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**INTERCULTURAL ISSUES IN MERGERS AND  
ACQUISITIONS. ARE CULTURAL DIFFERENCES  
AN ASSET OR A LIABILITY?**

BY

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**Abstract.** Mergers and acquisitions (M&As) scholars have long been interested in the analysis of M&A processes trying to explain how M&As perform and we decided to examine what opinions the authors of some studies expressed regarding M&As success or failure. While classical attempts to explain the M&A performance have focused on strategic and financial factors, this article has sought to synthesize some issues from research on intercultural factors in M&A. Our study proposes an appraisal of the most important intercultural issues that need to be considered in M&A.

This study intends to reveal the leading questions in cross border M&A research.

This paper uncovers the most important intercultural aspects for the M&A activity. We envisage, also, the relationship between intercultural elements and M&A performance.

The main questions that should be answered are: “Which are the intercultural particularities in M&A?”, “What is the relationship between intercultural elements and M&A performance?” and “How to be successful in M&A?”.

Our contribution to the M&A literature consists in improving the current understanding of intercultural aspects in M&A.

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**Key words:** mergers and acquisitions (M&As), intercultural, cultural differences, cultural dimensions.

## 1. Introduction

This study intends to reveal the leading questions in cross border M&A research and focuses on two main aspects: M&A and intercultural management.

This paper assesses the most important intercultural particularities of the M&A activity. We envisage, also, the relationship between intercultural elements and M&A performance.

The main questions that should be answered are: “Which are the intercultural particularities in M&A?”, “What is the relationship between intercultural elements and M&A performance?” and “How to be successful in M&A?”.

Our contribution to the M&A literature consists in improving the current understanding of intercultural aspects in M&A.

We aim to discuss the relevance of current M&A and intercultural management research.

We look for a common understanding of M&A and intercultural management specific issues. We reveal some inconsistencies in specialized literature and we analyse different interpretations belonging to scholars and practitioners.

In the next section, we present the intercultural particularities in mergers and acquisitions. In the third section, we evaluate the main issues regarding the relationship between intercultural elements and M&A performance. The concluding section comments our findings in the M&A and intercultural management.

Despite a growing body of research on cross border M&A performance and on intercultural determinants of mergers and acquisitions, the key determinants for success are still poorly understood.

We seek also to summarize the findings from the intercultural M&A research and to suggest new research directions.

This paper is not a tentative of exhaustiveness in evaluating the current trends in intercultural M&A research.

Hofstede *et al.* (2010) remark that mergers, acquisitions, joint ventures, and alliances across national borders have become frequent, but they remain a regular source of cross cultural clashes. Cross-national ventures have often turned out to be dramatic failures. Leyland-Innocenti, Vereinigte Flugzeugwerke–Fokker and later DASA-Fokker, Hoogovens-Hoesch and later Hoogovens–British Steel, Citroen-Fiat, Renault-Volvo, Daimler-Chrysler, and Alitalia-KLM are just a few of the more notorious ones. There is little doubt that the list will continue growing as long as management decisions about international ventures are based solely on financial considerations. They are part

of a big money and power game and are seen as a defense against (real or imaginary) threats by competitors. Those making the decision rarely imagine the operating problems that can and do arise inside the newly formed hybrid organizations. Even within countries, such ventures have a dubious success record, but across borders they are all the less likely to succeed. If cultural conditions do look favorable, the cultural integration of the new cooperative structure should still be managed; it does not happen by itself. Cultural integration takes lots of time, energy, and money unforeseen by the financial experts who designed the venture.

Trompenaars and Asser (2010) mention that during the last twenty years it has become increasingly recognized that both national and organizational cultures need to be considered in modern business management. And, furthermore, leaders—even in local companies—will find they are leading and managing multicultural workforces. Many of the existing cultural conceptual frameworks essentially describe how different cultures give different meanings to relationships with other people, to their interaction with the environment, to time and to other similar cultural dimensions. We have learned to recognize and respect cultural differences. However, if we stop at these initial stages when trying to combine organizations, we run the risk of reinforcing cultural stereotypes. At present there is a lack of consistent, reliable and generalizable processes to create sustainable and integrated value from separate cultures.

Zaiț and Spalanzani (2009) consider that culture, through the influence on behaviour, attitudes, and positions towards action can be considered an important factor, maybe decisive, of facilitating, blockage, success or failure in different types of research. Therefore, we believe that intercultural management and M&A research themselves are influenced by scholars' culture.

Rosinski (2003) observes that we belong to multiple groups. Therefore, we each operate within multiple cultures. Sometimes the nation is the only group taken into consideration to identify us culturally (we Brits, Germans, Brazilians). But our nation is only one of the groups to which we belong. These groups originate from various categories:

- ✓ Geography and nationality, region, religion, ethnicity
- ✓ Discipline: profession, education
- ✓ Organizations: industry, corporation, union, function
- ✓ Social life: family, friends, social class, clubs
- ✓ Gender and sexual orientation

The difference between cultures doesn't lie in the different type of dilemmas being faced but in the order in which they are taken and reconciled, as Trompenaars and Asser (2010) reveal. We realize that we have different categories of trust, different entry points for engaging in a potentially trustworthy relationship, and we realize that we will have to find a way to reconcile the differences between our points of view. The ensuing dilemmas can

be organized and categorized. Understanding a successful merger as the reconciliation of a good number of dilemmas goes a long way to understanding a successful integration process.

The common underlying belief is revealed by Zaiț (2013). He believes that intercultural approach should remain what it is and was considered since its inception: a way to consider relating of different cultures where the company, corporation or organization performs actions, activities or business to which those connections can have consequences. Thus, interculturalism is neither a field nor primarily marks the existence and way to communicate for several cultures that come into relationship through enterprise, corporation or organization. The emphasis, in this approach, is placed on variability, on what is different between two or more cultures and on the consequences of the actions developed by those entities in or between the considered cultures.

Some scholars (Cartwright *et al.*, 2012) consider that in order for M&A research to answer the calls for enhanced findings and theory-building, the field would need to start bridging the strategy and management streams in its research foci, and pursue more innovative research approaches. For this to occur, from a research philosophical perspective we call for more research philosophical pluralism and questioning of the assumptions on which we base our research upon.

Other scholars (Zaidman, 2001) consider that international business education should include seminars that focus on awareness of differences in cross-cultural business communication as well as on culture-specific discourse systems that have an impact on business communication.

## **2. Intercultural Particularities in M&A**

In 2000, Unilever acquired Bestfoods for just over US \$25 billion. The operation was among the twenty largest mergers and acquisitions worldwide that year. Rather than de facto imposing its culture, Unilever understood that to make the merger work, cultural differences between the two companies had to be well understood as Rosinski (2003) points out.

A similar opinion (Barkai, 2008) reveals that failure to understand and to allow for cultural dimension interests often lead to frustration and resentment during a cross-cultural negotiation and is likely to lead to impasse during the negotiation or a contract breach after the cross-cultural negotiation is completed.

As Rosinski (2003) observes, Chubb's operation in Asia has been very successful. In 2001, the Asia Pacific operations of Chubb achieved an overall growth rate of over 37 percent (representing a total of just over US\$158 million), way above the 3–7 percent general market growth estimate of March 2002. While many factors made this possible, top leadership's commitment to synthesize Western and Asian cultures has played an important part. Chris

Giles, president of Chubb Asia/Pacific, and Chris Hamilton, senior vice president of human resources, have always been convinced that to build a thriving business operation, Chubb executives would have to be excellent leaders. They knew that this meant in particular a capacity to act as coaches and to do so across cultures.

Research itself is influenced by culture, as Zaiț and Spalanzani (2009) posit. They consider that culture can influence in a decisive manner the individual's attitude to research in his various stages of development, education and training.

A similar point of view is expressed by Hofstede *et al.*, (2010). The authors emphasise that intercultural comparative studies often belong to a new normal science in the Kuhn sense. A common approach is for a master's or doctoral student to take an instrument (mostly a paper-and-pencil questionnaire) developed in one country, usually in the United States by a U.S. scholar who tested it on U.S. respondents, and to have it administered to respondents in one or more other countries. Unfortunately, such instruments cover only issues considered relevant in the society in which they were developed, and they exclude questions unrecognized by the designer because they do not occur in his or her society. Such questions are precisely the ones most interesting from a cultural point of view. The hidden ethnocentrism in this type of research leads to trivial results.

Trompenaars and Asser (2010) conceived a process founded on the Trinity Approach and it consists of three main perspectives:

Area 1: What binds and keeps us connected? What we stand for and decide to go for: this enables us to generate a vision and values framework for the NEWCO organization.

Area 2: What separates and keeps us apart? How we deal with the dilemmas resulting from diversity in vision and (cultural) values between the partner organizations involved.

Area 3: What should we do to benefit from the first and manage the second?

Rosinski (2011) emphasises that culture is a group phenomenon. He concludes that we need a language with which to talk about culture—a vocabulary to describe cultural characteristics. The task may appear daunting: there are an almost infinite number of possible behaviors, norms, values, and basic assumptions. The good news is that we can take a pragmatic approach and focus on the most relevant and salient aspects, building upon the work of eminent interculturalists. The Cultural Orientations Framework developed by the author is meant to serve that purpose. The COF is an integrative framework designed to assess and compare cultures.

Another tool is developed by Schwartz *et al.* (2012). They propose a refined theory of basic individual values intended to provide greater heuristic and explanatory power than the original theory of 10 values (Schwartz, 2012).

The refined theory more accurately expresses the central assumption of the original theory that research has largely ignored: Values form a circular motivational continuum. The theory defines and orders 19 values on the continuum based on their compatible and conflicting motivations, expression of self-protection vs. growth, and personal vs. social focus. The authors assess the theory with a new instrument in 15 samples from 10 countries. This study included samples with varying educational and occupational levels from countries in different world regions. Nonetheless, most respondents were relatively well educated and most countries were relatively high in socio-economic level. The authors consider that there is a need to evaluate the theory with less-educated samples, in countries with lower socio-economic profiles, and in world regions not yet studied (*e.g.*, sub-Saharan Africa, the Far East, Latin America). This research has demonstrated that the refined values theory provides greater precision of prediction and explanation for a diverse set of attitudes and beliefs than the original theory. It is plausible that the theory increases the predictive and explanatory power of values in relation to behavior, but there is yet no empirical evidence to support this assumption. Examining relations of the 19 values to behavior is a critical next step.

Going through the literature, it seems that the intercultural management is an “issue” of organization, information, communication, decision making, human resource management, financial management, production management and marketing. There are frequent references to the cultural factor that functions as leverage, for example in the case of FDI (*cf.*, Rkibi 2009).

Other scholars (Hitt & Pisano, 2003) highlight that we need to better understand the effects of cultural and institutional differences on the post-merger integration process and on the success of cross-border mergers and acquisitions. Furthermore, we need to better understand the effects of differences in the strategic orientations of managers on the acquiring and target firms.

A slightly different approach (Reus, 2012) considers that cross-border M&As have double-layered cultural differences of organizational and national differences, which complicate integrating knowledge pools because they are established through path dependencies rooted in a social context. On the other hand, cultural differences give combining firms the opportunity to obtain distinct routines and capabilities, which can lead to a richer bundle of knowledge.

In search for solutions to reduce the CD to the host country, Shenkar (2012) points out that acculturation has been defined as “changes induced in systems as a result of the diffusion of cultural elements in both directions”.

Much of the risk associated with working in Central Europe stems from uncertainty and lack of experience, as Zait *et al.*, (2014) reveal. This gives neighbouring countries with close historical and cultural ties to the region, such as Austria, a distinct advantage over more distant investors.

In a more general approach (Hofstede *et al.*, 2010) conclude that humankind today is threatened by a number of disasters that have all been man-made: they are disasters of culture rather than the disasters of nature to which our ancestors were regularly exposed. Their common cause is that people have become both too numerous and too clever for the limited size of our globe. While we are clever about technology and are getting more so each day, we are still naive about ourselves. Our mental software is not adapted to the environment we created in recent centuries. The only way toward survival is getting to understand ourselves better as social beings, so that we may control our technological cleverness and not use it in destructive ways. This goal demands concerted action on issues for which, unfortunately, different cultural values lead people to disagree rather than agree. In these circumstances intercultural cooperation has become a prime condition for the survival of humankind.

The picture emerging from our findings shows a lack of consensus about the intercultural particularities in M&A. On the same time, the common underlying belief is that intercultural aspects have a strong influence on M&A performance.

### **3. The Relationship Between Intercultural Elements and M&A Performance**

In most studies the main reason given for merger failure is “cultural differences”, as Trompenaars and Asser (2010) state. These issues must be better addressed so that future mergers will succeed where others have failed. A systematic and triangulated approach to assessing cultural differences needs to be in place and communicated through the management ranks and beyond. There are many tools available to help in this and the authors share a few of these in the book, but importantly, they have found that it is not just about measuring cultural differences and/or resolving potential challenges. The consulting process always begins with identifying and prioritizing the key integration issues through multiple assessments. The problem with organizational and national cultural issues in general is that the underlying basic assumptions remain largely implicit and unspoken.

An interesting finding is revealed by Weber *et al.* (2011). They claim that yet rather surprisingly, studies of cross-border M&As have rarely included both national and organizational culture dimensions in the same analyses. There is no reason to believe that the impact of a clash of national cultures will not be equal, if not greater, than the one produced by a clash of corporate cultures.

A similar finding is presented by Gertsen *et al.* (2004). They argue that not only researchers but also the managers and employees involved in mergers have pointed to national and organizational cultural differences as major causes of integration problems. In fact, culture has become an integral part of the

general discussion on mergers, and thus a core element of the social construction of the phenomenon.

Weber *et al.* (2011) show that the theoretical framework emphasizes the role cultural differences play in the choice of integration approaches and provides a solution for the conflicting results of empirical studies about the effect of culture clash and integration approaches on the performance of international and domestic M&As. The theoretical model provides ample opportunities for systematic research on the relationship between cultural dimensions and the way in which cultural differences influence integration approaches.

A more “optimistic” approach (Stahl & Voigt, 2005) consider that cultural differences, if properly understood and managed, can be an asset rather than a liability in M&A, and that cultural differences may affect the sub-processes of task integration and socio-cultural integration in different ways. National cultural differences, which are more salient than organizational cultural differences, may increase the awareness of the significance of cultural factors in the integration process and lead to more culturally sensitive integration management (*e.g.* greater use of social integration mechanisms, lower levels of imposed control, etc.). In addition, national cultural differences may enhance the combination potential and boost performance by providing access to the target’s or acquirer’s diverse set of practices and capabilities. For example, acquisitions in unfamiliar markets can trigger new solutions, foster innovation and enhance the development of technological skills. Thus, cultural differences can be a source of value creation and learning in M&A, but they can also create obstacles to reaping projected synergies by exacerbating social integration problems and diminishing the firms’ capacity to absorb capabilities from the other party.

According to Sonenshine and Reynolds (2014) firms have a broad range of rationales for engaging in cross-border mergers and other forms of foreign direct investment (FDI); while some companies are in search of the cost advantages provided by foreign resources, other firms are primarily interested in gaining access to new markets. Although a significant amount of research has explored the patterns of FDI, little work has been done to assess what influences the value of cross-border mergers and, in particular, what determines why some cross-border mergers are expected to result in higher synergies when compared to others.

Rosinski (2011) too reflects upon this phenomenon and claims that global coaching implies a dialectical (and) form of thinking resulting in cross-learning, rather than the binary (or) habitual Western mode that often fosters polarization and division. It promotes an inclusive and dynamic approach, enabling a synthesis. When simple mono-dimensional approaches are insufficient, global coaching allows addressing our interconnected and complex reality. Beyond individual and team development, coaches can add value by facilitating organizational development.



A recent study on egalitarianism (Siegel *et al.*, 2011) concluded that countries' stances on egalitarianism constitute their most fundamental informal institution concerned with issues of power and its consequences. This institutional posture is reflected in a broad array of important policy mechanisms that include imposing controls on corruption, regulating market power, curbing agency problems in firms, and mitigating harsh circumstances endured by weaker members of a society. Sources of nations' emphasis on cultural egalitarianism vary as well. Egalitarianism is negatively related to societal fractionalization and positively related to nations' historically dominant religions (Protestantism or Catholicism) and historical war experiences dating back to the 19th century. The study suggests several possible extensions. For instance, egalitarianism distance might help explain the home bias in portfolio holdings. Also, egalitarianism may influence cross-border trade just as it influences cross-border financial and strategic investment. On a different level of analysis, cultural egalitarianism/hierarchy may play a role in affecting individuals' economic behavior—in particular, other-regarding behaviour and obedience to authority. This study will encourage scholars to overcome a possible latent reluctance toward dealing with informal institutions and harness the analytical framework of cultural dimensions to address the role of culture in determining abroad array of economic outcomes.

Each orientation on the COF can potentially be useful or harmful, as Rosinski (2003) asserts. For each dimension the key is to develop the ability to see reality from both sides (*i.e.*, there are generally two orientations per dimension), to integrate and leverage the diversity. Richness comes from this synthesis. The danger is using binary thinking, which people in the Western world have become accustomed to since Aristotle. Binary thinking leads us to choose one cultural orientation or the other, preventing us from finding new ways to consider and then reconcile alternatives.

He considers that in order to use the COF with positive impact, coaches need instead another form of thinking, called dialectics. Dialectic thinking looks for contrasts, for opposite poles and viewpoints. New ideas, solutions, and options emerge from the confrontation. Dialectic thinking itself can be opposed to binary thinking, which assumes one best way (rightly so sometimes).

We agree with Shenkar (2012) when he argues that cultural distance is a widely used construct in international business, where it has been applied to foreign investment expansion, entry mode choice, and the performance of foreign invested affiliates, among others.

A slightly different view (Vidal-Suárez & López-Duarte, 2013) reveals the need to unbundle language distance from cultural distance in order to identify the role that it plays in the choice between greenfield and acquisitions when investing abroad. When so doing, cultural distance arises as a main factor conditioning the transaction costs of an acquisitions process. The language distance between the investing firm and the target increases the information

asymmetry the foreign investor must face when investing abroad, and therefore, ex ante transaction costs relative to the valuation and pricing of the target and to the negotiation process. In the same way, the larger the language barriers between the acquirer and the target, the more difficult and costly the integration process of resources and personnel coming from both firms, and the harder it is to achieve cooperative (non-opportunistic) behavior on the part of the target.

In a plea for biculturalism Shenkar (2012) concludes that staffing is not only a means of control but also a venue through which groups and individuals bring their cultural properties into a system. Bicultural individuals play an especially important role in closing the cultural distance (CD) between the foreign and host countries. By virtue of their familiarity with both cultures, such individuals bring the two countries together by serving as emissaries and interpreters of culturally embedded signals and behaviors. The presence of such individuals in a company, especially in senior positions, may hence serve as a mechanism closing CD.

The tools for cross cultural research have made progress. Minkov and Hofstede (2011) consider that one limitation of the CVS-based long-term orientation dimension in Hofstede's work was the fact that reliable country scores were only available for 23 countries. Minkov succeeded in extracting a new measure of LTO from WVS data, obtaining scores for 93 countries and regions. The 2010 (third) edition of *Cultures and Organizations: Software of the Mind* (Hofstede *et al.*, 2010) provides this new WVS-based measure, describing how it was developed from its CVS-based predecessor.

Another tool for cross cultural research is presented by Schwartz (2012). He points out that the individual level values theory has identified ten basic, motivationally distinct values that people in virtually all cultures implicitly recognize. The validity of this claim does not depend on the way we measure values. The ten basic values emerge whether people report their values explicitly (SVS) or whether we infer their values indirectly from their judgments of how much various other people are like them (PVQ). The values theory applies in populations around the world. Especially striking is the emergence of the same circular structure of relations among values across countries and measurement instruments. People everywhere experience conflict between pursuing openness to change values or conservation values. They also experience conflict between pursuing self-transcendence or self-enhancement values. Conflicts between specific values (*e.g.*, power vs. universalism, tradition vs. hedonism) are also near-universal. I described several dynamic processes that may account for the observed circular structure. These processes may point the way toward a unifying theory of human motivation. An astonishing finding of the cross-cultural research is the high level of consensus regarding the relative importance of the ten values across societies. In the vast majority of nations studied, benevolence, universalism, and self-direction values appear at the top of the hierarchy and power, tradition, and stimulation values appear at

the bottom. This implies that the aspects of human nature and of social functioning that shape individual value priorities are widely shared across cultures. I presented the initial, functionalist explanation that has been offered for this phenomenon. It deserves much more analysis in depth.

Minkov and Blagoev (2012) compare also two tools for cross cultural research. The authors consider that GLOBE has not improved or disproved Hofstede's model and has not replaced it with a new one. Rather, it has contributed to our understanding of one of Hofstede's dimensions: the individualism versus collectivism dimension. GLOBE has elucidated some of its important facets: in-group cohesiveness and Western order, based on tolerance and respect for all, versus a relative lack of these phenomena. GLOBE also seems to have contributed to a better understanding of the power distance dimension, although future research is needed in that field.

Shenkar (2012) points out that certain cultures are considered attractive to other cultures. A foreign culture's perceived attributes may be a major reason for the preferences expressed by potential partners and host countries. From a cognitive perspective, even when attractiveness is absent, adjustment to a relatively similar culture is often as difficult as adjustment to a "distant" one. This is explained by the expatriate literature in that expatriates do not expect differences in relatively similar cultures.

An interesting opinion and a different approach (Vaara *et al.*, 2013) consider that in particular, there is a need to pay attention to self-serving attributions and the resulting illusion of control that could lead to overly risky deals and create problems in the management of the integration process. Special attention should be focused on how managers may overemphasize the role of cultural differences and even deliberately blame cultural differences for failure. At the same time, other causes of integration problems might pass unnoticed and be left unaddressed.

We agree with Weber *et al.* (2011) when they show that a chosen integration approach, based on its specific configurational fit that is congruent with the three characteristics of each M&A (synergy potential, cultural differences, and cultural dimensions) can lead the acquiring company to a superior performance.

Kim *et al.* (2011) emphasise the role of advisors' acquisition experience. They show that advisors' acquisition experience lessened the negative effects of desperation, indicating that the experience of a sound advisor may allow a firm to overcome an inclination to overpay for acquisitions.

Table 1 shows some of the most important intercultural concepts in international M&As, revealed by researchers.

**Table 1**  
*Intercultural Concepts in M&A*

| Intercultural determinants in M&As | Authors  |
|------------------------------------|--|
| 1. Cultural integration            | Hofstede <i>et al.</i> (2010)<br>Stahl & Voigt (2005)<br>Weber <i>et al.</i> (2011)  |
| 2. Cultural stereotypes            | Trompenaars & Asser (2010)   |
| 3. Cultural differences            | Rosinski (2003)<br>Trompenaars & Asser (2010)<br>Stahl & Voigt (2005)<br>Vaara <i>et al.</i> (2013)<br>Gertsen <i>et al.</i> (2004)<br>Hitt & Pisano (2003)<br>Reus (2012)<br>Weber <i>et al.</i> (2011) |
| 4. Cultural dimensions             | Barkai (2008)<br>Siegel <i>et al.</i> (2011)<br>Weber <i>et al.</i> (2011)   |
| 5. Basic individual values         | Schwartz <i>et al.</i> (2012)  |
| 6. Intercultural management        | Rkibi (2009)<br>Hofstede <i>et al.</i> (2010)  |
| 7. Acculturation                   | Shenkar (2012)   |
| 8. Global coaching                 | Rosinski (2011)<br>Zaidman (2001)  |
| 9. Egalitarianism                  | Siegel <i>et al.</i> (2011)  |
| 10. Cultural distance              | Shenkar (2012)<br>Vidal-Suárez & López-Duarte (2013)   |
| 11. Collectivism                   | Minkov & Blagoev (2012)  |

The relationship between intercultural elements and M&A performance is a key topic in literature in last decades. Despite the advances, important research gaps and paradoxes remain.

Do our findings point to a need for M&A scholars to deepen the research? Our answer is a clear yes.

Through our analysis, we have shown the many different intercultural factors that may shape the M&A as well as the organizational performance post M&A.

We believe that the key success factors in mergers and acquisitions (M&As) and the reasons for M&As often failure remain less well understood.

As the M&A literature reveals, there are many gaps and unsolved problems in the field. Therefore, the contradictory findings suggest that these complex issues require more theoretical and empirical study.

We consider that cultural diversity in organizations can be both an asset and a liability. Whether the losses associated with cultural diversity can be minimized and the gains be realized will depend likewise on the managers'

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ability to manage the negotiations and due diligence processes in an effective manner. Our further research will aim to reveal how cultural diversity influences organizations' performance and the factors that help or impede organizations' performance.

#### 4. Conclusions

Cross border mergers and acquisitions have become frequent, but they remain a common source of intercultural clashes. Even in scientific research culture, through the influence on behaviour, attitudes, and positions towards action is a major factor of facilitating, blockage, success or failure.

During the last decades leaders found that they have to pay attention to both national and organizational cultures and they are leading and managing multicultural workforces, even in local companies. Sometimes the nation is the only group considered for our cultural identity although we belong to more groups like: region, religion, ethnicity, profession, education, industry, function, social class, gender.

Each cultural dimension can be useful or harmful and we have to develop the ability to see reality from both sides. Richness comes from this synthesis and the danger is using binary thinking.

We have different categories of trust and therefore we must find a way to reconcile the differences between our standpoints.

M&A performance is higher when both strategic fit (synergy potential) and organizational fit factors (cultural differences and national culture of the acquiring company) are investigated and taken into consideration in the premerger phase. Cultural differences, if we know how to take advantage of them, can be an asset more than a liability in M&A.

Researchers have to bridge the gap between theory and practice. Practitioners must focus on action-oriented thinking and encourage theoreticians to be more realistic and less reductionist in an interdisciplinary approach.

Intercultural management is a very important issue for the organizations and we can notice the special consideration of both academics and practitioners. Intercultural management findings can lead to different interpretations and might provoke specific emotional and behavioural reactions.

This paper presented the most important intercultural aspects for the M&A activity. We have envisaged, also, the relationship between intercultural elements and M&A performance.

We have sought to summarize the findings from the intercultural M&A research and to suggest new research directions.

We have attempted to answer the questions: "Which are the intercultural particularities in M&A?", "What is the relationship between intercultural elements and M&A performance?" and "How to be successful in M&A?".

The relationship between intercultural elements and M&A performance is a key topic in literature in last decades. Despite the advances, important research gaps and paradoxes remain.

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We believe that the key success factors in mergers and acquisitions (M&As) and the reasons for M&As often failure remain less well understood.

The picture emerging from our findings shows a lack of consensus about the intercultural particularities in M&A. On the same time, the common underlying belief is that intercultural aspects have a strong influence on M&A performance.

There are many gaps and unsolved problems in the field that require more theoretical and empirical study.

Furthermore, research on M&A success factors should focus, also, on analysing the relation between cultural and non-cultural determinants of M&A.

Future studies might explore other intercultural determinants specific for different countries. Studying intercultural particularities of M&A in Eastern Europe in post-communist economies might be an interesting future direction.

To summarize, future research should concentrate on the M&A performance concept and on the relation between cultural and non-cultural determinants of M&A. Further research could also focus on Eastern Europe M&As.

We consider our paper contributes to a deeper understanding about the M&A intercultural issues by revealing some inconsistencies in specialized literature and presenting different interpretations expressed by scholars and practitioners.

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#### ASPECTE INTERCULTURALE ÎN FUZIUNI ȘI ACHIZIȚII. SUNT DIFERENȚELE CULTURALE UN AVANTAJ SAU O SLĂBICIUNE?

(Rezumat)

Oamenii de știință din domeniul fuziunilor și achizițiilor (M&A) sunt de mult timp interesați de analiza proceselor în M&A, încercând să explice modul lor de efectuare și ne-am decis să examinăm ce opinii au exprimat autorii unor studii cu privire la succesul sau eșecul fuziunilor și achizițiilor. În timp ce încercările clasice de a explica performanța în fuziuni și achiziții s-au concentrat pe factori strategici și financiari, acest articol a încercat să sintetizeze unele aspecte din cercetarea asupra factorilor interculturali în fuziuni și achiziții. Studiul nostru propune o evaluare a celor mai importante aspecte interculturale care trebuie să fie luate în considerare în fuziuni și achiziții.

Acest studiu își propune să dezvăluie cele mai importante întrebări din cercetarea fuziunilor și achizițiilor transfrontaliere.

Această lucrare dezvăluie cele mai importante aspecte interculturale în activitatea de fuziuni și achiziții. Avem în vedere, de asemenea, relația dintre elementele interculturale și performanța în fuziuni și achiziții.

Principalele întrebări la care trebuie să se răspundă sunt: „Care sunt particularitățile interculturale în fuziuni și achiziții?”, „Care este relația dintre elementele interculturale și performanța în fuziuni și achiziții?” și „Cum să reușești în M&A?”.

Contribuția noastră la literatura de fuziuni și achiziții constă în îmbunătățirea înțelegerii actuale a aspectelor interculturale în fuziuni și achiziții.