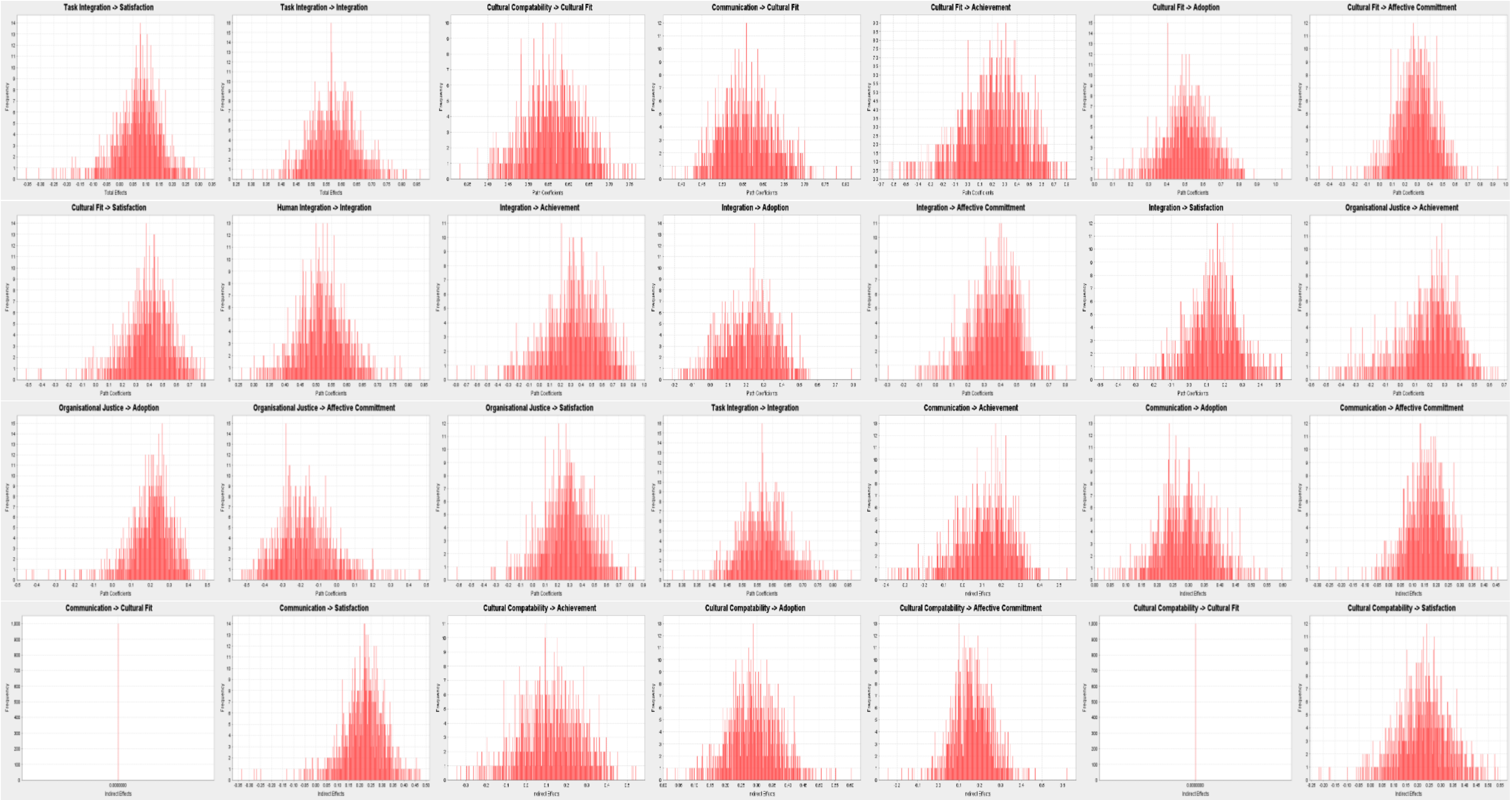
	Justice	Communication			Cultural Capability				Satisfaction		Adoption	fective Commitm	
Name of the M&A	Other HR Issue+	Frequency+	Quality-	Reliability+	Leadership Parity-	Shock+	Dominance+	Thinking+	ee Continuing in acquired enterprise	Satisfaction	Cultural outcome	Sense of belonging+	Emotional Attachment
Danish Unidanmark with Finnish-Swedish MeritaNordbanken (Nordea)	2	0	0	0	1	1	1	1	1	2	0	0	0
Occidental Petroleum's acquisition of Anadarko Petroleum	0	0	0	0	2	1	2	0	1	1	0	1	0
Nepal Investment Bank Ltd. Acquires Jebil's Finance Ltd	0	0	0	0	2	1	0	0	1	0	0	0	1
Arcelor-Mittal Steel	2	1	1	0	2	2	2	2	1	1	1	1	0
Renault-Dacia	1	0	2	0	1	2	2	2	1	2	2	1	1
Ericsson-Marconi	2	0	1	0	1	1	2	1	1	1	1	0	0
Bayer-Schering	1	1	1	0	2	0	2	1	1	1	1	0	0
Ranbaxy-Sun pharma	2	1	2	1	1	2	2	1	1	0	0	1	1
Merck-Sigma	1	0	2	0	1	1	2	0	2	1	2	0	1
Microsoft-Nokia	2	0	1	0	2	2	2	2	1	1	1	0	0
Amazon-Zappos	1	0	1	0	2	1	2	2	0	0	1	1	0

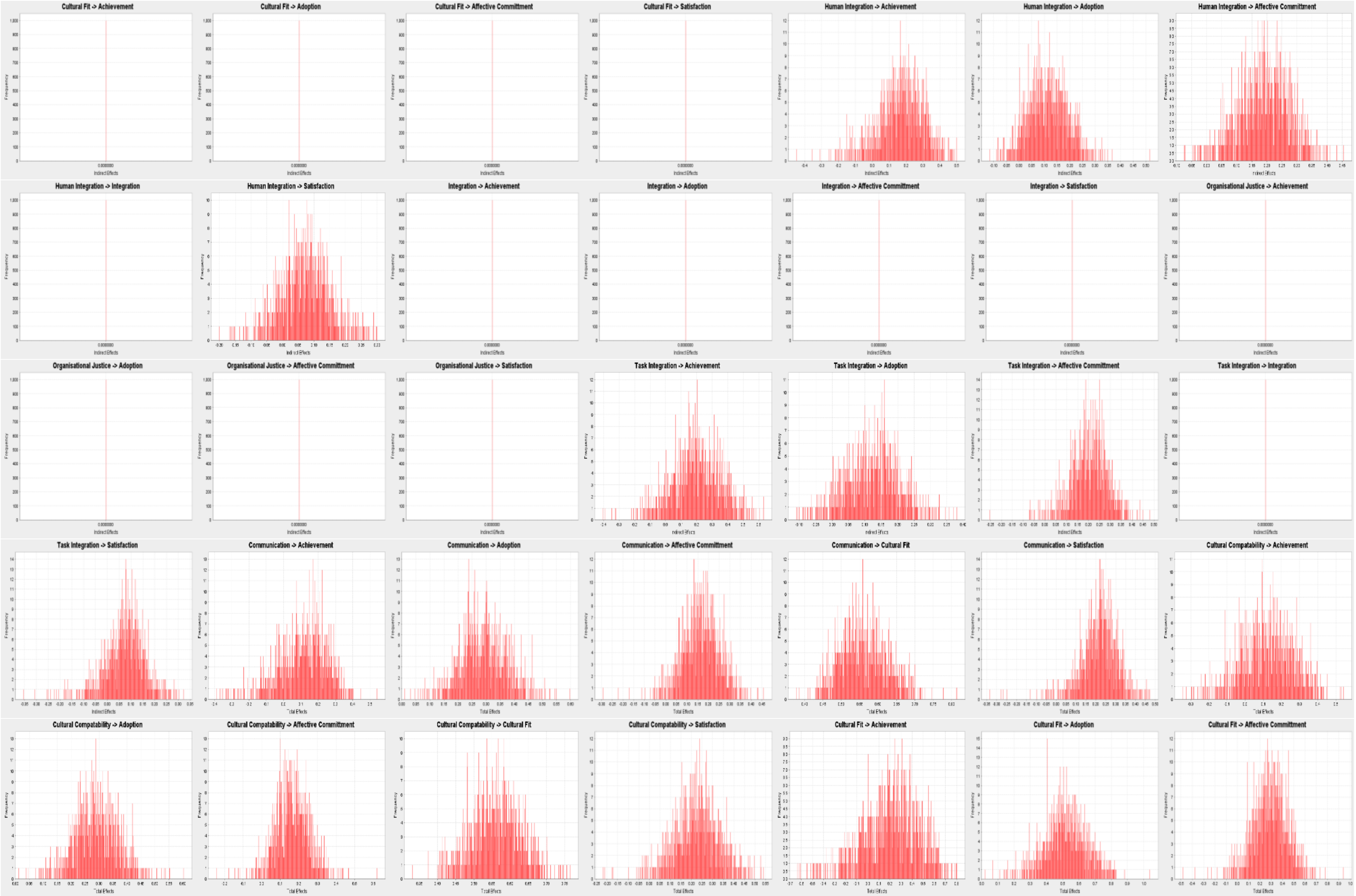
	Achievement					Control Variables				
Name of the M&A	Shareholder's perspective	Employee's perspective	Evidence of motive accomplishment	Shareholder's value	M&A Re-transacted	Size	Acquirer Country	Acquired Country	Motive of M&A	Deal Size(in Billion USD)
Danish Unidanmark with Finnish-Swedish MeritaNordbanken (Nordea)	1	1	2	1	0	2	1	1	0	4.8
Occidental Petroleum's acquisition of Anadarko Petroleum	1	0	0	0	0	2	0	0	0	55.0
Nepal Investment Bank Ltd. Acquires Jebil's Finance Ltd	2	2	1	1	1	0	2	2	1	0.84
Arcelor-Mittal Steel	2	2	2	1	2	2	2	1	0	29.9
Renault-Dacia	2	2	2	1	1	0	0	0	0	0.5
Ericsson-Marconi	1	1	1	1	0	2	0	0	0	2.3
Bayer-Schering	0	0	1	0	1	2	0	0	0	21.6
Ranbaxy-Sun pharma	1	1	1	1	0	2	2	2	0	4.0
Merck-Sigma	1	1	2	1	1	2	0	0	0	17.0
Microsoft-Nokia	2	2	2	2	1	2	0	1	0	7.2
Amazon-Zappos	0	0	1	0	0	2	0	0	2	0.9

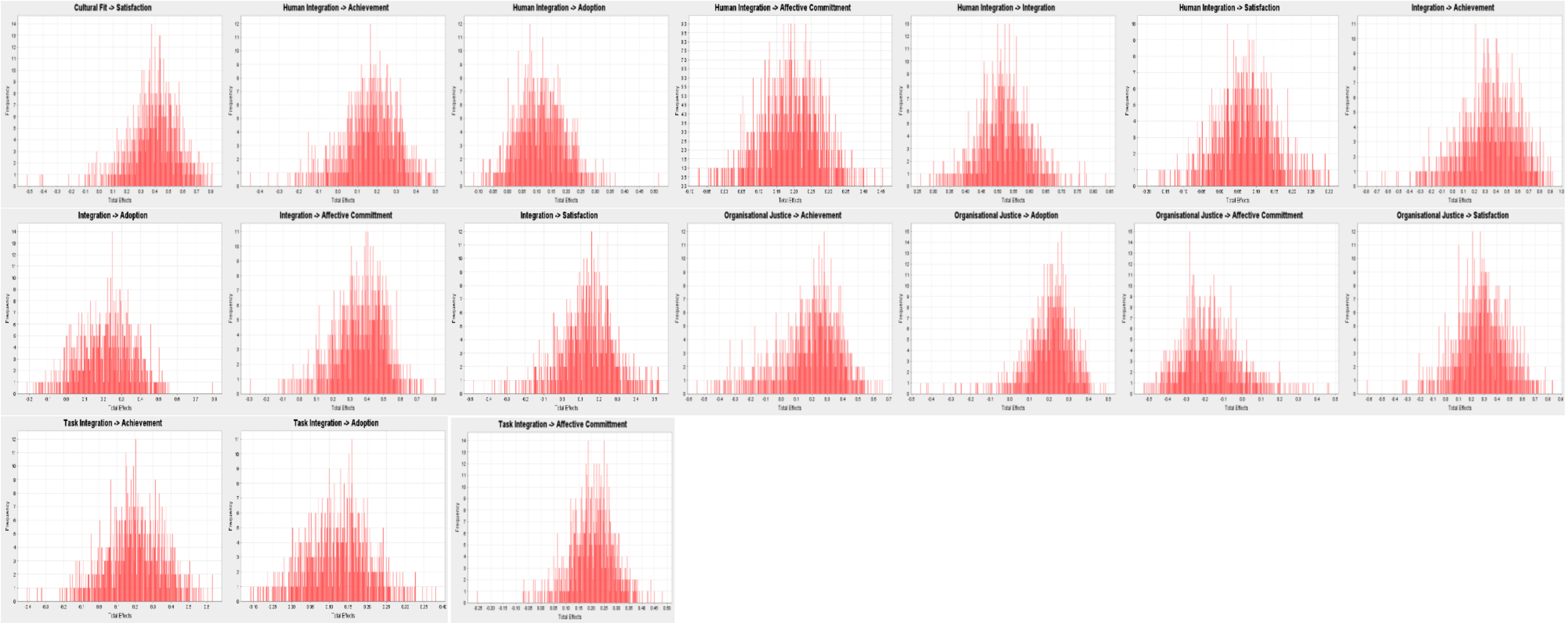
Kotak Mahindra-ING Vysya Bank	1	1	0	0	1	1	1	1	1	0	0	0	0	1	1	1	1	1	2	2	2	1	2.4
Adidas-Reebok	1	0	1	0	1	1	2	1	1	1	0	0	0	1	2	1	1	0	2	0	0	1	3.8
Yahoo-Bookpad	1	0	0	0	1	1	1	1	1	0	0	0	1	0	0	0	0	1	0	0	2	0	8.3
Sterling India Resorts-Thomas Cook India	1	0	1	0	1	1	1	1	1	1	1	1	0	2	2	2	1	2	2	2	2	0	0.1
Aditya Birla Minacs-CSP CX	1	0	1	0	1	1	2	2	1	1	1	1	0	2	1	2	1	0	0	2	2	0	0.3
Asian Paints-Ess Ess Bathoroom	1	1	1	0	1	1	2	1	1	0	1	0	1	1	0	1	1	0	0	2	2	0	>1
HUL-Segment of GSK	1	0	1	0	0	0	0	0	2	2	1	2	1	2	1	2	1	1	2	2	1	0	3.35
Fuji-Xerox	0	1	1	0	2	0	2	1	1	2	1	0	0	2	2	2	2	2	2	2	0	0	2.3
Itau-Unibanco	2	0	2	1	0	2	2	0	2	0	2	0	0	1	1	1	0	0	2	2	2	0	8.0
Kellogg-Worthington	1	0	1	0	1	1	2	0	2	1	1	1	1	2	1	2	1	1	0	0	0	0	0.4
Momentum-Metropolitan	1	0	2	0	0	2	2	0	2	2	1	0	1	0	1	2	1	0	0	2	0	0	0.1
Turkish-Fortis bank	1	0	2	0	0	2	2	0	2	1	1	1	0	1	2	2	0	1	2	1	1	0	1.27
Whole food market-Wild Oats	1	0	1	0	1	1	1	1	1	2	1	0	0	1	1	2	1	2	2	0	0	1	0.7
ICICI bank- Bank of Rajasthan	1	2	1	1	2	2	2	2	0	0	0	0	0	2	1	2	2	0	1	2	2	0	0.38

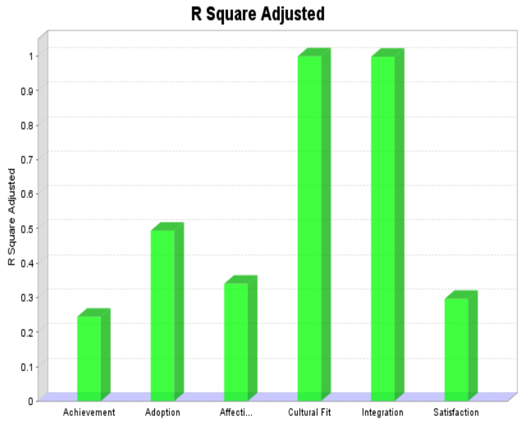
UPL-Arysta	1	2	2	1	1	1	2	0	2	1	2	2	1	1	1	2	1	0	0	2	0	0	4.2
Torrent Pharma- Unichem	1	2	2	1	1	1	2	0	1	1	2	1	1	1	1	2	1	0	2	2	2	0	0.719
Diachi - Ranbaxy	1	2	1	0	2	2	2	2	0	1	1	0	0	2	1	2	2	0	2	1	2	0	4.6
Hindalco-Novellis	1	1	1	0	0	2	2	2	0	1	1	1	0	2	0	2	1	0	2	2	0	0	6
Luminous Schnieder Electric	1	2	2	1	1	1	2	1	1	1	2	0	1	1	1	2	1	0	0	1	2	0	0.18
Lockheed- NationScape	1	2	2	1	1	1	2	0	2	1	2	1	0	1	1	2	1	0	0	0	0	0	0.843
Active Gear- Mercury Athlectic	1	2	1	0	2	2	2	2	0	1	1	0	0	2	1	2	2	0	2	0	0	0	0.3
Tata Communication - VSNL	1	2	1	0	2	2	2	2	0	1	1	0	1	2	1	2	2	0	0	2	2	0	0.026
Ultratch cement - Jaypee Group	1	2	2	1	1	1	2	0	1	1	2	1	0	1	1	2	1	0	2	2	2	1	2.4
HP - Compaq	1	0	2	0	0	2	2	0	2	2	1	2	2	0	1	2	1	0	2	0	0	0	25
Volvo Construction - Samsung	1	0	1	0	1	1	2	1	1	1	1	0	0	2	1	2	1	1	0	1	2	2	0.572
Alladin-FAST	1	2	1	0	2	2	2	2	0	1	1	0	1	2	1	2	2	0	2	1	1	0	2.3
Ford Volvo	1	2	1	0	2	0	2	2	0	1	2	0	0	2	1	1	1	1	2	0	1	0	6.47
British Petroleum-Amoco	0	2	2	2	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	1	0	0	48.2
Volkswagen-Skoda	1	2	2	2	1	1	1	1	1	1	2	2	2	1	1	2	1	1	2	1	1	0	16.8
Cisco-StrataCom	1	2	2	1	1	1	1	1	1	2	2	2	2	2	1	2	1	1	2	0	0	0	4
Deutsche Bank-Bankers Trust	1	1	2	1	1	0	1	1	1	1	1	1	2	2	2	2	2	0	2	1	0	0	10.1
Dollar-Thrifty	1	1	1	0	2	1	2	0	0	0	1	0	1	1	0	2	1	0	2	0	0	0	2.3
Corporation	2	0	0	0	1	2	2	1	0	0	0	0	0	1	0	1	1	1	2	0	0	0	4.1
Renault-Nissan	1	1	2	2	0	0	1	1	1	2	2	2	2	2	2	2	2	2	2	1	2	0	5.4
Ace-Care	1	2	1	2	1	0	1	1	1	1	2	1	2	2	2	2	2	0	2	2	2	1	0.3
Royal Trcutco and Royal bank of Canada	1	1	2	1	1	0	1	1	1	1	1	0	0	2	2	2	2	0	2	2	2	0	2.2
Sag-BAG	1	2	2	1	1	1	2	1	1	1	2	1	1	1	1	2	1	0	2	0	0	0	2.7

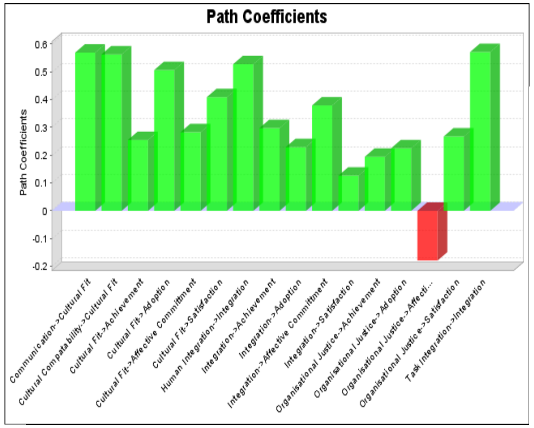
Appendix III: Complete Chart of Smart PLS Report

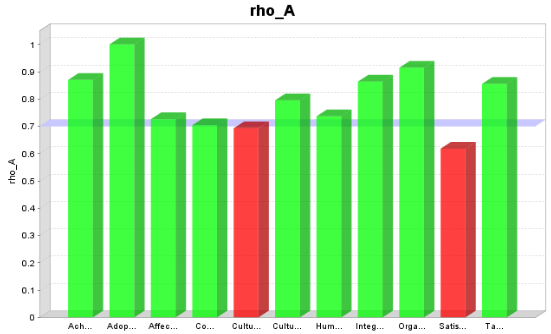


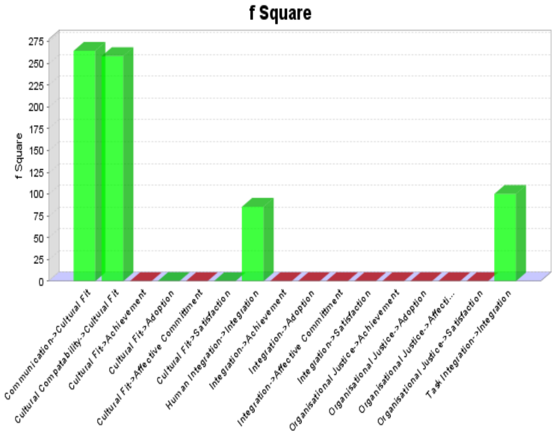

Cultural Fit -> Achievement
Cultural Fit -> Adoption
Cultural Fit -> Affective Committment
Cultural Fit -> Satisfaction
Human Integration -> Achievement
Human Integration -> Adoption
Human Integration -> Affective Committment
Human Integration -> Integration
Human Integration -> Satisfaction
Integration -> Achievement
Integration -> Adoption
Integration -> Affective Committment
Integration -> Satisfaction
Organisational Justice -> Achievement
Organisational Justice -> Adoption
Organisational Justice -> Affective Committment
Organisational Justice -> Satisfaction
Task Integration -> Achievement
Task Integration -> Adoption
Task Integration -> Affective Committment
Task Integration -> Integration
Task Integration -> Satisfaction
Communication -> Achievement
Communication -> Adoption
Communication -> Affective Committment
Communication -> Cultural Fit
Communication -> Satisfaction
Cultural Compatability -> Achievement
Cultural Compatability -> Adoption
Cultural Compatability -> Affective Committment
Cultural Compatability -> Cultural Fit
Cultural Compatability -> Satisfaction
Cultural Fit -> Achievement
Cultural Fit -> Adoption
Cultural Fit -> Affective Committment

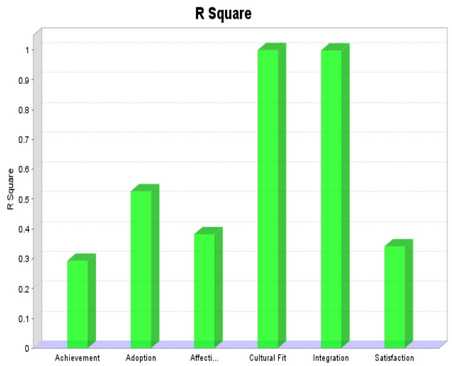

Cultural Fit -> Satisfaction
Human Integration -> Achievement
Human Integration -> Adoption
Human Integration -> Affective Committment
Human Integration -> Integration
Human Integration -> Satisfaction
Integration -> Achievement
Integration -> Adoption
Integration -> Affective Committment
Integration -> Satisfaction
Organisational Justice -> Achievement
Organisational Justice -> Adoption
Organisational Justice -> Affective Committment
Organisational Justice -> Satisfaction
Task Integration -> Achievement
Task Integration -> Adoption
Task Integration -> Affective Committment

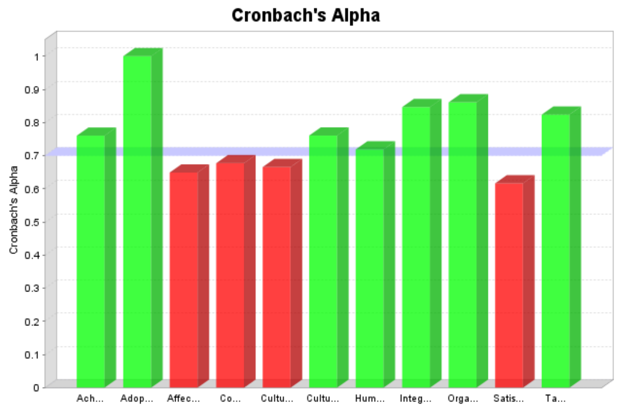

R Square Adjusted
R Square Adjusted
Achievement
Adoption
Affecti...
Cultural Fit
Integration
Satisfaction


Path Coefficients
Path Coefficients


rho_A
rho_A


f Square
f Square


R Square
R Square
Achievement
Adoption
Affecti...
Cultural Fit
Integration
Satisfaction


Cronbach's Alpha
Cronbach's Alpha
Ach...
Adop...
Affec...
Co...
Cultu...
Cultu...
Hum...
Integ...
Orga...
Satis...
Ta...

Publicationsand ConferencesAttended

Publications

- Singh, V. & Maheshwari, G.C (2021),Literature Review on Socio-CulturalDimensions of Mergers & Acquisitions: A Comprehensive Catalogue, Int. J. of Indian Culture and Business Management, Inderscience, Int. J. Indian Culture and Business Management, Vol. 27, No. 1, 2022, pp. 18-30, DOI: 10.1504/IJICBM.2021.10043421
- Singh, V., Maheshwari, G.C. and Yadav, R. (2022) 'Effects of culture on outcome of mergers and acquisitions – Sun and Oracle case study', Int. J. Cultural Management, Vol. 1, No. 2, pp.114–145.DOI: 10.1504/IJCULTM.2021.10042714
- Effect of Deal Size on M&A outcome on HR parameters: An empirical analysis Singh, V. & Maheshwari, G.C & Yadav, R. (2021), Int. J. of Economics and Business Research, Accepted for publication, and DOI: 10.1504/IJEBR.2023.10043094
- Regulatory Framework for Cross Border M&A's in India: A Comprehensive Review, Singh, V. & Maheshwari, G.C & Yadav, R. (2021), Springer Nature, Accepted, UnderPublication

Conferences

- International conference on Business and Management, Delhi School of management, Delhi Technological University, 29-30th March, 2019, Paper on "M&A Competitiveness: Managing turnover during M&A
- 6th International conference on advanced production and industrial engineering (ICAPIE) 2021 held on 18-19th June at Delhi Technological University, Delhi paper presented on "Regulatory framework for Cross border merger in India: A Comprehensive review"