BEST: International Journal of Management, Information Technology and Engineering (BEST: IJMITE)
ISSN (P): 2348-0513, ISSN (E): 2454-471X,
Vol. 4, Issue 5, May 2016, 29-40
© BEST Journals

Best Journals
Knowledge to Wisdom

MERGERS AND ACQUISITIONS: THEIR IMPACT ON MANAGEMENT AND EMPLOYEES

ADAM LONG[1] & DAVE HINKES[2]

[1]Lincoln Memorial University, Harrogate, TN, England

[2]Sullivan University, Louisville, Kentucky

ABSTRACT

Considering the world of business is a fast-paced, always changing atmosphere, the only possible way for firms to maintain growth and profitability is the consistent adaptation to change. It can be assumed that most change is derived with the intent to improve current operations or procedures. Improvements are often centered around the most common business operations of finance, accounting, management, marketing, and others. As the desire for growth and adaptation has increased, mergers and acquisitions have become more popular, especially among larger global corporations. Merging and acquiring firms are typically formulated with the idea that one of the firms would hold more market share and potentially have higher profits. Unfortunately, this places a more important emphasis on financial operations than other sections. For some individuals, the idea of mergers and acquisitions usually means that changes will soon be made, directly affecting management and employees. This study was conducted with the intent of understanding mergers and acquisitions and relaying the adverse impacts towards management and employees.

KEYWORDS: Merger, Acquisition, Management, Turnover, Financial, Impact, Human Resources

INTRODUCTION

For many decades, the act of corporate mergers and acquisitions have caught the attention of employees, managers, corporate shareholders, and any other individuals involved with the continuation of business cycles. These incidents are some of the most talked about items in the corporate business world. It becomes a significant change when one operating firm decides to merge or acquire another operating firm. Although the initial breaking of news may be taunting for some, it is also an indication that other forms of support may soon be implemented. With the understanding that business is constantly changing, the need and desire for mergers and acquisitions continues to grow. Strategists believe the only way to remain profitable and successful in business is through strong adaptability skills with the occurring changes. Initial speculation causing mergers and acquisitions to often lean toward financial demands of either a struggling firm, or a much more successful firm in a shared market. Unfortunately, not all business mergers and acquisitions are created with the intent of only business demands. Political factors often depict the direction of organizations, regardless of the intended outcome. Other outcomes, as a result of a merge or acquisition, can be detrimental to the human factor of business operations within a corporation. The vision of growth and sustainability by top-level management often seems to push aside the human resource sectors of the organization. Economic conditions lead to higher price labor and goods resulting in strategy formulation to decrease all costs. As this occurs working conditions often fail due to low employee morale. Therefore, when evaluating the effectiveness of a merge or acquisition, it is important to understand how managers and employees are impacted by the changes. "Although corporate mergers and acquisitions have become an important part

of American commerce, it is only recently that researchers and practitioners have become concerned about their effects on employees" (Schweiger & Denisi, 1991, p.110)

PURPOSE OF MERGERS AND ACQUISITIONS

The main purpose of a merge or acquisition is to pursue further business strategies that may improve current operations, generate more profit, and expand into new regions or markets, and more. Many corporations seek to become larger in size and grow their operation. By acquiring or merging with another firm, they can quickly increase their market share and gain more customers. Growth and sustainability is typically reached over a long period of time while joining forces with another firm can speed up the process. The act of depleting competition can also be a motivational tactic for firms. If a competing firm obtains many attractive assets that give them a market advantage, another firm may want to merge or acquire them simply because of technology or product development. Again, the main purpose of this results back to an intriguing desire for larger market share and more profit. Merging similar firms also improves economies of scale as two competing firms become one, centralized costs of goods and operations can be expected to decrease over time. Without the creation of a monopoly holding more market share ultimately gives a firm more power. Another common reason for mergers and acquisitions is the fact of improving tax implications. The United States is well known for their high tax rates for business operations. As corporations seek to grow internationally merging or acquiring other firms outside of the US may help avoid high tax rates. Other potential benefits of merging or acquiring firms include: improved capacity utilization, improved sales force, and new access to suppliers. Table 1 below indicates a list of goals for mergers and acquisitions (Walter & Barney, 1990, p. 79).

Table 1

1. Promote visibility with investors, bankers, or governments, with an eye to subtle benefits later.
2. Accelerate growth or reduce risks and costs in a particular industry in which the acquiring company has a strength such as executive wisdom.
3. Utilize interlocking and mutually stimulating synergistic qualities of the acquired company *vis-à-vis* the acquiring company.
4. Attain improved competitiveness inherent in holding a sizeable market share or important market position.
5. Utilize financial strengths of the acquired company such as foreign tax credits or borrowing capacity.
6. Gain complementary financial features such as those that balance earnings cyclicality.
7. Reduce the risks and costs of diversifying products and services delivered to customers within an industry.
8. Utilize the acquiring company's expertise in marketing, production, or other areas within the acquired company.
9. Divest poor-performing elements of the otherwise undervalued acquired company, in portfolio management style.
10. Improve efficiencies and reduce risk in the supply of specific goods and/or services to the acquiring

company.

11. Penetrate new markets by utilizing the acquired company's marketing capacities.
12. Improve economies of scale by utilizing the company's distribution capacities to absorb expanded output.
13. Gain valuable or potentially valuable assets with the cash flow or other financial strengths of the acquiring firm.
14. Broaden the customer base for existing goods and services of the acquiring company.
15. Create economies of scale by relevant capacity expansion.
16. Reduce risks and costs of entering a new industry.
17. Expand capacity at less cost than assembling new facilities, equipment, and/or physical assets.
18. Fulfill the personal ambitions, vision, or some particular goal of the acquiring company's chief executive.
19. Pursue opportunities to sell stock at a profit by such acts as pressing management of the acquired firm for improved earnings.
20. Utilize the acquired company's personnel, skills or technology in other operations of the acquiring company.

TYPES OF MERGERS AND ACQUISITIONS

In most corporate situations, acquisitions are more likely to occur compared to a merge. The need for merging firms has become less effective as larger corporations decide to acquire other similar operations. A merge or acquisition is considered to be a long term strategy that is developed over an exaggerated period of time before finalized. A merge is when two organizations of the same size unite to form one larger operation. The most common styles of mergers include vertical, horizontal, conglomerate, or concentric (Cartwright & Cooper, 1990, p. 65). An acquisition is a situation in which one acquires or purchases the other. Acquisitions may be considered as takeover, hostile takeover, or friendly merge. Before initiating a merge or acquisition, the acquiring firm must determine the best method of approach.

Vertical Merge

According to Cartwright and Cooper (1990, 9. 65), a vertical merge is the combination of two organizations from successive processes within the same industry. This type of merge is used to secure supply of goods and avoid the disruption of supply chain processes. It also restricts supply to other competitors as the corporation becomes a larger entity. This allows for increased market share, revenues, and profits. Overall, cost savings and higher returns are the primary focus for merging with another firm. An example of a vertical merge would be a clothing provider merging with a textile manufacturer. They are part of the same industry, yet one manufactures the goods as the other sells them.

Horizontal Merge

A horizontal merge is the combination of two similar organizations in the same industry (Cartwright & Cooper,

1990, p. 65). The merge is used to simply combine like operations to create a larger entity of the same concept. The benefits of a horizontal merge include minimizing competition, increase market share, increase revenue and profits, and improve economies of scale. An example might be a computer sales company merging with another computer sales company.

Conglomerate Merge

The conglomerate merge is one that might be the least likely to occur. The main idea is a firm merging with another firm in a completely separate industry. The organizations are in unrelated fields (Cartwright & Cooper, 1990, p. 65). Conglomerate mergers are initiated to diversify operations in various industries, reducing risks. An example might be represented by a car merging with a candy manufacturer.

Concentric Merge

A concentric merge is developed to join firms that serve the same customer base but provide various products or services. Cartwright and Cooper explain the concentric merge as an action where the organization acquired may be an unfamiliar but related field allowing the joined force to expand. One of the most contributing factors of a concentric merge is to offer more products to the consumer who demands multiple products in the same category. For example, a smartphone manufacturer may initiate a concentric merge with a smartphone accessories company. Both serve the smartphone consumer yet they offer different products. This allows consumers to rely on one single corporation to meet their demands. This creates more opportunity for growth for the firms.

MERGER AND ACQUISITION IMPLEMENTATION

Once the decision has been made by corporate executives to pursue a merge or acquisition, the following step is to implement the transition. The implementation period is one of the most important phases of the whole cycle ultimately determining whether or not the transition will be successful. Communication is the key to successful transitions in mergers and acquisitions. If communication lacks it creates a sense of uncertainty for both parties. The process should be well developed assigning tasks and activities to various departments. As individuals feel a sense of teamwork to a common goal they tend to “buy-in” to the process. As implementation comes closer to finalization it is vital that both firms recognize the new identity of the company and its shared vision.

Limitations

The majority of mergers and acquisitions will always have limitations while implementing new processes. Human resource limitations are some of the most prominent and have become a primary focus for new mergers and acquisitions. Little description of actual changes in human resource departments are common for both firms (Napier, 1989, p. 4). Information is typically passed from individual to individual, creating misconceptions and mythical situations. Another common limitation is the length of time needed to finalize the transition. “A merger or acquisition can be a lengthy process; it is often more than a year from initial discussion to consummation” (Napier, 1989, p. 4).

Drucker’s Five Rules

Peter Drucker, a well-known business management researcher, teacher, and consultant developed his five rules for mergers and acquisitions that help individuals understand the purpose of mergers and acquisitions and how they should be implemented successfully. His five rules consist of (Paine & Power, 1984, p. 99):

- Acquire a company with a 'common core of unity'- either a common technology or markets or in some situations production process. Financial ties alone are insufficient.
- Think through your firm's potential contributions of skills to the acquired company. There must be a contribution and it has to be more than money.
- Respect the products, markets and customers of the acquired company. There must be a 'temperamental fit'.
- Within approximately a year you must be able to provide top management for the acquired company.
- Within the first year of a merger a large number of managers of both companies should receive substantial promotions from one of the former companies to the other.

Drucker's Rules Should Also be Implemented with the Following Two Assumptions (Paine & Power, 1984, p. 100):

- Acquiring or merging with another firm can be financially successful or meet other organizational goals/needs.
- The actions of managers have a major influence on the success of the acquisition.

Considering the rules Drucker developed, along with the regulating assumptions, it can be determined that mergers and acquisitions should be developed with more intention than financial gains. These are simple guidelines for corporations to consider while implementing a transition.

Commitment and Consistency

During the implementation process of a merge or acquisition it is important for everyone to understand the generalized commitment and process. Once the commitment has begun it is best to keep amendments as minimal as possible. All corporations have their own standardized concepts of doing various things. Therefore, it is important for executives to understand current operations of the acquired firm to realize what changes should be made initially to form one common operation. Along with commitment consistency also plays a major role in successful implementation. Once the operational standard is in place a consistent level of management and regulation is used to regulate everyday operations. An organizational structure may need to be developed in order to inform individuals of the chain of command.

Culture

When joining two cultures to form one operation employees must be conscious of what culture implications are acceptable. The corporate culture of an organization is often taken for granted and commonly overlooked as an attributable factor for success. "Corporate culture is a pervasive influence on organizations and can increase or decrease the value of an organization, no different than other intangible assets, such as company reputation, customer loyalty, and analyst confidence" (Mackenzie & Woods worth, 2013, p. 918). The culture of an operation may include management styles, communication standards, and quality of work ethic, downtime, and much more. Differences in basic operations such as financial and strategic planning, personnel policies, and formality/informality may contribute to a cultural clash (Stehl, Smith, & Oura, 1990, p. 54). Rather than manipulating the acquired culture to fit the pre-existing culture, managers and executives should consider a combination of two cultures in order to keep operations consistent with prior expectations.

IMPACT ON EMPLOYEES

It is obvious that mergers and acquisitions have a significant impact on employees of both the acquiring and

acquired firms. Although not all situations have negative impacts, the majority of individuals view a merge or acquisition to be a threat and pose potential problems. The initial announcement of a merger or acquisition taking place often leaves individuals with a sense of uncertainty mainly focusing on their job availability. If the transitional period is poorly developed significant impacts on employees will be evident.

Employee Perception

The way in which employees perceive mergers and acquisitions is an essential element to the overall impact of the transition. The general public, the business world, and the acquiring firm's executives all perceive the action as if only positive things were to come from a merge or acquisition. However, for management and employees of both firms, the idea of a merge or acquisition is often threatening. The potential for job loss is one of the main focuses and fears. Employees may also perceive actions differently depending on whether the action is a merge or acquisition. When participating in a merge firm employees may feel more comfort as two corporations are joining together to create a stronger operation. Mergers often yield in fewer job losses as compared to acquisitions. Therefore, the perception becomes more of a team-based approach rather than competing with other employees to maintain their employment status. In contrast, job loss is typically expected in an acquisition as cutting costs to improve financial standards is a primary function. The employee perception often becomes negative as job loss is expected. "The psychological response of employees to the news that their organization has been taken over or merged with another has frequently been compared with the sense of loss experienced following the bereavement of a close friend or relative" (Cartwright & Cooper, 1990, p. 71)

Employee Response

Employee response to a merge or acquisition is often related to the ease of transition. The initial response of employees is expected to be negative for a considerable period of time. According to Cartwright and Cooper (1990, p. 71), employee response and reactions to a merge or acquisition may be identified in various stages. The first stage is disbelief and denial where employees simply do not want to believe the information they have been given. This stage can last for a lengthy period of time. The second stage is considered anger through rage and resentment. Employees often show signs of temperamental actions as the process continues. The following stage is emotional bargaining beginning with the anger and resulting in depression. As employees continue the stage of anger the concept of change begins to transform into a phase of depression. The final stage is employee acceptance to the new transition. As time moves on employees finally understand the reality of the transition and begin to accept that change is sure to occur. Overall, employee response can vary in many forms and fashions based on the length and smoothness of the transition.

Morale

Employee morale is a very important aspect to business operations and is often responsible for the experience of the consumer. Morale is not always determined based on the wages employees are paid but other contributable factors include communication, willingness to help others, the level of authority individuals are given, and much more. Morale and engagement are expected to be adversely impacted when mergers and acquisitions are taking place if the transitional period is not implemented adequately. Cultural effects and group orientation often dictate the level of morale in a workplace. Attitudes toward work become contagious and are passed from individual to individual. During the time of a merge or acquisition this is one of the worst things that can happen. Unless the attitude spreading around is positive and encouraging the implementation phase may last longer periods of time and are less effective. More than likely employee morale will be

centered on stress fear of job loss, and competition to maintain employment. “Employees are likely to become concerned about a multitude of issues following merger or acquisition, including job security, reward systems, loss of identity and autonomy, lack of information, career prospects, new working relationships, ambiguous working environments, job duplications, transfers, etc.; all of which can be considered to be potential merger stressors” (Cartwright & Cooper, 1990, p. 71). Stress also shares a relationship with change. As individuals become comfortable in a routine, once change occurs, stress is a result for everyone. The most obvious morale influencing characteristics are individual’s fear of losing their job and doing everything in their control to be better than all other employees. This level of survivorship creates a negative impact on morale and becomes detrimental when measuring employee impact resulting from a merger or acquisition.

Human Resource’s Role and Employee Benefits

The human resource department of any corporation is considerably one of the most important. Their role in a merger or acquisition is heavily burdened in most situations. As two corporations are joining to form one, there will be many changes for human resources to make. Wickramasinghe and Karunaratne (2009) suggest the changes are dependent on the style of merge or acquisition taking place:

The literature suggests that the type of the merger could influence human resource (HR) practices. In an extension merger, since the two firms are unrelated in product or service, internal changes to the acquired firm, which will remain relatively autonomous, are likely to be minimal, and there will be few cultural consequences. Thus, the impact on HR and other practices in an extension merger is likely to be low. On the other hand, from an HR perspective, collaborative mergers are the most difficult mergers to be implemented, since the acquiring firm already has expertise in the business operations and will act to consolidate the two firms to avoid redundancy and become more cost-effective. Downsizing and voluntary layoffs usually recede or immediately follow the merger.

The human resource role also goes beyond the act of maintaining adequate number of employees for operations. Employees can also expect to see changes in their benefit plans which might include compensation, retirement, insurance, and many others. “The employee benefit aspects of a transaction, such as the form and structure of the employee benefit plans and the funding status of the employee benefit plans, will be influenced by the type or structure of the corporate transaction” (McNeil, 2008, p. 38). The acquiring company can decide to purchase the stock and shares of the employees and shareholders, allowing employees to maintain current benefit options. Other factors such as the age of employees impacted also vary significantly. An older individual that has been employed for a longer period of time may encounter significant changes to their retirement plan; their past savings and contributions can all change. Compared to a younger individual who has been working a short period of time, their retirement contributions will be much less and will experience less of a loss. Paid vacation time is another benefit that may change with a merge or acquisition. New procedures may make it necessary for new training which is a human resource factor and also affects when individuals are allowed to take vacation. As time has changed, many employees now seek to have employment with exceptional benefits and forgo higher wages.

Change in Management Styles

Once the merger or acquisition has been implemented and operations continue, it is common for management styles to vary. Mergers and acquisitions have the effect of joining management groups of two firms which may be similar or drastically different (Datta, 1991, p. 284). The acquiring firm’s employees will see the fewest changes in management

styles as their managers are typically the ones to maintain decision making authority. “To minimize conflict acquirers may be more likely to retain executives who have similar management styles” (Krug, Wright, & Kroll, 2014, p. 153). However, based on the style of merger or acquisition the merged or acquired firms can expect previous management styles to change. The purpose of management style changes is to centralize decision making approaches, maintain styles that are unique to the firm, and adapt new techniques. Management styles may include operation standards, behavior standards, reward and recognition standards, decision making standards, and many more. Management style change also directly affects the relationship between executives and firm employees. “Culture compatibility, or the ability to assimilate into the culture of the acquiring company, is a key aspect to consider” (Siehl, Smith, & Omura, 1990, p. 54). As most firms are becoming more involved in a culture based operation, more emphasis is placed on building a culture that is diverse and collaborates well. In order to achieve this management styles must be on the same page throughout the corporation.

Turnover of Employees and Top Executives

For most individuals associated with business operations it becomes common knowledge that employee turnover drastically increases after a merger or acquisition occurs. Without experiencing the situation first-hand studies and critics relay information that suggest employees and management leave a corporation for many various reasons. The reasons are typically scenario driven and employees leaving within the same corporation may all have different perspectives as to why they chose to leave. However, the turnover rate is not justified simply by individuals who chose to leave but also includes those who are forced out.

As Drucker’s fifth rule was previously mentioned there is an importance to offering managers promotions and incentives to stay with the acquiring company. Unfortunately, this tactic is not often performed. “On average, target companies lose an average of about one-quarter of their executives in the first year after acquisition - a turnover rate close to three times higher than normal. Within five years, they lose an average of 60% or more of the executives present at the time of the acquisition” (Krug, Wright, & Kroll, 2014, p. 148). As the common perception of this relates to managers being forced out by acquiring executives there are more aspects to consider as to why the turnover rates are so high. Considering perception is often reality more than likely most managers are pushed out due to their position being duplicated in the act of merging or acquiring another corporation. The desire to improve financial standings, one of the main initiators of mergers and acquisitions, make it obvious as to why positions are depleted. Post-acquisition performance is a measure that firms use to determine the need for managers. If anticipated results of the implementation are not being met executives may decide that the acquired managers are not fitting their desired characteristics resulting in replacement or depletion of management.

Not all management turnover is caused by the forcing out decision of executives. Management may also determine their particular situation is not desirable and may chose to leave on their own account. Individuals may feel as if current operations are out of their control and the only way for management to fix that feeling is by convincing them that other career opportunities are the right move for them. The environment of working conditions is generally the cause for management to voluntarily leave. Levels of stress, control, authority, freedom, sense of importance, career opportunities, and other factors must be taken into consideration when determining whether or not to stay. “The top manager may have less authority, more stringent controls, less latitude than he had before the merger. Some people can deal with this change” (Stehl, Smith, & Omura, 1990, p. 54). Other scenarios may have managers staying long enough to complete the transitional period and then find other employment options. If employees and management are aware of this approach led by

executives, more than likely, they will decide to leave before the implementation begins. This is a result of individuals feeling as if their work is being taken for granted.

As for the corporation initiating the merge or acquisition it becomes their responsibility to determine what actions are best for their desired operational strategy. From the perspective of employees and management most will automatically interpret a merge or acquisition as job loss. The majority of research reveals few positive things come to employees and management of the acquired company. Although their jobs may be transitioned to the new operation it seems to be highly unlikely. It is possible that individuals are aware of previous outcomes of mergers and acquisitions and have the idea their position will soon be depleted, taking the initiative to leave prematurely, also raising the turnover rates.

The high turnover rates also link to other aspects of business operations. Research has shown there is a direct correlation between turnover and acquisition performance. In the past, high management turnover resulted in poor performing acquisitions. This represents a concept that managers bring more value to an operation than anticipated by executives. As managers are forced out or chose to leave the more difficult it becomes for mergers and acquisitions to perform as planned. The decreased number of employees can lead to short-staffed operations and allows less qualified individuals to become managers. The cost associated with implementing and training new employees may exceed the cost of maintaining pre-existent employees and management originally cut from operating budgets. These studies prove the importance of keeping valuable employees and management, which also improves the merge or acquisition performance (Krug, Wright, & Kroll, 2014, pp. 149-150).

Working Conditions Post Merge or Acquisition

Mergers and acquisitions have significant impacts on business operations. One of the most important aspects to consider is the working conditions employees face after the merge or acquisition has taken place. A significant period of time is needed to complete the various phases of implementation. Working conditions ultimately have a direct effect on employees and their work ethic. Many situations are considered hostile, stressful, and uncertain. Employees rarely feel a sense of security in their work for many years following implementation. Most employees desire an employment that provides security and opportunities for growth and advancement. Both of these aspects are often minimized when a merger or acquisition takes place, which leads to the high turnover rates.

DETERMINING THE OUTCOME

Mergers and acquisitions have a strong reputation for failure. When considering the implementation phases there are many factors that determine the actual outcome. Each corporation has their own desired goal when initiating the act of merging or acquiring another firm. The level of success is more than likely an internal formulation of operation outcomes but often depends on more than just numbers. Their initial goal may not involve expanding operations and reducing cost but simply join two similar firms to have a larger market share. However, financial measures and reactions of parties involved in the implementation determine the outcome (Napier, 1989, p. 275). Many firms expect large financial gains in the beginning processes; however, many mergers and acquisitions prove that to be non-existent. Financial gains are typically small and directly affect the shareholders and investors but may never be seen by employees, management, or even executives.

Employees and their work ethic will directly affect the operations and profitability of a corporation and are arguably the most important driving force of new implementations. During the time of mergers and acquisitions employee

performance often slumps due to the current situations. “One estimate is that two hours of productive work time are lost per employee per day for the duration of the merger. This loss in work time is primarily from increased time spent gossiping about the merger” (Napier, 1989, 275) High turnover also leads to unexpected cost, training of new strategies, and simple downtime of work morale all directly reduce the potential outcome. In order to avoid this employees must be well informed of the corporation’s intentions and have an understanding of the future. The sense of unknowing creates a chaotic environment.

CONCLUSIONS

In conclusion, the act of business mergers and acquisitions is becoming a popular business strategy for many organizations. The initiating firm may chose this expansion route for many specific reasons. The various styles of mergers and acquisitions and determining your own implementation strategy allow for flexible transitioning. However, it seems most corporations forget the most important asset they contain, and that is their people. Executives become numbers driven and seek ways to make a quick buck but underestimate the influence their people have on the intended success. By understanding the research available, the majority of merge or acquisition failures are caused by employee morale and transitional burdens. The acquiring company may increase market share, shareholder value, and small financial gains; yet the reduction of talented and experienced employees is much more costly. From a business perspective it is natural to cut cost in order to increase profit, as mergers and acquisitions take place, individuals expect job loss simply due to duplication of employment position. The unavoidable is just that; however, corporations should consider developing a plan to keep morale high, maintain the most amount of employees possible, train current employees from the acquired firm to match desirable traits, and gain the trust of the employees. Performing a business operation without the inclusion of employee perception is dangerous and will ultimately destroy a firm. As mergers and acquisitions continue to occur, executives may soon evaluate recent failures and understand the failure was not due to monetary factors, but the employee factors. The intentions and adequate implementations of mergers and acquisitions can be a significant tool for any corporation. However, understanding how employees are directly impacted by the actions involved should be top priority for business executives.

REFERENCES

1. Cartwright, S., & Cooper, C. L. (1990). The Impact of Mergers and Acquisitions on People at Work: Existing Research and Issues. *British Journal of Management*, *1*(2), 65-76.
2. Datta, D. K. (1991). Organizational Fit and Acquisition Performance: Effects of Post-Acquisition Integration. *Strategic Management Journal*, *12*(4), 281-297.
3. Krug, J. A., Wright, P., & Kroll, M. J. (2014). Top Management Turnover Following Mergers and Acquisitions: Solid Research to Date but Still Much to be learned. *Academy of Management Perspectives*, *28*(2), 143-163. doi:10.5465/amp.2011.0091
4. Mackenzie, M. L., & Woodsworth, A. (2013). Managing the Human Element: The Impact of a Merger or Acquisition. *Proceedings for the Northeast Region Decision Sciences Institute (NEDSI)*, 917-919.
5. McNeil, B. J. (2008). Mergers and Acquisitions in Employee Benefits. *Journal of Deferred Compensation*, *13*(4), 36-65.

6. Napier, N. K. (1989). Mergers and Acquisitions, Human Resource Issues and Outcomes: A Review and Suggested Typology. *Journal of Management Studies*, *26*(3), 271-289.

7. Paine, F. T., & Power, D. J. (1984). Merger Strategy: An Examination of Drucker's Five Rules for Successful Acquisitions. *Strategic Management Journal*, *5*(2), 99-110.

8. Schweiger, D. M., & Denisi, A. S. (1991). Communication with Employees Following a Merger: A Longitudinal Field Experiment. *Academy of Management Journal*, *34*(1), 110-135. doi:10.2307/256304

9. Stehl, C., Smith, D., & Omura, A. (1990). After The Merger: Should Executives Stay Or Go?. *Executive (19389779)*, *4*(1), 50-60. doi:10.5465/AME.1990.4274705

10. Walter, G. A., & Barney, J. B. (1990). Management Objectives in Mergers and Acquisitions. *Strategic Management Journal*, *11*(1), 79-86.

11. Wickramasinghe, V., & Karunaratne, C. (2009). People Management in Mergers and Acquisitions in Sri Lanka: Employee Perceptions. *International Journal of Human Resource Management*, *20*(3), 694-715. doi:10.1080/09585190802707508

APPENDICES

About the Authors

Adam Long is a native of East Tennessee where he grew up enjoying the outdoors, playing many sports and fishing. He has played golf for 13 years and was able to compete at the collegiate level as a member of Lincoln Memorial University (LMU) Men’s golf team. At LMU he was involved in residential life staff, athletics, and other curricular functions. He received a Bachelor of Business Administration degree and is currently pursuing an MBA. He was able to complete a management internship with the retail giant Wal-Mart, learning many aspects of business management. He began to have an interest in supply chain management, logistics, operations, and inventory control late in his college career. After starting his MBA, he began working as a buyer and materials planner for General Electric, in the industrial components sector. He has since transitioned to healthcare supply chain, working for Covenant Health, a highly recognized healthcare organization based out of Knoxville, TN. Covenant has recently been named to Forbes’ America’s Best Mid-Size Employers list for 2016. His future aspirations include gaining more knowledge of healthcare supply chain, becoming APICS certified in various divisions, improving the lives of others, and growing a family with his beautiful wife Emily.

Dr. Dave Hinkes, a Spanish bilingual native Miami Beachian for a half-century, is a Full Rank Professor @ Sullivan University (SU) Graduate School of Business in Louisville, Kentucky after a 7-Year Stint as Associate Professor of Management and Marketing @ Lincoln Memorial University (LMU) based in Harrogate, Tennessee. He holds dual doctorates in Management and Marketing from Nova Southeastern University in Davie, Florida and all six available professional sales and marketing certifications from the three different accrediting bodies. He has 27 years of corporate sales/marketing experience in the document management services outsourcing industry. He is CEO of Hink, Inc., a management/marketing/sales/keynote speech consultancy, since 1991 (www.hinkinc.net). His book (now in its 3rd Edition) *Selling by Objectives (SBO): The Handbook for More Profitability in the 21st Century* is receiving rave reviews. He is married to Deb, his supermodel for 34 years and they have 3 ‘kids’…Jenny-32, Missy-29, & Steve-26. His hobbies are reading, jogging, bowling, table tennis, theatre, football, basketball, and music.