Organizational Culture in Bank Mergers & Acquisitions

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The author examines the important role played by cultural factors in mergers and acquisitions. Analyzing the case of acquisition of one bank by another, it examines the cultural issues that had the potential to arise when two alien cultures came together after commencement of the integration process. It was found that similarities/dissimilarities between two cultures were not analyzed before the decision to acquire was taken. The study also found that as the two banks had very different cultures and needed high degree of integration, threat of cultural conflict was very high. It was however prevented by the management of the acquirer by following a proactive acculturation strategy

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Culture Defined

For anthropologists and other social and behavioral scientists, culture is the sum total of ways of living built up by a group of human beings and transmitted from one generation to another. In other words, it is the totality of socially transmitted behavior patterns, arts, beliefs, institutions, and all other products of human work and thought. These patterns, traits, and products are considered as the expression of a particular period, class, community, or population. Taylor in 1871 (as cited in Taylor 1958) defined culture as: "Culture or civilization, taken in its wide ethnographic sense is that complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society".

Organization Culture

Like society and other groups, organizations also have a way of functioning, constellation of beliefs, values, habits, norms of behavior and nature of interrelationships that are unique and form the culture. Organization culture is defined as, "the collective programming of the mind which distinguishes the members of one organization from another" (Hofstede 1997:180). Schein (1983:14) defines organization culture as, "the pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaptation and internal integration-a pattern of assumptions that is considered fit enough to be considered valid, and therefore, to be taught to the new members as the correct way to perceive, think and feel in relation to those problems". Kotter (1992:6) says, "When people talk of 'the corporate culture,' they usually mean values and practices that are shared across all groups in a firm, at-least within senior management".

Schein (1985) suggests that culture can be analyzed at different levels. The term 'level' refers to the degree to which cultural phenomenon is visible to the people outside the organization. These levels range from the very observable and felt manifestations of culture to the deeply embedded and unconscious basic assumptions. The latter form the essence of culture. The three levels as suggested by Schein are artifacts, espoused values and basic assumptions. Artifacts include the visible products of the group such as architecture of the physical environment, language, technology and products, artistic creations, and the style as embodied in clothing, manner of address, emotional displays, myths and stories told about the organization, published lists of values, observable rituals and ceremonies and so on. The level of culture is easy to observe but difficult to decipher. All of a group's learning is a reflection of its leader's or founder's values. The proposal or solution as

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provided by the individual will achieve the status of a value only after the group, to whom the solution is proposed, takes action and its members together observed the outcome of that action. If the outcome is favorable and is perceived by the group as successful, the process of cognitive transformation starts. First, the perceived value is transformed into a shared value or belief, and if action based on it continues to be successful it finally gets transformed into a shared assumption. These shared assumptions are normally taken for granted, are non-discussible and are supported by articulated sets of beliefs, norms and operational rules of behavior. These beliefs, values remain conscious and are articulated because they serve the normative function of guiding the behavior of members of the group and training new members on how to behave. Basic assumptions, on the other hand, are those that are never confronted or debated and hence are very difficult to change. Re-examination of basic assumptions temporarily destabilizes the cognitive and interpersonal world of the members of the organization leading to high levels of anxiety. This is what partially explains stress amongst employees during times of organizational change.

Organizational Culture & Change

Changes are introduced in organizations due to two main factors- inadequacy of an organization's resources to meet its growth and profit aspirations or external environmental conditions that provide opportunities for growth or pose threats for the survival or consistent performance of the organization. One of the major change initiatives undertaken by organizations is restructuring. Legatski (1998) has classified restructuring into four types- downsizing, change in form, mergers and acquisitions and recapitalization. Merger or acquisition which is one of the most 'transformational' kinds of change results in the formation of a new organization. The structure, strategies, policies and practices might remain same for one of the partners/acquiring organization but change profoundly for another/acquired organization. Considering the gamut of changes required in the acquired/merged organization, cultural factors assume importance. Combination of two or more organizations results in people from two different, at times diverse, cultures coming and working together. In a scenario like this, there are a few culture related questions that emerge.

Mergers & Organization Culture

When two organizations combine as a result of merger or acquisition, employees (especially of the acquired organization) are exposed to a different culture or alein ways of doing things. Degree of interaction between employees from both the sides and the level of change introduced depends upon the type of merger (Buono & Bowditch 1989). If the merger is between similar firms, level of interaction is high and differences in cultures of combining organizations may result in emotional/cultural conflicts known as cultural clashes wherein employees from both the sides try to preserve the symbols, attitudes, values and beliefs associated with their culture (Nahavandi & Malekzadeh 1988). High level of cultural conflict may cause uncertainty and stress, leading to loss in productivity, low morale and employee turnover. To avoid or lessen culture clashes thus there are two aspects that need to be considered. One, whether cultural differences should be considered before the decision to acquire/merge is taken. Compatibility in the two cultures can be found out by the process of cultural due diligence that can be conducted before the decision to acquire/merge is taken. Two, once the decision to merge/acquire is taken, are there any interventions that concerned organizations need to make to facilitate cultural change/integration and, what is the right time to start these interventions? Interventions like timely communication have been suggested by Schweiger (2001) to facilitate HR integration. Whether it can aid in cultural integration also needs to be studied.

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Methodology

We needed a methodology which would allow the challenges and process of cultural integration to be studied within the organizational context and would allow usage of multiple sources of data. Case study research matches these criteria. It allows both- study of the process to be carried within its context and triangulation of data, and was thus chosen. Further, mergers in India engender challenges that might have been ignored by the researchers in the West. A quantitative study would not do justice to the subject in hand as the hypothesis would be drawn from existing theories on mergers in U.S.A. and Europe that may not truly represent the scenario here. Taking these factors into consideration, we use the case study strategy within the paradigm of qualitative research. The case studied here is of an acquisition of an old private sector bank by a new private sector bank in the early twenty first century. Purposeful sampling was used to meet and interview the senior management and employees from across different levels of hierarchy from both the banks between 2003 and 2004. Semi-structured interviews were conducted with the employees using an interview guide. Interviews were tape-recorded. In case where the researched did not want the interviews recorded, detailed notes were taken immediately after the interviews. Documents like historical records of the two organizations, annual reports and articles in various media about the merger were studied to complement data collected through interviews.

Acquisition

The new private sector bank (referred to as NPB henceforth) was promoted in early 1990's by an Indian financial institution, and was its wholly-owned subsidiary. The bank pioneered in taking initiatives and providing one stop financial solutions to customers with speed and quality. It used multiple delivery channels including conventional branch outlets, ATMs, telephone call-centers and internet. In 2000, NPB was one of the first few Indian banks to raise its capital through American Depository Shares (ADS) in the international market. NPB had eighty one branches, sixteen extension counters and hundred and seventy five ATM's. These centres were located in forty seven cities spread across seventeen states and union territories. Of the eighty one branches, thirty five (43 percent) were located in metropolitan cities, twenty three (29 percent) in urban centres, eighteen (22 percent) in semi urban locations and five (6 percent) in rural centres. The staff strength as on March 31, 2000 was 1,344. Number of clients at the time of merger announcement was 1.5 million.

The old private sector bank (referred to as OPB henceforth) was founded by an industrialist in 1943. It was headquartered at Madurai. To grow the bank, its founders adopted a policy of both organic and inorganic growth. The bank was able to increase its network by opening branches across different centres and by taking over nine banks from 1958 to 1969. Promoters held approximately twenty five percent stake in the bank. The promoter founder had relinquished his chairmanship in favour of a professional chairperson to conform to the government policy that required a bank chairman to be a full time employee.

Thereafter, for around two and a half decades professional chairpersons managed the bank. The promoter family always had a representative on the board of directors. During the Harshad Mehta scam of 1992 certain controversies regarding the then chairman of OPB emerged and therefore he was removed by a Reserve Bank of India (RBI) order. Subsequently, in 1993 someone from the promoter family was appointed as the chairman of the bank. The bank witnessed good growth and introduced changes related to technology and performance during his tenure as chairman till 2000 when the decision to sell was taken. The staff strength as on March 31, 2000 was 2623 employees comprising 955 officers, 1340 clerks and 328 subordinate staff. Number of clients at the time of merger announcement was 1.2 million. It had two hundred and sixty three branches at the time of merger

NPB pursued this acquisition to expand its number of branches. The promoters of OPB chose to sell because they saw little future for a small bank like theirs in the new economic scenario. In addition they wanted to exit the banking business as there was no identified successor to take over the reins of the bank.

Cultural Due Diligence

Human Resource Department of NPB was officially informed about the acquisition only a few days before public announcement and after the deal was finalized. Thus, HRD did not play any role during the pre combination/ due diligence stage. Therefore, no formal cultural fit analysis was done before the acquisition was solemnized. According to a senior functionary, “We typically would have bid for a bank which has built its business in India, a bank that would have shown adaptability in changing its culture, changing the way it works and OPB was a good example for it. Traditional Chettiyar owned bank had gone through transformation in terms of technology, attitude towards fee income, shedding staff and shutting down unprofitable branches. This is a good enough example to tell you that this bank has got an attitudinal fit when you have to look at things. And as culturally these people have come to accept all these changes over a short span of time, they would fit the game plan that NPB had. Cultural fit had predominance over everything else? No, it was economics that made the decision”. Non-involvement of HRD in the pre-combination stage made the task of integration more exigent. As soon as key managers in the human resource department learned about the merger, they started collecting employee related information that would help them in planning HR integration.

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Cultural Differences

Once the information from the employees was gathered, difference in culture was identified as a major challenge. OPB’s culture had evolved with the bank from the time it was started in 1943. As the bank was founded to serve the interests of the community and had a large proportion of workforce based in Tamil Nadu, a large number of older employees hailed from the Chettiyar community. For employees, office was considered as an extension of home. Thus, the day at work began with puja and lighting of incense. Majority of these employees spoke Tamil. Being a family owned business, the founder was a revered figure and his photographs and statues adorned the bank premises. Some of the branches had been refurbished during the chairmanship of the promoter -chairman and were centrally air-conditioned. There was no formal dress code in office. This culture synchronized well with the customers of the bank who were majorly middle class, traditional self-employed people.

NPB on the other hand was set up after liberalization with latest technology and thus carried no burden of legacy. As it had started as a banking arm of an established financial institution, it had ambitious plans from inception. The senior management comprised handpicked successful public sector bankers who came with rich experiences and the zeal to create and nourish an organization. Employees recruited at both, junior and middle management were equipped with professional qualifications and knowledge of modern management practices. These were young, spirited and urbane people, who instead of conventional banking practices laid more emphasis on sales and rapid expansion. As stress was upon sales, and customer interface was considered as an important task, employees followed a formal dress code. The offices consisted of open cubicles and rooms with glass doors. Branches across the country bore uniformity of colour and design and were centrally air-conditioned. Customers of the bank were mostly upper middle class, well-educated service class people or professionals.

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An analysis of the culture at a more subjective level reveals that OPB's employees were customer friendly and service orientation was quite high. Employees personally recognized customers and their queries were resolved promptly. Branch managers themselves were accessible to resolve any customer related issues or problems. Sharing a similar demographic and geographic background probably helped in building camaraderie. Employees were well acquainted with banking laws and regulations, perfected in banking operations, were hard working and sincere but lacked selling skills or rather drive for selling that characterizes new generation banks of today. This could have been caused by non-percolation of performance targets from higher echelons of management to the lower cadres or modest targets at the higher level itself. Working hours were fixed at 1000 hrs – 1700 hrs. All employees, barring managers, used to follow official working hours and were not accustomed to working late in the night. As there was no overtime paid, there was no incentive to work late. There were no identified leaders, except the promoter chairman, in the bank who could act as icons for the younger employees to follow. He also, despite his efforts to modernize the bank was considered too big to be regarded as an inspiration for the employees at the grass root level. NPB employees (barring a few who had come from public sector banks) on the other hand were not well skilled in banking. Their forte lay in sales and marketing. They were attuned to long hours of working and performance oriented culture. As compensation and promotions were based upon an individual's performance, employees' were competitive and result oriented. The organization had been growing rapidly and employees had grown correspondingly fast in the bank. Individual performance was revered and professionalism was the mantra by which they worked.

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Organization structure in OPB was rigid, hierarchy tall and there was little direct communication between employees at the lower levels and the top management. According to the then HR senior of NPB, "What comes to my mind when you talk of structure or hierarchy or centralization is that OPB had a kind structure that was highly centralized, completely driven by hierarchy i.e. it was a traditional structure. That is how many banks work, whereas the structure of NPB was pretty decentralized. The structure was more customer oriented. I will not call it product or geography based. We still had a geographical distribution. But we clearly had corporate bank and retail bank. We had different business verticals….. we did not have too many layers. … we did not have so many grades as OPB had……We still had those kinds of grades because we do appreciate that people need to be promoted to different grades depending upon how they are performing, may be in every couple of years. But job levels in NPB were much less than they were in OPB. And OPB was a pretty hierarchy driven organization. For example if there is an Assistant Manager, a Chief Manager and an Assistant General Manager (AGM), then the AGM will decide….The structure is also defined by the culture. And in NPB the culture was such that people did take ownership and there was no question of whether it was in my power or it was in my boss's power or in my boss's boss's power. If there was a need for something to be done or decision to be taken, a person did that. I am not saying that he did not ask his boss or we did not have delegation of authority. We did have. But, it was not a deterrent….. The decision making was very fast. It was not a slave or prisoner of structure. But what we saw in OPB was a very rigid and hierarchy driven structure. For example, if it is in the power of the AGM, a note will go to him. It will have many initials and then it will reach the AGM's table and then it will travel back in a similar fashion. By that time the speed is lost, the context is lost."

Performance evaluation mechanism in OPB did not involve discussion between employees and their superiors. They were more on the lines of filling a confidential report. Promotions in the bank depended upon existence of vacancies at different levels and were based more on seniority than merit. Compensation was based upon the IBA package and settlements between the union/association and the management. There was no concept of variable or performance linked pay. Fixed increments were announced every year irrespective of performance. In later years the promoter chairman introduced performance linked pay but this was restricted to officers at level four and above. Training, many a times, was regarded as an exercise important for filling the requisite man-days and was not necessarily conducted to fill gaps in/accentuate performance of an employee. Most of the employees were immobile and transfers were resisted both at individual and union levels. Considering the fact that majority of employees were based in south, whereas NPB had both, branches at and expansion plans for the entire country, this could act as a major hindrance. Promotions and compensation in NPB were strongly linked to performance. As the organization was growing, good performance was rewarded by faster promotions.

Cultural differences, thus, were huge. Were there cultural clashes because of these differences? The answer to this question is 'yes to some extent'. The following statements made by employees hint towards existence of cultural conflict.

"I was a verification officer at the time of merger and I had people as old as my mother reporting to me. I felt strange because of this. My reportee's daughter's birthday was two days after mine". (NPB employee)

"OPB employees used to be in their own shell. They never mingled even during training programs. They formed their own group". (NPB employee)

"After the merger it was communicated to us that people from OPB were to be made comfortable and treated at par. …Because of poor communication skills we had to hide their employees from our customers". (NPB employee)

"Initially at one of Chennai branches of NPB where I had moved after the merger the treatment was different. NPB people insinuated that OPB employees got into NPB out of luck whereas they themselves had to appear in tests to get through. But once they saw us working, things got more settled'. (OPB employee)

"OPB people were more efficient than NPB people. OPB had exposure in all areas of banking. NPB people are mostly branch managers and OPB people are holding 2nd or 3rd seniority vise positions in branches. These NPB officers have no exposure in banking". OPB employee)

As this was a case of horizontal merger, integration had to be implemented at both - strategic and operational levels.

Cultural clashes, though, were less because of interventions made by NPB management. Senior management including the HR head knew that cultural differences were there but they drew comfort from the fact that employees of OPB had responded well to changes introduced in previous few years. As this was a case of horizontal merger, integration had to be implemented at both - strategic and operational levels. This level of integration has maximum bearing on human resources and organization culture especially those of the acquired entity, as changes are sought in day-to-day functioning of the organization. Mode of acculturation chosen by NPB's management was assimilation, as they wanted a uniform culture, symbolizing the values of a modern organization to emerge and take advantages of the opportunities in the environment. OPB employees on the other hand were closely knit to their own culture and feared loss of their identities that were associated with it, though; they harbored a feeling of being sold out by the promoters and anticipated changes in the culture. Yet, there were voices that questioned the rationale behind imposition of NPB culture and challenged its superiority. The chairperson of the core committee on integration, while responding to the question, 'Why do OPB people need to adopt the culture of NPB?', and, 'Whether NPB's culture is superior to our own culture?', said "We cannot evaluate culture in terms of superior and inferior, just as no religion is inferior or superior to another religion. Old religions have taken on new forms (look at the various shades of Hinduism) or new religions have evolved (Christianity or Buddhism) in response to prevailing socio-political circumstances. A religion that adapts to changing socio-political environment remains relevant, those that do not fade away. Similarly values and culture have to change over time though some core values such as emphasis on honesty, integrity, truthfulness etc. will endure through time. It so happens that in the current business environment the values and culture of NPB appears to be more relevant going by the growth it has been able to achieve within a short span of five years. As an organization we have to adopt values and culture that is relevant to the times. The issue is not what is superior but what is relevant and productive".

Integrating the Objective Culture

Soon after the announcement it was decided that NPB's brand image would be extended to the entire branch network. Names of the branches were changed from OPB to NPB branches. There were twenty centres where branches of both the banks existed. In such a case OPB branches were named as "NPB main" branches. Banners and hoardings of NPB were displayed in all the OPB branches from the effective date of merger. Banners and posters displaying old products were discontinued. Old forms, drafts, pay orders, fixed deposit receipts, cheque books, banker's cheques, pay in slips, withdrawal slips, DD requisition slips, passbooks, account opening forms, letter heads, demand drafts and letters of credit were discontinued and new ones bearing the name and logo of NPB were introduced. Changes in business communication, visiting cards, stationary and formats, and rubber stamps were also introduced. A link was provided in OPB's website to NPB's website. With passage of time, further changes were made. OPB branches were refurbished on lines of NPB branches. They were air-conditioned. ATM's were installed in all the branches. Facilities like depositing a cheque in any branch and drop box facilities were extended. The statues and pictures of the founding fathers were removed from offices. The head office of OPB existed as a symbolic head office for a period of one year. NPB was careful that they were not demolishing a very important symbol of the bank. The room in which the chairman sat remained untouched for quite some time. The board room that was next to the chairman's room was converted into a training room. Gradually, changes were made and head office functions were shifted to the Mumbai Head office of NPB. The erstwhile OPB head office now functions as an operations hub.

Communication to Facilitate Cultural Integration

In addition to intermingling of employees, communication was facilitated by a fortnightly magazine that was started to convey integration related news to employees. Many issues of the magazine focused upon facilitating cultural change by explaining the NPB culture to OPB employees. The first issue shared NPB's mission statement, which said, "Our dealings with Shareholders, Customers, Public and Employees shall reflect Honesty and Openness. Collectively, we shall establish a quality standard in banking through: Outstanding Performance, Courteous service and High Ethical Benchmarks".

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This magazine was used to prepare employees for change in the décor of branches and business etiquettes. Importance of ambience was communicated to them citing the example of five star hotels and ordinary tourist house, "The difference between a five star hotel is in the appearance and the way people conduct themselves. Both provide accommodation and food. In all probability the food provided by a tourist home is tastier. Yet people go to five star hotels for the clean and pleasant services it provides; in short for its ambience". This explanation was followed by the news that branches of OPB, for the purpose of change in ambience, had been classified into three groups: 1) those that needed to be relocated, 2) those that needed complete renovation and 3) those that needed just a coat of paint.

A couple of issues focused upon importance of business etiquettes like formal dressing, shaving everyday, usage of sober frames for spectacles, trimming of nails and restraint in consuming things like paan or smoking. Behavioural expectations in the form of customer relationship management were also expressed through the magazine.

Meetings with top management of NPB also helped in spread of culture. One senior functionary visited erstwhile OPB branches. During these visits, he was known to give examples with which the employees could identify. The commonly heard one was, "What was the dress that you wore on your wedding day? A suit and a tie! So, who told you to do that? Nobody! Then why did you wear that? We wear good clothes so that we look good and good appearance also makes us confident". Employees were also encouraged to speak/write to senior management regarding any cultural dilemma they faced.

Intermingling of Employees

Soon after the announcement it was communicated to NPB employees that they were expected to make the process of change comfortable for OPB employees. They were strictly instructed not to exhibit a big brother image and provide help to OPB employees to cope with the change. One or two terminals compatible with NPB's systems were installed at OPB branches and one or two NPB employees were also posted to man these terminals. This exercise served dual purpose. It allowed intermingling of people as well as provided an opportunity to

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OPB employees to learn the new systems/banking packages. A unique concept of adoption of branches was conceived, wherein an NPB branch adopted or acted as a mentor to a neighboring OPB branch. This idea, though conceived at the head office level by the core committee on merger, was operationalized at the level of branch managers. In multiple locations, branch managers who were considered as good performers, mature and regarded as ideal ambassadors of NPB culture were selected. A neighbouring branch of NPB was put under their guardianship. As a part of this exercise, these NPB branch managers were required to send out two people each from their branches to the OPB branch. In exchange, two people from this OPB branch were brought in to work in NPB's branch. Similarly the branch manager of this adopted branch could consult the corresponding NPB branch manager on any integration or work related issue. This 'hand holding exercise' continued till such time, OPB branches got totally familiar with the NPB way of functioning. In many crucial branches, NPB employees were sent to serve as branch managers in OPB branches. In such cases, the erstwhile branch managers of OPB assumed second lead as 'Officers in Charge'. This was done to speed up adoption of NPB's technology, processes and work ethos.

Intermingling of employees was a successful exercise and helped both sides to learn about each other's culture. OPB employees commanded respect by teaching their NPB counterpart's about banking operations and regulations. Their sincerity towards customer service and simplicity impacted NPB employees tremendously. OPB employees on the other hand were impressed by the selling and technology related skills of NPB people. This intermingling also brought all cultural differences to the surface. Language related problems, especially in the south, were experienced, as majority of OPB employees conversed only in Tamil. OPB employees also experienced a feeling of indifference for themselves amongst their NPB counterparts. Statements like, "What good would these old private sector bank people do to the organization" were also heard during the first few days of merger.

Some of NPB employees were worried about the strict 10 am to 5 pm followed by OPB employees. The NPB management was alleged to have been acting in favour of OPB's employees. According to the then HR head of NPB, "When we did this merger NPB people felt that we are pampering these people and we are giving them a kid glove treatment. I asked them, "How many of you have your brothers and sisters, mothers and fathers working in public sector banks?". Quite a few hands went up. I asked them, "What are they in those banks?" Some were clerks and some were officers. I said "If those banks were to merge with us, how should I treat them? Should I treat them with respect and dignity? Should I not give them time to adjust to our culture?"

Lessons Learned

Though, cultural due diligence and HRD's involvement from an early decision making stage has been advocated by many researchers like Buono and Bowditch (1989), Schweiger and Goulet (2005) and Larsson and Lubatkin (2001), in our study it was found that HRD got involved only around the time of public announcement and therefore was not able to conduct a formal cultural due diligence before the decision to merge was taken. Nor was cultural due diligence conducted by the consultants hired to do valuation of OPB. HRD's late entrance has been validated by Jeris, Johnson and Anthony (2002). Their study revealed that HRD got involved at the implementation stage and that too at a tactical level. The reason for the late involvement of HR is probably because of precedence of economic and business related factors over HR and the fact that the acquisition was made for expansion in number of branches and not human capital.

Cultural clashes were feared as both the organizations had strong but very different cultures. OPB had a kind of role culture while task culture was prominent in NPB. These banks belonged to different generations- OPB was an old private sector bank that had started in 1940's whereas NPB was founded only in 1994 with new technology and systems. Further, high level of integration because of horizontal nature of acquisition was also needed to realize the gains of acquisition. As cultural conflict can lead to fall in performance and turnover (Weber & Camerer 2003), and the combination of these two very different cultures and high integration would have provided a fertile ground for cultural rift, HR department began the process of cultural integration immediately after the effective date of merger.

Cultural conflicts were avoided and integration was facilitated through a number of formal and informal methods like communicating through magazine, meetings, one to one discussions, bringing changes in the objective culture and intermingling of employees. Multiple mechanisms of change especially those achieving acculturation through 'the informal integration process (i.e. its reliance on 'social controls,' or the amount of coordination and socialization efforts expended by the buying firm)' have been advocated by Larrson and Lubatkin (2001). Usage of multiple methods ensures that integration of both-subjective as well as objective cultures takes place.

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Having studied the cultural challenges and the efforts that were made to integrate them, we further need to understand the efficacy of individual methods of acculturation. Parameters of successful cultural change would need to be applied to understand the effectiveness of sub-processes of cultural integration. A longitudinal study, which may start from just before merger announcement and would culminate after all major culture related interventions have been made, will help to study this better. Secondly, a study of the difference or contribution cultural due diligence can make in achieving acculturation will also add to existing research on this subject.

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