Contents

Abstract ........................................................................................................................................... i

Chapter 1: Introduction ......................................................................................................................... 1

1.1 Background of Mergers and Acquisitions .................................................................................. 1
1.1.1 Introduction to Mergers and Acquisitions ............................................................................. 1
1.1.2 Global Scenario of Mergers and Acquisitions in the Last Decade .......................................... 2
1.1.3 Indian Scenario of Mergers and Acquisitions ........................................................................ 9
1.1.4 Mergers and acquisitions- success, failure and its impact ...................................................... 13
1.2 Statement of Problem .................................................................................................................. 17
1.3 Purpose of the study .................................................................................................................... 21
1.4 Framework of the study .............................................................................................................. 22
1.5 Significance of the study ............................................................................................................ 24
1.6 Objectives .................................................................................................................................... 25
1.7 Operational Definitions of Terms ............................................................................................... 26
1.8 Assumptions ................................................................................................................................ 29
1.9 Limitations of the Study ............................................................................................................. 30

Chapter 2: Review of Related Literature ........................................................................................... 32

2.1 Mergers and Acquisitions- a general introduction ...................................................................... 32
2.1.1 (a) History of Mergers and Acquisitions ............................................................................. 32
2.1.1 (b) Merger waves .................................................................................................................... 35
2.1.1 (c) Theories of Mergers and Acquisitions ............................................................................. 38
2.1.2 Motives of Mergers and Acquisitions ................................................................................... 40
2.1.3 Merger and Acquisition classifications .................................................................................. 43
2.2 Mergers and Acquisitions – Performance and Failure …45
  2.2.1 Mergers and Acquisitions- performance evaluation …45
  2.2.2 Reasons of Merger failures …48
  2.2.3 Stages in Mergers and Acquisitions …53
  2.2.4 Integration …56
    2.2.4 (a) Post-Merger and post-Acquisition integration process …56
2.3 Role of HR in the Integration Stage …60
  2.3.1 HR issues in integration …61
    2.3.1.(a) Structural issues …61
    2.3.1 (b) Employee related issues …64
    2.3.1 (c) Managing cultural integration …71
    2.3.1 (d) Harmonizing HR policies and processes …74
    2.3.1 (e) Communication …76
  2.3.2 HR interventions in Mergers and Acquisitions …78
2.4 Best Practices in Mergers and Acquisitions- Models of Integration
  2.4.1 Pathfinder model …82
  2.4.2 FIDESS model …84
  2.4.3 Human Capital model …86
  2.4.4 Merger Management model …87

Chapter 3: Research Methodology …89

  3.1 Research Objective …89
  3.2 Research Design …90
  3.3 Questionnaire Design …93
    3.3.1 Steps followed in the Instrument Design …96
    3.3.2 Pre-test of the HR questionnaire …96
    3.3.3 Validity testing of the Instrument …99
    3.3.4 Employee Perception Instrument …101
3.4 Sample Design

3.4.1 Sample for the Role of HR interview

3.4.1 (a) Selection of companies
3.4.1 (b) Selection of HR professionals
3.4.1 (c) Demographic details of sample
3.4.1 (d) Interview Process

3.4.2 Employee perception survey

3.4.2 (a) Sample for employee perception survey
3.4.2 (b) Demographics and Target of the study
3.4.2 (c) Data Collection Process

3.5 Reliability of the data collected from HR professionals

3.6 Data Analysis

3.6.1 Data Analysis for HR’s perspective
3.6.2 Data Analysis for Employee perception

3.7 Limitations

3.8 Ethical Considerations

---

**Chapter 4: Analysis and Discussion of the Role of HR post M&A**

4.1 Context Questions

4.1.1 HR’s perspective of reasons for merger
4.1.2 Prior experience in mergers and acquisitions

4.1.2 a) Acquired and Acquiring Companies’ prior experience in mergers and acquisitions
4.1.2 b) HR’s prior experience in mergers and acquisitions

4.1.3 Integration Process

4.1.3 a) Head of the integration process
4.1.3 b) Integration Team

4.1.4. Involvement of HR and other functional teams
4.1.5. Priority of business functions in the overall integration plan
4.1.6. Merger process under study
   4.1.6 a) CEO’s frequency of updates on the integration process
   4.1.6 b) Time spent on integration post mergers and acquisitions
   4.1.6 c) Difficulties encountered by the acquiring company post-merger
   4.1.6 d) Relative importance and urgencies of issues in mergers & acquisitions
   4.1.6 e) HR’s perception of mergers and acquisitions
4.1.7. Employees’ reactions to mergers and acquisitions

4.2 Organisation Structure
   4.2.1 Organisational structures adopted post-merger
   4.2.2 Time taken for structural changes post mergers and acquisitions
   4.2.3 Restructuring: Changes in bands, designations and reporting relationships
   4.2.4 Closure of departments and SBUs
   4.2.5 Identifying and retaining key talent
      4.2.5 a) Methods used to identify key talent
      4.2.5 b) Beyond Key Talent
      4.2.5 c) Loss of talent
      4.2.5 d) Distribution of talent exiting the company at different levels and stages
      4.2.5 e) Reasons for exit of talent
      4.2.5 f) Strategies to retain key talent and their effectiveness
      4.2.5 g) CEO’s involvement in retention of key talent
      4.2.5 h) Tracking the impact of retention strategy post-merger
   4.2.6 Employee Termination
4.2.7 Retrenchment strategies at different levels ............................................. 177
4.2.8 Union Issues ...................................................................................... 178

4.3 Employee Related Issues ........................................................................... 185
4.3.1 Tracking Post Merger Process ................................................................. 185
  4.3.1 a) Process Tracking Mechanism ......................................................... 185
  4.3.1 b) Taking Employee Feedback ............................................................. 187
4.3.2 Managing Employee response to mergers and acquisitions .......... 190
  4.3.2 a) Emotions and Stress ....................................................................... 190
  4.3.2 b) Post-merger survivor’s syndrome .................................................. 191
4.3.3 Cultural Integration ............................................................................... 193
  4.3.3 a) Methods of conducting cultural audit before merger .................. 193
  4.3.3 b) Degree of difference in culture in the merging companies ........ 195
  4.3.3 c) HR initiatives taken to merge two organisational cultures ........... 197
  4.3.3 d) Benefits of cultural integration workshops ..................................... 203
  4.3.3 e) Organisation culture post merger .................................................... 203
  4.3.3 f) Time taken to integrate cultures of merged entities ..................... 204

4.4 Processes and Policies .............................................................................. 207
4.4.1 Differences in policies and processes of the two merged entities .... 207
4.4.2 Approaches adopted for integrating HR policies and processes ........ 209
4.4.3 Performance Management .................................................................. 214
4.4.4 Time taken to merge policies and processes post-merger and acquisition .... 216
4.4.5 Compensation ..................................................................................... 217
  4.4.5 a) Comparison between the compensation levels of the companies .. 217
6.3.1 Organisational Structure ...
   6.3.1 a) Recommendations ...
6.3.2 Employee Related Issues ...
   6.3.2 a) Recommendations ...
6.3.3 Processes and policies ...
   6.3.3 a) Recommendations ...
6.3.4 Communication ...
   6.3.4 a) Recommendations ...
6.4 Integrative role of HR in managing change post M&As ...
6.5 Hypotheses for future research ...

Chapter 7: Research model and Conclusion ...

7.1 Research Model ...
7.2 Conclusion ...

References ...

Appendix 1 ...
Appendix 2 ...
Appendix 3 ...
Appendix 4 ...
Appendix 5 ...