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## Mergers and acquisitions management: new directions. Editorial

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Mergers and acquisitions (M&As) continue to be a significant and expanding strategy for growth and profit used by many firms worldwide. The popularity of M&As stands in sharp contrast to their high rate of failure (e.g. Schoenberg, 2006). Despite the crisis in the global financial markets, M&A activity has increased in every sector across the globe (BCG, 2010). At the same time, review of the relevant literature in different research areas such as strategic management, international management, finance, and organisational behaviour reveals that findings are inconsistent and confusing. For example, recent meta-analytic studies that examined the variables that are most used in recent research were not able to establish clearly the predictors for M&A success or failure (King et al., 2004; Stahl and Voight, 2008).

Although many executives regard M&A as a strategy for corporate growth, conventional wisdom among academics and consultants appears to be different and their outlook quite pessimistic. It is clear that neither practitioners nor scholars know the reasons for M&A success or failure. The purpose of this special issue is to provide a new interdisciplinary approach that can open the road to future research, leading to a better understanding of the important M&A phenomenon.

M&A pose many challenges to both executives and researchers, and may be the most complex phenomenon in management. The management of one organisation is not a simple task, and the management of two organisations is even more complex. Adding dramatically to the complexity of the management of M&As is the handling of the interface between the two organisations and of a sequence of unexpected events. Therefore, the management of M&As requires managers from both entities to coordinate various interconnected processes and synchronise heterogeneous activities that are inherently causally ambiguous (Weber, 2011). Executives and researchers alike face a

special challenge in their effort to develop and accumulate specific knowledge and capabilities about M&A management (Weber, 2011; Weber and Fried, 2011a). For example, for decades the management literature, following strategic theories (especially the 'strategic fit' concept), recommended M&A in the same industry based on the notion of relatedness between the two firms because it implied high synergy potential (Weber et al., 2011a). Relatedness was and still is considered to be the key determinant of value creation. Curiously, though, the empirical evidence from a large number of studies of related M&As is mixed at best. The synergy assumption that factors and actions at the pre-merger stage are the main determinant of value creation in M&A has been frustrated by the challenges raised by human resistance and the turnover of key talent during post-merger implementation.

Researchers and executives face similar challenges, one of which is the simultaneous embedding of people into organisations and of organisations into environmental contexts (Weber, 2011). Studies of M&A have been conducted in various areas of such as finance, economics, strategic management, international management, organisational behaviour, and more. But although scholars share some definitions and terminology, they appear to have refrained from interdisciplinary research that draws on knowledge from different backgrounds, thereby missing many opportunities for cross-fertilisation. To a surprising extent, existing bodies of literature focus on a single level (macro or micro), a single stage, or a single discipline, and seem to exist in a state of splendid isolation, at a time when M&A is a multilevel, multistage, and multidisciplinary phenomenon.

To overcome some of the above limitations of current literature, several recent special issues on M&As (Weber, 2011; Weber and Fried, 2011a, 2011b; Weber et al., 2011b) focused on issues of the post-merger stage, such as cross-cultural management, integration challenges, and human resources practices. The overarching theme of the present special issue covers other neglected issues in M&A investigation, particularly the wider contexts that include not only the process variables of M&A but also its content, namely, the M&A environment, networks, and markets. To this end we chose to include in this special issue a wide array of theoretical and empirical perspectives. The papers consider the status of theory and research in various under-explored areas of M&A, such as the role of financial incentives, the factors that lead to the retention of top executives, M&A networks, transition structures and integration approaches following M&A, and more. Finally, some of the papers present important ideas for innovative research approaches. A brief overview of each paper is as follows.

The first paper, by Ellis, Weber, Raveh and Tarba, presents a new theoretical framework that examines differences in contextual factors and process dimensions across three integration approaches used in large, related M&As: absorption, symbiosis, and transformation. An innovative, non-parametric co-plot method is used, which makes possible the simultaneous consideration of both variables and observations in order to explore these contextual factors across the three integration approaches. The paper finds that the several contextual factors affecting the potential for resource combinations, and the use of multiple process dimensions that facilitate actual resource combinations during the implementation stage differ significantly depending upon the integration approach used by the combined firm.

The paper that follows, by Bendl, Mayerhofer and Schmid, takes an important step in advancing M&A research by exploring the heuristic value of the stepfamily metaphor in describing and formulating the non-economic issues of merged and acquired companies. Using an organisational discourse methodology, the authors evaluate the stepfamily metaphor introduced by Allred et al. (2005) and provide new insight into the nature, antecedents, and processes of M&As. Lastly, they discuss how the stepfamily metaphor can transcend the limitations of rational-economic explanations for M&A failures and thus enhance our understanding of M&A.

The next paper, by Öberg, focuses on another important topic and provides a network perspective of M&As. The M&A literature commonly focuses only on the parties directly involved in the mergers, whereas the present perspective points to M&As as embedded activities. The network perspective introduces new ideas on why M&As occur, how the acquired party is chosen, and why M&As fail. Specifically, the paper elucidates how M&As result from industry, customer, and supplier changes, the difficulties in attaining marketing synergies, and business partner reactions that undermine intended post-merger integration.

The fourth paper, by Shoham, Malul and Meydani, conducts an in-depth examination of a horizontal acquisition deal in the retail food industry in Israel. The paper presents a political economy model that illustrates how a firm can legally bypass antitrust issues by using interest groups in order to gain greater market share and to maximise profits.

Using data from a sample of cross-border acquisitions by UK firms, the last paper, by Ahammad, Glaister, Weber and Tarba, investigates the determinants of top management retention in cross-border M&As. Applying both the theory of relative standing and the financial incentive mechanism of retention, the authors find that the post-acquisition autonomy of the acquired firm and the acquirer's commitment to the acquired organisation significantly affect top management retention.

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