

# COMMUNICATION FLOW IN MERGERS AND ACQUISITIONS

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**Abstract:** Over the last ten years mergers and acquisitions (M&As) have become a worldwide growth industry. Although the opportunity to merge or acquire is presented to shareholders as a strategy for wealth creation, statistics show that the number of acquisitions actually achieving ‘success’ is relatively low. Many M&As fail to recognise the importance of communicating clearly with existing employees. Knowledge and feelings of employees, together with implementation of other recognised integration techniques can impact upon the overall success of M&As. The literature suggests that post-acquisition integration of M&As is the phase where expectations are fulfilled or broken and where there is potential for employee motivation to reduce dramatically. The paper is based on a case study, whereby a locally based contractor is acquired by a national company. The methodology included a literature review and a structured questionnaire seeking data from sixty-four employees. The variables are pre and post-acquisition knowledge, employee feelings, communication and success of the acquisition. Inferential statistics are used in the analysis. The validity of the study is asserted. Strong relationships are found between level of employee knowledge, communication and success. It is concluded that acquisition strategies should consider communication with employees a key priority at all stages of the process.

**Keywords:** Acquisitions, communication, employees, mergers, success.

## 1. INTRODUCTION

Weston *et al* (1998) believe that mergers and acquisitions (M&As) and industrial restructuring activities have raised important issues both for business decisions and for public policy formulation. No firm is regarded safe from a takeover possibility. M&As are critical to the healthy expansion of business firms as they evolve through successive stages of growth and development into new product areas and geographical markets. Whilst the aims of M&As could be achieved by organic means, acquisition is quicker and easier – provided the rules are obeyed (Heller, 2006a). Although the opportunity to merge or acquire is presented to shareholders as a strategy for wealth creation, it is estimated that more than half of all M&As prove financially unsuccessful (Cartwright and Cooper, 1992). Statistics taken from IBM (2000), show that only 37% of acquisitions are considered to be ‘very successful’, in the eyes of the companies undergoing the process; this suggests that reality often falls short of the ideal. Bruner (2004) says that some writers portray M&As as the kind of losing proposition that compulsive gamblers face in Las Vegas; you can’t win; you can’t break even; and you can’t get out of the game. This is unduly pessimistic. Though M&As are a very compulsive business activity, it is possible to succeed. Beyond all

the statistics and optimistic press announcements, real organisations are being disrupted, real executives are being displaced, and real shareholders are being disappointed – not for lack of effort, but largely for lack of effective planning and integration (Galpin and Herndon, 2000).

Research and experience indicate that integration is a critical management process that must be taken and managed seriously within M&As. Integration is not just a few random activities that can be handled after the event, but a series of well-orchestrated activities that begin long before and continue long after acquisition (Schweiger, 2002). IBM (2000) suggests that the announcement of any acquisition will hit most people in a way that they will not have experienced before. Reactions will be complex; some people will thrive and others will suffer badly. Paying attention to the ‘people agenda’ and integration makes sense because people are often ignored or dismissed as being soft or mushy issues. People have come to be labelled as the ‘forgotten or hidden factor of M&As’, nobody comes through the experience unscathed or without a tale to tell. As one manager speaking on the basis of experience suggests, those who underestimate or ignore the human factor do so at their peril (Cartwright and Cooper, 1992).

Pritchett (2006) states that acquired companies should be prepared for a cloud of uncertainty to settle over them. Employees start wondering about the future of firms, what their role is likely to be in months ahead and how they will be affected. There are far more questions than answers and this can result in information / communication vacuums in organisations. Failure in communication demoralises everyone involved in acquisition processes and the grapevine takes over. Often the ‘truth’ is a moving target. Decisions are made, announced, and then promptly changed – some people can accept this while others find it extremely upsetting. Brad Cooper (Mook, 2000) a management consultant believes that over-communicating in a merger or acquisition is good. If a communication gap occurs between top management and employees, the vacuum will be filled with rumours. Wall (2005) states; the message to communicate should begin on the day the acquisition is announced and continue throughout the integration period and beyond. Maintaining continuous communication between people is imperative (Mumm and Beuerlein, 2004).

The context for this study is the acquisition by company A of company B in May 2005. Company A is a national concern, that is striving to become the ‘Nations Local Builder’, by continual expansion across the UK. It is currently working on a five year business plan, which aims to increase the number of its companies across the UK to more than 100 and increase annual turnover to over £1BN in 2007. Company B is a medium-size contractor based in North West England. The acquisition was seen as a first for company A, as company B boasted a healthy turnover, full order book and substantial profits. However this resulted in integration problems (don’t fix it if it isn’t broke), which meant that standard acquisition procedures used to integrate other businesses were placed on hold. To date the post-acquisition integration has stuttered and the company is still not fully accepted as part of company A’s Group. The information /communications received by employees of company B were insufficient, creating lots of uncertainty. Due to the expansion plan of company A’s group and the level of ongoing M&A activity, there may be considerable scope to improve the acquisition processes currently adopted. The acquisition of company B has displayed

many of the problems highlighted in the literature above. Company B retains its old identity within its new group, and operates semi-autonomously.

Data for the study is collected from company B. The research measures three independent variables (IVs). These are pre and post acquisition knowledge (IV 1), employee feelings (IV 2), and communication (IV 3). The dependent variable (DV) in the research is success of the acquisition. Tests are undertaken to determine whether relationships exist between each of the IVs and the DV.

## **2. THE LITERATURE**

### **2.1 Mergers and Acquisitions**

Since the middle 1920s a wave of M&As, historically unprecedented in scope and effects, have swept through British industry (Singh, 1971). During this time, millions of pounds in deals have been struck and tens of millions of people have been affected by M&A activity (Schweiger, 2002). M&A activity in the UK has been grouped into periods of time or 'waves', the first of which occurred in the 1920s. Further waves appeared in the 1960s and early 1970s and also in the 1980s, indicating that the level of M&A activity in the UK increased substantially in the period 1920-1980, both in terms of size and frequency (Cartwright and Cooper, 1992). From 1992 through to 2000 there were eight straight record years of M&A activity. The 1990s will go down in history as the time of the biggest M&A wave of the century (Grundy, 2003).

More and more businesses have discovered there is a need to adjust to massive changes in their environments to find effective routes to growth (Weston et al, 1998). The corporate mind-set is often one of striving for continual growth, rather than for selective growth (Grundy, 2003); this means businesses must investigate all available routes. Cookson (2004) stated that it is a fact of business that companies will continue to pursue acquisitions to achieve growth. However, this merely represents an intermediate objective. M&As are also undertaken by companies to achieve certain strategic and financial objectives and involve the bringing together of two organisations with often disparate corporate personalities, cultures and value systems (Sudarsanam, 1995). Stallworthy and Kharbanda (1988) state M&As are a cheap and fast method of entering a new market. Bruner (2004) believes that the motives for M&As are creation of market value, financial stability, improved strategic position, organisational strength, enhanced brand, observance of the letter and spirit of economic norm and laws and the possibility of improved processes. Stallworthy and Kharbanda (1988) agree that there are a multitude of motives, although one or two may predominate in a specific situation. Decisions taken are often based on inconsistent and even incomplete information. With a particular M&A, some of the motives may even be conflicting and incompatible and lead to difficulties later in the process.

One of the basic difficulties that complicate our understanding of M&A related dynamics and outcomes is the range of possibilities / processes by which M&As can be undertaken. There are a variety of combination types, which raise a number of different issues for employees and pose problems for planning and integration (Risberg, 2003). Angear and Dewhurst (1989) believe that, given the risks involved,

acquisitions require meticulous planning and a sound strategic underpinning. At present, the process by which companies are bought or sold can prove difficult, slow and expensive. Grundy (2003) says that many M&As do not succeed because they either have an average (and not cunning plan), or perhaps a very incomplete plan. He suggests that this is partly due to the many types of acquisition processes available, but also because each M&A has its own sets of issues and sets of risks. Unless companies are embarking on a series of similar M&As, they will all vary considerably in the demands placed during the process. All M&As become unique projects and therefore require small variations in the processes used to make them work.

It is no secret that plenty of M&As do not work. Kreitl and Oberndorfer (2004) suggest that many studies across industry have discovered that M&As show a high failure rate, which confirms that as an instrument of corporate development, it is rather risky. Those who advocate mergers will argue they will cut costs or boost revenues by more than enough to justify the price premium. Fortunately, various studies have validated core elements that demonstrate successful results in M&A activity. Hodge (1998) suggests that an effective planning policy, good management of the post-merger integration, a compelling vision that is understood by all personnel involved in M&As, effective alignment and fast and focused transition, and good communication policies will help to lead companies involved through the uncertainty (Gaplin & Herndon, 2000). Success in M&As is uncertain; research and practice suggests there are several contributing factors such as; executive leadership, integration planning, effective implementation, structuring, staffing, communication, cultural issues, change management, people issues, measurement etc. Bringing about success in M&As is not easy, as each has different requirements (Bruner, 2004).

## **2.2 Integration Issues**

Integration is emphasised as highly important in M&A research. Integration is the key to making M&As work. Not until the two firms come together and begin to work toward a common purpose can value be created. The primary objective of the integration is to make more effective use of existing capabilities. The combining firms can take advantage of economies of scale by reducing unit costs in production, integrating similar department, sharing sale forces etc. Hence, integration is very important in getting full value from M&As (Risberg, 2003). M&A integration encompasses a wide spectrum of activities ranging from business policies and procedures to information technology and financial reporting. The challenge involved in effectively integrating business systems between the purchaser and the acquired company are often underestimated (Johnson, 2002). Basically integration deals with both the 'hard' and 'soft' issues involved in M&A processes and commences when first assessing a potential acquisition (pre acquisition knowledge), and running until newly acquired firms become part of the overall organisation (post acquisition knowledge).

Organisations are by definition complex, made of many parts and many people. Management has been ingenious at creating systems to fit people and processes together (Robbins & Finley, 1998). However many M&As are frequently undertaken with an emphasis on getting the deal done. Therefore the integration issues that arise are crucial to making acquisitions worthwhile (Johnson, 2002). Every M&A deal presents different challenges, and requires customised adaptations of generic

processes. When a structured integration process is well managed, significant results can be achieved (Galpin and Herndon, 2000). It is well known that any M&A will also create an expectancy of change within an organisation (Cartwright and Cooper, 2001). Change is omnipresent. Societies change, technologies change, markets change, competition changes. If others change and you do not, your relative position alters. So you change – or worse, are changed (Heller, 2006b). Kotter (2002) emphasises the importance of dealing with pre acquisition strategies, restructuring, new strategies, cultural transformation, globalisation etc in the entire organisation, an office, a department, or a work group. He suggests that, when the situation is handled relatively well, you win, but handle it poorly, and it can drive you crazy, cost a great deal of money, and cause a lot of pain. Good knowledge can help to create a successful acquisition.

Change management means uncertainty, which often creates discomfort among those who are subjected to it (Johnson, 2002). However as stated by Burke and Cooper (2000), if organisations did not change they would stagnate and decline. Hardy (1999) says that; resistance to change is based on fear. Fear comes from the uncertainty or lack of knowledge created by M&As. It may or may not be well founded but, to those experiencing fear, it is very real indeed. Eccles (1996) believes that in order to combat this fear, newly acquired businesses should make the mode of running their acquisitions immediately, clearly and decisively obvious (pre and post acquisition knowledge). Changing the way in which organisations conduct their businesses – their managerial style, systems, procedures and the symbols of identity – also means changing people and their organisational culture. Although cultural compatibility and the way in which M&A integration processes are managed are to some extent related, cultural compatibility of fit alone is no guarantee of M&A success (Cartwright and Cooper, 2001). The culture of organisations grows out of the behaviour of the people within them, and in turn it influences how they behave (Heller, 2006c). Acquired companies must aim to guide the development of organisational culture by various means so that they support changes resulting from integration. In most successful acquisitions, the corporate cultures of the purchaser and vendor are compatible (Johnson, 2002). Understanding corporate culture is crucial when planning for change. The long-term aims of organisations can be achieved only if staff are in sympathy with them and with each other (Heller, 2006a). Ankrah and Langford (2005) agree that organisational culture influences the success of M&As; integration of new technologies, meetings, communications and relationships, helps to explain why some companies are more successful than others. Industry needs to look at culture, but also how people in organisations behave and ultimately what bonds organisations together.

### **2.3 Pre acquisition Knowledge Issues**

A large part of what makes deals successful after completion is what is done before completion (Grundy, 2003). Efficiently and quickly gathering and analysing useful information about a target as early as possible is essential. In particular learning about similarities and differences between the acquirer and a target and their implications is pivotal. Therefore, an organised, systematic process for doing so must be created, due diligence (Schweiger, 2002). Fealy and Kompare (2003) say that larger organisations cannot complete M&As without carrying out proper due diligence. It is critical to have a clear understanding of the legal obligations and perform all necessary due diligence to uncover any unexpected liabilities. It should begin during the earliest possible

stages of locating the target company, and it should continue through negotiations and into integration planning.

Garnett (1984) says that if success is to be achieved, there is a need to harness the ideas, views and experiences of people actually carrying out jobs (pre acquisition knowledge). Cartwright and Cooper (2001) agree that people involved in the process are best placed to carry out development or planning in the integration period. They state that monitoring the success of any integration involves maintaining the momentum for change, the assessment of the cultures, the identification of employee concerns and expectations etc by utilising extensive management development programmes or integration plans. Integration plans are very important and should enable; major activities to be completed, timeframes and milestones for the completion of major activities, specific responsibilities, resources required to carry out the integration (people, financial), budgetary information (revenues, costs, capital investments), potential roadblocks, monitoring and managing the integration and any contingency plans which may impact upon employees, customers or stakeholders (Schweiger, 2002). Hardy (1999) states that major changes such as M&As are seldom detailed; bland statements, qualified only by an indication that further information will be issued later, are normally circulated to reduce the level of uncertainty, which ultimately leads to limited pre acquisition knowledge.

## **2.4 Post Acquisition Knowledge Issues**

Once the M&A deal has been finalised the integration stage moves on from planning and implementation to people, processes, systems and technology or the post-acquisition integration (Gaplín and Herndon, 2000). Post-acquisition integration is where expectations are fulfilled or broken and where employee knowledge increases dramatically. Burner (2004) suggests that M&A transaction terms set the stage for this crucial phase of the deal. Failing to recognise integration issues at the bargaining table or in the analytic phase of the work can create enormous problems later on. More importantly, knowing what to do after the definitive agreement is signed is vital to the success of the deal. Grundy (2003) agrees that this is the most important period as the acquirer has most opportunity to learn from the M&A. How difficult and speedily did we integrate the acquisition relative to our expectations, is a central question. It is also considered to be the all important determinant of the success of the acquisition creating value (Sudarsanam, 1995).

Post-acquisition key success factors include: establishing strong leadership, improving knowledge levels, establishing a plan for managing the post-acquisition integration, developing an effective communication plan, developing a strategy for cultural integration and ensuring that management addresses human resources issues (Micklethorn and Worley, 2003). Therefore the ability to manage post-acquisition integration processes is crucial to transforming the shareholder value. But this begs the question: if the integration phase is so important for the success of the acquisition process why is it that acquirers do not seem able to improve the odds of success by focusing on developing integration capabilities? (Maurizio, 1999).

If organisations emphasise either the task or the human aspects of integration, but do not give adequate attention to both, negative results may occur. An overemphasis on the task side of the integration is likely to lead to dissatisfied employees and a lack of

common identity. On the other hand, too much emphasis on the human side of the integration is likely to diminish the level of operational synergies achieved (Swee, 2001).

## **2.5 Employee Feeling Issues**

Due to the fact that financial and strategic factors dominate M&A select decisions, the diagnosis and analysis for failure has traditionally tended to adopt a similar focus. M&As are considered to fail for rational economic reasons, the strategic fit was poor or ill-matched, or there were unexpected changes in market conditions or exhausted rates. It is true that M&As do fail for these reasons, but making successful M&As, is more than just a matter of 'getting the sums right'. Managers that have already experienced the trauma of M&A activity are likely to be well aware of the multitude of 'people problems' and issues which inevitably arise (Cartwright and Cooper, 2001). Rather than concentrating on integrating two cultures (knowledge, understanding, communication etc), post-acquisition integration efforts are generally geared towards combining the tangible assets – finances, IT systems, real estate etc. to achieve maximum cost reductions. What goes unrecognised is the way the so called 'soft' issues are managed; these can have a dramatic impact on the success of acquisitions.

Most human failures could be stemmed if management invested in people issues rather than ignoring them. Not investing in people is foolhardy, and it is arrogant and disrespectful to shareholders. What looks promising on paper often fails in practice for one reason; people. People are messy. That may be the only certainty to materialise from the flurry of M&A in which successful integration of differing cultures has been anything but a sure thing (Krell, 2001). Employees often feel a strong sense of loss. Employees are usually not well prepared for the changes these kinds of losses make in their everyday lives. They may feel psychologically jolted. M&As create a great deal of stress for people (Pritchett, 2006). Some of these stressors may be relatively temporary, for example vulnerability to redundancy. Others may be of a more enduring nature, such as ambiguity and cultural change. Reactions will be complex; some people will thrive and others will suffer badly. Paying attention to the 'people agenda' makes sense (IBM, 2000).

## **2.6 Communication Issues**

Communication is one of the most frequently discussed dynamics in the entire field of organisational behaviour, but it is seldom clearly understood. In practice, effective communication is a basic prerequisite for the attainment of organisational goals, but it has remained one of the biggest problems facing modern management (Luthans, 1989). Garnett (1984) suggests that employees will only give of their best to their work if they fully understand the decisions that affect them and the reasons behind those decisions. People need to understand what they have to do, how and why. Peter Drucker says that the great majority do not know what to say, when to say it, how to say it, nor whom to say it. Ludlow and Panton (1992) go a step further, and point out that the weakest link in communication processes is listening. If no-one listens, any attempt at communication collapses. Communication leads to greater effectiveness, keeps people in the picture, gets people involved with organisations, increases motivation, increases commitment, creates better relationships and more importantly in M&A activity, helps people to understand the need for change

While the basic communication process may appear relatively straightforward, few organisations lack communication problems. Perceptual and attribution biases, interpersonal relationships, top managements' role, gender differences, physical distance and organisational structures can create barriers to communication (Gordon, 1999). The way of reducing the effects of these barriers is to check continuously during the communication process what the message really is (Ludlow and Panton, 1992). The importance of communication can not be overemphasised, not least during M&As (Phoenix, 2006). Fisher (2004) said that one of the key lessons learned from M&As is establishing clear communication lines upwards, and positive control downwards, immediately. Guirdham (1999) agrees that managers of all types, business executives, members of the professions and people at work generally need to be able to communicate with other successfully in M&As. However they must now learn to communicate in a new world of diverse colleagues, clients and customers and of international operations. Modern societies and organisations are composed of people who differ widely in terms of nationality, ethnicity, gender, sexual orientation, age, education, social class or level of disability – in other words in terms of their demographic profile or social background. At work, therefore, individuals are now likely to interact with a highly diverse range of people.

Yazdifar *et al*, 2006 agrees that organisations undoubtedly realise the importance of good communications for successful implementation of the entire M&A process, but they often find it hard to make this communication both constant and lucid. Berk's (1996) views differ. He believes that communicating the facts in M&As to all affected parties is a process that can be reduced to its components and managed effectively. It is important, however, to allow enough time to do the job right. However Wall (2005) suggested that what may be obvious in the boardroom may simply not be getting to employees (Wall, 2005). Harwood and Ashleigh (2005) suggest that recent research has linked the mishandling of people/or communication aspects to the poor performance of M&As. It is therefore imperative that communication in M&As equip employees with knowledge and tools to help them deal productively with the concept of constant change. To that end, true business transformation means equipping employees with actionable knowledge and skills to achieve business results (Henry, 2002 as quoted in Yazdifar *et al*, 2006). Bruner (2004) suggest that companies which gave priority to communication were 13% more likely than average to have successful deals.

### **3. METHODOLOGY**

The data collection technique selected was a survey questionnaire, which collected quantitative data. The population comprised employees at company B who were employed prior to the acquisition in 2005. The population of 200 employees was considered too large to survey and therefore a sample of 100 was selected. 60 replies were received. The questionnaire was constructed using the lead author's knowledge of the company / acquisition, information gathered in the literature review and scales from Naoum (2001). The questions used were adapted from questionpro (2006), an online research centre specialising in company questionnaires. The author used questionpro questionnaires relating to success, acquisitions, communications and employee feelings and adapted them by removing all questions which did not measure

the variables highlighted in the study. Using this authoritative source ensured that correct measurement scales were used, loaded questions were reduced and questions had already been rigorously tested.

The questionnaire was divided into five main sections. Each section contained a basket of closed questions which were designed to gather ordinal data. Section one collected information about the respondent and other subject variables, section two information on pre and post acquisition knowledge and section three concentrated on employee feelings. Sections four and five were related to communication and success. All the data was transformed into numerical data using a five point scale (each answer given a number 0-4, with the higher value reflecting a positive response to the level of knowledge etc.). The scores collected were added together in the relevant variable section, to provide a total score for each variable. A quantitative analysis is undertaken, using inferential statistical techniques. Tests are undertaken to determine that the data collected are at the parametric level. Internal reliability is tested using correlation coefficients between individual questions and the totals of those questions for each variable. Validity of the study is enhanced by tests of data homogeneity, which are executed to determine whether subject variables influence success. Confidence intervals are also calculated. The alpha level is set at  $p \leq 0.05$ . Qualitative data was collected in an interview with a former director of company B. This data was used to inform the research conclusions.

#### **4. ANALYSIS, RESULTS AND FINDINGS**

The underlying concept in this piece of research is to assess if there are relationships between pre and post acquisition knowledge (IV 1), employee feelings (IV 2), communication (IV 3) and success of the acquisition of company B (DV). It is suggested that ordinal data takes account of the differences between ranked scores and is classed as non-parametric, but Bryman and Cramer (1997) suggest that there is a compelling argument to treat the totals in a multiple scale (basket of questions) as interval data (parametric). Due to the sample size and method of data collection used, the data can be assumed to be interval and parametric.

Tests of internal reliability gave significant correlation coefficients of  $\geq 0.50$  for forty six out of fifty questions. Mean scores for variables were: pre and post acquisition knowledge 28.6%, employee feelings 30.5%, communication 49.8% and success 52.9%. Confidence interval results (at 95% confidence) showed the  $\pm$  ratio in all cases was below 5.5%. It is argued that this demonstrates reliability and validity in the study. Tests on the main research hypotheses are shown in table 4.1. A positive correlation was found between knowledge (IV1) and success (DV1), that is the better the knowledge of employees about the acquisition process the higher the success. A negative correlation was found between employee feelings (IV2) and success (DV1), that is the lower the feelings of employees during the acquisition process the higher the success. The correlation coefficient in this case, although significant, is not strong, and it is surprising that it is in the negative direction. More work is therefore needed to validate this result. A positive correlation was found between communication (IV3) and success (DV1), that is the better communication about the acquisition process the higher the success.

**Table 4.1:** Main hypotheses results

Independent and dependent variables	P value	Correlation coefficient	Cannot reject or reject the null hypothesis
Pre & Post Know (IV1) v Success (DV1)	0.01	0.557	Reject
Employee Feeling (IV2) v Success (DV1)	0.05	-0.282	Reject
Communication (IV3) v Success (DV1)	0.01	0.729	Reject

Statistical tests were also performed on subject variables to test for data homogeneity. Gender, age, role, length of employment and area of work were tested. In most cases  $p \geq 0.05$  so the null hypothesis was not rejected and it was found that subject variables did not influence the results.

## 5. CONCLUSIONS

The literature suggests that M&As are complex and require a large amount of planning and communication. Whilst there are many models and strategies available, each company is different, therefore every acquisition is different. A large amount of emphasis can be placed on the financial implications of deals, but the softer issues (people, feelings, communication) are also very important. Due to the fact that there is no defined procedure for M&As, literature suggests that organisations must in all cases assess the needs of companies before undertaking M&As. Bruner (2004) stated that success in M&As is uncertain, and there are many contributing factors which need to be addressed. A best practice approach will benefit anyone undertaking M&As.

The mean score of 28.6% for pre and post acquisition knowledge suggests that employees were not provided with an acceptable level of information about the acquisition. A mean score of 30.5% for employee feelings suggests that many employees experienced a high level of discomfort. The mean score for communication of 49.8% suggests that employees felt the level/standard of communication received during the acquisition process was poor. The mean score for success of the acquisition of company B of 52.9% is considered to be 'modest'. The authors conclude that data collected in this study suggests that there are significant improvements to be made to ensure that the acquisition of other companies by company A do not become part of M&A failure statistics. An important point raised in the qualitative interview with a former director of company B was that in two years time, the level of success achieved may increase, and that high levels of success during integration periods are unlikely. Recommendations for further study include data collection and analysis of other M&As within company A to provide a greater insight into M&A success in the whole company. It suggested that additional research should be undertaken on integration, people, communication and planning methods involved in M&As and that company A must establish a method of measurement for

success on all future M&As. This will enable the company to benchmark its success and establish areas where current M&A strategies succeed or fail.

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