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Evaluating the effects of organizational culture on post-merger integration

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EVALUATING THE EFFECTS OF ORGANIZATIONAL CULTURE ON POST-MERGER INTEGRATION

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Table of Contents

LIST OF TABLES

LIST OF FIGURES

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CURRICULUM VITAE

My professional experience as a board-level executive includes overseeing over 20 global Mergers and Acquisitions (M&A) transactions across various industries, ranging from Software as a Service (SaaS) to Financial Services. With a proven history of exceeding shareholder and investor expectations, I am considered a thought leader in developing and executing strategic plans for successful global expansion, implementing processes and strategies that accomplish exponential revenue growth, and building additional business units to complement the core products by seamlessly integrating operational delivery.

As a seasoned merger consultant, I have advised global firms on their acquisition investment activities, guiding strategic planning, target identification, due diligence, valuation, and post-merger integration. I have also been a critical leadership team member, leading cross-functional teams in complicated transactions, negotiating complex deals, and delivering on targeted synergies.

My academic and professional achievements have prepared me to excel in various roles that require seasoned business expertise. I hold a Presidents and Key Executives (PKE) Master of Business Administration (MBA) degree from Pepperdine Graziadio Business School. As a part-time professor at San Diego State University, I teach risk management and professional development courses to prepare students for leadership roles in the corporate world.

Overall, my extensive experience in mergers and acquisitions, combined with my academic background, has equipped me with the necessary knowledge, skills, and expertise to excel as a C-Suite executive.

ABSTRACT

This doctoral research project examines the impact of organizational culture on post-merger integration in the travel and travel services industry for acquisitions valued under $5B. The study uses a mixed-method research approach to determine whether culture plays a critical role in the success or failure of M&A deals. The research focuses on 50 M&A transactions that occurred between three and five years ago at the time of the study. Participants from both sides of the transactions completed an integration outcomes survey, reporting on financial, cultural, and overall success. In addition, each side had five participants who completed the Organizational Cultural Assessment Instrument (OCAI), and six individuals were interviewed (three from each side) regarding the three most successful and three least successful transactions. The study's findings shed light on key factors impacting the integration process. The OCAI results revealed that, on average, acquired companies exhibited a more clan-like culture, while acquiring companies tended to be hierarchies. In addition, cultural similarities between merging companies did not significantly influence their success. The interviews emphasized the importance of addressing cultural differences between merging institutions, involving founders in the integration process, engaging employees, and understanding the acquired company's business. These findings have practical implications for executives involved in M&A activities, guiding how to facilitate successful integration. Organizations can increase the likelihood of a successful merger or acquisition by identifying potential cultural conflicts early on and taking appropriate steps to mitigate their impact.

Keywords: organizational culture, mergers, acqusitions, integration

CHAPTER 1: INTRODUCTION

Overview

This study was designed as a research project that purposely examines the complex subject of organizational culture and the potential impact on Merger and Acquisition (M&A) transactions. The study examines post-merger integration to understand why M&A transactions succeed or fail and whether culture drives these results. Although the study targets acquisitions under $5 billion in the travel and travel services sector, the findings might be helpful to all M&A deals since the underlying principles are commonly shared. Most importantly, this study asks whether the challenges of integrating cultures during M&A activity exist in a measurable, predictable, and actionable format to reduce failure rates.

The objective of the dissertation was to investigate the underlying reasons for mergers and examine the impact of organizational culture on the success or failure of these transactions. Mergers are driven by diverse factors, including the pursuit of synergies, market expansion, scale economies, vertical integration, business diversification, access to new technology or intellectual property, and the desire for financial gains (Gaughan, 2010). These motivations can differ across industries and companies, and the specific drivers behind mergers depend on factors such as market dynamics and strategic goals.

This study has significant implications for evidence-based management practices in M&A decision-making, emphasizing the need for executives to use empirical evidence rather than hubris. My personal experience, which includes more than 20 M&A transactions, provides a practical foundation for this research. While most of my M&A deals were successful, some resulted in job losses and employee departures due to cultural integration challenges. Throughout this dissertation, the word employee means Full Time Equivalent (FTE) workers and Independent Contractors (IC); as in the travel industry, these terms are interchangeable when discussing staff. Thus, this research is not only driven by academic curiosity but also by practical considerations based on experience.

Problem Addressed

We do not know enough about organizational cultural integration after a merger. According to Christensen et al. (2011), most (between 70 and 90 percent) of M&A transactions are deemed failures, yet companies spend more than $2 trillion on acquisitions yearly. Christensen and his colleagues (2011) argue that executives can dramatically increase their odds of success if they understand how to select targets, how much to pay, and whether and how to integrate them. M&A failure has far-reaching effects beyond shareholder return as once-solid growing companies can end up disenfranchised and underperforming while countless careers may end up destroyed.

It is worth noting that the specific failure rate can vary depending on factors such as public versus private transactions, industry, time period, and the definition of failure used in different studies. Therefore, it is essential to approach this statistic cautiously and consider the context. The definition of success in public M&A focuses on share price, regulatory compliance, shareholder approval, and market reaction, while private M&A success is typically evaluated based on stakeholder interests and desired financial or strategic outcomes.

Research Question

The research question is, "Are effects of organizational culture on post-merger integration identifiable during merger and acquisition cultural due diligence?" The primary domain of the research focused on identifying and measuring the organizational culture of each party within an M&A transaction. Once the organizational culture was identified and compared between each side, the types of cultures most frequently associated with M&A success or failure emerged. Every M&A transaction sets concrete integration goals for the first years after the transaction closes. The research focused on post-transaction integration and resulting perceptions of outcomes. Success is most commonly measured in financial terms, such as synergies (cost-cutting by removing redundancy), revenue growth due to new products and services offered by merging the two companies, or profitability growth due to operational efficiency gains of the newly-formed combined company.

Objective and Aims

The first objective focused on the post-merger integration performance of 50 travel and travel services M&A transactions of varying sizes (public and private) with a total transaction cost, defined as the total expenses incurred when buying a company, of less than $5 billion. As private companies are not required to disclose their financial information publicly, measuring their performance can be challenging. In such cases, an alternative approach is to gauge the perceptions of integration managers regarding the intended outcomes. This approach can be beneficial in situations where financial data may not be readily available or other factors, such as cultural integration and employee satisfaction that are difficult to quantify, are critical to the success of the merger or acquisition.

By relying on the perceptions of key business leaders, the researcher obtained valuable insights into the effectiveness of their M&A strategies. While using perceptions as an integration performance measure may not be as precise as financial data, it still provided valuable insights into the success of M&A transactions. Subsequent employee retention and satisfaction measures of human resources performance were also vital to understanding integration performance.

The second objective, concurrent with the first, was to compare the organizational cultures of both the acquiring and acquired companies. Cameron and Quinn's (2011) Organizational Culture Assessment Instrument (OCAI) provided a basis to begin research. A core component of the OCAI quantifies the current state of the firms' culture and the preferred state those surveyed want to see the culture become. This preferred state may be a crucial indicator of the challenges two firms may uncover while integrating post-merger. For example, it should be reasonable to assume that if an acquired company shows a preferred culture desire closer to the acquiring firm than their current state, all other factors being equal, that M&A integration may prove effective and lead to a more successful transaction.

The third objective of the research was to conduct qualitative interviews of three employees directly involved in the transaction from each firm involved in the proceedings of the top and bottom three M&A performances.

Through surveys, interviews, and other feedback mechanisms, research analysts can gather data on factors such as communication, cultural fit, and leadership, which can provide a more nuanced view of the integration process. The primary goal of this research was to develop a model that could effectively gauge the influence of organizational culture on post-merger integration. By analyzing the pre- and post-merger organizational cultures of each party involved, the study aimed to identify and evaluate the impact of culture on integration. This information would enable key decision-makers, including the Boards of Directors, investors, and top executives, to make more knowledgeable choices, potentially leading to a higher rate of success in M&A deals.

Methods for Achieving Stated Aims

The research examined 50 M&A transactions at least three years post-merger in the travel and travel services sector. Each of the 50 transactions involved a distinct acquiring entity, although some were subsidiaries of the same parent holding company. The target M&A transaction size was $20 million to $5 billion, with the acquiring entity headquartered in the United States. The rationale for the sample criteria is that M&A transactions under $5 billion in the travel and travel services sector appear to have little known research on integration success causality. The research first examined the results of 50 post-M&A transactions integration actual post-closing performance versus the goals for post-merger years one, two, and three using a survey of employees directly involved in the integration. The second phase, running concurrently with the first phase, asked the 50 acquired and acquiring companies to each have five employees purposely chosen by human resources (HR) to take the OCAI. The employees were all employed prior to the transaction close and are still employed post-close. The OCAI distinguishes four distinct culture types (Clan, Adhocracy, Market, or Hierarchy), resulting in 16 possible combinations between the two parties in the M&A transaction. The next phase used statistical analyses to estimate the strength of the relationships between culture types and integration performance. The final stage identified the top three and bottom three M&A performances and interviewed three employees who completed the OCAI from each side of the M&A transaction (36 total interviews) to further understand the qualitative impact of culture type on M&A integration performance. The dependability of the survey, OCAI, and interview responses rely on individuals accurately recalling integration performance and current/preferred cultures during the transaction, which spans at least three years in the past.

Significance of the Research

Identifying the influence of culture types on M&A integration outcomes may lead to significant alterations in the conduct of M&A due diligence or even the prevention of transactions. The result can directly impact M&A success, saving billions of dollars while improving employee retention and job satisfaction.

Research studies exist on the impact of hubris, defined as the characteristic of excessive confidence or arrogance, which leads a person to believe they may do no wrong in M&A transactions. Managerial optimism accompanies nearly all M&A deals, yet the hubris factor often drives up the price paid for the company. Manager optimism and hubris may hypothetically create even greater pressure for the existence of misreporting activities. The relationship between CEO hubris and premiums is further strengthened when board vigilance is lacking, the board has a high proportion of inside directors, and the CEO is also the board chair. On average, losses in acquiring firms' shareholder wealth following an acquisition, and the greater the CEO hubris and acquisition premiums, the greater the shareholder losses. Thus, CEO hubris has substantial practical consequences and has potentially great theoretical significance to observers of strategic behavior (Hayward & Hambrick, 1997).

For more than 20 years, an intensive debate has ensued about acquirers' motivations in M&A. This result is likely due to early empirical results showing that acquirers' cumulative abnormal returns (CAR) around the announcement date are, at best, equal to zero or even negative (Jensen & Ruback, 1983). CAR is a metric that measures the abnormal excess returns of a company's stock during a specified period surrounding a significant event, aiding in evaluating market reactions and performance implications. Caution must be exercised so that the post-closing growth rates are not skewed depending on whether redundancy and staff reductions occur on the acquirer versus the acquiree side.

This research aimed to mitigate the dynamics of hubris in M&A transactions. Mitigating hubris may be accomplished by utilizing data-driven research to examine organizational culture through cultural due diligence and the impact of different combinations of cultures during M&A due diligence activity. By addressing organizational culture during due diligence, well before the acquisition takes place, it might be possible to counter the hubris influence on the transaction by presenting data-driven research as to the realistic success or failure of the transaction at the proposed closing price.

The hope is that this research adds to evidence-based practice, which is a disciplined approach to decision-making and action, the hallmark of which is attention to evidence quality and the use of the best available evidence. Its goals are to improve the results of professional decisions and increase the use of practices that lead to desired outcomes while eliminating dysfunctional practices (Rousseau & Gunia, 2016).

Chapter Overview

Chapter 2 presents the relevant literature, including organization culture, M&A, due diligence, and the research that has thus far examined the intersection of culture and M&A. Chapter 3 explains the methodology used for the investigation of the research question, including sample population, data collection, and analysis tools. Chapter 4 focuses on the mixed-methods research data from the integration surveys, OCAI results, and staff interviews. Chapter 5 discusses the data integration and results and the conclusion of the dissertation findings.

CHAPTER 2: LITERATURE REVIEW

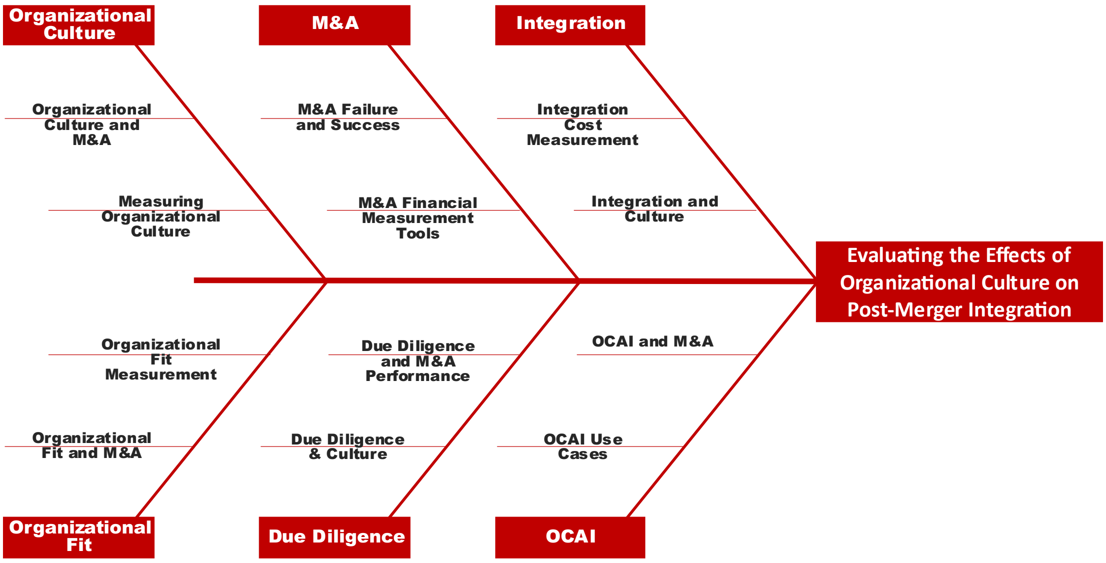
Extensive qualitative literature exists on organizational culture, so as a starting point for the literature review, broadly cited articles on culture and its impact on organizations served as the backbone. From there, the literature delved into organizational culture and the subsequent effect on M&A transactions. The broad search terms used were organizational culture, corporate culture, mergers and acquisitions, M&A, organizational fit, cultural fit, M&A failure, organizational culture & M&A, and OCAI.

Quantitative data appears to be nascent in measuring organizational culture post-merger; however, some widely revered articles exist (Datta, 1991). Though few in quantity, these quantitative articles provide a solid statistical base for the research foundation on post-merger integration related to organizational culture fit. Quantitative research followed the same guidelines for discovering qualitative literature in search engines. However, in addition to the search terms for qualitative articles, search terms used for the quantitative literature consisted of M&A integration, integration costs, culture and integration, M&A financial performance, organizational fit and cost, and culture cost.

Figure 1 shows a fishbone diagram of the significant search categories for the comprehensive literature review.

Figure 1

Major Research Categories of Literature



This dissertation aimed first to measure and describe cultural matches and mismatches and their relationship to post-merger success and second to determine if any organizational cultural patterns could be helpful in M&A integration and success. A substantial question of any M&A transaction consideration could be, "Does the financial data exist to justify this transaction regarding cultural integration"? I ask, "Why is culture often dismissed or not even considered by seasoned executives during M&A decision-making when most if not all, have experienced noteworthy challenges and immovable obstacles created while trying to integrate cultures?" A plausible explanation for this anomaly is that culture is difficult to measure in a precise format that carries any financial formulas. Thus, they are often removed or not considered in the financial decision-making of M&A activity.

Organizational Culture

The field of organizational culture is very mature. Many top academics, academic practitioners, and practitioners were noted for their work, such as Cameron and Quinn (2011), Schein (1983), Kotter and Heskett (1992), Johnson (2016), and Cummings and Worley (2014). They have all led the research and practical application within organizations.

Jaques and Relations (1951) first introduced the concept of culture in the organizational context. The leading theory utilized was organizational culture theory, which stresses that culture is a set of values an organization or group has. An organization does not have a culture; it is a culture, and a unique shared meaning system is core to understanding how challenging the integration of disparate cultures is post-M&A.

For Schein and Schein (2017), the only thing of fundamental importance is that leaders create and manage culture: “If you do not manage culture, it manages you, and you may not even be aware of the extent to which this is happening” (p. 11). Thus, when applying this assertation that a leader must manage culture, it may be possible to start the initial research phase by identifying if the firm's management attends to its culture or is even aware of the actual culture.

Dauber (2012) reveals three significant reasons for the inconsistent findings in M&A research. First, most scholars refer to integration as an umbrella term for different and distinctive acculturation strategies (e.g., integration, assimilation, separation, marginalization). Second, some studies mix various levels of analysis concerning cultural constructs (e.g., national vs. organizational culture). Finally, multiple definitions of M&A success manifest in a plethora of measurement techniques.

Organizational analyses that indicate separate boxes for culture and strategy make a fundamental conceptual error. Strategy is an integral part of the culture (Schein & Schein, 2017). A famous quotation from the late business management expert Drucker (1959) is, "Culture eats strategy for breakfast" (p. 28). Strategy is a critical element of any M&A decision and implementing that strategy is at the core of the post-merger integration of the two companies. However, it was interesting to research why culture might play a lesser role in M&A or integration strategy; Schein (1983) clarifies that this is a fundamental error. This study begins with the well-established theoretical and practical observation that cultural differences matter in M&A (Stahl & Voigt, 2008). The focus is to unravel how they affect the due diligence process and how to manage them more effectively. The research's underlying goal is to understand what it takes to manage the integration of cultures more effectively and how it can be identified, measured, and ultimately quantified (so that it can be used before the actual merger).

The study utilizes research on organizational culture to suggest that it can play a significant and actionable role in identifying culture during M&A due diligence. This understanding can be valuable for the acquiring entity in assessing the potential success rate of post-transaction integration. M&A integrations can take years, and I want to examine if culture plays an influential role at different periods in that timeline. Additional questions to be considered include:

- Can culture be meaningfully measured in M&A contexts?
- Can the two companies categorize organizational cultures in terms of fit?
- Can financial measures be assigned based on their degree of cultural fit, and do different integration strategies matter?

Subsequently, it is possible that large firms that make acquisitions are the firms that signal they have exhausted internal growth opportunities so that firm value drops due to that signal rather than because of the purchase, as described by Moeller et al. (2003). Moeller et al. (2003) make several compelling arguments for why M&A failure rates are perceived so negatively as the statement that large transactions skew the results, and some firms are already in trouble from a growth standpoint, so they enter M&A activity to grow when there is no growth, just a combination of revenue. A rapidly growing firm acquired by a sizable stagnant firm suggests that a dynamic and potentially toxic integration of cultures may be forthcoming.

Unrealized productivity expectations are often precipitated because some mergers bring out the worst in the respective organizations' cultures, making it difficult to marshal their strengths effectively (Walker, 1998). However, does the word merger have any meaning in business? The reality is that no matter what is communicated to the markets, employees, and media outlets, there is no such thing as a merger. This is because one entity, seen as the winner, dominates, and when winning and losing exist, then basic primal survival instinct takes over, and "the worst" in any organization moves to the forefront. In practice, mergers of equals are infrequent. It is uncommon that combined entities benefit from two different CEOs agreeing to give up authority.

One outcome may be that the very essence of what makes a company a valuable M&A target is its culture. Its characteristics are so strong that it garners respect, profits, and esprit de corps that separate the entity from the competition. However, this extraordinarily successful organizational culture may prove the most difficult to integrate post-M&A transactions (Kotter & Heskett, 1992). Some exceptionally large M&A acquirers buy an entity and leave it alone to function as it did pre-transaction; an example is AIG’s purchase of American General in May 2001 (Cunningham & Greenberg, 2013). The strategy used by AIG and similar strategies used by other firms to acquire entities but allow for autonomous control proved interesting, due to financial success, in the impact on organizational culture post-transaction compared to other firms the new parent company assimilated.

Challenging the widely held belief that strong corporate cultures always create excellent business performance (Kotter & Heskett, 1992) shows that while many shared values and institutionalized practices can promote good performances in some instances, those same values, widely shared and rigid, can undermine an organization's ability to adapt to change. They also show that even contextually or strategically appropriate cultures that fit a firm's strategy and business context will not promote excellent performance over extended periods unless they facilitate adopting strategies and practices that continuously respond to changing markets and new competitive environments. In the context of an M&A process, robust, widely shared, and rigid cultures may provide an essential constraint to M&A success.

As Datta (1991) mentions, from the viewpoint of academic researchers, the findings highlight the importance of taking a broader perspective in their study of acquisition performance. There is a definite need to go beyond relatedness and synergistic benefits, recognizing that the expression two plus two equals five does not happen automatically. With the body of research findings linking strategic fit and performance being largely inconclusive, future research should also focus on issues related to post-acquisition implementation (Datta, 1991). Leading with culture may be among the few sources of sustainable competitive advantage left to companies today. Successful leaders will stop regarding culture with frustration and instead use it as a fundamental management tool (Groysberg et al., 2018).

With such extensive research on organizational culture, expecting an apparatus to measure culture seems reasonable. Not so. Scholars examining corporate culture tend to split on measuring culture most effectively. Those following the Schein (1983) corporate culture model tend to focus on qualitative research, whereas others focus on quantitative analysis. Nevertheless, extensive measurement tools exist, as shown by Taras et al. (2009), who identified 121 instruments for quantifying culture.

Schein and Schein (2017), widely considered leading experts on organizational culture, do not believe that culture is measurable and quantifiable; alternatively, one could reject any attempt to measure culture and choose to use qualitative approaches such as observation, interviewing, or projective metaphors. Culture theory is the core postulation used to examine culture, and the most widely used organizational culture framework is that of Schein and Shein (2017). In this model, culture exists on three levels:

- Artifacts. Artifacts are challenging to measure but are easily observed. They deal with organizational attributes that can be observed, felt, and heard as people enter a culture.
- Values. This level deals with the espoused goals, ideals, norms, standards, and moral principles and is usually the level that is generally measured through survey questionnaires.
- Underlying Assumptions. This level deals with phenomena that remain unexplained when insiders are asked about the values of the organizational culture. Information is gathered at this level by observing behavior to gather underlying assumptions because they are sometimes taken for granted and not recognized. According to Schein & Schein (2017), the essence of organizational culture lies at this level.

Denison et al. (2014) reviewed survey instruments to diagnose organizational cultures by assessing those values and behavioral norms most related to organizational effectiveness. They found many troubling trends and remaining gaps in the types of reliability and validity evidence that support these instruments, underscoring the need for additional methodological research. These trends include inadequate test-retest reliability, limited convergent and discriminant validity, lack of consistency across different cultural dimensions, and insufficient validation across diverse organizational contexts and populations.

This literature review revealed varying perspectives on the measurement of organizational culture, with proponents (Ashkanasy et al. 2000; Cameron & Quinn, 2011; Denison et al., 2003) arguing for the validity and utility of measurement instruments, while critics (Schein, 1983) raised concerns about the complexity and comprehensiveness of capturing organizational culture through measurement. Additionally, O'Reilly III et al. (1991) presented a person-organization fit approach highlighting the importance of aligning individual and organizational cultures. These diverse viewpoints reflect the ongoing debates and challenges within organizational culture measurement.

M&A

As Chakrabarti et al. (2009) state, the cultural disparity between two merging partners is among the usual suspects blamed for ruining M&A. Moreover, practitioners admit that culture plays a crucial role in determining the long-term success of an M&A deal; nevertheless, there are few rigorous studies examining the effect of cultural differences on the performance of M&A, which makes it difficult to ascertain whether the culture clashes that we read about in the business press are systematic, widespread phenomena, or pertain to the handful of mega-deals that capture media attention. Stories about post-merger culture clashes are general, but anticipating such challenges could prompt better due diligence and lead acquiring firms to set a higher standard for expected synergies before completing deals involving culturally distant targets.

Companies spend over $2 trillion on acquisitions yearly (Christensen et al., 2011). Nevertheless, study after study puts the failure rate of mergers and acquisitions somewhere between 70-90%. Many researchers have tried to explain those abysmal statistics, usually by analyzing the attributes of deals that worked and those that did not. A robust theory that identifies the causes of those successes and failures is lacking. Christensen and colleagues (2011) propose this: Many executives incorrectly match candidates to the deal's strategic purpose, failing to distinguish between arrangements that could improve current operations and those that could dramatically transform its growth prospects. As a result, companies often pay the wrong price and integrate the acquisition incorrectly. Although Christensen et al. (2011) primarily examined M&A transactions in public companies, it is essential to note that this focus may not accurately reflect the outcomes of M&A transactions in private companies. As demonstrated in this dissertation research, M&A success rates in private companies are perceived to be considerably higher than the aforementioned failure rate of public company M&A transactions, potentially leading to a vastly different interpretation of overall M&A success rates.

However, a counter to Christensen et al.'s (2011) research is that many private equity executives state they never paid too much for a company; instead, they bought the wrong company. The wrong company might be defined by culture, meaning the acquired company did not fit within the construct of the acquiring entity. Additionally, significant debate exists regarding the definition of M&A failure or success. Personal experience suggests that M&A failure and success are measured by the goals laid out to the board of directors for approval of the M&A transaction, which this dissertation examines in the M&A performance survey results. These goals are tied to financial performance with key measurables such as improved EBITDA, synergies (e.g., staff reduction), integration timelines, customer retention rates, and office closures. A conclusion to the analysis could explain how, historically, culture is the one variable that is the hardest to identify and yet appears to be the root cause of achieving the aforementioned goals; if cultures seamlessly integrate, financial objectives are typically met, and if cultures clash, nearly every plan suffers (Lodorfos & Boateng, 2006).

Berdyaev and Bamford (1992) stated that we are in a substantial historical period that occurs every 200 or 300 years when people no longer understand the world. The past is insufficient to explain the future, as Cameron and Quinn (2011) indicate. This challenge becomes particularly relevant to 2021, and the impact of COVID-19 underscores how difficult it is to understand the world in its current state. Is it reasonable to assume that the financial implications of COVID-19 and the subsequent reshaping of the business environment will drive unprecedented M&A activity resulting in a wealth of new data on M&A activity and the driving factors affecting the decisions on completing the transactions?

The perceived extraordinary failure rate of M&A transactions and the lack of robust theory presents a dynamic challenge for organizations and analysts. What is the driver of

M&A failure and, more curious, why is there a lack of theory? M&A failure is measurable in financial terms. If the driver of the financial performance is identifiable, this implies that research could help existing ideas become more robust theories and subsequently useful for organizations preparing for M&A activity.

When evaluating M&A performance, return on assets (ROA) and return on equity (ROE) are the performance indicators that often serve as DVs for the model, and risk, indebtedness, structure, and dividends indicators are standard IVs. The type of merger may also provide insight into the transaction's success or failure and examine the subsequent levers that culture may play in each kind of merger (Reed et al., 1995).

The interest in emerging markets has increased significantly over the last decade, evidenced by the emerging markets share of global foreign direct investment, inflows and outflows, as well as cross-border acquisitions (inbound and outbound) having gone up from 24.98% to 36.96% and 14.79% to 27.78%, respectively, during the period 2005-2010, with a corresponding diminution in the share of developed markets (WIR, 2011). Developed market firms acquiring emerging market firms show a 50% chance of value creation. On the other hand, acquisitions by emerging market firms of targets from developed markets typically erode value, which could be affected by current fluctuation. This may result from the limited/lack of experience among emerging market firms in cross-border acquisitions (Narayan & Thenmozhi, 2014).

The geographic impact on organizational culture cannot be underestimated for its potential implications for M&A success. Geographic culture is both cross-border and within countries. For example, medical supplies and drugs distributor Cardinal Health announced on March 12, 2021, on their internal website, that it had signed a definitive agreement to sell its Cordis business to private equity firm Hellman & Friedman for approximately $1 billion. Cardinal, in 2015, bought the cardiovascular device manufacturer from Johnson & Johnson for $1.9 billion but was dogged in subsequent years by integration problems. Could the impact of geographic culture have derailed this integration, with Cardinal Health being a midwestern US company and Cordis originally from Miami?

Some estimates are that 70% or more of mergers fail to deliver their intended benefits and destroy economic value. A meta-analysis of 93 published studies in peer-reviewed journals that covered more than 200,000 mergers of all types and sizes showed that, on average, the adverse effects of a merger on shareholder value become evident less than a month after a merger is announced and persist thereafter (Pfeffer & Sutton, 2006). More importantly, results indicate that unknown variables may explain significant variance in post-acquisition performance, suggesting the need for additional theory development and changes to M&A research methods (King et al., 2004).

A clear delineation of M&A due diligence is drawn when analyzing the research of Pfeffer and Sutton (2006). If the negative effect on shareholder value exists within 30 days of the merger's announcement, after adjusting for market change, clear indicators of these challenges were identifiable during due diligence. The acquiring companies analysts' challenge in doing due diligence is asking the right questions to uncover the information of the valuation algorithms. However, the due diligence teams, often shielded from this information as the individuals wanting the transition to close, can creatively hide information that may harm the transaction closing success.

M&A Theory is a vast field of research, encompassing a wide range of topics related to these transactions' strategy, financing, and governance. One influential reference in the field is Sirower (1997). Sirower (1997) critically analyzes companies' common mistakes in pursuing M&A transactions, such as overestimating potential synergies and underestimating integration challenges and argues that firms must clearly understand their strategic objectives and capabilities and have a disciplined approach to assessing potential targets and executing the integration process.

Integration

Strong culture may be the most difficult to integrate after the close of the M&A transaction. Employees intuitively resist change, a core human behavior trait possibly attributed to corporate survival instinct, more commonly referred to as the instinct theory of motivation (Cofer & Appley, 1964). Suppose a strong culture produces the exemplary financial performance of a firm. In that case, that culture will resist change during integration as the fear of losing the edge over competitors may exist. For example, variable compensation plans often drive culture within a firm, and research is nascent on M&A performance and the implications caused by changing sales compensation plans. Many macro variables may affect M&A success, such as transaction size, firm headcount, geographic location, geopolitical influence, industry sector, brand, ownership, and firm age.

M&A indicators of the actual cost of proper integration are lacking, and the challenges, pitfalls, and brick walls generated by the distinct cultures merged or absorbed. One of the walls most often attributed to M&A failure is created by the founder of an acquired entity. Founder syndrome, introduced by Block and Rosenberg (2002), refers to the influential powers and privileges the founder exercises or attributes of the founder. The use of the word syndrome further suggests unhealthy organizational situations in which founders are more heavy-handed and indifferent about how the imbalance of their control over organizations comes into play during integration as the very culture a founder created is now changing, and that lone individual may be the single most serious obstacle to post M&A integration success.

That lone individual may be the most material obstacle to post-M&A integration success. Founder syndrome is most evident in private equity (PE) led transactions where the

PE firm focuses on growth to drive a change in control in five to seven years. Initial research of one PE fund has shown 73 changes in control transactions over five years, with only one founder making it to the close of the transaction. The other founders either quit, were terminated by the Board of Directors, or their employment agreement was not renewed.

However, Tarba et al. (2019) posit that high cultural differences between firms involved in mergers may lead to exceptional organizational success. They suggest that the extent of cultural differences moderates the relationship between the effectiveness of post-acquisition approaches and overall organizational performance. Their research explicitly amplifies the positive impact of the post-acquisition approach's effectiveness when the merged entities have more significant cultural differences. This finding suggests that organizations should not necessarily view cultural differences as an obstacle to successful mergers but rather as an opportunity to leverage differences in organizational culture to drive greater success. By recognizing and leveraging these differences, organizations may create a more dynamic and innovative organizational culture that can drive exceptional performance following a merger.

A prevalent theory that impacts culture is the theory of disruptive innovation (Christensen et al., 2015). Though difficult to describe and often misapplied, the theory of disruptive innovation is still a key indicator of potential M&A activity. Firms classified as disruptors routinely achieve high financial market valuations and are often targets of M&A, initial public offering (IPO), or special purpose acquisition company (SPAC).

Integration theory is a practical consideration for M&A activity, which was first applied to international business in the 1980s and 1990s as scholars sought to explain the complexities of coordinating multinational firms' operations across different countries and regions (Dunning & Lundan, 2008). The theory draws on insights from organizational theory, economics, and sociology to explain the factors influencing the extent and form of multinational firms' integration. Dunning and Lundan (2008) tested integration theory's prediction that the degree of control and influence a multinational firm has over its foreign subsidiaries by the level of transaction-specific assets and the degree of cultural distance between the parent firm and the subsidiary. The study supports the theory and highlights the importance of considering economic and cultural factors in multinational firms' strategic decisions about integration.

Organizational Fit

Challenging the widely held belief that dominant corporate cultures create excellent business performance, Kotter and Heskett (1992) show that while many shared values and institutionalized practices can promote good performances in some instances, those cultures can also be characterized by arrogance, inward focus, and bureaucracy features that undermine an organization's ability to adapt to change. They also show that even contextually or strategically appropriate cultures (ones that fit a firm’s strategy and business context) will not promote excellent performance over long periods unless they facilitate the adoption of strategies and practices that continuously respond to changing markets and new competitive environments (Kotter & Heskett, 1992).

According to Weber and Schweiger (1992), while cultural conflict often plays a prominent role in producing merger failure, it is often neglected when the benefits of a potential merger are examined by introducing a laboratory paradigm for studying organizational culture. This paradigm captures several critical elements of the phenomenon in the experiments, allowing subjects in firms to develop a culture and merge two firms. As expected, performance decreased following the merging of two laboratory firms. Also, subjects overestimate the performance of the merged firm and attribute the decrease in performance to members of the other firm rather than to situational difficulties created by conflicting cultures (Weber & Camerer, 2003).

Due Diligence

As Ravenscraft and Scherer (1989) proclaim, we know that pre-merger, acquired companies exhibited exceptional profitability, particularly when they were smaller in size. Following the merger, the profitability of acquired entities declined except among pooling-of-interest merger partners of roughly equal pre-merger magnitude. The decline was more extensive than expected, and this result and the high divestiture rate for acquired entities point toward control loss explaining the profit drop. The pooling of interests accounting can favorably skew reported earnings and is no longer an acceptable form of acquisition accounting under U.S. Generally Accepted Accounting Principles (GAAP).

Ravenscroft and Scherer (1989) do not appear to address that; as a result, highly profitable developed small companies are often in this position due to reduced salaries, benefits, and overall company infrastructure. When a large company purchases a small company, they often bring salaries, benefits, and infrastructure online with their own, which can dramatically impact financial performance, potentially turning the acquired entity unprofitable. This result may have a devastating impact on the two cultures and slow or completely derail integration efforts.

A business rule not attributable to any single executive states: "Move fast, and if you are correct eighty percent of the time, it is acceptable." Moving fast may work for most business decisions but not for M&A transactions, as it is unfathomable that any executive would enter an M&A transaction saying that a 20% success rate is acceptable. So, what drives M&A activity knowing the failure rates? Ego, financial gain, or the volume of scale? M&A activity is cyclical by nature, and COVID-19 has created an activity cycle that may be unequaled regarding the importance of transactions. The essential motives for these deals are target economic weakness, financial constraints, and adverse economy-wide shocks (Masulis & Simsir, 2018).

Research from Moeller et al. (2005) states that acquiring firm shareholders at the time of acquisition announcements lost 12 cents per dollar spent on acquisitions for a total loss of $240 billion from 1998 through 2001. In contrast, they lost $7 billion in the 1980s, or 1.6 cents per dollar. The figures from 1998 to 2001 are noteworthy because of a few acquisitions with negative synergy gains by firms with extremely high valuations. Without these acquisitions, the wealth of the acquiring firm shareholders would have increased. Firms that make these acquisitions with significant dollar losses perform poorly afterward.

Moeller (2005)'s argument that a few substantial M&A transactions have skewed the overall M&A activities performance is solid and quantifiable. Nevertheless, the challenge is often uncovering data from private transactions where financial results are not public information or small transactions made by large companies due to the immaterial size of the transaction as a portion of the overall firm's public valuation. Within the long-term and dynamic nature of the M&A process, Teerikangas and Very (2006) argue that instead of studying the simple performance impact of cultural differences in M&A, we should consider how cultural differences impact the M&A process and its outcome.

Additionally, consideration for Agency theory should exist when evaluating M&A performance (Eisenhardt, 1989). Agency theory is concerned with resolving two problems that can occur in agency relationships. The first is the agency problem that arises when (a) the desires or goals of the principal and agent conflict and (b) it is difficult or expensive for the principal to verify what the agent is doing. The second is the problem of risk sharing when the principal and agent have different attitudes toward risk. The problem is that the principal and the agent may prefer different actions because of the various risk preferences.

The risk aversion or risk tolerance differences can also drive equally distributive challenges to integration. No one has studied the frequency of due diligence or the consideration of agency theory by the acquiring firm's CEO when evaluating the go/no-go decision to greenlight an acquisition.

CEO hubris is an additional factor in M&A performance (Park et al., 2018). The unknown is the percentage of M&A transactions that occur due to hubris, not the broader firm stakeholders' or shareholders' best interests. The hubris hypothesis advanced to explain corporate takeovers from individual decision-makers in bidding firms. Hubris can explain why bids, even when a valuation is above the current market price, represent a positive valuation error: bidding firms infected by hubris pay too much for their targets. The empirical evidence in mergers and tender offers reconsidered in the hubris context argued that the evidence supports the hubris hypothesis as it helps other explanations such as taxes, synergy, and inefficient target management (Roll, 1986). Roll (1986) argues that the hubris hypothesis drives M&A activity equally or even more significantly than other guiding reasons for the transaction's approval. This lone argument suggests a blatant lack of control, fiduciary responsibility, and accountability of the firm's board of directors entering an M&A deal. A board of directors needs to function as a check and balance for the CEO of a firm, and Roll (1986) argued that they are more responsible for a failed merger than the CEO, who operated on hubris and not evidence-based management to drive forward the consolidation.

Research has shown that CEO hubris can harm a company's performance and reputation. On average, losses in acquiring firms' shareholder wealth following an acquisition, and the greater the CEO hubris and acquisition premiums, the greater the shareholder losses. Thus, CEO hubris has substantial practical consequences and potentially great theoretical significance to observers of strategic behavior (Mathew & Hambrick, 1997).

Weber and Camerer (2003) suggested that the likelihood of cultural conflict and coordination failures is underestimated, which explains why firms enter so many doomed mergers. Weber and Camerer (2003) clearly show how CEO hubris theory comes into play as overconfidence and the belief that the CEO can manage anything or anyone fails to understand the potential cultural conflict and ensuing integration challenges. Hayward and Hambrick (1997) show that, on average, losses occured in acquiring firms' shareholder wealth following an acquisition, and the greater the CEO hubris and acquisition premiums, the greater the shareholder losses. Thus, CEO hubris has substantial practical consequences and has potentially great theoretical significance to observers of strategic behavior.

This dissertation examines two other theories for their relevance to M&A: Friedman (1970) and Shareholder Theory and Freeman et al. (2010)'s countering Stakeholder Theory. Is it evident that shareholder theory drives M&A transactions, yet stakeholder theory may determine the success of the activity post-integration. It is a plausible assertion that COVID-19, and the low cost of capital, have acted as catalysts for a merger wave that emerged in 2020. This merger wave, introduced by Duchin and Schmidt (2013), is present within the context of the COVID-19 pandemic. The shareholder value theory may serve as a fundamental justification for this merger wave. Nonetheless, existing literature proposes that CEO hubris may also underlie this trend, with executives justifying their actions as value creation for shareholders.

As some literature suggests, stakeholder theory could prove to be at the core of failed M&A activity highlighted by Freeman (2015). Do stakeholders influence an organization's culture? If the primary stakeholders are the employees who do not feel the M&A transaction is in their best interests, the resulting culture may prove combative and resist integration for distinct reasons. Due to the mature nature of both Shareholder and Stakeholder theories and the volumes of literature on this topic, the arguments can be more than adequately researched and incorporated into the dissertation results.

In the traditional view of the firm, the shareholder view, shareholders and the firm have a binding financial obligation to put their needs first to increase value for them.

However, stakeholder theory argues that other parties are involved, including governmental bodies, political groups, trade associations, unions, communities, financiers, suppliers, employees, and customers. Sometimes competitors are counted as stakeholders; their status is derived from their capacity to affect the firm and its other stakeholders (Freeman, 2015).

Under shareholder theory, the firm's goal is to maximize shareholder returns outlined by Friedman (2020). If the firm aims to maximize shareholder returns, it is necessary to quantify the disruption to stakeholders during the integration. Shareholder returns drive decisions to create synergies post-acquisition, which, simply put, is headcount, vendor, and systems reduction.

Due diligence teams determine a company's valuation with volumes of formulas and key performance indicators. Those financial data points accompanied by a firm's desire to advance the transaction often drive the recommendation to the board of directors to close an M&A transaction. The hidden costs of M&A activity are a fruitful area to research, especially considering the embryonic state of academic literature in this area. In contrast, there appear to be volumes of untested practitioner literature.

OCAI

Using a tool such as OCAI, it is plausible that organizational culture is identifiable during M&A due diligence and overlaid with geographic location, size, business sector, financial performance, and employee turnover. Despite fledgling research in this area of externally measuring culture during M&A activity, it is explored during research as a potential catalyst to assisting due diligence gathering in a non-disruptive fashion.

The OCAI, designed and validated by Cameron and Quinn (2011), assesses organizational culture by scoring six aspects: dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphases, and criteria of success. Respondents allocate 100 points across four statements for each aspect, indicating the most fitting statement with the highest points. This scoring method reveals the current culture profile, also referred to as present culture, and identifies the desired direction of change. The deliberate design of the scoring process encourages respondents to make choices within the Competing Values Framework, reflecting the reality that trade-offs are necessary. There are two dimensions where people make choices: internal and external focus and the second dimension is the structure from flexible to stable. The two dimensions result in a quadrant configuration, which the authors identify as four types of culture: Clan, Adhocracy, Market, and Hierarchy. A description of each is provided:

- Clan. Values cohesion, participation, communication, a personal place, like a family; mentoring, nuturing, tight social networks
- Adhocracy. Dynamic, entrepreneurial; people take risks, values innovation, adaptability, growth, cutting edge services of products
- Hierarchy. Favors structure and control, coordination and effciency, stability is important, timeline, smooth processes
- Market. Results-oriented, getting the job done; values competition and acheivement, customer-driven, acheivement (Cameron & Quinn, 2011, p. 39).

As additional variables, the survey's intentional brevity validity does not enhance its effectiveness. CFA supported a four-factor structure of the OCAI for both ideal and current organizational culture perspectives (Heritage et al., 2014)

Many previous studies have touched on aspects of merger failure, though none conclusively document the causal effect of cultural conflict. Most studies demonstrate the success or failure of mergers without directly addressing cultural differences (Ravenscraft & Scherer, 1989). One might conclude that the lack of studies addressing cultural differences is the challenge of measuring and comparing the differences between the two cultures. Using tools such as the OCAI may provide a basis to begin this research in a quantifiable fashion.

Do these four types of culture serve as a high-level indicator of M&A success or failure when paired? The four types of organizational cultures may possess a key to unlocking the challenge of quantifying culture during M&A due diligence, specifically when the OCAI preferred state is a driver of research. However, this tool may fall short in measuring culture during M&A due diligence so that an organization can predict the differences in cultures and the time, cost, and effort needed to merge those cultures post-transaction.

A vital component of the OCAI determines the firm's current and preferred culture. This preferred state may be a crucial indicator of the challenges two firms may uncover while integrating cultures post-close. Is it reasonable to assume that if an acquired company expresses a preferred culture that reflects the acquiring firm's current culture, then that M&A integration may prove highly effective and lead to a successful transaction?

The dissertation research aimed to determine the feasibility of pinpointing an organization's culture using the OCAI. Then, overlaying post-merger integration data can create a procedure that may be used during M&A due diligence to estimate the actual integration success probability. If successful, the process could be worth billions of dollars by making M&A transactions identify a more realistic outcome of appraising post-merger integration success.

Knowledge Contribution

Four core theories supported the dissertation research. The first is Organizational Culture Theory (Jaques, 2013), defined as the underlying beliefs, assumptions, values, and ways of interacting and contributing to an organization's unique social and psychological environment. The second theory is Agency Theory (Jensen & Meckling, 1976), which is a principle used to explain and resolve issues in the relationship between business principals and their agents. Most commonly, that relationship is between shareholders, as principals, and company executives, as agents. Agency Theory is directly applied to this dissertation's research because the travel and travel services industry is over 60% independent contractors. Applying agency theory to independent contractors within a larger organization allows examining contractual dynamics, conflicts of interest, and organizational culture impact. In the travel industry, independent contractors act as their own independent businesses under the umbrella of a parent organization for shared services support and financial buying power while maintaining the autonomy to leave the parent organization without notice. The third theory is Integration Theory which postulates that successful integration requires a clear understanding of the differences between the acquiring and acquired companies and the ability to manage those differences effectively (Cartwright & Cooper, 1993). The fourth theory is M&A Theory which emphasizes that successful integration requires careful planning and execution, relying on leadership, communication, due diligence, and employee engagement (Penrose & Penrose, 2009).

CHAPTER 3: METHODOLOGY

The research question is, "Are effects of organizational culture on post-merger integration identifiable during merger and acquisition due diligence?" The research to answer this question required a mixed-methods approach based on retrospective examination of closed M&A transactions. The qualitative research design explored employee insights through interviews on organizational culture, explicitly examining culture during and after M&A transactions. The quantitative research design examined the measurable statistics describing organizational culture, M&A post-integration performance, and estimated the relationships between culture and performance that impact success and failure as viewed by the Board of Directors, shareholders, senior managers, and the employee base.

Organizational Culture Research

The OCAI portion of the dissertation research, which ran concurrently with the M&A performance survey, consisted of organizational culture research. The dissertation organizational culture framework identifies and measures culture, and the method chosen as the measurement tool is the OCAI. The OCAI provides a framework in that the test can be administered quickly and efficiently while measuring the current culture state within an organization and the preferred state. This preferred state provided insight into the desired outcome of an M&A integration if the acquired entity had a desired preferred state closer to the acquiring firm than its current state. To simplify, if a company being acquired saw the acquiring firm's culture as more desirable than its own, then resistance to integration within the new organization may not occur and instead be met with acceptance. Thus, the integration costs may be lower than anticipated, potentially making the transaction successful.

The OCAI is classified as a survey instrument, and the intent was to use this tool within both organizations in the M&A transaction. Employees from multiple levels within each company were asked to take the OCAI, as each level may show different perceptions of their current and preferred states of culture at the time of transaction close. The next phase of the research was the interview portion, which interviewed a subset of the OCAI respondents to glean further insight into the organization's culture. After completing the OCAI surveys and interviews, I identified the company's culture within an M&A context. When placed into a merger plan with the statistics of the M&A integration, that mechanism should shed light on the impact of culture on integration.

The seven dimensions of organizational culture (i.e., attention to detail, outcome orientation, people orientation, team orientation, aggressiveness, stability, and innovation and risk taking) described by Robbins et al. (2014, p. 97) provided me with a roadmap for coding considerations while evaluating interviews to explore the multifaceted dynamic of the organization’s culture. Additionally, the seven dimensions informed the construction of the interview questions.

M&A Integration

The M&A integration survey phase of the research, which ran concurrently with the OCAI phase, covered M&A integration performance, specifically post-transaction integration. To gain insight into why firms fail to meet their pre-transaction goals, organizations often conduct a statistical analysis of their performance following a successful transaction integration.The framework for the quantitative portion consisted of reviews looking at firms, at least three years post-M&A transaction, to review their performance in terms of integration. 50 M&A transactions required an in-depth review of integration performance to produce a predictable pattern of success or failure. Only firms that completed the OCAI were eligible for quantitative research, with employees from each side of the transaction at the time of close participating in all phases of the study.

Additional considerations of the impact of theories on the dissertation research may be considered in future research, such as the theory of structuration, defined as a social theory of the creation and reproduction of social systems based on the analysis of structure and agents, without giving primacy to either. As Giddens (1979) suggests, the essential recursiveness of social life, as constituted in social practices, is both the medium and outcome of the reproduction of practices. Structure enters simultaneously into the constitution of the agent and social practices and exists in the generating moments of this constitution.

When observing organizational culture, the instances where structure defines and drives culture formation and curation within the institution are easily spotted. Nonetheless, the agency's influence on the individual is equally important but much harder to identify as the individual's use of resources to fulfill potential is not as evident. So again, holism provides the most logical method to explain the facts about the institution, especially economic performance. However, when entering an M&A transaction, those holistic explanations are incomplete without understanding the individualism that drives participation within an institution's culture and, more predominantly, the willingness to accept and integrate with another culture as part of the M&A integration.

In some ways, the OCAI indirectly addresses structuration theory in that the assessment tool equally measures culture in its current and preferred states. One could conclude that the agency is the preferred state driven by individualism, and the structure is the current holistic state. The institution's facts are far easier to explain in holistic terms when looking at the current state of the organization's culture and financial performance. So, the facts are holistic, as no company performance is based upon a preferred state. A complementary argument is that no organizational culture can exist without the individualism of the employees, and it is leadership that then brings the individuals into the whole for a holistic path toward institutional performance. A fascinating research topic would include using a holistic view of institutional performance facts while factoring in the underlying individual desires of organizational culture when calculating M&A transaction valuation.

Using this structure could dramatically impact M&A decision-making during the due diligence phase and prove the linchpin to understating M&A failures and how to avoid those for future transactions.

Research Design and Methods

This dissertation relies on assessing an organizational culture; the method used is the OCAI (Cameron and Quinn, 2011). The OCAI is the framework's base, and it is then coupled with an M&A integration survey and interviews of participants from acquired and acquired companies and surveys regarding performance data.

The literature review showed that additional research is needed and called for frequently on organizational culture and its impact on M&A integration. Additionally, the mixed-methods research’s focus was amplified due to the nature of qualitative research required to identify and classify organizational culture and the quantitative analysis needed to understand culture's fiscal impact on M&A integration. By overlaying the quantitative data of the integration with the OCAI data from the qualitative research and regression analysis, the process can show how certain cultures on both sides of the transaction can positively impact post-transaction integration.

The interviews sought employee perceptions on essential components of culture. As Schein (1983) describes, there is a culture founder within any acquired company. This person is often a company founder but not always, especially in older companies or ones with long-tenured C-suite executives. This culture founder has tremendous ownership of the entity's culture and will fiercely defend and protect that culture during the M&A process. In addition, when these culture founders remain active post-acquisition, they are often principally the channel for successful M&A integration. The interview questions specifically addressed the role of the founder in the subject acquisitions.

The next component is culture curators, first introduced by Franz Boas and outlined by Stocking Jr (1966). These individuals are the ones that keep a culture alive for generations of employees. Curators do not create a culture, but they ensure it stays alive. Sometimes, curators can be defensive of their current culture but often hold the secret to integrating change and becoming the most important asset post-transaction. They know how to sell a culture evolution to employees. I directly identified the curators and their influence on culture from the interview analysis.

External culture is another component (Hatch & Schultz, 1997). This dynamic is the culture that those outside the organization perceive, often the linchpin to recruiting new hires. If internal and external cultures do not match, it will result in high turnover.

The final component is internal culture. Internal culture is precisely as it sounds in that it is the culture within the organization, conceptualized in terms of the degree of internal fit (cohesion and consistency) and external fit (linkages to strategy and the environment) featured by Arogyaswamy and Byles (1987). Nevertheless, here lies the billion-dollar miss during due diligence. What is the company's internal culture being acquired, and is that culture what most employees want as their culture? The transaction may fail if the culture of each side of an M&A transaction is not identified, evaluated, categorized, and modeled during due diligence.

The proposition is that culture and the difference in two companies' cultures drive M&A success or failure, yet those cultures can be pinpointed and quantified. Thus, a mixed-methods approach is the foundation for exploring the qualitative analysis of organizational behavior driving the quantitative measurement of culture, producing predictable and measurable processes to calculate M&A culture integration to drive evidence-based management decisions.

Given the importance of researching cultural impact prior to the M&A, the research question was slightly modified to read: “Are effects of organizational culture on post-merger integration identifiable during merger and acquisition cultural due diligence?” Supporting this were four hypotheses. I developed these hypotheses from the literature.

Hypotheses

- H1. The differences between the cultures of the acquiring and acquired companies are related to financial outcomes measured three years after the M&A.

The hypothesis that cultural differences between acquiring and acquired companies are associated with financial outcomes three years post-M&A is a crucial area of investigation in M&A. Researchers have conducted limited research to explore the impact of culture on M&A success, which has revealed several challenges arising from cultural differences, including communication breakdowns, difficulty achieving synergies, and resistance to change. Such challenges can impede financial performance during the post-M&A period, leading to suboptimal outcomes. As Kale et al. (2000) mentioned, empirical studies have provided evidence that cultural integration can help mitigate adverse effects on financial outcomes resulting from cultural differences.

- H2. The differences between the cultures of the acquiring and acquired companies are related to cultural outcomes measured three years after the M&A.

The hypothesis that cultural differences between acquiring and acquired companies are related to cultural outcomes three years post-M&A is an important area of investigation in M&A. Culture is a vital component of organizational behavior, and changes in culture during M&A activity can significantly impact the long-term success of the merged entity. Cultural outcomes such as employee satisfaction, commitment, and retention are critical to integrating acquired firms and subsequent success. Cultural differences can lead to adverse cultural outcomes such as mistrust, resentment, and decreased employee morale. In contrast, successful cultural integration can enhance outcomes and foster positive cultural changes.

- (H3). There are culture combinations that successfully integrate and result in successful M&A outcomes.

The hypothesis that certain culture combinations can lead to successful integration and positive outcomes in M&A activity is a unique area of research in M&A. Combining different cultures during M&A activity can pose significant challenges to the success of the merged entity. However, certain cultural combinations may result in successful integration and positive outcomes. Further research is needed to identify these cultural combinations and understand how they promote success. Identifying successful culture combinations would be valuable in guiding companies in selecting potential partners and developing strategies for cultural integration.

- (H4). The acquiring company's OCAI current state closely matches the acquired company’s preferred state and produces a successful M&A outcome.

The hypothesis that a close match between the acquiring company's current organizational culture and the acquired company's preferred culture leads to a successful M&A outcome is an exciting area of research in the field of M&A. Cultural integration is a complex process that requires careful management to ensure the long-term success of the merged entity. A close match between the acquiring company's current culture and the acquired company's preferred culture may or may not facilitate the integration process and promote positive outcomes. For example, a shared culture can help to overcome communication breakdowns and resistance to change, which are common challenges in M&A activity.

Study Design

I considered mixed-methods research superior for this dissertation because it combines quantitative and qualitative research methods to provide a more comprehensive and complete understanding of a research problem. Several studies support the superiority of mixed-methods research in a dissertation. For example, a study by Creswell and Clark (2017) found that mixed-methods research can provide a richer understanding of a research problem, particularly when exploring complex phenomena. By combining quantitative and qualitative data, analysts can capture the breadth and depth of the research problem, resulting in a more comprehensive understanding of the studied phenomenon.

Triangulation is an essential aspect of mixed-methods research that can improve the credibility and rigor of the research findings. Johnson et al. (2007), found that triangulation can help to overcome the limitations of using only one research method, such as limited sample size or partial data. By using multiple methods to explore the research problem, investigators can validate their findings and increase confidence in the conclusions drawn.

Mixed-methods research allows for flexibility in data collection and analysis, which can be particularly useful in a dissertation where the research problem may evolve. Johnson and Onwuegbuzie (2004) found mixed-methods research adapted to unexpected findings or changes in the research problem. This flexibility can help researchers to adjust their approach to data collection and analysis as needed, resulting in a more comprehensive and complete understanding of the research problem.

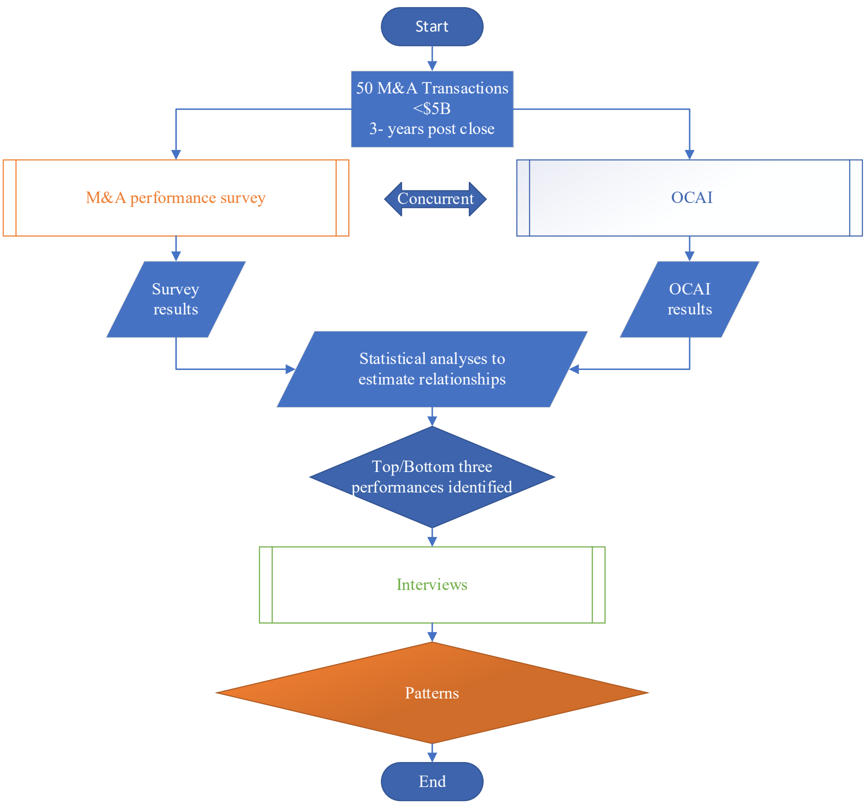
Mixed-methods research can be beneficial for addressing complex research questions that require both quantitative and qualitative data to answer. Creswell and Clark (2017) found that mixed-methods research is used to explore the complexities of a research problem, particularly when exploring social phenomena. Using quantitative and qualitative data, researchers can explore the research problem from multiple perspectives, resulting in a more nuanced understanding of the phenomenon.

These studies suggest that mixed-methods research is superior because it can provide a more comprehensive and complete understanding of the research problem. By combining quantitative and qualitative methods, mixed-methods research can capture the breadth and depth of the research problem, validate findings, adapt to unexpected changes, and explore complex phenomena.

I determined that a mixed-methods approach is most suitable for thoroughly evaluating the effects of organizational culture on post-merger integration in the dissertation. Quantitative surveys and data collocation proceeded with the OCAI and in-person interviews of those involved in each M&A transaction. Figure 2 shows the research design and process in a high-level flowchart.

Figure 2

Research Design and Process



Study Population and Sampling

The research examined 50 M&A transactions 3-5 years post-merger in the travel and travel services industry. The target M&A transaction size was $20 million to $5 billion, with the acquiring entity headquartered in the United States. The companies selected were from my network and references from that network. This selection of companies was a purposeful sample. After collecting an informed consent from each participant (Appendix A), I examined the results of 50 post-M&A transaction integration performances versus the stated and recorded goals for years one, two, and three. The second phase of the research asked the 50 acquired and acquiring companies to have five employees take the OCAI.

Data Collection Methods and Instruments

The data collection consisted of three stages. The first stage analyzed the performance of 50 post-M&A transactions for the first three years of integration and compared it to the predetermined goals using a performance integration survey. The second stage, conducted simultaneously with the first stage, required acquiring and acquired companies to have five employees complete the OCAI. In the third stage, I interviewed 36 employees who were identified in the top three and bottom three M&A performances. The PI selected three employees who had completed the OCAI and had at least three years of tenure from each side of the six M&A transactions for interviews. I coded the interview transcripts and extracted themes from the interviews.

Performance Integration Survey: Two senior-level employees from the acquiring entity directly involved with the M&A transaction were asked to take the M&A performance integration survey with a time commitment of fewer than two hours. They were asked questions regarding their perceptions of the goals and performance for the three years post-M&A. These data were collected using Likert scales (Appendix B).

OCAI Survey: I collected qualitative assessments of the organizational culture of employees involved in the M&A transaction at any level using the OCAI instrument. I engaged the HR department in the discussion, so they helped choose the employees for the OCAI. HR also served as the co-sponsor for all communication (e-mail) to the employees about the study, the employee's willingness to participate, and if the employee agreed. Employees trusted the confidentiality of HR, and this direct involvement assisted with the research, so the employees understood that their participation was voluntary and confidential. The reference to the OCAI protocol is in Appendix C.

Statistical analysis: The average score of all parties taking the integration survey and the OCAI constituted the categorization of each organization involved in the M&A undertaking. The top and bottom three survey scores were flagged for examination and discussion.

Interviews: Post-merger qualitative interviews of three employees with at least three years of tenure from each side of the M&A transaction were conducted using an interview guide (Appendix D). Each participant was only interviewed once and the time commitment was 90 minutes. After determining the top and bottom three M&A performances, I involved the HR departments in facilitating interview communication with the employees.

Data Analysis Methods

The quantitative methods used several statistical tests to estimate relationships between OCAI and survey scores. These included correlation, regression, and t-test analysis. Statistical analysis determined the significance and magnitude of relationships between culture type and integration performance. The qualitative analysis explored the integration capability of the acquiring firm and the subsequent impact on the transaction integration versus only considering the organizational culture influence by using thematic analysis.

Thematic analysis is a qualitative research method that involves identifying, analyzing, and interpreting patterns or themes within data. The thematic analysis enables researchers to explore diverse perspectives of participants and identify patterns or themes within the data. This perspective is vital in enabling analysts to understand the research topic comprehensively. According to Braun and Clarke (2006), patterns are essential in qualitative research, enabling researchers to categorize data and provide a structured presentation of the research findings. The richness of data collected from interviews is retained and also provides data that is deeply rooted in the participant's experience, and it allows investigators to present data in participants' own words and capture the nuances of their experiences. Thematic analysis provides a rigorous approach to data analysis, enabling analysts to demonstrate the reliability and validity of their findings. This rigor is paramount in dissertation research, as it enhances the credibility of the research findings (Nowell et al., 2017).

The analysis used the Gioia Methodology (Gioia et al., 2013) to analyze interview data collected from participants who have experienced M&A integration. The Gioia Methodology is a qualitative data analysis technique that focuses on identifying and interpreting themes and patterns in data. The Gioia methodology comprises six stages, which include: 1) defining the research question, 2) selecting an appropriate sample, 3) collecting data, 4) coding the data, 5) generating themes, and 6) interpreting the findings. The study analyzed 37 interview transcripts to identify first-order codes and sub-themes related to M&A integration success.

Researchers identify themes in qualitative research by rigorously analyzing the data and organizing recurring patterns or concepts into meaningful categories. It is common for sub-themes to share a similar rubric as other sub-themes within a more prominent theme, mainly if they are related to different contextual aspects of the same overarching phenomenon. This result can occur when a particular theme encompasses multiple dimensions or facets that require further elaboration and differentiation.

The PI must clearly articulate the specific context in which each sub-theme exists and provide detailed examples or evidence to support their interpretations, as it is requisite for the success and credibility of the research. This investigation requires a deep understanding of the data and a nuanced approach to analysis, considering the complexity and richness of the studied phenomena. Ultimately, the goal of qualitative research is to uncover the underlying meanings and experiences of the participants, and careful attention to the organization and presentation of themes is expository to achieving this aim.

Qualitative interviews with employees directly involved in M&A transactions provided valuable insights into the complex and multifaceted nature of M&A success or failure. Shrivastava (1986) noted that M&A success depends not only on a thorough analysis of quantitative data but also on understanding the subjective interpretations and meanings that the actors involved attach to the process and outcome of the transaction.

Interviewee quotes offered detailed descriptions of the cultural, social, and psychological factors that influenced M&A outcomes, including the role of organizational culture fit, founder influence, employee engagement, and understanding of the acquired company's business. By including quotes in qualitative analyses, I provide a more nuanced understanding of the dynamics in M&A transactions and inform future research and practice. Interviews with employees were beneficial for understanding the impact of organizational culture fit, founder influence, employee engagement, and other factors on M&A success or failure. Interviewees offered first-hand accounts of how these factors influenced their experience during the integration process, which can help acquirers to anticipate challenges and develop effective strategies for managing the integration. The PI ensured that quotes were not taken out of context or misinterpreted and sought to consider interviewees' and analysts' perspectives and biases.

Despite these challenges, qualitative interviews with employees produced rich and nuanced data that can be difficult to obtain through other methods. By carefully analyzing interviewee quotes and triangulating data from multiple sources, I comprehensively understood the factors contributing to M&A success or failure and offered practical recommendations for improving the integration process.

Ethical Considerations and Human Subjects Issues

Once a target company was determined and agreed to participate in the research study, their HR department served as the co-sponsor for all communication (e-mail) to the employees about the study, the employee's willingness, and if the employee agreed to participate. The subject's only requirement for the OCAI was that they must have been employed at the company before the M&A transaction close. For the interviews, each unique subject must have had three years of employment with the company involved in the research and be employed at the time of transaction close.

The OCAI is a self-administered assessment the subjects took on their own, and the electronic data is stored securely. The interviews were conducted outside the workplace via Zoom and followed the IRB data security requirements. All participants received a signed document containing their personal information and assessment to ensure confidentiality and privacy. Additionally, the interview responses were not disclosed to anyone outside of the research team to maintain the confidentiality of the participants. All information was coded, with a master list kept on a secure network. All data, including any personally identifiable information, is stored in a password-protected and encrypted file on the PI's password-protected computer. No one has access to the data except the PI.

CHAPTER 4: RESULTS

Overview

This dissertation investigated the impact of organizational culture on M&A integration utilizing a mixed-methods approach that combined quantitative and qualitative data collection and analysis techniques. This chapter presents the findings from this comprehensive research methodology, providing an improved understanding of organizational culture and its impact on M&A transactions.

A range of factors can influence research outcomes, affecting the accuracy and reliability of the findings. In the context of this study, three potential factors may have impacted the research outcomes: social desirability, gender, and COVID-19. The study attempted to address these factors by employing various strategies and methods to mitigate their impact. An additional concern arises regarding potential errors in recollection when retrospectively assessing the actual and preferred organizational culture at the time of transaction closing, particularly when the period exceeds three years. The reliance on retrospective perspectives from respondents may have contributed to the observed consistency in current and preferred outcomes and the results obtained from the integration results survey.

Social desirability, which refers to the tendency of individuals to respond in a manner that portrays themselves favorably or aligns with societal expectations, warranted careful consideration in the context of the present research. The industry under examination was one with which I was intimately familiar, and many respondents were personally acquainted with or were aware of the individual conducting the inquiries. As such, there was a heightened risk of social desirability bias potentially influencing participants' responses, which could ultimately impact the validity and reliability of the study findings.

Social desirability bias is a well-known phenomenon in research methodology that can significantly impact the validity of study findings. Paulhus and Reid (1991) define social desirability bias as "the tendency to respond in a manner that will be viewed favorably by others" (p 49). In other words, research study participants may provide socially acceptable or desirable responses rather than their actual beliefs or behaviors. This bias can occur for various reasons, such as a desire to please the researcher, a fear of being judged or stigmatized, or a belief that specific responses are more socially acceptable than others. To minimize the impact of social desirability bias, I used a variety of strategies, such as emphasizing the anonymity of the data and using indirect questioning techniques.

Gender can also play a role in the perception of M&A integration. During the employee interviews, I observed anecdotal evidence indicating significant differences in the perception of M&A activities between men and women. Research suggests that people may have different perceptions and experiences during M&A integration due to their gendered experiences and perspectives. For example, Greckhamer et al. (2008) found that women who were part of the acquiring firm in M&A deals tended to have more negative perceptions of the integration process than men. This result was due to several factors, including differences in communication styles and networks and the potential for gendered power dynamics to influence decision-making during the integration process.

I demonstrated a commitment to mitigating gender bias. I recruited participants from both genders to ensure representative samples, employing gender-inclusive language throughout the research materials and maintaining awareness of their biases. By implementing these practices, I aimed to contribute to a more equitable and inclusive research landscape that acknowledges all individuals' diverse experiences and needs, regardless of gender identity.

The COVID-19 pandemic was a major global event affecting various industries and business transactions, specifically M&A. In this regard, it is crucial to explore the potential impact of the pandemic on the perception of M&A transactions.

I sought to understand the participants' perceptions regarding the M&A process comprehensively. The findings revealed that in all of the top three and bottom three M&A transactions, participants commented on the notable impact of the COVID-19 pandemic on their perception of the M&A process. The participants in these transactions passionately believed that the acquired company would have collapsed during the pandemic lockdown if the M&A transaction had not occurred before the pandemic.

These findings suggest that the pandemic may have influenced the perception of M&A transactions, particularly in terms of the potential value of these deals in mitigating the economic impact of the pandemic on companies. The perception that the M&A transactions helped to prevent the collapse of the acquired companies during the pandemic lockdown underscores the perceived importance of these deals in maintaining the viability of businesses in the face of economic disruptions caused by the pandemic.

Mixed-Methods Data Analysis

The research examined 50 M&A transactions in the travel and travel services industries. All 50 were private transactions, with just one non-private transaction, a private company acquiring a United Kingdom-based public company and taking it private. To maintain confidentiality in private M&A activity, I assigned a corresponding number to each transaction referenced in the dissertation, and the transactions were not referred to by company name. I invited employees from both sides to participate in the OCAI study, with five employees selected from each acquiring and acquired company. I contacted 612 employees and received participation from 487, resulting in an 80% participation rate.

While conducting the OCAI study, I administered a Qualtrics survey to assess the perceived success of the M&A to two members of the post-merger integration team for each of the 50 M&A transactions. I reached out to 123 respondents, of which 100 agreed to participate in achieving the goal of two respondents from each transaction, resulting in a participation rate of 81%. After completing the Qualtrics survey and the OCAI study, the research results identified the top and bottom three performing M&A transactions using an average score of the 5-point Likert scale questions used in the survey. I then conducted one-on-one interviews with six employees from these six transactions, resulting in 36 interviews. I contacted 44 employees and interviewed 36 respondents from the acquiring and acquired companies, resulting in a response rate of 82%. Subsequently, I conducted a 37th interview with a fund manager from a major PE firm. The fund manager had extensive M&A experience involving more than 100 transactions. Furthermore, the firm, specializing in travel industry transactions, independently funded seven of the 50 transactions examined.

Survey Results

In this study, I assessed the effectiveness of M&A integration using survey data. Specifically, I administered the survey to senior integration team members from acquiring and acquired companies in 50 different M&A transactions. 11 questions for each of the three years of integration post M&A close date were asked, for a total of 33 questions per survey.

The results of the M&A survey provide valuable insights into the success of organizational integration and financial performance following mergers and acquisitions. The survey data revealed various trends, including cultural integration, financial synergy, revenue growth, and operational gains. The survey results also shed light on the impact of M&A on employee turnover, brand, policies and procedures, and performance management. This analysis examined the survey results in detail, grouped into integration, financial and cultural sets, and an overall assessment of acquisition performance. Subsequently, I utilized Q11 as a success assessment and employed all 11 questions to examine the entire survey.

Table 1 shows the survey questions alongside combined results, with confidence intervals and average survey scores by question by year. The complete results are detailed in Appendix E.

Table 1

Combined Average Survey Results by Year

Survey Questions	Year 1	Year 2	Year 3	Avg
Q1: To what extent did the two organizational cultures integrate?	4.02 (3.83-4.21)	3.95 (3.76-4.14)	4.03 (3.85-4.21)	4.00
Q2: To what extent did you achieve the acquisition financial synergy goals?	4.03 (3.84-4.22)	3.91 (3.72-4.10)	3.98 (3.80-4.16)	3.97
Q3: To what extent did revenues increase due to new products or services?	3.74 (3.56-3.92)	3.80 (3.62-3.98)	3.90 (3.72-4.08)	3.81
Q4: To what extent did profitability grow due to operational gains?	4.05 (3.87-4.23)	4.12 (3.93-4.31)	4.03 (3.85-4.21)	4.07
Q5: To what extent was employee turnover impacted?	4.11 (3.93-4.29)	4.16 (3.98-4.34)	4.03 (3.85-4.21)	4.10
Q6: To what extent was your brand positively influenced?	4.38 (4.20-4.56)	4.26 (4.07-4.45)	4.22 (4.04-4.40)	4.29
Q7: To what extent were policies and procedures improved?	3.95 (3.77-4.13)	4.10 (3.92-4.28)	4.14 (3.96-4.32)	4.06
Q8: To what extent were your mission and values changed?	4.00 (3.82-4.18)	4.05 (3.87-4.23)	4.08 (3.90-4.26)	4.04
Q9: To what extent was your performance management affected?	3.56 (3.38-3.74)	3.72 (3.54-3.90)	3.77 (3.59-3.95)	3.68
Q10: To what extent do you think the purchase price was fair?	3.95 (3.77-4.13)	4.03 (3.85-4.21)	4.01 (3.83-4.19)	4.00
Q11: At the end-of-year mark, what is your overall assessment of the extent of acquisition success?	4.11 (3.93-4.29)	4.18 (4.00-4.36)	4.14 (3.96-4.32)	4.14

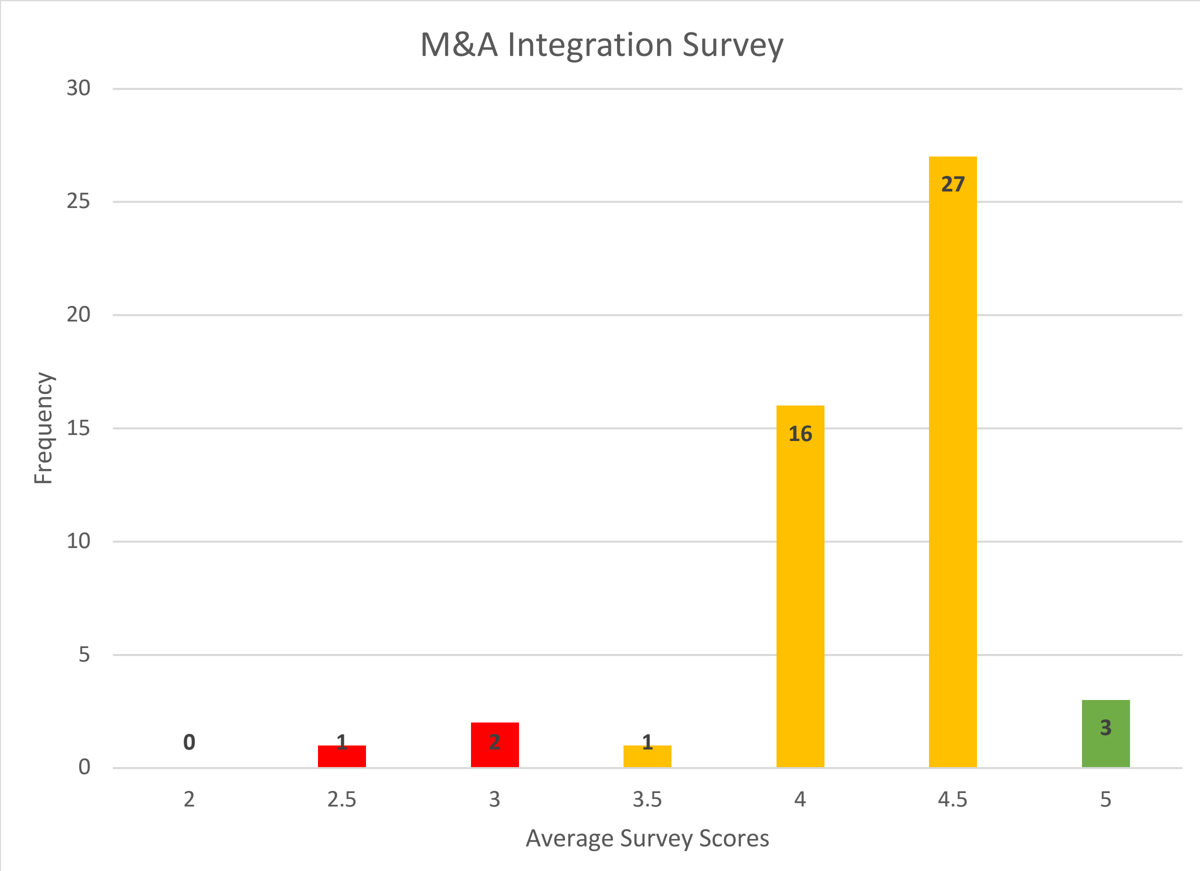
The data set for each question showed an approximately normal distribution of the M&A survey results. The data set showed a slight positive skewness. I calculated the confidence intervals for year 1 (M = 3.99, SD = 0.19), year 2 (M = 4.03, SD = 0.05), and year 3 (M = 4.03, SD = 0.06). There is no significant difference across years based on the observation of overlapping confidence intervals in each year's results. Hence, the researcher pooled the data from the three years into a single dataset for the rest of the analysis.

To obtain a comprehensive representation of the integration beyond solely relying on Q11 and the overall perception of success, I utilized all 11 questions to determine the top/bottom three survey scores. According to the average integration survey results across the 50 transactions, three transactions (#9, #21, and #42) were the top performers with the highest average survey score, while three other transactions (#4, #13, and #27) exhibited the lowest performance determined by the lowest average survey score. Notably, the survey scores for these transactions were uniquely distributed compared to the average of all 50 transactions. These findings served as the basis for selecting companies used in the qualitative interviews of employees.

Figure 3 provides a histogram that illustrates the normal distribution of the average survey scores obtained by the participants for each of the 50 M&A transactions. The horizontal axis of the histogram represents the average score for each transaction, while the vertical axis represents the frequency of responses. The histogram helps to provide a visual representation of the distribution of the total scores obtained, which allowed me to identify patterns and trends in the data. The histogram shows the top three surveys in green, and the bottom three in red, clearly delineating how those scores differ from the other 46.

Figure 3

Survey Histogram



Overall, the Qualtrics survey analysis results underscored the all-encompassing role of organizational culture, communication, leadership, and employee engagement in successful M&A integration. By doing so, organizations can promote successful M&A integration and maximize the benefits of these strategic business transactions.

OCAI Results

In this dissertation, analyzing the OCAI involved interpreting the scores obtained in each quadrant (i.e., Clan, Adhocracy, Market, Hierarchy) to determine an organization's dominant culture type and alignment with its goals and objectives. It is important to note that the OCAI defined dominant culture as the one quadrant that scored the highest, unlike later where I describe quadrants with statistically dominant cultures. I analyzed the data collected from the OCAI assessment and examined the cultural attributes associated with each quadrant. I aimed to identify patterns and differences among the quadrants by conducting statistical analyses of the responses. The OCAI assesses six dimensions of organizational culture, including dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphases, and success criteria.

The OCAI captures an organization's current and preferred states by comparing the scores of the four quadrants. The current state is the organization's current culture, while the preferred state is the culture the organization aspires to have. By assessing an organization's current and preferred culture, the OCAI provides a framework for understanding the organization's strengths and weaknesses and helps identify areas for improvement. For example, if an organization scores high in the Clan quadrant, it may value teamwork, collaboration, and employee empowerment. A potential weakness of clan culture is its resistance to change, which can hinder adaptability and responsiveness to external market forces and technological advancements. Conversely, high scores in the Hierarchy quadrant may indicate a more formal and structured culture prioritizing efficiency and control while lacking a sense of community.

This study first used the average OCAI scores for all 50 M&A transactions to compare the average acquiring and average acquired companies' current and preferred organizational culture states. Later, this study considered the individual scores for each of the 50 acquisition pairs in more detail. The results of the OCAI, shown in Appendix F, provide insight into the current and preferred organizational culture of the acquiring and acquired companies in the context of an acquisition.

Descriptive Statistics

The OCAI scores can provide valuable retrospective perceptions into the organizational culture of both the acquiring and acquired companies in the context of an M&A transaction. The current state of the acquired companies had a Clan-oriented culture with the highest average score of 29.05, indicating a focus on collaboration and teamwork. The Adhocracy culture type, the next highest current culture, scored 27.01, which suggests a center on innovation and creativity. The Market culture type, with a score of 22.76, implies a concentration on competition and achieving results. The Hierarchy culture type, with the lowest average score of 21.19 for the current state, indicates a focal point on rules, procedures, and formal authority.

On the other hand, the acquiring companies' current state is more Hierarchy-oriented, with an average score of 27.76. This result suggests a focus on structure, control, and stability. The Market culture type, with a score of 25.88, implies a center on achieving results and customer satisfaction. The Adhocracy culture type, with a score of 23.94, suggests a hub on innovation and adaptability. The Clan culture type, the lowest current culture with a score of 22.42, indicates a focal point on teamwork and collaboration.

The preferred state of the acquired company is very similar to the current state and shows a preference at the time of the transaction for a Clan-oriented culture, with an average score of 28.06, followed by Adhocracy (27.01), Market (23.10), and Hierarchy (21.83). Meanwhile, the acquiring company had a preferred state similar to the current one at the time of the transaction. The preferred state for the average acquiring company is Hierarchy-oriented, with an average score of 28.42, followed by Market (25.59), Adhocracy (23.54), and Clan (22.45).

Overall, the results suggest that there may be some cultural differences between the acquiring and acquired companies, with the acquired company more likely to have a Clan-oriented culture while the acquiring company is more likely to have a Hierarchy-oriented culture. The preferred state results indicate that the acquired company would like to maintain a Clan-oriented culture, while the acquiring company would like to shift towards an even more Hierarchy-oriented culture.

Reliability Testing

To demonstrate reliability, Table 2 shows Cronbach's Alpha for each section. Cronbach's alpha, established by Cronbach (1951), is a widely used measure of internal consistency reliability in research, especially in psychology, education, and social sciences. It assesses the extent to which a set of items or questions in a survey or test measures a single construct or dimension (Bland & Altman, 1997).

Table 2

Average OCAI Scores with Cronbach's Alpha

	Acquired Company Current	**Acquiring Company Current**	**Acquired Company Preferred**	**Acquiring Company Preferred**
Clan	29.05	22.42	28.06	22.53
Adhocracy	27.01	23.94	27.01	23.61
Market	22.76	25.88	23.10	25.50
Hierarchy	21.19	27.76	21.83	28.36
Cronbach's alpha	0.71	0.60	0.76	0.66
	Acceptable	Questionable	Acceptable	Questionable

Cronbach's alpha ranges from 0 to 1, with higher values indicating more internal consistency reliability. Generally, as stated by Cronbach (1951), values above 0.70 are considered acceptable for research purposes, although the specific value may depend on the context and purpose of the study. For the acquired company in its current state, Cronbach's alpha of 0.71 is acceptable and indicates that the OCAI scores for Clan, Adhocracy, Market, and Hierarchy measure the same construct of organizational culture with sufficient reliability. Similarly, the acquired company's preferred state has a higher Cronbach's alpha of 0.76, indicating even greater internal consistency among the OCAI scores.

However, Cronbach's alpha values for the acquiring company are somewhat lower, with a value of 0.60 for the current state and 0.66 for the preferred state. These lower values may suggest that the OCAI scores for the acquiring company are less dependable, possibly due to differences in the organizational culture or other factors; alternatively, it could be that the acquiring companies have less dominant cultures. It is important to note that Cronbach's alpha is just one measure of reliability and should be considered alongside other factors when interpreting the OCAI results. Appendix E includes the full OCAI results.

Correlation Analysis for Survey Outcome Variables

Correlation analysis, used to explore the relationship between different variables, is fundamental to this study. This type of analysis can help identify patterns and trends in the data and provide insights into the factors that may impact the research question. The survey correlation coefficients are relatively high and indicate a strong positive relationship between the survey variables. Considering the context of the survey and the variables measured, it is paramount to consider the correlation's strength. The results in Table 4 demonstrate that each transaction rated the aspects of integration, financial, cultural, and overall similarly. In other words, each transaction either broadly succeeded or failed rather than potentially succeeding in only one aspect and failing in another.

It is also salient to note that while correlation measures the strength of the relationship between two variables, it does not necessarily imply causality. In other words, just because two variables are strongly correlated does not mean that one variable is causing the other variable to change. Further analysis and consideration of the context and potential confounding variables may need to determine causal relationships.

Table 3

Qualtrics Survey Correlation

	INTEGRATION	FINANCIAL	CULTURAL	OVERALL	SUCCESS	TOTAL SURVEY
	Q1	Q2-Q4	Q5-Q9	Q10-Q11	Q11	Q1-Q11
Q1	1.00					
Q2-Q4	0.93	1.00				
Q5-Q9	0.86	0.90	1.00			
Q10-Q11	0.77	0.81	0.79	1.00		
Q11	0.74	0.73	0.70	0.95	1.00	
Q1-Q11	0.93	0.97	0.97	0.88	0.80	1.00

Note. All correlations are significant at $p<0.05$.

Combined Results

Next, I looked at the culture combination types for the 50 M&A transactions using the current state of the culture. The most frequent culture combination observed was the acquisition of companies with a Clan culture type by companies with a Hierarchy culture type, with 21 such transactions (42%). The second most frequent culture combination is the acquisition of companies with a Clan culture type by companies with a Market culture type, with six transactions. Only 10 of the 16 possible combinations were present in the research.

The average gap between the two scores for each cultural type was estimated using the absolute value of the differences. When comparing the acquired and acquiring companies, these differences ranged from 6.10 for the Hierarchy/Market culture combination to 26.01 for the Hierarchy/Clan culture combination, indicating significant variation in the alignment of culture types between acquiring and acquired companies.

When examining the average survey scores, the Adhocracy/Clan culture types had the highest score across all combinations. The Hierarchy/Hierarchy, culture type combination, had the lowest score across all combinations; however, this only represented one transaction.

The data suggest that acquired companies with a Clan culture type are most likely to be acquired by companies with a Hierarchy culture type and that there is a significant gap between the cultural types of acquiring and acquired companies. These findings have implications for companies engaging in M&A and highlight the importance of cultural due diligence in such transactions. Tables 4-6 show the culture combination types for the 50 M&A transactions using the current state of the culture.

Table 4

OCAI Frequency

			Acquiring		
Acquired	Clan	Adhocracy	Market	Hierarchy	**Totals**
Clan	4	4	6	21	35
Adhocracy	1	2	3	6	12
Market	0	0	0	2	2
Hierarchy	0	0	0	1	1
Totals	5	6	9	30	50

Table 5

OCAI Gaps

		Acquiring		
Acquired	Clan	Adhocracy	Market	Hierarchy
Clan	9.80	20.30	26.94	26.01
Adhocracy	8.80	18.40	14.63	21.02
Market	.	.	.	6.10
Hierarchy	.	.	.	24.40

Table 6

Survey Average with OCAI Combinations

		Acquiring		
Acquired	Clan	Adhocracy	Market	Hierarchy
Clan	3.93	4.33	3.98	4.09
Adhocracy	3.59	4.32	3.91	3.85
Market	.	.	.	4.20
Hierarchy	.	.	.	2.45

Quantitative Analysis Summary

The quantitative sections presented a statistical analysis of the M&A Integration surveys and the OCAI results. These analyses aimed to evaluate the validity and reliability of these instruments and determine whether they are suitable for the research analysis in the next chapter. Results of the analysis have indicated that both the M&A Integration surveys and the OCAI are statistically significant and valid instruments for use. The M&A Integration surveys exhibited internal consistency, indicating that the questions in the survey were measuring the same underlying construct. Additionally, the surveys demonstrated construct validity, as the questions could differentiate between different types of M&A integration.

Similarly, the OCAI results also showed internal consistency and construct validity levels. The survey distinguished between different types of organizational culture, and the results were consistent with theoretical expectations. A *post hoc* quantitative analysis produced an emerging concept of the impact of a dominant culture on the integration survey results. To investigate this concept, I created a measure to determine the dominance of the company's OCAI scores. A company's OCAI scores indicate the predominance of one of the four quadrants of its culture. For example, a company scoring 25-25-25-25 on the four measures would indicate an ambivalent culture without particular dominance. However, if a company scores 90-5-5-0, it would indicate a strongly dominant Clan culture.

A suitable measure for this dominance would be a Chi-Squared assessment, calculated as the sum of squared distances from each score to the default score of 25. The measure can be named "Culture Dominance". I computed the Chi-Squared score for 50 acquiring and 50 acquired firms to determine their Culture Dominance. Only five firms in each group had statistically significant numbers, while most firms were not significant, indicating they were more ambivalent about their culture.

The results of simple regressions of Acquiring Culture Dominance and Acquired Culture Dominance as IVs against the survey results as DVs are noteworthy, as shown in Appendix G. Acquired Culture Dominance is significantly positive for M&A success (Q10-Q11). In contrast, Acquiring Culture Dominance is significantly negative for M&A success

(Q10-Q11). Therefore, buying a company with a dominant culture seems to be a good decision, but fitting an acquisition into a dominant culture is challenging. This challenge may arise from the rigidity that a statistically dominant culture may exude within an acquiring company, making an M&A integration even more challenging.

Overall, the statistical analysis of these instruments has demonstrated that they provide valid and reliable measures of the constructs studied. The *post hoc* analysis revealed that M&A success is positively associated with the level of "Hi-Dominance" for the acquired company and negatively associated with the level of "Hi-Dominance" for the acquiring company. As a result, I can utilize the data, especially the “Culture Dominance” concept.

Qualitative Data Analysis

This section reports on the 37 semi-structured interviews with individuals (e.g., permanent staff and ICs) having experience with the top and bottom three performing integrations of the 50 M&A transactions examined in this dissertation. The interviews were recorded and transcribed verbatim for thematic analysis to identify and categorize patterns and themes that emerged from the qualitative data, providing a deeper understanding of the impact of organizational culture on M&A integration.

For this study's interviews, I utilized NVivo, a commonly used software program in qualitative research, to aid in organizing and analyzing the data collected during interviews. Using NVivo, I code and categorize data collected during interviews to identify emerging themes and patterns. The software enables researchers to create a coding scheme to help organize the data and facilitate analysis. This coding scheme can compare data across multiple interviews to identify similarities and differences in participant responses (Jackson & Bazeley, 2019). By identifying themes and codes, NVivo allows analysts to organize and interpret large amounts of data systematically. This process ensures that the research findings are grounded in the interview data, leading to more accurate and reliable results.

Furthermore, investigators can use NVivo to visualize and map the connections between themes and codes, helping them identify relationships and patterns they may have previously overlooked. This result can lead to a deeper understanding of the research topic and provide new insights into the experiences and perspectives of the research participants.

The software's data exploration and visualization tools aid users in identifying patterns and drawing accurate conclusions. NVivo supports transparent documentation of the research process, including coding decisions, annotations, and memos, promoting transparency and reproducibility. Furthermore, its collaboration features facilitate peer debriefing and inter-rater reliability checks, ensuring a rigorous research process. Leveraging NVivo's capabilities can significantly improve the accuracy and reliability of research findings by enabling efficient data management, robust analysis, and collaborative approaches.

In summary, using NVivo for analyzing research interviews was essential in organizing and analyzing data collected during the interview process. It allowed for a systematic approach to identifying and analyzing themes and codes, leading to more accurate and reliable research findings and providing a way to capture valuable insights into the experiences and perspectives of the research participants.

Interview Codes and Themes

This dissertation explores five themes that emerged from interviews with employees involved in the top and bottom three performing M&A transactions. The first theme is Organizational Culture Fit, which includes sub-themes such as Cultural Differences, Open and Frequent Communication, Leadership Vision, and Employee Involvement. The second theme is Founder Influence, which encompasses sub-themes such as Founders' Vision and Values, Founder Involvement and Support, Founders' Influence on Culture, and Founder's Legacy. The third theme is Employee Engagement, which involves sub-themes such as Clear, Concise, Timely Information, Leadership, Culture, and Empowerment. The fourth theme is Understanding the Acquired Companies Business, which includes sub-themes such as Financial Due Diligence, Integration Planning, and Cross-Functional Teams. The final theme is Independent Contractors, which encompasses sub-themes such as Cultural Due Diligence, Correspondence, Legal, and Financial Issues.

I used multiple quotes from qualitative interviews with employees directly involved in six specific M&A transactions to formulate the themes. I subjected the transactions to more comprehensive scrutiny based on their integration survey scores. Numerical codes were assigned to all M&A transactions to ensure confidentiality. The interviews provided valuable insights into these themes and their impact on M&A success, highlighting the importance of considering organizational culture, founder influence, employee engagement, business understanding, and independent contractors in the M&A process. I coded a total of 37 interviews using 26 unique codes. Those codes were grouped into 20 subthemes and then classified into five distinct themes. A series of three to six sub-themes supported each theme. The five themes, sub-themes, and codes are as follows, shown in Table 7.

Table 7

Themes, Sub-Themes, & Codes

Theme	Sub-themes	First-order codes
Organizational Culture Fit	Cultural Differences, Open and Frequent Communication, Leadership Vision, Employee Involvement	Organizational culture impact, founder culture, family culture, multiple cultures, culture integration
Founder Influence	Founders' Vision and Values, Founder Involvement and Support, Founders' Influence on Culture, Founder's Legacy	Key stakeholders, team, family, model, organization, strategy
Employee Engagement	Clear, Concise, Timely Information, Leadership, Culture, Empowerment	Unhappy people, right people, talented people, short-term people, meeting people
Understanding the Acquired Companies Business	Financial Due Diligence, Integration Planning, Cross-Functional Teams	Family business, house business, vibrant businesses, existing business, a separate business
Independent Contractors	Cultural Due Diligence, Correspondence, Legal and Financial Issues	Outside contractors, contractors' customers, contractors' model, infinite contractors, business model

Organizational Culture Fit

The interview analysis revealed a theme of organizational culture fit on M&A integration success. The results showed that the organizational culture fit was crucial in determining the success or failure of M&A integration.

A poignant quote from one of the bottom three scoring M&A transactions was, "In the end, organizational culture played a massive role. I think that became the new culture in the combined entities; it also played the hardest part in the combination, in the sense that multiple cultures are involved" (Transaction #13, Interviewee 1, Transcript 001). This quote highlights organizational culture fit and its role in the success or failure of M&A transactions. The presence of multiple cultures heavily influenced the new culture that emerged after the combination, making the integration process more complex in this particular case, as suggested by the organizational culture fit. Therefore, organizations pursuing M&A transactions may consider prioritizing organizational culture fit as a critical factor in the success or failure of the deal.

The following sub-themes emerged from analyzing the first-level codes, as shown in Table 8. Table 8 further explains the definitions of the quotes and subthemes, with transactions highlighted in green representing one of the top three M&A survey scores and the ones in orange representing one of the bottom three scoring transactions. The quotes in the tables illustrate the difficulties encountered in high and low-scoring transactions. High-scoring mergers actively demonstrate the ability to identify and address challenges before the closure of the transaction, ensuring effective resolution. Conversely, the low-scoring transactions neglected to address the challenges revealed during the interviews. This trend persisted throughout the thematic analysis conducted on the interviews.

Table 8

Organizational Culture Fit Sub-Themes & Quotes

Sub-themes	Description	Quotes
Cultural Differences	Differences in culture between employees and management	"We knew they were not going to be a cultural fit" (Transaction #9, Interviewee 2, Transcript 102)
Open and Frequent Communication	Importance of clear and regular communication	"Communication is probably the biggest thing that did not work well" (Transaction #4, Interviewee 28, Transcript 528)
Leadership Vision	The importance of a clear vision for the company	"I was not bought into his vision, but I was not afraid," Transaction #9, Interviewee 27, Transcript 114)
Employee Involvement	Encouraging employees to participate in decision-making	"We just brought him as an employee to continue expanding the business" (Transaction #4, Interviewee 22, Transcript 607)

Founder Influence

The interview coding revealed a recurring theme of founder influence on M&A integration success. Regardless of whether they remained with the company or exited at the time of close, the findings revealed that the founder of the acquired company significantly influences the integration process and can have either a positive or negative impact on the outcome. Research studies have identified various factors influencing M&A integration success, including leadership, communication, culture, and employee engagement. However, the role of the founder of the acquired company in the integration process has not received much attention in previous research studies (Jemison & Sitkin, 1986).

The quote by Interviewee 24, a high-scoring transaction, illustrates the potential negative impact of a founder's influence on the success or failure of M&As: "And let me be crystal clear. I do not care what you have to say. We bought your business. If you leave tomorrow, fine" (Transaction #9, Transcript 117). However, this transaction identified this issue and moved the founder into a role that kept both sides moving forward. The interviewee felt this happened because the founder conflicted with the acquirer during integration. The quote suggests a lack of respect and disregard for the acquired company's culture and people, which can lead to employee disengagement, low morale, and, ultimately, M&A failure. However, this transaction succeeded because the other critical themes integrated positively during the post-close process.

Entrepreneurs frequently influence an organization's ethos and principles, and their exit may trigger material repercussions for the company. The aforementioned quote implies that the acquiring firm might have disregarded the significance of the founder's impact and the possible ramifications of estranging them and their team. Therefore, acquirers must try to recognize the founder's influence and the importance of maintaining a positive relationship with them and their team. Acquirers should prioritize open communication, mutual respect, and collaboration to ensure successful integration and avoid potential pitfalls that can lead to M&A failure.

Interviewee 6, who was part of a highly successful M&A transaction, highlights the potential negative impact of a founder's influence on the success or failure of an M&A: "In some ways, the founder was focused on only his ideas, and nobody else could have good ideas, and in and the main part is that he oversold his actual background. So, he thought he was an operations expert, and he was not. Thus, that was the crux of the issue" (Transaction #9, Transcript 523). Notably, this quote highlights a challenge for integration. However, the acquiring entity took proactive measures to mitigate this challenge by implementing corrective actions. These actions aimed to minimize the founder's influence on integration and business decisions while retaining the individual as a staff member to ensure continuity. The quote suggests that the founder's rigid adherence to their ideas and overselling of their background can lead to issues during the integration process, but with proper integration guidance, the challenges of the founder can be overcome by understanding how to involve them in the business. Understanding the motivations of a founder for engaging in an M&A deal is crucial in determining their involvement in the new businesses post-transaction. Founders may pursue M&A to achieve strategic objectives, such as market expansion or accessing new technologies, or for financial gains. If their motivations align with staying involved, founders can contribute their industry knowledge, expertise, and relationships to the new businesses in advisory or decision-making roles. However, some founders may prefer to step away after the deal due to exhaustion or a desire for change. In such cases, they may exit the new businesses entirely, allowing the acquiring company's management to take the lead. Ultimately, founders' involvement in the new businesses post-M&A depends on their motivations and negotiated terms, with communication and alignment of goals being critical factors in determining their level of engagement.

Founders often have a strong vision for their company and are passionate about their ideas. However, as the previous quote highlights, their inflexibility and unwillingness to consider other perspectives can lead to a lack of innovation and slow decision-making. Moreover, if the founder oversells their abilities or expertise, this can result in unrealistic expectations and ultimately hinder the integration process. Hence, acquirers may evaluate the impact of the founder on the organization's decision-making process, in addition to their proficiency and compatibility with the acquirer's objectives and principles. To facilitate successful integration and avoid potential setbacks that may culminate in an M&A failure, acquirers could prioritize fostering open communication, collaboration, and innovation.

Interviewee 11, from a low-scoring transaction, highlights the potential positive impact of a founder's influence on the success or failure of M&A: "We found each other because both of the ways we did business were exactly the same, and both of our goals for the endgame were exactly the same, and I think that is a lot of it is why it worked out so well"

(Transaction #27, Transcript 226). This quote captures interest as it reveals that the transaction did not fare well from the integration team's perspective. The primary reason for this quote was the shielding of an employee who held a front-line operations role from the financial results. This lack of communication contributed to the overall dissatisfaction and challenges experienced during the integration process. The quote suggests that when the acquirer and the target company have similar ways of doing business and shared goals, the integration process can be smoother and lead to a successful outcome. Contrarily, an employee in one of the least successful M&As gave this quote, which suggests a counterintuitive possibility that companies are not always a good match. The founder's influence in M&A can impact the integration process's success or failure. In this case, the quote suggests that the alignment of goals and approaches to business between the acquirer and the target company facilitated a successful integration. When founders have a shared vision and approach to doing business, this can lead to a more seamless integration process and ultimately contribute to the success of the merger or acquisition.

Acquirers may assess the financial and operational aspects of the target company and the cultural fit and alignment of values and goals between the acquirer and the target company. By prioritizing these factors, acquirers can increase the likelihood of successful integration and avoid potential pitfalls that can lead to M&A failure.

The following sub-themes emerged from analyzing the first-level codes, as shown in Table 9. Table 9 further explains the definitions of the quotes and subthemes, with transactions highlighted in green representing one of the top three M&A survey scores and the ones in orange representing one of the bottom three scoring transactions.

Table 9

Founder Influence Sub-Themes & Quotes

Sub-themes	Description	Quotes
Founders' Vision and Values	The original vision and values of the company's founders	"I was not bought into his vision" (Transaction #4, Interviewee 26, Transcript 101)
Founder Involvement and Support	The role of the founder in supporting the company	"But typically, if you keep the founder involved in the day-to-day, it is a loss for everyone" (Transaction #42, Interviewee 13, Transcript 741)
Founders' Influence on Culture	The impact of the founders on the company's culture	"The founder is still there, and in some ways, he was a tyrant" (Transaction #9, Interviewee 6, Transcript 523)
Founder's Legacy	The lasting impact of the founders on the company	"The founder's mission was to sell the organization" (Transaction #27, Interviewee 31, Transcript 549)

The results of the interviews provided valuable insights into the role of the founder in M&A integration success. Despite two quotes from high-scoring mergers indicating concerns regarding the founder's role, the acquiring company deliberately retained the founder during the transition period. This decision was motivated by factors beyond solely keeping employees satisfied. The findings indicate that the founder's vision, values, involvement, support, influence on culture, and legacy can all impact the integration process. Therefore, it is all-encompassing for acquiring companies to understand the founder's role in the acquired company and to develop strategies to address any challenges that may arise.

Employee Engagement

The analysis of the interview data revealed a recurring theme of employee engagement in M&A integration success. The results indicated that employee engagement could affect the integration process and lead to positive or negative outcomes. The research identified employee engagement as a key factor in M&A integration success. Engaged employees are more likely to be motivated, productive, and committed to the integration process, which can lead to positive outcomes. On the other hand, disengaged employees are more likely to resist change, lack motivation, and be unproductive, leading to integration failure (Saks, 2006).

Interviewee 9, from one of the highest-scoring transactions, sheds light on the impact of M&A on employee engagement, even within high-performing integrations, which can affect the success or failure of the integration process: "They felt like they were losing control. They felt that as though their job got a bit marginalized." (Transaction #42, Transcript 118). In many M&A scenarios, the realization of synergies can lead to employees feeling a loss of control over their jobs. However, effectively managing this challenge through open communication and transparency can help mitigate the negative impact. By keeping employees informed and involved throughout the process, organizations can foster a sense of control and alleviate concerns related to job security and uncertainty. The quote suggests that employees in the target company may feel a loss of control and marginalization of their role during the integration process, which can decrease employee engagement.

Employee engagement is an emotionally charged factor in the success of M&A, impacting employee productivity, morale, and organizational commitment. Employees feeling disengaged can lead to decreased productivity, increased turnover, and resistance to change. This result can ultimately affect the overall success of the integration process. Interviewee 9 stresses the significance of considering employee engagement during the integration process. When acquirers prioritize employee engagement and ensure that employees feel valued and involved in the integration process, it can lead to smoother integration and ultimately contribute to the success of the merger or acquisition.

The following sub-themes emerged from analyzing the first-level codes, as shown in Table 10. Table 10 further explains the definitions of the quotes and subthemes, with transactions highlighted in green representing one of the top three M&A survey scores and the ones in orange representing one of the bottom three scoring transactions.

Table 10

Employee Engagement Sub-Themes & Quotes

Sub-themes	Description	Quotes
Clear, Concise, Timely Information	The importance of providing accurate and timely information	"As much as they could. They were forthcoming with the information" (Transaction #4, Interviewee 28, Transcript 528)
Leadership	The role of leadership in guiding the company	"They were no longer part of the leadership. They were gone after the acquisition" (Transaction #27, Interviewee 31, Transcript 549")
Culture	The shared values and beliefs that shape the company's behavior	"We looked at it that we were a sports team with family values" (Transaction #27, Interviewee 11, Transcript 226)
Empowerment	Encouraging employees to take ownership of their work	"Each organization claims ownership of their own culture" (Transaction #4, Interviewee 28, Transcript 528)

The quote from interviewee 28 in Table 10 may initially appear counter-intuitive. However, upon considering the geographic aspect, it becomes evident that the culture of a foreign company played a significant role. The lack of sharing of the challenges experienced during the integration process became apparent, highlighting the impact of cultural differences on effective communication and collaboration. The results of this analysis provide valuable insights into the role of employee engagement in M&A integration success. The findings indicate that effective communication, leadership, culture, and empowerment are keystone factors that impact employee engagement during the integration process, but this does not necessarily translate into the success of the integration. Acquiring companies may, therefore, carefully consider these factors and develop strategies to address any challenges.

Understanding the Acquired Company's Business

The interview revealed a recurring theme of understanding the acquired company's business on M&A integration success. The results indicated that understanding the acquired company's business can powerfully impact the integration process and lead to positive or negative outcomes. Understanding the acquired company's business has been identified as an unexamined factor in M&A integration success. Acquiring companies may deeply understand the acquired company's business model, products, services, customers, suppliers, and operations to ensure a smooth integration process. Failure to understand the acquired company's business can lead to integration challenges, such as culture clashes, operational inefficiencies, and customer dissatisfaction.

Interviewee 14, one of the highest-scoring transactions, clarifies the importance of understanding the acquired company's business and operations: "I got rid of all the things I did not like doing, and I make more money than I ever did owning the whole thing." (Transaction #21, Transcript 702). The quote suggests that by understanding the acquired company's business, the acquirer can identify the areas that may not be profitable or aligned with their goals and streamline the operations to improve profitability. Understanding the acquired company's business is important for the success of M&A as it enables the acquirer to make informed decisions on the integration process. The acquirer can identify the areas of the acquired company's business that are core to its operations and those that may not align with its goals. The acquirer can improve profitability, reduce costs, and increase efficiency by streamlining the operations.

Interviewee 14 highlights the importance of understanding the acquired company's business and the potential benefits of streamlining the operations. When the acquirer understands the acquired company's business, they can identify areas that are not profitable and make informed decisions on what to keep, what to eliminate, and what to improve.

Interviewee 14 emphasizes the importance of understanding the acquired company's business and the potential positive benefits of streamlining the operation. Acquirers could prioritize understanding the acquired company's business to make informed decisions in the integration process, which can contribute to the success of the merger or acquisition.

The following sub-themes emerged from analyzing the first-level codes, as shown in Table 11. Table 11 further explains the definitions of the quotes and subthemes, with transactions highlighted in green representing one of the top three M&A survey scores and the ones in orange representing one of the bottom three scoring transactions.

Table 11

Understanding the Acquired Company's Business Sub-Themes & Quotes

Sub-Themes	Description	Quotes
Financial Due Diligence	The process of evaluating a company's financial information	"Failures are the ones that you just did bad due diligence, and you thought you bought an apple, and you bought a lemon" (Transaction PE, Interviewee 37, Transcript 618)
Integration Planning	The planning process for integrating two companies	"A successful integration is that we were already accustomed to taking care of customers with independent contractors" (Transaction # 4, Interviewee 22, Transcript 607)
Cross-Functional Teams	Teams composed of members from different functional areas	"The company allowing me still to play the role of leader of the team" (Transaction #21, Interviewee 29, Transcript 229)

The quote from interviewee 22 in Table 11 provided insights into previous M&A transactions conducted by the company, which helped shed light on potential reasons for the challenges faced in the current transaction that involved no independent contractors. By referencing past experiences, Interviewee 22 offered valuable context and understanding of why issues may have arisen in this transaction. The analysis of this theme provides valuable insights into the role of understanding the acquired company's business in M&A integration success. The findings indicate that due diligence, including cultural due diligence, integration planning, and cross-functional teams, are factors that impact understanding the acquired company's business during integration. Acquiring companies should, therefore, carefully consider these factors and develop strategies to address any challenges that may arise.

Independent Contractors

The analysis of the interview data revealed a recurring theme of understanding acquiring companies with large numbers of independent contractors on M&A integration success. The results indicated that understanding the role of independent contractors can impact the integration process and lead to positive or negative outcomes. More than 60% of the travel and travel services industry comprises independent contractors, highlighting this sector's significance in integrating with an acquired company.

Independent contractors are essential in the travel industry because they provide flexibility and cost savings to businesses. They offer specialized skills and knowledge that businesses may not have in-house, allowing businesses to fill specific needs and provide better client services. Hiring independent contractors as needed has proven to be a cost-effective strategy for businesses. This result allows companies to circumvent the expenses of hiring full-time staff when their services are not required. By hiring independent contractors, businesses can ensure they have access to the specialized skills and knowledge they require without incurring additional overhead costs. Furthermore, independent contractors in the travel industry often have a deep understanding of local cultures and customs, and they can provide personalized experiences for clients that may not be available through traditional travel agencies. Their flexibility and expertise make them a vital and valuable component of the travel industry. Independent contractors are typically not included in the acquiring company's workforce and are not subject to the same policies, procedures, and benefits as regular employees. Contractors can create challenges during integration, as independent contractors may have different expectations and requirements than employees. Failure to understand the role of independent contractors in the acquired company's operations can lead to integration challenges, such as legal and financial issues, and may negatively impact the overall integration process.

From a low-scoring transaction, one participant said, "Certain questions are being asked, made me paranoid over the years, like any time anybody asked things when they start filling out surveys. I get extremely nervous that something is changing" (Transaction #4, Interviewee 28, Transcript 528). This quote from an independent contractor in the acquired company highlights the importance of communication and transparency during the integration process. The independent contractor, an extremely high performer, left the acquired company implying the new acquirer would not treat him like before the merger. The quote suggests that independent contractors may feel uncertain about their future with the company and their role in the integration process.

To ensure the acquisition’s success, acquirers may communicate openly with all employees, including independent contractors, to clarify expectations and address concerns. Communication can help to build trust and engagement among employees, which is crucial for the success of the integration process. Interviewee 28 underscores the importance of clear and transparent communication during M&A transactions, especially with the acquired company. By addressing the concerns of independent contractors and other employees from the acquired company, acquirers can improve employee engagement and increase the likelihood of success in the integration process.

The following sub-themes emerged from analyzing the first-level codes, as shown in Table 12. Table 12 further explains the definitions of the quotes and subthemes, with transactions highlighted in green representing one of the top three M&A survey scores and the ones in orange representing one of the bottom three scoring transactions.

Table 12

Independent Contractors Sub-Themes & Quotes

Sub-themes	Description	Quotes
Cultural Due Diligence	The process of evaluating a company's cultural information	"We knew they were not going to be a cultural fit. But we were going to get a return on investment" (Transaction #21, Interviewee 14, Transcript 702)
Correspondence	Written communication between companies	"They have to overachieve on communication and call out the areas of sensitivity that might cause conflict" (Transaction # 42, Interviewee 9, Transcript 156)
Legal and Financial Issues	The legal and financial aspects of a business transaction	"This is some legal obligation. We could not disclose something" (Transaction #4, Interviewee 22, Transcript 607)

The results of this theme provide valuable insights into the role of understanding acquiring companies with large numbers of independent contractors in M&A integration success. The findings indicate that due diligence, communication, and legal and financial issues are factors that impact the understanding of acquiring companies with large numbers of independent contractors during the integration process. Acquiring companies may, therefore, carefully consider these factors and develop strategies to address any challenges.

Mini-Case Studies

In this section, I present mini-case studies focusing on the three highest-performing and three lowest-performing M&A transactions. These rankings were determined based on the average scores obtained from integration surveys. I incorporated qualitative data from structured interviews for the six selected transactions to supplement the quantitative findings. These mini-case studies present a synopsis of each transaction, offering valuable insights and establishing a fundamental basis for future considerations in the field of M&A. The inclusion of interview data contributes significantly to the richness and depth of the analysis, enabling a more holistic understanding of the factors that contribute to success or failure in M&A

activities. Consequently, this research contributes to the existing knowledge base and lays the groundwork for enhancing future M&A practices and strategies.

High Performing Transactions, Case 9

This transaction involved acquiring a statistically dominant "clan" organization by a statistically dominant "adhocracy" organization. This transaction holds significance due to the presence of a dominant OCAI culture type on each side, which is unique in that of the 50 M&A transactions studied, only three presented a dominant culture purchased by a dominant culture (Appendix F). The strong alignment between these apparently complementary factors was evident through insights gathered from the six interviews conducted with staff members. The founder played a pivotal role in ensuring consistency among the staff. The new owners demonstrated their support for the founder, as highlighted in the following quote: “They came in with an approach of, we want to be founder friendly. We want to learn" (Transaction #9, Interviewee 6, Transcript 117). The interviews indicated high employee engagement, with staff members feeling involved and their opinions valued. The acquiring company invested time in understanding the acquired company's business, and this understanding translated into the overall integration process. The acquiring company's emphasis on retaining the founder and engaging the staff was critical in retaining the numerous independent contractors involved in this transaction.

High Performing Transactions, Case 21

This transaction involved acquiring a statistically dominant "clan" organization by a statistically dominant "adhocracy" organization, yet two of those were among the three highest performers. This combination resulted in seamless integration, as evidenced by insights from the six interviews with staff members. The founder played a patriarchal role in ensuring calm among the staff. The new owners demonstrated their support for the founder, as highlighted in the following quote from a founder: "It was good because I was allowed to keep actively involved with all the accounts and with the independent contractors directly, and my role did not change" (Transaction #21, Interviewee 29, Transcript 229).

The interviews indicated high employee engagement, with staff members feeling essential to the newly formed combined entity. The acquiring company invested time in understanding the acquired company's business, and this understanding translated into the overall integration process. The acquiring company's emphasis on involving the founder and engaging the staff was critical in retaining the independent contractors involved in this transaction. The founder of transaction 21 highlighted this vital step the acquiring company demonstrated that significantly assisted with the merger's success: “We did a management contract so that we could both feel each other out and see if this would be a good fit. It gave the company that acquired me, plus myself, time to get to know each other.”

High Performing Transactions, Case 42

This transaction involved acquiring a "clan" organization by a "clan" organization. This transaction holds significance due to the same OCAI culture type on each side. This combination resulted in complete alignment, as evidenced by insights from the six interviews with staff members. The founder was pivotal to the staff in ensuring a smooth transition to the new company. The new owners demonstrated their support for the transitioning founder. The interviews indicated high employee engagement, with staff members supporting the open and frequent communication between the acquiring company and the founder. Interviewee 9 emphasizes the known challenges with communication addressed before the transaction close to ensure successful communication: “They had to overachieve on communication and set out the areas of sensitivity and the things that might cause conflict, post-close” (Transaction 42, Transcript 156). The acquiring company invested time in understanding the acquired company's business, and this understanding translated into perceived success. The acquiring company's emphasis on the companies' similarities and engaging the staff was critical in retaining the high number of independent contractors. This quote exemplifies the cultural similarities and the impact on success: "In one way, their culture was very similar because of all the independent contractors" (Transaction #42, Interviewee 13, Transcript 741).

Low Performing Transactions, Case 4

This case involved the acquisition of a "clan" culture by another "clan" culture. Despite sharing the same OCAI culture type, this transaction holds significance as one of the lowest-scoring M&A transactions, challenging the assumption that similar cultures always lead to success. The interviews suggested an unwarranted payout issue influencing the departure of the founder at the close, suggesting a potential contributing factor to the less-than-favorable outcome. The acquired company, headquartered in France, and the acquiring company, based in the USA, faced significant geographic and language differences, resulting in minimal employee engagement and a limited understanding of each company's business.

Additionally, due to the nature of business practices in France, no independent contractors were involved in the transaction. Despite sharing the same OCAI culture type, the notable disparities between the two companies suggested that the transaction faced inherent challenges and was predisposed to failure from its inception. The challenges outlined by a large PE fund manager: "There is domestic versus international you have to deal with, I mean, so there it is. It is hard" (Transaction LLR, Interviewee 37, Transcript 618).

Low Performing Transactions, Case 13

Case 13 featured a unique dynamic where another "hierarchy" culture acquired a "hierarchy" culture. Despite sharing the same OCAI culture type, this transaction holds significant meaning as one of the lowest-scoring M&A transactions, necessitating a deeper exploration of hierarchical cultures. Out of the 50 M&A transactions examined in the study, only two (Appendix F) involved an acquired company exhibiting a hierarchical culture.

The acquired company was headquartered in the USA, while the acquiring company was based in French-speaking Canada, leading to significant geographic and language differences. Consequently, there was minimal employee engagement and a limited understanding of each company's business. Moreover, due to differences in business practices, only a few independent contractors were involved in the transaction. Despite sharing the same OCAI culture type, the notable disparities between the two companies indicated inherent challenges and a predisposition to failure from the outset.

An executive from the acquiring company, experienced in numerous M&A transactions, made a striking statement regarding founder challenges and their exit during the purchase: "Founder owners often forget that they have sold their business, and they want to continue running the business as they have. So I think the challenge is overcoming that from a cultural perspective. Buying into the new culture would be super helpful. Do not often get that, though unfortunate" (Transaction #13, Interviewee 1, Transcript 0011).

Low Performing Transactions, Case 27

Case 27 featured a distinct scenario where a "hierarchy" culture acquired another "hierarchy" culture. Despite sharing the same OCAI culture type, this transaction holds significant meaning due to the pairing of hierarchical cultures, which was rare within the context of the 50 transactions reviewed in this study. It is noteworthy that this is only the second instance out of 50 transactions where both cultures were hierarchical, yet they ended up in the bottom three.

Once again, this transaction occurred internationally, with an American company acquiring a UK-based entity with significant operations in Africa. The acquiring company assumed it had a thorough understanding of the acquired company's business, only to realize after the transaction that its assumptions were incorrect. Adding to the complexity, the founder remained with the transaction but assumed a considerably diminished role, causing dissatisfaction among the founder and impacting the underlying culture.

Employee engagement was non-existent, and only a few independent contractors remained, the rest primarily leaving within the first six months after the transaction closed. The following quote exemplifies the challenges faced by the transaction: "The acquiring company came in, and was so arrogant saying; we are who we are, the clients will come because of our logo and our name, and we no longer will need you" (Transaction #27, Interviewee 31, Transcript 549). This quote, though isolated, highlights the potential struggles encountered during the transaction, emphasizing the acquiring company's arrogance and its dismissive approach towards the acquired company's value and employees.

Compendium

Table 13 highlights the core themes identified in previous sections and elucidates the five fundamental themes, showcasing their thematic disparities. Notably, distinct variations emerge when comparing the more successful cases to the less successful ones. These disparities underscore the evident differences between the two groups and further contribute to the overall analysis of the research.

Table 13

Mini-Case Comparison

Theme	Case 9	Case 21	Case 42	Case 4	Case 13	Case 27
Culture Fit	Informal	Formal	Informal over 10 years	Not considered	Problematic	Problematic
Founder Influence	Actively Involved	Actively Involved	Served as a bridge	Left at close	Left at close	Problematic
Employee Engagement	High	Very high	High	Little	Very little	None
Understanding Acquired Business	Completely	Great synergy	Completely	Little	None	Assumptions were incorrect
Independent Contractors	Many with high retention	Some with high retention	Majority with high retention	None (France)	Some and most left	Some and most left

Significant critical differences between the high and low-performing transactions were readily apparent. Firstly, all the top-performing transactions retained the founder, whereas only one of the low performers chose to retain the founder, albeit in a reduced emeritus role. The high performers exhibited a solid commitment to high employee engagement, while the acquiring company demonstrated a proactive approach to understanding the business they were acquiring. Conversely, the low performers exhibited contrasting behaviors in these aspects.

Furthermore, an intriguing observation is that all three of the lowest-performing transactions involved the acquired company headquartered in a different country (remember that the sample design required all acquiring companies to be US-based). This observation raises the need for additional research on cross-border M&A transactions, even within the context of small or mid-sized companies. Such investigations would shed further light on these types of transactions' complexities and unique challenges.

Integration of Quantitative and Qualitative Data

Integrating quantitative and qualitative data is a fundamental approach to conducting research that has become increasingly popular in recent years. This approach acknowledges that different data types can provide unique insights into research questions and that combining multiple data sources can provide a complete picture (Fetters et al., 2013).

The quantitative results show that the acquired companies, as a whole, had higher average OCAI scores in Clan and Adhocracy cultures than in Market and Hierarchy cultures in current and preferred states. On the other hand, the acquiring companies had higher average OCAI scores in Hierarchy culture than in Clan, Adhocracy, and Market cultures in both current and preferred states.

The integration survey's range of scores suggests that for the 50 transactions, the overall integration process went well. However, there is room for improvement in some areas. For instance, the low score in the Results survey dealt with performance management, which might indicate challenges in addressing the sub-themes related to employee engagement, understanding of the acquired company's business, and independent contractors. Though not identified in the interviews, it may suggest that M&A integration teams often do not achieve the results senior management set forth, and their perception is one of substandard performance. The highest performing area had to do with brand perception, which appears logical in that the combined forces of the M&A transaction equate to a larger, more powerful company and the associated brand. These areas require more attention to ensure a successful integration process because this may also secure a high brand perception.

The results of the analysis indicate that there is a possibility of cultural dominance in the acquisition process, particularly in cases where companies with Clan and Hierarchy cultures are involved. Companies must address potential cultural fit issues during integration because these two cultures accounted for most of the 50 transactions analyzed. Failure to do so may hinder the successful integration of the two companies. Therefore, companies may need to proactively address cultural differences, specifically if cultural dominance exists, and align their cultures to ensure a smooth and practical integration process. The need to address culture was apparent in most employee interviews, even among companies with the same culture type. Based on this observation, we can infer that one hierarchical culture is not identical to another. Despite sharing a common culture type, there are likely unique characteristics, practices, and dynamics within each hierarchical culture that distinguish them.

However, quantitative data alone cannot completely understand the complexities of organizational culture and its impact on M&A success. This fact is where the qualitative interviews became invaluable. By conducting in-depth interviews with key stakeholders, it was possible to gain a more nuanced understanding of the cultural factors and how they manifested themselves in the M&A process. By combining quantitative data analysis and qualitative interviews, I aimed to conduct a more comprehensive assessment of the postulation about the dominant OCAI culture. Integrating both methods allowed for a holistic exploration of the research topic, providing numerical insights from quantitative analysis and contextual understanding from interviews. This approach aimed to enhance the validity and depth of the research findings by capturing statistical patterns and individuals' experiences, perspectives, and narratives.

Overall, integrating quantitative and qualitative methods proved to be a powerful approach to examining the impact of organizational culture on M&A outcomes. By leveraging the strengths of each method, it was possible to gain a more robust understanding of the complex interplay between culture and M&A success.

Data Interpretation

This dissertation examined the integration of quantitative and qualitative data in the context of organizational culture and M&A integration. The research topic is relevant given the perceived high failure rates of M&A, often attributed to organizational culture first researched by Cartwright and Cooper (1993). By examining both data types, I aimed to comprehensively interpret and understand the challenges and opportunities associated with M&A integration and identify strategies to help organizations overcome cultural barriers and achieve successful integration. The present study utilized a subset of M&A Integration survey transactions to test the formulated hypotheses. This subset specifically focused on examining the performance of a selected group of transactions. The top three performers were included to represent instances of higher-scoring mergers. On the other hand, the bottom three performers were chosen to represent instances of lower-scoring mergers.

By examining these distinct subsets of transactions, the study aimed to gain insights into the factors influencing M&A success. The selection of these particular transactions allowed for a more focused analysis of the extreme ends of the performance spectrum. This approach aimed to identify any discernible patterns or differences between the high-scoring and low-scoring mergers discussed in the mini-case section of the paper, contributing to a deeper understanding of the integration process.

The observed OCAI differences between the acquired and acquiring companies indicate the existence of distinct cultural orientations between the two entities. Specifically, the acquired companies exhibit a stronger inclination towards Clan and Adhocracy cultures in their current and preferred states, while the acquiring companies exhibit a stronger inclination towards Market and Hierarchy cultures in their current states. This discovery was a broad trend across both subsets of transactions. This trend persists in the acquiring companies' preferred state, where their preference for Market and Hierarchy cultures remains, while the acquired companies maintain their preference for Clan and Adhocracy cultures. Since the OCAI results indicated a similar pattern, the qualitative analysis identified five key themes that impact the integration process: organizational culture fit, founder influence, employee engagement, understanding of the acquired company's business, and independent contractors.

To understand the significance of these results versus the top and bottom three performances outlined in the Qualtrics survey, the PI compared the OCAI scores of the top and bottom three performances with the overall average OCAI scores of the acquired and acquiring companies in the 50 M&A transactions. Figure 4 highlights the OCAI culture differences between the top and bottom three merger integration performances. The OCAI scores provide insights into the organizational culture of companies involved in M&A transactions, shown in Table 14, and their potential for success or failure. However, it is central to note that culture is just one of many factors that can influence the success of M&A transactions, and other factors, such as financial performance, strategic fit, and integration planning, are also central for analysis.

Figure 4

OCAI AVG Scores Top/Bottom 3

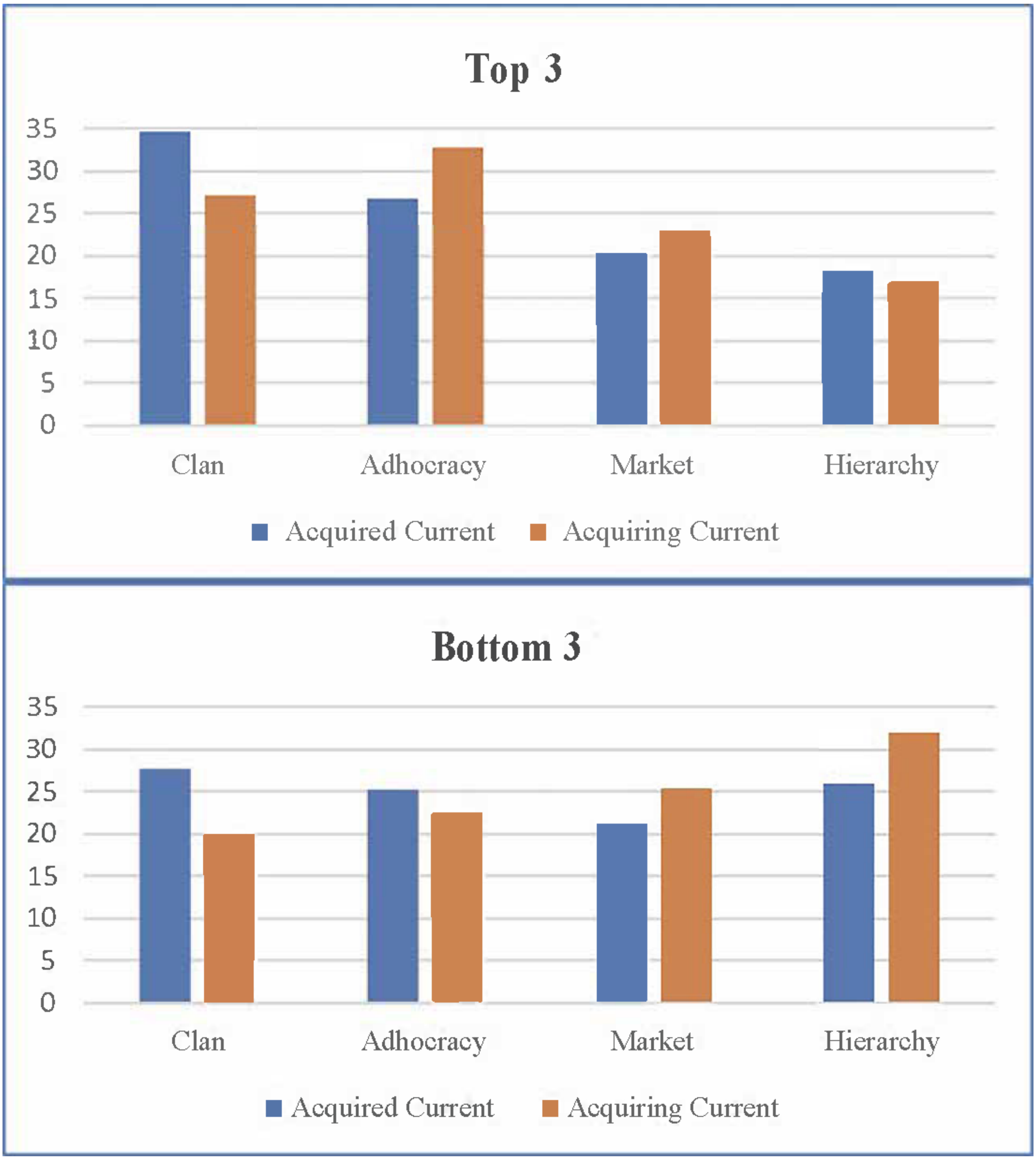


Table 14

Summary of OCAI Scores for M&A Transactions

	Acquiring Company	Acquired Company
Current State	Clan: 22.42 Adhocracy: 23.94 Market: 25.88 **Hierarchy: 27.76**	**Clan: 29.05** Adhocracy: 27.01 Market: 22.76 Hierarchy: 21.19
Preferred State	Clan: 22.45 Adhocracy: 23.54 Market: 25.59 **Hierarchy: 28.42**	**Clan: 28.06** Adhocracy: 27.01 Market: 23.10 Hierarchy: 21.83
Top Three Performances Current State **(Survey Avg: 4.69)**	Clan: 27.20 **Adhocracy: 32.87** Market: 22.93 Hierarchy: 17.00	**Clan: 34.60** Adhocracy: 26.80 Market: 20.27 Hierarchy: 18.33
Bottom Three Performances Current State **(Survey Avg: 2.65)**	Clan: 19.93 Adhocracy: 22.60 Market: 25.47 **Hierarchy: 32.00**	**Clan: 27.67** Adhocracy: 25.20 Market: 21.27 Hierarchy: 25.87

This chapter adds to the existing literature on organizational culture and M&A integration by presenting a more thorough understanding of the topic for organizations undergoing integration. Through the combination of quantitative and qualitative data, this research provides insights into how organizations can identify and address cultural differences to achieve successful integration by aligning their cultures. The results emphasize the significance of addressing cultural disparities during the integration process, as these differences can create considerable obstacles to a positive outcome.

CHAPTER 5: DISCUSSION AND CONCLUSION

Summary of Research Findings

The present research assessed the effectiveness of M&A integration through quantitative and qualitative data analysis. The study aimed to provide a comprehensive framework that could serve as a foundation for M&A transactions, ultimately leading to a higher integration success rate. The significance of the study is rooted in the potential benefits it may yield in terms of substantial cost savings and enhanced career opportunities.

By modifying the thought process and methodology behind M&A transaction decisions and integration processes, companies can reap material benefits that could prove instrumental in advancing their business goals. The research findings can contribute to the field of M&A integration by establishing an evidence-based understanding of the main drivers of integration success and failure and providing valuable insights to guide the decision-making process for future M&A transactions.

An anonymous executive responsible for over 80 M&A transactions said, "With an unlimited budget, I can make any acquisition integration successful. However, my teams are given a budget to reduce redundancies, which is met with extreme resistance as first, I need to integrate the cultures. That cost would most likely sink the financials I presented to get funding for the acquisition in the first place."

Quantitative

The mixed-methods study first collected quantitative information through 100 M&A integration surveys and 487 employee OCAI assessments to understand the post-close integration success and identify organizational cultures from both sides of 50 transactions. The survey and OCAI results were validated and presented no significant anomalies in the quality of the responses.

The study's findings revealed promising results that could contribute to future research and business practices. Firstly, the top and bottom three transactions regarding average survey scores were easily identified. Respondents' scores across the 11 questions over three years of integration clearly showed the top and bottom performers. The qualitative analysis explored why the transactions were considered successes or failures.

The quantitative research suggests that the founder's effect may have important implications, as discussed in the interview analysis. I asked each of the 50 transactions if the founder remained after the close date. Of the 50 transactions, 23 had a founder who stayed with the newly merged company, which produced an average survey score of 4.11. Contrarily, the 27 transactions where the founder was not employed post-transaction close produced an average score of 3.94, as shown in Appendix H. In this case, the p-value of 0.17 is greater than the typical significance level of 0.05. Therefore, insufficient evidence exists to conclude that there is an effect of the founder on important implications.

I asked each interviewee if the founder remained or left at the time of the transaction close. A noteworthy observation is that the founder did not remain with the acquiring company in the three transactions with the lowest integration survey scores. Conversely, the founder chose to stay on board in the three transactions with the highest scores. However, it is reasonable to assume that the lowest-scoring transactions may have had additional underlying issues, and the acquiring company may not have intended to retain the founder. In contrast, the highest-scoring survey suggests that the founder held significant value for the company involved in the transaction, leading the acquiring company to ensure continuity by retaining the founder. However, in one high-performing transaction interview, the respondent noted that the founder should not stay involved in the day-to-day business.

The study suggests that performance management perception is an area of concern. I conclude that M&A integration teams are frequently reprimanded and blamed for integration performance, even in highly successful transactions. Moreover, the study suggests that a negative undertone toward performance management may be inherent in human nature and unrelated to integration success.

The study also indicates that brand strength perception is another area of performance perception. Respondents felt the brand became more robust due to the merger, which is highly plausible. Through M&A, a larger, more powerful company equates to brand perceptions, as outlined in Lee et al. (2011).

The OCAI study produced unexpected results, suggesting that most acquired companies rank the Clan culture as their dominant current and preferred culture state. In contrast, the acquiring company showed a majority Hierarchy culture in both the current and preferred culture state. The results suggest potential areas for future research, such as investigating the culture before an M&A transaction is announced versus the culture at the transaction close versus three years post-close. The study suggests that retrospective human perception might lead acquired companies' employees to perceive themselves as a Clan culture, as they are now the smaller entity being acquired by the larger company. Conversely, the more prominent company employees perceive themselves as a Hierarchical entity because they are the powerful entity absorbing the M&A target company.

Further analysis of the OCAI could assist companies in preparing for a merger. If acquiring companies know that acquired companies tend to pull together and see themselves as a Clan culture, integration teams can make decisions to address this and avoid challenges and delays due to cultural conflict. Similarly, the company being acquired can understand that the acquirer has most employees seeing themselves as a Hierarchy, and preparations implemented to work with this type of culture. Therefore, the OCAI could prove vital in assisting M&A integrations before and after the transaction close date.

Qualitative

The qualitative research centered on employee interviews. I conducted 37 interviews and used NVivo to analyze the data. The analysis identified five distinct themes, each with three to four sub-themes.

The first central theme explored in this study is the concept of Organizational Culture Fit, centered on comprehending the cultural dynamics of an acquired company concerning its existing culture. The results from the OCAI revealed a clear preference among the majority of the acquired companies for the Clan culture, followed by Adhocracy. Conversely, the acquiring company favored a Hierarchical structure, with a market culture as the second most preferred. This lack of alignment between the two companies' cultural preferences is often the root cause of adversarial relationships that emerge during M&A transactions. However, the top three performing transactions broke this pattern, with the acquiring companies having either Adhocracy or Clan cultures. This anomaly suggests an avenue for future research. The lowest three transactions also involved cross-cultural fit and organizational culture fit. This added layer of complexity is also an area of future research and has practical implications.

The interviews reinforced this theme of cultural fit, as the respondents felt fitting in together was crucial to success. The notion of fit should not be limited to being the same but viewed from a complementary perspective. It is worth investigating how complementary factors contribute to the overall fit between companies involved in mergers and acquisitions rather than solely focusing on similarity or sameness. By examining the complementary aspects of fit, researchers can obtain a more comprehensive understanding of the relationship between companies and their potential for value creation and integration. Therefore, future research should prioritize the study of organizational cultures well before any M&A activity, during the transaction itself, and in the post-transaction phase to ascertain how the perceived cultures of the companies involved converge or diverge due to the merger announcement. This study proposes that gaining an in-depth understanding of the cultural differences between merging organizations can mitigate the issue of cultural fit, resulting in more seamless integration. Evidence-based data may assist M&A teams in carrying out more informed and efficient integrations.

This study's second theme explored the founders' role in the integration process, specifically in the context of M&A transactions. The study's interviews provide valuable insights into the impact of founder influence, including the phenomenon known as "founder's syndrome," where the founder wields disproportionate power, particularly in M&A transactions. Respondents frequently cite founder influence as a principal factor in failed and successful M&A transactions, with successful integration hinging on the founder's ability to integrate with the new company and lead their employees.

Given the potential importance of founder influence in M&A success, assessing the founder's willingness to become part of the new combined entity is crucial, particularly if they continue their employment with the acquiring company. Unlike rank-and-file employees, whose involvement in due diligence is limited, founders are front and center and subjected to complex and fact-based analysis. Such analysis of the founder can yield meaningful and actionable information for the acquiring company to utilize upon transaction close, potentially as the missing link in cultural due diligence.

The third theme under investigation is Employee Engagement, which focuses on employee involvement in the integration process. While it may seem intuitive that any company involved in an M&A transaction would prioritize employee engagement, interviews revealed a widespread feeling among employees of exclusion from the communication process and that leadership failed to incorporate their input into the future direction.

This sense of being marginalized and unheard is a serious concern, as employees on both sides of the transaction feel a sense of ownership in their respective companies, and the new combined entity might consider this when communicating the mission and vision for the future. Retaining key employees is an underlying factor in M&A integration, as anecdotal evidence suggests that top performers may be the first to leave, with competitors viewing a merger as an opportunity to poach high-value human assets. The interviews of the lower-scoring transactions uncovered that this loss of talent could negatively impact M&A success.

The fourth theme of this study is Understanding the Acquired Companies, which explored due diligence, integration planning, and cross-functional teams involved in the integration process. The employee interviews revealed that many M&A transactions are conducted without a deep understanding of the purchased company. The transaction often relies solely on creating a larger entity with more customers and increased sales without considering the specifics of the acquired company.

One interviewee from a high-scoring transaction stated, "They do not understand what we do" (Transaction 9, Interviewee 17, Transcript 257). Several other interviewees echoed this sentiment, indicating that employees feel frustration because they perceive that their company's unique strengths and operations are not adequately considered during the M&A process. The significance of this appearing even with employees from high-performing M&As is an opportunity to lead to higher performance. This lack of understanding is not only a perception issue, but it can have consequences for the success of the integration process.

Furthermore, the interviews revealed that many M&A integrations take much longer than anticipated, with some exceeding 10 years, when nearly all M&A integrations have goals of three years maximum for full integration. This result suggests that a lack of understanding of the acquired company can lead to lengthy delays in the integration process, resulting in a loss of productivity and revenue for both companies involved. Schweiger and Denisi (1991) found that cultural compatibility between the acquiring and target companies was essential for successful M&A integration. They emphasized the need for acquiring companies to identify cultural differences and develop strategies to manage them during the integration process (Schweiger & Denisi, 1991).

Companies conducting M&A transactions may prioritize thoroughly understanding the acquired company in light of these findings. This merger plan could include a detailed analysis of the company's organizational structure, operational processes, and unique strengths. Gaining a comprehensive understanding of the company can streamline the integration process and extraordinarily increase the chances of success.

At the heart of the fifth and final theme lies the challenges of integrating independent contractors in M&A transactions, specifically within the travel and travel services industry. Unlike other industries, independent contractors hold substantial power as their clients are fiercely loyal and will follow them to any company. Therefore, it is surprising to note that many M&A transactions fail to adequately consider how to integrate these contractors into the new entity, even though 60% of the acquiring entity comprises independent contractors.

The integration process for independent contractors poses unique challenges that require a clear, concise, and visionary integration plan to streamline the process. However, if a company only focuses on its full-time equivalent staff, it would mean that only a minority percentage of employees are considered in the integration plan. Consequently, many independent contractors leave during a merger because they have no ties to the new combined company, which presents a massive pitfall for the acquirer. Moreover, the independent contractors working for the acquiring entity may feel threatened by the addition of the acquired company and choose to leave. The travel and travel services industry often overlooks the importance of prioritizing independent contractors in a comprehensive integration plan, which could negatively impact integration success.

To address this issue, companies engaging in M&A transactions might prioritize the development of a thorough and effective integration plan that accounts for the unique challenges of integrating independent contractors. Streamlining the integration process obviously increases the chances of success. Failure to do so could result in considerable challenges for the new entity and hinder the overall success of the M&A transaction.

The five identified themes and sub-themes offer a comprehensive framework for understanding the challenges of integrating acquired companies and independent contractors. The findings suggest that the success of M&A transactions is contingent upon a clear and concise visionary integration plan that includes due diligence, cross-functional teams, and a thorough understanding of the acquired company. Moreover, the integration plan could prioritize independent contractors and consider their distinct challenges that frequently go unnoticed in the travel and travel services industry.

Managers and organizations may consider this study's findings and develop effective integration strategies that address the organizational culture, including the unique challenges of independent contractors. By doing so, they can streamline the integration process and positively increase the chances of success. A comprehensive integration plan will ensure that everyone involved in the integration process has a beneficial experience.

It is crucial to emphasize that effective integration requires more than technical expertise. Organizations may consider the integration process's human element, such as the emotions and motivations of the employees involved, to ensure the integration process is successful. This process requires strong leadership skills, effective communication, and a culture that supports the integration process. By prioritizing these aspects of the integration process, organizations can ensure that the integration is successful and that the new entity can achieve its strategic objectives.

Interpretation of the Results

To integrate the quantitative and qualitative results for this dissertation, I begin by comparing the results from both methods. The study found that M&A integration teams are frequently reprimanded and blamed for integration performance, even in highly successful transactions, suggesting that performance management perception is an area of concern. Although the interviews did not directly reveal it, respondents from the integration survey perceived that the merger strengthened the brand. However, there was indirect evidence about being grateful for the acquisition during COVID-19 and the acquired company's survival.

The OCAI study produced intriguing results, suggesting that most acquired companies rank the Clan culture as their dominant current and preferred culture state, whereas the acquiring company showed a majority Hierarchy culture in both the current and preferred culture state. The interviews revealed that the lack of a thoughtful and prepared integration between the two companies' cultures is often the root cause of adversarial relationships that emerge during M&A transactions. The interviews uncovered that all M&A integrations have similar challenges, but the ones that acknowledge, prepare, and implement strategies to overcome these challenges are the ones that had higher perceived success.

Moreover, it is crucial to compare the scores with the organization's strategic objectives to identify any cultural misalignment hindering progress toward achieving its goals. Based on the results, an organization can develop a comprehensive action plan to strengthen its current culture, align it with its goals, or transition to a new culture that better supports its vision.

Interpreting the OCAI results requires deeply understanding of the organization's values and operating context. It is all-important to analyze the results holistically to understand the organization's culture and determine effective ways to enhance it.

I can integrate the quantitative and qualitative results by analyzing the similarities and differences in the findings from both methods. For instance, both methods indicate that alignment between merging organizations is essential for successful M&A integration. The OCAI study shows that most acquired companies rank the Clan culture as their dominant current and preferred culture state, while the acquiring company showed a majority Hierarchy culture in both the current and preferred culture state. Similarly, the qualitative research on Organizational Culture Fit found that respondents felt fitting in together was crucial to success. This finding supports the recommendation that future research prioritizes the study of organizational cultures well before any M&A activity, during the transaction itself, and in the post-transaction phase to ascertain how the perceived cultures of the companies involved converge or diverge due to the merger announcement.

Considering how due diligence teams can effectively analyze and compare quantitative and qualitative findings when integrating two merging companies is integral. This process may aim to identify similarities and differences between the companies and propose recommendations to improve the M&A process and ensure successful integration.

A mixed-methods due diligence concept could be employed to achieve this result. This approach would provide a new and fact-based approach for companies considering M&A activity to address integral factors such as market valuation, integration timelines, and founder influence. Due diligence teams could follow the same model used in this research by conducting surveys, assessing culture with tools such as the OCAI, conducting employee interviews, and combining the data allowing more meaningful and actionable decisions.

Applying mixed methods to M&A due diligence extends beyond traditional academic research processes. By combining academic research structures with practical application, a mixed-methods due diligence approach can effectively integrate academic research processes with practitioner expertise for a more comprehensive assessment of the M&A transaction.

Hypothesis Testing

In the context of hypothesis testing, the current study utilizes a comprehensive dataset comprising all 50 M&A transaction cases. It is important to note that the analysis extends beyond examining the top and bottom three transactions specifically chosen for qualitative interviews. By including the entire sample of 50 transactions, the study ensures a more representative and unbiased evaluation of the hypotheses. This broader scope enables a comprehensive assessment of the relationship between cultural differences and M&A Integration survey results across the entire spectrum of transactions. Consequently, the findings derived from this expanded dataset provide a more comprehensive understanding of the hypotheses under investigation, strengthening the validity and generalizability of the study's results in the context of hypothesis testing.

When analyzing the available evidence, it is possible to encounter situations where the qualitative and quantitative evidence supports, partially supports, or does not support the research question or hypothesis. In cases where qualitative evidence partially supports the research question, the qualitative data provides insights, perspectives, or explanations that align with the research hypothesis, although it may not offer statistically solid or generalizable conclusions. Similarly, quantitative evidence might partially support the research question when statistical analyses or experimental results indicate some level of association or significance but with limitations regarding sample size or methodology. Conversely, when qualitative and quantitative evidence does not support the research question, neither type of evidence provides substantial backing for the hypothesis. In such instances, the researcher must critically evaluate the evidence's strengths and weaknesses, consider alternative explanations, and explore factors contributing to the inconsistencies. Recognizing the complexity and nuance of research findings is crucial, necessitating a comprehensive analysis incorporating multiple types of evidence and their limitations.

Hypothesis 1

- H1. The differences between the cultures of the acquiring and acquired companies are related to financial outcomes measured three years after the M&A.
    - Result: The hypothesis is partially supported.

To analyze H1, I first examined the organizational culture and the M&A integration survey results to explore the relationship between organizational culture and outcomes in the context of M&A integration. The OCAI framework was applied to assess the cultural differences within the M&A transaction pairs, while the M&A integration survey served as the set of questions for evaluating financial outcomes. The findings do not support the hypothesis that the differences between the acquired and acquired companies' cultures are related to the financial outcomes measured three years after the M&A transaction. The regression analysis showed no statistically significant relationship between cultural differences and financial outcomes when using all 50 transactions.

When examining the top three and bottom three scoring M&A transactions (Table 15), there is a lesser overall average cultural difference (6.16) in the top-performing transactions compared with the average cultural difference (9.42) in the bottom three transactions. Although this supports the hypothesis, a two-sample *t*-test reveals no significant difference between the top three and bottom three performers ($t = 0.57$, $p > 0.10$). The small sample size ($n = 6$) has little statistical power.

Table 15

Top/Bottom Three Integration Surveys with OCAI Culture Differences

	Transaction	Current-Current Difference	Preferred-Current Difference	Integration Q1	Financial Q2-Q4	Cultural Q5-Q9	Overall Q10-11	Success Q11	Total Survey Q1-Q11
Bottom 3	4	0.97	0.96	2.83	2.72	2.87	2.58	2.83	2.77
	13	13.92	3.48	2.67	2.67	2.80	2.67	2.83	2.73
	27	13.38	10.98	2.33	2.44	2.40	2.67	2.50	2.45
	Averages	9.42	5.14	2.61	2.61	2.69	2.64	2.72	2.65
Top 3	9	13.50	6.71	5.00	4.67	4.40	4.50	5.00	4.55
	21	4.68	3.46	5.00	4.89	4.90	4.92	5.00	4.91
	42	0.29	1.90	4.83	4.72	4.47	4.58	4.67	4.59
	Averages	6.16	4.02	4.94	4.76	4.59	4.67	4.89	4.68

I reviewed the interviews that addressed this hypothesis and provided insights outlined in the mini-case section of the study. Specifically, this statement from a high-performing transaction about M&A challenges and the ability to overcome those challenges when the cultures are aligned: “There are always people and cultural challenges. There are technological challenges. There are integration issues. There are financial, accounting, and reporting issues. Most differences are not insurmountable. They can work through them pretty readily” (Transaction #42, Interviewee 8, Transcript 181). This statement delves deeper into understanding the impact of cultural fit on financial success during the post-M&A period. The findings revealed multiple instances where interviewees explicitly stated that cultural fit was crucial in determining the perceived financial success or lack thereof within the merger integration period. Examples from a low-scoring transaction were: “There are struggles with the many cultural differences. You are taking two different companies that have operated so differently. I would say it did not work, but as a struggle, it always is the accounting and financial side of things” (Transaction #13, Interviewee 12, Transcript 188).

The interviews provided insights into how cultural disparities between the acquiring and acquired companies directly influenced the financial outcomes of the merged entity. With the travel industry comprising more than 60% independent contractors, integrating those contractors played a significant role in financial success. This quote from a low-scoring M&A highlights a core issue of integrating contractors: “Many times from an organizational standpoint, the resistance came from the independent advisors to change the workflow, but also some of our employees that just did not want to commit to change” (Transaction #4, Interviewee 26, Transcript 101). Participants highlighted the importance of aligning and integrating organizational cultures to achieve positive financial results. The interviews shed light on the pivotal role of cultural fit, communication, and preparation in shaping the financial success of the integrated entity. These insights contribute to understanding the interplay between culture and financial outcomes within the context of M&A.

In addition, the new concept of cultural dominance was tested post hoc. The post hoc regression results supported the interview analysis that the cultures of the acquiring and acquired companies are related to financial outcomes measured three years after the M&A. These results are relevant for this research as they may directly impact integration success. The variable "Cultural Dominance" showed a significant relationship, with a coefficient of 0.06 for the acquired company and -0.04 for the acquiring company ($t = 2.06$, $p <$ 05). The F value for the acquired company model ($F = 4.23$, $p < .05$) was significant, indicating that the overall model had explanatory power. The R-squared value (0.08 for the acquired company) indicated that the model explained a small portion of the variance in financial outcomes.

It is important to note that the observed relationships for both models are only partial, indicating that other factors beyond culture contribute to the financial outcomes observed in the context of the M&A transaction. Further research and analysis are necessary to explore additional variables and their potential influence on financial outcomes.

The results highlight the complex relationship between cultural differences and cultural dominance on financial outcomes in M&A transactions. While the acquired company's cultural dominance demonstrates some statistical significance, the employee interviews and mini-case studies revealed that the transaction's financial outcomes might be strongly associated with cultural differences. The combined results underscore the need for a nuanced and context-specific examination of the factors impacting financial performance in M&A integration scenarios.

Hypothesis 2

- H2. The differences between the cultures of the acquiring and acquired companies are related to cultural outcomes measured three years from the M&A.
    - Result: The hypothesis is partially supported.

To analyze H2, I first examined the organizational culture and the M&A integration survey to explore the relationship between organizational culture and cultural outcomes in the context of M&A integration. The OCAI framework was applied to assess the cultural differences within the M&A transaction pairs, while the M&A integration survey served as the cultural set of questions for evaluating cultural outcomes.

The quantitative findings do not support the hypothesis that the differences between the acquired and acquired companies' cultures are related to the cultural outcomes measured three years after the M&A transaction. The regression analysis showed no statistically significant relationship between cultural differences and cultural outcomes.

As in H1, the new concept of cultural dominance was tested post hoc. There was partial support for the hypothesis that the acquired and acquired companies' cultural dominances relate to cultural outcomes measured three years after the M&A. While H2 specifically hypothesizes cultural differences, not dominance, the discovery of cultural dominance lends support to the qualitative interviews of employees with the top and bottom three integration survey scores.

The variable "Cultural Dominance" showed a coefficient of 0.03 for the acquired company and -0.05 for the acquiring company. The acquiring company (t = -2.23, p < .05) produced a significant result while the acquired company (t = 1.08, *ns*) did not. The F values for the acquiring company (F = 4.98, p < .05) were significant, while the acquired company model was not significant. This indicated that the overall model had some explanatory power. The R-squared values (0.09 for the acquiring company) suggest that the model explains only a small portion of the variance in cultural outcomes.

In restating what was described in H1, when examining the top three and bottom three scoring M&A transactions, there is less overall average cultural difference (6.16) in the top-performing transactions compared with the average cultural difference (9.42) for the bottom three transactions Although this suggests support for the H2, a two-sample t-test reveals no significant difference between the top three and bottom three performers (t = 0.57, *ns*). The small sample size (n = 6) lacks sufficient statistical power.

The interviews provided evidence of cultural outcomes. Surprisingly, the differences in preferred culture were often associated with successful outcomes when examining the top/bottom three M&A transactions, while excessive differences were linked to failures. H2 speculates that the differences between the cultures of the acquiring and acquired companies have a significant relationship with the cultural outcomes observed three years after the M&A. To explore this hypothesis, I reviewed the employee interviews, which uncovered five key themes: Organizational Culture Fit, Founder Influence, Employee Engagement, Understanding the Acquired Companies Business, and Independent Contractors.

The findings from the employee interviews support H2, indicating a clear association between cultural differences and cultural outcomes in the post-M&A period. This quote from an employee of a high-performing transaction clearly shows the enthusiasm due to the cultural fit or closeness they felt: “Absolutely it just was a good (cultural) fit. I was comfortable, and I felt I could contribute” (Transaction #21, Interviewee 29, Transcript 229). The theme of Organizational Culture Fit emerged prominently, highlighting the importance of aligning and integrating cultures for positive cultural outcomes. Additionally, Founder Influence was identified as a critical factor, emphasizing the role of founders and key leaders in shaping the cultural integration process.

Employee Engagement emerged as another influential factor, with a strong correlation between employee engagement and favorable cultural outcomes, as shown in this quote from one of the lowest-scoring transactions: “Where do I fit into this culture? And will I have a job, and is my career intact? Will I lose where I want to go in my career? All those are disruptors. I think it disrupts a lot of that. That causes nonproductivity which happened with our merger” (Transaction #13, Interviewee 3, Transcript 153). Understanding the acquired company's business was also crucial, as a deep understanding of the acquired company's business and its cultural nuances played a significant role in successful cultural integration.

Lastly, the presence of independent contractors within the merged entity required special attention to ensure their cultural alignment and engagement.

By incorporating the OCAI and the M&A integration survey, this analysis encompassed a comprehensive examination of organizational culture and its implications for cultural outcomes. The OCAI facilitated identifying preferred cultural factors, while the survey provided specific insights into the cultural outcomes.

These findings underscore the complex interplay between organizational culture outcomes in M&A transactions. Combining the OCAI results and the M&A integration survey allowed for a multi-faceted analysis, considering the broader cultural context and the specific types relevant to performance. This comprehensive approach enhances the validity and depth of the findings, providing valuable insights for practitioners and researchers involved in M&A integration efforts.

Overall, this integrated analysis of the OCAI and the M&A integration survey, supported by the employee interviews, contributes to understanding how organizational culture influences outcomes during M&A transactions. It emphasizes the significance of considering cultural dynamics and the acquiring company's strength in achieving successful cultural integration and enhancing HR performance in the context of M&A integration. The qualitative results partially support the hypothesis that the differences between the acquired and acquired companies' cultures are related to the cultural outcomes measured three years after the M&A transaction.

Hypothesis 3

- H3. Culture combinations that successfully integrate result in successful M&A outcomes.
    - Result: The hypothesis is supported.

To investigate H3, I investigated the organizational culture and the M&A integration survey results overlaid with the qualitative employee interviews. These methodologies examine the connection between organizational culture and outcomes in the context of M&A integration. By utilizing the OCAI framework, I assessed the culture within specific transactions, shedding light on the prevailing organizational norms that shape the integration process. The M&A integration survey, focusing on overall performance, provided valuable insights into the outcomes' overall success of the outcomes.

A regression analysis was conducted using Q1, integration, as the DV, and the combination of Q10-Q11 as the IV. There is a significant relationship ($F = 70.31$, $p < 0.01$) between the IV and DVs when using all 50 transactions. The coefficient for Q1 was 0.66, significant at the $p < 0.01$ level. The regression analysis provided includes highly correlated survey questions. The correlation-based analysis highlights the inability to establish a causal relationship between the variables, underscoring its importance. Specifically, it cannot be concluded that Q1 causes the changes observed in Q10-Q11. However, the evidence presented in this analysis supports H3. Therefore, it is advisable to approach the results cautiously, recognizing the limitations associated with the nature of the survey questions and the absence of causality in the observed relationships. The post hoc analysis, outside of the hypothesis testing, yielded significant findings. It revealed the presence of a dominant culture within certain transactions, indicating the existence of prevailing organizational norms that influence the integration process. In this analysis, I found evidence to support the suggestion put forth by H3 that the effective integration of culture combinations influences the success of M&A outcomes. The focus was on examining the relationship between the strength of the acquired and acquiring companies and the outcomes measured by Q10-Q11 from the integration survey to support the findings of the qualitative interviews.

A regression analysis was run for the acquired company's cultural dominance effects on Q10-Q11 outcomes. The analysis indicated that the strong culture of the acquired company significantly contributes to success. The acquired company's strength coefficient was 0.08 (t = 2.38, p = 0.02), demonstrating a statistically significant relationship. These findings provide robust support for H3, indicating that when the acquired company has a dominant culture, it positively influences the Q10-Q11 outcomes, leading to successful M&A outcomes. Further, the acquiring company's strength coefficient was -0.05, indicating a negative relationship. However, the result as not significant and can at best show a general direction. These results suggest that as the acquiring company's cultural dominance increases, there may be a negative impact on the Q11 outcomes, potentially hindering the success of M&A outcomes.

H3 suggests that culture combinations that successfully integrate lead to M&A outcomes. The findings from the employee interviews lay the foundation for support of H3. The interviews highlighted in the mini-case studies show the importance of effectively managing cultural differences through proper preparation and communication to achieve successful cultural integration.

Organizations observe positive cultural outcomes when successfully integrating culture combinations. The interviews revealed that aligning and integrating organizational cultures, regardless of their specific OCAI quadrants, played a significant role in achieving successful M&A outcomes. The following quote was from a high-scoring merger: "You must have consistent processes and procedures in the airline industry. In an airline industry acquisition, you may have two companies with two completely different cultures, with two different sets of processes and procedures. It could be successful if it is appropriately handled, which our merger was" (Transaction #9, Interviewee 17, Transcript 257). This sets the stage for how, with proper planning, any two cultures can integrate regardless of size or differing procedures. Proper preparation involves conducting a thorough analysis of cultural differences and anticipating potential challenges, while effective communication establishes open channels for dialogue and fosters shared understanding. One participant said, "When you go through the process of planning before you integrate, everything else will be easier and faster. Now take that saved time to integrate and bring everybody together" (Transaction #42, Interviewee 13, Transcript 741). This is a core finding; that proper preparation may allow for almost any type of merger culture combination to succeed.

The findings suggest that culture combinations alone may not guarantee successful M&A outcomes. However, when organizations prioritize proper preparation and communication to address cultural disparities, they enhance the likelihood of successful cultural integration. H3 is supported by the interview findings, highlighting the crucial role of successful cultural integration in achieving positive M&A outcomes. The interview analysis provides compelling evidence for the importance of the acquired company's culture in contributing to successful M&A outcomes. Additionally, it suggests that the dominant culture of the acquiring company may have a detrimental effect, although the statistical significance is not as strong. These findings underscore the significance of effectively integrating cultures during M&A processes to maximize the chances of achieving favorable outcomes.

Hypothesis 4

- H4. The acquiring company's OCAI current state closely matches the acquired company's preferred state and produces successful M&A outcomes.
    - Result: The hypothesis is not supported.

Based on the comprehensive analysis conducted, the hypothesis that the acquiring company's current organizational culture closely matches the acquired company's preferred state and leads to successful M&A outcomes is not supported. The investigation explored the relationship between organizational culture and M&A outcomes using the OCAI results and M&A integration survey data and then integrated with the qualitative interview analysis.

To assess the current state and preferred state of organizational culture, the OCAI framework was employed. This framework provided a comprehensive understanding of the culture within the acquiring and acquired companies, enabling the examination of cultural compatibility during the integration process. By analyzing the organizational culture data, it was possible to determine the degree of alignment or discrepancy between the acquiring company's current and preferred cultures (Appendix I). It is worth noting that even though two companies may exhibit the same preferred culture, the differences in those cultures may appear significant; for example, an acquired company's preferred culture may be a Clan, but with a score of 26 suggesting they lean slightly toward Clan. In contrast, the acquiring company’s culture may be a Clan, with a score of 38 suggesting a dominant Clan culture.

The data analysis revealed that all three acquisitions with the lowest performance scores had the acquiring company's current state matching the acquired company's preferred state. However, two of the bottom three have vast cultural difference scores, so even though they share the same organizational culture quadrant, they may not be close in actual scoring. Future research on cross-border influence on culture may explore the impact of pairing companies headquartered in different countries; this was the case with all three bottom transactions, as this factor could contribute to the observed results in the bottom three transactions. The result was similar when exploring the top three integration survey scores: only one of the transactions had the current states matching and the cultural dominance was wide. This finding suggests that the hypothesis is not supported, and the exact opposite scenario may occur, whereby mergers involving similar organizational culture states, particularly dominant culture states, could lead to integration failures. Appendix G shows each company's preferred and current cultures.

The findings indicated that a closer alignment between the acquiring company's current organizational culture and the acquired company's preferred state was somewhat associated with less favorable M&A outcomes. When the two organizational cultures were opposite, with most of the M&A transactions being a current hierarchical culture purchasing a company with a preferred clan culture, the likelihood of achieving successful M&A outcomes increased. These differences facilitated smoother integration processes, reduced cultural clashes, and enhanced collaboration and coordination between entities. Such factors contributed to the overall success of the M&A integration.

The findings from the employee interviews do not support H4, which suggests that the acquiring company's current organizational culture state closely matches the acquired company's preferred state, leading to successful M&A outcomes. The interviews did not explicitly indicate a direct correlation between the similarity of organizational culture states and the success of the M&A. One of the highest-scoring transactions clearly stated that the two cultures did not match: “It was a test of whether our cultures did match. A short way of saying it is that they did not match, and I think that it was a surprise, but as I understood it, it made sense to me, and I tried to articulate why it made sense to my people” (Transaction #21, Interviewee 14, Transcript 702).

While the OCAI framework can provide insights into cultural assessments, its alignment with the acquired company's preferred state does not guarantee successful outcomes. The interviews emphasized the importance of broader factors such as proper preparation, effective communication, and cultural integration strategies in achieving successful M&A outcomes. The cultural fit between the acquiring and acquired companies is a complex process influenced by various elements beyond the organizational culture states. Matching culture states is insufficient to ensure successful outcomes, as other critical factors, such as leadership, employee engagement, and organizational alignment, also play significant roles in the post-M&A period. It is essential to note that while the alignment of organizational culture states played a significant role in perceived merger failure, it was not the sole determinant of successful M&A outcomes.

In conclusion, empirical evidence did not support the hypothesis that the acquiring company's current organizational culture closely matches the acquired company's preferred state and contributes to successful M&A outcomes. This result could prove highly insightful to future research on culture combinations, as instinctively, one may believe that an acquired company could possess the desire for a new organizational culture that matches the acquiring company's current state and could prove to increase success. In contrast, the research did not show this as the case, thus fueling potential additional research. The differences in organizational cultures during the integration process can enhance the probability of achieving desired financial outcomes. However, it is crucial to acknowledge that achieving successful M&A outcomes involves a multifaceted process, and it is essential to consider the differences between organizational culture states in conjunction with other critical factors to gain a comprehensive understanding of M&A success. Further research is warranted to explore additional variables and their interplay in the context of M&A integration.

Hypotheses Synopsis

The hypothesis testing yielded partial support for H1 and H2 due to the lack of statistical evidence for each hypothesis but strong support from qualitative interviews. While the statistical analysis did not establish a significant correlation between cultural differences and success, the qualitative analysis revealed a clear link. This finding aligns with the competing literature on organizational culture measurement in that organizational culture is identifiable in qualitative analysis, but measuring culture statistically has varying opinions. As outlined by O'Reilly and Chatman (1996), the presence of cultural similarities and cultural differences within an organization can contribute to non-significant results in regression analyses when examining their impact on organizational outcomes. When there is a high degree of cultural similarity, limited variance in cultural variables among employees can make it difficult to detect significant relationships with the outcomes under study. On the other hand, other variables may interact with cultural differences, mediating or moderating factors may play a role, measurement challenges may be faced, sample composition limitations may occur, and contextual factors can influence cultural differences, all of which can contribute to non-significant findings.

The observation that some transactions within the top three and bottom three groups displayed varying degrees of cultural difference, yet achieved similar outcomes, hints at a potential reason for the overall lack of significance in the regressions. It is plausible that including transactions subject to both Cultural Similarity and Cultural Diversity perspectives resulted in a cancellation of effects. For instance, if half of the transactions showed positive outcomes due to cultural similarity while the other half showed adverse outcomes due to cultural diversity, the overall effect would be null. This balancing effect could explain why the regression analysis yielded non-significant results. It highlights the importance of considering the interplay between cultural perspectives when examining the influence of cultural differences on outcomes. While some studies may focus solely on the impact of cultural diversity, overlooking the potential benefits of cultural similarity or vice versa could lead to incomplete conclusions.

I attributed the lack of significant results in the Cultural Difference regressions to the simultaneous presence of transactions subject to the Cultural Similarity and Cultural Diversity perspectives. The observation that variations in cultural difference did not consistently align with outcomes suggests a complex interplay between these perspectives. By acknowledging and investigating this balancing effect, future studies can advance our understanding of how cultural differences shape various outcomes in different contexts.

Additionally, the analysis revealed that culture combinations might not impact M&A integration. H3 received full support as qualitative interviews demonstrated that preparation for M&A integration, regardless of culture type, led to success. Furthermore, post hoc analysis of the statistically dominant culture further validated the qualitative findings. However, H4 did not receive support as neither the statistical analysis nor employee interviews indicated any success based on the similarities between the acquiring company's current and the acquired company's preferred state according to the OCAI instrument. Interestingly, the study uncovered that the acquired company did not desire a different culture, and combining the same organizational culture types proved to be the most challenging type of merger, particularly when integrating hierarchies.

Future research should explore the reasons behind the mixed results observed between quantitative and qualitative approaches. Rather than categorizing the outcome as partially supported, it is essential to delve into the potential reliability differences between the two methods. For instance, if the survey methodology struggles to isolate cultural differences' influence on financial performance effectively, future studies may benefit from emphasizing the nuanced findings derived from qualitative approaches. This process could provide a more comprehensive understanding of the research topic.

The findings suggest that successful M&A integrations necessitate careful attention to cultural dominance, effective communication, timing, leadership, and employee engagement practices. Additional research is needed to delve deeper into the stated hypotheses and identify further factors contributing to successful M&A integrations. By addressing these factors, organizations can enhance the likelihood of successful M&A integrations while minimizing the risks and challenges involved in these complex processes.

Theoretical Frameworks

This section focuses on presenting the four core theories identified and discussed in the literature review and aims to comprehensively comprehend these theories and illustrate how the research undertaken aligns with and supports each theory. The literature review serves as the foundation for identifying these core theories. By comprehensively reviewing existing scholarly works, I identified the fundamental theories most relevant to the research topic and objectives. These theories have been selected based on their applicability, significance, and potential to provide a conceptual framework for the research.

The following analysis involves drawing connections, identifying patterns, and providing evidence to demonstrate how the empirical results align with or extend the existing theoretical frameworks. By examining the relationship between the research and the identified theories, the dissertation highlights the theoretical contributions of the study. It offers insights into how the factual findings validate, challenge, or expand upon the existing theories, thereby enriching the scholarly discourse in the field. This critical analysis also allows the reader to appreciate the significance and relevance of the research within the broader theoretical context.

Overall, I aim to bridge the literature review and the empirical findings, establishing a robust theoretical framework and demonstrating the research's alignment with and contribution to the identified core theories. By explicitly outlining this relationship, I enhance the study's overall academic rigor and validity, making a valuable contribution to the existing body of knowledge in the field.

It is plausible that many reasons exist for merger failure, and each potential cause could be explored thoroughly and not lay the blame on any single reason without real evidence to support the findings and assumptions. With many theories, such as Stakeholder, Shareholder, Agency, and CEO Hubris, a clear delineation could be drawn from each other to understand the correlation of each to M&A success or failure.

The study supports and informs readers of previous research on cultural integration in M&A. The study's findings are consistent with previous research that suggests that cultural differences can be a significant obstacle to successful integration (Cartwright & Cooper, 1993; Haspeslagh & Jemison, 1991). The analysis centers on the importance of organizational culture fit, founder influence, and employee engagement and aligns with previous theoretical frameworks that emphasize the role of these factors in the integration process (Marks & Mirvis, 2011; Nahavandi & Malekzadeh, 1988).

The study's use of the OCAI to assess cultural orientations is consistent with previous research that has used this tool to evaluate organizational culture (Cameron & Quinn 2011; Maznevski & Di Stefano, 2000). The study found that both the acquiring and acquired companies preferred Clan and Adhocracy cultures is also in line with previous research that has found that these cultures are associated with better organizational outcomes, such as innovation and employee satisfaction (Cameron & Quinn, 2011; O'Reilly III et al., 1991). However, the study's emphasis on addressing cultural differences during the integration process aligns with a growing body of research suggesting that cultural integration should be an active and ongoing process (Markides & Williamson, 1994). This research suggests that successful integration requires more than simply identifying cultural differences but also developing strategies to address these differences and create a shared organizational culture.

The underlying research theories this dissertation originally aimed to examine were Organizational Culture Theory (OCT) and Agency Theory. Nonetheless, after careful data analysis, two subsequent theoretical relationships emerged, Integration Theory and Mergers and Acquisitions Theory. The following section explains all four theories and how this dissertation's research compares, contrasts, or complements each theory.

Organizational Culture Theory

OCT is the underlying beliefs, assumptions, values, and ways of interacting that contribute to an organization's unique social and psychological environment founded by Jaques (1951). OCT posits that organizational culture influences the behavior, attitudes, and performance of employees within an organization. The theory suggests that an organization's culture is a combination of its values, beliefs, and norms, which guide the behavior of its members. The present data is supported by OCT, in that organizational culture affects the integration process between acquiring and acquired companies.

The qualitative analysis of the study, which included interviews with employees from the acquired and acquiring companies, provides insight into the impact of organizational culture on the integration process. The semi-structured interview guide uncovered five themes: organizational culture fit, founder influence, employee engagement, understanding of the acquired company's business, and independent contractors. The interviews' thematic analysis helped identify multiple factors that impact the integration process. This analysis supported OCT's proposition that organizational culture influences integration.

The three themes related to organizational culture are organizational culture fit, founder influence, and employee engagement. Organizational culture fit emphasizes the importance of assessing compatibility between the acquiring and acquired companies' cultures during integration. Founder influence suggests that the values and behaviors of founders or key leaders shape the organization's culture, while employee engagement reflects the level of involvement and satisfaction within the organizational culture.

The self-report survey used evaluated various aspects of the integration process, including four questions on financial performance, six questions on operational performance, and one question on the overall integration process. The integration survey results helped to understand the overall integration process's success or failure. The survey data provided insights into organizational culture's impact on the merger's financial performance and operational gains during the integration process.

OCT suggests that an organization's culture particularly impacts its performance and success. The data provides the OCAI scores for the acquiring and acquired companies, which analysts can use to analyze their respective organizational cultures. The OCAI scores suggest that the acquired company in this study is more likely to have a Clan or Adhocracy-oriented culture, while the acquiring company is more likely to have a Hierarchy-oriented culture. The acquired company's preferred state also shows a similar pattern, emphasizing Clan and Adhocracy more than Market or Hierarchy.

OCT informs this data by indicating that the acquiring company's culture may clash with the acquired company's culture. Such clashes can result in cultural conflicts, communication issues, and differences in work practices that can negatively impact M&A outcomes. Furthermore, the data shows that the acquired company's preferred culture is more aligned with its current culture; similarly, the acquiring company’s preferred culture is more aligned with its current culture. This suggests that the acquiring company may try to impose its culture on the acquired company, which can further exacerbate cultural differences.

Overall, the OCAI scores support the idea that organizational culture can play a crucial role in the success or failure of M&A transactions. The data suggest that acquiring companies should carefully evaluate the cultural alignment with the target company before pursuing an M&A transaction to ensure the cultural compatibility of the two organizations. The data support OCT's proposition that organizational culture influences acquiring and acquiring companies' integration process. The study's qualitative and quantitative data provided insights into the impact of organizational culture on communication, leadership, and employee engagement during the integration process. The OCAI results supported OCT's argument that organizational culture influences the behavior of employees. This research highlights the importance of addressing cultural differences between the acquiring and acquired companies during the integration process to achieve a successful outcome.

I contribute to OCT by providing pragmatic evidence to support its proposition that organizational culture influences the integration process in M&A transactions. Moreover, I emphasize the importance of addressing cultural differences between the acquiring and acquired companies during the integration process to achieve a successful outcome. Doing so provides a practical framework for managers to follow when planning and executing an M&A transaction, incorporating the cultural differences between the two companies.

In conclusion, I add appreciable value to the OCT by providing empirical evidence to support its proposition, highlighting the influence of organizational culture on communication, leadership, and employee engagement during the integration process, and emphasizing the importance of addressing cultural differences between the two companies during the integration process to achieve a successful outcome.

Agency Theory

Agency Theory views the firm as a set of contracts among self-interested individuals. An agency relationship is created when a person (the principal) authorizes another person (the agent) to act on his or her behalf (Jensen & Meckling, 1976). The present research could contribute to the Agency Theory in the context of M&A transactions. In an M&A transaction, the acquiring company acts as an agent on its shareholders' behalf, aiming to maximize shareholder value. However, the interests of the shareholders and the acquiring company's management team may not always align with those of the acquired company. Similarly, management interests and ownership of the acquired company might not align.

The findings highlight the importance of cultural integration between the acquiring and acquired companies during the integration process, which can ultimately impact the success of the M&A transaction. The research indicated that wider cultural differences may determine cultural compatibility, as the highest-performing transactions had significant differences in OCAI scores, supporting the old saying opposites attract. In contrast, the two worst-performing transactions showed that the acquired and acquiring companies exhibited a statistically dominant culture. By addressing cultural differences and creating an integration plan that considers the cultural suitability between the two companies, the acquiring company can increase the likelihood of achieving its goal of maximizing shareholder value.

Moreover, the study's emphasis on cultural fit during the integration process can contribute to Agency Theory. A successful integration process, which addresses cultural differences and promotes open communication and effective leadership, can help to align the interests of the acquiring company's management team with the acquired company's employees, ultimately benefiting both parties and improving the success of the transaction.

Agency Theory was pivotal in supporting this research as it provided a relevant conceptual framework for analyzing the unique dynamics within the travel and travel services industry, where more than 60% of individuals operate as independent contractors. Agency theory provided a lens through which the complex principal-agent relationship between independent contractors and parent organizations could be analyzed and understood. Within the travel industry, independent contractors function as autonomous entities, acting as their independent businesses while benefiting from the support and resources offered by the parent organization, such as shared services support and financial buying power. Notably, the autonomy of independent contractors to terminate their relationship with the parent organization without prior notice added another layer of complexity to the agency relationship. Through the application of agency theory, this dissertation shed light on the intricate interplay of contractual arrangements, conflicts of interest, and the influence of organizational culture on the relationship between independent contractors and their parent organizations in the travel industry.

The research can contribute to the Agency Theory in the context of M&A transactions by emphasizing the importance of cultural adaptability, communication, leadership, and employee engagement during the integration process, which can ultimately align the interests of the acquiring company's management team with those of the acquired company's employees, benefiting both parties and improving the overall success of the transaction.

Integration Theory

Integration Theory postulates that successful integration requires a clear understanding of the differences between the acquiring and acquired companies and the ability to manage those differences effectively. In M&A, differences may arise due to varying organizational structures, cultures, communication channels, power dynamics, and values. Therefore, it is essential to identify and address these differences to achieve a successful integration by implementing effective strategies and communication channels (Cartwright et al., 1996).

The research's support from Integration Theory is considerable because it identifies five indispensable themes that impact the integration process: organizational culture fit, founder influence, employee engagement, understanding of the acquired company's business, and independent contractors. These themes align with the central tenets of Integration Theory, which emphasize the importance of achieving a harmonious and mutually beneficial relationship between the acquiring and acquired companies.

The findings on organizational culture highlight the importance of cultural compatibility between two companies for successful integration. This finding aligns with Integration Theory, which argues that integrating two companies with different cultures can lead to momentous challenges and potentially undermine the acquisition's success. The findings on founder influence and employee engagement also align with Integration Theory's emphasis on creating a positive and productive working relationship between the two companies. The study suggests that identifying and addressing the founders' roles and interests and involving employees in the integration process can help overcome challenges and enhance the acquisition's success. The emphasis on understanding the acquired company's business and addressing the roles and interests of independent contractors also aligns with Integration Theory's focus on developing a comprehensive understanding of the acquired company's operations and stakeholders.

Altogether, the research provides valuable insights into the themes that impact the integration process and emphasizes the importance of addressing these themes for successful integration.

Mergers and Acquisitions Theory

M&A theory emphasizes that successful integration requires careful planning and execution, relying on leadership, communication, due diligence, and employee engagement, as defined by Penrose and Penrose (2009). A merger or acquisition involves the combination of two or more companies, and it is crucial to ensure that the integration process goes smoothly to achieve the desired outcomes. The integration process involves various factors that can impact the success of the merger or acquisition, including communication, managing cultural differences, employee engagement, leadership, and due diligence.

The research is supported by the existing body of M&A theory literature by providing valuable insights into the integration process. Specifically, the research identifies five themes that impact the integration process: organizational alignment, founder influence, employee engagement, understanding of the acquired company's business, and independent contractors.

The data on organizational culture highlight the importance of cultural compatibility between the acquiring and acquired companies for successful integration. The research emphasizes that acquiring companies need to consider the cultural differences between the two companies to achieve a smooth integration. Additionally, the study's findings on founder influence and employee engagement highlight the importance of addressing the interests and roles of founders and employees during the integration process.

Furthermore, the study's emphasis on understanding the acquired company's business and addressing the roles and interests of independent contractors is consistent with the central philosophy of M&A theory. The research highlights the significance of conducting due diligence to understand the acquired company's operations and stakeholders to ensure a successful integration.

Overall, the research provides helpful insights into the themes that impact the integration process and emphasizes the importance of addressing these themes for successful integration. By understanding the factors that affect the integration process, companies can make informed decisions and implement effective strategies, ultimately leading to successful M&A transactions.

Implications for Organizational Practice

Practice

M&A has gained tremendous popularity in recent decades due to globalization, intensifying competition, technological advancements, and the desire for rapid growth and diversification. Companies utilize M&A as a strategic tool to expand market reach, acquire complementary resources, and leverage synergies for improved performance. Favorable regulatory environments, available capital, and specialized expertise have further facilitated the growth of M&A activities. Success stories and recognition of M&A as a disciplined practice have also contributed to its rising appeal as a transformative strategy in today's dynamic business environment.

It is a core aspect of corporate strategy that can facilitate growth, provide access to new markets and technologies, and help companies stay competitive in the global economy. However, M&A is not without its challenges. Integration is one of the most misunderstood factors in ensuring the success of a merger or acquisition. Integration Theory and Mergers and Acquisitions Theory provide frameworks to effectively understand and manage the integration process.

The integration process can be daunting, especially when dealing with complexities of culture, leadership, communication, and employee engagement. Integration Theory suggests that successful integration requires a clear understanding of the differences between the acquiring and acquired companies and the ability to manage those differences effectively. The qualitative analysis in the study identified five themes that impact the integration process, including organizational culture alignment, founder influence, employee engagement, understanding of the acquired company's business, and independent contractors. By subdividing the themes into several sub-themes, I gained a comprehensive understanding of the integration process, which can aid in managing the differences between the two companies effectively.

One of the challenges faced during M&A is the selection of the right CEO. The interviews conducted for the study yielded several interesting observations from respondents. The first was that it is hard to hire a vision from a large PE fund manager who stated that 20% of the CEOs they hire have a vision that can lead the company forward in a manner the PE fund expects. This statement highlights the importance of selecting a CEO with a clear vision of the company's future and who can execute it effectively.

Another relevant observation was that a company could not fake culture. This finding offered an essential perspective because often, during the financial due diligence process, the only culture observed is superficial and it only shows what the company to be acquired wants to show to the new suitor. This observation underscores the importance of conducting comprehensive cultural due diligence to identify potential cultural misalignments between the acquiring and acquired companies.

The final observation made during the interviews was to avoid CEO hubris. Many of the interviews uncovered that hubris from the CEO drove the transaction, even when both parties felt it was no longer a feasible proposition to complete the transaction. This observation highlights the importance of having a well-defined set of criteria for evaluating the transaction's feasibility and the CEO's ability to execute the integration plan effectively.

In conclusion, the integration process is vital to the success of any M&A transaction. Integration Theory and Mergers and Acquisitions Theory provide frameworks to effectively manage the integration process's complexities. The observations made during the interviews highlight the importance of selecting the right CEO, conducting comprehensive cultural due diligence, and avoiding CEO hubris. These factors can help ensure successful integration and a positive outcome for all parties involved.

Vision

It can be challenging to hire for corporate vision because it requires finding someone with the necessary skills and experience who shares the same values and vision for the company's future. The recommendation here is simple: clearly define the company's vision. Before hiring someone who shares the vision, the institution needs to be clear on what that vision is. Make sure the vision statement is concise, clear, and inspiring. Look for candidates who align with the values. It is inherent to assess whether they align with company values. Ask questions that reveal their work ethic, communication style, and critical thinking skills.

Use behavioral interview questions to help understand how a candidate has managed situations in the past. Ask questions that reveal their ability to think strategically and align with the company's vision. Consider cultural fit because hiring someone who does not align with the company's culture can harm morale and productivity. Evaluate candidates for cultural compatibility, skills, and experience. Leverage a network when finding candidates who share the organization's vision and consider contacting a more extensive network.

Faking Culture is Hard

It is difficult to fake a genuine organizational culture for a prolonged period. Organizational culture is the shared values, beliefs, attitudes, and behaviors that define how people within an organization interact with one another and approach their work. Authentic organizational culture is created through consistent actions and behaviors that align with the stated values and beliefs of the organization. It takes time, effort, and dedication to create a positive organizational culture that truly reflects the values and beliefs of the organization. While it is possible to create a superficial appearance of a particular culture, it is challenging to maintain it over time if the underlying values and behaviors do not support it. Employees can quickly detect if an organization's stated values and behaviors do not match the reality of their daily work experiences. Therefore, creating an authentic organizational culture is crucial for long-term success and cannot be faked. It requires consistent action and genuine dedication to the stated values and beliefs of the organization.

Avoiding Hubris

CEO hubris refers to a CEO's excessive self-confidence, pride, and arrogance that can lead to risky decision-making and negative consequences for the company. CEOs with hubris tend to overestimate their abilities, ignore constructive criticism, and make decisions based on their beliefs and desires rather than objective data and evidence.

As mentioned in the literature review, research has shown that CEO hubris can harm a company's performance and reputation. On average, losses in acquiring firms' shareholder wealth following an acquisition, and the greater the CEO hubris and acquisition premiums, the greater the shareholder losses. Thus, CEO hubris has substantial practical consequences and potentially great theoretical significance to observers of strategic behavior (Mathew & Hambrick, 1997).

Hubristic CEOs are more likely to engage in unethical behavior, engage in M&A that do not benefit the company, and resist changing their strategies even in the face of declining performance. This behavior can lead to a decline in shareholder value, damage to the company's reputation, and even legal and regulatory repercussions. To mitigate the harmful effects of CEO hubris, companies can adopt measures such as having a solid board of directors that can provide oversight, establishing a culture of transparency and accountability, and encouraging feedback and dissenting opinions from employees and stakeholders. Additionally, CEOs can benefit from self-awareness and a willingness to seek advice and feedback from others.

Policy

Based on the research findings, it is evident that organizations need to develop policies aligned with the theoretical considerations discussed in this thesis to enhance the success of the integration process. To achieve this, organizations could prioritize the development of a cultural integration strategy that aligns with the goals and values of the organization. This strategy may consider the benefits and drawbacks of assimilating the acquired company's culture into the acquiring company's culture or opting for a more blended approach. Developing this strategy might be supported by thorough research and analysis of the cultural differences between the two organizations.

Organizations may invest in employee engagement and due diligence initiatives that support the integration process. This investment could include training programs, communication strategies, and leadership styles that enhance employee engagement and support a successful integration process. The organizations could regularly evaluate and adapt these initiatives based on feedback and the evolving needs of the integration process. By doing so, the organization can help ensure that all employees are engaged in the process and are committed to achieving the organization's goals.

In addition, organizations may explore using technology to support the integration process. Virtual communication tools can enhance collaboration, communication, and engagement during integration, making it easier for employees to work effectively and efficiently. The organization can develop customized technology solutions that align with its goals and values, providing an optimal environment for the integration process.

Finally, organizations could prioritize developing and promoting the concept of cultural intelligence within the organization, as Earley and Ang (2003) outlined. Cultural intelligence is the capability to understand, appreciate, and effectively adapt to different cultures and ways of thinking. It involves working and relating effectively with people from diverse cultural backgrounds and recognizing and navigating cultural differences in communication, behavior, and values. Implementing training programs, workshops, and mentoring programs can support the development and application of cultural intelligence during the integration process, leading to the achievement of this result. Organizations can enhance their employees' ability to adapt to and work effectively in culturally diverse environments by prioritizing cultural intelligence.

In conclusion, organizations can benefit from implementing policies that align with the theoretical considerations discussed in this study. The policies discussed can assist organizations in developing a successful integration process aligned with their goals and values. By doing so, organizations can improve their chances of success in M&A transactions and create a positive outcome for all parties involved.

M&A Integration Plan

The integration process is an inherent factor in the success of any M&A transaction. Based on the findings, organizations need to develop policies aligned with theoretical considerations to enhance the success of the integration process. This sample M&A integration plan outlines how organizations could develop a successful integration process.

Step 1: Develop a Cultural Integration Strategy. Organizations might prioritize the development of a cultural integration strategy that aligns with the goals and values of the organization. This strategy could consider the benefits and drawbacks of assimilating the acquired company's culture into the acquiring company's culture or opting for a more blended approach. To develop this strategy, organizations may conduct thorough research and analysis of the cultural differences between the two organizations. To develop a cultural integration strategy, organizations could take the following steps:

1. Conduct cultural due diligence to identify cultural differences and similarities.
2. Define the cultural values and norms of each organization.
3. Identify areas of alignment and misalignment.
4. Develop a cultural integration plan that outlines the integration approach and core activities.

Step 2: Invest in Employee Engagement and Cultural Due Diligence Initiatives. Organizations might invest in employee engagement and cultural due diligence initiatives that support the integration process. This investment could include training programs, communication strategies, and leadership styles that enhance employee engagement and support a successful integration process. Organizations could take the following steps to invest in employee engagement and cultural due diligence initiatives:

1. Conduct an employee engagement survey to understand the employee's attitudes and perceptions toward the integration process.
2. Develop a communication plan that outlines the communication channels, frequency, and essential messages.
3. Conduct training programs to enhance employees' cultural intelligence, leadership, and communication skills.
4. Develop leadership development programs to support the integration process.

Step 3: Explore the Use of Technology to Support the Integration Process. Organizations may explore the use of technology to support the integration process. Virtual communication tools can enhance collaboration, communication, and engagement during integration, making it easier for employees to work effectively and efficiently. To provide an optimal environment for the integration process, organizations can develop customized technology solutions that align with their goals and values. To explore the use of technology, organizations might take the following steps:

1. Identify the key technology solutions required to support the integration process.
2. Develop a technology roadmap that outlines the technology solutions and the timeline for implementation.
3. Conduct technology due diligence to ensure the technology solutions align with the organization's goals and values.
4. Test the technology solutions before implementing them to ensure they meet the organization's needs.

Step 4: Develop and Promote Cultural Intelligence within the Organization. Organizations could prioritize developing and promoting cultural intelligence within the organization. Implementing training programs, workshops, and mentoring programs that support the development and application of cultural intelligence during the integration process can achieve this result. To develop and promote cultural intelligence, organizations may take the following steps:

1. Develop a cultural intelligence training program that enhances employees' ability to work effectively in culturally diverse environments.
2. Conduct workshops that promote cross-cultural communication and collaboration.
3. Implement mentoring programs that pair employees from different cultural backgrounds.

4. Develop a cultural intelligence scorecard to measure and track progress.

The success of the integration process in M&A transactions depends on implementing policies that align with theoretical considerations. The M&A integration plan outlined above provides a suggested framework for organizations to develop a successful integration process aligned with their goals and values. Detailed plans will vary by organization and M&A transaction, but this framework could prove helpful in any organization as a baseline. By following the steps outlined in this plan, organizations can improve their chances of success in M&A transactions and create a positive outcome for all parties involved.

Limitations

The objective of the current study was to contribute to the existing literature on M&A by offering valuable insights into the integration process. Nevertheless, the study's limitations must be recognized to interpret the findings effectively.

Primarily, the study adopted a mixed-methods research design; however, the qualitative research relied on a relatively small sample size of 37 interviews with employees involved in only the top and bottom three scoring M&A transactions of the integration process surveys. While this sample size is appropriate for a qualitative study, it may constrain the generalizability of the findings. Additionally, the study's focal point on a single industry requires caution when extending the results to other industries.

Secondarily, using self-report measures could have introduced social desirability and response biases. Participants may have provided responses that reflect positively on themselves or their organizations rather than genuine experiences. Therefore, the interpreter might consider that the responses may not accurately reflect the participants' experiences.

Furthermore, it is important to consider that the qualitative research relied on recollections of employees involved in M&A transactions at least three years before the study. This reliance on retrospective recollection may introduce potential recall bias and limitations in the accuracy and completeness of the information provided. Future research in this area would benefit from a real-time longitudinal study design, allowing respondents to reflect on their recent experiences, thus enhancing the reliability and validity of the data.

Tertiary, the study only evaluated the integration process from the perspective of the acquiring and acquired companies, and it did not account for the viewpoint of other stakeholders such as customers, suppliers, regulators, or individuals who have left the organization between the transaction date and the study date. Consequently, the study's findings may not wholly explain the integration process. It is important to note that the OCAI results rely on respondents' recollections of current and preferred culture-related aspects from at least three years in the past. Additionally, the input regarding the acquired entities is limited to individuals who have remained with the combined entity for at least three years, excluding input from individuals, especially those from the acquired entity, who have left the organization during the intervening period.

Overall, the impact of the COVID-19 pandemic on the perception of M&A transactions is a key area of study that warrants further investigation, given the potential implications of these deals for the survival and sustainability of businesses during economic uncertainty.

Finally, the study focused on five themes that impact the integration process. It is essential to note that the study only assessed specific themes impacting the integration process but did not encompass other equally critical factors. Therefore, researchers may interpret the findings within the context of the themes evaluated in this study.

The present study provides valuable insights into the integration process of M&A. However, it is crucial to consider the study's limitations when interpreting the findings. Future research could address these limitations to provide a more comprehensive understanding of the integration process.

Recommendations for Future Research

Based on the findings, there are several recommendations for future research to provide a more comprehensive understanding of the integration process in M&A. Future research could explore the impact of different cultural integration approaches on the integration process's success. For instance, some organizations may adopt a more assimilative approach to merge the acquired company's culture into the acquiring company's culture, while others may prefer a more blended approach. Thus, future research might investigate the benefits and drawbacks of these different approaches to identify the most effective approach to cultural integration. The possibility arises that matching hierarchies may have contributed to less successful outcomes, which could be relevant for understanding the lower success rate observed in public companies. This result highlights an area for future research.

Subsequent studies could examine cultural dominance and how different types of employee engagement and cultural due diligence initiatives impact the integration process. For example, organizations could explore the impact of various training programs, communication strategies, and leadership styles on employee engagement and overall integration success. Researchers can explore the effectiveness of different employee engagement initiatives and identify the most effective strategies organizations can adopt to achieve successful integration. Further, in the ongoing study of M&A, there is a concept to analyze data from the culture types represented by the four quadrants in the OCAI and from each of the two dimensions. This approach offers the potential to gain additional insights and enrich the depth of the analysis.

Another consideration could investigate the role of technology in the integration process. Technology advancements, such as virtual communication tools, may provide new opportunities for enhancing communication, collaboration, and engagement during the integration process. Therefore, future research could investigate how organizations can leverage technology to support successful integration. Investigators can examine how technology can facilitate communication and collaboration across diverse cultural backgrounds to enhance the success of the integration process.

Finally, prospective studies could explore the role of cultural intelligence training in the integration process. Further research can investigate how cultural intelligence can be developed and applied during integration to improve cultural fit and overall success. Exploring effective strategies to improve cultural intelligence among employees and identifying how to use it to achieve successful integration could involve this prospect.

In summary, future research might investigate different approaches to cultural integration, the impact of employee engagement and due diligence initiatives, the role of technology, and cultural intelligence to improve our understanding of the integration process in M&A.

Conclusion

The present study has notably contributed to the literature on M&A by providing insights into the critical factors that impact the integration process. The study's primary objective was to identify the factors that impact the integration process's success and provide practical implications for organizations involved in mergers and acquisitions. The results of this study have profound implications for organizations involved in M&A.

One of the key findings of this study is that addressing cultural differences between acquiring and acquired companies is crucial for a successful integration process. This finding is consistent with previous research that highlights the importance of cultural alignment in ensuring successful integration. The results suggest that organizations could proactively assess and manage cultural differences to reduce potential cultural clashes and facilitate integration. Implementing strategies to improve cultural intelligence among employees and identifying how to use it to achieve successful integration can lead to this outcome.

Another foundational factor this study identifies is the founders' involvement in the integration process. The results suggest that founders are consequential in the integration process and can influence its success. This finding is consistent with previous research that indicates founder involvement can impact the integration process's success. The results suggest that involving founders in the integration process can facilitate cultural alignment, reduce resistance to change, and enhance employee morale.

The study highlighted the importance of engaging employees during integration. The results suggest that employee engagement is a structural factor that impacts the integration process's success. Engaging employees during the integration process can increase their commitment to the organization and facilitate the integration of cultures, processes, and systems. The findings suggest that organizations may proactively involve employees in the integration process and communicate effectively to ensure successful integration.

The study emphasized the importance of understanding the acquired company's business and staff, including independent contractors, during the integration process. The results suggest that having a clear understanding of the acquired company's business is a prerequisite to facilitating successful integration. Understanding the acquired company's business can help identify potential areas of synergy and enable effective integration of processes and systems. The findings suggest that organizations could conduct thorough due diligence and engage in extensive discussions with the acquired company's management to understand their business thoroughly.

Finally, the study highlights the importance of utilizing qualitative and quantitative methods to understand the integration process comprehensively. The majority of due diligence is quantitative; however, the concept of mixed-methods due diligence, though novel, may prove paramount to successful mergers. The results suggest combining qualitative and quantitative methods can provide a more comprehensive understanding of the central factors impacting the integration process. Qualitative methods can help identify themes and factors challenging to quantify, while quantitative methods can provide objective measures of the integration process's success.

This study provides practical implications for organizations involved in M&A. The study highlights the importance of addressing cultural differences, involving founders in the integration process, engaging employees, understanding the acquired company's business and staff, and utilizing qualitative and quantitative methods to understand the integration process comprehensively. Organizations may proactively assess and manage these fundamental factors to reduce cultural clashes, enhance employee morale and commitment, and facilitate the integration of cultures, processes, and systems.

Notably, two M&A transactions with the poorest performance, as identified in the M&A Integration Survey, had the highest scores in the Hierarchy type of the OCAI for the acquired company. Although this sample size is statistically insufficient, the anecdotal evidence I observed during the interviews suggests that companies that lean towards a hierarchical and market-driven culture may be more challenging to integrate with an acquiring company with a hierarchical or market-driven culture. As companies grow in revenue and headcount, they adopt a hierarchical culture. This result may explain why many consider 70% or more of M&A transaction failures. Perhaps this is because most M&A transactions that are studied are large public companies acquired by larger public companies with readily available financial data, and their cultural similarities in the hierarchy quadrant explain their lack of compatibility, thereby leading to the M&A being considered a failure.

The findings shed light on the concept of dominant culture and its potential influence on M&A integration success. The study explored the possibility of identifying a statistically dominant culture within the acquired and acquiring companies. Such identification holds substantial significance as it can provide valuable insights into effectively integrating these cultures or, more importantly, serve as a compelling reason to reconsider concluding the transaction altogether. When assessing M&A transactions, recognizing the presence of a dominant culture becomes crucial in understanding the potential challenges and opportunities associated with integration efforts. By identifying a dominant culture, organizations gain a deeper understanding of the compatibility or incompatibility between the cultures of the acquiring and acquired companies. This insight becomes a guiding factor in determining the feasibility and potential success of integrating these cultures. The detection of significant disparities or conflicts between the dominant cultures of both entities can act as a trigger to consider alternative strategies or prompt a reconsideration of the decision to acquire.

The dissertation highlights the importance of identifying dominant cultures in M&A transactions to inform decision-making processes. It underscores the significance of culture as a critical factor in determining integration success and emphasizes the need for careful evaluation and consideration of cultural compatibility during the due diligence and pre-acquisition stages. Ultimately, the ability to discern dominant cultures within the context of M&A transactions provides valuable direction for organizations to effectively manage the integration process and mitigate potential risks associated with cultural misalignments.

The research presented shows that most evaluated transactions did not fail; consequently, the acquired companies' dominant culture was clan culture. Investigating the realistic possibility that a larger acquirer with a hierarchical culture purchasing a clan culture-driven company may result in greater M&A integration and overall success may be worthwhile. Such research could help to address the apparent contradiction between the high incidence of M&A failures and the relatively few failures reported in the present study.

The present research centered on examining the travel and travel services industry; however, the findings may have far-reaching implications for decision-making in various industry sectors and geographic regions. Through presenting the research outcomes and recommendations, I aim to foster exponential growth in the success rates of M&A across different industries. Leveraging the insights from the current study to inform strategic decision-making in the context of M&A activity across diverse domains can facilitate this process. This realization, in turn, can improve the efficacy of integration efforts and result in tremendous business success.

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APPENDIX A: ALL INFORMED CONSENT DOCUMENTS

Participant Study Title:

Post-merger performance survey

Formal Study Title:

Measuring the Effects of Organizational Culture on Post-Merger Integration Costs

Authorized Study Personnel

Principal Investigator: John M Rose, (m) 443-852-5057

Key Information:

If you agree to participate in this study, the project will involve:

- Taking a Qualtrics survey on merger integration performance.
- The Qualtrics survey takes approximately 30 minutes to complete
- This research presents minimal risk of losing confidentiality and emotional or psychological distress because the surveys involve sensitive questions about your organization's culture.
- You will be provided a copy of this consent form

Invitation

You are invited to take part in this research study. The information in this form is meant to help you decide whether or not to participate. If you have any questions, please ask.

Why are you being asked to be in this research study?

You are being asked to be in this study because you are an employee with at least three years of employment with your company involved in a merger and acquisition transaction in the past five years.

What is the reason for doing this research study?

We do not know enough about organizational cultural integration after a merger. We ask that members of the merger integration team take a Qualtrics survey on integration performance.

The survey information will help determine cultural fit during an M&A transaction and help future transactions achieve a higher success rate.

What will be done during this research study?

You will be asked to complete a Qualtrics survey using an internet-based questionnaire. The Qualtrics survey will take 30 minutes each to complete, and you may complete it from your home computer.

How will my data be used?

Your data will not be sent to researchers outside of Pepperdine University. The information gathered is for internal research only to determine organizational culture type and the relationship to M&A integration success.

What are the possible risks of being in this research study?

Reassurance that the surveys are confidential and stored in accordance with Pepperdine data security requirements and will not be shared with the subject's employer. Regular breaks to reduce fatigue and stress. This research presents minimal risk of losing confidentiality and emotional or psychological distress because the surveys involve sensitive questions about your organization's culture.

What are the possible benefits to you?

You are not expected to get any benefit from being in this study.

What are the possible benefits to other people?

The benefits to science and society may include a better understanding of organizational culture fit within M&A transactions and possibly how to improve the integration of the two companies.

What will being in this research study cost you?

There is no cost to you for participating in this research study.

Will you be compensated for being in this research study?

There is no compensation for your participation in this study.

What should you do if you have a problem during this research study?

Your welfare is the primary concern of every member of the research team. If you have a problem directly resulting from being in this study, you should immediately contact one of the people listed at the beginning of this consent form.

How will information about you be protected?

Reasonable steps will be taken to protect your privacy and the confidentiality of your study data. The data will be stored electronically through a secure server and only be seen by the research team during the study and for ten years after the analysis is complete. The only persons who will access your research records are the study personnel, the Institutional Review Board (IRB) of Pepperdine University, and any other person, agency, or sponsor as required by law. The information from this study may be published in scientific journals or presented at scientific meetings, but the data will be reported as a group or summarize data, and your identity will be kept strictly confidential.

What are your rights as a research subject?

You may ask any questions concerning this research and have those questions answered before agreeing to participate in or during the study. For study-related questions, please get in touch with the investigator(s) listed at the beginning of this form.

For questions concerning your rights or complaints about the research, contact the Institutional Review Board (IRB):

Phone: 1(310)568-2305

Email: gpsirb@pepperdine.edu

What will happen if you decide not to be in this research study or choose to stop participating once you start?

You can decide not to be in this research study or stop being in this study ("withdraw') at any time before, during, or after the research begins for any reason. Deciding not to be in this research study or choosing to withdraw will not affect your relationship with the investigator or Pepperdine University.

Documentation of informed consent

You are voluntarily deciding whether or not to be in this research study. Signing this form means that (1) you have read and understood this consent form, (2) you have had the consent form explained to you, (3) you have had your questions answered, and (4) you have decided to be in the research study. You will be given a copy of this consent form to keep.

Participant Feedback Survey

To meet Pepperdine University's ongoing accreditation efforts and to meet the Accreditation of Human Research Protection Programs (AAHRPP) standards, an online feedback survey is included below:

https://forms.gle/nnRgRwLgajYzBq5t7

Participant Name:

____

Name of Participant: Please Print

Participant Signature:

____

Signature of Research Participant Date

OCAI Consent

Participant Study Title:

Post-merger organizational Culture assessment Instrument (OCAI)

Formal Study Title:

Measuring the Effects of Organizational Culture on Post-Merger Integration Costs

Authorized Study Personnel

Principal Investigator: John M Rose, (m) 443-852-5057

Key Information:

If you agree to participate in this study, the project will involve:

- Taking the Organizational Culture Assessment Instrument (OCAI, © Kim Cameron). The OCAI distinguishes four distinct types (Clan, Adhocracy, Market, or Hierarchy)
- The OCAI is online and takes approximately 30 minutes to complete
- This research presents minimal risk of losing confidentiality and emotional or psychological distress because the OCAI involves sensitive questions about your organization's culture
- You will be provided a copy of this consent form

Invitation

You are invited to take part in this research study. The information in this form is meant to help you decide whether or not to participate. If you have any questions, please ask.

Why are you being asked to be in this research study?

You are being asked to be in this study because you are an employee with at least three years of employment with your company involved in a merger and acquisition transaction in the past five years.

What is the reason for doing this research study?

We do not know enough about organizational cultural integration after a merger. We ask employees to take the Organizational Culture Assessment Instrument (OCAI) to help identify different culture types. The OCAI information will help determine cultural fit during an M&A transaction and help future transactions achieve a higher success rate.

What will be done during this research study?

You will be asked to complete the OCAI using an internet-based questionnaire. The OCAI will take 30 minutes each to complete, and you may complete it from your home computer.

How will my data be used?

Your data will not be sent to researchers outside of Pepperdine University. The information gathered is for internal research only to determine organizational culture type and the relationship to M&A integration success.

What are the possible risks of being in this research study?

Reassurance that the OCAI results are confidential and stored in accordance with Pepperdine data security requirements and will not be shared with the subject's employer. Regular breaks to reduce fatigue and stress. The OCAI online is owned by a third-party company OCAI online is a trade name of the company Kikker Group, registered with the Chamber of Commerce in Zwolle under number 28076947. The OCAI GDPR compliance, privacy statement, and terms and conditions are included as attachments. This research presents minimal risk of losing confidentiality and emotional or psychological distress because the OCAI involves sensitive questions about your organization's culture.

What are the possible benefits to you?

You are not expected to get any benefit from being in this study.

What are the possible benefits to other people?

The benefits to science and society may include a better understanding of organizational culture fit within M&A transactions and possibly how to improve the integration of the two companies.

What will being in this research study cost you?

There is no cost to you for participating in this research study.

Will you be compensated for being in this research study?

There is no compensation for your participation in this study.

What should you do if you have a problem during this research study?

Your welfare is the primary concern of every member of the research team. If you have a problem directly resulting from being in this study, you should immediately contact one of the people listed at the beginning of this consent form.

How will information about you be protected?

Reasonable steps will be taken to protect your privacy and the confidentiality of your study data. The data will be stored electronically through a secure server and only be seen by the research team during the study and for ten years after the analysis is complete. The only persons who will access your research records are the study personnel, the Institutional Review Board (IRB) of Pepperdine University, and any other person, agency, or sponsor as required by law. The information from this study may be published in scientific journals or presented at scientific meetings, but the data will be reported as a group or summarize data, and your identity will be kept strictly confidential.

What are your rights as a research subject?

You may ask any questions concerning this research and have those questions answered before agreeing to participate in or during the study. For study-related questions, please get in touch with the investigator(s) listed at the beginning of this form.

For questions concerning your rights or complaints about the research, contact the Institutional Review Board (IRB):

Phone: 1(310)568-2305

Email: gpsirb@pepperdine.edu

What will happen if you decide not to be in this research study or choose to stop participating once you start?

You can decide not to be in this research study or stop being in this study ("withdraw') at any time before, during, or after the research begins for any reason. Deciding not to be in this research study or choosing to withdraw will not affect your relationship with the investigator or Pepperdine University.

Documentation of informed consent

You are voluntarily deciding whether or not to be in this research study. Signing this form means that (1) you have read and understood this consent form, (2) you have had the consent form explained to you, (3) you have had your questions answered, and (4) you have decided to be in the research study. You will be given a copy of this consent form to keep.

Participant Feedback Survey

To meet Pepperdine University's ongoing accreditation efforts and to meet the Accreditation of Human Research Protection Programs (AAHRPP) standards, an online feedback survey is included below: https://forms.gle/nnRgRwLgajYzBq5t7

Participant Name:

____

Name of Participant: Please Print

Participant Signature:

____

Signature of Research Participant Date

Investigator certification:

My signature certifies that all elements of informed consent described on this consent form have been explained fully to the subject. In my judgment, the participant possesses the capacity to give informed consent to participate in this research and is voluntarily and knowingly giving informed consent to participate.

____

Signature of Person Obtaining Consent Date

Interview Consent

Participant Study Title:

Post-merger interviews

Formal Study Title:

Measuring the Effects of Organizational Culture on Post-Merger Integration Costs

Authorized Study Personnel

Principal Investigator: John M Rose, (m) 443-852-5057

Key Information:

If you agree to participate in this study, the project will involve:

- Agree to participate in a live 60-minute Zoom interview discussing post-merger integration performance.
- This research presents minimal risk of losing confidentiality and emotional or psychological distress because the interviews involve sensitive questions about your organization's culture
- You will be provided a copy of this consent form

Invitation

You are invited to take part in this research study. The information in this form is meant to help you decide whether or not to participate. If you have any questions, please ask.

Why are you being asked to be in this research study?

You are being asked to be in this study because you are an employee with at least three years of employment with your company involved in a merger and acquisition transaction in the past five years.

What is the reason for doing this research study?

We do not know enough about organizational cultural integration after a merger. We ask employees to participate in live interviews to understand post-merger integration performance better. The interview information will help determine cultural fit during an M&A transaction and help future transactions achieve a higher success rate.

What will be done during this research study?

The interviews will be conducted live over Zoom, taking approximately 60 mins.

How will my data be used?

Your data will not be sent to researchers outside of Pepperdine University. The information gathered is for internal research only to determine organizational culture type and the relationship to M&A integration success.

What are the possible risks of being in this research study?

Reassurance that the interviews are confidential and stored in accordance with Pepperdine data security requirements and will not be shared with the subject's employer. Regular breaks to reduce fatigue and stress. Ensure a professional and confidential setting to conduct the interviews for both sides of the interview. This research presents minimal risk of losing confidentiality and emotional or psychological distress because the interviews involve sensitive questions about your organization's culture.

What are the possible benefits to you?

You are not expected to get any benefit from being in this study.

What are the possible benefits to other people?

The benefits to science and society may include a better understanding of organizational culture fit within M&A transactions and possibly how to improve the integration of the two companies.

What will being in this research study cost you?

There is no cost to you for participating in this research study.

Will you be compensated for being in this research study?

There is no compensation for your participation in this study.

What should you do if you have a problem during this research study?

Your welfare is the primary concern of every member of the research team. If you have a problem directly resulting from being in this study, you should immediately contact one of the people listed at the beginning of this consent form.

How will information about you be protected?

Reasonable steps will be taken to protect your privacy and the confidentiality of your study data. The data will be stored electronically through a secure server and only be seen by the research team during the study and for ten years after the analysis is complete. The only persons who will access your research records are the study personnel, the Institutional Review Board (IRB) of Pepperdine University, and any other person, agency, or sponsor as required by law. The information from this study may be published in scientific journals or presented at scientific meetings, but the data will be reported as a group or summarize data, and your identity will be kept strictly confidential.

What are your rights as a research subject?

You may ask any questions concerning this research and have those questions answered before agreeing to participate in or during the study. For study-related questions, please get in touch with the investigator(s) listed at the beginning of this form.

For questions concerning your rights or complaints about the research, contact the Institutional Review Board (IRB):

Phone: 1(310)568-2305

Email: gpsirb@pepperdine.edu

What will happen if you decide not to be in this research study or choose to stop participating once you start?

You can decide not to be in this research study or stop being in this study ("withdraw') at any time before, during, or after the research begins for any reason. Deciding not to be in this research study or choosing to withdraw will not affect your relationship with the investigator or Pepperdine University.

Documentation of informed consent

You are voluntarily deciding whether or not to be in this research study. Signing this form means that (1) you have read and understood this consent form, (2) you have had the consent form explained to you, (3) you have had your questions answered, and (4) you have decided to be in the research study. You will be given a copy of this consent form to keep.

Participant Feedback Survey

To meet Pepperdine University's ongoing accreditation efforts and to meet the Accreditation of Human Research Protection Programs (AAHRPP) standards, an online feedback survey is included below:

https://forms.gle/nnRgRwLgajYzBq5t7

Participant Name:

____

Name of Participant: Please Print

Participant Signature:

____

Signature of Research Participant Date

Investigator certification:

My signature certifies that all elements of informed consent described on this consent form have been explained fully to the subject. In my judgment, the participant possesses the capacity to give informed consent to participate in this research and is voluntarily and knowingly giving informed consent to participate.

____

Signature of Person Obtaining Consent Date

APPENDIX B: M&A INTEGRATION PERFORMANCE SURVEY QUESTIONS

Welcome to the research study!

We are interested in understanding integration post-merger and acquisition (M&A). The research looks at the integration and the subsequent outcomes, which vary by year following the M&A transaction close date. Compare actual results for each year versus transaction goals, not post-transaction performance versus pre-transaction performance. You will be presented with information relevant to integration performance and asked to answer some questions. Please be assured that your responses will be kept entirely confidential.

The study should take you around ten minutes to complete. Your participation in this research is voluntary. You have the right to withdraw at any point during the study, for any reason, and without any prejudice. If you would like to contact the Principal Investigator in the study to discuss this research, please e-mail John Rose at john.rose@pepperdine.edu.

By clicking the button below, you acknowledge that your participation in the study is voluntary, that you are 18 years of age, and that you are aware that you may choose to terminate your participation in the study at any time and for any reason.

This survey is best displayed on a laptop or desktop computer. Some features may be less compatible for use on a mobile device. The questions are on a Likert scale from Excellent to Very Poor, with a non-applicable (N/A) option if you do not know the answer.

I consent, begin the study.

I do not consent, I do not wish to participate.

Q2-Q4 used the following Likert Scale: Excellent, Good, Fair, Poor, Very Poor, and NA

Q2-Q4 used the same 11 questions, followed after the questions.

Q2 Rank the post-merger integration performance for each category over the **first** full year after the transaction close

Q3 Rank the post-merger integration performance for each category over the **second** full year after the transaction close

Q4 Rank the post-merger integration performance for each category over the **third** full year after the transaction close

To what extent did the two organizational cultures integrate?

To what extent did you achieve the acquisition financial synergy goals?

To what extent did revenues increase due to new products or services?

To what extent did profitability grow due to operational gains?

To what extent was employee turnover impacted?

To what extent was your brand positively influenced?

To what extent were policies and procedures improved?

To what extent were your mission and values changed?

To what extent was your performance management affected?

To what extent do you think the purchase price was fair?

At the end-of-year mark, what is your overall assessment of the extent of acquisition success?

APPENDIX C: OCAI QUESTIONNAIRE

Dominant Characteristics

- The organization is a very personal place. It is like an extended family. People seem to share a lot of personal information and features.
- The organization is a very dynamic entrepreneurial place. People are willing to stick out their necks and take risks.
- The organization is very result-oriented. A major concern is getting the job done. People are extremely competitive and achievement-oriented.
- The organization is a very controlled and structured place. Formal procedures generally govern what people do.

Organizational Leadership

- The leadership in the organization is generally considered to exemplify mentoring, facilitating, or nurturing.
- The leadership in the organization is generally considered to exemplify entrepreneurship, innovation, or risk-taking.
- The leadership in the organization is generally considered to exemplify a no-nonsense, aggressive, results-oriented focus.
- The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency.

Management of Employees

- The management style in the organization is characterized by teamwork, consensus, and participation.
- The management style in the organization is characterized by individual risk-taking, innovation, freedom, and uniqueness.
- The management style in the organization is characterized by hard-driving competitiveness, high demands, and achievement.
- The management style in the organization is characterized by the security of employment, conformity, predictability, and stability in relationships.

Organization Glue

- The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high.
- The glue that holds the organization together is a commitment to innovation and development. There is an emphasis on being on the cutting edge.

- The glue that holds the organization together is an emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes.
- The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important.

Strategic Emphases

- The organization emphasizes human development. High trust, openness, and participation persist.
- The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued.
- The organization emphasizes competitive actions and achievement. Attaining targets and winning in the marketplace are dominant.
- The organization emphasizes permanence and stability. Efficiency, control, and smooth operations are important.

Criteria of Success

- The organization defines success on the basis of development of human resources, teamwork, employee commitment, and concern for people.
- The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator.
- The organization defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is key.
- The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.

APPENDIX D: INTERVIEW QUESTIONS

These interviews, coded in NVivo, will be conducted with three individuals at each of the acquired and acquiring companies.

Qualitative Interview Questions

- Q1: What worked well in your department during the post-merger integration?
    - o How do you know it worked?
    - o What role do you think organizational culture played in what worked well?
- Q2: What did not work well during the integration?
    - o How do you know it did not?
    - o What role do you think organizational culture played in what worked poorly?
- Q3: Did you have any significant challenges or roadblocks during the integration?
    - o Were these unforeseen?
    - o Did organizational culture impact the challenges or roadblocks with the integration?
- Q4: How were those challenges handled?
    - o Were the challenges ever resolved?
    - o Did organizational culture influence how those challenges were handled?
- Q5: Did anything change for the better after the integration?
    - o If so, what?
    - o For the worse?
    - o What role, if any, did organizational culture play in the changes for the better?
- Q6: How did this integration compare to other integrations you have been a part of in the past?
- Q7: Anything else you want to add to help me know more about how culture influences the M&A process?

APPENDIX E: M&A INTEGRATION PERFORMANCE SURVEY RESULTS

Combined Average (green highlighted rows represent the top three scores, and red represents the bottom three scores)

	Respondent 1				**Respondent 2**				
M&A	Year One	Year Two	Year Three	AVG	Year One	Year Two	Year Three	AVG	Combined AVG
1	4.00	4.09	4.18	4.09	3.91	3.91	3.91	3.91	4.00
2	3.91	4.00	4.09	4.00	3.73	3.82	3.91	3.82	3.91
3	3.82	3.82	3.82	3.82	3.64	3.64	3.64	3.64	3.73
4	**2.73**	**2.82**	**2.64**	**2.73**	**2.73**	**2.82**	**2.91**	**2.82**	**2.77**
5	4.18	4.27	4.36	4.27	4.00	4.09	3.91	4.00	4.14
6	4.00	4.00	4.00	4.00	4.09	4.09	4.09	4.09	4.05
7	3.91	4.00	4.09	4.00	4.09	4.18	4.27	4.18	4.09
8	3.73	3.82	3.91	3.82	3.82	3.91	4.00	3.91	3.86
9	**4.64**	**4.64**	**4.64**	**4.64**	**4.36**	**4.45**	**4.55**	**4.45**	**4.55**
10	4.00	4.18	4.09	4.09	4.09	4.09	4.09	4.09	4.09
11	3.91	3.82	4.00	3.91	4.00	4.09	4.18	4.09	4.00
12	3.45	3.55	3.64	3.55	3.64	3.82	3.73	3.73	3.64
13	**2.91**	**2.82**	**2.73**	**2.82**	**2.64**	**2.73**	**2.55**	**2.64**	**2.73**
14	3.55	3.64	3.73	3.64	3.55	3.55	3.55	3.55	3.59
15	4.27	4.27	4.27	4.27	4.09	4.18	4.27	4.18	4.23
16	4.36	4.36	4.36	4.36	4.27	4.18	4.09	4.18	4.27
17	3.82	4.00	3.91	3.91	4.00	4.09	3.91	4.00	3.95
18	3.73	3.91	3.82	3.82	4.00	4.00	4.00	4.00	3.91
19	4.00	4.00	4.00	4.00	4.18	4.36	4.27	4.27	4.14
20	4.27	4.36	4.45	4.36	4.55	4.36	4.45	4.45	4.41
21	**5.00**	**5.00**	**5.00**	**5.00**	**4.82**	**4.82**	**4.82**	**4.82**	**4.91**
22	4.45	4.55	4.64	4.55	4.45	4.45	4.45	4.45	4.50

	Respondent 1				Respondent 2				
M&A	Year One	Year Two	Year Three	AVG	Year One	Year Two	Year Three	AVG	Combined AVG

23	4.45	4.45	4.45	4.45	4.27	4.27	4.55	4.36	4.41
24	4.27	4.36	4.45	4.36	4.27	4.27	4.27	4.27	4.32
25	3.91	4.09	4.00	4.00	4.00	3.91	3.82	3.91	3.95
26	3.91	3.91	3.91	3.91	3.91	3.82	4.00	3.91	3.91
27	**2.64**	**2.73**	**2.55**	**2.64**	**2.27**	**2.27**	**2.27**	**2.27**	**2.45**
28	4.09	4.00	3.91	4.00	4.09	4.18	4.00	4.09	4.05
29	4.18	4.00	4.09	4.09	4.18	4.18	4.18	4.18	4.14
30	4.00	4.00	4.00	4.00	4.36	4.27	4.18	4.27	4.14
31	4.09	4.09	4.09	4.09	4.27	4.27	4.27	4.27	4.18
32	4.27	4.18	4.36	4.27	4.18	4.18	3.91	4.09	4.18
33	4.36	4.36	4.36	4.36	4.36	4.36	4.36	4.36	4.36
34	4.00	4.00	4.00	4.00	4.55	4.36	4.45	4.45	4.23
35	4.18	4.36	4.55	4.36	3.91	3.91	3.91	3.91	4.14
36	4.00	4.09	3.91	4.00	4.36	4.55	4.45	4.45	4.23
37	3.73	3.64	3.82	3.73	3.82	3.91	3.73	3.82	3.77
38	3.55	3.55	3.55	3.55	3.64	3.64	3.64	3.64	3.59
39	3.36	3.36	3.36	3.36	3.45	3.55	3.64	3.55	3.45
40	3.36	3.45	3.55	3.45	4.00	4.00	4.00	4.00	3.73
41	3.91	4.00	4.09	4.00	3.91	4.09	4.27	4.09	4.05
42	**4.45**	**4.55**	**4.64**	**4.55**	**4.64**	**4.64**	**4.64**	**4.64**	**4.59**
43	4.09	4.00	3.91	4.00	4.00	3.91	3.82	3.91	3.95
44	4.36	4.55	4.45	4.45	3.91	4.00	4.09	4.00	4.23
45	4.55	4.55	4.55	4.55	4.27	4.45	4.36	4.36	4.45
46	4.45	4.36	4.55	4.45	4.09	4.00	3.91	4.00	4.23
47	3.73	3.73	3.73	3.73	4.00	4.18	4.09	4.09	3.91
48	3.91	4.09	4.00	4.00	4.27	4.36	4.45	4.36	4.18
49	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09
50	4.27	4.55	4.55	4.45	4.55	4.27	4.27	4.36	4.41

M&A Integration Performance Survey Results By Question

Respondent One

Year One

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year One
1	5	4	3	4	4	5	4	4	3	4	4	4.00
2	4	4	3	4	4	5	4	4	3	4	4	3.91
3	4	4	3	4	3	5	4	4	3	4	4	3.82
4	3	3	2	3	3	3	3	2	3	2	3	2.73
5	5	4	4	5	4	5	4	4	3	4	4	4.18
6	4	4	4	4	4	5	4	4	3	4	4	4.00
7	4	4	3	4	4	5	4	4	3	4	4	3.91
8	4	4	3	4	4	4	4	4	3	3	4	3.73
9	5	5	4	5	4	5	4	5	4	5	5	4.64
10	4	4	4	4	4	4	4	4	4	4	4	4.00
11	4	4	4	4	4	4	4	4	3	4	4	3.91
12	4	3	3	4	4	4	3	3	3	3	4	3.45
13	3	3	3	3	3	3	3	3	2	3	3	2.91
14	3	4	3	4	4	4	3	3	3	4	4	3.55
15	5	5	4	4	5	5	4	4	3	4	4	4.27
16	5	5	4	4	5	5	4	5	3	4	4	4.36
17	4	4	4	4	4	4	4	3	3	4	4	3.82
18	4	4	3	4	4	4	4	3	2	4	5	3.73
19	4	4	4	4	4	4	4	4	4	4	4	4.00
20	4	5	4	5	4	5	4	4	4	4	4	4.27
21	5	5	5	5	5	5	5	5	5	5	5	5.00
22	5	5	5	5	5	5	4	4	4	3	4	4.45
23	5	5	4	5	5	5	4	4	5	5	2	4.45
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year One
24	5	4	4	5	4	5	4	5	3	4	4	4.27

25	4	4	4	4	4	4	4	4	3	4	4	3.91
26	4	4	3	4	4	5	3	4	4	4	4	3.91
27	2	2	3	3	3	2	3	3	2	3	3	2.64
28	4	4	4	4	5	4	4	4	4	4	4	4.09
29	4	4	4	4	4	5	4	4	4	4	5	4.18
30	4	4	4	4	4	4	4	4	4	4	4	4.00
31	4	5	4	5	4	4	4	4	3	4	4	4.09
32	4	5	4	4	5	5	3	5	3	4	5	4.27
33	4	5	4	4	5	5	4	4	4	4	5	4.36
34	4	4	4	3	4	4	4	4	4	5	4	4.00
35	4	5	4	4	4	5	4	4	4	4	4	4.18
36	4	3	5	4	4	4	4	4	4	4	4	4.00
37	3	4	4	3	4	5	4	4	3	5	2	3.73
38	3	3	3	4	4	4	4	4	4	3	3	3.55
39	3	3	3	3	3	4	4	4	3	4	3	3.36
40	3	4	3	3	3	4	2	3	4	4	4	3.36
41	4	4	4	4	4	4	4	4	4	4	3	3.91
42	5	5	5	4	4	5	4	4	4	4	5	4.45
43	4	4	4	4	4	4	4	4	4	4	5	4.09
44	4	5	5	4	5	5	4	4	4	4	4	4.36
45	5	5	5	4	4	5	4	4	4	5	5	4.55
46	5	5	4	5	5	5	4	5	3	4	4	4.45
47	4	3	3	3	4	4	4	4	3	4	5	3.73
48	4	4	3	4	4	5	4	4	3	4	4	3.91
49	4	4	4	4	4	5	4	4	4	4	4	4.09
50	4	4	4	4	5	5	4	5	3	5	4	4.27

Year Two

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year Two
1	5	4	4	4	4	5	4	4	3	4	4	4.09
2	4	4	4	4	4	4	4	4	4	4	4	4.00
3	4	4	4	3	4	4	4	4	3	4	4	3.82
4	3	3	3	3	3	3	2	3	2	3	3	2.82
5	4	4	4	4	5	4	4	4	4	5	5	4.27
6	4	4	4	4	4	4	4	4	4	4	4	4.00
7	4	4	4	5	4	4	4	4	4	3	4	4.00
8	4	4	4	4	4	4	4	3	3	4	4	3.82
9	5	5	4	5	4	5	4	5	4	5	5	4.64
10	4	4	4	4	4	4	5	4	4	5	4	4.18
11	3	4	3	3	4	4	4	4	3	5	5	3.82
12	3	3	3	4	4	4	4	4	4	3	3	3.55
13	3	3	3	3	3	3	3	3	3	2	2	2.82
14	3	3	3	4	4	4	3	4	3	4	5	3.64
15	5	4	5	5	5	5	4	4	4	3	3	4.27
16	5	4	5	4	4	4	5	4	4	5	4	4.36
17	4	4	4	4	4	4	4	4	4	3	5	4.00
18	4	3	4	4	4	4	4	4	4	4	4	3.91
19	4	4	4	4	4	4	4	4	4	4	4	4.00
20	5	4	4	4	4	5	5	4	4	4	5	4.36
21	5	5	5	5	5	5	5	5	5	5	5	5.00
22	5	4	4	5	5	5	5	5	4	5	3	4.55
23	5	4	4	5	5	4	5	5	4	4	4	4.45
24	4	4	4	5	5	5	4	4	4	4	5	4.36
25	4	4	4	4	4	4	4	4	4	5	4	4.09
26	3	4	4	4	4	4	4	4	4	4	4	3.91
27	2	3	3	2	2	3	3	3	3	3	3	2.73
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year Two

28	4	4	4	4	3	5	4	4	4	4	4	4.00
29	4	4	4	4	4	4	4	4	4	4	4	4.00
30	4	4	3	4	4	5	4	4	4	4	4	4.00
31	4	5	3	5	5	4	4	4	4	4	3	4.09
32	4	4	4	4	4	4	4	4	4	5	5	4.18
33	5	5	3	5	4	4	5	4	4	4	5	4.36
34	3	3	3	4	5	5	5	4	4	4	4	4.00
35	4	5	5	4	4	4	4	4	4	5	5	4.36
36	4	4	3	4	5	4	4	4	4	5	4	4.09
37	3	3	3	4	4	4	4	4	4	3	4	3.64
38	3	3	3	4	4	3	4	4	2	4	5	3.55
39	3	3	3	4	4	3	3	4	3	3	4	3.36
40	3	3	4	4	3	4	4	3	3	3	4	3.45
41	4	4	4	4	4	4	4	4	4	4	4	4.00
42	4	4	4	5	5	4	5	5	5	4	5	4.55
43	4	4	4	4	4	4	4	4	3	4	5	4.00
44	5	5	4	5	4	5	5	4	5	4	4	4.55
45	5	4	4	5	4	5	5	5	4	5	4	4.55
46	4	4	4	5	5	4	4	4	4	5	5	4.36
47	4	3	3	4	4	4	4	4	3	4	4	3.73
48	4	4	4	4	5	4	4	4	4	4	4	4.09
49	3	4	3	5	5	5	5	5	4	3	3	4.09
50	4	5	5	4	5	5	5	5	4	4	4	4.55

Year Three

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year Three
1	5	4	4	4	4	5	4	4	4	4	4	4.18
2	4	4	4	4	4	5	4	4	4	4	4	4.09
3	4	4	4	3	4	4	4	4	3	4	4	3.82
4	3	3	3	2	3	3	2	2	3	2	3	2.64
5	4	4	4	4	4	5	5	5	4	4	5	4.36
6	4	4	3	4	4	4	4	5	4	4	4	4.00
7	4	4	4	4	4	4	5	4	4	4	4	4.09
8	3	4	3	4	4	4	4	5	4	4	4	3.91
9	5	5	4	5	4	5	4	5	4	5	5	4.64
10	4	4	4	4	5	4	4	4	4	4	4	4.09
11	4	4	4	4	4	4	4	4	4	4	4	4.00
12	3	4	3	4	4	3	4	4	3	4	4	3.64
13	2	3	3	2	3	3	3	3	3	2	3	2.73
14	4	3	4	3	3	4	4	4	3	4	5	3.73
15	5	5	4	4	4	5	4	4	4	4	4	4.27
16	5	4	5	5	4	4	5	4	4	4	4	4.36
17	4	4	4	4	4	4	4	4	3	4	4	3.91
18	4	4	4	4	4	4	4	3	3	4	4	3.82
19	4	4	4	4	4	4	4	4	4	4	4	4.00
20	5	5	4	5	5	4	4	4	4	5	4	4.45
21	5	5	5	5	5	5	5	5	5	5	5	5.00
22	5	5	5	5	4	5	5	5	4	4	4	4.64
23	4	4	4	5	5	5	4	4	5	4	5	4.45
24	5	5	5	4	4	5	4	4	4	5	4	4.45
25	4	4	3	4	4	4	5	4	4	4	4	4.00
26	4	4	4	3	3	4	3	3	5	5	5	3.91
27	2	3	3	3	2	2	3	2	3	3	2	2.55
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG

M&A											Year Three
28	4	4	4	4	4	4	5	3	4	4	3	3.91
29	4	4	4	4	4	4	4	4	4	4	5	4.09
30	4	4	4	4	4	3	4	4	4	5	4	4.00
31	4	4	4	4	4	5	4	4	4	4	4	4.09
32	5	4	5	4	4	4	4	5	4	4	5	4.36
33	4	4	4	4	4	4	5	5	5	5	4	4.36
34	3	3	4	4	5	5	4	4	4	4	4	4.00
35	5	5	5	5	5	4	4	4	4	4	5	4.55
36	4	4	4	4	4	4	4	4	4	4	3	3.91
37	4	4	4	5	3	3	4	4	4	4	3	3.82
38	4	4	3	3	3	4	4	4	3	3	4	3.55
39	3	3	3	3	3	3	4	5	4	3	3	3.36
40	3	3	3	3	5	4	5	4	3	3	3	3.55
41	4	4	4	4	4	4	4	4	4	5	4	4.09
42	5	5	5	5	4	4	4	5	5	4	5	4.64
43	4	4	4	4	4	5	3	4	3	4	4	3.91
44	5	4	5	4	4	4	5	4	4	5	5	4.45
45	5	5	5	5	4	4	4	5	4	4	5	4.55
46	5	4	4	5	5	5	5	4	4	5	4	4.55
47	3	4	4	4	4	4	4	3	3	4	4	3.73
48	4	4	4	4	4	4	5	4	3	4	4	4.00
49	4	4	4	5	4	4	4	4	4	4	4	4.09
50	4	5	5	4	5	5	5	5	4	4	4	4.55

Respondent Two

Year One

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year One
1	4	4	4	4	4	4	4	4	3	4	4	3.91
2	4	4	3	3	4	4	4	4	3	4	4	3.73
3	4	4	3	3	4	3	4	4	3	4	4	3.64
4	2	2	3	3	3	3	4	3	2	2	3	2.73
5	4	4	4	4	4	4	4	4	4	4	4	4.00
6	4	4	4	4	4	4	4	4	3	5	5	4.09
7	4	4	3	4	5	4	4	5	4	4	4	4.09
8	4	4	3	3	4	4	4	4	4	4	4	3.82
9	5	5	4	5	4	5	4	5	4	2	5	4.36
10	4	4	4	4	4	5	4	4	4	4	4	4.09
11	4	4	4	4	4	4	4	4	4	4	4	4.00
12	3	4	3	4	4	4	3	3	4	4	4	3.64
13	3	2	3	2	2	3	3	2	3	3	3	2.64
14	3	3	3	4	3	4	3	3	4	4	5	3.55
15	4	4	4	4	4	5	4	4	4	4	4	4.09
16	4	4	4	4	4	5	5	5	4	4	4	4.27
17	4	4	4	4	4	4	4	4	4	4	4	4.00
18	4	4	3	5	4	4	4	4	4	4	4	4.00
19	4	4	4	4	4	4	5	5	4	4	4	4.18
20	5	5	5	4	5	5	4	5	3	4	5	4.55
21	5	5	4	4	5	5	5	5	5	5	5	4.82
22	4	4	4	5	5	5	5	4	4	4	5	4.45
23	4	4	3	5	5	5	5	4	4	4	4	4.27
24	4	4	4	4	4	5	5	5	4	4	4	4.27
25	3	4	4	5	4	4	4	4	4	4	4	4.00
26	4	4	4	4	4	4	4	4	3	4	4	3.91
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG

M&A												Year One
27	3	2	2	2	3	3	1	2	2	2	3	2.27
28	4	4	4	4	4	4	4	4	4	4	5	4.09
29	5	4	4	4	4	4	5	4	4	4	4	4.18
30	5	5	5	4	4	5	4	4	3	4	5	4.36
31	5	4	4	5	5	4	4	4	3	4	5	4.27
32	4	4	4	4	4	5	4	4	4	4	5	4.18
33	4	4	4	4	4	5	5	5	4	4	5	4.36
34	5	4	4	5	5	5	4	4	4	5	5	4.55
35	4	4	4	4	4	4	4	4	3	4	4	3.91
36	4	4	4	5	5	5	5	4	4	4	4	4.36
37	3	4	3	5	5	4	4	4	4	3	3	3.82
38	3	3	3	4	4	4	3	4	4	4	4	3.64
39	3	3	3	3	3	4	4	4	4	3	4	3.45
40	4	4	4	4	4	4	4	4	4	4	4	4.00
41	4	4	3	4	4	4	4	4	3	4	5	3.91
42	5	5	5	4	4	5	5	5	4	5	4	4.64
43	4	4	4	4	4	4	4	4	3	4	5	4.00
44	4	4	3	4	4	4	4	4	4	4	4	3.91
45	4	4	4	5	5	5	4	4	4	4	4	4.27
46	4	4	4	4	4	5	4	4	4	4	4	4.09
47	4	4	3	5	4	4	4	4	4	4	4	4.00
48	4	4	4	5	5	5	4	4	4	4	4	4.27
49	4	4	4	4	4	4	4	4	3	5	5	4.09
50	5	5	5	5	5	5	4	4	4	4	4	4.55

Year Two

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year Two
1	4	4	4	4	4	4	4	4	3	4	4	3.91
2	4	4	3	4	4	4	4	4	3	4	4	3.82
3	3	3	4	3	4	4	4	4	4	3	4	3.64
4	3	3	3	2	3	3	3	3	3	3	2	2.82
5	4	4	4	4	4	4	4	4	4	5	4	4.09
6	4	4	4	4	4	4	4	4	3	5	5	4.09
7	4	4	4	4	5	5	4	4	3	4	5	4.18
8	4	4	4	3	4	4	4	4	4	4	4	3.91
9	5	5	4	5	4	5	4	5	4	3	5	4.45
10	4	4	4	4	4	5	4	4	4	4	4	4.09
11	4	4	4	4	4	4	4	4	4	5	4	4.09
12	4	4	3	4	4	4	4	4	3	4	4	3.82
13	3	2	3	2	3	3	2	3	3	3	3	2.73
14	3	3	3	4	3	4	3	3	4	4	5	3.55
15	4	4	4	4	4	5	4	4	4	4	5	4.18
16	4	4	4	4	4	4	5	5	4	4	4	4.18
17	4	4	4	4	4	4	4	4	4	4	5	4.09
18	4	4	3	5	4	4	4	4	4	4	4	4.00
19	5	5	4	4	4	4	5	5	4	4	4	4.36
20	4	4	5	5	4	5	4	4	3	5	5	4.36
21	5	5	5	5	5	5	4	5	4	5	5	4.82
22	4	4	4	5	5	5	5	4	4	4	5	4.45
23	4	4	3	5	5	5	5	4	4	4	4	4.27
24	4	4	4	4	4	5	5	5	4	4	4	4.27
25	3	3	4	5	4	4	4	4	4	4	4	3.91
26	4	4	3	4	4	4	4	4	3	4	4	3.82
27	2	3	2	2	3	2	2	2	2	3	2	2.27
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG

M&A												Year Two
28	4	4	4	4	4	5	4	4	4	4	5	4.18
29	5	4	4	4	4	4	5	4	4	4	4	4.18
30	4	5	5	4	4	5	4	4	3	4	5	4.27
31	5	4	4	5	5	4	4	4	3	4	5	4.27
32	4	4	4	4	4	5	4	4	4	4	5	4.18
33	4	4	4	4	4	5	5	5	4	4	5	4.36
34	4	4	4	4	5	5	4	4	4	5	5	4.36
35	4	4	4	4	4	4	4	4	3	4	4	3.91
36	4	4	4	5	5	5	5	4	4	5	5	4.55
37	3	4	3	5	5	5	4	4	4	3	3	3.91
38	4	3	3	3	4	4	3	4	4	4	4	3.64
39	4	3	3	3	3	4	4	4	4	3	4	3.55
40	4	4	4	4	4	4	4	4	4	4	4	4.00
41	4	4	4	4	4	4	4	4	4	4	5	4.09
42	5	5	5	5	5	5	4	4	4	5	4	4.64
43	4	4	4	4	4	4	4	4	3	4	4	3.91
44	4	4	4	4	4	4	4	4	4	4	4	4.00
45	4	4	4	5	5	5	5	5	4	4	4	4.45
46	4	4	4	4	4	4	4	4	4	4	4	4.00
47	4	4	4	4	5	5	4	4	4	4	4	4.18
48	4	4	4	5	5	5	5	4	4	4	4	4.36
49	4	4	4	4	4	4	4	4	3	5	5	4.09
50	4	4	4	5	5	5	4	4	4	4	4	4.27

Year Three

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG
M&A												Year Three
1	4	4	4	4	4	4	4	4	3	4	4	3.91
2	4	4	4	4	4	4	4	4	3	4	4	3.91
3	3	3	4	3	4	4	4	4	4	3	4	3.64
4	3	2	3	3	3	3	3	4	3	2	3	2.91
5	4	4	4	4	4	4	4	4	3	4	4	3.91
6	4	4	4	4	4	4	4	4	3	5	5	4.09
7	4	4	4	4	5	5	4	5	4	4	4	4.27
8	4	4	4	4	4	4	4	4	4	4	4	4.00
9	5	5	4	5	4	5	4	5	4	4	5	4.55
10	4	4	4	4	4	5	4	4	4	4	4	4.09
11	4	4	4	4	4	5	4	4	4	5	4	4.18
12	4	3	3	4	4	4	4	4	3	4	4	3.73
13	2	3	2	3	2	3	3	3	2	2	3	2.55
14	3	3	3	4	3	4	3	3	4	4	5	3.55
15	5	4	4	4	4	5	4	4	4	4	5	4.27
16	4	4	3	4	4	4	5	5	4	4	4	4.09
17	4	4	4	4	4	4	4	4	4	4	3	3.91
18	4	4	3	5	4	4	4	4	4	4	4	4.00
19	4	5	4	4	4	4	5	5	4	4	4	4.27
20	4	5	5	5	5	5	4	4	4	4	4	4.45
21	5	5	5	5	4	5	5	5	5	4	5	4.82
22	4	4	4	5	5	5	5	4	4	4	5	4.45
23	5	5	4	5	5	5	5	4	4	4	4	4.55
24	4	4	4	4	4	5	5	5	4	4	4	4.27
25	3	3	3	5	4	4	4	4	4	4	4	3.82
26	4	4	4	4	4	4	4	4	4	4	4	4.00
27	3	2	2	2	2	2	2	3	2	3	2	2.27
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	AVG

M&A												Year Three
28	4	4	4	4	4	4	4	4	4	4	4	4.00
29	5	4	4	4	4	4	5	4	4	4	4	4.18
30	4	4	5	4	4	5	4	4	3	4	5	4.18
31	5	4	4	5	5	4	4	4	3	4	5	4.27
32	4	3	3	4	4	4	4	4	4	4	5	3.91
33	4	4	4	4	4	5	5	5	4	4	5	4.36
34	4	4	4	4	5	5	5	4	4	5	5	4.45
35	4	4	4	4	4	4	4	4	3	4	4	3.91
36	4	4	4	4	5	5	5	5	4	4	5	4.45
37	4	4	3	4	4	4	4	4	4	3	3	3.73
38	4	3	3	3	4	4	4	3	4	4	4	3.64
39	4	4	3	3	3	4	4	4	4	3	4	3.64
40	4	4	4	4	4	4	4	4	4	4	4	4.00
41	5	4	4	4	4	5	4	4	4	4	5	4.27
42	5	5	5	4	4	5	5	4	4	5	5	4.64
43	4	4	4	4	4	4	4	4	3	4	3	3.82
44	4	4	4	4	4	4	4	4	4	4	5	4.09
45	4	4	4	4	5	5	4	4	4	5	5	4.36
46	3	4	4	4	4	4	4	4	4	4	4	3.91
47	4	4	4	4	4	5	4	4	4	4	4	4.09
48	4	4	4	4	5	5	5	5	3	5	5	4.45
49	4	4	4	4	4	4	4	4	3	5	5	4.09
50	4	4	4	5	5	5	4	4	4	4	4	4.27

APPENDIX F: OCAI RESULTS

Acquired Company OCAI Total Current State

				ACQUIRED COMPANY			
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
1							
	Clan	35	32	32	40	28	33.40
	Adhocracy	23	28	33	25	29	27.60
	Market	22	23	20	18	20	20.60
	Hierarchy	20	17	15	17	23	18.40
2							
	Clan	29	21	35	27	22	26.80
	Adhocracy	22	24	25	28	25	24.80
	Market	35	25	21	24	26	26.20
	Hierarchy	14	30	19	21	27	22.20
3							
	Clan	30	35	29	30	36	32.00
	Adhocracy	30	25	23	21	24	24.60
	Market	22	17	27	21	17	20.80
	Hierarchy	18	23	21	28	23	22.60
4							
	Clan	30	28	32	35	30	31.00
	Adhocracy	30	26	28	30	28	28.40
	Market	21	20	23	19	22	21.00
	Hierarchy	19	26	17	16	20	19.60
5							
	Clan	35	30	30	30	50	35.00
	Adhocracy	22	30	21	29	30	26.40
	Market	23	14	26	18	10	18.20
	Hierarchy	20	26	23	23	10	20.40
6							
	Clan	33	19	29	35	29	29.00
	Adhocracy	26	22	31	26	31	27.20
	Market	16	27	23	26	27	23.80
	Hierarchy	25	32	17	13	13	20.00
7							
	Clan	22	35	33	25	37	30.40
	Adhocracy	26	29	32	32	23	28.40
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Market	24	21	17	19	16	19.40
	Hierarchy	28	15	18	24	24	21.80
8							

	Clan	30	27	32	29		29.50
	Adhocracy	29	26	27	28		27.50
	Market	26	26	18	21		22.75
	Hierarchy	15	21	23	22		20.25
9							
	Clan	52	34	32	35	30	36.60
	Adhocracy	25	28	23	25	29	26.00
	Market	10	20	25	17	18	18.00
	Hierarchy	13	18	20	23	23	19.40
10							
	Clan	33	26	30	28	20	27.40
	Adhocracy	29	15	24	32	23	24.60
	Market	26	29	25	19	27	25.20
	Hierarchy	12	30	21	21	30	22.80
11							
	Clan	29	32	31	30	30	30.40
	Adhocracy	36	29	32	30	24	30.20
	Market	20	17	22	22	20	20.20
	Hierarchy	15	22	15	18	26	19.20
12							
	Clan	27	11	30	30	30	25.60
	Adhocracy	24	32	28	21	24	25.80
	Market	25	28	22	28	17	24.00
	Hierarchy	24	29	20	21	29	24.60
13							
	Clan	22	29	30	32	13	25.20
	Adhocracy	35	34	29	18	26	28.40
	Market	10	6	20	21	28	17.00
	Hierarchy	33	31	21	29	33	29.40
14							
	Clan	30	29	30	30	29	29.60
	Adhocracy	25	33	28	19	35	28.00
	Market	20	31	15	23	17	21.20
	Hierarchy	25	7	27	28	19	21.20
15							
	Clan	14	33	25			24.00
	Adhocracy	18	17	28			21.00
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Market	35	22	27			28.00
	Hierarchy	33	28	20			27.00
16							
	Clan	33	16	32	33	31	29.00

	Adhocracy	32	22	23	24	32	26.60
	Market	11	35	25	22	16	21.80
	Hierarchy	24	27	20	21	21	22.60
17							
	Clan	35	26	32	25	34	30.40
	Adhocracy	31	32	29	27	25	28.80
	Market	20	11	24	18	25	19.60
	Hierarchy	14	31	15	30	16	21.20
18							
	Clan	30	34	29	30	30	30.60
	Adhocracy	27	23	24	26	21	24.20
	Market	20	23	18	27	21	21.80
	Hierarchy	23	20	29	17	28	23.40
19							
	Clan	19	30	23	29	31	26.40
	Adhocracy	18	27	21	26	37	25.80
	Market	35	21	26	24	14	24.00
	Hierarchy	28	22	30	21	18	23.80
20							
	Clan	40	33	31	29	33	33.20
	Adhocracy	30	29	35	29	27	30.00
	Market	20	22	12	22	19	19.00
	Hierarchy	10	16	22	20	21	17.80
21							
	Clan	31	34	38	40	35	35.60
	Adhocracy	29	31	29	30	25	28.80
	Market	20	17	12	13	22	16.80
	Hierarchy	20	18	21	17	18	18.80
22							
	Clan	30	29	20	27	30	27.20
	Adhocracy	28	32	22	33	28	28.60
	Market	27	17	35	24	26	25.80
	Hierarchy	15	22	23	16	16	18.40
23							
	Clan	32	33	28	30	30	30.60
	Adhocracy	36	24	25	27	30	28.40
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Market	21	24	22	23	17	21.40
	Hierarchy	11	19	25	20	23	19.60
24							
	Clan	33	29	30	28	25	29.00
	Adhocracy	26	22	27	38	23	27.20
	Market	25	19	15	23	22	20.80

M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Hierarchy	16	30	28	11	30	23.00
25							
	Clan	20	30	28	30	30	27.60
	Adhocracy	25	28	29	26	22	26.00
	Market	27	25	23	23	24	24.40
	Hierarchy	28	17	20	21	24	22.00
26							
	Clan	32	29	30	24	22	27.40
	Adhocracy	28	26	29	35	21	27.80
	Market	20	23	26	23	35	25.40
	Hierarchy	20	22	15	18	22	19.40
27							
	Clan	15	17	35	34	33	26.80
	Adhocracy	15	12	18	22	27	18.80
	Market	30	32	24	21	22	25.80
	Hierarchy	40	39	23	23	18	28.60
28							
	Clan	31	33	30	21	26	28.20
	Adhocracy	27	24	25	28	33	27.40
	Market	26	24	25	21	27	24.60
	Hierarchy	16	19	20	30	14	19.80
29							
	Clan	29	19	32	25	34	27.80
	Adhocracy	32	29	31	33	26	30.20
	Market	21	35	17	24	25	24.40
	Hierarchy	18	17	20	18	15	17.60
30							
	Clan	34	32	26	40	42	34.80
	Adhocracy	16	32	30	30	25	26.60
	Market	22	17	23	17	22	20.20
	Hierarchy	28	19	21	13	11	18.40
31							
	Clan	16	30	20	33		24.75
	Adhocracy	22	25	23	26		24.00
	Market	35	17	27	24		25.75
	Hierarchy	27	28	30	17		25.50
32							
	Clan	32	34	30	26	30	30.40
	Adhocracy	28	27	29	32	32	29.60
	Market	20	24	23	25	19	22.20
	Hierarchy	20	15	18	17	19	17.80
33							

	Clan	33	25	23	30	33	28.80
	Adhocracy	27	25	21	29	33	27.00
	Market	23	20	26	18	21	21.60
	Hierarchy	17	30	30	23	13	22.60
34							
	Clan	28	29	31	20	19	25.40
	Adhocracy	32	20	32	30	24	27.60
	Market	23	25	24	35	27	26.80
	Hierarchy	17	26	13	15	30	20.20
35							
	Clan	30	30	30	30	26	29.20
	Adhocracy	29	21	26	32	32	28.00
	Market	19	24	21	22	25	22.20
	Hierarchy	22	25	23	16	17	20.60
36							
	Clan	22	22	26	34	30	26.80
	Adhocracy	26	35	32	24	27	28.80
	Market	35	25	23	25	15	24.60
	Hierarchy	17	18	19	17	28	19.80
37							
	Clan	30	30	28	16	28	26.40
	Adhocracy	25	22	32	33	25	27.40
	Market	24	28	21	24	21	23.60
	Hierarchy	21	20	19	27	26	22.60
38							
	Clan	13	17	29	34	19	22.40
	Adhocracy	27	32	28	29	23	27.80
	Market	30	26	23	21	28	25.60
	Hierarchy	30	25	20	16	30	24.20
39							
	Clan	35	33	28			32.00
	Adhocracy	30	22	22			24.67
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Market	20	24	23			22.33
	Hierarchy	15	21	27			21.00
40							
	Clan	16	27	34	30	25	26.40
	Adhocracy	24	32	25	24	35	28.00
	Market	27	21	23	25	15	22.20
	Hierarchy	33	20	18	21	25	23.40
41							
	Clan	31	34	15	32	33	29.00
	Adhocracy	29	24	30	24	28	27.00

	Market	23	22	26	28	22	24.20
	Hierarchy	17	20	29	16	17	19.80
42							
	Clan	33	29	32	29	35	31.60
	Adhocracy	27	21	27	23	30	25.60
	Market	24	33	21	34	18	26.00
	Hierarchy	16	17	20	14	17	16.80
43							
	Clan	29	30	30	19	27	27.00
	Adhocracy	28	22	26	23	32	26.20
	Market	26	23	24	28	22	24.60
	Hierarchy	17	25	20	30	19	22.20
44							
	Clan	30	30	27	30	34	30.20
	Adhocracy	35	25	30	25	28	28.60
	Market	23	21	22	25	22	22.60
	Hierarchy	12	24	21	20	16	18.60
45							
	Clan	35	16	30	32	32	29.00
	Adhocracy	28	24	27	30	27	27.20
	Market	22	35	25	24	25	26.20
	Hierarchy	15	25	18	14	16	17.60
46							
	Clan	39	30	21	29	25	28.80
	Adhocracy	28	30	29	32	17	27.20
	Market	22	24	35	18	35	26.80
	Hierarchy	11	16	15	21	23	17.20
47							
	Clan	29	31	30	28	33	30.20
	Adhocracy	33	35	29	27	26	30.00
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Market	21	16	23	24	16	20.00
	Hierarchy	17	18	18	21	25	19.80
48							
	Clan	22	27	30	20	30	25.80
	Adhocracy	28	32	24	23	29	27.20
	Market	25	21	24	27	17	22.80
	Hierarchy	25	20	22	30	24	24.20
49							
	Clan	38	34	29	30	23	30.80
	Adhocracy	28	22	16	27	38	26.20
	Market	23	24	25	27	25	24.80
	Hierarchy	11	20	30	16	14	18.20

50							
	Clan	27	22	30	29	26	26.80
	Adhocracy	33	24	29	28	27	28.20
	Market	25	24	21	14	21	21.00
	Hierarchy	15	30	20	29	26	24.00

Acquiring Company OCAI Total Current State

			ACQUIRING COMPANY				
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
1							
	Clan	30	14	20	25	30	23.80
	Adhocracy	29	21	24	16	27	23.40
	Market	21	30	28	29	21	25.80
	Hierarchy	20	35	28	30	22	27.00
2							
	Clan	30	23	25	17	35	26.00
	Adhocracy	35	23	35	25	25	28.60
	Market	9	24	22	29	15	19.80
	Hierarchy	26	30	18	29	25	25.60
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
3							
	Clan	19	21	15	25	25	21.00
	Adhocracy	22	20	20	18	24	20.80
	Market	26	29	33	27	25	28.00
	Hierarchy	33	30	32	30	26	30.20
4							
	Clan	32	26	29	32	27	29.20
	Adhocracy	19	33	28	26	29	27.00
	Market	23	22	20	18	17	20.00
	Hierarchy	26	19	23	24	27	23.80
5							
	Clan	30	14	20	15	19	19.60
	Adhocracy	18	16	18	26	19	19.40
	Market	23	30	27	29	26	27.00
	Hierarchy	29	40	35	30	36	34.00
6							
	Clan	19	25	21	22	40	25.40
	Adhocracy	23	24	20	25	30	24.40
	Market	29	25	27	27	17	25.00

	Hierarchy	29	26	32	26	13	25.20
7							
	Clan	17	22	24	20	21	20.80
	Adhocracy	23	15	17	23	21	19.80
	Market	30	34	27	29	28	29.60
	Hierarchy	30	29	32	28	30	29.80
8							
	Clan	23	19	10	20	30	20.40
	Adhocracy	24	22	24	15	22	21.40
	Market	26	29	27	32	19	26.60
	Hierarchy	27	30	39	33	29	31.60
9							
	Clan	19	21	26	25	20	22.20
	Adhocracy	35	37	33	32	40	35.40
	Market	32	22	24	23	20	24.20
	Hierarchy	14	20	17	20	20	18.20
10							
	Clan	30	30	27	16	23	25.20
	Adhocracy	20	29	17	27	18	22.20
	Market	22	23	26	25	29	25.00
	Hierarchy	28	18	30	32	30	27.60
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
11							
	Clan	31	16	18	24	33	24.40
	Adhocracy	10	24	17	23	35	21.80
	Market	29	28	35	23	21	27.20
	Hierarchy	30	32	30	30	11	26.60
12							
	Clan	26	12	21	34	21	22.80
	Adhocracy	11	25	23	35	25	23.80
	Market	31	26	23	9	24	22.60
	Hierarchy	32	37	33	22	30	30.80
13							
	Clan	11	15	12	23	19	16.00
	Adhocracy	30	28	20	15	13	21.20
	Market	29	27	33	31	32	30.40
	Hierarchy	30	30	35	31	36	32.40
14							
	Clan	16	24	22	30	22	22.80
	Adhocracy	15	25	23	21	24	21.60
	Market	32	21	27	19	24	24.60
	Hierarchy	37	30	28	30	30	31.00
15							

	Clan	16	18	27	19	30	22.00
	Adhocracy	35	14	24	17	22	22.40
	Market	20	35	21	31	24	26.20
	Hierarchy	29	33	28	33	24	29.40
16							
	Clan	15	20	30	27	25	23.40
	Adhocracy	26	24	19	25	24	23.60
	Market	29	28	22	20	25	24.80
	Hierarchy	30	28	29	28	26	28.20
17							
	Clan	16	23	30	30	30	25.80
	Adhocracy	23	19	26	19	20	21.40
	Market	32	29	23	22	27	26.60
	Hierarchy	29	29	21	29	23	26.20
18							
	Clan	30	20	25	17		23.00
	Adhocracy	28	22	21	29		25.00
	Market	19	28	27	21		23.75
	Hierarchy	23	30	27	33		28.25
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
19							
	Clan	17	19	12	17	11	15.20
	Adhocracy	21	22	21	35	19	23.60
	Market	29	30	30	27	32	29.60
	Hierarchy	33	29	37	21	38	31.60
20							
	Clan	15	22	29	28	30	24.80
	Adhocracy	27	13	19	23	24	21.20
	Market	28	32	19	21	19	23.80
	Hierarchy	30	33	33	28	27	30.20
21							
	Clan	28	28	23	30	32	28.20
	Adhocracy	36	36	33	30	36	34.20
	Market	22	19	23	25	21	22.00
	Hierarchy	14	17	21	15	11	15.60
22							
	Clan	23	11	19	20	18	18.20
	Adhocracy	18	35	23	35	28	27.80
	Market	29	32	28	25	24	27.60
	Hierarchy	30	22	30	20	30	26.40
23							
	Clan	30	20	21	19	18	21.60
	Adhocracy	20	23	24	17	16	20.00
	Market	24	27	28	26	35	28.00

	Hierarchy	26	30	27	38	31	30.40
24							
	Clan	23	30	26	23	30	26.40
	Adhocracy	20	28	25	19	24	23.20
	Market	24	21	27	28	21	24.20
	Hierarchy	33	21	22	30	25	26.20
25							
	Clan	18	14	19	26	21	19.60
	Adhocracy	25	24	25	19	15	21.60
	Market	29	35	23	27	26	28.00
	Hierarchy	28	27	33	28	38	30.80
26							
	Clan	19	22	17	20		19.50
	Adhocracy	20	22	23	27		23.00
	Market	23	28	27	23		25.25
	Hierarchy	38	28	33	30		32.25
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
27							
	Clan	10	11	14	17	21	14.60
	Adhocracy	10	21	24	25	18	19.60
	Market	10	33	28	29	30	26.00
	Hierarchy	70	35	34	29	31	39.80
28							
	Clan	16	20	30	19		21.25
	Adhocracy	29	20	23	23		23.75
	Market	25	30	21	28		26.00
	Hierarchy	30	30	26	30		29.00
29							
	Clan	13	18	26	22	27	21.20
	Adhocracy	35	29	35	25	35	31.80
	Market	24	23	23	26	16	22.40
	Hierarchy	28	30	16	27	22	24.60
30							
	Clan	22	30	30	22	26	26.00
	Adhocracy	23	29	19	20	24	23.00
	Market	27	24	26	28	17	24.40
	Hierarchy	28	17	25	30	33	26.60
31							
	Clan	24	15	26	30	19	22.80
	Adhocracy	25	28	23	27	21	24.80
	Market	29	27	21	27	23	25.40
	Hierarchy	22	30	30	16	37	27.00
32							
	Clan	16	11	24	22	30	20.60

	Adhocracy	23	35	26	15	25	24.80
	Market	32	30	23	25	24	26.80
	Hierarchy	29	24	27	38	21	27.80
33							
	Clan	14	17	15	23	24	18.60
	Adhocracy	31	26	23	23	25	25.60
	Market	22	27	35	24	25	26.60
	Hierarchy	33	30	27	30	26	29.20
34							
	Clan	18	17	19	30	17	20.20
	Adhocracy	26	23	22	21	24	23.20
	Market	26	33	29	21	33	28.40
	Hierarchy	30	27	30	28	26	28.20
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
35							
	Clan	30	19	16	15	21	20.20
	Adhocracy	27	16	24	20	24	22.20
	Market	22	37	37	35	22	30.60
	Hierarchy	21	28	23	30	33	27.00
36							
	Clan	20	30	20	22	15	21.40
	Adhocracy	22	28	35	23	24	26.40
	Market	29	23	25	17	35	25.80
	Hierarchy	29	19	20	38	26	26.40
37							
	Clan	22	26	30	28	23	25.80
	Adhocracy	22	16	19	27	25	21.80
	Market	30	25	22	29	26	26.40
	Hierarchy	26	33	29	16	26	26.00
38							
	Clan	29	22	35	22	26	26.80
	Adhocracy	21	35	28	25	17	25.20
	Market	20	27	24	26	29	25.20
	Hierarchy	30	16	13	27	28	22.80
39							
	Clan	29	18	23	19	14	20.60
	Adhocracy	30	23	21	25	23	24.40
	Market	21	29	26	28	37	28.20
	Hierarchy	20	30	30	28	26	26.80
40							
	Clan	20	24	30	24		24.50
	Adhocracy	24	26	22	23		23.75
	Market	29	28	23	27		26.75
	Hierarchy	27	22	25	26		25.00

41							
	Clan	18	28	14	30	24	22.80
	Adhocracy	23	19	24	26	22	22.80
	Market	29	21	25	16	24	23.00
	Hierarchy	30	32	37	28	30	31.40
42							
	Clan	30	28	35	28	30	30.20
	Adhocracy	24	22	25	29	25	25.00
	Market	25	33	25	24	35	28.40
	Hierarchy	21	17	15	19	10	16.40
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
43							
	Clan	20	31	13	19	20	20.60
	Adhocracy	25	35	29	26	26	28.20
	Market	27	12	28	25	27	23.80
	Hierarchy	28	22	30	30	27	27.40
44							
	Clan	20	21	14	21	21	19.40
	Adhocracy	23	13	24	22	24	21.20
	Market	29	39	29	31	29	31.40
	Hierarchy	28	27	33	26	26	28.00
45							
	Clan	30	17	15	18	26	21.20
	Adhocracy	28	24	24	23	25	24.80
	Market	22	29	31	22	21	25.00
	Hierarchy	20	30	30	37	28	29.00
46							
	Clan	20	23	30			24.33
	Adhocracy	25	26	20			23.67
	Market	25	23	26			24.67
	Hierarchy	30	28	24			27.33
47							
	Clan	30	30	16	21	30	25.40
	Adhocracy	29	21	23	20	22	23.00
	Market	21	25	28	29	19	24.40
	Hierarchy	20	24	33	30	29	27.20
48							
	Clan	23	16	15	30	20	20.80
	Adhocracy	21	22	26	17	20	21.20
	Market	28	25	29	26	27	27.00
	Hierarchy	28	37	30	27	33	31.00
49							
	Clan	28	17	23	23		22.75
	Adhocracy	21	25	24	28		24.50

	Market	29	28	32	21		27.50
	Hierarchy	22	30	21	28		25.25
50							
	Clan	22	30	15	20	22	21.80
	Adhocracy	18	23	26	29	26	24.40
	Market	27	21	29	21	24	24.40
	Hierarchy	33	26	30	30	28	29.40

Acquired Company OCAI Total Preferred State

		ACQUIRED COMPANY					
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
1							
	Clan	32	31	30	35	32	32.00
	Adhocracy	25	28	27	32	23	27.00
	Market	24	22	20	21	25	22.40
	Hierarchy	19	19	23	12	20	18.60
2							
	Clan	30	23	30	28	25	27.20
	Adhocracy	24	23	26	27	25	25.00
	Market	30	24	23	24	24	25.00
	Hierarchy	16	30	21	21	26	22.80
3							
	Clan	30	31	26	27	35	29.80
	Adhocracy	28	28	25	25	28	26.80
	Market	24	18	24	21	17	20.80
	Hierarchy	18	23	25	27	20	22.60
4							
	Clan	30	27	30	30	27	28.80
	Adhocracy	27	27	30	30	28	28.40
	Market	25	22	20	22	24	22.60
	Hierarchy	18	24	20	18	21	20.20
5							
	Clan	32	26	29	31	30	29.60
	Adhocracy	24	26	24	24	30	25.60
	Market	23	25	25	23	20	23.20
	Hierarchy	21	23	22	22	20	21.60
6							
	Clan	31	21	26	30	28	27.20
	Adhocracy	25	23	26	26	27	25.40
	Market	19	26	24	24	22	23.00

	Hierarchy	25	30	24	20	23	24.40
7							
	Clan	22	30	30	25	32	27.80
	Adhocracy	23	29	28	30	26	27.20
	Market	24	22	22	21	20	21.80
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Hierarchy	31	19	20	24	22	23.20
8							
	Clan	28	25	29	28		27.50
	Adhocracy	28	26	26	30		27.50
	Market	24	23	22	21		22.50
	Hierarchy	20	26	23	21		22.50
9							
	Clan	32	32	31	35	30	32.00
	Adhocracy	28	27	26	25	30	27.20
	Market	25	21	26	18	16	21.20
	Hierarchy	15	20	17	22	24	19.60
10							
	Clan	30	25	24	26	20	25.00
	Adhocracy	25	15	26	29	24	23.80
	Market	25	29	27	22	27	26.00
	Hierarchy	20	31	23	23	29	25.20
11							
	Clan	26	30	28	26	27	27.40
	Adhocracy	32	30	29	27	25	28.60
	Market	24	19	24	24	22	22.60
	Hierarchy	18	21	19	23	26	21.40
12							
	Clan	25	15	26	32	29	25.40
	Adhocracy	27	26	25	25	29	26.40
	Market	25	29	26	21	19	24.00
	Hierarchy	23	30	23	22	23	24.20
13							
	Clan	20	19	27	25	15	21.20
	Adhocracy	25	23	27	25	23	24.60
	Market	25	26	24	23	28	25.20
	Hierarchy	30	32	22	27	34	29.00
14							
	Clan	30	26	25	33	30	28.80
	Adhocracy	25	27	26	24	29	26.20
	Market	20	22	21	20	22	21.00
	Hierarchy	25	25	28	23	19	24.00
15							
	Clan	20	28	27			25.00

	Adhocracy	18	24	25			22.33
	Market	29	21	27			25.67
	Hierarchy	33	27	21			27.00
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
16							
	Clan	34	20	30	30	27	28.20
	Adhocracy	33	23	26	25	28	27.00
	Market	12	29	23	19	24	21.40
	Hierarchy	21	28	21	26	21	23.40
17							
	Clan	30	27	35	27	33	30.40
	Adhocracy	31	29	30	30	33	30.60
	Market	22	17	19	19	20	19.40
	Hierarchy	17	27	16	24	14	19.60
18							
	Clan	30	35	31	29	30	31.00
	Adhocracy	25	27	21	29	25	25.40
	Market	20	21	23	26	23	22.60
	Hierarchy	25	17	25	16	22	21.00
19							
	Clan	20	31	24	31	30	27.20
	Adhocracy	21	29	24	27	35	27.20
	Market	32	20	26	21	19	23.60
	Hierarchy	27	20	26	21	16	22.00
20							
	Clan	40	30	29	27	32	31.60
	Adhocracy	30	31	33	28	30	30.40
	Market	15	22	15	22	20	18.80
	Hierarchy	15	17	23	23	18	19.20
21							
	Clan	30	32	35	40	32	33.80
	Adhocracy	26	30	30	30	25	28.20
	Market	23	19	14	15	23	18.80
	Hierarchy	21	19	21	15	20	19.20
22							
	Clan	28	29	23	27	30	27.40
	Adhocracy	24	29	25	28	30	27.20
	Market	27	21	30	23	22	24.60
	Hierarchy	21	21	22	22	18	20.80
23							
	Clan	30	29	28	28	30	29.00
	Adhocracy	33	26	27	28	30	28.80
	Market	20	23	21	23	20	21.40
	Hierarchy	17	22	24	21	20	20.80

M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
24							
	Clan	31	28	27	27	24	27.40
	Adhocracy	27	25	27	31	24	26.80
	Market	25	21	17	22	23	21.60
	Hierarchy	17	26	29	20	29	24.20
25							
	Clan	21	28	26	27	27	25.80
	Adhocracy	23	30	25	29	25	26.40
	Market	27	27	23	24	23	24.80
	Hierarchy	29	15	26	20	25	23.00
26							
	Clan	30	26	27	24	25	26.40
	Adhocracy	28	27	25	29	23	26.40
	Market	24	20	26	24	30	24.80
	Hierarchy	18	27	22	23	22	22.40
27							
	Clan	17	21	26	28	29	24.20
	Adhocracy	20	23	26	24	27	24.00
	Market	26	27	24	19	23	23.80
	Hierarchy	37	29	24	29	21	28.00
28							
	Clan	29	27	29	23	27	27.00
	Adhocracy	29	26	23	25	30	26.60
	Market	25	24	26	22	27	24.80
	Hierarchy	17	23	22	30	16	21.60
29							
	Clan	28	22	30	26	30	27.20
	Adhocracy	28	28	31	32	28	29.40
	Market	23	32	21	23	25	24.80
	Hierarchy	21	18	18	19	17	18.60
30							
	Clan	32	32	26	35	40	33.00
	Adhocracy	25	28	28	30	30	28.20
	Market	21	18	23	23	20	21.00
	Hierarchy	22	22	23	12	10	17.80
31							
	Clan	18	30	22	30		25.00
	Adhocracy	22	25	22	24		23.25
	Market	30	19	26	24		24.75
	Hierarchy	30	26	30	22		27.00
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG

32							
	Clan	30	31	28	25	25	27.80
	Adhocracy	26	27	26	29	29	27.40
	Market	23	22	24	27	23	23.80
	Hierarchy	21	20	22	19	23	21.00
33							
	Clan	31	25	24	29	35	28.80
	Adhocracy	28	25	24	25	35	27.40
	Market	21	25	25	26	17	22.80
	Hierarchy	20	25	27	20	13	21.00
34							
	Clan	30	32	33	22	22	27.80
	Adhocracy	30	26	29	28	22	27.00
	Market	23	21	24	30	23	24.20
	Hierarchy	17	21	14	20	33	21.00
35							
	Clan	27	25	24	33	23	26.40
	Adhocracy	27	23	26	31	27	26.80
	Market	22	23	27	19	25	23.20
	Hierarchy	24	29	23	17	25	23.60
36							
	Clan	24	23	25	32	28	26.40
	Adhocracy	25	34	28	26	29	28.40
	Market	33	23	25	23	17	24.20
	Hierarchy	18	20	22	19	26	21.00
37							
	Clan	27	30	27	17	30	26.20
	Adhocracy	27	26	31	27	23	26.80
	Market	23	26	22	27	23	24.20
	Hierarchy	23	18	20	29	24	22.80
38							
	Clan	20	15	26	35	22	23.60
	Adhocracy	24	29	31	30	23	27.40
	Market	26	27	25	21	29	25.60
	Hierarchy	30	29	18	14	26	23.40
39							
	Clan	33	30	29			30.67
	Adhocracy	33	26	26			28.33
	Market	19	22	23			21.33
	Hierarchy	15	22	22			19.67
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
40							
	Clan	19	26	33	28	23	25.80

	Adhocracy	19	29	27	25	27	25.40
	Market	28	23	26	27	21	25.00
	Hierarchy	34	22	14	20	29	23.80
41							
	Clan	29	35	20	35	34	30.60
	Adhocracy	28	25	25	26	26	26.00
	Market	24	21	27	24	26	24.40
	Hierarchy	19	19	28	15	14	19.00
42							
	Clan	31	26	28	35	36	31.20
	Adhocracy	27	26	29	35	28	29.00
	Market	25	31	20	20	17	22.60
	Hierarchy	17	17	23	10	19	17.20
43							
	Clan	28	32	30	22	30	28.40
	Adhocracy	28	26	28	25	29	27.20
	Market	24	20	23	25	24	23.20
	Hierarchy	20	22	19	28	17	21.20
44							
	Clan	33	35	30	32	37	33.40
	Adhocracy	36	24	28	27	26	28.20
	Market	19	21	22	23	19	20.80
	Hierarchy	12	20	20	18	18	17.60
45							
	Clan	33	24	28	30	34	29.80
	Adhocracy	33	24	27	30	26	28.00
	Market	19	28	25	20	23	23.00
	Hierarchy	15	24	20	20	17	19.20
46							
	Clan	35	27	24	26	24	27.20
	Adhocracy	33	28	25	26	23	27.00
	Market	20	19	32	23	30	24.80
	Hierarchy	12	26	19	25	23	21.00
47							
	Clan	27	30	28	27	32	28.80
	Adhocracy	29	33	27	27	29	29.00
	Market	24	18	24	23	18	21.40
	Hierarchy	20	19	21	23	21	20.80
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
48							
	Clan	24	25	28	22	33	26.40
	Adhocracy	26	29	26	24	31	27.20
	Market	26	26	24	27	21	24.80

	Hierarchy	24	20	22	27	15	21.60
49							
	Clan	35	31	27	29	24	29.20
	Adhocracy	30	26	23	31	33	28.60
	Market	23	22	26	25	26	24.40
	Hierarchy	12	21	24	15	17	17.80
50							
	Clan	25	25	27	26	23	25.20
	Adhocracy	31	22	31	27	27	27.60
	Market	23	27	21	18	28	23.40
	Hierarchy	21	26	21	29	22	23.80

Acquiring Company OCAI Total Preferred State

		ACQUIRING COMPANY					
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
1							
	Clan	28	25	22	25	30	26.00
	Adhocracy	28	30	19	25	27	25.80
	Market	20	22	25	25	18	22.00
	Hierarchy	24	23	34	25	25	26.20
2							
	Clan	25	24	22	20	30	24.20
	Adhocracy	25	23	31	22	26	25.40
	Market	25	25	17	31	18	23.20
	Hierarchy	25	28	30	27	26	27.20
3							
	Clan	22	23	17	25	22	21.80
	Adhocracy	22	19	22	25	23	22.20
	Market	26	25	26	25	24	25.20
	Hierarchy	30	33	35	25	31	30.80
4							
	Clan	28	30	28	32	25	28.60
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Adhocracy	21	28	28	28	28	26.60
	Market	21	20	21	18	20	20.00
	Hierarchy	30	22	23	22	27	24.80
5							
	Clan	26	19	20	18	21	20.80
	Adhocracy	25	20	21	26	23	23.00
	Market	23	26	28	26	26	25.80

	Hierarchy	26	35	31	30	30	30.40
6							
	Clan	20	25	21	22	30	23.60
	Adhocracy	23	22	20	24	30	23.80
	Market	28	23	27	24	20	24.40
	Hierarchy	29	30	32	30	20	28.20
7							
	Clan	15	23	21	20	22	20.20
	Adhocracy	20	21	24	25	23	22.60
	Market	30	29	25	25	24	26.60
	Hierarchy	35	27	30	30	31	30.60
8							
	Clan	22	20	15	21	25	20.60
	Adhocracy	23	22	24	18	24	22.20
	Market	26	29	26	29	22	26.40
	Hierarchy	29	29	35	32	29	30.80
9							
	Clan	23	25	28	26	22	24.80
	Adhocracy	30	25	22	30	35	28.40
	Market	27	27	26	18	18	23.20
	Hierarchy	20	23	24	26	25	23.60
10							
	Clan	27	25	29	15	22	23.60
	Adhocracy	24	25	22	20	22	22.60
	Market	24	25	23	27	26	25.00
	Hierarchy	25	25	26	38	30	28.80
11							
	Clan	30	15	21	22	31	23.80
	Adhocracy	20	22	22	24	30	23.60
	Market	25	27	30	25	24	26.20
	Hierarchy	25	36	27	29	15	26.40
12							
	Clan	27	15	22	30	22	23.20
	Adhocracy	22	23	19	25	27	23.20
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Market	25	24	28	15	25	23.40
	Hierarchy	26	38	31	30	26	30.20
13							
	Clan	10	15	18	20	22	17.00
	Adhocracy	25	23	21	19	19	21.40
	Market	31	29	30	30	29	29.80
	Hierarchy	34	33	31	31	30	31.80
14							
	Clan	15	22	24	26	19	21.20

	Adhocracy	17	21	25	24	19	21.20
	Market	33	25	23	23	27	26.20
	Hierarchy	35	32	28	27	35	31.40
15							
	Clan	18	20	25	23	27	22.60
	Adhocracy	30	18	25	22	25	24.00
	Market	22	29	25	26	26	25.60
	Hierarchy	30	33	25	29	22	27.80
16							
	Clan	20	23	26	24	26	23.80
	Adhocracy	23	24	23	26	24	24.00
	Market	28	26	25	23	25	25.40
	Hierarchy	29	27	26	27	25	26.80
17							
	Clan	20	24	29	27	30	26.00
	Adhocracy	21	20	23	23	20	21.40
	Market	32	30	23	22	30	27.40
	Hierarchy	27	26	25	28	20	25.20
18							
	Clan	29	16	20	18		20.75
	Adhocracy	28	19	22	25		23.50
	Market	22	31	29	23		26.25
	Hierarchy	21	34	29	34		29.50
19							
	Clan	19	24	15	22	13	18.60
	Adhocracy	22	23	19	25	18	21.40
	Market	28	26	29	27	32	28.40
	Hierarchy	31	27	37	26	37	31.60
20							
	Clan	16	23	25	28	27	23.80
	Adhocracy	25	17	23	25	25	23.00
	Market	28	30	22	24	22	25.20
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
	Hierarchy	31	30	30	23	26	28.00
21							
	Clan	26	26	25	25	29	26.20
	Adhocracy	30	30	28	25	29	28.40
	Market	22	27	26	25	21	24.20
	Hierarchy	22	17	21	25	21	21.20
22							
	Clan	22	18	16	22	22	20.00
	Adhocracy	27	27	21	29	26	26.00
	Market	24	29	27	25	24	25.80
	Hierarchy	27	26	36	24	28	28.20

23							
	Clan	28	22	18	22	20	22.00
	Adhocracy	22	25	19	20	18	20.80
	Market	23	25	28	26	31	26.60
	Hierarchy	27	28	35	32	31	30.60
24							
	Clan	24	28	24	21	30	25.40
	Adhocracy	19	26	24	19	28	23.20
	Market	27	22	24	26	20	23.80
	Hierarchy	30	24	28	34	22	27.60
25							
	Clan	20	17	21	25	20	20.60
	Adhocracy	22	21	24	20	17	20.80
	Market	28	30	24	26	25	26.60
	Hierarchy	30	32	31	29	38	32.00
26							
	Clan	21	23	19	20		20.75
	Adhocracy	19	19	22	25		21.25
	Market	24	26	25	25		25.00
	Hierarchy	36	32	34	30		33.00
27							
	Clan	5	14	15	19	25	15.60
	Adhocracy	5	24	24	25	22	20.00
	Market	5	30	26	29	25	23.00
	Hierarchy	85	32	35	27	28	41.40
28							
	Clan	18	24	28	20		22.50
	Adhocracy	27	22	25	22		24.00
	Market	25	27	23	27		25.50
	Hierarchy	30	27	24	31		28.00
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
29							
	Clan	15	13	25	24	23	20.00
	Adhocracy	30	25	29	25	28	27.40
	Market	26	24	25	26	26	25.40
	Hierarchy	29	38	21	25	23	27.20
30							
	Clan	23	28	27	20	25	24.60
	Adhocracy	25	29	25	18	24	24.20
	Market	26	23	23	28	19	23.80
	Hierarchy	26	20	25	34	32	27.40
31							
	Clan	22	17	25	28	20	22.40
	Adhocracy	25	23	23	28	17	23.20

	Market	29	26	24	23	26	25.60
	Hierarchy	24	34	28	21	37	28.80
32							
	Clan	15	16	23	23	26	20.60
	Adhocracy	19	30	25	15	25	22.80
	Market	34	28	24	27	24	27.40
	Hierarchy	32	26	28	35	25	29.20
33							
	Clan	16	29	25	26	25	24.20
	Adhocracy	26	22	23	27	30	25.60
	Market	25	23	23	22	23	23.20
	Hierarchy	33	26	29	25	22	27.00
34							
	Clan	20	19	25	31	19	22.80
	Adhocracy	27	20	23	24	21	23.00
	Market	26	30	26	22	29	26.60
	Hierarchy	27	31	26	23	31	27.60
35							
	Clan	20	22	18	13	22	19.00
	Adhocracy	25	15	20	17	23	20.00
	Market	25	34	31	35	25	30.00
	Hierarchy	30	29	31	35	30	31.00
36							
	Clan	21	28	20	25	17	22.20
	Adhocracy	19	28	35	28	25	27.00
	Market	28	21	25	22	30	25.20
	Hierarchy	32	23	20	25	28	25.60

M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
37							
	Clan	20	23	25	26	25	23.80
	Adhocracy	20	21	24	27	28	24.00
	Market	30	24	23	26	23	25.20
	Hierarchy	30	32	28	21	24	27.00
38							
	Clan	28	24	30	25	25	26.40
	Adhocracy	23	31	29	21	23	25.40
	Market	24	27	23	23	26	24.60
	Hierarchy	25	18	18	31	26	23.60
39							
	Clan	23	22	25	22	17	21.80
	Adhocracy	27	19	20	27	20	22.60
	Market	26	26	26	21	34	26.60
	Hierarchy	24	33	29	30	29	29.00

40							
	Clan	23	26	30	23		25.50
	Adhocracy	24	21	26	24		23.75
	Market	26	26	20	29		25.25
	Hierarchy	27	27	24	24		25.50
41							
	Clan	20	25	15	28	25	22.60
	Adhocracy	24	22	23	24	24	23.40
	Market	28	23	28	19	26	24.80
	Hierarchy	28	30	34	29	25	29.20
42							
	Clan	30	27	34	29	28	29.60
	Adhocracy	25	26	26	30	28	27.00
	Market	25	28	24	22	31	26.00
	Hierarchy	20	19	16	19	13	17.40
43							
	Clan	15	35	15	22	23	22.00
	Adhocracy	23	35	30	22	21	26.20
	Market	31	11	29	27	19	23.40
	Hierarchy	31	19	26	29	37	28.40
44							
	Clan	15	18	19	20	22	18.80
	Adhocracy	21	17	23	23	19	20.60
	Market	34	38	28	29	33	32.40
	Hierarchy	30	27	30	28	26	28.20
M&A		Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	AVG
45							
	Clan	25	15	17	22	21	20.00
	Adhocracy	27	19	21	21	23	22.20
	Market	27	34	29	26	26	28.40
	Hierarchy	21	32	33	31	30	29.40
46							
	Clan	22	21	27			23.33
	Adhocracy	24	25	26			25.00
	Market	28	25	24			25.67
	Hierarchy	26	29	23			26.00
47							
	Clan	25	32	15	23	27	24.40
	Adhocracy	25	31	19	24	25	24.80
	Market	21	15	26	24	18	20.80
	Hierarchy	29	22	40	29	30	30.00
48							
	Clan	22	15	17	25	22	20.20

	Adhocracy	20	14	23	24	23	20.80
	Market	29	34	26	26	26	28.20
	Hierarchy	29	37	34	25	29	30.80
49							
	Clan	23	15	24	21		20.75
	Adhocracy	23	21	26	27		24.25
	Market	26	32	28	22		27.00
	Hierarchy	28	32	22	30		28.00
50							
	Clan	24	15	18	16	24	19.40
	Adhocracy	23	15	23	19	21	20.20
	Market	26	30	27	30	27	28.00
	Hierarchy	27	40	32	35	28	32.40

APPENDIX G: DOMINANT CULTURE ANALYSIS

	Integration	Financial	Cultural	Overall	Success	Total Survey	Current				Preferred			
							Acquired	Acquired	Acquiring	Acquiring	Acquired	Acquired	Acquiring	Acquiring
M&A	Q1	Q2-Q4	Q5-Q9	Q10-Q11	Q11	Q1-Q11	Dominant	Strength	Dominant	Strength	Dominant	Strength	Dominant	Strength
1	4.50	3.94	3.93	4.00	4.00	4.00	C	5.61	H	0.35	C	4.03	C	0.48
2	4.00	3.78	3.93	4.00	4.00	3.91	C	0.50	A	1.65	C	0.39	A	0.36
3	3.67	3.50	3.83	3.83	4.00	3.73	C	2.90	H	2.79	C	1.99	H	2.07
4	2.83	2.72	2.87	2.58	2.83	2.77	C	3.71	C	1.92	C	2.19	C	1.62
5	4.17	4.06	4.10	4.33	4.33	4.14	C	6.77	H	5.82	C	1.45	H	2.06
6	4.00	3.94	3.93	4.50	4.50	4.05	C	1.89	C	0.02	C	0.37	H	0.56
7	4.00	3.94	4.23	4.00	4.17	4.09	C	3.29	H	3.56	C	1.05	H	2.51
8	3.83	3.72	3.93	3.92	4.00	3.86	C	2.17	H	3.21	C	1.00	H	2.51
9	5.00	4.67	4.40	4.50	5.00	4.55	C	8.64	A	6.52	C	3.90	A	0.67
10	4.00	4.00	4.17	4.08	4.00	4.09	C	0.43	H	0.59	M	0.10	H	0.89
11	3.83	3.89	3.97	4.33	4.17	4.00	C	4.52	M	0.72	A	1.50	H	0.27
12	3.50	3.50	3.70	3.75	3.83	3.64	A	0.09	H	1.83	A	0.15	H	1.44
13	2.67	2.67	2.80	2.67	2.83	2.73	H	3.80	H	7.17	H	1.23	H	5.85
14	3.17	3.39	3.47	4.42	4.83	3.59	C	2.36	H	2.10	C	1.32	H	2.85
15	4.67	4.22	4.23	4.00	4.17	4.23	M	1.20	H	1.46	H	0.46	H	0.60
16	4.50	4.17	4.37	4.08	4.00	4.27	C	1.38	H	0.59	C	1.19	H	0.23
17	4.00	4.00	3.90	4.00	4.17	3.95	C	3.49	M	0.70	A	4.84	M	0.79
18	4.00	3.89	3.83	4.08	4.17	3.91	C	1.79	H	0.65	C	2.32	H	1.69
19	4.17	4.11	4.20	4.00	4.00	4.14	C	0.20	H	6.51	C	0.83	H	4.36
20	4.50	4.61	4.27	4.42	4.50	4.41	C	7.20	H	1.72	C	5.79	H	0.58
21	5.00	4.89	4.90	4.92	5.00	4.91	C	9.30	A	7.69	C	6.39	A	1.12
22	4.50	4.56	4.60	4.17	4.33	4.50	A	2.48	A	2.51	C	1.14	H	1.48
23	4.50	4.33	4.60	4.00	3.83	4.41	C	3.40	H	2.99	C	2.44	H	2.42
24	4.33	4.22	4.43	4.17	4.17	4.32	C	1.70	C	0.29	C	0.85	H	0.46
25	3.50	3.94	4.00	4.08	4.00	3.95	C	0.68	H	3.33	A	0.27	H	3.54
26	3.83	3.83	3.87	4.17	4.17	3.91	C	1.80	H	3.48	C	0.43	H	3.85
27	2.33	2.44	2.40	2.67	2.50	2.45	H	2.21	H	14.29	C	0.48	H	15.45
28	4.00	4.00	4.07	4.08	4.17	4.05	C	1.73	H	1.31	C	0.73	H	0.66
29	4.50	4.00	4.13	4.17	4.33	4.14	A	3.60	A	2.70	A	2.61	A	1.43
30	4.17	4.22	4.00	4.33	4.50	4.14	C	6.61	H	0.32	C	5.68	H	0.32
31	4.50	4.33	4.03	4.17	4.33	4.18	M	0.08	H	0.36	H	0.29	H	0.99
32	4.17	4.00	4.13	4.58	5.00	4.18	C	4.40	H	1.22	C	1.24	H	1.90
33	4.17	4.11	4.50	4.50	4.83	4.36	C	1.43	H	2.46	C	1.64	H	0.33
34	3.83	3.83	4.40	4.58	4.50	4.23	A	1.33	M	1.92	C	1.14	H	0.73
35	4.17	4.33	3.97	4.25	4.33	4.14	C	2.15	M	2.65	A	0.42	H	4.88
36	4.00	4.06	4.37	4.25	4.17	4.23	A	1.80	H	0.70	A	1.21	H	0.49
37	3.33	3.83	4.03	3.25	3.00	3.77	A	0.62	M	0.55	A	0.41	H	0.26
38	3.50	3.22	3.73	3.83	4.00	3.59	A	0.62	C	0.33	A	0.43	C	0.17
39	3.33	3.11	3.70	3.42	3.67	3.45	C	2.89	M	1.33	C	3.40	H	1.38
40	3.50	3.67	3.80	3.75	3.83	3.73	A	0.85	M	0.20	C	0.09	H	0.09
41	4.17	3.94	4.00	4.25	4.33	4.05	C	1.91	H	2.19	C	2.75	H	1.04
42	4.83	4.72	4.47	4.58	4.67	4.59	C	4.49	C	4.50	C	4.84	C	3.36
43	4.00	4.00	3.83	4.17	4.33	3.95	C	0.54	A	1.47	C	1.36	H	0.98
44	4.33	4.22	4.20	4.25	4.33	4.23	C	3.47	M	3.83	C	6.13	M	4.91
45	4.50	4.44	4.43	4.50	4.50	4.45	C	3.08	H	1.22	C	2.79	H	2.55
46	4.17	4.22	4.23	4.25	4.17	4.23	C	3.33	H	0.31	C	1.00	H	0.17
47	3.83	3.72	3.97	4.08	4.17	3.91	C	4.16	H	0.37	A	2.44	H	1.72
48	4.00	4.06	4.30	4.17	4.17	4.18	A	0.44	H	2.88	A	0.74	H	3.38
49	3.83	4.06	4.07	4.33	4.33	4.09	C	3.25	M	0.47	C	3.31	H	1.27
50	4.17	4.50	4.53	4.08	4.00	4.41	A	1.22	H	1.21	A	0.43	H	4.73
skew	*-0.85*	*-1.07*	*-1.58*	*-1.73*	*-1.26*	*-1.61*		*1.23*		*2.50*		*1.27*		*3.71*

APPENDIX H: FOUNDER POST CLOSE

Transaction #	Survey Avg	Founder Post Transaction
22	4.50	No
29	4.14	No
13	2.73	No
34	4.23	No
37	3.77	No
2	3.91	No
43	3.95	No
4	2.77	No
6	4.05	No
24	4.32	No
1	4.00	No
3	3.73	No
7	4.09	No
8	3.86	No
10	4.09	No
14	3.59	No
16	4.27	No
18	3.91	No
33	4.36	No
45	4.45	No
46	4.23	No
35	4.14	No
44	4.23	No
49	4.09	No
27	2.45	No
15	4.23	No
31	4.18	No
Overall Avg W/O Founder	3.94	

Transaction #	Survey Avg	Founder Post Transaction
38	3.59	Yes
12	3.64	Yes
26	3.91	Yes
36	4.23	Yes
48	4.18	Yes
50	4.41	Yes
40	3.73	Yes
9	4.55	Yes
21	4.91	Yes
42	4.59	Yes
5	4.14	Yes
19	4.14	Yes
20	4.41	Yes
23	4.41	Yes
25	3.95	Yes
28	4.05	Yes
30	4.14	Yes
32	4.18	Yes
41	4.05	Yes
47	3.91	Yes
11	4.00	Yes
17	3.95	Yes
39	3.45	Yes
Overall Avg W Founder	4.11	

APPENDIX I: CULTURE DIFFERENCES

Transaction	Current-Current Diff	Preferred-Current Diff	Integration Q1	Financial Q2-Q4	Cultural Q5-Q9	Overall Q10-Q11	Success Q11	Total Survey Q1-Q11
1	8.41	6.44	4.50	3.94	3.93	4.00	4.00	4.00
2	3.05	2.18	4.00	3.78	3.93	4.00	4.00	3.91
3	10.22	9.18	3.67	3.50	3.83	3.83	4.00	3.73
4	0.97	0.96	2.83	2.72	2.87	2.58	2.83	2.77
5	22.93	12.14	4.17	4.06	4.10	4.33	4.33	4.14
6	1.96	0.35	4.00	3.94	3.93	4.50	4.50	4.05
7	13.83	8.64	4.00	3.94	4.23	4.00	4.17	4.09
8	10.43	7.46	3.83	3.72	3.93	3.92	4.00	3.86
9	13.50	6.71	5.00	4.67	4.40	4.50	5.00	4.55
10	1.29	0.37	4.00	4.00	4.17	4.08	4.00	4.09
11	8.57	4.28	3.83	3.89	3.97	4.33	4.17	4.00
12	1.85	2.08	3.50	3.50	3.70	3.75	3.83	3.64
13	13.92	3.48	2.67	2.67	2.80	2.67	2.83	2.73
14	7.49	4.67	3.17	3.39	3.47	4.42	4.83	3.59
15	0.59	0.62	4.67	4.22	4.23	4.00	4.17	4.23
16	3.20	2.76	4.50	4.17	4.37	4.08	4.00	4.27
17	6.18	8.39	4.00	4.00	3.90	4.00	4.17	3.95
18	3.53	4.71	4.00	3.89	3.83	4.08	4.17	3.91
19	11.44	14.16	4.17	4.11	4.20	4.00	4.00	4.14
20	12.56	10.91	4.50	4.61	4.27	4.42	4.50	4.41
21	4.68	3.46	5.00	4.89	4.90	4.92	5.00	4.91
22	7.02	6.18	4.50	4.56	4.60	4.17	4.33	4.50
23	12.67	10.99	4.50	4.33	4.60	4.00	3.83	4.41
24	1.81	1.03	4.33	4.22	4.43	4.17	4.17	4.32
25	7.14	5.37	3.50	3.94	4.00	4.08	4.00	3.95
26	9.32	5.96	3.83	3.83	3.87	4.17	4.17	3.91
27	13.38	10.98	2.33	2.44	2.40	2.67	2.50	2.45
28	5.83	3.84	4.00	4.00	4.07	4.08	4.17	4.05
29	4.31	3.60	4.50	4.00	4.13	4.17	4.33	4.14
30	6.79	6.45	4.17	4.22	4.00	4.33	4.50	4.14
31	0.28	0.33	4.50	4.33	4.03	4.17	4.33	4.18
32	9.98	4.79	4.17	4.00	4.13	4.58	5.00	4.18
33	8.10	8.57	4.17	4.11	4.50	4.50	4.83	4.36
34	4.53	5.94	3.83	3.83	4.40	4.58	4.50	4.23
35	9.35	5.07	4.17	4.33	3.97	4.25	4.33	4.14
36	3.29	2.52	4.00	4.06	4.37	4.25	4.17	4.23
37	2.19	1.73	3.33	3.83	4.03	3.25	3.00	3.77
38	1.08	0.60	3.50	3.22	3.73	3.83	4.00	3.59
39	8.79	9.12	3.33	3.11	3.70	3.42	3.67	3.45
40	1.78	0.36	3.50	3.67	3.80	3.75	3.83	3.73
41	6.81	8.10	4.17	3.94	4.00	4.25	4.33	4.05
42	0.29	1.90	4.83	4.72	4.47	4.58	4.67	4.59
43	3.14	4.41	4.00	4.00	3.83	4.17	4.33	3.95
44	14.22	19.86	4.33	4.22	4.20	4.25	4.33	4.23
45	7.64	7.37	4.50	4.44	4.43	4.50	4.50	4.45
46	5.29	2.28	4.17	4.22	4.23	4.25	4.17	4.23
47	5.84	3.90	3.83	3.72	3.97	4.08	4.17	3.91
48	5.04	6.24	4.00	4.06	4.30	4.17	4.17	4.18
49	5.20	5.06	3.83	4.06	4.07	4.33	4.33	4.09
50	3.20	2.06	4.17	4.50	4.53	4.08	4.00	4.41