Linking Leadership, Investment Strategy and Competence to Organizational Performance with special reference to post-M&A firms

Raymond Wai-Ming Chan

Supervised by: Dr. Chung Leung Luk and Dr. Eddie Yu

Submitted in partial fulfilment for the award of the degree of

Doctor of Business Administration

University of Wales Trinity Saint David

2022

DECLARATION

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

Signed ....Raymond Chan................................... (candidate)

Date ....Nov 28, 2022.......................................

STATEMENT 1

This thesis is the result of my own investigations, except where otherwise stated. Where correction services have been used the extent and nature of the correction is clearly marked in a footnote(s). Other sources are acknowledged by footnotes giving explicit references. A bibliography is appended.

Signed ....Raymond Chan................................... (candidate)

Date ....Nov 28, 2022.......................................

STATEMENT 2

I hereby give consent for my thesis, if accepted, to be available for deposit in the University's digital repository**.**

Signed ....Raymond Chan................................... (candidate)

Date ....Nov 28, 2022.......................................

Acknowledgements

The author would like to thank the supervisor team of Dr Chung Leung Luk and Dr Eddie Yu for their support and discussing with them the concepts, approach and findings. It was a great pleasure to have the opportunity to conduct research in this field, and it is hoped that the findings of this research will be useful to M&A activities.

Abstract

M&A is an important research topic in the areas of strategic management, organization development, leadership, management of change, and corporate culture. There are seminal works with solid empirical evidence of effective M&A strategic planning, leadership, competence, and effective cultural integration as success factors for realizing M&A strategic goals. However, managing the entire M&A strategic planning and execution process holistically with synergistic integration of the three domains that the 3H framework (Yu, 2019) advocates has not been studied. With due respect to the significance of the previous studies on single or couples of key independent variables, it appears that they have offered some necessary yet not sufficient conditions for securing effective M&A strategic planning and execution. It is envisaged that this study will help illuminate the holistic management approach in this important research topic. For this study, the main research problem statement is "M&A strategy, leadership and employee competence have a direct impact on the merged organizational performance. However, in order to realize the intended M&A synergies, it is hypothesized that the acquirer has to adopt a holistic approach to manage all these three constructs effectively and efficiently." This study provides a holistic view of the key factors affecting the performance of post-M&A performance. The findings of the study have been used to develop a 3H-M&A framework and model which link Leadership, Strategy and Competence to post-M&A organizational performance.

Keywords: Mergers and Acquisitions, Integration, Investment strategy, Leadership, Corporate Cultures, Competence, Organizational performance, 3H framework.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION

1.1 Background

Organizational development theory is one of the most popular topics in Management theory, and the topics of Organizational Development have been studied for more than a century. One of the organizational developments comprises forms of ownership changes. Forms of ownership changes in corporations are one of the major business activities. Mergers and Acquisitions (M&A) are one of the major forms of ownership changes in corporations. In the global business economy, M&A have become significant for organizations to increase their competitive advantage (Adler, 1997; Kleinschwärzer, 2015). Successful M&A enable an organization to grow faster, penetrate new markets, sell to a new customer base, expand the product portfolio, acquire new technology, expand R&D capacity, reduce competition, increase the financial advantage, etc. However, the failure rate of M&A transactions is still significant (Ayawongs, 2014; Bauer and Matzler, 2013; Bouwman, 2013). Despite the high failure rate, still many M&A activities have taken place over the years. Given that M&A have an important impact on organizational performance, the critical success or failure factor for M&A transactions has become the most important research topic.

1.2 Importance of M&A in company strategy

M&A are one of the efficient methods for businesses that want to expand and accomplish their objectives in a short period of time (Chang, 2018). There are other benefits to M&A apart from reaching business objectives quickly, such as the possibility of increased organizational efficiency over two separate businesses. M&A should therefore be one of the key strategy options for the company's long-term strategy. In 2004 the global M&A transactions rate was about 30,000, and M&A have been a widely used strategic option globally for companies to grow or expand over the past few decades (Cartwright and Schoenberg, 2006; Chickene, 2013).

The M&A process can be split into two phases: pre-M&A and post-M&A. The pre-M&A phase refers to the activities before the agreement is signed and post-M&A is the integration phase thereafter (Chickene, 2013; Haspeslagh and Jemison, 1987). The investment strategy which includes the integration strategy is usually formulated and set in the pre-M&A phase. In the pre-M&A phase, the company tends to focus more on the financial impact and the strategic fit of the target company (Birkinshaw et al., 2000; Cartwright & Schoenberg, 2006; Chickene, 2013; Harrison et al., 1991). The financial and strategic fit are probably the key elements for the management to decide on the acquisition transaction, while the post-M&A process is the important phase in which to realize the investment strategy in the pre-M&A phase. More research is shifting to the post-M&A phase in order to find out the critical or failure factors for an investment, as the due diligence performed in pre-M&A phase is not sufficient to explain the failures. Some researchers have mentioned that about two-thirds of M&A do not achieve the anticipated pre-M&A goals (Ai, 2015; Cartwright and Schoenberg, 2006; Schoenberg, 2006).

1.3 Recent M&A activities and failure rate

The size and volume of mergers and acquisitions are expanding worldwide, with more than 40,000 transactions and a combined value of over US$3.5 trillion during six consecutive years of record levels starting at the beginning of the new century (Kleinschwärzer, 2015; Thomson Reuters, 2014). The volume and scale of M&A transactions have significantly expanded globally in recent years (Shi et al., 2017). In North America and Europe, 2018 was another record year for mergers and acquisitions. Since 2004, M&A operations have grown significantly in the Asia Pacific region. Although the M&A activities have grown rapidly, the success rate is not high and the highest estimated success rates are 50% (Cartwright & Schoenberg, 2006), and per Deutsch and West (2010) the success rate is even less – in the range of 25-34%. One of the reasons for the high failure rate of M&A over the past periods is that the current research on M&A is incomplete and poorly understood (Cartwright and Schoenberg 2006; Stahl et al., 2013). Per Bryson (2003) and Armstrong (2011), between 50% and 80% of mergers fail to meet expectations such as equity value, rate of return on investment financial, strategic goals and business growth.

The number of M&A transactions in Asia Pacific was over 15,000 and the value was over US$1.2 trillion in 2016 (The Institute for Mergers, Acquisitions and Alliances IMAA, 2022). Hong Kong and China are part of Asia Pacific, where M&A transactions are considered one of the significant business activities in the region. Despite the popularity of M&A activities, most research indicates that more than 55% of the M&A activities do not meet the targets of investment (Cartwright et al., 1996; Kleinschwärzer, 2015; Tetenbaum, 1999).

1.4 Objectives of the research

As mentioned before, post-merger integration is an important part of the M&A strategy. Lots of researchers have mainly focused on the financial and strategic factors to explain the performance of M&A; however, these factors may not link directly to the success or failure of the M&A activities. Researchers should pay more attention to non-financial factors which may have more direct links to performance (King et al., 2004). One of the objectives of this study is therefore to explore the non-financial factors linked to the performance of post-M&A activities.

Leader plays a crucial role in post-M&A integration activities; however, two-thirds of leaders fail to meet the intended merger goals (Hu & Huynh, 2015; Lang, 2019). The goal of this study is to make academics and practitioners aware of the best practices and to improve the organizational performance after M&A. The objective is to assist leaders to understand the key factors affecting the success of M&A integrations. The objectives will be achieved through case study data analysis and findings. The findings will help advance the M&A theory with a new 3H framework (Yu, 2019) for a holistic approach to M&A strategic planning and execution. Leadership in the H1 Heart domain; M&A strategy for the H2 Head domain and Competence H3 Hand domain will form the key parts of the 3H framework. The result of the case study analysis and findings will be presented in the conclusions chapter.

1.5 Problem statement and research questions

In accordance with the objectives of the research, the main research problem statement of this study is as follows:

M&A strategy, leadership and employee competence have direct impacts on the merged organizational performance. However, in order to realize the intended M&A synergies, it is hypothesized that the acquirer has to adopt a holistic approach to manage all these three constructs effectively and efficiently.

The problem statement will be addressed with the following research questions:

1. What is the role of M&A strategy in realizing the post-M&A goals of the acquirer firm?
2. What is the role of leadership in realizing the post-M&A goals of the acquirer firm?
3. What is the role of the firm's competence in realizing the post-M&A goals of the acquirer firm?
4. Why is a holistic approach with integration of leadership, strategy and competence necessary for realizing the post-M&A goals of the acquirer firm?

1.6 Purpose of the research

The integration process plays a critical part in determining the success or failure of M&A transactions as it forms a significant part of the acquisition cost. A study that focuses on integration activities will therefore be helpful to future M&A planners.

This study is focused on the performance of the merged organization in comparison to the M&A investment objectives. The purpose of this study is to evaluate the results of the business leaders adoption of the M&A integration process.

The research aims are to investigate the critical success factors and to create a useful model that business leaders can use to identify the key factors under different integration strategies in order to meet their investment goals, and a holistic research framework approach to the post-M&A activities will be developed to support the research aim.

1.7 Scope of study

According to the IMF (2022), the China is nominally the largest economy in the world and United States is the second largest on a PPP basis. The USA and China rank in the top two places using either method. In contrast, Hong Kong is 48th in the nominal ranking. Leading multinational corporations that want to retain their leader positions should have presence in Asia which means that Asia is an important market for global corporations. China and Hong Kong are part of Asia, and Jovanovic (2002) and Haque (2021) mention that companies in China and Hong Kong will have a better advantage in future M&A. As the importance of China and Hong Kong M&A activities is global, the research reported in this paper focuses on the M&A business activities of companies in Hong Kong and China.

M&A are one of the major forms of ownership changes in corporations. Such ownership changes will probably disrupt the business operations and have an impact on the employees, customers and business partners. When M&A take place, the post-M&A activities become the only action to make the M&A a success. It is very important for the leaders to understand and manage the various parties' expectations and rely on their competence to achieve success in the new merged organization. For this reason, the scope of this research study focuses on the Strategy, Leadership and Competence which are directly linked to the organizational performance of post-M&A organizations in Hong Kong and China.

1.8 Research methodology

Qualitative research methodology is considered to be the most appropriate approach to address the research questions. The study will use a descriptive, multiple case study research method and three representative cases were chosen. Among the three M&A cases selected, the first one is a large multinational corporation based in China; the second case is a medium-sized company with headquarters in Hong Kong and factories in China; and the third case is a small Hong Kong company. All the cases have at least 3 years of operations after the M&A deal was closed, in order for the management to assess the post-M&A performance. For confidentiality and anonymity reasons, code names are used throughout the investigation in order to distinguish between the various stakeholders involved in each case study. The researchers carefully considered ethical issues such as informed consent, harm to participants, and the internal observations of participants. When describing the findings of this investigation, the author took into account a number of potential ethical concerns and applied strict confidentiality and anonymity safeguards.

Qualitative semi-structured interviews with key personnel in each case study were the primary data collection source. Each case study's sample included three groups of key personnel: senior executives, middle managers, and staff. The interview data acquired were triangulated by the secondary data which were drawn from the company website, press releases and other relevant company documents. The data analysis included individual case analysis and cross-case analysis using pattern-matching logic. The research design and analysis processes incorporated validity and reliability tests. To achieve configuration validity, multiple data sources were used. Multiple case study designs with replication logic were used to achieve external validity and pattern-matching data analysis logic was applied to achieve internal validity. See Chapter 3 for more information on the investigation method.

1.9 Research significance and contribution

This study is intended to assist practitioners and academics with leadership practices to improve the organizational performance post-M&A. The significance of this study is the provision of a holistic approach to M&A strategic planning and execution. Such holistic approach can also be applied by academics and practitioners to predict M&A outcomes in a deductive way. With this approach, M&A planners can plan and manage a comprehensive framework to secure a better chance of successfully achieving their M&A goals.

This study contributes to the literature by providing a better understanding of the key success factors in regard to the post-M&A activities that link Strategy, Leadership and Competence during post-M&A activities. The research offers a holistic approach framework and identifies the key success factors that management should consider in post-M&A integration. Also, the study aims to investigate the necessary and sufficient conditions for M&A success and explores a holistic approach to explain why M&A fail or succeed in an inductive way. The findings of the study will help advance the M&A theory with a new 3H framework for a holistic approach to M&A strategic planning and execution.

1.10 Structure of the Thesis

This thesis is divided into six chapters. The first chapter is the introduction, which provides the background for this research study. It states the importance of M&A strategy and the recent activities. It also highlights the research objectives, problem statement, research questions, purposes and method. The chapter concludes the research significance and contribution.

Chapter 2 reviews the relevant existing literature in the area of M&A and the former scholarly research on the success and failure factors. The literature review then discusses the key component factors directly affecting organizational performance. Based on a research review, the researcher applied a holistic approach framework to address the research questions and objectives outlined in the previous chapter, which helped bridge the research gaps identified.

Chapter 3 describes the research methodology and design. These include the research philosophy and strategy. It first presents different types of methodologies and explains the rationales and assumptions for the approach selected to answer the research questions. The research design includes the case study research strategy, case selection, semi-structured interview questionnaire used, and data collection plan, while ethical concerns are also considered.

In Chapter 4, the case studies chapter, in-depth case reports for each case are covered. Each case starts with a detailed description of the background of the M&A companies. The investment strategy of the deal and objective is presented. It then describes the leadership and competence of the merged company. It further analyzes the key success or failure factors regarding the company's performance after the merger. Each case will conclude with the result of the interview.

Chapter 5 provides the findings and analysis of the multiple case studies. An analysis of all the case studies' participant interviews is presented. This cross-case data analysis is based on the single case study result in the previous chapter. It then discusses the reliability and validity of the findings. The chapter ends with a discussion of the key research findings that address the research questions and the gaps in the literature.

Chapter 6 presents the conclusions of this thesis. It starts by discussing the final results of this research and how it answered the research questions and achieved the research aim and objectives. The final conclusions are drawn based on the whole study. It then describes the contributions to the literature and the limitations of the research. Further implications of the research area are also presented.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter reviews the literature and conceptual framework from previous research on companies' M&A related to the research problem. It starts with a brief overview of the objective of M&A and the previous research on the success and failure factors related to M&A. The literature with respect to Investment Strategy, Leadership Theory and related matters is broadly reviewed. This chapter then examines the literature research on organizational performance measurement, and the relationship between Employee Competence and Organizational Performance is also discussed. The final section of the chapter explores the 3H conceptual framework (Yu, 2019) application to the M&A integration process. This conceptual framework provides three important areas for research which have significant impact on organizational performance. These areas are Leadership (H1), M&A Strategy (H2) and Employee Competence (H3). This literature review builds the basis for the research design and theoretical framework for the research questions in the upcoming chapters.

The literature review for this research consists of primarily peer-reviewed articles, scholarly texts and published books, and theses that are relevant to this study. The data source is the databases in the online library of the University of Wales Trinity Saint David. The specific databases included ABI/Inforum, ProQuest, Sage Journal and others. The keywords used included: Mergers and Acquisitions, Integration, Investment Strategy, Leadership, Corporate Cultures, Competence, Organizational Performance, and 3H framework.

2.2 Mergers and Acquisitions

Mergers and Acquisitions (M&A) have been one of the important business strategies used by many corporations and therefore many business leaders and academic researchers with great interest in this area have paid a lot of attention to this topic. There are many definitions of the terms 'mergers' and 'acquisitions.' Acquisitions relate to the combination of two or more organizations that are of different sizes and qualities where one of the companies takes control of the other company's assets and operations; mergers refer to combining two organizations to form one organization by pooling their assets and operations (Vazirani, 2012). Dao and Bauer (2020) and Lim (2021) refer to M&A as a corporate strategy for an organization to acquire or merge with another organization to quickly enter a new market or produce a new product that cannot be easily achieved by itself. Reuters (1982) refers to merger as "the fusion of two companies or, sometimes, an acquisition of one company by another." An acquisition can be in the form of one company purchasing all the tangible and intangible assets of the business unit of the target company. The purchaser will merge the target company business unit with the company after the acquisition is completed. As the terms 'mergers' and 'acquisitions' have precise definitions in individual terms, in order to accomplish organizational growth, mergers and acquisitions might be seen as an alternative to strategic partnerships and organic growth (Campbell et al., 2006). Per Lim (2021) and Steigenberger (2017), most researchers do not differentiate 'mergers' and 'acquisitions' as two separate corporate strategies and consider both as sharing the same post-M&A integration process. Therefore, the term 'M&A' can be used to refer to a change of ownership of a corporation due to either a merger or an acquisition. Following Lim (2021) and Schweiger and Goulet (2000), and lots of other management literature, this study defines ‘M&A’ as a neutral and collective term for either a merger or an acquisition.

As previously stated, M&A is one of the best strategies to expand business and meet corporate objectives in a short period of time (Chang, 2018). There are numerous reasons for a company to merge or acquire other companies and their common business goals are mainly to increase efficiency, lower costs, and increase profitability (Duvall-Dickson, 2016). Other M&A goals include gaining access to new markets, reducing competition by acquiring a competitor, and utilizing the resources of the acquired company, such as its natural or human resources (Achim, 2015). The purchaser may disregard corporate cultures if the purpose of the acquisition is to gain access to new technology, technical know-how, or proprietary information (Duvall-Dickson, 2016). There are many reasons for a firm to pursue M&A, and a successful M&A will undoubtedly aid the company in achieving its desired objectives.

Generally, the M&A process can be divided into two phases which are pre-M&A and post-M&A research (Ai, 2015). Some researchers further divide the M&A process into more than two before post-M&A, but most research commonly refers to post-M&A as one single phase. The post-M&A phase begins when the official legal document/agreement is signed off between the parties. In this study, the research questions and objectives only focus on the post-M&A phase.

When the M&A deal is completed, the two companies will shift their focus to the M&A integration process. Steigenberger (2017) states that the integration process is a key driver of the success or failure of M&A.

Most M&A scholars describe the integration process as a process of combining the assets and personnel into the merged company (Ai, 2015; Viegas-Pires, 2013). Integration is the process of combining two organizations into one organization, notably by integrating their personnel into a single corporate entity (Knilans, 2009). Haspeslagh and Jemison (1991) define integration as a combination process for two organizations' employees to work together to transfer the strategic capabilities. Following the definition above, this study defines post-M&A integration as a process of consolidating two or more companies into a new merged organization with the aim to achieve the investment strategy by combining their assets, people and resources, and also integrating the merged organization into one corporate entity.

The planning, integration, and implementation phases make up the three key stages of the M&A integration process. The Planning phase is the initial stage of the M&A proposal. New organizational structures, processes, and system designs will be taken into account throughout the planning phase. The integration stage starts after the M&A agreement is completed and announced. The purchaser will transfer their focus on defining the joint strategy of the new company. The new company strategy design shall align with the different perspectives of stakeholders, customers and employees (Tepedino & Watkins, 2010). The integration plan shall align with the new corporate strategy, and most of the M&A integration and implementation plan should have the same characteristics as the organizational change process (Ofer, 2016). What follows the integration phase is the implementation stage. Resources redundancy, employee conflicts of interest, power battles between managers, system integration, and both voluntary and involuntary staff layoffs are the most likely problems to happen in this stage; thus, the involvement of leaders and HR is important (Rodriguez-Sanchez et al., 2018). The literature has reiterated the importance of planning and integration as presented in the following paragraph. Each stage plays an important role in the success of the M&A. Also, as per Haspeslagh and Jemison (1991) "The integration process is the key to making acquisitions work."

In summary, for a company that wants to grow its business and achieve its goals within a short period of time, M&A is one of the effective methods to achieve such results (Chang, 2018). Besides achieving its goals in a short period of time, other reasons to opt for M&A include that the combined organizational activities will be more efficient, cost-effective and profitable (Duvall-Dickson, 2016). There are other M&A objectives which include access to a new market; increased customer base; eliminated or diminished competition by acquiring a competitor; advantages from the acquired company's resources, including human, management, and natural resources (Achim, 2015). In cases where the deal's objective is to obtain new technologies, innovation, specialized know-how, or restricted data, the corporate culture may be overlooked by the purchaser (Duvall-Dickson, 2016). It is critical to arrange the M&A to align with different stakeholders' objectives. The integration and implementation arrangement ought to be executed in concurrence with the aligned corporate strategy. Whatever the reasons are why companies opt for M&A, the end goal is successful integration and implementation to achieve the planned targets. To measure the success or failure of M&A deals, an aligned corporate goal will be one of the indicators.

2.3 Success and Failure of M&A

This section presents an overview of the recent research on the success or failure rate and literature review on the subject to analyze the success and failure of M&A. There are many articles that contain analysis of the success or failure of M&A. It is not an easy job to assess whether M&A are successful or failures, as takeovers are corporate events that are either value-creating or value-destroying. In the last few decades, many scholars have defined "success" or "failure" based on the post-M&A financial performance (Al Musharraf, 2003; Lajoux, 1998). Per Lajourx (1998), just under 20 percent of M&A experience failure when failure is defined as the liquidation or sale of the merged organization. However, when failure is defined as the merged organization not being able to attain a certain financial goal, the reported failure rate is as high as up to 80 percent. In this study, the failure of the M&A deal can be defined as not being able to achieve the aligned strategy plan and failure to increase the company's value (Mercer Bing & Wingrove, 2012). On the other hand, the success of M&A can be defined as the merged company being able to achieve the aligned business plan and increase the company's value. This study only focuses on success and failure factors during the post-merger activities.

Notwithstanding the tremendous sums of cash and assets spent on takeovers and the many scholarly examinations and explorations of firms' execution around and after a merger, the elements deciding an arrangement's definitive achievement are yet not definitely known. A lot of studies demonstrate that, particularly for significant public arrangements, investors receive zero or even negative profits at the acquisition announcement. Numerous studies also demonstrate that investors get little to no benefit from takeover deals when looking at the offer value development or operational performance of the merged firm over a longer time period (2-3 years following the exchange) (Ai, 2015; Andrade et al., 2001; Moeller et al., 2004). Campbell et al. (2006) stated that

43% of M&A fail to achieve their financial goal or acquirer's return of capital goal. In addition, any expected collaborations at the declaration of the arrangement might be overestimated due to, for example, social predispositions, one-sided bidder official statements, value pressure, consolidation mix contacts, or unexpected changes in the financial climate, as sure short-run declaration returns frequently do not emerge in the more extended term (Agrawal & Jaffe, 2000; Ai, 2015; Malmendier et al., 2018).

Ofer (2016) found that the failure rate for M&A deals ranges from 60 to 80 percent, which is a high failure rate for most M&A deals. According to a KPMG (1999) analysis, the emphasis on integrating corporate cultures is the primary reason that 26% more merger and acquisition agreements succeed than the industry average. However, there is not much change in the corporate management to shift the focus to the corporate culture. Therefore, one of the most critical success factors in the integration process is the corporate culture management leadership. Per the recent article from Rodriguez-Sanchez et al. (2018), over 80% of failure cases involved poor management of the various M&A process stages, and there was still a failure rate of over 50% of M&A deals where the corporation could not achieve its business goal. Therefore, in the latter sections, leadership and corporate culture management will be further examined.

Investors and corporation management have tended to measure the success or failure of M&A by its performance compared to the original investment objectives, including both financial and non-financial aspects, after acquisitions. Typically, these measurements are performed at 1 to 2 years, or even up to 5 years after integration. There are also some researchers who just measure the financial return, while others measure employee performance and the integration strategy. The most common issue is the level of employee resistance, and the integration strategy can only be measured after several months or years after the merger. These mixed performance measurement methods for the success or failure of M&A have generated lots of research interest in regard to M&A. The investment strategy for either financial or non-financial goals has a significant impact on the factors defining the success or failure of the merged organization.

There are lots of research papers on post-M&A leadership as a key success factor, such as Ai (2015), Armstrong (2011), Hinduan et al. (2009). One of the main tasks of post-M&A leadership is to manage the corporate culture difference. During the period from 1986 to 2000, around 26% of overall global acquisition value was from cross-border M&A (Conn et al., 2005). The share raised significantly to 45% in 2007 (Erel et al., 2012) and more than 50% in 2016 (Renneboog & Vansteenkiste, 2019). Companies benefit from cross-border mergers as they have more opportunities to enter new markets and profit from economies of scale and scope, but they also make integration more challenging due to the institutional, legislative, and cultural differences between countries. Knilans (2009) discovered that the lack of a solid plan for cultural integration is the primary cause of many M&A failures. The primary cause of failure is the conflict of cultures between the merged companies. The integration of IT systems or distinct national cultures is related to cultural differences as well (Marks & Mirvis, 2011). Most corporate culture integration failures on the part of both entities' employees are due to inadequate planning, lack of data to establish the new organizational strategy, and poor communication during the integration stages (Mercer Bing & Wingrove, 2012). One of the failed merger examples is the AOL and Time Warner merger, where the agreement between the two media and communications giants was signed in 2000 for $350 billion to hold dominant positions in every type of media but reported a significant loss for the merged company two years after the merger. The major challenge for this merger was to integrate two different company cultures and the result was not as expected (Wade, 2010). Additionally, experts have demonstrated in recent studies that one of the biggest problems with corporate M&A continues to be culture. The case from Gill (2012) on the merging of two comparable Japanese companies in the same sector and time period has shown that the primary factor in mergers and acquisitions' success and failure is corporate culture management. In the automotive sector, two amalgamated businesses were referred to as DaimlerChrysler-Mitsubishi and Renault-Nissan. While the Renault-Nissan merger was successful, the DaimlerChrysler-Mitsubishi combination was unsuccessful (Gill, 2012). In conclusion, the Renault-Nissan leader was better suited and guided corporate culture improvements toward the desired company goal, whereas the DaimlerChrysler-Mitsubishi leader neglected to address corporate cultures which contributed to the merger's failure. In the essay by Gill (2012), the significance of corporate culture alignment with the merging firm is emphasized. These are just a few examples of the leadership and corporate culture that show the important factor in post-M&A performance. Several studies have reiterated the value of leaders, communication, and corporate culture during the M&A process (Appelbaum et al., 2007; Maepa, 2014; Tepedino & Watkins, 2010; Ofer , 2016).

Employee competence is another key success factor for the post-M&A process which includes knowledge transfer, deliberate learning (Ai, 2015; Armstrong, 2011), organizational identity (Armstrong, 2011; Kovoor-Misra & Smith, 2008), and so on.

Taking the above literature review together, the main factors that will affect the success or failure can broadly be classified into Investment Strategy; Leadership and Corporate Culture; and

Competence. Therefore, in the following sections, leadership and corporate culture, competence and investment strategy related to post-M&A organizational performance will be studied.

2.4 Investment and Integration strategy in M&A

Chen (2021) defines investment strategy as "a set of principles designed to help an individual investor achieve their financial and investment goals. This plan is what guides an investor's decisions based on goals, risk tolerance, and future needs for capital." It is very difficult for a company to set investment goals without a strategy, and it is very difficult to measure organizational performance without an investment goal. M&A are one of the key investment strategies for corporations, and they have a significant impact on companies, procedures, shareholders and employees, (Ai, 2015; Birkinshaw et al., 2000). Since M&A create the greatest possible value, this strategy is often used by organizations in order to grow their business. Other potential M&A advantages include increased market share, penetrating new market regions, obtaining products or services' proprietary rights, achieving economies of scale, acquiring complementary resources and capabilities, reducing costs, and tax advantages (Caiazza & Volpe, 2015; Friedman & Friedman, 2018; Gaughan, 2010; Hassan, 2013; James, 2005; Lang, 2019). M&A investment strategy occurs in the pre-M&A phase in order to invest in M&A activities.

In summary, M&A investment strategies can be classified into three main types: pursuance of growth, defensive reasons, and financial opportunities (Ray, 2010). Details regarding the three main types per Ray (2020) are as follows:

Pursuance of growth – when a company needs immediate growth for its business and it does not want to wait years for the marketing and sales strategy to pay off, M&A can be the best and quickest way to achieve the target result. A successful M&A will achieve the objective of providing an area of expansion for the existing market or entering into a new product market. The combined company will grow faster than just adding the two post-M&A companies' performance together. Some of the reasons for companies to opt for M&A in order to grow their business include increased market share, reduced competition, increased revenue, entry into global markets, obtaining more financial resources, etc. Apart from the benefit of M&A, there are many challenges that come with M&A which will be discussed in the later part of this study. It is not easy to combine two businesses as it may result in many new issues that did not exist before.

Defensive reasons – a defensive merger is a situation where a company targets another company to take over and the target company does not want the takeover to happen. Therefore, the target company chooses to merge with another company to avoid the acquisition to prevent it from losing market share. Defensive mergers are a tough choice for the management of a target company. They must choose between being acquired by an unfavorable candidate and combining with their main competitor. Because of the resources required to avoid takeover, staying independent is often out of the question. As a result, a defensive merger is always the best choice for retaining some control while establishing good synergy with the merging company.

Financial opportunities - The issue of building up a legitimate post-M&A methodology has been treated according to various perspectives in the economic and financial literature. Specifically, the significance of the integration of business income and clients as a critical factor in creating company value after mergers and acquisitions is not notable, which is the subject and objective of this exploration study, which could fill this gap with a comprehensive conceptual framework focused on the integration process.

Individual organizations can have a wide scope of **motives** when making an acquisition, and the three major motives are strategic motives, financial motives and managerial motives (Campbell et al., 2006) and details per Campbell et al. (2006) as follows:

Strategic Motives - A company may make an acquisition in order to increase its share of a current market, enter a new market, expand into a new geographic region, or differentiate from its core business. Under certain circumstances, acquisitions might be a particularly alluring way to accomplish such strategic developments. In some industries, economies of scale are critical to cost structure, and acquiring a venture that has reached the necessary scale might allow progress without the risk of starting off with a financial load. Acquisition of an organization that is now working in the ideal item zone gives quick admittance to a set up appropriation channels and its significant rack space notwithstanding its different resources, for example, fabricating limit and brand name. Additionally, the speed with which acquisitions can provide an established market position can be extremely valuable if a firm believes that it is a late participant compared to its rivals in the specific market.

Companies might also make an acquisition if they want to expand their current resource base in a particular region or if they lack a specific skill set that would be required to implement their strategy internally. For example, AOL's acquisition of Time Warner gave it access to their library of books and movies, which was a resource that would have been very hard to create on its own.

Similar to this, an acquisition may be used to acquire a cutting-edge product or interaction innovation, a well-established brand, access to a distribution channel, or administrative expertise.

Financial Motives - Financially, a publicly traded firm may have financial reasons for finding growth particularly alluring if its price earnings ratio is relatively high in comparison to that of potential target companies; to achieve a satisfactory rate of return for the investment and risk being taken; and achieving better earnings per share through acquisition using highly rated shares (Campbell & Schoenberg, 2006). Other reasons include the targeted corporation having accumulated loss over a period of time so that the merged company can utilize the tax loss over its accumulated tax profits. An organization making solid benefits might be pulled in to get a targeted firm that has developed loss throughout some undefined timeframe. When the acquisition is finished, and if the proper accounting requirements are met, the acquirer's future advantages might be offset by the firm's cumulative loss, thereby reducing the merged company's tax burden. Similar to this, a business with strong investment prospects can choose to acquire businesses that have a strong cash flow from operations or have a cash-rich balance sheet. The buyer can increase the rate of return on the target company's money by investing it in its own enterprise or by expanding its own purchasing power on the basis of improved financial conditions. This reasoning can even be used in the opposite way, whereby acquirers who take over a highly geared corporation and have strong balance sheets and high credit ratings boost and enhance profits by refinancing the debt within the acquired company at a lower interest rate. Last but not least, some buyers are driven to undertake acquisitions with the hope that they may pay a low price to buy a business and then resell it, whole or in portions, at a profit. While there are not many opportunities for pure "asset-stripping" these days, "unbundling" is a contemporary variation. This includes purchasing a conglomerate that already exists and whose stock market value is less than the total value of its member firms. The firms are then sold off separately, resulting in a profit over the cost of acquisition.

Managerial Motives - Companies that are requesting shareholder approval for an acquisition always explain the strategic and financial reasoning for the transaction and how the acquisition ties in with maximizing shareholder value. Some takeovers are carried out in the interests of the managers of the company, rather than the shareholders. For those acquisitions that are predominantly driven by the managers of the acquiring company's self-interest, shareholder value may not be optimized. The reason for this is that managers that are motivated by personal interests to make purchases can be less concerned about conducting comprehensive economic analysis to ascertain whether the acquisition has the potential to increase shareholder value. They might also be willing to spend more money on the acquisition than would be reasonable on merely economic grounds. For example, one of the recent acquisitions proposed by Elon Musk to Twitter in 2022 was probably due to Elon's personal position. Given the executives' inherent unwillingness to acknowledge that personal interests might have influenced a corporate decision, direct investigation into this "empire building" theory of acquisitions is, of course, highly challenging. However, research that demonstrates that companies with great CEOs but poor corporate governance systems tend to pay larger premiums for their acquisitions provides tangential support for this claim. When a strong CEO also serves as chairman of the board or when there are few non-executive (external) directors on the board, the firm conducts acquisitions with greater bid premiums and inferior shareholder returns. From previous research findings, this suggests that a stronger board of directors may be able to prevent executives from making purchases for their own benefit (Hayward and Hambrick, 1997).

Integration strategy

The investment strategy goal can only be realized when the M&A transaction is completed, which means following post-M&A integration (Haspeslagh and Jemison, 1991). The primary determinant of acquisition performance is the strategy used for the newly acquired firm's post-M&A integration. Before the benefits of a purchase can be realized in practice, plans must be successfully carried out. Significant organizational changes are frequently necessary for operational synergy to be realized. It is obvious that choosing how much two organizations should be integrated after an acquisition presents various difficulties for the acquirer. Over-integration could lead to unneeded organizational friction and raise implementation costs, whilst under-integration might make it difficult to transfer the strategic capabilities required for value generation. An appropriate form of integration will result in maximizing the acquisition performance and increasing the merged company’s value. Haspeslagh and Jamieson’s (1991) integration approach is the most famous and widely cited strategy for post-M&A. According to the framework developed by Haspeslagh and Jemison (1991) based on significant case-study research, the appropriate form of integration will depend on the balance and trade-off between the value creation and autonomy of the acquired firm.

Based on the different investment strategies, Haspeslagh and Jemison (1991) classified the integration strategies into the different types of acquisition integration approach and their relationships with strategy. These four types of approaches are based on two dimensions which are the Strategic Interdependence and Need for organizational autonomy. The four basic approaches are absorption integration, preservation integration, symbiosis integration and holding integration.

The goal of absorption integration is to fully integrate all aspects of the acquired company into the parent company; hence, managerial decisions on timing and communication are more important than choosing which aspect of the company to integrate. These purchases undergo significant adjustments, with a focus on cost savings through resource sharing, including substantial executive departure (Angwin, 2000).

In order to maintain the organizational framework in which the acquired firm's capabilities are embedded, preservation integration often entails placing the newly acquired firm as a stand-alone subsidiary. Preservation is the most common form of integration.

In a process known as ‘symbiosis integration,’ the acquiring firm seeks to achieve a balance between maintaining the organizational independence of the acquired firm and sharing strategic skills between the two companies. Symbiosis integration is found less commonly in acquisitions, which may be an indication of the inherent management challenges. It is noteworthy that in preservation and symbiosis acquisitions, the top executive of the acquired firm frequently remains on board because they are frequently the best gatekeepers for preserving the acquired firm's original organizational structure and competencies.

‘Holding integration’ is the practice of requiring little strategic interdependence while also giving the acquired firm little autonomy. This form of integration is probably most effective when the acquired company needs to undergo a business turnaround and restructuring is the primary mechanism for value generation.

The four integration forms mentioned above should be viewed as broad "metaphors" that can aid in directing the post-M&A strategy. The adoption of multiple integration strategies will be advantageous for large or complicated acquisitions that may involve business units or sets of capabilities that differ in the trade-offs needed between organizational autonomy and strategic interdependency. From time to time, depending on the actual circumstances, the most appropriate kind of integration may alter over the course of an acquisition. In practice, a shift from preservation to symbiotic integration is regularly seen. The type of integration will mostly be determined by the trade-off between organizational and strategic needs, but other factors may also have an impact on the chosen balance.

The chosen integration approach is defined by the investment strategy, which is mainly based on the strategic fit between the two companies (Ayawongs, 2014). The due diligence process during the pre-M&A process will provide information to the investor to determine the initial integration approach in the investment strategy. Many scholars have emphasized that the integration approach is one of the success factors affecting M&A (Ai, 2015; Almor et al., 2009; Angwin and Meadows, 2009; Caiazza & Volpe, 2015; Lang, 2019; Weber et al., 2009). Therefore, this study proposes the following proposition:

Proposition 1: the Investment and integration strategies are key factors that positively influence post-M&A performance.

Caiazza and Volpe (2015) and Lang (2019) mention that leaders are critical to the success of the integration plan and need to lead the complex integration process in order to satisfy the overall strategic objective and the integration strategy. In the next section, the importance of Leadership theory will be studied.

2.5 Leadership theory and M&A performance

Leaders are the most valuable human capital in every company and play an important role in the merged company, so their perspective on the organization will be critical and their new role must be flexible during the integration (Knilans, 2009). According to some studies, leadership is the practice of intentionally influencing someone else's behavior in order to direct, organize, and facilitate relationships and activities within a team or organization (Yukl, 1998; Zhang, 2014). Some other researchers, for example, Kemp (2009), suggest that leadership can be viewed as a leader facilitates and directs the performance, growth, and development of their subordinates.

Trait theories, Behavioral theories, Situational or Contingency theories are the most popular leadership theories in the field (Zhang, 2014). The trait theory of leadership discovered several personality traits and characteristics that are linked to successful leadership in different situations. The behavioral theory emphasizes how leaders behave, and assumes that other leaders can adopt these traits which is known as the style theory. It suggests that successful leaders can be developed based on learnable behavior rather than being born to be successful.

Situational or contingency theories are based on the idea that the leader’s behaviors should alter depending on the challenges that they are experiencing and that the situations in which they are leading require different leadership approaches. The theoretical leadership model on Trial, Behavioral or Situational theory by itself probably does not cover all the success factors of the leader (Johnson et al., 1998; Kanste et al., 2007; Zhang, 2014). Zhang (2014) suggests that the full range of Leadership model (Bass and Avolio, 2004; Yahaya & Ebrahim, 2016) is probably the most accepted comprehensive leadership model widely accepted by scholars.

The full range of Leadership Model concentrates on how managers act toward their employees in various work contexts. The model consists of Transactional, Transformational and Laissez-faire leadership styles. Following a leader's orders or achieving performance goals in return for praise, resources, or the avoidance of punishment (contingent reward) is referred to as Transactional leadership. Leaders only take corrective action when followers fail to meet expectations or goals (management by exception) (Bass, 1985). Transformational leadership occurs when one or more people interact with others in such a way that inspires followers and leaders to attain a greater moral and motivation level (Burns, 1978). Laissez-faire leadership usually refers to a lack of effective leadership. Laissez-faire leadership is ineffective because it avoids making decisions, ignores issues, is indecisive, is hesitant to act and does not follow up and refuses to intervene (Gill, 2011; Yahaya & Ebrahim, 2016; Yukl, 1998).

Geier (2016) and Lang (2019) suggested organizations to use the full range of leadership as the situation requires. There are different forms of leadership style, so leadership transitions will be a major integration activity worthy of investigation. The leaders have a significant impact on employees and the organization during the integration process. The positive employee perception of leaders plays an important role in the successful role in the integration process. Leaders need to motivate employees, inspire employee commitment to and engagement in the new merged organization in order to achieve the organizational goals. Transformational leadership is most suitable in the M&A integration process. Warrilow (2009) states that transformational leadership theory “is all about leadership that creates positive change in the followers whereby they take care of each other's interests and act in the interests of the group as a whole.” Also, Popli and Rizvi (2017) mentioned that Transformational leaders would be ideal for this situation. On the other hand, a laissez-faire leadership style may cause a failure in the organization, given its extremely passive style (Zhang, 2014). Also, Transactional leaders are good at managing existing systems and stable organizations (Zhang, 2014), while the post-M&A period usually has lots of system and structural changes. Therefore, Transformational leadership is probably more effective than Transactional and Laissez-faire leadership styles in the post-M&A integration process. This statement is supported by lots of scholars (Bass, 1997; Bass and Avolio, 1997; Benjamin and David, 2012; Boonyachai, 2011; Hartog et al., 1997; Lowe et al., 1996; Vasilaki, 2011; Zhang, 2014).

As mentioned in the previous paragraph, the outcome of the merger of organizations is significantly impacted by the executives and their leadership style (Lang, 2019; Park et al., 2017). During the organizational transformation, the choice of appropriate leaders to guide the employees plays an important part in the success of the organizational change. Thus, the senior leaders should focus on selecting strategic thinkers to guide the firm during the merger (Lang, 2019). From upper management to middle leadership, the chosen leaders should be open to adopting changes with experience that is demanded in the change environment (Lang, 2019; Sahu et al., 2018; Syed et al., 2018). Communication and trust are required for them to set a goal or develop a procedure for the organizational change (Lang, 2019; Sahu et al., 2018).

Leadership transitions are another significant activity during integrations. Dotlich (2017) defined 'transition' as "the way humans move through major shifts - the challenging, messy, unpredictable and non-linear ways in which organizations and people make sense of change." A company that ignores the leadership transitions during M&A often pay a hefty price. The effectiveness of the leaders depends on how they manage the organization differently in different situations. For the combined organization, it is a new organization which is different from the normal stable operating mode (Yukl, 1998) and requires a distinct handling method. As mergers are complex, this poses a major challenge for the executives, as there are an "infinite" factors which may impact the success or failure of the merger (Armstrong, 2011; Kavanagh & Ashkansay, 2006). Haspeslagh and Jemison (1991) argue that merger is complex in terms of partner selection, negotiation of merger agreements, post-merger planning, and implementation of integration strategies through dialog with the post-merger company. According to Haspeslagh and Jemison (1991), successful acquisitions and mergers can be achieved by understanding and managing the processes in making acquisition decisions and executing those decisions in the integration approach. In addition, Haspeslagh and Jemison (1991) explored how strategies, organizations, and performance interact in the acquisition process. These theories were suitable for the conceptual framework of this study because they provide a framework for considering the use of leadership strategies to increase employee involvement in an organization during an organization's merger.

When the integration strategy includes lots of changes in the merged organization, management of change will be a significant factor for the merged organization to become successful. In the post-M&A integration process, some significant changes that are commonly made are the elimination of unnecessary or less commercially competitive business units, the integration of comparable operation, and the formation of new department (Ai, 2015; Gomes et al., 2013; Schweiger et al., 1993). In order to accomplish successful implementation of the M&A process, the acquiring company needs appropriate management to manage the organizational and cultural changes in the merged entity (Ai, 2015; Angwin and Meadows, 2009; Vasilaki, 2011; Vermeulen and Barkema, 2001). Disastrous M&A performance may be caused by a lack of top-level acquirer decisions and actions in managing post-M&A changes and setting strategic directions (Ai, 2015). Results from empirical studies on the consequences of top management changes have produced different results (Karaevli, 2007). Employees of the acquiring company may react relatively negatively to the acquisition than employees of the acquirer (Junni and Sarala, 2013).

Transformation leadership probably is the most suitable type in this situation to manage employee motivation, engagement, commitment and retention due to the organizational changes. Managing the corporate culture change is one of the key success factors in the integration process, which will be discussed in detail in the next section.

Communication is critical for leaders to be successful in the merged organization. Communication is generally considered essential for successful post-M&A integration. Accurate and effective communication is crucial to the integration process, particularly in the early phases of the post-M&A period (Ai, 2015; Dagnino and Pisano, 2008). Communication empowers the employees of the merged company to have a more thorough understanding of the strategic intent and direction (Ai, 2015). Effective and efficient communication is needed for successful post-M&A integration while communication that is inadequate and inefficient might undermine the commitment needed for integration (Ai, 2015; Schweiger and Denisi, 1991). Proper communication tools are important for bridging the cultural differences between the two merged organizations. To enable adequate integration in the post-M&A phase, timing and communication frequency must be emphasized (Papadakis, 2005). The post-M&A shareholders' concerns and doubts need to be addressed appropriately through various communication channels immediately after the M&A from the human resource management perspective (Ai, 2015). Communication with the acquired companies' employees should be done in a timely manner to avoid misunderstanding between staff and reduce employee resistance against the new companies (Papadakis, 2005). In addition, increasing the frequency of communication may help post-M&A integration by creating a better working environment, mutual trust and better understanding of the cultural differences between the acquiring and acquired companies (Ai, 2015). Per Bresman et al. (1999), post-M&A integration processes have been found to be positively impacted by the frequency of multi-channel communications such as technical meetings, long-term visits, collaborative training programs, etc. as they impact the knowledge transfer between companies. The research also emphasizes that the effectiveness of communication somehow is related to various communication methods (Ai, 2015). Although communication is important, excessive communication should be avoided as suggested by several recent studies (Ai, 2015). In general, M&A literature confirms that post-M&A communication plays a significant role as a guide to the integration process. Communication in the integration process needs to be handled carefully because cultural differences between countries and language barriers may make it more difficult (Ai, 2015). As argued by some scholars, the cultural differences in countries can affect the relationship between the levels of communication and post-M&A and overall M&A performance. (Ai, 2015; Weber and Tarba, 2010). Most of the M&A literature supports communication being one of the important factors in the integration process.

The objective of this study is to explore the linkage of the strategies of leaders, investment and integration strategy, and competence to the post-merger organization's performance. A literature review of the leadership, investment strategy related to organizational performance is presented. Also, in this study, how leaders engage employees using leadership techniques such as communication, employee involvement, and cultural integration to promote employee self-effectiveness during times of organizational change will be considered. In the following propositions, leadership-related issues other than culture alignment includes communication and the management of changes.

Proposition 2: Leadership and the related issues are key factors that positively influence post-M&A organizational performance.

In the next section, we will explore the management of corporate cultures which is one of the major leadership-related issues impacting organizational performance.

2.6 Leadership in Corporate Culture Management

Human capital, systems, processes, suppliers, and customers make up corporate culture. Employees and management personnel are considered part of the human capital; systems include the information system or computer system; processes include the decision-making and approval processes as well as the communications processes; and the suppliers and customers also form part of the corporate culture. Schein (2010) defines culture as "what the group has learned in its efforts to survive, grow, deal with its external environment, and organize itself." Every firm has a corporate culture, and those with strong corporate cultures can gain a competitive advantage and reduce the company's costs (Gill, 2012).

Hierarchical culture, Market culture, Clan culture, and Adhocracy culture are the four competing values regarding organizational culture (Cameron and Quinn, 1999). A regulated and structured workplace, as well as a company's policies and processes, are all examples of Hierarchical culture. Acts with customers and suppliers—among other external parties—that give the business a competitive edge are referred to as being part of Market culture. Clan culture mainly concerns the similar values and objectives among employees, as well as teamwork and corporate commitment. The product development and initiatives that will make the company successful are referred to as Adhocracy culture (Mercer Bing & Wingrove, 2012).

Most large organizations have their own dominant culture and various subcultures. The core values that the majority of an organization's members adhere to are referred to as the dominant culture of the organization or the organization's corporate culture. In large organizations, subcultures are developed to express the general issues, situations, or experiences that members encounter. And these subcultures can be separated geographically and are defined by departmental designations. Each department can maintain the core values of the organization, but modify it to reflect the specific context of the individual entity (Ayawongs, 2014; Robbins, 2005).

Most organizational executives prioritize profitability over corporate culture management, especially during M&A processes (Marks & Mirvis, 2011). The below research has also examined the significance of culture integration in the M&A process.

In M&A studies, most efforts to resolve cultural differences are addressed at the national and corporate levels (Ai, 2015). Cultural differences have been identified on several levels, including the national, industrial, organizational, and professional levels (Ai, 2015; Gomes et al., 2012). It is generally acknowledged that fostering trust and facilitating the transfer of knowledge between entities will help the cultural variations in post-M&A integration performance at both the national and organizational levels (Ai, 2015). It is widely accepted that cultural differences have an impact on M&A and there are numerous empirical studies on the impact of cultural differences on M&A performance at both the organizational and national levels. Therefore, the management needs to consider the culture differences in cross-nation or regional M&A activities.

There are subcultures within an organization such as different groups (e.g. factory workers vs. office employees) and different functions (e.g. finance vs. engineering functions). While the engineering or research and development departments may be given greater autonomy during the merger process, the finance or administration operations are always absorbed into the parent business (Marks & Mirvis, 2011). For example, in M&A it is possible that engineers in two merging organizations will have more in common than salespersons from either partner company (Ayawongs, 2014). Robbins (2005) further distinguishes between strong and weak cultures. A strong culture undoubtedly has a significant impact on employee behavior and is directly linked to lower turnover. Able (2007) and (Ayawongs, 2014) stated that companies that encourage a high level of leadership visibility and involvement in M&A create a supportive corporate culture with a high probability of success.

Chang (2018) pointed out the importance of Fit of Personal-Organization Values and Business performance for the merged company during the M&A process. As previously noted, organizational cultures should be considered during the planning stage, as well as the pros and cons of the two companies to learn from each other in order to create a strategic effect. The management should set the expectations of the staff of the acquired company for the end state of the intended culture of the merged company throughout the planning stages. The end state of corporate cultures is also based on one of the following five cases – Preservations; Absorption; Reverse Takeover; Best of both companies; and Transformation. The cultural end state is a journey more than a destination and is based on the changing business situations (Marks & Mirvis, 2011).

According to Mercer Bing and Wingrove (2012), most companies only spend a small amount of time during the due diligence phase of the merger process on evaluating the organizational culture. This is primarily because of the pressure on the decision makers to reach the best possible deal, analyze the potential acquisition, and seek options that appear to provide synergies. This process is time consuming and mainly focuses on the numbers and systems. On the other hand, Marks and Mirvis (2011) provide an example from GE Capital when the company before reaching any M&A deal carried out a behavioral and cultural assessment of the acquisition company. The due diligence process includes the potential cultural barriers and level of resistance to the integration. All the culture differences are factored into the acquisition decision. Therefore, different companies have different approaches to deal with corporate culture during the due diligence phase.

In order to manage the M&A process and address the cultural differences, the management should put in effort from evaluation to strategy, and select models of change, attitudes and skills for integration (Ayawongs, 2014; Teerikangas and Very, 2006). The early step in assessing the potential for successful M&A is an effective assessment of the cultural suitability between parties before a deal is finalized and integration is initiated (Ayawongs, 2014; Cartwright and Cooper, 1993). In the evaluation process, effective assessment should be run in parallel with traditional financial evaluation (Ayawongs, 2014; Datta, 1991). During the integration phase, practical intercultural skills are an important element (Ayawongs, 2014). Adequate control of the acquired company is crucial to the success of integration, and over-emphasizing the control of the company has been found to adversely affect the results; therefore, careful integration is required to achieve the expected profits (Ayawongs, 2014; Chatterjee et al., 1992).

Leadership style forms part of the corporate culture. During the M&A process, one of the most difficult tasks for a company is to integrate the new management team from both companies. The new management team for the merged company will typically include either new leaders or leaders from the previously purchased company. In order to make it simpler to integrate the culture into the corporate headquarters, the merging business typically sends experienced managers to oversee the merged company. The success and failure of the merged company are best described by the case of DaimlerChrysler-Mitsubishi and Renault-Nissan merger (Gill, 2012): the success of the Renault-Nissan merger was largely due to leadership, and the reason why the DaimlerChrysler-Mitsubishi merger failed was because of poor leadership in the combined business.

When preparing for mergers, the leaders of the two M&A businesses should establish the end state culture guidelines. The senior executives of the two organizations must coordinate individual employee goals with the new corporate objectives during the first planning phase. Employees and the leader should share a common goal, and the leader should steer the combined organization toward the end state's cultural objective (Marks & Mirvis, 2011). In addition, Xing and Liu (2016) noted that the leader would need to employ human resource management to steer the program linked to human resources in order to permit and assist the integration of cultures. The four main areas on which human resources strategies need to concentrate are building employee trust, encouraging employee commitment to the new company's goals, promoting the attractiveness of the new company culture, and empowering the new company leader by giving them the autonomy they need to run the new organization (Shi et al., 2017).

After the integration strategy is formulated, the next step is to implement the integration plan. The cultural integration implementation typically takes three years, according to Mercer Bing and Wingrove (2012). The integration leader should first choose the appropriate workers and assign them to the appropriate job positions. The company should provide proper training to employees and give them the opportunities to develop. The merged company needs to ensure that it provides a fair opportunity for every employee in order to retain them. By providing senior managers with high status and autonomy, their retention rate will be increased in the first year after integration. However, after the integration is complete and usually in the fourth year, the majority of the acquiring company will reduce the status and autonomy of the senior manager and the departure rates will rise (Rodriguez-Sanchez et al., 2018). Continued efforts will be needed in order to retain the valuable staff.

In their attempts to harmonize corporate cultures, managers face a variety of difficulties. These difficulties can occasionally be attributed to managers' failure to understand a culture rather than the cultures themselves. In the context of M&A, according to Cartwright and McCarthy (2005), managers should focus more on how their management style affects other people and the constraints of their cultural paradigm to prevent misinterpretations of that culture. The organization should provide proper coaching and training, and a communication forum for the managers to prepare themselves for interactions with employees from different cultural backgrounds. Language proficiency is a crucial factor to take into account while doing an international M&A. Cultural learning interventions' significance was emphasized by Schweiger and Goulet (2005).

An employee's outlook on a company's future will change when the M&A deal is disclosed to the acquired company. Some employees may have the following opinions about a merger:

1) It is good for the company and individuals' career prospects;
2) It is good for the company, but bad for the employees' career prospects;
3) It is bad for the company and employees' career prospects; or
4) It is bad for the company, but good for employees' career prospects.

There may be four employee group perspectives per the above that collectively make up the subculture within an organization, all of which will have different perspectives from that of individual employees. A key success factor for the merged company's success will be the involvement of the leader in this M&A process in regard to managing these various groups of individuals.

According to Mercer Bing and Wingrove (2012), when M&A acquisitions are disclosed, employees may have emotional casualties and encounter cultural differences. Because they lack specific knowledge about upcoming changes to the company, this will have an impact on productivity. Concerns about work security and career prospects will arise for individuals. They may begin to look for work both internally and externally for a more secure position. In the worst case scenario, they will have lower productivity and prepare to be fired by the corporation. The company's culture will conflict as a result of these circumstances. In order to ensure successful staff integration, human resources must carefully organize the process, which can be divided into the following steps: 1. Create a plan for integrating new hires; 2. Conduct the employees' due diligence review; 3. Determine the variation in employee benefits; 4. Determine the variations in employee pay; 5. Make plans for integrating the disparity between pay and benefits; 6. Establish the role of leadership; 7. Develop a plan to remove redundant tasks; 8. Disseminate the new business strategy; 9. Describe the criteria for the data transition; and 10. Develop a strategy for employee retention through integration (Dotlich, 2017). According to a similar study by Tepedino and Watkins (2010) on people management in integration, the new leader should recognize the organization's key players and top achievers and weigh the pros and cons of keeping them on board. The new leader will be the key element to manage the corporate cultures during the integration process.

In summary, the corporate cultural differences between organizations – such as operating style, customer relationship handling, decision-making methods, teamwork and communication, and so on – can become major roadblocks to achieving the strategic and operational goals of a merger or acquisition. As a result, the way cultural variations are compensated for throughout the M&A process will buffer the relationship between leadership's culture management and M&A performance. Depending on the abilities and levels of awareness of the leaders and organizations, this is likely to differ from business to business and case to case. These initiatives need to be seen in a long-term and dynamic light, along with leadership behavior that reflects how awareness of evaluation and integration progress is evolving. Researchers have begun to investigate the impact of culture management in post-M&A integration to explain the poor fit between strategy variables and post-M&A performance. The cultural distance hypothesis states that as the cultural distance between organizations and groups grows, communication and coordination between them becomes increasingly difficult (Ai, 2015; Kogut and Singh, 1988). In brief, leadership of culture management is one of the key significant factors for the post-M&A performance.

Proposition 3: Leadership in managing corporate cultural differences is a key factor that positively influences the post-M&A organizational performance.

Researchers (Ai, 2015; Bjorkman et al., 2007; Van Wijk et al., 2008; Vaara et al., 2012) have found that cultural differences may lead to inefficiencies of knowledge transfer due to the language or communication problems which form part of the corporate competence which will be discussed in the following section. Also, we will explore the organizational competence and performance.

2.7 Competence and Organizational Performance

Employees are one of the valuable assets of a company, so a successful company will provide proper coaching and training to its staff and design plans to retain them. Hoffmann (1999) reviewed past literature and outlined three crucial elements of competency: (a) the person's underlying qualifications and characteristics, (b) observable conduct, and (c) criteria for individual performance results. Lucia and Lepsinge (1999) defined competencies as follows: "Competencies are the accumulation of relevant knowledge, skills and attitudes related to most of the work (roles or duties) related to performance in the workplace and can be tested against perceived criteria, and can be enhanced through training and development." Other definitions of competencies include the abilities and qualities that employees and management will need to create a new organizational culture and face the organization's future challenges (Adefe, 2017). They also assist organizations in defining expectations, identifying future training requirements and establishing a more focused hiring and training process. Parry (1996), "employee competence refers to a cluster of knowledge, skills, and attitudes that affect a major part of one's job (a role or responsibility), that correlates with performance on the job, that can be measured against well-accepted standards and that can be improved via training and development." Organizational performance has been demonstrated to be positively related to employee competence such as self-competence, team competence, communicative competence, change competence, and ethical competence (Salman et al., 2020). The enhancement and improvements of an employee's competencies may result in better organizational performance (Otoo, 2019). The organizational performance in the areas of organizational outcomes, financial and non-financial outcomes may be improved by the contribution of enhanced employee competencies (Otoo, 2019). During the past few decades, researchers, practitioners and academicians have studied employee competencies in relation to employee performance (Salman et al., 2020) as well as the performance of the organization (Otoo, 2019; Salman et al., 2020). There is evidence showing that organizational performance has been found to be positively related to employee competencies (Salman et al., 2020). Also, Salman et al. (2020) stated that social competence, team competence and communication competence have a significant impact on organizational performance. From time to time, organizations need to implement and execute competence development strategies in order to improve and enhance employee competencies to enhance organizational performance.

Core competence is the main element that sets a company apart and gives it a competitive advantage over its competitors. The core competencies are those special skills that can be applied to various products or markets (Hafeez et al., 2002). According to Javidan (1998), a core competence is a set of skills that are common in a business. Core competence is the knowledge that distinguishes a company and provides a competitive advantage over others (Leonard-Barton, 1992). Core competencies can serve as the foundation of a company's competitive advantage and be utilized in a variety of markets for potential products when considered as unique knowledge for problem definition and solution (Srivastava, 2005). Most authors have focused on three dimensions of core competence, which are: Shared Vision, Cooperation, and Empowerment (Adefe, 2017). By managing each of the three dimensions of core competence, managers may improve organizational performance. According to the study, the findings support the claim that all the three dimensions of core competence are relevant in explaining organizational performance (Calantone et al., 2002). Additionally, the three dimensions of core competence are important for describing competitive advantage. Adefe (2017) claimed that core competencies are key factors in enhancing competitive advantage.

Three categories of competences defined by different researchers included in the above literature review were summarized by Adefe (2017), the first being the core competency suggested by Hamel and Prahalad (1990). The core competency serves as the foundation for strategic planning; it is an area in which a business outperforms its rivals (Adefe, 2017; Schaupp and Virkkunen 2017).

Because an organization's workforce is so important to achieve organizational success and strategically valuable creation, the concept has affected HRM approaches. The term "core competencies" refers to the characteristics of behavior that are required of all employees (Schaupp and Virkkunen, 2017). Core competency, according to Adefe (2017) and Banerjee (2003), is "understanding of accomplishments or failures in endorsing knowledge resources." Core competence, according to some academics, is defined as the ability to perform well within a work environment and to deal with challenges effectively (Adefe, 2017). Organizations are seen to be unique in terms of their abilities to select, build, deploy, and preserve their core competences. In terms of organizational performance, these differences are likely to create distinct outcomes (Adefe, 2017). The concept of core competency was developed to assist a business in identifying and utilizing its strengths more effectively. The second category is management skills. This category includes abilities related to organizational leadership and people to achieve organizational goals related to people's leadership, supervision, and development. Leadership competencies are the abilities and actions of a leader that are required for effective and excellent performance (Adefe, 2017). Organizations can more effectively identify and develop the next generation of leaders by utilizing a competency-based leadership approach. The critical leadership and global competences required for excellent performance have been recognized by researchers and practitioners. Nevertheless, the creation of new leadership competencies is driven by future business styles and strategies. Leadership abilities are important to all organizations and each organization define the leadership attributes that characterize the organization in order to obtain a competitive edge. "Foresighted leadership," "strategic thinking," and "people development" are some examples. The third category is the functional (professional-specific) abilities required to accomplish a specific work position or profession (Adefe, 2017). For the purpose of this study, all these three categories of competencies are considered to contribute to the success factors in post-M&A performance and applied to the selected case study.

Researchers have examined competencies and organizational performance, and most of them concluded that there is a positive relationship between competencies and good performance. Organizations should build an organizational culture that enables and motivates employees to enhance their performance through competence development to foster better interpersonal relationships between employees and management. These are essential for improving organizational performance and fostering long-term growth. In order to improve organizational performance, employees should receive training, motivation, empowerment, and rewards for their achievements. They should also have their abilities developed, nourished, and utilized. According to other authors, improvements in employee competences greatly boost organizational performance in the following areas: organizational outcomes, financial outcomes, and non-financial outcomes (Otoo, 2019). Boyatzis (1982) and Lakshminarayanan et al. (2016) mentioned that the most important competence clusters for successful performance are "Goal and Action Management," "Leadership," and "Human Resource Management." Furthermore, Hamel and Prahalad (1990) emphasized the distinction between technical and management abilities and suggested that only the integration of both abilities can lead to organizational success. Following these insights, the assessment center movement focused solely on organizational-specific competency bundles to explain success and failure (Adefe, 2017). As a result, Ghoshal and Bartlett (1997) sought to identify typical competency clusters at each hierarchical level (Adefe, 2017), while McCall (1998) concentrated on the relationship between competency and corporate strategy as the most important factor for success. However, with the exception of Boyatzis (1982), the majority of these models were unable to provide any empirical evidence about the relationship between competency management and business performance. A company's core competencies and competitive advantages serve as the foundation of a successful competitive strategy, and there is a positive relationship between these two factors (Adefe, 2017). Given the positive relationship between competences and effective performance, competence is particularly important to post-M&A if the prior companies' competence can be transferred to the merged organization in order to have successful M&A.

A firm's technical know-how is a valuable asset and will benefit the new merged company. Per Law Insider (n.d.), "Technical Know-How means all published or unpublished research, development information, technical data, designs, formulas, prototypes, samples, plans, specifications, methods, processes, systems, trade secrets, empirical data, computer programs and any other information or documentation related to the Technology and to the Intellectual Property, whether patentable or unpatentable, and whether in written, machine readable, oral form or drawing." Technical know-how is one the most important prior pieces of knowledge and valuable asset before acquisition which will be inherited by the merged company.

Companies need some past related knowledge of the acquired company to understand, absorb, and develop external technologies (Ai, 2015). Furthermore, a high degree of prior knowledge helps the acquirer absorb and combine new knowledge from the acquired company. In addition, those who acquire a company with a strong knowledge base are more likely to innovate using the partners' knowledge and resources (Ai, 2015). According to certain studies, a company's prior knowledge should be defined as its employees' combined talents in terms of their personal knowledge base, which consists of their academic backgrounds, individual skills, and individual abilities (Ai, 2015). Furthermore, previous M&A events could be included as part of a firm's prior related expertise (Ai, 2015). In summary, available research reveals that prior related knowledge of the purchasing business in terms of R&D intensity, and target firm knowledge is a key factor influencing M&A performance. Therefore, the Knowledge Transfer of the prior related knowledge, which forms part of a company's competence, is crucial to the merged firm.

Proposition 4: Competence is a key factor that positively influences the post-M&A organizational performance.

2.8 Linking Investment Strategy to Organizational Performance and Measurement

Organizational performance can be defined by the company's goals and measured by the owner or investor. It comprises the actual output, goals, objectives, or results. Different people may view performance differently; for example, shareholders look for more dividends, employees look for promotion and salary increases. Regardless of how satisfactory performance is defined, it is obvious that much of an organization's activity is aimed at achieving it. The most common types of organizational performance measurements are financial performance, operational performance, and market-based performance. Dryer and Reeves (1995) and Otoo (2019) also supported the above types of organizational performance as they suggested "HR outcomes (turnover, absenteeism, job satisfaction), organizational outcomes (productivity, quality, service), financial accounting outcomes (ROA, profitability), and capital market outcomes (stock price, growth, returns) as the four possible measurements for organizational performance." Organizational success may refer to financial performance throughout the long or short term in some cases (King et al., 2004). Employee retention, customer retention, acquisition survival, innovation success, knowledge transfer, systems conversion, or integration phase performance can all be used to assess performance (Zollo & Meier, 2008).

Therefore, financial or non-financial performance metrics can be used to assess an organization's performance. Financial performance aspects include company profitability, market competitiveness, revenue growth, performance stability, financial strength, ability to raise capital, and operational efficiency (Salman et al., 2020). Customer satisfaction, HRM procedures, product and service efficiency, the ability to recruit and retain staff, production of new products, manager-employee relationships, and employee-employee relationships have all been used to assess non-financial performance (Salman et al., 2020). “The criteria for success greatly depend on the goals unique to a particular organization,” Delarue et al. (2008) argued. Organizational efficiency, according to Kim (2005), is defined as how efficiently and effectively an organization executes its mission, and the degree to which it produces the actions and outputs specified in the mission. Zhang et al. (2008) defined organizational performance “as the extent of success to which the organization reaches its aims.”

When two firms are merged together to form a larger firm, the merged firm may be larger than just simply adding the two together and becoming more profitable (Fama and French, 1995). Long-term operating performance should be compared to control firms (usually referred to the investor), according to Renneboog and Vansteenkiste (2019). Control firms should be balanced not only in regard to business, but also pre-merger features such as performance and scale. A control firm usually measures the acquisition performance based on the objective of the acquisition. This measurement will always be represented by the short-term or long-term financial performance of the merged organization (King et al., 2004). The measurement can also be non-financial performance comprising employee and customer retention, innovation performance, knowledge transfer, systems conversion, or integration process performance (Zollo & Meier, 2008).

This study is focused on post-M&A performance. The selection of an appropriate M&A performance assessment measure varies a lot from one study to the next. Scholars in finance and economics employ objective measurement approaches that include examining stock market data and accounting figures such as balance sheet data across short to long time periods (Ai, 2015). More subjective performance measures, such as the degree of synergy achieved, integration process efficiency, knowledge and capability transfer, and employee trust and attrition, are commonly used by strategic management and organizational behavior academics (Ai, 2015). According to Zollo and Meier (2008), the short-term event study method was used to perform the majority of empirical research on M&A published in prestigious management and finance journals between 1970 and 2006. They also discovered that overall M&A performance which represents the realization of synergies or the achievement of strategic goals, and the performance of the integration process were the two most applied subjective measures of post-M&A performance.

Zollo and Meier (2008), based on the amount of integration and time horizon, designed a theoretical framework of conceptual links between various performance measuring constructs. The analysis is divided into three stages. The first stage is to evaluate the degree of integration between the two organizations and determines whether integration has been successfully achieved across all work dimensions (Zollo and Meier, 2008). The second stage is the transaction level, where performance is measured in terms of the value generated by the entire transaction process. The third is at the enterprise level, which focuses on the merged organization's performance, defined as “changes in corporate performance that occur during the period associated with the execution of the business plan associated with the acquisition” (Zollo and Meier, 2008). Long-term measurement refers to the entire period post-M&A implementation phase and the ensuing development or destruction of value, whereas short- to medium-term measurement refers to the time between the deal's closing and the first impacts generated by the integration process. The M&A performance measurement should be based on the reason for M&A (King et al., 2004). Various M&A rationales can result in various M&A performance constructs. When examining M&A performance, Stahl et al. (2013) suggest that different levels of analysis shall be considered in order to analyze the value creation mechanism throughout the process.

Three major factors that influence M&A performance are highlighted in the research (Campbell et al., 2006). First, any bid premium that is charged as well as the accompanying merger costs must be compensated for by increased value created within the merged company. Second, the two companies should reach an acceptable level of integration following the merger. The difficulty is implementing the required changes to create value while avoiding operational instability that could jeopardize the two businesses' inherent capabilities. Lastly, employee resistance to the merger needs to be addressed in order to avoid long-term human resource related problems. Performance management encompasses the complete process of ensuring that individual and team performance contributes to the overall corporate objectives. There is a major initiative to improve the value creation process of resource sharing and information transfer. Another promising research field is employee resistance, as well as the precise function and processes by which cultural differences influence acquisition success. According to Zollo and Meier (2008), through the realization of synergies, there is a link between integration process performance and long-term business performance, where resources and capability transfer may contribute to post-M&A synergy realization and M&A success. Moreover, Haspeslagh and Jemison (1991) state that "the essence of integration is the transfer and implementation of strategic competencies" (Haspeslagh and Jemison, 1991). As a result, one of the main success factors will be evaluated based on whether their influence can assist resource and capability transfer, as well as whether such resource and capability transfer may lead to synergy and future success in legal affairs as a whole.

The strategy's conceptual and empirical validity as well as the management's clarity of understanding and commitment to the chosen strategy and key success factors within the acquiring firm will determine the efficiency of M&A in accomplishing strategic objectives (Caiazza & Volpe, 2015). This is an important basic phase of the M&A process, including the development of the value creation logic, the assessment of M&A as a tool for achieving the firm's strategic goals, and the creation of selection criteria for screening possible targets for acquisition or merger (Caiazza & Volpe, 2015).

In 1992, Kaplan and Norton introduced the Balance Scorecard framework which is used for strategic performance measurement. Kaplan and Norton (1992) defined the balanced scorecard as “a set of measures that gives top managers a fast but comprehensive view of the business. The balanced scorecard includes financial measures that tell the results of actions already taken. And it complements the financial measures with operational measures on customer satisfaction, internal processes, and the organization's innovation and improvement activities-operational measures that are the drivers of future financial performance." The balanced scorecard focuses on four perspectives, namely 1) Financial Perspective; 2) Customer Perspective; 3) Internal Business Perspective; and 4) Innovation and Learning Perspective. In this study, the measurement mainly focuses on the overall strategy performance of both financial and non-financial aspects of the acquired firm, similar to the balanced scorecard, which will provide more meaningful data on the critical success factors.

Balanced scorecard measurement is mainly based on the company's strategy which will be the investment strategy when applied to the M&A activities. The leadership and competence aspects of the prior literature reviews are the two key constructs affecting the result of the M&A performance in the four perspectives of the balanced scorecard. In regard to the sufficiency and efficiency of the post-M&A organizational performance, all the four aspects of the balanced scorecard must be satisfied, and leadership and competence are the two key factors required to achieve the post-M&A objectives which are driven by the investment strategy. Therefore, the following proposition is proposed:

Proposition 5: Strategy, Leadership and Competence are the key factors to achieve sufficient and efficient post-M&A organizational performance.

2.9 Strategy Management and Organizational Goal

Strategic management comprises essentially the concepts of management creation, planning, monitoring analysis, and executing a strategy to achieve a goal successfully (Callander, 2020). Over the last few decades, companies have focused more on the specific strategies that management chooses and the reason for the choice (Callander, 2020). Therefore, many popular tools have been developed to evaluate strategies. The Boston Matrix is one of the famous tools (Morrison and Wensley, 1991), while other tools include Ansoff's Matrix (Ansoff, 1980) and Porter's Five Forces (Porter, 1979) which are designed for choosing a strategy. Furthermore, studies of strategy have shifted to a more micro or particular focus. The composition of the literature that more specifically reflects strategic management and its development includes, for example, the Resource-Based View (RBV) of strategy development (Wernerfelt, 1984), and Strategy-asPractice (SaP), which attempts to examine and evaluate the strategic management paradigm's efficacy (Whittington, 1996). A company should continually review its strategy planning due to the business environment changing. Organizations can use the strategic management process to assess their current position, develop and implement management plans, and evaluate their effectiveness. The leader of a company shall plan for the company's future growth and set the direction for the company. An organization's actions are continuously planned, monitored, and tested through effective strategic management, which increases operational effectiveness, market share, and profitability.

Additionally, it entails examining the organization's present strategic direction, determining and analyzing internal and external surroundings, developing action plans, putting them into action, assessing how successful they were, and making adjustments when the intended results have not being obtained. SWOT analysis, PESTLE(PESTLEE) analysis, Porter's five forces analysis, Med-

Trend analysis model, SOAR tool, TOWS matrix, Four corner's analysis, Value chain analysis are the well-known tools that can be used for this purpose. Each of these tools aims to clarify the organization's position in the market. SWOT, Porter's five forces, RBV and PESTLEE are the most popular tools used in today's business world. Chewa (2021) has summarized these tools as presented in the following paragraph.

SWOT Analysis identifies a company's strengths, weaknesses, opportunities, and potential threats, is a straightforward and inconceivable self-addressing strategy or worth chain investigation that assists an industry to identify the internal qualities of a business and external conditions. By deliberately responding to a few inquiries in every class, it permits the company to separate from its rivals hence acquiring an upper hand by surveying the organization's assets and market position. Company strengths can be things like internal strengths, which give it an advantage or areas in which it does particularly well compared to other companies and/or competitors. An organization may have some definite advantages over other organizations. There are inherent weaknesses in any company, which put it at a disadvantage in comparison to its rivals. Opportunities are the external elements of the SWOT analysis that may have a favorable effect on the performance of a business. A corporation should search for aspects of the environment that it could use to its advantage while evaluating the opportunities. The best methods for assessing external influences are PESTLEE analysis for the macro-environment and Porter's Five Forces for industrial dynamics. PESTLEE examines changes in the macro-environment that are related to politics, the economy, society, technology, law, ethics, and the environment and to assess how the changes of these macro factor could have impacts on the incumbent organization. That's why the organisation company should keep abreast for changes in government policies pertaining to its industry, as well as changes in social trends, demographics, lifestyles, and technology that could present exciting prospects. Threats are external factors that could one day have a negative impact on the company. Examples include supply chain issues, changes in consumer demand, employee shortages, etc. Similar to how one would evaluate opportunities, one might use a PESTLEE analysis and a Porter's Five Forces model to assess the environmental factors that could harm the firm.

Porter's Five Forces framework is applied to examine the degree of industry competitiveness. It emphasizes that other factors, in addition to rivals, affect competitiveness, such as the threat of new entrants, supplier negotiation power, buyer bargaining power, the threat of replacement goods or services, and ongoing industry competition. Understanding Porter's Five Forces and how they apply to an industry can help an organization to modify its business plan to use its resources effectively and generate higher profits for its investors. Porter’s Five Forces are: Threat of new entrants; Bargaining power of Suppliers; Bargaining power of Buyers; Threat of Substitutes and Rivalry among current competitors.

The Resource-Based View (RBV) analyzes and evaluates an organization's internal resources and competencies with a focus on the firm's resources in order to decide on a strategy for achieving long-term competitive advantages.

PESTLEE analysis is a method for examining significant macro-environmental factors and is utilized in business environment scanning and a part of strategic management. It is a part of an external analysis that gives an overview of the many macro-environmental factors that must be considered while conducting strategic analysis or market study. It is a tactical tool for assessing corporate position, potential, and operational direction as well as market expansion or contraction. PESTLEE analysis is a more thorough version of SWOT analysis since it not only outlines what a company should accomplish but also takes into account its goals and the strategies that are used to achieve them. The PESTLEE analysis framework focuses on externally affecting elements, such as Political, Economic, Sociological, Technological, Legal, Environmental, and Ethical considerations on an organization.

In short, making use of analytical tools such as PESTLE, RBV, and Porter's Five Forces evolved after the introduction of SWOT and presents a greater entire picture in addition to valid inputs whilst using SWOT building blocks for high- and low-probability events that are in line with the original intent of SWOT to foresee circumstances that could affect an organization. Realizing SWOT's potential can improve the effectiveness of strategy planning in design and decision-making; hence the effort is worthwhile (Bell & Rochford, 2016). Strategic planning and the Balanced Scorecard (Kaplan & Norton, 1992) can be considered complementary tools. Manteghi and Zohrabi (2011) proposed a strategy formation framework which is based on "generic strategies as a criteria for selecting competitive strategies." In this framework, Porter`s five competitive forces are used to determine the industry competition. SWOT is used to formulate the initial strategies after the Porter's Five Force analysis. These strategies and organizational objectives will then be allocated to the balanced scorecard's four perspectives. As per the previous section, the balanced scorecard will then be used for organizational performance measurement.

Process, management technique, and behaviour are all parts of strategic management, and they all have an impact on how a business strategy is developed. Business strategies are the results of a procedure that is nominally called strategy development. As such, they should help define strategic management and, as a result, the likelihood of attaining the corporate objectives. According to the studied literature, it is evident that strategy development is the techniques to achieve the company goals (Callander, 2020). The idea of goals being set a subset of strategy formulation was developed by Porter (2004). Since it is considered that there are connections between goals and strategy, this section aims to explain how the two are related. By defining strategy as "a general formula for how a corporation is going to compete, what its goals should be, and what policies would be needed to carry out those aims," Porter (2004) helps to support this.

With regard to M&A investment strategy, the strategy is developed in the pre-M&A phase. The strategy management tools are useful to understand and develop the investment strategy by the investors. As mentioned in the previous paragraph, the business goals are the subset of the strategy management. These business goals will be used to determine and measure the post-M&A organizational performance as mentioned in the previous section of this chapter. Most importantly, this goal will need to be communicated to all leaders and employees to align within different functions of the merged organization in order to achieve the investment objectives.

2.10 3H Framework and Holistic Approach

The 3-H framework (Yu, 2019) is a mindset about managing organizational issues and personnel concerns holistically. According to Yu (2019), "Good management is an art and science of getting things done effectively and efficiently through people and other essential resources guided by the 3-H framework." Yu (2019) uses the metaphor of "heart, head, and hand" as a necessary element along with an integration approach as a sufficient requirement, to complement everything synergistically by classifying the established literature in each of the earlier mentioned H domains. The three H domains work together to create a holistic approach to managing the entire strategic planning process and achieving the desired strategic goals. The formula listed below can be used to represent this relationship clearly (Yu, 1997):

OP = f (H1cH2cH3)

• OP = Organizational Performance

• c = Complement

• H1 = Heart (leading, motivating and engaging people ability)

• H2 = Head (strategic, organizational, cognitive ability)

• H3 = Hand (operational/functional ability)

For an organization to work effectively, H1, H2, and H3 are necessary factors. The level of cohesive complementation and integration of all 3H domains, as sufficient conditions, shall determine the level of efficiency and effectiveness of the organization's long-term performance.

The necessary and sufficient condition (independent/moderating variables) contributing to effective organizational performance (dependent variable), according to Yu (1997) is: "1. Effective leadership (H1), which motivates and engages employees is necessary but not sufficient condition for effective organisational performance. 2. Effective strategy (H2) is necessary but not sufficient condition for effective organisational performance. 3. Workforce competence (H3) is necessary but not sufficient condition for effective organisational performance. 4. Synthesis among domains of H1, H2 and H3 collaboration shall secure the necessary and sufficient condition for effective organisational performance." Figure 2.1 illustrates the four case conditions.

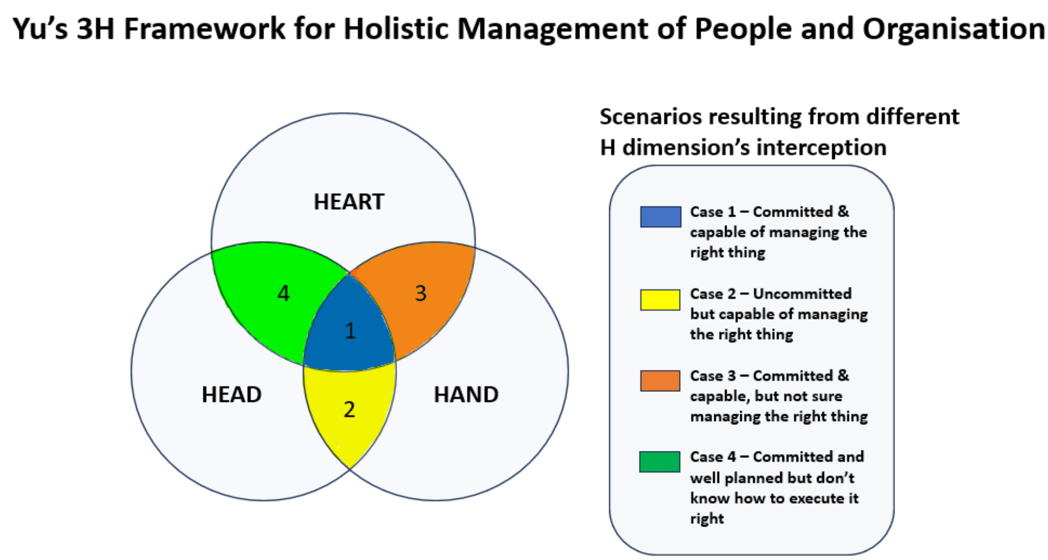

Figure 2.1 - source: Yu (2019)

According to the 3H framework, the degree of synthesis between the H1, H2, and H3 domains determines the organizational effectiveness and efficiency of management. Also, the 3H framework might be used to analyze the inadequacies in one or more of the H factors that led to their failure. Of course, the 3H framework can also be used to analyze a project's or an industry leader's critical success factors.

In the 3H framework, each H has a variety of established theoretical groundwork that are based on well-known literature in their respective fields. Examples include strategic planning for the H2 Head domain by Mintzberg (1987; 1994) and Senge (1990; 2003), competence for the H3 Hand domain by Barney (1996; 2001), and transformational leadership by Bass (1995; 2010), which is a major component of the H1 Heart domain. Nicholls (1994) focused on developing a leadership construct with three perspectives: inspirational, strategic, and supervisory rather than categorizing the domains into three groups. While the other two are more concerned with organizations and operations, inspirational leadership is more concerned with people's own convictions.

The 3H framework provides a good holistic approach to analyze the key success factors of M&A investment. Savocic (2017) examined the effect of transformational leadership on post-M&A performance (H1-Heart). Capability transfer (H3-Hand) has been recognized by Ai and Tan (2020) as one of the key success factors in post-M&A integrations. The strategic objectives of the M&A, leadership and cultural integration (Heart & Head -H1 & H2) were studied as the key success factors (Rottig et al., 2017). There are seminal works with solid empirical evidence of effective M&A strategic planning, transformational leadership, and effective cultural integration as success factors for realizing M&A strategic goals. However, managing the entire M&A strategic planning and execution process holistically with synergistic integration of H1, H2, and H3 domains that the 3H framework advocates has not been studied. To help create a proposed framework in order to address this issue, this research study reviews the holistic approach to M&A.

Some M&A scholars have attempted to provide a holistic view of the critical success factors in the post-M&A integration process through a further literature review, in addition to empirical research on a single factor of sociocultural or operational integration. Ai (2015) has summarized the M&A scholars related to the holistic view as follows:

Quah and Young (2005) present a tiered approach to the analysis of the post-M&A management challenge at the intersection of key success gathered from the strategic management and organizational behavior literature. These factors include employee behavior, the degree of integration, the timing of changes, changes that occur after an acquisition, and cultural impacts.

Dagnino and Pisano (2008) provide an analytical framework that identifies the key factors that contribute to the success of M&A, with a focus on the human element of the integration phase between the acquiring and the acquired businesses. They advocate for the coexistence of several important elements, including: the ability to obtain the integration teams' full commitment; a leader who has the personality to direct and manage the change perform; networking abilities, and the interpersonal and communication skills required to support the integration. A review of the literature on M&A is presented by Calipha et al. (2010) which encompasses those success factors that concentrate on organizational and managerial issues, such as selection criteria, culture, size, types of diversification, strategic motive, etc. Although most of the criteria under investigation are in the pre-M&A stages, post-M&A success aspects are also covered, such as human resource aspect, operational managers, and key personnel, as well as cultural integration, and misunderstanding avoidance. Gomes et al. (2013) named several factors, including integration strategies, post-M&A leadership, implementation speed, post-M&A integration team, communication, human resource management, and corporate culture management. However, Gomes et al.'s (2013) review of the integration strategy and approach does not appear to be clearly defined and distinguished.

The 3H framework of Yu (2019) serves as the foundation for the framework in this research, with some references to Gomes et al. (2013) and Ai's (2015) framework, also with some revisions made in light of other studies regarding the critical success factors in the post-M&A integration process. As a result, based on the literature review in the chapter, a proposed 3H for M&A (3H-M&A) framework based on the five research propositions and the 3H framework is created to explain the key success factors for this study as shown in Figure 2.2. The five research propositions proposed in the previous paragraph and the integration framework based upon them is summarized below:

Proposition 1*: The Investment and integration strategies are key factors that positively influence the post-M&A performance.*

Proposition 2*: Leadership and the related issues are key factors that positively influence the post-M&A organizational performance.*

Proposition 3*: Leadership in managing corporate cultural differences is a key factor that positively influences the post-M&A organizational performance.*

Proposition 4*: Competence is a key factor that positively influences the post-M&A organizational performance.*

Proposition 5*: Strategy, Leadership and Competence are the key factors to achieve sufficient and efficient the post-M&A organizational performance.*

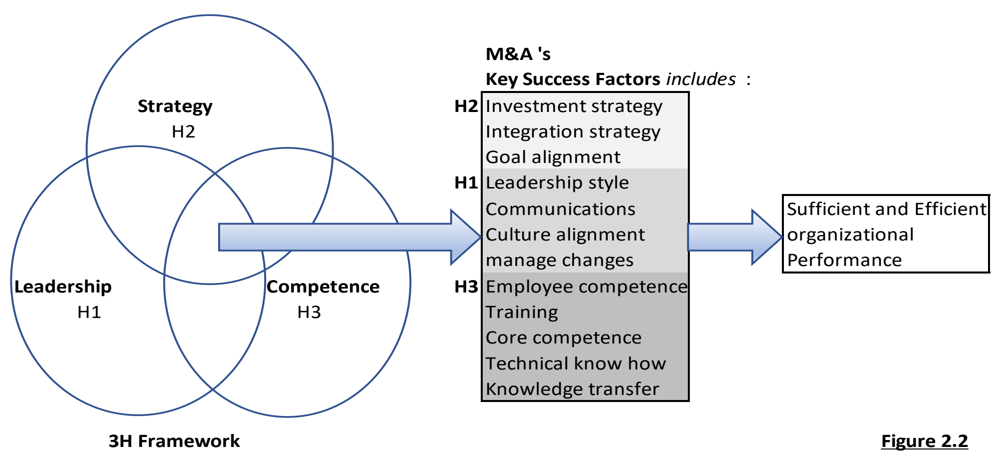

Figure 2.2

The main structure of the framework is based on the 3H framework (Yu, 2019) which is considered one of the best holistic frameworks to date. For this study, three main constructs of Leadership, Strategy, and Competence are proposed. Leadership, culture management, and the related issues are the key part in the H1 Heart domain and the key factors that influence the post-M&A organizational performance as per Propositions 2 and 3. The Investment and integration strategy represent the H2 Head domain in the 3H framework and are the key factors that influence the post-M&A performance as per Proposition 1. Competence represents the Hand domain in the 3H framework and is a key factor influencing the post-M&A organizational performance per Proposition 4. The degree of sufficient and efficient organizational performance is determined by the intersection of H1, H2, and H3, which indicates the sufficient condition which Proposition 5 is also based on.

The main critical success factors in the post-M&A integration process as per the literature review in this chapter have been fine-tuned and classified under the three domains in the 3H framework as per Figure 2.2. Investment strategy, integration strategy, and goal alignment are classified in the H2 Head domain. The H1 Heart domain includes Leadership style, Communications, Culture management, and Management of change. Employee Competence, Training, Core Competence, Technical know-how, and knowledge transfer are grouped under the H3 Hand domain. These success factors and the 3H framework represent the best combination in the management of the post-M&A process. Therefore, the 3H-M&A framework in Figure 2.2 which is built upon these success factors and the 3H framework shall support the research aim for this study.

2.11 Post-M&A integration model

The Balanced Scorecard provides a framework to describe strategies for creating value. The balanced scorecard is not just used to improve the measurement of organizational performance but can also be used to describe the organization's value-creating strategy. The objective in the four perspectives of Financial; Customer; Internal Business; Innovation and Learning are linked together in a chain of cause-and-effect relationships which in turn drives the success of organizational performance. The series of cause-and-effect linkages of these four perspectives can be represented by a Strategy Map (Kaplan & Norton, 2004). The Strategy Map is "a visual representation of the cause-and-effect relationships among the components of an organization's strategy" (Kaplan & Norton, 2004). The strategy map template from Kaplan and Norton (2004) provides the interrelationship for each strategy component. The strategy map template describes the relationship between the organization's strategy and the intangible assets and how it drives the organizational performance by leveraging different stakeholders.

The strategy map describes the strategy in a consistent way so that the company objectives and measures can established. Also, it provides the missing link between strategy formulation and strategy execution. By applying the Balanced Scorecard framework to the 3H-M&A framework, the Strategy Map can provide the missing link between the Strategy (H2) and the other two H domains - Leadership (H1) and Competence (H3). If the merged organization is missing an element in the 3H-M&A framework, the post-M&A organizational performance is likely to be flawed.

Based on the 3H-M&A framework (Figure 2.2) in the previous section and the Strategy Map, the post-M&A integration process model (3H-M&A model) is developed as per Figure 2.3.

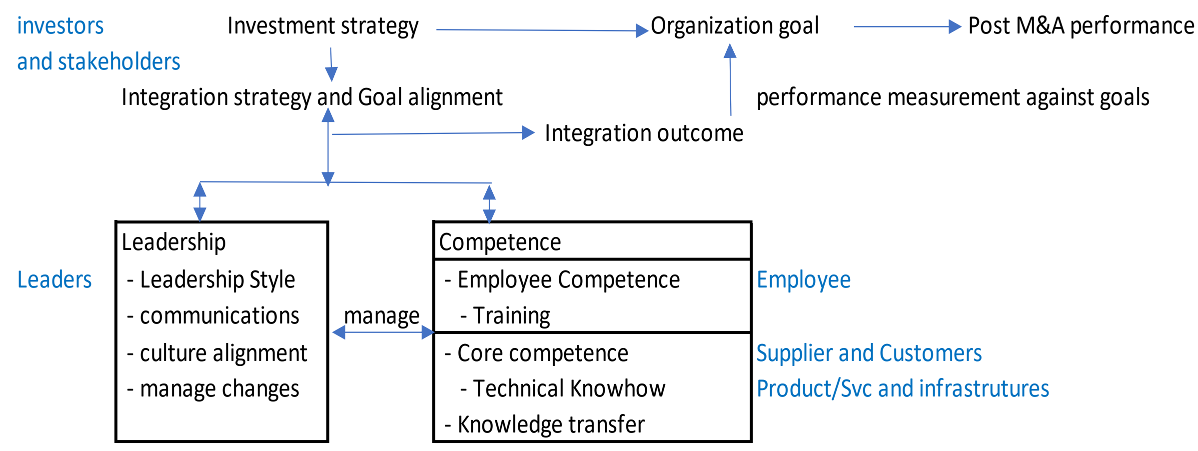

Figure 2.3 3H-M&A model

Investment strategy (H2 Head) is the first step in the integration model (Figure 2.3) as logically every M&A decision has an investment strategy or expectation for the acquisition which was decided by the investors and shall have common interests for various stakeholders. The investment strategy can be translated to an organization goal for the acquisitions by applying the Strategy Map. The organization's goal or the Balanced Scorecard can be used to measure the performance of the merged organization regarding whether the M&A is a success or failure in meeting the investment strategy. After the M&A is completed, the integration strategy shall be formulated for the post-M&A process. The goal alignment for various functional leaders (H2 – H1 Head and Heart), employees and other stakeholders – such as suppliers and customers (H2 – H3 Head and Hand) – are an important part of the integration. In the H1 Heart domain, Leadership is the main factor and the Leadership-related key success factors include Leadership Style; Communications, Cross Cultural management and Management of Change which have been described in various sections in this chapter. In the H3 Hand domain, Competence is the main factor, Employee Competence and training are related to employees, while Core competence, technical know-how and knowledge transfer could be classified as being related to employees, suppliers, customers, products/services, and infrastructure. Various functional leaders (H1 Heart) of the merged organization will need to manage all the Competence (H3 Hand) for the company operations (H1 – H3 Heart and Hand). The integration outcome of the merged organization represents the organizational performance (H1, H2, and H3 intersections). The integration outcome measures in light of the investment goal represent the sufficiency and efficiency of the organizational performance.

As the majority business operation for the first two cases selected in this study are in China, the political and institutional environment play an important role in the M&A activities. The PESTLE driven macro-environment scanning from Head domain in the 3H-M&A framework assumes the leaders in the M&A process rationally pursue their interests and make choices within the formal and informal constraints in a given institutional framework. While formal and informal constraints combine to govern firm behavior, in situations where formal constraints are unclear or fail, informal constraints will play a larger role in reducing uncertainty to managers and firms. Given the ambiguous and uncertain political environment of China when the M&A process was taking place, the institutional factors were particularly impactful to the outcomes of the M&A deal. (Peng, 2002). The political environment of China when the M&A process was taking place in these two cases were considered fairly stable which have not impacted the M&A process per the leaders of the two cases.

In this research study, the cases selected will apply the 3H-M&A model to analyze the outcome of the post-M&A organizational performance in the following chapters.

2.12 Research Gaps

M&A are an important research topic in the areas of strategic management, organization development, leadership, management of change, and corporate culture, to name a few. Researchers are becoming more interested in looking at the human or cultural aspects of mergers and acquisitions as traditional attempts to explain the spectacular failure rates of M&A are failing (Kleinschwärzer, 2015). According to Bajaj (2009), the keys to post-M&A success include leadership, communication, cultural sensitivity, and the integration of systems and procedures. Another M&A study by Stahl et al. (2013) emphasized the need for further M&A research to provide a holistic understanding of the factors that affect M&A performance. The review of the literature shows that there is no single success factor that influences M&A activities, but rather that there appear to be clusters of elements that may have both an instantaneous or oblique influence, in tandem with different factors (Kleinschwärzer, 2015). While relatively little study has been done regarding a comprehensive perspective on the post-M&A performance in Asia, such as Hong Kong and China, M&A academics have offered insights into a variety of topics relating to numerous critical success elements in M&A. This draws attention to yet another theoretical aspect of this thesis. With due respect to the significance of the previous studies on a single factor or a few key independent variables, it appears that they have suggested some necessary yet not sufficient conditions for securing effective M&A strategic planning and execution. It is envisaged that this study will help illuminate the holistic management approach to this important research topic.

To bridge the research gap, a series of research questions was created to identify individual H domain concepts and theories and to explain their significance and functions for building the 3H-M&A framework. A post-M&A integration process model has been developed. This study also emphasizes the 3H framework's holistic approach to analyzing the factors under different investment/integration strategies (expansion, downsizing, restructuring, etc.) linking to leadership and competence that have a positive or negative impact on the organizational performance post-M&A activities in Hong Kong and China.

In summary, in this chapter, a survey of the current literature with identification of the research gaps, creation of a theoretical framework, and setting up of some propositions have all been accomplished. This thesis has utilized the process perspective to study the important elements affecting post-M&A, building on the gaps in the previous research. The evaluation of the critical success criteria conducted in this study is grouped based on the 3H framework and the existing literature concerning the key success factors. The existing literature related to the main key success factors were reviewed and 12 key factors were proposed and grouped under the three domains under the 3H framework. A holistic framework based on these 12 key factors and 3H framework in the management of post-M&A integration was built as shown in Figure 2.2. The 12 key factors are: Investment strategy, Integration strategy, Goal alignment, Leadership style, Communications, Culture alignment, Management of changes, Employee competence, Training, Core competence, Technical know-how, and Knowledge transfer. Five propositions were made as previously indicated based on these characteristics. From a process standpoint, M&A add value throughout the post-M&A integration stage. The integration process as well as the organizational performance of the merged organization are examined in this study along with the how and why of these 12 variables. The integration approach of the investors of the three cases will also be discussed and linked to the different key success factors. Finally, a new post-M&A integration process model is developed.

CHAPTER 3: RESEARCH METHODS

3.1 Introduction

This chapter describes the research methodology including research strategy and design. The chapter starts with the research methodology with the underlying research philosophy presented. The research method selection and design considerations to address the research question are presented in this chapter. The later portion of the chapter covers case study selection, data collection and analysis, and ethical considerations.

3.2 Overview of the Methodology

Recently, more researchers have employed qualitative research methods to tackle M&A-related questions (Lang, 2019). Qualitative research methods can be referred to as descriptive research (Kleinschwarzer, 2015). Van Maanen (1983) states that qualitative methods are used as an interpretative technique to explain certain naturally occurring phenomena in social science. Yin (2015) defines five features of qualitative research as "Studying the meaning of people's lives, in their real-world roles; Representing the views and perspectives of the people in a study; Explicitly attending to and accounting for real-world contextual conditions; Contributing insights from existing or new concepts that may help to explain social behavior and thinking; and Acknowledging the potential relevance of multiple sources of evidence rather than relying on a single source alone." When employing a quantitative method, researchers frequently undertake statistical analysis and interpretation to assess relationships and differences among defined variables. Researchers use a qualitative approach to examine and comprehend the complexity and processes involved in a phenomenon's non-numerical components, as well as its variations and situations (Lang, 2019). Qualitative research is employed when comprehending how things happen and when how they are related is more crucial than figuring out how variables are related. A qualitative methodology might therefore provide the researcher with valuable information by going further and paying closer attention to the intangible components of complex process problems (Kleinschwärzer, 2015). The minutiae of people's lives are all incorporated into a researcher's study using qualitative methodologies, along with culture, interpretation, ideology, and other factors (Lang, 2019). All these characteristics of qualitative research methodology are able to answer the research objectives of this study. The research method needs to be designed to address the research questions. The main research question of this study is the factors linking to the performance of post-M&A activities. Therefore, this study examines the factors that influence the post-M&A organizational performance. In order to help provide the data needed to support the research aim and provide answers to the research questions, aspects of qualitative research are used. A thorough grasp of the activities, interactions, and interdependencies that must be understood is produced by the narrative analysis of the approach.

The applied idea supports a comprehensive research strategy that considers all relevant elements of applied philosophical, methodological, and methodological approaches. The elements will be explored in more detail in the sections that follow. These will start with the overarching research philosophy, which includes the axiology that describes the applied-value approach in the research as well as the ontological and epistemological perspectives. This is further developed in the direction of the onion's core after the research strategy and applied methodological approach are presented. A time range approach that offers a foundation and framework for data collection and analysis methodologies should also be considered as part of the research strategy in order to produce results that are sufficiently well-differentiated to address the research objectives and research questions. It is critical in this context to create a concise and logical representation of the applied research philosophy, methodology, and method approach that supports the reason for the concept being used (Kleinschwärzer, 2015).

In this study, relativism is regarded as the nature of the reality for the research questions and the realities are co-constructed. Also, the researcher and research are interactive and objective. Therefore, the qualitative research method is considered the most appropriate research method for this study.

3.3 Research Philosophy

The research philosophy is the foundation of the research which provides the research method base to choose from the research approach and strategy. The research philosophy defines evaluative criteria for the research-related decision and provides direction to the research goals. Ontology and epistemology are the two main positions in the research philosophy to be considered. Ontology is the study of the nature of reality (Hudson and Ozanne, 1988). There are two key positions in ontology which are objectivism and constructionism (Bryman and Bell, 2007). According to Bryman and Bell (2007), objectivism asserts that “social phenomena and their meanings have an existence that is independent of social actors. It implies that social phenomena and categories that we use in everyday discourse have an existence that is independent or separate from actors.”

Constructionism states that “social phenomena and their meanings are continually being accomplished by social actors. It implies that social phenomena and categories are not only produced through social interaction but that they are in a constant state of revision” (Bryman and Bell, 2007). Regarding the management of M&A activities, the management aspects are assumed to be similar in all M&A activities. The management may perform differently, but the essence of the management function is similar in all M&A activities. Therefore, an objectivist believes that management of M&A organizations can be real (Bryman and Bell, 2007; Fisher, 2007; Zhang, 2014). As an ontological consideration, this research stance is very close to objectivism. The study aims to examine the causes and effects of social phenomena; therefore, an objectivist stance is appropriate for the study. The post-M&A organizational performance is something that can be measured, observed, and categorized. Organizational performance can be measured by the investment goals which are linked to the strategy, leadership, and competence. This research position takes the view that reality can be influenced by people’s values and observations. Thus, qualitative methods can be used to explore possible explanations by realists (Fisher 2007).

Regarding epistemological considerations, epistemology is referred to as “the study of the way one think about the development of knowledge” (Saunders et al., 2009). Also, positivism and interpretivism are the two contrasting epistemological positions identified (Abbas, 2011; Ayawongs, 2014; Bryman and Bell, 2007; Fisher, 2007; Zhang, 2014). Positivism is an epistemological position where the research method can be measured through an objective, empirical, and analytic approach, and supports the application of methods utilized in the natural sciences to the study of social reality (Bryman and Bell, 2007). Conversely, Bryman and Bell (2007) define Interpretivism as “an alternative to the positivist orthodoxy that held sway for many years in business research. It is based on the view that a strategy is required that respects the differences between people and the objects of the natural sciences and therefore requires the social scientist to grasp the subjective meaning of social action." Also, positivist research conducted on objective instead of subjective statements seems a better method for scientists, while interpretivists do research to comprehend social contexts and subjective realities.

The aim of this research is to identify the critical success or failure factors of post-M&A activities and how these factors link to the three main areas: Investment Strategy, Leadership and Competence. Previously, there has been research on the key success factors; however, there is limited research on a holistic approach framework to identify the factors that affect post-M&A performance. Therefore, the primary objective of this study is to develop a practical holistic framework approach to the key success factors. This research approach uses the observable social reality to identify the linkage of the three constructs. As per Bryman and Bell (2007), "Positivism is an epistemological position that advocates the application of the methods of the natural sciences to the study of social reality." This research process will then require objectivity in its ontological position and positivism fits the nature of this study. It seeks to identify the linkage of the three constructs to post-M&A performance that seems to be objective and external to the researcher. Therefore, the research philosophy for the research assumes the positivist and objectivist positions.

3.4 Research Strategy and Approach

After the research philosophical assumptions have been set, the researcher needs to determine the research approach and strategy in order to transit the assumption to the appropriate research design based on the research objectives (Ayawongs, 2014).

There are basically two main types of research approach which are inductive and deductive research approaches. The inductive technique aims to develop a new theory based on the emerging data whereas the deductive approach aims at testing hypotheses or theories. The type of research approach identified is crucial for the research strategy selection and the research design (Easterby-Smith et al., 2012). Since the research aim is to develop a holistic research framework on the success of M&A activities, the generated findings on outcomes are used to build the research framework, so an inductive approach is appropriate to be adopted for this study. This approach is justified because there is no existing holistic research framework applied regarding the success of post-M&A activities based on the 3H approach as stated in Chapter 2. However, there is some previous existing research literature on the key success factors of post-M&A activities, in which a deductive approach was required which forms part of the research framework in this study, where both inductive and deductive approaches are applied.

Bryman and Bell (2007) state that “quantitative research covers approaches which attempt to measure and/or count social phenomena and the relationships between them” and “qualitative research is a research strategy that usually emphasizes words rather than numbers in the collection and analysis of data.” Per Yin (2018), qualitative research methods can be applied to explore and understand phenomena. Researchers can use different sources of information to better understand the phenomena, including views from participants, documents including written communication, and presentation materials from company leaders as a source of evidence for the research (Lang, 2019; Suchan, 2014). Researchers that use qualitative methods may challenge the factors and problem solving ideas for particular problems or questions (Lang, 2019). Therefore, qualitative research is appropriate to use for this research in light of this study's research objectives which are to develop a holistic framework and identify the key success factors of post-M&A activities. As a result, this study applies the case study method under qualitative research as the research strategy for a number of reasons.

The case study strategy is the most common in management studies and intends to build a theory or framework (Ai, 2015; Eisenhardt and Graebner, 2007; Yin, 2018). Yin (2018) suggests that case studies are the preferred method and focus on the contemporary phenomena within their social context. Also, Yin (2011) states that case study is a better research strategy compared to other research methods to generate exploratory and explanatory research in relation to "how" or "why" questions being presented to understand the phenomenon and can explain why certain outcomes may happen. The research questions aim is to find out 'what' the key success factors are; 'what' is the role of the three constructs, and 'why' a holistic approach is necessary. An initial decision to use an inductive and exploratory research approach is required in order to generate a holistic approach framework on post-M&A performance. The researcher needs to identify and explore the key success factors of post-M&A activities first, then understand how the three main constructs link to the key success factors. The research mainly depends on the interviewees' perception of the factors affecting organizational performance. It is then expected that a framework on the performance of post-M&A activities will be developed. Therefore, the case study method appears to be the most appropriate strategy for addressing the research question and achieving the research objectives.

In summary, a combination of both inductive and deductive approaches and the case study strategy is considered the most suitable method for this research. According to Yin (2018), case studies that involve interviews and direct observations can be used to look at managerial and organizational processes holistically. Also, the researcher through the interview process can explore the strategies that leaders have adopted to foster employee commitment after organizational merger. The intent of this research is to use a qualitative approach to understand and explore strategies of leadership and employee commitment, and use multiple case studies to explore the key success factors embedded in the research question.

3.5 Research Design

Research projects are usually developed from research questions with the aid of a research design. Saunders et al. (2009) claim that the research design is influenced by the research approach, study priorities, and time horizons. According to the research question, objective, philosophy, and methodology, this study uses a qualitative multiple-case study design.

Case studies are designed in a descriptive manner and are appropriate for investigations where researchers anticipate in-depth and detailed study findings. This study uses a multi-case study methodology rather than just a single case. Single case study is typically utilized to investigate and examine an important phenomenon in extreme or unusual circumstances. The rationale for applying a single case study implies that the particular instance is noteworthy, distinctive, emblematic, or revelatory (Yin, 2018). Multiple case studies are usually believed to uncover more convincing evidence and yield more reliable conclusions because they offer comparisons that indicate if a developing finding is simply idiosyncratic to a single example or consistently replicated in several (Ai, 2015). Multiple-case studies can test hypotheses using a variety of empirical data, allowing for the creation of more precise correlations and structures. Each case in a multiple case study needs to be carefully selected to serve one of two objectives: either forecasting a similar result, known as literal replication, or forecasting a different result for known reasons, known as theoretical replication. In order to identify convergent evidence, each individual case study is a comprehensive investigation of the facts. The information that needs to be repeated in other individual situations is then taken from each case's conclusions. A summary report for distinct cases and groups of cases should be created based on the findings. The report should explain how and why a certain proposition is demonstrated or not in each individual example. The cross-case report should explain how much replication logic was employed, why a particular case was expected to have a certain outcome, and why other cases were anticipated to have the opposite outcome (Yin, 2018).

Three companies with M&A activities in recent years were selected for this research's case studies. The interviewees were selected from three groups of the company in each case. The three groups were based on the employee classification ranking from senior management, middle management, and employee levels. At least one person from each group was selected for interview. To supplement the primary data, secondary data were gathered to provide additional sources of evidence. The secondary data comprised internal reports (e.g., employee survey reports;

management reports, employee turnover report, etc.) and public information (e.g., annual report, marketing data, etc.). If possible, observation data were collected, such as in some of the company meetings (e.g. employee communication meetings) and on-site company visits, which can provide additional evidence.

The data obtained from the interviews were analyzed using deductive and inductive reasoning methods. For triangulation, the interview data were cross-checked against several external and internal reports. The data analysis procedures started with the transcription of the interview data (Yin, 2018). Individual case study data analysis used the 3H-M&A framework as the basis for analysis. The data coding was based on the data relevance and frequency, and focused on emerging relevant important issues. The preliminary constructs of the model could be defined after detailed analysis of the data from an individual case to a cross case analysis. With reference to pattern-matching logic defined by Yin (2018), the factors and issues can be refined by each case to examine if they demonstrate the same pattern. Findings were extracted and the relevant quotations identified from the case interviews to support the analysis. In the following subsection, a more detailed description of the individual research design topic is presented.

3.5.1 Case Study Selection

The study was a multiple holistic case study using a multiple perspectives approach to different industries, company sizes and M&A method approaches. This approach may generate similar findings across different cases which is essential for the 3H-M&A model development.

Eisenhardt and Graebner (2007) compare multiple experiment sampling with theoretical sampling, which involves choosing samples from a population based on their propensity to provide theoretical insights as opposed to it being at random. In this study, the case selection was through theoretical sampling rather than random sampling. The first level of case selection was at regional level where the case selection was from Hong Kong or China-based companies. The second level referred to the different industry and company size and the third level was companies which had undergone M&A activities with different M&A integration methods within the last 10 years. These cases were chosen from the researcher's personal networks and past workplaces. As mentioned in the previous paragraph, these cases included different sizes of companies, industries and M&A methods in Hong Kong and China.

The timing of the cases was critical when assessing M&A performance for the research. The applied time horizon provides a snapshot of organizational performance. According to Bryman and Bell (2007), a longitudinal research design facilitates the mapping of change through time and allows the formulation of causal conclusions. Therefore, a longitudinal cross-sectional case study research design has emerged as the most efficient method in comparable organizational studies of transformation (Ayawongs, 2014). The cases selected in this research contain multiple longitudinal cross-sectional research designs. Also, these cases had a M&A result for more than 2 years after deal closure, which makes it possible for them to implement their post-M&A integration strategies because enough time has passed.

The number of cases represents the quantity of case replications needed for the study and the necessity of accounting for theoretical saturation (Ai, 2015; Glaser and Strauss, 2017; Yin 2018).

Three cases were selected for this research, which was considered adequate for this research; the first case's M&A method was merger and the other two were acquisitions. This research considered the different M&A performances of the selected cases and was able to identify the success or failure factors from the sample. Case I was a merger of two different sizes of large multinational companies in the hi tech industry; Case II was an acquisition of a large toy manufacturing company in Hong Kong and China by a large private equity firm; and Case III was a local Hong Kong IT solution service company acquired by the management.

In this study, these three selected cases were different in size, merger method, and industry which made each a unique case. The findings on the effectiveness of the investment strategies, and Leadership and Competence from these three cases were expected to reflect the overall organizational performance of the M&A activities.

3.5.2 Data collection

In this research, data collection was through primary and secondary research. The primary data collection was based on semi-structured interviews and the secondary data mainly came from company documents, business plans, analyst reports, company websites, etc.

Primary Data Collection

The primary method of data collection for qualitative research is interviewing. According to Maccoby and Maccoby (1954), an interview is a verbal communication process in which the interviewer tries to find out information or get the interviewee(s) to express an opinion or belief.

Typically, the interview is a method of data collection in which a select set of participants is chosen and asked questions regarding their thoughts, feelings, and actions. The interview design should support the study goal, and the type of interviews should be consistent with the research strategy, objective, and research questions. In this research, the interview mainly focused on the key factors affecting the post-M&A organizational performance.

The qualitative semi-structured interviews with selected representatives from each of the organizational stakeholder in each case study company account for a significant portion of the research data records. The semi-structured interview method is flexible and allows the interviewers to ask additional or follow-up questions during interview depending on the interviewee’s response to the standard preset questions (Bryman and Bell, 2007). According to Bryman and Bell (2007), the interviewer could have a framework of topics to cover and may place particular emphasis on generality in the formula of preliminary research ideas as well as on the interviewee's own views and reports. The structured interview also allows some degree of consistency for the different company interviews that are required for the cross-case comparisons.

For semi-structured interviews, the researcher is required to develop a list of interview questions to be asked, and a pilot study is useful to develop and test the list of interview questions to be covered.

Pilot study

The objective of the pilot test in the semi-structured interview is to test and modify the developed research questions. The pilot test for this study was conducted on two participants from different industries with related work experience relevant to the research questions. One of the participants was a senior partner of a human resources consultant firm which is very knowledgeable in HR-related issues and also a senior executive from a multinational corporation. The other participant was a CxO-level senior executive in a multinational corporation experienced in M&A activities. The pilot interviews were held without a time constraint in order to cover all the questions and allow time for additional conversations with the participants. All the interview questions were discussed and both meetings lasted for more than one hour. Based on the feedback and the result of the pilot interview, as well as the research supervisor team suggestions, the interview questions were revised accordingly. The interview questions are presented in the next section.

Case Study Interviews

Three cases were selected for the interview in this research. In general, the interviews were conducted over a period of almost half a year, from August 2021 to December 2021 and the interview results achieved the research aim. In order to generate consistent interview results, the interviewer only concentrated on a single case interview during a particular period until all the interviews were completed before starting the next case study interview. The Case I Interview was conducted in August, 2021, while Case II and III were conducted in December, 2021. Since travel to China was restricted during the COVID pandemic, the interviews were carried out via video conferencing for the interviewees located in China. For those interviewees located in Hong Kong, face-to-face interviews were conducted in their company or private quiet place.

The selection criteria and the number of participants for the interviews were based on the research aim and design. The research aim and the framework mainly considered Strategy, Leadership, and

Competence. The interviews' main objective was to collect information on the critical aspects of the integration management and the factors affecting the post-M&A integration performance. The targeted candidates for the interview were those involved in the M&A integration strategy especially the leaders who were responsible for the integration process and those managers responsible for implementing the integration strategies of the merged company. There were also some employees who participated in the integration process who were considered the best candidates for the interviews. As the main framework of this study was the key factors affecting M&A organizational performance, the key interviews were the top executives who can identify key factors and the organizational performance. The other interviewees who can represent the next level of management and staff level were deemed to be adequate. Therefore, the interviews involved three groups of people based on the research aim and framework. The three groups of participants included senior leader, middle managers, and staff. This covered a sample of three to four employees per case study. The participant list was provided by their senior executives or HR executive based on the researcher's selection criteria. The selected leader for the interview was one of the most senior personnel or owner of the company who was involved in the M&A process. The participating leader knew the investment strategy and led the integration process. The selected manager and staff played an important role or was significantly involved in the M&A process.

The semi-structured guideline including the interview procedure and the ground rules were created before the interviews to facilitate them. The interview was divided into two sections. In the first section, the interviewer asked about the history and the background of the merger, which included both the pre-merger and post-merger phases. In the second section, references were made to interview guidelines, and with the addition of additional background information and fact-finding inquiries, the preset interview questions were asked. The preset questions were created based on the propositions and were the main activities for the second section of the interview. There were also a few optional follow-up questions that could be posed depending on the interviewee’s response and for further discussion if necessary.

The interview process started with the interviewer reading the participants' cover letters, keeping the interviewee aware of the interview's aim and usage of the materials obtained from the interview, and addressing any confidentiality concerns. Each interview meeting was scheduled one to one for an hour either face to face or via a video/audio conference meeting which took place privately. All the meetings were conducted in the Chinese language as all participants were native Chinese language speakers. The actual interview times ranged from 30 to 60 minutes, with 45 minutes as the average across all interviews. Following the formal interviews, it was found that the understanding of the details of the M&A goals and their updated performance as well as their perspectives on leadership styles and latest strategies was useful. Thus, several casual follow-up discussion sessions with senior management were conducted.

The interview was also audiotaped with the participant's consent for transcription and analysis purposes. The researcher listened to the audio recording after the interview and prepared the transcript for each interview. The transcript was used for the data analysis and specific quotes in the thesis. Additionally, by taking written notes during in-person or video conference meetings, the researcher could observe the interviewee’s non-verbal indications such as postures and facial expressions. Therefore, the meeting notes and an audio record were the main document and evidence for this study.

Secondary data collection

The researcher first conducted the secondary research to lay the groundwork for the primary research. After the interview, additional secondary data collection was performed to verify that consistent primary data were collected as well as supplemental information for the primary data. If the secondary data conflicted with the primary data, additional discussion with the interviewee was performed to clarify the conflicting information. Most of the secondary information used in this study was qualitative documentary data that had been obtained from a variety of internal and external sources. These sources provided some background information for the whole acquisition process, ranging from the pre-M&A stage to M&A integration. In order to collect publicly available data on the related business and M&A performance of each case study organization, the researcher first conducted desktop research. Then, the researcher requested corporate data or documentation from the management in each of the involved organizations.

Books, journals, newspapers, internal memos, strategy, annual reports, and press release report, as well as government reports and websites, were among the written sources included in this study as documentary data. Internal documents provided by the company management which are not accessible by the public, were carefully analyzed and reviewed by the researcher in order to adopt them in the research analysis and such data had to strictly comply with confidential non-disclosure requirements as required by the company. In addition to documentary evidence, site observations were useful particularly those pertaining to the context of the case study. The researcher visited a couple of merged firms during the on-site interview.

In summary, semi-structured interviews were used as the primary data source for this study's data collection, while secondary data came from a variety of internal and external documents pertaining to the research firms.

3.5.3 Research and Interview questions

According to Yin (2018), before conducting a case study, the researcher should create the case study guideline and this is especially important in multiple-case studies. The study protocol contains the overview of the research, including research objective; the propositions; research questions and the theoretical framework, etc., which were discussed in the previous sections. Also included in the case study is the interview protocol. An interview protocol for the semi-structured interview was developed based on the problem statement and a review of related studies and information. The main research problem statement of this study is as follows:

"M&A strategy, leadership and employee competence have a direct impact on the merged organizational performance. However, in order to realize the intended M&A synergies, it is hypothesized that the acquirer has to adopt a holistic approach to manage all these three constructs effectively and efficiently."

The initial research interview questionnaire was constructed based on the main research question and literature review as well as advice from the researcher's supervision team in addition to the pilot test result from the experienced professional M&A person. The primary data were collected through the multiple case interviews in combination with the interview protocol. The interview question protocol consisted of five main questions followed by the complementary questions dealing with the three main constructs (Strategy, Leadership, and Competence) depicted in the conceptual framework. The specific key interview question for the participants was whether the interviewees considered the merged company performance to have succeeded or failed in meeting their expectations, and the reasons or issues behind. These set of inquiries aided the interviewer to direct the discussion toward the key goals of the study.

Below is the semi-structured questionnaire for the case study.

General and Background Questions

What came into your mind when you were informed about the M&A opportunities?

Additional questions on the background information:

1. What was your positive impression of the merger?
2. What was your negative impression of the merger?
3. What was the goal of the merger?
4. How did you evaluate the merger at the beginning of the merger? Successful or a failure and why?
5. Did you like or dislike the merger? Please explain.
6. What is your definition of a successful merger?

Proposition Questions

I. What is the role of leadership in achieving the merged firm's post-M&A objectives? In the context of the merger, and how effective was the leadership of the management to achieve the M&A goal?

Additional questions

• What did you feel was the impact of leadership on your work during integration?

• How was leadership constituted in the merger process (e.g. influence strategy and attempt)?

• What kind of leadership style was required for the integration and why?

II. What was the role of M&A strategy in realizing the M&A goals of the acquirer firm?

** M&A strategy is the plan to achieve the post-M&A goals*

How would you describe the M&A strategy? Did you agree with the M&A strategy?

What strategy did you think is most effective for the incumbent M&A?

How efficient and effective was the communication about the M&A strategy goal during the integration?

Additional questions

How would you describe the merger's communication process? Please provide examples.

How well did you feel the management and leader informed you about the integration? Why?

Can you describe how strategy decisions were made during the integration?

III. What was the role of the firm's competence in realizing the post M&A goals of the acquirer firm?

Did the merger influence your personal competence such as job knowledge, skills, and attitudes? If so, how?

Did you need to acquire new competences to cope with the post-M&A jobs? If so, how did you and the firm deal with it (e.g. any training provided)?

Additional questions

What, in your opinion, did the change do for your competence and the overall sentiments of the firm towards the change?

Do you think that you were the right person to deal with the organizational change, and if so, why?

Do you think you have the right skills and knowledge to deal with the new role? Please specify.

Do you think that your attitude has changed and been influenced in the integration, and if so, how?

Key succuss factors and organizational performance questions

IV. Why is a holistic approach with integration of leadership, strategy and competence necessary for realizing the post-M&A goals of the acquirer firm?

How has the company performance been after the merger? Do you consider that the company has met or exceeded the organizational performance goal?

Additional Questions

1. What were the Critical Success/Failure Factors?
2. What was your negative impression of the merger?
3. What would you describe was the impact of the merger?
4. How do you see the effectiveness of this and why?
5. What, in your view, could have been done differently? Why?
6. Did you generally like or dislike the merger? Please provide examples.

Do you think a holistic approach with integration of leadership, strategy and competence is necessary for realizing the post-M&A goals of the merged firm and why?

Additional Questions

1. Did the M&A strategy have an influence on the relationship between the leadership and employee competence? What was the influence, and was it positive or negative?
2. Other than leadership, strategy and competence, what other factors significantly influenced the post-M&A organizational performance?

The specific questions used were adjusted depending on the company situation and the positions of the interviewees. Complementary questions were necessary if the conversation diverged to pertinent, connected topics that the interviewer had not previously explored. Each respondent was asked to give their own opinions or views in response to each question. After gathering the first interview's results, the interviewer determined whether additional information was needed in areas that were missed. Then, a follow-up interview with the relevant person was scheduled while outlining the circumstances of the call for further discussion.

3.5.4 Data analysis

Yin (2018) has described data analysis as the process of "surveying, classifying, aggregating, testing, or otherwise recombining both quantitative and qualitative material." Yin (2018) established a five-step data analysis methodology, with the steps being compilation, deconstruction, reconstruction, interpretation, and conclusion. Data coding acts as a transitional stage between data collection and data analysis (Vaughn & Turner, 2016). Qualitative data coding refers to creating and assigning a descriptive label to the data extracts from the data collection in order to perform pattern matching (Crosley & Jansen, 2020). Pattern matching is a method of data analysis, where the term "pattern matching" refers to the expectation of a pattern of results based on theoretical claims to explain some anticipated findings (Yin, 2018).

In this study, when the interviews were completed, the recorded interviews were translated from the original Chinese to English and transcribed. The method of data analysis incorporated thematic analysis of the text. The data analysis process started after all the individual interviews of the cases had been transcribed. Each interview was analyzed and coded individually, and each case was considered individually as well. The individual case coding was grouped together based on both relevance and frequency. The insights from each individual case coding and analysis were merged to create the case view. After the individual case analysis was completed, cross-case analysis was conducted to search for patterns in individual cases and were compared with each other. Any new patterns identified were included in the cross-case analysis report. As in Chapter 2, five theoretical propositions and the research framework were set up, the three individual case findings were compared with the theoretical proposition, and the individual case analysis report was created based on the findings.

In order to gain insight into the critical factors in the management of the post-M&A integration process and how these factors affect the post-M&A organizational performance, the three case study data analyses were based on the theoretical framework and three relationship constructs emerged from the data analysis. If the data pattern matched the predictions of the proposed framework, the explanation was considered valid; alternatively, if one or more results were generated that were not predicted by the propositions, a different explanation was sought (Yin, 2018).

All the analysis for the study was done manually. An Excel spreadsheet was created to capture the coding and perform the data analysis which enabled consistent data comparison and summarization of the three case studies. The finding in the coded data that was produced is considered to have answered the research questions. The following Chapter 4 and 5 will contain the individual case and cross-case analysis findings and reports.

3.5.5 Reliability and Validity

Qualitative study researchers utilize the concepts of reliability and validity in research and originated in the natural sciences (Lang, 2019; Yazan, 2015).

The main aims that researchers work towards to increase the reliability of a research project are establishing dependability and consistency or establishing a research background. Reliability refers to the ability of researchers to demonstrate consistency and the quality of their measurements in their research process (Lang, 2019; Leung, 2015; Marshall & Rossman, 2016). Reliability issues were taken into consideration at every stage of the data analysis and research plan in this study. Additionally, a case study database that integrates data from interviews and documentation was created. This database significantly increased the reliability of the case study (Yin 2018).

Validity is the presentation of data observations so that the reader believes that the information presented is valuable and truthful (Colorafi & Evans, 2016). Relaying experiences and describing a phenomenon in detail will help the researcher develop credibility and reliability, which will establish validity (Abdalla et al., 2018; Lang, 2019). According to Pauwels and Matthyssens (2004), a research's validity can be increased by carefully planning its research design, data collection, data analysis, and procedures. This was performed and applied in the case study.

In addition to the aforementioned, triangulation was used to further increase the reliability and validity of the data. Yin (2018) defines triangulation as “determining the convergence of the data collected from different sources of evidence, to assess the strength of a case study finding and also to boost the construct validity of measures used in the case study." Researchers typically employ triangulation to validate study results, complete data collection, gather richer data, and confirm data (Lang, 2019; Noble & Smith, 2015). The interview and documentary material were analyzed using the research framework as a guide. The documentary material was used to triangulate the interview data and support them. The documentary material can be utilized to validate and corroborate the interview data so that the study questions can be answered with greater specificity. Since the documentary data collection took place over the course of the entire study project, it provided the researcher with pertinent information before conducting the interviews and provided evidence in support of the case study findings.

3.6 Ethical Considerations

All potential ethical problems with the study were taken into account by the researcher. The following ethical issues were considered.

Consent from the senior management in each selected case - The senior management of the selected cases were contacted and attended an informal meeting to be given a concise statement of the research's objectives and the overview of the interview questions in order to obtain their consent to conduct the formal interview. The senior management of each organization requested non-disclosure of its identity and that information must be used for academic research purposes only. The findings from the research were shared with the management when the project was completed.

Consent from all participants - A consent letter for the participants was prepared which introduced the study's objectives and interview procedures. The consent letter explained to the participants the potential risk of the information provided with no direct potential benefit. The data collected in the interview were kept confidential and will be destroyed 6 months after the thesis is approved by the university. The interviews were voluntary, and participants were free to stop at any point without negative consequences. The participants signed the consent letter before the interview started and agreed to digital voice recording of the interview. The researcher's contact information was provided to the interviewees so that the participants could contact the researcher if any correction of their statement was required and if there were any further questions.

Confidentiality and privacy protection – The data collected from the participants and some of the internal documents received from the company contained some sensitive information or internal data which outsiders do not have access to. To preserve their privacy, the participants were anonymous, and throughout the data analysis, only their job titles or participant numbers served as a hint as to who they were. For the protection of the organization, all organizations were identified using code names throughout the investigation and the various parties involved remained anonymous as well. The researcher assured them that no actual individual or organizations name would be disclosed in the thesis.

For case study 2, the researcher was a senior executive of the company, and the researcher had privileged access to internal historical information. This made the researcher become an insider participant observer for case study 2. The researcher recognized the advantage and made himself independent when conducting the interview and did not provide any comment or opinion during the individual interview.

3.7 Summary

This chapter describes the research method applied for the study. The research adopted the qualitative method approach. A multiple case study method with three selected cases was used to address the research questions. For the theoretical framework and the model, case selection and design were thought to be the most appropriate methodology. The data collection process was accomplished through the semi-structured interview and secondary research data. The data design also took data reliability and validity into account. The data analysis with individual case and cross-case findings was compared with the five propositions. The ethical approach for the study was also considered. The case study findings and analysis are reported in the following chapters.

CHAPTER 4: INDIVIDUAL CASE STUDY

The three selected individual case study reports are presented in individual sections in this chapter. The individual case report is analyzed based on the 3H-M&A framework and each of the three main constructs of M&A strategy and objectives; Leadership and related issues; and Competence will be presented in detail. The report introduces the company background at the beginning of the section followed by the M&A strategy and objective. The key factors affecting the merged organizational performance are analyzed. The merged company performance and result concludes the individual case report.

4.1 Case 1 Company Code CMN – a China multinational company

CMN is a multinational company with headquarters located in one of the major cities in China. One of the rationales for choosing CMN is that it represents one of the good success examples of M&A.

4.1.1 Background of the company

CMN was incorporated in early 2000 as a joint venture (a privately owned enterprise in China) between a large US communication company (code name CUS) and a large Hi Tech company in China (Code name LCN). In mid-2000, CUS acquired all the shares of CMN which became a wholly owned subsidiary of CUS. In around 2010, another large US multinational company (company code UMN) acquired CUS; as a result, CMN merged with UMN and became a subsidiary of UMN. This case study focuses on the post-M&A performance of CMN after UMN holding company's acquisitions.

CMN is an industry leader in the digital solution sector. The company offers a wide range of infrastructure products and solution services in various areas including 5G, computing, cloud computing, big data, communications, etc. It also provides the holding company's computing-related products and services in China. Its customers are in various industries such as finance, government, healthcare, manufacturing, internet, education, etc. and its products are used in over 100 countries and regions. The company is an innovation hi tech company with over 50% of its employees being R&D staff with over 10,000 patents. The company employs over 10,000 employees globally with the main population located in China and the employee in China has formed a labor union to serve a bridge between employees and the employer. The company has branches in various regions with one main office branch located in Hong Kong. Financially, its revenue has grown significantly in the last 20 years with good margins. The company aims to create a better life for all with the development of the digital economy with customers and partners.

4.1.2 M&A strategy and objective

UMN is a US multinational information technology company and was incorporated more than 50 years ago. UMN offers different varieties of informational technology hardware components products; software; total solution and services to customers in different industries and different sizes of company as well as individual consumers in different regions. UMN is a global company with over 100 offices around the world. The communication business sector is one of the high-growth business areas globally in recent decades and UMN is one of the big players in the communication sector. UMN is a total solution business provider in the communication sector, but one of its communication component products is not competitive with those of other vendors. Also, China is one of the biggest markets for UMN, so the company is looking for opportunities to expand the China market and increase the product portfolio for competition.

CMN is one of the leading communication component vendors in the China market and its product is one of the best in class in the communication business sector. CMN is recognized as a reputable innovative and technology company. However, the holding company CUS has not performed well worldwide compared to other similar companies in the market. CUS became one of the acquisition target companies among a few large corporations in the US. Because CMN has strong presence in China and manufactures the leading product in the communication business sector, it has become one of the major attractive assets of CUS. In around 2010, UMN acquired CUS with the major investment strategy to expand the China market and complement the communication product portfolio which CMN perfectly fits to its investment strategy. One of the senior executives of CMN stated the reason why UMN acquired CUS:

> “The reason is Company UMN is really strong in this industry sector; however, it lacks a component in order to provide total solutions to customers. Our company is very strong in this particular component which Company UMN is missing. Therefore, the major aim was to acquire Company UMN through the mother company. Company UMN has seen the potential of Company CMN which will become one of the major players in that particular technology sector. Also, Company CMN is quite successful in the China market and generates a good profit. Therefore, Company UMN is eager to buy Company CMN to

> expand its market portfolio. Also, at that time, the stock price of Company CMN's mother company (CUS) was relatively low."

One CMN staff member also stated a similar view:

> "Because we are a niche technology company and one of the leaders in that sector in of the China market, the company has lots of potential and will produce one of the important products in the further technology market. Therefore, the acquirer targeted our product and earning potential in this acquisition. Also, our company has strong R&D capabilities. Therefore, this is the reason for the acquisition in addition to the China market growth."

Per the UMN press release on the CUS acquisition (wording modified for confidentiality purposes) :

> "The acquisition of CUS expands UMN's product offerings, solutions and significantly strengthens UMN's business in China."

The investment strategy is clear and consistent with that of CMN staff and UMN management. The investment strategy of CUS is mainly CMN's advantage in product and technology as well as the China market. The senior VP and co-president of CMN stated:

> "Company UMN needs to fill its product portfolio as it doesn't have a competing product or solution in the particular sector. Although Company UMN has a similar relevant product in that particular sector, the product is not competitive in that sector. Therefore, the acquisition goal was the business growth through the technology and product."

In summary, the investment strategy of UMN can be defined as business growth through technology and products with special focus on the China market. As per the interviewee, this strategy was communicated to all levels of employees in CMN and the goal was aligned with the different functions of the company.

UMN has adopted the preservation integration strategy per Haspeslagh and Jemison's (1991) model. As discussed before, preservation integration typically involves positioning the acquired company as a stand-alone subsidiary which requires high levels of autonomy while the need for strategy interdependence is low. One of the senior sales executives of CMN said:

> "The new owner gave all the similar products in China to CMN to manage. I think the integration strategy is more about product integration with their existing overall business portfolio in the China market including Hong Kong. They leverage the CMN leadership to manage their China market business for integration."

The co-president of CMN also stated:

> "The integration strategy is to have company CMN stand alone as the company remained the same after the acquisition, I would consider that there has been no integration and decision processes are as before.
>
> The company goal has not changed before and after the integration as the M&A strategy is in line with CMN's existing goal from Day 1."

Per the co-president of CMN, CMN's existing goal is to grow the market and increase the product portfolio which is the same as UMN's investment goal.

In summary, investors' investment strategy can mainly be classified as "Pursuance of growth" per Ray's (2010) three types of M&A strategy. The motive behind UMN is clearly strategic per the definition by Campbell et al. (2006). They describe strategic motive as "a firm may undertake an acquisition so as to extend its penetration of an existing product market, to enter a new product market, to enter a new geographical territory, or to differentiate from its core business." Where the situation of UMN acquisitions perfectly fits these descriptions, UMN's main goal is to grow the business in the communication business sector with more competitive products from CMN and UMN's overall business will grow in China, while UMN's goal is aligned with CMN's existing goal before the acquisition. The integration strategy adopts the preservation integration strategy. CMN will leave the operation and leadership as it is and only integrate UMN products with CMN to expand the product portfolio offering in the China market.

4.1.3 Leadership and related issues

4.1.3.1 Leadership Style

The management team of CMN mainly consists of the senior staff from the original joint venture (JV) formed in the early days. When the JV was originally formed in early 2000 between CUS (the US communication company) and LCN (the local China JV partner), CUS only employed a CFO and Head of Legal locally in China who were assigned to CMN, while the rest of the senior manager and senior technical staff are from LCN. The senior management and technical staff were mainly employed by LCN and were assigned to CMN. LCN is an innovative company and its management style is the traditional local Chinese style. As most of the CMN senior executives and managers were from LCN, their management style is similar and their leadership style can be classified as transaction leadership style. The management team is very stable; when senior executives retire, the successor is usually promoted from the next level of leader in the ranking within the organization. When UMN acquired CMN, the leadership team in CMN remained unchanged, but on the other hand, all the CUS management team was replaced by UMN staff. The co-president of CMN stated:

> "… after the acquisition, all the old holding company (CUS) leaders were eliminated. For our company, CMN, all the leaders still exist. Regarding the CMN's leadership, I think it is doing well."

One of the senior executives of CMN also stated:

> "After the acquisition, the old holding company (CUS) was dissolved and integrated into UMN globally…. while the main leader of CMN underwent no change…"

The above statement is also similar to what the CMN staff stated:

> "In my department, there has been no change… the new owner has used all our management staff."

CMN's leadership style can be considered as transaction leadership. Transaction leadership can be described as the followers complying with the leader or achieving performance targets in return for praise, resources, or the avoidance of punishment (contingent reward), and leaders only take corrective action when followers fall short of expectations or fail to meet the goals (Bass, 1985). Per the co-president of CMN:

> "The manager in CMN is goal oriented, so when an employee meets their performance target, they will receive rewards such as bonus or promotion, but on the other hand, if performance not met, corrective action will be taken."

As mentioned before, CMN's management remains unchanged after the acquisition, and the transaction leadership style continues to be applied in CMN after the acquisition. One of the staff of CMN said:

> "I think we are using the previous local company's leadership style…"

Given the great success of CMN in past years and as it continues to be one of the product leaders in the market, its leadership is considered to be very effective. The co-president of CMN stated the effectiveness of the leadership team:

> "The question is which level of leader because after the acquisition, all the old holding company leaders (CUS) were eliminated. For CMN, all the leaders still exist. Regarding CMN's leadership, I think it is doing well. At the beginning of integration, we were not sure if the leadership was effective. If you look at it after the fact, it was very effective."

Effective leadership can be considered as one of the key success factors for good merged organizational performance.

4.1.3.2 Communication

The communication process in CMN is effective within the organization as it has followed the previous LCN communication method which is mainly based on the traditional Chinese communication style. The typical China communication style mainly uses vertical hierarchical top-down communication process, where subordinates always listen to their managers' directions or messages and follow them. Although the original JV partner CUS is an American company, the Western communication style did not pass through to CMN. Per the manager of CMN:

> "They (CUS) leave us alone; we seldom communicate with CUS… and they seldom manage us…"

After the acquisition by UMN, the communication process within CMN and with UMN was very effective. According to the interview with various levels of CMN management and staff, the communication process is very effective. The co-president of CMN stated:

> "As the company has remained the same after the acquisition, the communication process has not changed from the beginning. All the communication process is very effective from day 1 when the company was formed."

Although all the senior staff underwent no changes in CMN after the acquisition, the management has experienced some influence from UMN especially in the communication process as UMN is a US company known for having more open communication. The communication process of CMN after the UMN acquisition is even strengthened as UMN is a large global company and has a good reputation for employee communication. One of the senior executives of CMN said:

> "As the main leader has undergone no change, there has not been much change. They have more communication with UMN over management, which is a good thing for the company and helps it to explore how a large global company manages its business."

Similar to most large companies, per the CMN senior management, the communication process within CMN is via email, meetings such as quarterly meetings, and open forums. Sometimes, there is informal communication during business lunches and team building activities.

The investment strategy and goal are also communicated to various levels of employee within the organization. The interview results from various levels of employee within the organization show that the investment goal is well communicated and in line with that of the senior management. The investment strategy was also communicated to some external business partners so that they can work together to achieve the goal. One of the CMN managers said:

> "The senior management has agreed on the strategy. They have communicated with internal and external business partners and also end-users. They explain the reason for this M&A as well as the impact to the acquirer and CMN business. They have communicated all the advantages of this deal to different stakeholders. These communications are necessary and I think they have done a good job in this communication process"

In summary, the communication process in CMN is very effective. Also, the investment strategy and goal are well communicated to different levels of employee as well as external partners.

4.1.3.3 Culture alignment

The corporate culture in CMN is inherited from the original China JV partner, LCN, which is known as a product and technology-driven company with a traditional Chinese management culture. The corporate culture remained unchanged even after it became the wholly owned subsidiary of CUS. The co-president of CMN stated:

> "CMN is known as a technology and market-driven company in the China market. The corporate culture is considered an innovative culture with strong leadership in technology."

After the acquisition by UMN, the corporate culture remained unchanged initially. One of the CMN staff said:

> "I think it is important to keep all the existing management staff as they all know the existing business environment well and understand the existing company culture and I think this is a very good strategy."

One of UMN's strategy is to grow the China market, so UMN transferred one of the product lines (which is similar to a CMN product) in Hong Kong and China to CMN. As a result, there are a few dozen UMN employees in Hong Kong and China managed under CMN management. One of the CMN senior executives mentioned:

> "The new owner gave all the similar products in China to us to manage. I think the integration strategy is more about product integration into their existing overall business portfolio in the China market including Hong Kong. They leverage the CMN leadership to manage their China market business for integration."

UMN is a very successful global company with a very strong US corporate culture globally. However, during the integration of the UMN staff into CMN, the CMN manager did not adopt UMN's culture. One of the CMN managers responsible for the product line integration said:

> "I integrated some of the acquirer staff into my organization. They are from different cultures – the acquirer and CMN cultures. One has a more Western corporate culture; CMN has a more China company culture. The organizational structure was constructed by CMN's management and the integration was led by our CMN COO. As there are two different cultures, the COO interviewed all the new employees and decided if they fitted

into CMN's culture. If CMN's management felt that the acquirer staff were not suitable for CMN, then they were let go. Therefore, the integration was very smooth as everything was based on CMN's leadership style and followed our company culture."

Although the management culture remained unchanged initially after the acquisition, CMN has gradually changed some of the UMN culture to have more open communications. CMN's co-president said:

> "Our management team remains unchanged, but the reporting structure has changed which reported to multiple leaders in UMN as it is a much bigger company than the previous owner. We have gradually adopted some of the global business management culture and applied it locally which has made CMN become a more successful global company."

Both the leaders in UMN and CMN have managed the culture alignment well during the integration, becoming one of the critical success factors for the M&A.

4.1.3.4 Management of change

There were no changes in CMN's management after the acquisition and UMN has led the company to stand alone as it is. According to one of the senior executives, the only thing that the investor (UMN) has changed about CMN is the reporting communication process and he said:

> "The only thing they have done is to set financial targets quarterly for company CMN to review accordingly. All the management have relied on the old company CMN leaders."

During the integration, there were still some changes made to the CMN leader, and the management has learnt from UMN's management. One of the CMN managers stated:

> "The decision strategy has taken the best part of both sides and integrated them together."

The CMN leaders have gradually learnt and adopted the best part of UMN's business process and managed to change CMN from being a very successful China company to a global company.

4.1.4 Competence

4.1.4.1 Employee Competence

CMN is a high-growth and very reputable technology company in the region, so the recruitment of talented experienced staff and good university graduates is not a problem. Even after the acquisition by UMN, due to UMN being a much bigger multinational company, the recruitment of good talented staff is even better. As a result, the employee competence of CMN is considered above average in the industry. CMN's co-president stated:

> "The employee competence is high in CMN since the JV incorporated knowledgeable technical and R&D staff, and experienced managers were all transferred from LCN which is known as an innovative and a very successful company in the hi tech industry."

CMN staff turnover is considered low even after the UMN acquisition; therefore, the employee competence in CMN continues to be very high.

4.1.4.2 Training

CMN is an innovative and technology company, so training plays an important part to keep the employees up to date with technology knowledge and grow the staff with good career development. CMN's co-president pointed out that:

> "There are different kinds of training course provided to the employees such as technical, product updates, management training, soft skill courses, etc. The courses are delivered through web-based, video/audit online training, external training, face-to-face classroom training, etc. In addition, there is some overseas training organized by UMN."

One of the CMN staff also confirmed that:

> "…there is regular training provided…. and regular communication and training with head office as well…"

CMN has a very good training system and process; the courses and on-the-job training are even enriched by the UMN training process. UMN has also provided its own training course which includes technical and soft skill courses for CMN staff. Employees are satisfied with the training provided by CMN post-M&A.

4.1.4.3 Core Competence

The core competence of CMN is known as having good product technology with strong R&D, as well as the 'Go to market' strategy. CMN's co-president said:

> "CMN's core competence is the 'go to' market strategy with a strong customer base and increased market share in China. Also, we have strong R&D capability and the company has a good innovative culture with advanced technology in various product lines."

The CMN Sales executive pointed out that:

> "… there is synergy in the product as the investor put the acquirer product together with the company product and provided a total solution for customers. At the same time, only two vendors in the market can provide total solutions to customers… the market share, and the year's growth was significant as well…"

After the acquisition by UMN, the core competence of CMN gave the company more competitive advantage in the market and enhanced CMN's sales outside China so it gradually became a global company.

4.1.4.4 Technical know-how

As mentioned in previous sections, CMN has strong R&D capabilities and advanced product technology. The technical know-how includes thousands of patents of which more than 90% are invention patents. CMN has a good infrastructure system including a well-established ERP system and capabilities to deal with the complex business operation. On the other hand, UMN has strong technical know-how for going global which was part of the knowledge transfer to CMN. A CMN senior executive said:

> "They are heavily relying on our R&D capabilities. They don't have any intervention on this in particular. As our company R&D has a good reputation in the China market, they only provide us knowledge of the global market so that our product can compete with the other market business. From that perspective, you can see our global business has undergone growth rapidly in the first few years. The growth is very significant."

UMN has utilized CMN's technical know-how and transferred its global business know-how to CMN in order to grow the company as a whole. The UMN knowledge transfer will be discussed in the following section.

4.1.4.5 Knowledge transfer

The knowledge transfer from UMN to CMN includes communication skills, global business operations and UMN's own product knowledge. Per a CMN senior executive:

> "After the integration, we utilized lots of UMN sales channels which has helped us to grow the business globally. UMN's leadership in global sales channels is very strong… They have more communication with our management, which is a good thing for the company and helps us to explore how a large company like CMN manages the business…"

Also, CMN's co-president said:

> "There is additional knowledge we needed from UMN, which was how to support global business outside China and expand into the global market. As UMN is a large global company, it has provided some international business knowledge to the team as our business growth is very rapid. The owner has their existing global business channel and global resources; therefore, they took our product and rebranded it to the owner brand and we are growing very fast… the knowledge transfer is through communication, meetings, product road map, customer engagement, etc. and we gained knowledge during this process..."

Knowledge transfer forms part of the critical success factors for CMN to grow the business globally and increase the market share worldwide.

4.1.5 Organizational performance

CMN's post-M&A organizational performance has exceeded the organizational goal which was set based on the investment strategy. The co-president stated:

> "As you can see from the result, the acquirer company probably considered this acquisition as one of the successful acquisitions in the company's history. The investment value has increased a few times! The return from the investment in this acquisition is very significant even in the company's history. The integration has met all the investment goals which include a stronger product portfolio as well as increase in UMN's market share in China as a whole."

The sales manager said:

> "…the acquisition was a success... As mentioned before, with regard to product portfolio, market, business expansion, China market, etc., all met the goals…. The company performance exceeded expectations! This is because the product portfolio has covered all the new technology. From a revenue perspective, year-on-year growth has hit double digits in the last 10 years."

The senior executive said regarding the organizational performance:

> "I think it exceeds expectations. The synergy effect has benefited both companies. UMN has helped CMN in its overseas business and increased its market share. Also, the R&D has lifted in both companies."

Per the above quote, all the leaders and management agree that CMN's post-M&A organizational performance has exceeded the investment goal!

4.2 Case 2 Company code HCN – a HK/China company

HCN Group is a Hong Kong and China company with headquarters located in Hong Kong. The acquirer is an international private investment equity firm. However, the acquisition is considered to not have met the investment goal and represents an example of a failed M&A acquisition case.

4.2.1 Background of the company

HCN group was founded by a group of local Chinese in Hong Kong more than 30 years ago. The company's growth was rapid after 10 years in business, having built 10 factories in the southern China region including five factories in Shenzhen and five factories in Guangdong. The workers in the China factory have formed a labor union to promote the common interests and the employment related issue with the factory management. The management is not aware there is any political community member employed by the factories. The factories employed over 10,000 workers. The investor said:

> "The company is the biggest in this particular industry. It has almost a 70% market share, and the potential to expand the market share …The company is the biggest manufacturer in its industry, where the competition is not keen."

All the management team had worked in the company for more than 10 years, some of whom had worked in the company since it was incorporated, and progressively were promoted to the management team. Due to the retirement of the founder and the owners, they had decided to sell the company in order to realize their investment in the company. Furthermore, the management team could continue to be employed and expected the new owner to help to grow the company.

During 2005 to 2010, the company was acquired by an international private equity firm (Company code PEF) for a significant amount. The investor of the holding company, PEF, owned lots of retirement funds, different banks and private investors, and the company was incorporated in 1998. The funding for HCN's investment from the holding company was mainly sourced from a syndicated bank loan with high leverage. As a result, a significant amount of the company profit was required to pay for the bank interest.

After completion of the acquisition, a new Chief Executive Officer (CEO) was hired to replace the company's CEO due to planned retirement. The retired CEO had become the consultant of the company to assist the new CEO to transit to the position. The new CEO is an American who is a native English speaker. Before he joined the company, he worked in a large multinational company as a senior management executive for many years. After the new CEO joined the company, he started to hire the senior management team from his prior company including HR director, Manufacturing director, Marketing Senior Manager, and Factory Manager. The existing functional manager reported to the new management team accordingly. A new CFO was also hired by the private equity firm, PEF, to manage the finance function, and the existing financial controller and his team reported to the new CFO. The management team reorganized their respective functions with some new hires. Also, a manufacturing consultant company was hired to improve the manufacturing process in order to be more productive. The main objectives were to improve the cost-effectiveness and achieve the investment goals set by the investment strategy.

4.2.2 M&A strategy and objective

The main objective of investment is to maximize a company's value within a short period for most private equity firms. After the company value has reached the level set in the initial investment plan, the private equity firm will most likely sell the company to realize the profit. The common industry period for the acquisition is typically seven years. M&A success or failure is mainly based on the investment return, such as cash in and cash out. If the company loses money, it is definitely a failure. However, if the company makes money, but the value is not up to the expected cash return, it also a failure.

The private equity firm, PEF, in this case is a well-known international reputable firm with very experienced investment managers. After the acquisition was completed, PEF named two investment managers as members of the Board of Directors of the HCN group. The Board of Directors included the two investment managers, an external consultant and the previous owner. One of the PEF directors said:

> "We invest only if the investment has an incremental return and company value increases. We think the company's business is stable and its earning is very stable. Even though the profit will not grow fast, we think the company can generate a similar profit and will not

> easily fall apart in that industry. With our forecast of general market growth, the company profit will grow too. The investment goal is to have stable business growth of the company in order to increase the company's value, so that we can make money from the investment."

Therefore, the holding company, PEF, has an investment strategy of "financial opportunities" and its motive is "financial motives." As the investment goal is to increase the company's value, the new management think that there are opportunities to improve the company's cost efficiency in order to maximize the profit which will then increase the company's value. There are three main strategic goals in order to achieve the investment objective. First is to apply the Western management style with contemporary management theory in order to reduce the operating expense, such as the administrative cost. Also, it is necessary to fix the existing known problems such as environmental problems and improve tax efficiency. The second main strategic goal is to improve factory productivities. The third strategic goal is to achieve steady business growth. The HCN director stated:

> "The strategy is to fix the existing problems in order to achieve ESG, compliance, increased productivities and stable business. …Yes, all the management agreed on these strategies."

For the first strategy, the investor, PEF, hired a senior executive with experience working in a company following the Western management style as the CEO. The CEO subsequently hired a new management team to implement the cost efficiency and reorganize the functions. The second strategy was the company hiring a consultant company in order to implement the Lean Manufacturing method in order to increase the productivity of the factory. Also, the new manufacturing director was asked to reduce the material wastage in order to reduce the cost of materials. Under the third strategy, the company targeted to win the business from one of the main customers in the market in order to grow business.

The integration strategy is "holding integration" which is common practice in the private equity fund industry. Usually, the private equity firm will form a separate company to hold the acquired firm. The merged company's organizational goal depends on the holding company's investment strategy. As a result, HCN only has low levels of autonomy and has undergone business restructuring.

4.2.3 Leadership and related issues

4.2.3.1 Leadership Style

The leadership style in HCN is mixed between transactional and transformational. The new leaders hired after the acquisition had a transformational style, and had worked in a large multinational company for a long time and were well educated. They tried to create a positive change for the followers by increasing the incentive for their followers to achieve the goals assigned by the investors. However, HCN was owned by local Chinese before the acquisition, so their leader's management style was mainly like a family business with a parental management approach which can be classified as a transactional leadership style. One of the senior managers said:

> "I think the new top management leadership has a more Western style. They have a more systematic management style and are very organized. However, the factory leader is using the traditional management style, i.e. parental management style."

Per the investor, they think that the new management team has the right leadership style in place in order to transform the company according to the investment strategy. However, they are not able to align the factory managers to change the management style to cope with the changes. As a result, the leadership performance is not effective, and he commented:

> "They cannot fix the problems. They need to take the power back from the factory manager in order to fix the problem. They also do not manage the customers well which is another disappointment."

The ineffective leadership in HCN which is mainly caused by the other leadership-related issues is described in the following sections.

4.2.3.2 Communication

Communication is one of the main failure factors in HCN's post-M&A performance. The new CEO and the management consultants are foreigners, and they can only speak English. The factory managers in mainland China can only speak Chinese and are not able to communicate in English. Therefore, all the communications between them need a translator, i.e. they cannot have direct communications. Language barriers have caused this ineffective communication process. One of the senior staff said:

> “The language barrier is a problem as the management cannot have direct communication and need an interpreter or media. The communication may be only 60% received...”

The communication process in HCN is mainly through face-to-face meetings between the top management and the next-level managers. One of the staff said:

> “The communication is mainly through meetings including face-to-face meetings and phone meetings. The other communication is through reports such as milestone tracking, strategy reports, meeting minutes, emails, etc.”

The senior manager added the following comments regarding the communication process:

> “…The communication is mainly through meetings, but there is usually no follow up after the meeting. Also, communication is only down to the factory manager, but not further down to the next level.”

Overall, the communication is not effective in HCN, so goals and strategies are not well communicated to the next level. One of the senior staff said:

> “Although the factory manager is willing to communicate, the end result is out of expectation and not effective. I cannot see the factory manager communicate with the next level.”

The director has pointed out that communication is the major problem in post-M&A:

> "The problems are communications and the strategy not being aligned. …I think the top leaders in the company know the goals, but do not communicate well with the next level. Even though some of them know these goals, but all of them believe that it cannot be achievable. The goal is not known or agreed to by the second level management…"

Per the discussion with the director, the leaders should communicate the goals well to the next level and discuss with them how to achieve the goals. They should work together on the direction and solution to fix the problems in order to achieve the goals.

4.2.3.3 Culture alignment

HCN was integrated into the holding company after the acquisition. All the strategy direction was decided and the new senior management appointed by the holding company. The new CEO and his new senior management team were highly educated with many years of large multinational company-related work experience. However, none of them had work experience in a local Chinese company. The investor, PEF, was expecting that the new executive could transform the company in line with the investment strategies. On the other hand, the remaining existing HCN senior management had worked in HCN for many years and most of them had been promoted gradually from junior to senior levels by the previous owner within the company based on their performance. Also, the majority of the existing management were not university graduates and could only speak Chinese and all communications within the organization were in Chinese. Due to the different education and work experience background, there was a culture clash between the new and existing management in HCN. One of the new executives stated:

> "There is obviously a culture difference in HCN: the new management mainly communicate in English and the existing ones communicate in Chinese. The working style is different, the new management tried to transform the company, but the existing management is just following the old way to do business and is resistant to change…"

The culture difference in HCN has caused problems in the company's operations and the new management has not managed them well. The PEF director said:

> "He is American, and the factories' management come from different districts of China and have different cultures. Everything he has done has impacted the factory managers. I think that all the factory managers have problems too. Trust between the CEO and factory managers does not exist. It causes non-cooperation between the factory manager and the CEO management team."

One of the senior staff also pointed out that:

> "The new management is very Western in its style. They are very professional. As they are foreigners, but the factory manager is Chinese, the communication is not effective. Also, it's a culture problem, as the management has a Western style, while the factory manager has a more traditional Chinese style."

Per the above quote from the interview, the corporate culture alignment causes a major failure factor for HCN. As mentioned before in Chapter 2, corporate cultures consist of human capital, systems, processes, suppliers and customers. Human capital includes employees and the management staff; system refers to the information system or computer system; the process includes the decision or approval process and communications process; the culture of the suppliers and customers also form part of the corporate culture. HCN has different management styles in regard to human capital which impact the different level of employee conflicts. The new ERP computer system has undergone significant changes in relation to work practices and decision processes which cause problems for middle-level managers as the process was a very manual process before. Also, the communication process as mentioned before has caused a culture clash in HCN.

HCN is a typical example of what Marks & Mirvis (2011) stated regarding most organizational leaders prioritizing profitability over corporate culture management, especially during M&A processes. HCN investors and the top leaders have set their priority to increase the company's value and the corporate culture management has been set as having a lower priority.

4.2.3.4 Management of change

There were lots of changes in HCN after the acquisition. The investor, PEF, found out that there were lots of areas in need of improvement and problems in HCN in the pre-M&A stage due diligence process. The director said:

> "We know the problems before we invested. There were also lots of things that we didn't like… they had too many people with more than 10,000 workers. The factory and the system is too old and difficult to attract workers. There are also financial control issues, people issues, environmental problems, the cost is high, there is lots of wastage, poor local compliance especially with customs and tax, i.e. lots of problems…"

The investor, PEF, believed that after all the problems were fixed, the company's value could be increased as well as its profitability. Therefore, the new management targeted to fix all these problems in the merged company. In order to fix these problems, there was lots of change in HCN – a new management team, new ERP system, new company structure, the lean manufacturing process was introduced in production, etc. The director further said in regard to the problems identified before acquisition:

> "Leadership is very important in this investment. We have the budget cost built in to fix all the known problems. We need the leader to fix all these problems. We don't think the existing CEO can fix all these problems. Also, our practice is if the leader is not capable, we will change him/her. Therefore, we have hired a new CEO and new management in order to fix all these problems."

However, the new management team cannot manage the required change due to different problems which have been covered in the previous sections. The director concluded that the deal failed as follows:

> "The major problem behind this deal's failure is the leadership. The leader is very weak so caused the deal to fail. We tried to fix the problem by changing the leader constantly… First, we changed the CEO right after the acquisition. However, things got worse, as the first new CEO caused a labor strike. And he could not do anything… with all the problems

identified, he could not fix them which led to a labor strike. He could not manage the change and the people. …We hired the wrong person. The first CEO was incapable of fixing the major problems that we identified. He didn't have the right resources and his character was not able to fix the problems. Also, regarding his communication, he could only speak English and not Chinese. Then, we hired the next new CEO who was Chinese and he could partially fix the problems with the factory managers. There were other problems that suddenly arose at that time, such as the material cost and labor cost increasing significantly during that time which we didn't foresee. Also, a couple of major customers ran into financial problems. The cash flow was significantly reduced…. It caused another major problem for the investment."

In conclusion, the leaders were not able to manage the change in the merged company which was one of the main failure factors causing the investment failure.

4.2.4 Competence

4.2.4.1 Employee Competence

Most of the middle to senior management has a long history of employment with the company. The factories have accumulated a lot of relevant technology including a well-developed production process. Therefore, employee competence including skills and attitudes related to the production in HCN are generally good. The director summarized HCN's competence as follows:

> "In the factory, the employee competence is acceptable and the assessment of the competence is good. I think the competence and market competence are above average. The financial competence is not good, which is why we hired a new experienced CFO. The other management competence has changed with a new manager."

4.2.4.2 Training

The turnover of workers in factories is high, and similar to the China manufacturing industry labor turnover rate. Therefore, the factories have a well-established training program for new workers and technical staff. The training manual and process in the factories are well documented and available to all the related employees. There is a regular training program available in the factories. The company also sponsors the employee to go on external training trips on request. The senior manager said:

> "I have my training through external training at an external institute. We have technical training for the technical staff. The training includes the technical process and procedures. As a result, the technical product is stable."

The director further added that:

> "The CEO has invested a lot of money in training and keeping the product's leading position in the market."

In general, HCN provides adequate training to its employees including formal training courses and on-the-job training.

4.2.4.3 Core Competence

HCN was established more than 30 years ago and is the market leader in its particular manufacturing industry. HCN's product qualities and manufacturing process, which form part of the core competence, are well-known to customers and competitors. Due to their core competence being unique and having a good reputation amongst customers around the world, competition is not keen and the company was very successful in the last 30 years before M&A.

4.2.4.4 Technical know-how

HCN's technical know-how is mainly the manufacturing process with over 10,000 workers, who are able to produce products of unique quality. The director commented on HCN's technical know-how as follows:

> "I think the innovation and skill are ok and they dominate the market as a market leader. Anyway, the technical competence is ok and adequate."

A senior staff member said:

> "They have the right person with the right skill for the job…"

After the acquisition, the management introduced the lean manufacturing process to the factory which has enriched the technical know-how in the manufacturing process.

4.2.4.5 Knowledge transfer

The holding company, PEF, is in a different industry, so the knowledge transfer is limited to HCN. However, as the holding company is a multinational company, it tried to apply the multinational management method to the company by employing a new management team with a multinational management style in order to improve the management and communication skills of the existing HCN management. However, the knowledge transfer in the management process was not well received by the HCN employees.

On the other hand, the pre-M&A manufacturing process in HCN has successfully been transferred to the merged company as there are no changes in the production employees. All the technical know-how has successfully been transferred to the merged company.

4.2.5 Organizational performance

The post-M&A organizational performance of HCN has not met expectations. The director said:

> "The organizational performance has not met the investment goal. The investment is a failure mainly due to leadership. In summary, there are three main points:
>
> 1. We were too optimistic initially; we thought that we could achieve the goal in a few years' time. We thought we could fix the problems and the customers would grow steadily and get that one important new customer. All these goals were not easy, and we were too optimistic.
>
> 2. Leadership does not exist. Even when we have resources, they cannot be managed well. When there were suddenly a couple of major external factors including material price increase, there was failure to manage the change.

3. The strategy is fine but the management was not able to implement it."

After the new management had been in place for around one year, it failed to achieve the objective and all resigned from the company except the CFO. The holding company, PEF, hired another the new management team; however, after another couple of years, HCN went bankrupt.

4.3 Case 3 Company code LHK – a Local Hong Kong company

LHK is one of the subsidiaries of a public listed company (Company code HH) in Hong Kong. In 2013, the management of LHK formed a new company and acquired LHK. After the acquisition, LHK became a small-to-medium enterprise (SME) in Hong Kong. One of the rationales for choosing LHK is that it is a SME and represents one of the largest populations of companies in Hong Kong.

4.3.1 Background of the company

LHK business units were formed more than 10 years ago as one of the business units of company HH. LHK's business nature is different from HH's main business which focuses on product trading, distribution, and retail business. One of the directors of HH was responsible for the LHK business unit. The business unit was small with slow growth. In 2013, the management of LHK (including the responsible director) formed a new company and acquired LHK. The responsible director then left HH and became the Managing Director of LHK.

LHK is one of the leading companies in the Hong Kong and Macau region, specializing in delivering comprehensive integrated wireless identification solutions to the private and public sectors. The company has a reputable track record of implementing large IT systems for various size of company in different industry sectors. The company has won several big projects from local government through the open tender system. The company provides high-quality solutions and has capabilities to deal with large projects. LHK also provides a system integration service and a wide selection of hardware and software products so that customers can choose the best fit product to integrate into their IT system and benefit from multi-vendor support.

The company's recent year's revenue was over $10M. The total full-time employees of the company number around 20 with lots of contractors. The management team of the company consists of Managing Director, Sales director and Technical Director.

4.3.2 M&A strategy and objective

HH is a very successful company with steady growth in its main business over the last few decades. Ten years ago, one of HH's directors wanted to expand the wireless solution business section for business diversification. As a result, LHK was incorporated as one of the wholly owned subsidiaries of HH. The director was assigned to LHK as the CEO of LHK. However, the LHK business only grew slowly after it was incorporated. After a few years, HH's CEO decided to focus on its main business of trading, distribution and retail business, and disinvest from the non-core business. Therefore, the CEO of LHK formed a new company and acquired LHK from HH for a reasonable acquisition cost. All the technical and admin staff in LHK, numbering around six, continued to work in LHK after the acquisition. After the acquisition, the previous CEO of LHK became the Managing Director (MD) of LHK, and the Sales manager was promoted to Sales and business support Director. According to the MD of LHK the reason for the acquisition was:

> "There are different business strategies from the holding company… the holding company is more concentrated on trading business, and LHK focuses on technical solution business, and our business is small. Also, the holding company has different business directions in different markets. Although the business is small and not that profitable, I have confidence in LHK's business potential and the negotiated acquisition cost is reasonable. My investment strategy is to further invest in the existing market with additional resources. My goal is to grow the business to double the size in 3 years' time to become a profitable business."

The LHK Sales director said:

> "We want to do more different types of business and expand the business and also make more money."

Per a senior staff member of LHK:

> "I think my boss thinks that the business can be further expanded and developed and has potential to grow. Also, if he takes over, there will be less restrictions and a greater free hand for business direction."

Accordingly, the investment strategy is the pursuance of growth goals as the management want to grow the business substantially after the acquisition. The investment motive is mainly a managerial motive. The LHK acquisition can help to advance the management team to a shareholder and as an investor for the company and become independent from a holding company. Also, it has increased the dependence on managers' particular skills to grow the company. Per the MD of LHK, the integration strategy is absorption integration. After acquisitions, all the management team except the MD transferred back to HH and all the LHK system was disconnected from HH. The new company formed by the MD of LHK absorbed all the other staff and kept the LHK company name.

4.3.3 Leadership and related issues

4.3.3.1 Leadership Style

The management team of LHK consists of three senior directors – Managing Director, Sales Director, and Technical Director. The management director is LHK's previous CEO and now the major shareholder of LHK. The Sales manager was promoted to Sales and Business Support Director after the acquisition and became one of the shareholders. The technical manager was promoted to technical director a few years after the acquisition and also became one of the shareholders. HH and LHK's leadership style are a very traditional parental leader style which can be classified as transaction leadership which is considered suitable for a steady mature company. After acquisition, the leadership has changed from transaction leadership to mixed leadership in the merged company. Like most startup companies, the most suitable leadership style is transformational leadership and LHK's MD is considered a transformational leader. LHK's MD said:

> "After the acquisition, I engaged my team by allocating the bonus share to the key staff and motivated my team with a performance bonus which HH did not offer before. I have promoted team work and am open to any comments from staff. …I guess my leadership style is the transformational leadership style."

The Sales director leadership style leans more towards Laissez-faire, and she stated:

> "We work together directly on the sales details with the team… No more approval is needed from head office… My style is team work with discussion with staff, so we do not have a dictatorship style… We work together with open discussion and we make decisions together."

One of the staff also said:

> "…team work, when the manager provides an order, the staff will automatically work on it without too much management involvement. Managers do not need to push... it is very effective, managers listen to staff opinions, and the process is team work oriented. There is no parental management style here. It is very free here."

The mixed leadership style in LHK works well and the staff are highly motivated. The company promotes teamwork and offers a result oriented bonus payment scheme to the staff.

4.3.3.2 Communication

LHK has a very effective communication process and the leaders are promoted team workers. Therefore, there is lots of communication between team members. The communication process is mainly through team meetings, emails, and informal staff gatherings. LHK's MD summarized the communication process as follows:

> "...because there is team work, everyone knows. We have meetings, emails, etc."

LHK staff also echoed the communication process as follows:

> "We communicate through meetings, emails, etc. Also, the manager tells us the future direction in team meetings or one-to-one meetings."

The communication process is considered very effective given the size of the company and LHK's leadership style.

4.3.3.3 Culture alignment

LHK's culture has changed significantly after the acquisition. LHK used to be part of a large listed company in Hong Kong where the culture was very hierarchical and the support function was handled by a specialized department in the holding company, such as HR, Accounting, and IT department. After the M&A, LHK merged into the new company which basically became a new small-sized company. As the initial company only had eight people and all merged from the old LHK company, the management structure changed significantly. The reporting system in the old LHK had many reporting layers to the holding company CEO, and the post-M&A company become only has two layers – the managing director and the sales director. LHK's MD said:

> "Our company's hierarchy is clearer, and because of expansion, we have increased divisions. The company's structure has expanded. More Business Unit (BU) has different foci. We have created more BU which we didn't have before… If we are still under the holding company, we need its approval to choose a different business scope or new business."

And the LHK MD added:

> "Our company's culture has been enriched to encourage team work and more technology focus in order to provide a better total solution to customers. Everyone in the company knows that we have limited resources and we have changed from a large company to a SME after the merger."

The LHK leader has managed the culture alignment very effectively. Per the interview with LHK staff, they were all satisfied with the merged company's working culture with no dislike for the acquisition. They are highly motivated due to the new bonus scheme and the friendly work environment.

4.3.3.4 Management of change

After the acquisition, LHK has changed from being part of a large company to a SME. The change is quite significant. LHK's MD said:

> "After the acquisition, our company hierarchy has become more simple with just two layers which is easier to manage. Also, because of expansion, we have increased divisions and the company's structure has expanded. We have created more BU which we didn't have before and more BU focus… In terms of employees, I had different opinions on the business directions from those of the holding company a few years before the acquisition. As its main business is trading, it tends to hire junior-level employees and the salary is not competitive. I have different opinions from those of head office as I don't want to hire junior people to sell high-end products/services. ...Nowadays, our company has changed and pays a competitive salary to hire more technical and higher-caliber staff. However,

employees prefer to work in a big company rather than stay with us, so I need to take care of all the employees to make them stay longer …As the boss of the new company, I have become more calm, promote team work, put the customer first, care about customers, and am more business minded. There have been lots of changes after the acquisition and I think we have managed them well.”

The business has grown since the acquisition and the number of employees has increased from eight to around 20 in 8 years’ time. With the effective leadership style and good culture alignment, the company has transformed into an SME with steady growth. The LHK leaders have done a good job to manage the changes.

4.3.4 Competence

4.3.4.1 Employee Competence

LHK is a technical solution company which requires high technical competence. The employee competence requirement also increased post-M&A. LHK’s MD said:

“After M&A, we need more knowledge to run the business, especially the technical knowledge. Communication skills are okay as we are experienced. Management are well trained. Although we are a small company, our operation is similar to that of a listed company’s style including the internal audit process.”

The sales director and staff also mentioned that their job responsibilities and scope have been expanded. They need to learn more job knowledge after the merger. For example, the sales director needed to increase her technical knowledge as she needs to handle the technical support function post-M&A.

Around 80% of company staff are technical staff. The company has offered competitive salaries to hire more technical and higher-caliber staff. However, the IT industry is growing rapidly and the demand for IT resources is increasing dramatically. Employees prefer to work for large companies rather than SMEs. Therefore, the technical staff turnover rate is high in LHK, especially in recent years, when the turnover rate is more than 10%. As a result, employee competence is difficult to maintained at a high standard due to the employee turnover rate. In order to retain the key technical staff, the technical manager has been promoted to Technical Director, and more incentive is provided to the key staff including company shares.

4.3.4.2 Training

Due to the small firm size and limited resources, LHK offers minimal formal training. The staff acquire knowledge mainly through on-the-job training and learn by experience. One of the staff said:

> "I learnt the skills and knowledge through work experience. I learn while working."

The LHK MD described the training process as follows:

> "We acquire knowledge mostly through web browsing and internet searching, forums, attending seminars and IT association forums or meetings, etc. Some of my staff are still

taking part-time private courses. From time to time, the business partners do provide some product training as well."

There is no formal training requirement within the company. The staff obtain knowledge mainly from their past experience, on-the-job training, and from each other through team meetings and discussions.

4.3.4.3 Core Competence

The core competence of LHK is mainly as a technical solution provider with success stories in large private and public corporations. LHK's MD stated:

> "We are a high tech company and it became more technically driven after the acquisition; we mainly provide technical services so technical competence is important to us. We provide high-quality solutions to customers and are a reputable system integration provider in the market."

After the acquisition, LHK has tried to diversify the business to internet shopping and increase the software capabilities. However, due to the limited resources and the market situation, such diversifications have not met the company's expectations. The company has returned to concentrating on its technical solution's core competence which has a competitive advantage in the market and the company is further expanding its market to Macau.

4.3.4.4 Technical know-how

LHK has good technical know-how in providing wireless identification total solutions to customers. LHK has accumulated good technical knowledge and experience by providing sizable technical solutions to large corporations such as different local government departments and various large corporations from fast food chain stores to airport terminals, etc. LHK's MD said:

> "Our technical know-how mainly lies in our expertise to provide one-stop-shop solutions to customers and we are flexible and have a proven track record of providing excellent solutions to different industrial customers. Our customer base is growing too…"

LHK has strong technical know-how in its industry sector that makes the company have a distinctive competitive advantage in the market.

4.3.4.5 Knowledge transfer

The LHK holding company is a new company and all the staff in the merged company were transferred from the pre-M&A LHK company, with no knowledge transfer required in the merged company.

4.3.5 Organizational performance

The post-M&A organizational performance is considered to not be sufficient and efficient in LHK. The MD stated:

> “The performance is a bit below our expectation… The revenue grew by only just more than double in 7 years whereas our investment goal was to double in the first 3 years and return to profit. On the bright side, the number of users has doubled during these 7 years, our project size has increased, the number of employees has increased from eight to 20. However, our revenue does not reflect this. We were losing money in the first few years of operation, and only returned to being profitable after a few years. As we are a solution or services business, lots of business results are only reflected in later years.”

The Sales director also said:

> “I think it has met expectations now, but it could be better… We are not doing a good job in software investment... in fact, we will not invest in software with our limited resources as software business is not our business focus. We should invest and work more on system integration solution business and our software technical competence is not good enough.”

LHK has good leadership, but the competence is not sufficient; therefore, the company’s performance is not sufficient and efficient and a bit below the investment goal.

CHAPTER 5: CROSS-CASE ANALYSIS AND FINDINGS

5.1 Introduction

This section discusses the cross-case analysis and focuses on the five propositions proposed in this study. The elements of the five propositions have been discussed in the individual case chapter. In this chapter, the five propositions based on the cross-case analysis will be further explored. The section starts with the cross-case analysis of the three constructs (Strategy, Leadership, and Competence) of the five propositions, followed by the key findings of the analyses.

5.2 Strategy

The Strategy construct forms part of the Head (H2) factor in the 3H framework (Yu, 2019). The key aspects in this construct which affect the post-M&A performance are the investment strategy, integration strategy, and the goal alignment. All of these key elements have been discussed in the individual case studies separately. The cross-case analyses of these key elements will be focused in the discussion in the following subsections.

5.2.1 Investment Strategy

K.G. Ray (2010) classified the M&A investment strategies into three main types: pursuance of growth, defensive reasons, and financial opportunities. The investment strategy of both CMN and LHK is the pursuance of growth strategy, while HCN's investment strategy is targeting financial opportunities. Although CMN and LHK have a similar investment strategy, the M&A motives are different.

There are three major M&A motives, which are strategic motives, financial motives, and managerial motives (Campbell et al., 2006). The M&A motive for CMN is strategic. The senior VP of CMN said:

> "This investment is very clearly a business growth strategy and the motive is to enhance and increase the product portfolio globally and to expand the China market share…"

For the HCN case, the M&A motive is financial, which is common practice in a private equity firm. The Director of the holding company, PEF, said:

> "Our company is a buyout firm and our investors include banks, lots of retirement funds and private investors, etc. Our investment motive is all about financial return, cash in and cash out, etc.; and all the investor looks at is the return. If the company makes money, we make money as the investment value is based on the incremental business and cash generation from business. …We think that the company's business will grow steadily and their earning is very stable, which is in line with our investment strategy."

In LHK, the M&A motive is managerial, i.e. the director and the management staff of LHK want to take back the control from the previous holding company (HH). Therefore, the director has set up a new company to acquire LHK mainly based on their managerial motive with an expectation of LHK business growth in the near future. The LHK MD said:

"Before the acquisition, the LHK leaders needed to follow the holding company HH's decisions. Now we are independent and can focus more on our core business which is solutions business. We are more concentrated on business growth, so our business is more effective now after having taken back the control from HH…"

The below table summarizes the investment strategy of the three case studies:

	CMN	HCN	LHK
Investment Strategy	pursuance of growth	financial opportunities	pursuance of growth
M&A Motive	strategic motives	financial motives	managerial motives

5.2.2 Integration Strategy

In this study, Haspeslagh and Jemison's (1991) integration approach is used for the case study analysis. Accordingly, there are four approaches which are holding integration, symbiosis integration, preservation integration, and absorption integration. As discussed in the individual case study report, UMN adopted the "preservation integration" strategy for the integration in which the holding company lets CMN stand alone as it is. Company PEF's integration strategy for HCN is "holding integration" which is common practice in the private equity fund industry. HCN only has low levels of autonomy and underwent business restructuring and the organizational goal is dependent on the holding company's investment strategy. While the integration strategy for LHK is "Absorption integration," the new company formed by the MD of LHK has absorbed all the existing staff into the company and has kept the LHK company name.

5.2.3 Goal alignment

The organizational goal of the merged company is based on the investment strategy and the integration strategy. The business goals are part of the organization's strategy development (Porter, 2004). These business goals were used to determine and measure the post-M&A organizational performance as mentioned in the previous section and this goal needs to be aligned within different functions of the merged organization in order to achieve the investment objectives. Each research organization in the case study has its preset M&A business goals set up for performance measurement as mentioned and summarized in the following section.

The investment strategy in CMN is "pursuance of growth" and the M&A motive is "strategic motive." Based on this M&A strategy, the goal was developed as per CMN's co-president:

> "Our organizational goal is based on the investment strategy, which is business growth, and the goals are increasing market share, enlarging product portfolio, and revenue growth. All our functional goals are aligned with these goals and the performance will depend on the achievement of these goals…"

For HCN, the investment strategy is "financial opportunities" with the M&A motive of "financial motive," and there are three goals developed based on the investment strategy and motive. The goal was set by the director and aligned with the new management team. However, based on the interview, the goals were not aligned with those of the factory manager and second level of managers. The senior executive of HCN said:

> "We have three strategic goals: 1. To reduce the company's spending, such as material wastage, operating spending, etc.; 2. To fix the existing known problems; 3. increase productivities and achieve steady business growth. If we can achieve all these, we believe that the company's value will increase and the investment strategy will be effective."

LHK's investment strategy is "pursuance of growth" and their M&A motive is "managerial motive." The MD of LHK stated about the goal:

> "Our goal is simple, which is to double the company's revenue and size in the first 3 years after acquisition and return to profit as well. Everyone in the company knows about the goals."

All the three cases have the goal defined but have different levels of alignment. CMN has aligned all the goals with all senior management and the next-level manager. For HCN, the goal alignment is only limited to the new management staff, while in LHK, all the staff in the company are aligned with the organizational goal which is the basis for the annual pay bonus. Each company goal alignment is summarized in the below table:

	CMN	HCN	LHK
Goal Alignment	defined and aligned	defined, but not aligned	defined and aligned

5.2.4 Findings

The investment strategy and M&A motive for each case have been well defined in the pre-M&A phases which form part of the investment decision. In CMN and HCN, the integration strategy forms part of the critical success factors for the organizational performance, as discussed in the individual reports. The holding integration strategy is common practice in a private equity firm which Company PEF has adopted for HCN integration. All the organizational goals from the three cases are derived from the investment and integration strategy. These organizational goals are used to measure the post-M&A performance and carried out within five years after integration to decide on the success or failure of the M&A. In CMN, the goal was measured every year after integration based on their 5-year plan. For HCN, the investor measures the goal annually based on their 5-year plan; however, the company went into bankruptcy within the first five years. LHK had an acquisition goal for the first 3 years but fell short of achieving the goal.

Due to the different organizational performance of the three cases, it is noted that a good investment and integration strategy is not sufficient and efficient for optimal organizational performance. The below table summarizes the three cases' strategy and the overall performance measurement.

H2 Head elements	**CMN**	**HCN**	**LHK**
Investment Strategy	Pursuance of growth	Financial opportunities	Pursuance of growth
M&A Motive	Strategic motives	Financial motives	Managerial motives
Integraton Strategy	Preservation	Holding	Absorption
Goal Alignment	Defined and aligned	Defined, but not aligned	Defined and aligned
Post M&A Performance	Exceed	Not met	Not met

Although the strategy alone is not sufficient and efficient to optimize the organizational performance, the organizational goal is the basis for the organizational performance measurement which is used in all the three cases to ascertain the post-M&A period's success or failure. As the organizational goal for organizational performance measurement was based on the investment and integration strategy, the investment strategy set in the pre-M&A stage and the integration strategy have a direct relationship with the post-M&A performance. Therefore, an achievable or good post-M&A goal will have positive organizational performance. In brief, the literature and the findings for the case study support the following proposition:

Proposition 1: the Investment and integration strategies are key factors that positively influence the post-M&A performance.

5.3 Leadership

The Leadership construct is included in the Heart (H1) factor in the 3H framework (Yu, 2019). The leadership and the related issues will affect the M&A performance, as discussed in the previous chapters. The related issues identified for this study are Leadership Style; Communication; Culture alignment and Management of change. These issues have been discussed in the individual case study separately and the cross-case analyses of these issues will be addressed in this section.

5.3.1 Leadership Style

Leadership style is the key to manage and motivate the employees and employee engagement and as a result will improve the employee retention. The Full Range of Leadership Model (Bass and Avolio, 2004) which relates transactional and transformational leadership style with laissez-faire leadership style, was used for the case study analysis and the main leadership style is summarized in the below table:

	CMN	HCN	LHK
Leadership Style	Transactional	Mix	Mix

For CMN, the leadership style for most of the leaders can be classified as the transactional leadership style as identified in the individual case report. The transactional leadership style works very effectively in CMN which had a proven track record of the effectiveness of this leadership style before M&A. As CMN's organization remained as it was with no change in management personnel after the merger, the transactional leadership style continues to work well post-M&A. According to the full range leadership model, the transactional leadership style works well for CMN as their investment strategy mainly keeps things in CMN the same with steady growth.

Per the investor of HCN, they think that the new management team has the right leadership style in place in order to transform the company per the investment strategy. However, the new leaders are not able to align the factory managers to change the management style to cope with the changes. The factory managers apply their own transactional leadership style as it was before which was not aligned with the strategic goal, and keep the things same. As a result, there are lots of conflicts between different levels of management and the identified problems arising from the goal were not able to be fixed in order to transform the company according to the strategic goal. The new management has the right transformational style, but they are not capable of managing the company. Per the director of the holding company, PEF: "The new leader is just not capable of performing well and is not able to apply their skill to manage the company, though they have a successful management track record in a large multinational company."

The main leadership style in LHK has changed from transactional before the merger to mixed leadership styles. As per the individual case study report, the leadership style is mixed in the merged company. The managing director has a transformational style, while the Sales director is laissez-faire. Although they have a mixed leadership style, they work well in LHK and do not have any conflict in regard to goal alignment and leading different teams.

To conclude the cross-case analysis of leadership style, the leadership style is an important element to keep the employees motivated and performing well according to the aligned goal. Even if the company has the right leadership style in place, if the goal is not aligned with all the managers, the company's performance will not be efficient and sufficient, which may become one of the failure factors for the M&A.

5.3.2 Communication

All employees in the company can be made more aware of organizational change processes and strategies through effective communication and awareness programs, which will also help them perform their jobs more effectively (Appelbaum et al., 2017; Lang, 2019; Rao, 2017). Also, an effective communication process ensures the inclusion of all employees in the merged firm. During the organizational transition, employee inclusion decreases the uncertainty and improves leadership predictability (Appelbaum et al., 2017). According to Antony (2018), a good communication strategy unites the team under a common goal. Also, Verčič and Vokić (2017) discovered a direct relationship between employee engagement and internal communication. The communication process includes emails and face-to-face meetings plus informal meetings such as business lunches and team building sessions. Verčič and Vokić (2017) mentioned that the most important venues for efficient communication are informal communication, feedback, and meeting communication.

Therefore, the effectiveness of the communication process is an important factor for the post-M&A organizational performance. The effectiveness of the communication process in the three cases under study is summarized below:

	CMN	HCN	LHK
Communication	Effective	Not effective	Effective

The communication processes in CMN and LHK are effective. In CMN, the communication has a typical traditional communication style, where the employees consistently follow the manager's commands and instructions. The communication process in CMN has improved following the UMN acquisition since UMN is a major international company with a good reputation for employee communication. The investment strategy and objective are communicated and explained to different levels of the company employees in CMN. The findings of the interview support the fact that the investment goal is clearly defined and supported by senior management who communicate well with employees at all levels. The investment strategy is also communicated to different related business partners in order to engage the partners to attain the goal. In conclusion, CMN's communication system is effective. Additionally, the investment plan and goal are successfully communicated to various levels of workers as well as outside partners.

Poor communication is one of the main reasons why HCN has performed poorly following an acquisition. The new CEO and management consultants are foreigners who only speak English, but the plant managers in mainland China can only communicate in Chinese and are unable to do so in English. Therefore, the CEO and consultants are not able to communicate with plant management directly, and as a result, a translator is always required. Communication has been rendered ineffective due to language limitations. In general, HCN's communication is ineffective; the next level of management is not given clear instructions regarding goals or strategy. According to the discussion with the HCN director, the HCN leaders should clearly communicate the goal to the next level and go over how to achieve it with them.

LHK has an effective communication process and encourages its leaders to work together as a team. Team members consequently communicate with one another regularly. LHK's leadership style and the scale of the company are considered to make the communication process highly effective.

In summary, per the interview findings, the communication processes in CMN and LHK are very effective, and investment strategy and goals are communicated well to different levels of employees. On the other hand, the ineffective communication in HCN is one of the failure factors for the merged company. The new HCN leaders are not able to communicate the investment strategy to and aligned the goal with different departments which cause no inclusion of all employees into the merged organization with poor binding of the employees to the common objective of the merged company.

5.3.3 Culture alignment

After the acquisition by UMN, the corporate culture remained unchanged initially. Although the management culture remained unchanged initially after the acquisition, CMN gradually changed some of the UMN culture with more open communications as mentioned before. CMN has gradually aligned some of the UMN global business management culture which eventually made CMN become a successful global company. Also, culture problems have not arisen in CMN.

HCN's new management in the merged company has different education and work experience backgrounds with a Western management culture compared with the old management with a lower level of education background and a traditional Chinese local working culture. After the integration, HCN's new management is focused on productivity, sales and marketing and fixing the compliance problem, while the old management still wants to keep the company as it was. This corporate culture difference has caused lots of problems including lack of a common goal, overemphasis on corporate governance, cost management, a lack of mutual trust, and job security. As mentioned in the individual case report, HCN investors and the top leaders have set the priority of increasing the company's value and corporate culture management has been given a lower priority. These culture problems are one of the major failure factors of the merged company.

LHK has changed from a large company to a SME, so the company's management structure and corporate culture have changed significantly. LHK's leaders addressed the corporate culture right after the integration. The new corporate goals have been effectively communicated to all employees and the leaders have encouraged team work with a greater customer focus. The LHK leader has managed the culture alignment very effectively. The employees are satisfied with the friendly environment and highly motivated to achieve the corporate goals with the new bonus scheme.

Each case study's corporate culture alignment was unique. The leaders in each case study managed the culture issue differently. Most culture-related problems in the merged company fall under operational disruption; productivity loss due employee concerns about job security; and operational synergies not realized because of limited departmental cooperation (Ayawongs, 2014). Below is a summary of each case culture alignment issue after merger:

	CMN	HCN	LHK
Culture alignment	Aligned	Not aligned	Aligned

5.3.4 Management of change

The effectiveness of the management of change in each case is summarized in the below table:

	CMN	HCN	LHK
Manage Changes	Effective	Not effective	Effecitive

In the CMN case, both leaders from UMN and CMN have managed change well for the integration. The only thing that the holding company UMN has changed is the reporting communication process. CMN remains a standalone company with no changes in management after the acquisition. Per the interview, CMN's leader gradually learnt from UMN's global business process and applied it to CMN's business process which has improved CMN's global business performance.

There were lots of problems that the investor of HCN wanted to fix after the integration. After the acquisition, there was a lot of change in HCN including a new management team, new business process, and new production process. However, the new leader of the merged company has not managed the change well which has caused lots of management problems. These problems are mainly due to the leadership problems identified, such as leadership style, communication, and culture alignment, which have been discussed in previous sections. As a result, the performance of the merged company did not meet the investment goal, and the leadership was identified as one of the critical failure factors of the investment.

There have been some changes in LHK after the acquisition. The LHK management leader before the acquisition became a shareholder and the top leader. The leader has changed the company structure and introduced a simpler business process for the merged company. Although the changes are significant, the leader has managed the change very well with the right leadership style, simple communication process, and good culture alignment. The company has managed to grow the business slowly and returned to being profitable in the first few years; however, it fell short of the investment performance expectation.

5.3.5 Findings

The overall leadership effectiveness of each case study is summarized as follows:

H1 Heart elements	**CMN**	**HCN**	**LHK**
Leadership Style	Transactional	Mix	Mix
Communication	Effective	Not effective	Effective
Culture alignment	Aligned	Not aligned	Aligned
Manage Changes	Effective	Not effective	Effective
Leadership - overall	***Effective***	***Not effective***	***Effective***
Post M&A Performance	***Exceed***	***Not met***	***Not met***

In CMN, the leadership and related issues are applied very effectively in the merged company. The leaders have the right leadership style and effective communication process, with no cultural problems arising and have managed the change very effectively in the merged company. As a result, the leadership and the related issues are one of the critical success factors impacting the post-M&A performance. On the other hand, HCN has lots of leadership problems in the merged company. The leaders are not able to apply the right leadership style to manage the company changes, and failure of the communication process and lots of corporate culture issues have caused the failure of the investment. LHK has steady business growth in the first few years after merged which mainly due to the effective leadership. . However, this steady business growth falls short of meeting the initial investment goal.

The literature and the findings in these case studies can conclude that the leadership and related issues, especially management of cultural differences, are the major factors that positively influence the post-M&A performance. These findings support proposition 2 and 3 as follows:

Proposition 2: Leadership and the related issues are key factors that positively influence the post-M&A organizational performance.

Proposition 3: Leadership in managing corporate cultural differences is a key factor that positively influences the post-M&A organizational performance.

5.4 Competence

The Competence construct is included in the Heart (H3) factor in the 3H framework (Yu, 2019). Competence will affect the M&A performance, as discussed in the individual case report. The related component of competence studied in this research includes employee competence, training, core competence, technical know-how, and knowledge transfer. The cross-case analyses of the competence construct will be addressed in this section.

5.4.1 Employee Competence

The employee competence in each case is summarized in the following table:

	CMN	HCN	LHK
Employee competence	High	Medium	Low

CMN is a reputable technology company in the region and the employee competence of CMN is considered above average in the industry. After the acquisition by UMN, the recruitment of talented employees became easier due to UMN being a much bigger multinational company. Also, CMN's staff turnover is considered low even after the UMN acquisition; therefore, the employee competence in CMN continues to be very high as discussed in the individual case report analysis.

Most of HCN's staff and engineers in the factory have worked in the company for a long time and have accumulated good work experience in the factory and developed good processes for the production. The turnover rate of the factory workers is similar to that of other factories in the industry. Therefore, per the HCN director's assessment, the employee competence including skills and attitudes related to the production in HCN is generally good, and the overall employee competence in the factory is above the industry average.

LHK is a technical solution company which requires high technical competence and around 80% of its employees are technical staff in the merged company. The leader in the merged company has tried hard to increase the technical employees' competence to a higher standard in order to grow the business. Also, the employee competence requirement for non-technical staff is also required due to the wider job scope and increased responsibilities due the company structure changing. However, the IT industry is growing rapidly and the company has lost some highly experienced technical staff to large companies. The technical staff turnover rate is high and makes it difficult for the company to maintain a high standard of employee competence.

5.4.2 Training

Employees are one of the most important assets in a company so training plays an important part of ensuring that employees possess up-to-date knowledge and enjoy good career development. It is particularly important in the merged company in order to keep the employees motivated and up to speed with the new company culture and requirements. The assessment of the training program in each case study is as follows:

	CMN	HCN	LHK
Training	Adequate	Adequate	Not adequate

CMN is in a high tech industry, so up-to-date technical knowledge and innovation skills are particularly important for the company to continue to be successful in the market. There are different kinds of training courses including technical, product update, management training, soft skill courses, etc. provided to different levels of employee. After the integration, the CMN employees can also access the holding company's training program including online and overseas face-to-face meetings in UMN's various office locations globally. Per the interviews, the employees are very satisfied with the training provided by CMN post-M&A.

In HCN, the plants have a well-developed training program for both new employees and technical staff. The training manual is fully documented. There is a regular and consistent training program provided for the staff in the factories. In response to the employee demands, the company additionally pays for the employee's external training. In general, HCN has provided sufficient in-person and formal training to its employees. During the interview, the management and staff expressed satisfaction with the company's training program.

There are limited formal training programs in LHK which are mainly provided by the business partners. The employees acquire knowledge basically from web browsing, self-learning, on-the-job training and through experience. As a technology company, the training requirement seems to not be adequate according to the interview assessment, but this issue is very common in the SME sector.

5.4.3 Core Competence

Kabue and Kilika (2016) define core competence as the ability to respond effectively to obstacles and to perform well within a work environment. The core competence in each case study is summarized as follows:

	CMN	HCN	LHK
Core competence	High	Medium	Medium

The core competence of CMN is possessing a good innovation culture, product technology, strong R&D, and good market strategy. UMN has a reputable global market core competence, with this advantage, which has given CMN more competitive advantage in the market and enhanced CMN's sales outside China after the integration.

The main core competence of HCN is its high product qualities and well-established manufacturing process. With this core competence, HCN has been the market leader in its industry for more than 30 years. After the acquisition by PEF, the new leader further invested in the manufacturing process by introducing the Lean Manufacturing process. The core competence gave HCN more competitive advantage in the market.

The core competence of LHK is mainly being known as a technical solution provider and a system integrator with customer focus. The comparative advantage is their tack record and providing successful solutions to large private and public corporations. After the acquisition, LHK has continued to build its technical solution's core competence and expand its business to Macau.

5.4.4 Technical know-how

The assessment of the technical know-how for each case after merger is summarized as follows:

	CMN	HCN	LHK
Technical knowhow	Excellent	Good	Good

CMN has invested significantly in R&D and has large engineering resources for product development. With its innovation culture, its technical know-how includes thousands of patents and the majority of the patents are invention patents. The main technical know-how in UMN that can be applied to CMN is global business know-how. After the merger, this technical know-how has aided CMN to become a more successful global company.

HCN's technical know-how mainly relates to the manufacturing process and ability to produce unique quality products. After the acquisition, the company further invested in a lean manufacturing process for its factory which has enriched the technical know-how in the manufacturing process so that the company can continue to dominate the market. The investor of HCN is satisfied with the technical know-how of the merged company.

LHK has good technical know-how regarding providing various technical solutions to various customers in different industries. LHK has a good understanding of customers' requirements and puts customers' interests first. The strong technical know-how in LHK has given the company a distinct competitive advantage in the market.

5.4.5 Knowledge transfer

Synergy is one of the important considerations in M&A investment decisions and knowledge transfer is one of the critical processes to realize the advantage of synergy in the integration process. The assessment of the knowledge transfer in each case study is summarized below:

	CMN	HCN	LHK
Knowledge transfer	High	Medium	Low

After the acquisition, CMN acquired knowledge from UMN including communication skills, global business operations, and UMN's own product knowledge. This knowledge transfer forms one of the critical success factors for CMN to further grow the company globally.

The holding company, PEF, is a multinational company, which tried to deploy management and communication skills in HCN. The pre-M&A manufacturing process in HCN has been successfully transferred to the merged company as there are no changes in the production employees. Also, PEF has employed the consultants from their portfolio company to introduce the lean manufacturing process to HCN.

After M&A, the only change in LHK is the company reporting structure, as all the technical and key staff have transferred to the merged company. Also, the holding company of LHK is a new company; therefore, there is no knowledge transfer required in the merged company.

5.4.6 Findings

The overall assessment for the Competence construct in each case is summarized in the following table:

H3 Hand elements	**CMN**	**HCN**	**LHK**
Employee competence	High	Medium	Low
Training	Adequate	Adequate	Not adequate
Core competence	High	Medium	Medium
Technical knowhow	Excellent	Good	Good
Knowledge transfer	High	Medium	Low
Competence - overall	***Satisfied***	***Satisfied***	***Not satisfied***
Post M&A Performance	***Exceed***	***Not met***	***Not met***

The employee competence and core competence of CMN continue to be at a very high standard in the merged company. The training program in CMN is well established and all the employees of the company have received adequate training to perform their work. The company has excellent technical know-how including lots of invention patents and best business practice in the industry. The merged company has utilized knowledge transfer and advanced its technical know-how to a high standard as well. As all the competence-related components are very satisfactory, and per the interview with CMN management, Competence is one of the key success factors in relation to company performance.

HCN's employee competence, core competence and technical know-how have been maintained at the same standard after the acquisition. The training program is adequate and the leader has continued to invest in the employee training after the merger. The knowledge transfer works well as it was planned in the integration stage. Overall, the investor is satisfied with the competence assessment of the company. This Competence is an important factor of HCN in order to allow the company to continue to dominate the market after the merger. Although the Competence factor is satisfactory in HCN, it is not sufficient to meet the overall organizational performance.

For LHK, the overall competence factor is not satisfactory. Employee competence is affected by the high turnover rate and not much knowledge transfer in the merged company. Although the core competence and the technical know-how remain the same after merger, the training program needs to improve the employees' career development. The Competence factor in LHK is one of the factors why the merged company is not able to meet the post-M&A performance as defined by the investment strategy.

The literature and cross-case analysis findings can conclude that the Competence factor is one of the key factors that positively influence the post-M&A performance which supports proposition 4 as follows:

Proposition 4: Competence is a key factor that positively influences the post-M&A organizational performance.

5.5 General Findings and Summary

The following table summarizes all the three constructs from the three case studies:

	CMN	HCN	LHK
H2 Head elements			
Investment Strategy	Pursuance of growth	Financial opportunities	Pursuance of growth
M&A Motive	Strategic motives	Financial motives	Managerial motives
Integraton Strategy	Preservation	Holding	Absorption
Goal Alignment	Defined and aligned	Defined, but not aligned	Defined and aligned
H1 Heart elements			
Leadership Style	Transactional	Mix	Mix
Communication	Effective	Not effective	Effective
Culture alignment	Aligned	Not aligned	Aligned
Manage Changes	Effective	Not effective	Effective
Leadership - overall	***Effective***	***Not effective***	***Effective***
H3 Hand elements			
Employee competence	High	Medium	Low
Training	Adequate	Adequate	Not adequate
Core competence	High	Medium	Medium
Technical knowhow	Excellent	Good	Good
Knowledge transfer	High	Medium	Low
Competence - overall	***Satisfied***	***Satisfied***	***Not satisfied***
Post M&A Performance	***Exceed***	***Not met***	***Not met***

From the case analysis, CMN's post-M&A performance has exceeded the organizational goal defined by the investment strategy. CMN's co-president stated regarding the overall success factors:

> "The success factor you can say is that the holding company respect the original successful operation before the acquisition. They respect the success of the existing leadership team and have not bothered to integrate or change the leadership team. The only thing they have done is enable the existing management team to perform better. …On top of this, our core competence, R&D capabilities, and product technology are continuing to lead the market. Therefore, the result or the outcome is very successful."

The interviews with various personnel from CMN generated a similar conclusion on the key success factors. The excellent M&A performance result can be found from the company press release and can be reflected by the employee bonus payment. As per the analysis in the individual and cross-case analysis, CMN has performed well in regard to the key factors that influence post-M&A performance. In brief, CMN has a well-defined investment strategy and M&A goals aligned with those of the company. The company has a very effective leadership and handles leadership-related issues effectively. Also, the overall competence of the company continues to achieve a high standard and meet the management's expectations. As a result, the effective leadership plus the satisfactory Competence have made the company sufficient and efficient to surpass the organizational goal as defined by the investment strategy.

In the case of HCN, the company's post-M&A performance has not met the organizational goal. The HCN director concluded the failure factors:

> "This deal is a failure mainly due to the leadership and there are five major points: 1. We thought that we could achieve the goal in a few years' times. We can fix the problems and the customers can grow steadily and we can get that one important new customer. All these goals were not easy, and we were too optimistic; 2. Leadership was not present. Even when we have resources, they cannot be managed well. When there was suddenly a couple of major external factors, there was failure to manage the change; 3. The strategy is okay and integration strategy is the usual practice in the investor industry; 4. Our company's competence is fine; and 5. Price increases."

As per the individual case report, HCN's leadership is a failure, as the leaders are not capable of handling or managing all the leadership-related issues, though the company continues to dominate the market with the maintained company competence. As a result, the company has failed to meet the post-M&A performance goal which was set by the investment strategy. Per the news in newspapers, the laborers went on strike in the second year after the M&A and the company experienced financial difficulties 5 years after the acquisition. The major finding per this HCN case is that even with good overall competence of the company, it is not sufficient to meet the M&A performance goal as the company has inefficient leadership.

For LHK, the company's performance fell short of the expected post-M&A performance of doubling in revenue and returning to profitability in three years in line with the investment strategy. The main factors affecting the performance is competence according to LHK's MD:

> "The M&A performance is a bit below our expectation… we were losing money in the first few years of operation, and only returned to being profitable after a few years, which did not meet our original acquisition expectation. …The major factor affecting our performance is people as we are providing technical services, so success all depends on employees as well as the management team. Staff competence is important; strategy communication, the right knowledge, and leadership are also important. All these are success factors. We were behind in the first few years in regard to employee competence due to the high turnover rate initially. We fixed the competence issue gradually and returned to profitability after five years and now we have more than double the revenue. I think competence is an important element even if we have good leadership in the company."

Per the interview with other employees, the company website, and the internal financial reports, the findings are consistent with the MD's statement on the company's performance and the factors stated. In recent years, LHK has fixed the competence issue by promoting the technical manager to the position of technical director with a significant share and gradually provided more training and attractive performance bonuses to reduce the staff turnover rate and enhance the technical competence. The company finally met the investment goal after five years which is below their expectation. The finding in LHK can support leadership being an important success factor, but without good competence, it is not sufficient to meet the M&A performance goal.

In summary of all the findings, Investment Strategy, Leadership and Competence have played key factors in each case study and have a direct influence on the M&A performance result. An achievable post-M&A goal which is based on the investment strategy has a positive influence on the performance goal, but without effective leadership and good competence, the actual performance may not meet the organizational goal. In case 2, HCN had a detailed pre-M&A investment strategy with a clearly defined post-M&A goal preset and good competence of the merged company, but with poor leadership in the merged company, the performance was not able to be achieved. In case 3, despite there being aggressive M&A goals because of unsatisfactory employee competence, even with effective leadership, the M&A goals were not met either. In case 1, CMN with an achieved M&A goal, effective leadership, and good competence, the performance exceeded the investment goal. Therefore, the general finding for the cross-case studies can support proposition 5:

Proposition 5: Strategy, Leadership, and Competence are the key factors to achieve sufficient and efficient post-M&A organizational performance.

While the research findings on leadership and competence make sense with regard to the factors that influence the post-M&A organizational performance, it is unclear which factors are more effective/important than others, which factors have a greater impact, and under what conditions they do so. The level of synergy created from the integration determines the level of success of organizational performance. However, we can conclude that with effective leadership and good competence, a company is most likely able to achieve sufficient and effective post-M&A performance. These findings can be referred back to the 3H-M&A framework to conclude that the model could provide a holistic approach for M&A assessment which will be discussed in the following chapter.

CHAPTER 6: DISCUSSION AND CONCLUSIONS

This final chapter concludes the thesis by summarizing the research findings and results and addressing the research questions. An overview of the holistic approach to assess M&A performance will be discussed and how the 3H-M&A framework and model apply in the M&A process. Then, the research contribution, limitation of research, and the implication for future research will be presented.

6.1 Discussion of the results

The overall study results will be discussed in the following sequence. First how the findings answer the research questions and achieve the research aim and objectives is discussed. Then, the holistic approach to the M&A process is discussed followed by a discussion of the 3H-M&A framework and model.

6.1.1 Research questions

This research study's findings answer the main research problem through the five propositions and the 3H-M&A framework. The main research problem statement for this study is "M&A strategy, leadership and employee competence have a direct impact on the merged organizational performance. However, in order to realize the intended M&A synergies, it is hypothesized that the acquirer has to adopt a holistic approach to manage all these three constructs effectively and efficiently." As mentioned before, the following four research questions will address the main research problem.

Research question 1: What is the role of M&A strategy in realizing the post-M&A goals of the acquirer firm?

Proposition 1 that "The Investment and integration strategies are key factors that positively influence the post-M&A performance" is supported by the research findings and answers research question 1. The M&A strategy defines the post-M&A performance goal which is the basis for performance measurement.

Research question 2: What is the role of leadership in realizing the post-M&A goals of the acquirer firm?

The research findings support Proposition 2 that "Leadership and the related issues are key factors that positively influence the post-M&A organizational performance" and Proposition 3 that "Leadership in managing corporate cultural differences is a key factor that positively influences the post-M&A organizational performance" which have answered research question 2. The leadership-related factors of Leadership Style; Communication; Culture alignment and Management of change are the key factors that influence the post-M&A performance; however, it is not sufficient or efficient to achieve the organization goal.

Research question 3: What is the role of the firm's competence in realizing the post-M&A goals of the acquirer firm?

Research question 3 has also been answered by the research findings which support Proposition 4 that "Competence is a key factor that positively influences the post-M&A organizational performance." The factors of Employee Competence, Training, Core Competence, Technical Know-how, Knowledge Transfer are the key components of the Competence construct which influences the post-M&A organization. Similar to Leadership components, Competence factors alone are not sufficient or efficient to achieve the post-M&A performance goal.

Research question 4: Why is a holistic approach with integration of leadership, strategy and competence necessary to realize the post-M&A goals of the acquirer firm?

The 3H-M&A framework and Proposition 5 that "Strategy, Leadership and Competence are the key factors to achieve sufficient and efficient post-M&A organizational performance" have addressed research question 4. With effective leadership and good competence, the company is most likely to achieve sufficient and effective post-M&A performance goals as defined by the investment strategy. Therefore, Strategy, Leadership and Competence are necessary to realize the post-M&A goals. The 3H-M&A framework and the model provide a holistic approach to the M&A process. The framework and model will be discussed in the following sections.

This study focuses on the post-M&A organizational performance as defined by the investment strategy and measured by the management. The purpose of this study is to evaluate the results of the strategies which business leaders adopt in the M&A integration process.

6.1.2 Holistic Approach: 3H-M&A Framework and model

As mentioned before, the research aims are to investigate the critical success factors and to develop a practical model that business leaders can adopt to determine the key factors under different integration strategies in order to achieve the investment objectives. It is intended to develop a holistic framework on the key success factor of post-M&A activities to support the research aim. The 3H-M&A framework and 3H&M&A model have been developed to address the research aims. The below section recaps the summary of the individual case study findings in the 3H-M&A model.

Table 6.1 presents a summary of the holistic approach to analyze case 1, i.e. CMN's post-M&A performance by applying the 3H-M&A model.

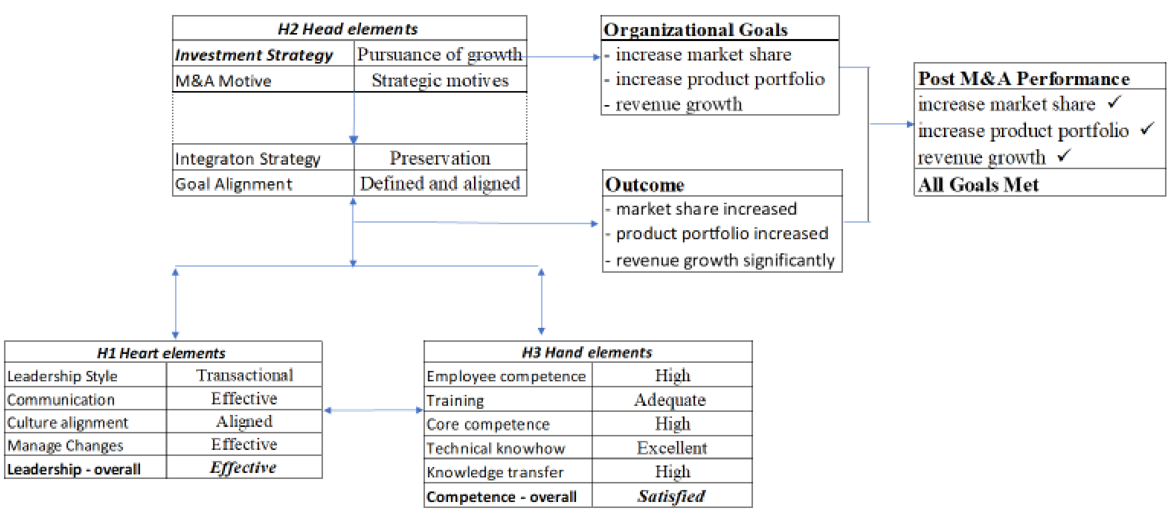

Table 6.1 : Case 1 CMN Post M&A performance – The 3H-M&A Model

The 3H-M&A model in Table 6.1 provides a holistic view of the analysis of CMN's post-M&A performance. CMN has performed well in all the three main constructs, as per the case study report and analysis. In the H2 Head domain, CMN's investment strategy type is pursuance of growth with a strategic motive. The investor and stakeholders have identified the integration strategy and defined the goals based on the investment strategy. The integration strategy is preservation, which is considered the best approach by the holding company in order to make the M&A succeed after the pre-M&A due diligence process. For the goals, the holding company defined three major areas: 1. To increase the market share; 2. To increase the product portfolio; and 3. Revenue growth. These goals were the basis to measure CMN's post-M&A performance. These main goals were further divided into department goals for the relevant leaders and employees to pursue. These goals were aligned and communicated to the leaders and employees in CMN. The various key elements in the H1 Leadership domain were effective and managed well by the CMN leaders. The leaders applied the appropriate leadership style to motivate and engage the employees to achieve the relevant goals. The communication process is very effective and there are no cultural problems within the organization. The leaders have managed the change very effectively and grown the company into a successful global business. In the H3 Hand domain, CMN maintains high standards of employee competence and the core competence after the merger. The training elements, technical know-how, and knowledge transfer process are all satisfactory. Therefore, the overall Competence domain is satisfactory per the finding of the case study. With the effective leadership and satisfactory competence, the assessment of the post-M&A result per the finding was compared with the main goals: 1. the market share has increased per the market survey result; 2. the product portfolio has increased compared with the product list before the merger; and 3. The revenue has grown significantly per the financial reports. As a result, all the goals have been met and the post-M&A performance is considered to be sufficient and efficient.

For case 2, Table 6.2 presents a summary of the holistic approach to analyze HCN's post-M&A performance by applying the 3H-M&A model.

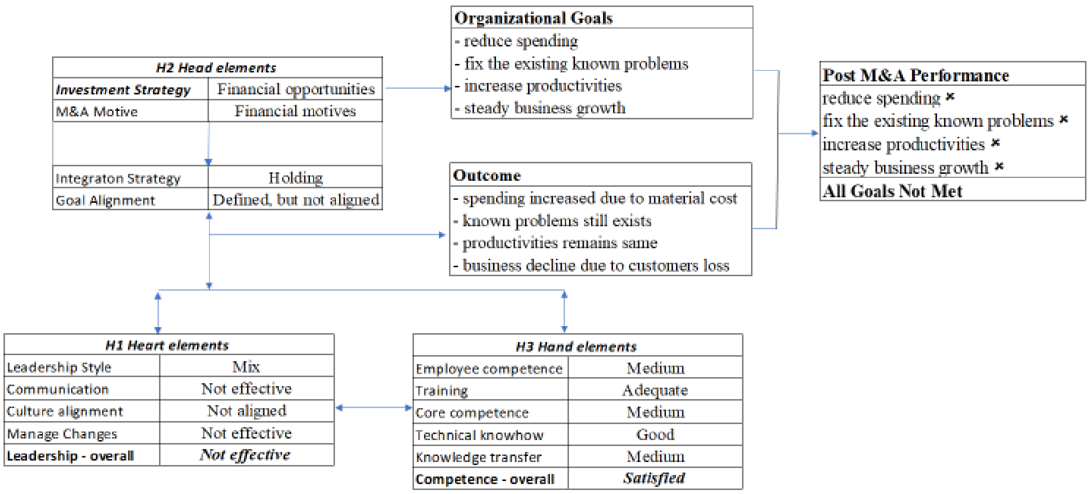

Table 6.2 : Case 2 HCN Post M&A performance – The 3H-M&A Model

HCN's 3H-M&A model as per Table 6.2 provides a holistic view to analyze HCN's post-M&A performance. HCN has failed to meet the investment goal mainly due to underperforming in the leadership domain as per the case study findings. The investment strategy for HCN in the H2 domain is the financial opportunities and this is a common goal for private equity firms and related stakeholders. The motive is mainly financial in order to make profit out of the acquisition within the investment timeline. The integration strategy is a holding approach which is a common method used by the private equity firm industry. The goals identified for the acquisition performance measurement can be summarized as four main goals: 1. To reduce spending; 2. Fix the identified known problems in the pre-M&A due diligence process in order to add value to the company; 3. Increase the productivity; and 4. Steady business growth. These goals have been aligned with the CEO and the new management team of HCN. However, the goals had not been aligned with the next level of management in HCN. For the H3 Competence domain, HCN was one of the leading companies in its industry for more than 30 years and competence was one of the key factors for HCN to lead the industry with a high quality of the products. After the M&A, HCN is able to maintain all the key competence elements. The employee competence, core competence, and technical know-how remain maintained to a good standard. On top of this, the training process and knowledge transfer were enriched after M&A. However, on the other hand, all the key elements in the Leadership Domain H1 fell apart. The leadership style is not effective in HCN, and the leaders were not capable of motivating and guiding the staff to perform well. Communication is not effective due to language barriers and the process is not managed well. Cultural conflict was one of the major issues in HCN due to the management and local staff's cultural differences. The leader is not able to manage the changes in order to fix the known problems per the investment goals. All the post-M&A organizational performance goals as per the investor assessment of the M&A were not met: 1. The company's spending increased mainly due to the material price and labor cost increasing per the financial records; 2. The leaders were not able to fix the known problems and the problems still exist; 3. The productivity remains the same as per the factory records; and 4. The business declined mainly due to the loss of a few major customers as per the financial records. Therefore, even with satisfactory performance in the H3 Competence domain, without an effective H1 Leadership domain, HCN's post M&A performance is not able to meet expectations.

The following Table 6.3 presents a summary of the holistic approach to analyze case 3's LHK post-M&A performance by applying the 3H-M&A model.

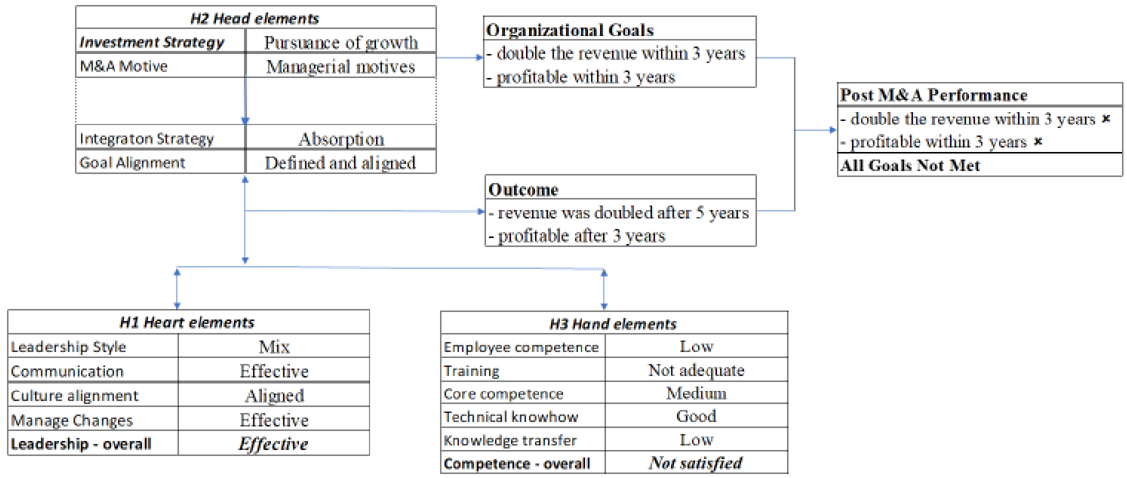

Table 6.3 : Case 3 LHK Post M&A performance – The 3H-M&A Model

For the LHK case, the post-M&A performance is below expectations as per the 3H-M&A model per Table 6.3 which provides holistic analysis of the major factors affecting the performance. LHK's investment strategy in the H2 domain is the pursuance of growth and the M&A motive is managerial. The integration strategy is absorption as the investor has formed a new company to absorb the acquisition of LHK. The goals per the investor as derived from the investment strategy are mainly in two areas: 1. double the revenue within 3 years and 2. return to being profitable within 3 years. These goals are aligned with all the LHK leaders and communicated well within the company. In the H1 Heart domain, the leadership style is mixed and adequate to lead the employees to achieve the organizational goals and the company's cultural changes have been managed well. The open communication style and process is very effective within LHK and the leaders have managed the company's changes effectively. Although all the key factors in the Leadership domain are effective, the H3 Competence domain has room to improve. The employee competence is below expectation mainly due to the retention of technical staff which are in high demand in the market. Other factors affecting the employee competence are the training process which LHK needs to improve and the limited knowledge transfer from the holding company which is only a newly established company. Although the LHK leaders are able to maintain the core competence and technical know-how standard from before the merger, the overall competence performance is not satisfactory. Per the company's financial reports and the assessment by the MD of LHK, the post-M&A performance was below expectation per the measurement indicators: 1. The revenue has grown steadily but has not been able to double within 3 years and 2. The company is still not profitable in its third year. The 3H-M&A models have shown effective leadership in LHK but underperformance in regard to competence which are the main factors why LHK is not able to meet the post-M&A performance expectation.

As discussed before in section 2.10, according to the 3H framework (Yu, 2019), the degree of synthesis between the H1, H2, and H3 domains determines the organizational effectiveness and efficiency of management. Also, the 3H framework might be used to analyze the inadequacies in one or more of the H factors that led to their failure or can be used to analyze the critical success factors of the projects. The 3H-M&A framework applies the 3H framework to analyze the post-M&A performance. The 3H-M&A framework identified the key M&A factors which were grouped into different H domains as shown in Figure 2.2. The 3H-M&A model provides a holistic approach to analyze all the key elements and the relationships with each domain in the framework which are linked to the post-M&A performance. This study has applied the 3H-M&A model to analyze the key success or failure factors of the three cases as shown in the previous paragraphs. The cross-case 3H-M&A model analysis is further summarized in the following Table 6.4.

	3H-M&A Constructs	CMN	HCN	LHK
H2 Head	Strategy ↓	✓	✓	✓
	Organsational Performance	✓	✗	✗
H1 Heart	Leadership	✓	✗	✓
	- manage cultural diff	✓	✗	✓
H3 Hand	Competence	✓	✓	✗

Table 6.4 3H-M&A model: case study summary table

In Table 6.4, the strategy in the H2 Head domain was identified during the pre-M&A phase and the M&A objective was derived from the post-M&A performance goals for the merged company. In all the three case studies, the M&A objectives were well defined for the organizational performance measurement. In the post-M&A performance assessment, Strategy (H2) is necessary and it is the basis to define the merged company goals for measurement. In other words, without Strategy goals (H2), there will be no basis to assess the effectiveness of the organizational performance. The case of LHK supports the 3H framework regarding the statement of "Effective leadership (H1) motivates and engages employees which is necessary but not a sufficient condition for effective organizational performance." In LHK, the merged company has an effective leadership (H1), but with unsatisfactory workforce competence (H3), so the post-M&A organizational performance did not meet the performance goals. The case of HCN has supported the 3H framework regarding the statement of "Workforce competence (H3) is necessary but not a sufficient condition for effective organizational performance." HCN has maintained a good competence standard after the merger; however, the incapability of the new leaders of HCN led to the failure of the post-M&A organizational performance. CMN has demonstrated the 3H framework regarding the statement of "Synthesis among domains of H1, H2 and H3 collaboration shall secure the necessary and sufficient condition for effective organizational performance." CMN has effective leadership, a high standard of competence in combination with the investment strategy which secures the necessary and sufficient condition for the success of post-M&A organizational performance.

The research result has shown that the 3H-M&A framework and model, which are based on the 3H framework (Yu, 2019), provide a holistic approach to analyze and explain the key factors affecting the post-M&A performance. This holistic approach could help the management or investors to understand the key success or improvement factors for each case as well as common success or improvement factors. According to the research's findings, some factors were more efficient than others. The study discovered that those elements contributed significantly to the merged organization's and increased the likelihood of success. The 3H-M&A model can be used as a checklist to guide the investor or management to design the most effective acquisitions.

In summary, the 3H-M&A framework and model have fulfilled the research aims of this study which was to investigate the key success factors and develop a practical model for business leaders to understand and analyze the critical factors in order to achieve the investment objectives.

6.2 Contributions to Literature and Management

This study is intended to assist practitioners and academics with leadership practices to improve the organizational performance post-M&A. The 3H-M&A framework, which is mainly based on the literature and supported by the case study findings of this research, has offered a holistic approach to M&A strategic planning and execution. The step-by-step 3H-M&A model helps managers to analyze and assess the important factors affecting the post-M&A performance. Also, this enables a better understanding of the relationship between Strategy, Leadership and Competence and the post-M&A performance.

For the three case studies, the researcher has presented the respective 3H-M&A model and the findings to the management or the investors and the comments from the management are as follows:

For case 1 (CMN), the 3H-M&A model has analyzed all the key success factors holistically for the post-M&A performance. The management has found the model to provide a holistic view of the success factors and would apply this 3H framework for strategic planning and execution as well as the 3H-M&A model for future M&A activities.

For case 2 (HCN), the 3H-M&A model and the findings have been presented to the investor. The investor found the failure factor of leadership to be in line with their assessment. The model has provided a wider and holistic view of the analysis of all the key factors of the post-M&A performance. The investor found the 3H-M&A model to be a good tool to apply to future investment activities.

For case 3 (LHK), the researcher has presented the 3H-M&A model and findings to the MD of LHK. LHK's 3H-M&A model has pointed out the deficiency in a few key elements in regard to competence. LHK's management has restructured the company and promoted the technical manager to director in order to manage the overall competence and revised the incentive scheme in order to maintain low employee turnover. Also, the company has invested in staff training to maintain the staff's technical know-how. Per the LHK MD, the company business has started to ramp up recently.

This study contributes to the body of knowledge by identifying the key factors related to post-M&A operations that link Strategy, Leadership, and Competence to the organizational performance. The study provides a comprehensive framework and identifies key success factors that management should consider in the M&A integration process. The 3H-M&A framework developed in this study provides a holistic approach for the strategic planning and execution of M&A transactions. Potential investors should consider applying the 3H-M&A model in their post-M&A integration process.

The 3H holistic framework, despite it having yielded receptive recognitions from hundreds of executives in dozens of postgraduate and executive management classes, as cautioned in the originator Eddie Yu's recent literature (Yu, 2021), the theoretical framework is still in its exploratory stage. The operationalization of individual constructs of the framework should be prudently treated as a developmental attempt rather than a confirmatory one. With the consistent findings from both survey and interviewing methods (Cheung, 2022), and the findings of this study, they help strengthen the validity and reliability of the framework's constructs and thus advance the development of the framework.

The strategy map template has described the linkage between the strategy and intangible assets of the organization to drive the organizational performance. The 3H-M&A framework has identified the linkage between Strategy, Leadership and Competence and the post-M&A organizational performance. All the elements in the Strategy Map template are covered by the 3H-M&A framework. With the findings of this study and supported by both the 3H framework and Strategy Map template, the author believes that the 3H-M&A framework and model provide a hostile approach for M&A transactions.

6.3 Limitations of the research

Due to the time constraint for the research, the researcher found it satisfactory to have obtained enough data to fully address the research questions. One of the limitations of this study was the participants were from only three companies. The case study result is supported and validated by the relevant literature, but cannot be considered as broad-based evidence. This constraint may be supported by further research using quantitative research in this area. A questionnaire based on the study result can be used to perform a broader employee survey to further support the research findings. For this study, the researcher believes that interviews with senior executives in the merged company would provide reliable data to support the conclusion as the interviewed senior management and key personnel understand the merged companies' strategic decision-making in the post-M&A integration process.

The timing of the interviews was the second limitation. Case-study research requires a large amount of effort to thoroughly understand the inspected and analyzed phenomenon. The inquiry was only conducted at a particular time period when the interviews were conducted, and the participants were questioned about previous M&A transactions. Therefore, when the interview was conducted, the M&A integration process had not yet completed, the merged company's performance may be reflecting the success or failure of the M&A. On the other hand, if the merged activities happened a long time ago, the interviewees may not remember the details of the integration. For this study, most of the research and interviews were conducted five years after the integration, by which time the firms had had enough time to integrate, so the researcher believes that the key factors regarding post-M&A integration had been identified, and it was feasible to gauge the post-M&A performance.

In the Cross-border M&A, the political and institutional environment plays an important role in the outcomes of the M&A deal (Peng, 2002). Buckley et al. (2016) suggested that "Chinese Multinational Enterprises (MNEs) are 'shortsighted' and show perverse behaviour towards host country risk when deciding on the location of host country and volume of investment undertaken through M&As, which may damage the firm's long-term profitability." Therefore, PESTLE driven macro-environment scanning from Head domain in the 3H-M&A shall be studied and analyzed in the investment and the integration strategy. In this study, during the period of the two cross border M&A cases (case 1 and 2), the author and the company management considered the political and institutional environment were fairly stable, so no details analysis is performed. Admittedly, politically and institutional impacts on M&A deals cannot be overlooked in China; however, such impact is not that significant to the two M&A cases decisions in this research.

Companies that might have participated in the research have limited access. The willingness of the approached companies was severely hampered. Typically, only companies which had successfully completed the M&A process were willing to participate in the research to show their success story, and those companies that had failed or not performed well in the M&A, the management thereof was reluctant to disclose the problem of the merged company in general. Both success and failure factors of the M&A transaction are important to the researcher to support the findings, research framework and model. In the study, the author managed to select two less successful M&A cases for the study which represent the typical failure factors in the respective domains. The author believes that three cases in this research satisfied the research aim due to the case selection criteria and saturation issues.

6.4 Implications for further research

Three areas for further study have been identified by the research. First further research is required to have a more detailed investigation of the interactions and interdependence of elements in each construct and the strength of relations between the constructs and the post-M&A performance. While the research findings on leadership and competence make sense with regard to the factors that influence post-M&A organizational performance, it is unclear which factors are more effective/important than others, which factors have a greater impact, and under what conditions they do so. Such investigation could be achieved via a quantitative research approach. A second research area would be to increase the reliability, validity, and generalizability of the 3H-M&A model as it is mainly based on the existing literature and the research findings. Future research can explore the application of the 3H-M&A model across different case studies, specific industries, or size of the M&A transactions. Also, exploratory qualitative research on the 3H-M&A model in the pre-M&A evaluation phase could be conducted in order to increase the chance of a successful M&A. The third area would be on the limitations identified from the previous section which can be further alleviated through additional research. Therefore, future research using more cases across different industries and company sizes with more participants should improve the generality of the proposed model.

M&A research warrants further research as it is the preferred and important strategy for most companies for the various reasons discussed herein. This thesis has provided a holistic approach for management to determine the key factors under different investment strategies and the 3H-M&A model provides a tool for investors to analyze M&A performance. The 3H-M&A model developed in this thesis is based on the author's supervisor's 3H framework (Yu, 2019). The 3H framework can be applied to analyze the deficiencies in one or more H factors, which account for their failure and can also be applied to analyze the key success factors of industry leaders or of a project. The author has applied the 3H framework in the area of M&A and formalized the 3H-M&A framework. The complexity of the study and the quantity of qualitative data made it possible to produce comprehensive conclusions that will serve as a foundation for additional research on post-M&A operations.

REFERENCES

Abbas, M. (2011). *ERP Systems in HEI context from a Multiple Perspective View: A Case Study* [Doctoral dissertation, University of Manchester].

Abdalla, M. M., Oliveira, L. G. L., Azevedo, C. E. F., & Gonzalez, R. K. (2018). Quality in qualitative organizational research: Types of triangulation as a methodological alternative. *Administração: ensino e pesquisa, 19(1)*.

Able, R. M. (2007). The Importance of leadership and culture to M&A success. *Human Capital Institute.*

Achim, S. (2015). Recent trends in the study of mergers and acquisitions. *E M Ekonomie a Management, 18(1), 123-133.*

Adefe, K. (2017). *A study of competency as a driver for business performance in Nigerian banks* [Doctoral dissertation, University of Sunderland].

Adler, N. J. (1997) *International Dimensions of Organizational Behaviour.* South-Western College Publishing.

Agrawal, A., & Jaffe, J.F., (2000). The post-merge performance puzzle. *Adv. Mergers Acquis. 1, 7-41.*

Ai, Q. (2015). *Key success factors in the management of post-acquisition integration in the outward mergers and acquisitions of Chinese firms* [Doctoral dissertation, Royal Holloway, University of London].

Ai, Q., & Tan, H. (2020). Uncovering neglected success factors in post-acquisition reverse capability transfer: Evidence from Chinese multinational corporations in Europe. *Journal of World Business, 55(3), 101053.*

Al Musharraf, M. A. (2003). The role of human resource and cultural factors in the success or failure of merger and acquisition strategies: The case of Saudi Arabia [Doctoral dissertation, University of Sheffield].

Almor, T., Tarba, S. Y., &Benjamini, H. (2009). Unmasking integration challenges: The case of Biogal‘s acquisition by Teva pharmaceutical industries. *International Studies of Management & Organization, 39(3), 33–53.*

Andrade, G., Mitchell, M., & Stafford, E. (2001).New evidence and perspectives on mergers. *Journal of economic perspectives, 15(2), 103-120*

Angwin, D. (2000). *Implementing Successful Post-Acquisition Management.* Financial Times–Prentice-Hall.

Angwin, D. N., & Meadows, M. (2009). The choice of insider or outsider top executives in acquired companies. *Long Range Planning, 42(3), 359-389.*

Ansoff, H. I. (1980). Strategic issue management. *Strategic Management Journal, 1(2), pp. 131–148.*

Antony, M. R. (2018). Paradigm shift in employee engagement – A critical analysis on the drivers of employee engagement. *International Journal of Information, Business and Management, 10(2), 32-47.*

Appelbaum, S. H., Karelis, C., Le Henaff, A., & McLaughlin, B. (2017). Resistance to change in the case of mergers and acquisitions: Part 1. *Industrial and Commercial Training*

Appelbaum, S. H., Lefrancois, F., Tonna, R., & Shapiro, B. T. (2007). Training Managers for Culture, Stress and Change Challenges. *Industrial and Commercial Training, 39(4), 191-200.*

Armstrong, G. (2011). *Leadership in times of change: an examination of a merger experience.* University of Toronto.

Ayawongs, A. (2014). *A Model for Moderating the Effects of Corporate Cultural Differences in Mergers and Acquisitions (M&A): Exploratory Research of M&A Cases in Thailand.* The University of Manchester (United Kingdom).

Bajaj, H. (2009). Organizational culture in bank mergers and acquisitions. *Indian Journal of Industrial Relations, 45(2), 229-242.*

Banerjee, P., (2003). Resource dependence and core competence: insights from Indian software firms. *Technovation, 23(3), pp.251-263.*

Barney, J. B. (1996). The resource-based theory of the firm. *Organization science, 7(5), 469-469.*

Barney, J.B. (2001). Resource-based theories of competitive advantage: a ten-year retrospective on the resource-based view. *Journal of Management, Vol. 27 No. 6, pp. 643-650.*

Bass, B.M. (1985). *Leadership and performance beyond expectations.* Free Press.

Bass, B.M. (1995). Theory of transformational leadership redux. *The Leadership Quarterly, Vol. 6 No. 4, pp. 463-478.*

Bass, B.M. (1997). Does the Transactional—Transformational Leadership Paradigm Transcend Organizational and National Boundaries? *American Psychologist, 52, 130–139.*

Bass, B.M. (2010). Two decades of research and development in transformational leadership. *European Journal of Work and Organizational Psychology, Vol. 8 No. 1, pp. 9-32.*

Bass, B.M. & Avolio, B. (1997). *The Full Range Leadership Development Manual for the Multifactor of Leadership Questionnaire*. Mind Garden.

Bass, B.M. & Avolio, B. (2004), *Multifactor Leadership Questionnaire: Manual and Sample Set (*3rd ed.). Mind Garden

Bauer, F., & Matzler, K. (2013). Antecedents of M&A success: The role of strategic complementarity, cultural fit, and degree and speed of integration. *Strategic Management Journal.*

Bell, G. G., & Rochford, L. (2016). Rediscovering SWOT's integrative nature: A new understanding of an old framework. *The International Journal of Management Education, 14(3), 310-326.*

Benjamin, A. & David, I. (2012). Human Resource Development Climate and Employee Commitment in Recapitalized Nigerian Banks. *International Journal of Business & Management, 7, 91-99.*

Birkinshaw, J., Bresman, H., &Håkanson, 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. K., & 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(4), 658-672.*

Boonyachai, Y. (2011). *An investigation of the leadership styles of middle managers in the Thai hotel industry using the MLQ (5X-Short Form) and Hofstede's Cultural Dimensions* [Doctoral dissertation, Southern Cross University].

Bouwman, C. H. (2013). The role of corporate culture in mergers & acquisitions. *Mergers and acquisitions: Practices, performance and perspectives, NOVA science publishers.*

Boyatzis, R. E. (1982). *The competent manager: A model for effective performance.* John Wiley and Sons.

Bresman, H., Birkinshaw, J., & Nobel, R. (1999). Knowledge transfer in international acquisitions. *Journal of international business studies, 30(3), 439-462*

Bryman, A. and Bell E. (2007). *Business research methods.* Oxford University Press.

Bryson, J. (2003) Managing HRM risk in a merger. *Employee Relations, Vol. 25 (No. 1), pp. 14-30.*

Buckley, P. J., Yu, P., Liu, Q., Munjal, S., & Tao, P. (2016). The institutional influence on the location strategies of multinational enterprises from emerging economies: Evidence from China's cross-border mergers and acquisitions. *Management and Organization Review, 12(3), 425-448.*

Burns, J.M. (1978). *Leadership.* Harper & Row.

Caiazza, R., & Volpe, T. (2015). M&A process: a literature review and research agenda. *Business Process Management Journal.*

Calantone, R.J., Cavusgil, S.T. & Zhao, Y., (2002). Learning orientation, firm innovation capability, and firm performance. *Industrial marketing management, 31(6), pp.515-524.*

Calipha, R., Tarba, S., & Brock, D. (2010). Mergers and acquisitions: a review of phases, motives, and success factors. *Advances in Mergers & Acquisitions, 9, 1-24.*

Callander, J. S. (2020). *Business Goal Setting (BGS) bridging strategy and organisational behaviour; as part of strategy development, what elements of business goal setting contribute to employee intellectual buy-in? A multiple case-based study* [Doctoral dissertation, University of Southampton].

Cameron, K. S., & Quinn, R. E. (2006). Diagnosing and changing organizational culture: Based on the competing values framework. John Wiley & Sons, Inc.

Campbell, A., Faulkner, D., & Schoenberg, R. (2006). Mergers and Acquisitions: Motives, Value Creation, and Implementation. *In The Oxford Handbook of Strategy: A Strategy Overview and Competitive Strategy: Oxford University Press.* https://www-oxfordhandbooks-com.ezproxy.uwtsd.ac.uk/view/10.1093/oxfordhb/9780199275212.001.0001/oxfordhb-9780199275212-e-20

Cartwright, S. & Cooper, C. L. (1993). The role of culture compatibility in successful organisational marriage. *The Academy of Management Executive (1993) 7(2): 57-70.*

Cartwright, S., Cartwright, S., & Cooper, C. L. (1996). *Managing mergers, acquisitions, and strategic alliances: Integrating people and cultures*. Routledge.

Cartwright, S., & Schoenberg, R. (2006). Thirty years of mergers and acquisitions research: Recent advances and future opportunities. *British Journal of Management, 17, S1-S5*

Cartwright, S., & McCarthy, S. (2005). Developing a framework for cultural due diligence in mergers and acquisitions. *Mergers and acquisitions: Managing culture and human resources. Stanford, CT: Stanford Business Books.*

Chang, H. (2018). The different-culture management in mergers and acquisitions affecting to the fit of personal-organizational values and business performance. *Journal of Accounting, Finance & Management Strategy, 13(1), 27-55.*

Chatterjee, S., M. Lubatkin, et al. (1992). Cultural Differences and Shareholder Value in Related Mergers: Linking Equity and Human Capital. *Strategic Management Journal13(5): 319-334.*
Chen, James. (2021, March 31). *Investment Strategy.* https://www.investopedia.com/terms/i/investmentstrategy.asp

Cheung, H.Y. (2022). *Towards developing a holistic strategic management in the Hong Kong Police Force* (Unpublished doctoral thesis). University of Wales, Trinity St David, the UK.

Chewa, J. (2021, March 12). *Strategic Management (SWOT, Porter's five forces & PESTLEE Analysis)*. https://www.linkedin.com/pulse/strategic-management-swot-porters-five-forces-pestlee-jayson-chewa/?trk=read_related_article-card_title

Chickene, S. D. (2013). *Targeted M and A performance: Post-acquisition process and organizational integration* [Doctoral dissertation, University of Maryland University College].

Colorafi, K. J., & Evans, B. (2016). Qualitative descriptive methods in health science research. *Health Environments Research and Design Journal, 9(4), 16-25.*

Conn, R.L., Cosh, A., Guest, P.M., Hughes, A. (2005) The impact on UK acquirers of domestic, cross-border, public and private acquisitions. *J. Bus. Financ. Acc. 32 (5-6), 815-870*

Crosley, J., & Jansen, D. (2020). Qualitative Data Coding 101: How to code qualitative data, explained simply.

Dagnino, G. B., & Pisano, V. (2008). Unpacking the champion of acquisitions: the key 444 figure in the execution of the post-acquisition integration process. *Advances in Mergers & Acquisitions, 7, 51-69.*

Dao, M. A., & Bauer, F. (2020). Human integration following M&A: Synthesizing different M&A research streams. *Human Resource Management Review.* https://doi.org/https://doi.org/10.1016/j.hrmr.2020.100746

Datta, D. (1991). Organisational fit and acquisition performance: Effects of post-acquisition integration. '*Strategic Management Journal12(4): 281-297.*

Delarue, A., Van Hootegem, G., Procter, S., & Burridge, M. (2008). Team working and organizational performance: A review of survey-based research. *International Journal of Management Reviews, 10(2), 127–148.*

Deutsch, C. & West, A. (2010, May). A new generation of M&A: A McKinsey perspective on the opportunities and challenges. *McKinsey & Company, 1-7.* https://www.mckinsey.com/client_service/organization/latest_thinldng/~/media/3483ED36B55649188DA3E3E5CTD896DD.ashx

Dotlich, D. (2017). Leadership in Times of Transition. *People and Strategy, 40(1), 24-27.*

Dryer, L. and Reeves, T. (1995), HR strategies and firm performance: an approach and an agenda. *Industrial Relations, Vol. 23 No. 1, pp. 156-169.*

Duvall-Dickson, S. (2016). Blending tribes: leadership challenges in mergers and acquisitions. *SAM Advanced Management Journal, 81(4), 16.*

Easterby-Smith, M., Thorpe, R., & Jackson, P. R. (2012). *Management research.* Sage.

Eisenhardt, K. M., & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of management journal, 50(1), 25-32.*

Erel, I., Liao, R.C., & Weisbach, M.S. (2012) Determinants of cross-border mergers and acquisitions. *J. Financ. 67 (3), 1045-1082*

Fama, E.F. & French, K.R. (1995). Size and book-to-market factors inearnings and returns. *J. Financ.50(1), 131-155*

Fisher. (2007). *Researching and writing a dissertation: a guidebook for business students* (Second edition.). Financial Times Prentice Hall.

Friedman, H. H., & Friedman, L. W. (2018). Does growing the number of academic departments improve the quality of higher education? *Psychosociological Issues in Human Resource Management, 6, 96.*

Gaughan, Patrick A. (2010) *Mergers, acquisitions, and corporate restructurings*. Wiley

Geier, M. T. (2016). Leadership in extreme contexts: Transformational leadership, performance beyond expectations? *Journal of Leadership & Organizational Studies, 23, 234-247.*

Ghoshal, S., & Bartlett, C. (1997). The Individualized Corporation-A Fundamentally New Approach to Management—Great Companies are Defined by Purpose. *Process, and People, New York.*

Gill, C. (2012). The role of leadership in successful international mergers and acquisitions: Why Renault-Nissan succeeded and DaimlerChrysler-Mitsubishi failed. *Human Resource Management, 51(3), 433-456.*

Gill, R. (2011). *Theory and practice of leadership.* Sage.

Glaser, B. G., & Strauss, A. L. (2017). *The discovery of grounded theory: Strategies for qualitative research.* Routledge.

Gomes, E., Angwin, D. N., Weber, Y., & Yedidia Tarba, S. (2013). Critical success factors through the mergers and acquisitions process: revealing pre-and post-M&A connections for improved performance. *Thunderbird international business review, 55(1), 13-35.*

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. *The International Journal of Human Resource Management, 23(14), 2874-2900*

Hafeez, K., Zhang, Y. & Malak, N., (2002). Determining key capabilities of a firm using analytic hierarchy process. *International journal of production economics, 76(1), pp.39-51*

.
Hamel, G., & Prahalad, C. K. (1990). Strategic intent. *Mckinsey quarterly, (1), 36-61.*

Haque, M. E. (2021). *Critical Success Factors (CSFs) in mergers and acquisitions (M&As) within Western Europe by mainland China and Hong Kong firms and mergers and acquisitions in mainland China and Hong Kong by Western European firms: a comparative study* [Doctoral dissertation, University of the West of Scotland].

Harrison, J. S., Hitt, M. A., Hoskisson, R. E., & Ireland, R. D. (1991). Synergies and postacquisition performance: Differences versus similarities in resource allocations. *Journal of Management, 17(1), 173-190*

Hartog, D. N. D., Van Muijen, J. J. & Koopman, P. L. (1997). Transactional versus Transformational Leadership: An Analysis of The MLQ. *Journal of Occupational & Organizational Psychology, 70, 19-34.*

Haspeslagh, P., & Jemison, D. (1987). Acquisitions - myths and reality. *Sloan Management Review, 28(2), 53-58.*

Haspeslagh, P., & Jemison, D. (1991). *Managing Acquisitions: Creating Value through Corporate Renewal.* New York: Free Press.

Hassan, I. (2013). *Impact of business evaluation process on mergers and acquisitions outcome* [Doctoral dissertation, King's College London, University of London].

Hayward, M., and Hambrick, D. (1997). Explaining the Premiums Paid for Large Acquisitions: Evidence of CEO Hubris. *Administrative Science Quarterly, 42: 103–27.*

Hinduan, Z. R., Wilson-Evered, E., Moss, S., & Scannell, E. (2009). Leadership, work outcomes and openness to change following an Indonesian bank merger. *Asia Pacific Journal of Human Resources, 47 (1), 59-78.*

Hoffmann, T., (1999). The meanings of competency. *Journal of European Industrial Training, 23(6), pp.275-286.*

Hu, M., & Huynh, P. N. (2015). How do cross-border mergers and acquisitions affect firms' management and stakeholders? *Corporate Finance Review, 20, 22-30.*

Hudson, L. A. & Ozanne, J. L. (1988) Alternative Ways of Seeking Knowledge in Consumer Research. *Journal of Consumer Research, Vol. 14 (No. 4), pp. 508-521.*

IMF (2022, November 15). *IMF International Monetary Fund.* (Download World Economic Outlook database: October 2022). https://www.imf.org/en/Publications/WEO/weo-database/2022/October

James, S. (2005). Valuing business information services: Part 2: Premia and discounts that can be used in the valuation model. *Business information review, 22(2), 107-113.*

Javidan, M., (1998). Core competence: what does it mean in practice?. *Long range planning, 31(1), pp.60-71.*

Johnson, A. M., Vernon, P. A., Mccarthy, J. M., Molson, M., Harris, J. A. & Jang, K. L. 1998. Nature vs Nurture: Are Leaders Born or Made? A Behavior Genetic Investigation of Leadership Style. *Twin Research and Human Genetics, 1(4), 216-223.*

Jovanovic, M. (2002). *Geography of production and economic integration.* Routledge.

Junni, P., & Sarala, R. M. (2013). The Role of Absorptive Capacity in Acquisition Knowledge Transfer. *Thunderbird International Business Review, 55(4), 419-438.*

Kabue, L. W., & Kilika, J. M. (2016). Firm resources, core competencies and sustainable competitive advantage: An integrative theoretical framework. *Journal of management and strategy, 7(1), 98-108.*

Kanste, O., MiettunenI, J. & Kyng S, H. (2007). Psychometric Properties of the Multifactor Leadership Questionnaire among Nurses. *Journal of Advanced Nursing, 57, 201-212.*

Kaplan, R. S. & Norton, D. P. (1992). The Balanced Scorecard: Measures that drive performance. *Harvard Business Review (January-February): 71-79.*

Kaplan, R. S. & Norton, D. P. (2004). Strategy maps: Converting intangible assets into tangible outcomes. *Harvard Business Press.*

Karaevli, A. (2007). Performance consequences of new CEO 'Outsiderness': Moderating effects of pre- and post-succession contexts. *Strategic Management Journal, 28(7), 681-706.*

Kavanagh, M. H., & Ashkanasy, N. M. (2006). The impact of leadership and change management strategy on organizational culture and individual acceptance of change during a merger. *British Journal of Management, 17, 81-103.*

Kemp, T. J. (2009). Is Coaching an Evolved Form of Leadership? Building a Transdisciplinary Framework for Exploring the Coaching Alliance. *International Coaching Psychology Review, 4, 105-110.*

Kim, S. (2005). Individual-level factors and organizational performance in government organizations. *Journal of Public Administration Research and Theory, 15(2), 245–261.*

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.*

Kleinschwärzer, M. H. (2015). *An exploration of the influence of sensemaking on the process and outcomes of postmerger integration. Case studies in four manufacturing companies* [Doctoral dissertation, University of Bradford].

Knilans, Gerri. (2009). Mergers and acquisitions: Best practices for successful integration. *Employment Relations Today, 35(4), 39-46.*

Kogut, B., & Singh, H. (1988). The effect of national culture on the choice of entry mode. *Journal of international business studies, 19(3),411-432.*

Kovoor-Misra, S. & Smith, M. A. (2008). In the aftermath of an acquisition: Triggers and effects on perceived organizational identity. *The Journal of Applied Behavioral Science, 44(4), 422 -444.*

KPMG (1999). *Merger & Acquisition: A Global Research Report.*

Lajoux, A., (1998). *The art of M&A integration: A guide to merging resources, processes, and responsibilities.* McGraw-Hill.

Lakshminarayanan, S., Pai, Y. P., & Ramaprasad, B. S. (2016). Competency need assessment: a gap analytic approach. *Industrial and Commercial Training, 48(8), 423-430*
.

Lang, M. R. (2019). *Strategies to Foster Employee Engagement Before, During, and After Organizational Mergers* [Doctoral dissertation, Walden University].

Law Insider (n.d.). *Technical Know-how definition.* https://www.lawinsider.com/dictionary/technical-know-how

Leonard-Barton, D. (1992). Core capabilities and core rigidities: A paradox in managing new product development. *Strategic Management Journal, 13(S1), 111-125.*

Leung, L. (2015). Validity, reliability, and generalizability in qualitative research. *Journal of Family Medicine and Primary Care, 4, 324-327.*

Lim, K. (2021). Investigating the dynamics of actors' formal and informal organizational change communication during mergers and acquisitions.

Lowe, K. B., Kroek, K. G. & Sivasubramaniam, N. (1996). Transformational Leadership: A Meta-analytic Review of the MLQ Literature. *Leadership Quarterly, 7, 385-425*

Lucia, A. D. & Lepsinger, R. (1999). *The Art and Science of Competency Models: Pinpointing Critical Success Factors in Organizations.* Pfieffer.

Maccoby, E. E., & Maccoby, N. (1954). The interview: A tool of social science. *Handbook of social psychology, 1(1), 449-487.*

Maepa, T. P. (2014). *Success and failure factors in post-acquisition/post-merger integration* [Doctoral dissertation, University of Pretoria].

Malmendier, U., Moretti, E. & Peters, F.S. (2018). Winning by losing: evidence on the long-run effects of mergers. *Rev. Financ. Stud. 31 (8), 3212-3264.*

Manteghi, N., & Zohrabi, A. (2011). A proposed comprehensive framework for formulating strategy: a Hybrid of balanced scorecard, SWOT analysis, porter's generic strategies and Fuzzy quality function deployment. *Procedia-Social and Behavioral Sciences, 15, 2068-2073.*

Marks, M. L. and Mirvis, P. H. (2011). A framework for the human resources role in managing culture in mergers and acquisitions. *Human Resource Management50(6), 859-877*

Marshall, C., & Rossman, G. B. (2016). *Designing qualitative research* (6th ed.). Sage Publications

McCall, M.W., (1998). *High flyers: Developing the next generation of leaders.* Harvard Business Press.

Mercer Bing, C., & Wingrove, C. (2012). Mergers and acquisitions: Increasing the speed of change. *Employment Relations Today, 39(3), 43-50.*

Mintzberg, H. (1987). Crafting strategy. *Harvard Business Review, Vol. 65 No. 4, pp. 66-75.*

Mintzberg, H. (1994). The fall and rise of strategic planning. *Harvard Business Review, Vol. 72 No. 1, pp. 107-114.*

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.*

Morrison, A. and Wensley, R. (1991) Boxing up or Boxed in?: A Short History of the Boston Consulting Group Share/ Growth Matrix. *Journal of Marketing Management. Routledge, 7(2), pp. 105–129.*

Nicholls, J. (1994). The 'heart, head and hands' of transforming leadership. *Leadership and Organization Development Journal, Vol. 15 No. 6, pp. 8-15.*

Noble, H., & Smith, J. (2015). Issues of validity and reliability in qualitative research. *Evidence-Based Nursing, 18(2), 34-35.*

Ofer, Z. (2016). Success and failure in M&As: Is there a place for a paradigm change? Evidence from the Israeli hi-tech industry. Economics and Business Review, 2(1).

Otoo, F. N. K. (2019). Human resource management (HRM) practices and organizational performance: The mediating role of employee competencies. *Employee Relations: The International Journal.*

Papadakis, V. M. (2005). The role of broader context and the communication program in merger and acquisition implementation success. *Management Decision, 43(2), 236-255.*

Park, D., Krishnan, H. A., Chinta, R., & Lee, M. (2017). After acquiring innovation and sustainability: Executive effects. *Journal of Business Inquiry: Research, Education & Application, 16, 112-130.*

Parry, S. B. (1996). Just what is a competency? (and why should you care?). *Training, 35(6), 58–64.*

Pauwels, P., & Matthyssens, P. (2004). The architecture of multiple case study research in international business. *Handbook of qualitative research methods for international business, 125-143.*

Peng, M. W., (2002), Towards an institution-based view of business strategy (p. 253), *Asia Pacific Journal of Management, 19 (2): 251–267.*

Popli, S., & Rizvi, I. A. (2017). Leadership style and service orientation: The catalytic 138 role of employee engagement. *Journal of Service Theory and Practice, 27, 292- 310.*

Porter, M. E. (1979). How competitive forces shape strategy. *Harvard Business Review, 57(2), pp. 137–146*

Porter, M. E. (2004) Competitive strategy: Techniques for analyzing industries and companies. *New York: Free Press.*

Quah, P.& Young, S. (2005). Post-acquisition management: a phases approach for cross-border M&A. *European Management Journal, 23(1), 65-75.*

Rao, M. S. (2017). Innovative tools and techniques to ensure effective employee engagement. *Industrial and Commercial Training.*

Ray, K. G. (2010). *Mergers and acquisitions: Strategy, valuation and integration*. PHI Learning Pvt. Ltd.

Renneboog, L., & Vansteenkiste, C. (2019). Failure and success in mergers and acquisitions. *Journal of Corporate Finance, 58, 650-699.*

Reuters (1982). *Glossary of International Economic and Financial Terms.* Heinemann, London.
Robbins, S. (2005). *Organizational Behavior.* Pearson Prentice Hall.

Rodriguez-Sanchez, J., Mora-Valentin, E., & Ortiz-de-Urbina-Criado, M. (2018). Successful Human Resources Management Factors in International Mergers and Acquisitions. *Administrative Sciences, 8(3), Administrative Sciences, 201.*

Rottig, D., Schappert, J., & Starkman, E. (2017). Successfully managing the sociocultural integration process in international acquisitions: A qualitative analysis of Canon's acquisition of Océ. *Thunderbird International Business Review, 59(2), 187-208.*

Sahu, S., Pathardikar, A., & Kumar, A. (2018). Transformational leadership and turnover: Mediating effects of employee engagement, employer branding, and psychological attachment. *Leadership and Organization Development Journal, 39, 82-99.*

Salman, M., Ganie, S. A., & Saleem, I. (2020). Employee competencies as predictors of organizational performance: a study of public and private sector banks. *Management and Labour Studies, 45(4), 416-432.*

Saunders M., Lewis P, Thornhill A. (2009) *Research Methods for Business Students* (5th ed). Pearson Education.

Savović, S. (2017). The impact of dimensions of transformational leadership on post-acquisition performance of acquired company. *Ekonomski horizonti, 19(2), 95-108.*

Schaupp, M. and Virkkunen, J., (2017). Why a management concept fails to support managers' work: The case of the 'core competence of a corporation'. *Management Learning, 48(1), pp.97-109.*

Schein, E. H. (2010). *Organizational culture and leadership.* John Wiley & Sons.

Schoenberg, R. (2006). Measuring the Performance of Corporate Acquisitions: An Empirical Comparison of Alternative Metrics. *British Journal of Management, 17(4), 361-370.*

Schweiger, D.M., Csiszar, E.N., & Napier, N.K. (1993). Implementing international mergers and acquisitions. *Human Resource Planning, 16, 53-53.*

Schweiger, D.M., & Denisi, A.S. (1991). Communication with employees following a merger: A longitudinal field experiment. *Academy of management journal, 34(1), 456 110-135.*

Schweiger, D.M., & Goulet, P.K. (2000). Integrating mergers and acquisitions: An international research review. *Advances in mergers and acquisitions.*

Schweiger, D.M., & Goulet, P.K. (2005). Facilitating acquisition integration through deep-level cultural learning interventions: A longitudinal field experiment. *Organisation Studies 26(10):1477.*

Senge, P. M. (2003). Taking personal change seriously: The impact of organizational learning on management practice. *Academy of Management Perspectives, 17(2), 47-50.*

Senge, P.M. (1990). The leader's new work: building learning organizations. *MIT Sloan Management Review, Vol. 32 No. 1, pp. 7-23.*

Shi, K., Liu, X., Yang, C., Yao, Z., & Liu, D. (2017). Impact of organizational cultural differences on mergers and acquisitions performance: Quantitative study of Chinese firms. *Journal of Chinese Human Resource Management.*

Srivastava, S.C., (2005). Managing core competence of the organization. *Vikalpa, 30(4), pp.49-64.*

Stahl, G. K., Angwin, D. N., Very, P., Gomes, E., Weber, Y., Tarba, S. Y., ... & Durand, M. (2013). Sociocultural integration in mergers and acquisitions: Unresolved paradoxes and directions for future research. *Thunderbird international business review, 55(4), 333-356.*

Steigenberger, N. (2017). The challenge of integration: A review of the M&A integration literature. *International Journal of Management Reviews, 19(4), 408–431*

Suchan, J. (2014). Gauging openness to written communication change: The predictive power of metaphor. *Journal of Business & Technical Communication, 28, 447- 476.*

Syed, A. R., Rehman, K. U., & Kitchlew, N. (2018). Impact of perceived leadership style on employees' work stress: Moderating and mediating role big 5 personality traits. *Paradigms: A Research Journal of Commerce, Economics, and Social Sciences, 12, 6-15.*

Teerikangas, S. & P. Very (2006). The culture-performance relationship in M&A: from yes/no to how. *British Journal of Management17(S1): S31-S48.*

Tepedino, L., & Watkins, M. (2010). Be a Master of Mergers and Acquisitions. *HRMagazine, 55(6), 52-56.*

Tetenbaum, T. J. (1999) Seven key practices that improve the chance for expected integration and synergies. *Organizational Dynamics, Vol. 28 (No. 2), pp. 22-35.*

The Institute for Mergers, Acquisitions and Alliances (2022 Feb, 12). *IMAA institute*. https://imaa-institute.org/mergers-and-acquisitions-statistics/

Thomson Reuters (2014). *Mergers & acquistions review, financial advisors.* New York: Thomson Reuters.

Vaara, E., Sarala, R., Stahl, G. K., & Björkman, 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 Maanen, J. (1983) *Qualitative Methodology*. London: Sage.

Van Wijk, R., Jansen, J. J.& Lyles, M. A. (2008). Inter-and Intra-Organizational Knowledge Transfer: a meta-analytic review and assessment of its antecedents and consequences. *Journal of Management Studies,45(4): 830-853.*

Vasilaki, A. (2011). The relationship between transformational leadership and post-acquisition performance. *International Studies of Management and Organization, 41(3), 42–58.*

Vaughn, P., & Turner, C. (2016). Decoding via coding: Analyzing qualitative text data through thematic coding and survey methodologies. *Journal of Library Administration, 56, 41-51.*

Vazirani, N. (2012). Mergers and Acquisitions Performance Evaluation- A Literature Review. *SIES Journal of Management, 8(2), 37-42.*

Verčič, A. T., & Vokić, N. P. (2017). Engaging employees through internal communication. *Public Relations Review, 43, 885-893.*

Vermeulen, F. and H. Barkema (2001). Learning through acquisitions. *Academy of Management Journal, 44(3): 457-476.*

Viegas-Pires, M. (2013). Multiple Levels of Culture and Post M&A Integration: A Suggested Theoretical Framework. *Thunderbird International Business Review, 55(4), 357-370.*

Wade, J. (2010). The failed merger of AOL/Time Warner. *Risk Management, 57(4), 22.*

Warrilow. S (2009, Aug 13) *Transformational Leadership Theory - The 4 Key Components in Leading Change & Managing Change.* https://ezinearticles.com/?Transformational-Leadership-Theory---The-4-Key-Components-in-Leading-Change-and-Managing-Change&id=2755277

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., & Reichel, A. (2009). International mergers and acquisitions performance revisited–the role of cultural distance and post. In *Advances in mergers and acquisitions.* Emerald Group Publishing Limited.

Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic management journal, 5(2), 171-180.*

Whittington, R. (1996). Strategy as practice. *Long Range Planning, 29(5), pp. 731–735*

Xing, Y., & Liu, Y. (2016). Linking leaders' identity work and human resource management involvement: The case of sociocultural integration in Chinese mergers and acquisitions. *International Journal of Human Resource Management, 27(20), 2550-2577.*

Yahaya, R., & Ebrahim, F. (2016). Leadership styles and organizational commitment: literature review. *Journal of management development.*

Yazan, B. (2015). Three approaches to case study methods in education: Yin, Merriam, and Stake. *The qualitative report, 20(2), 134-152.*

Yin, R. K. (2011). Applications of case study research. Sage.

Yin, R. K. (2015). Qualitative research from start to finish. Guilford publications.

Yin, R. K. (2018). *Case study research and applications: Design and methods.* Los Angeles, UK: Sage.

Yu, E. (1997). *Introducing 3H Framework.* working paper, City University of Hong Kong, Hong Kong.

Yu, E (2019), *Seminar Day 1: Visions for the Future: Theoretical Perspectives on Management*, lecture notes, SBPD7004, University of Wales – Trinity Saint David, delivered 8 June 2019

Yu, E. (2021). An analysis of China's strategy in combating the coronavirus pandemic with the 3H framework. *Public Administration and Policy, 24(1), 76-91.*

Yukl, G. (1998). *Leadership in Organizations.* Prentice Hall.

Zhang, J. C. (2014). Effects of executive-level leader's transformational leadership on talent retention in post merger and acquisition in China. Nottingham Trent University (United Kingdom).

Zhang, Z., Wan, D. & Jia, M. (2008). Do high-performance human resource practices help corporate entrepreneurship: the mediating of organizational citizenship behavior. *Journal of High Technology Management Research, Vol. 19 No. 2, pp. 128-138.*

Zollo, M., & Meier, D. (2008). What is M&A performance? *Academy of Management Perspectives, 22(3), 55-77*.

Zollo, M., & Singh, H. (2004). Deliberate learning in corporate acquisitions: Post acquisitions strategies and integration capability in U.S. bank mergers. *Strategic Management Journal, 25, 1233 – 1256.*