

Examining Human Resource Managers' Involvement in Mergers and Acquisitions (M&As) Process in Ghana

Samuel Adomako
The University of Warwick, United Kingdom

Godfred Kwame Gasor
Adisadel College, Ghana

Albert Danso
The University of York, United Kingdom

Despite decades of academic research, too few studies have examined human resource (HR) managers' involvement in mergers and acquisitions (M&As) process. The objectives of the paper were to distill a clearer picture of HR managers' involvement in M&As process and to propose a framework of the factors that influence HR managers' role in the M&As process. The paper adopted an interpretive approach anchored in qualitative methodological approach. Twenty-nine interviews were conducted with HR managers of firms created as a result of M&As in Ghana. The data were analyzed mainly according to guidelines for analytical induction (Marshall and Rossman, 1995). The findings of the paper revealed the HR managers' involvement in M&As process serves as communication tool for espousing the possible outcomes of M&As to employees. The paper also demonstrated that management support and skills of HR managers influence the role played by HR managers in the M&As process.

INTRODUCTION

Mergers and acquisitions (M&As) have been at the center of management research for several decades. Financial, strategic and human aspects of the M&As phenomenon have been used in an effort to better understand this complex process. Even though financial and strategic issues are dominant in the process, the importance of the "human" capital in the M&As cannot be ruled out. M&As include financial transactions as well as processes that significantly affect the working lives of employees (Cartwright and Cooper, 1996). The failure of M&As to consistently live up to expectation is often blamed on how HR for employing poorly designed employment relations tactics to handle human issues in M&As (Buono and Bowditch, 1989; Cartwright and Cooper, 1996; Marks and Mirvis, 2001).

Employees in organizations must be able to adapt to changes in times of rapid organizational change (Stewart, 1996). HR has always played multiple roles (e.g. employee advocate, management conscience – ensuring the sense of right and wrong), but the last decade has witnessed the advocacy of new roles – the most popular of which is to promote HR as a business partner. Bramson (2000) observed that the failures associated with M&As are attributed to the disengagement of HR managers from demonstrating knowledge and skill in the management of human capital during M&As. HR must be viewed as an

intrinsic part of the integration team in any M&As because of its ability to evaluate the compatibility of corporate cultures and different options for combining enterprises. HR must therefore be the trusted source of information for employees on any information regarding M&As.

It has been observed that despite the recent boom in M&As driven by globalization, technological change and deregulation (Schweiger and Goulet, 2000), statistics have shown that the outcome of M&As is mostly disappointing (Overman, 1999; Schuler and Jackson, 2001, Schweiger, 2002). Research has suggested that the challenge of M&As has to do with the management of people (Antila and Kakkonen, 2006).

Although studies on M&As and the HR function are not scarce, it is still unclear to distill a clearer picture of HR managers involvement in M&As process and for the factors that influence HR managers' role in M&As process, there is further paucity of research. The present research attempts to fill this gap. HR issues are of critical importance to M&As success, hence relegating the strategic role of HR managers from the M&As process is capable of derailing alliances that have the prospects of financial success. This value - based perspective requires a systematic effort from HR managers to make the HR function play a strategic partnership role at all stages of the M&A process.

The factors that influence HR managers' involvement are significant for HR managers and others involved in corporate planning decisions. The study would add to existing knowledge in the field of study and provide the platform for further research on the phenomenon of study. The main aim of the study is, therefore, to propose a framework of factors that influence HR managers' role in M&As process.

LITERATURE REVIEW

This section reviews extant empirical literature on M&As, HR managers' involvement in M&As, and factors affecting the role of HR managers in organizations.

Mergers and Acquisitions

Various motives such as market-access, expansion, diversification, distribution network, sustainable competitive advantage, response to revolutionary change in the industry and/or acquisition of knowledge of other businesses, have been found to drive M&As (Deiser, 1994; Kruger and Muller-Stewens, 1994; UNCTAD, 1999, 2000; von Krogh et al., 1994). Marks and Mirvis (2001) have observed that the merger of separate entities into a new firm or the acquisition of a firm by another has become a regular component of the managerial decision making process. Perhaps, a merger or acquisition may lead a firm to pursue a strategy that would otherwise be too costly, risky, or technologically advanced to achieve its objective.

On the other hand, other acquisitions or mergers can be defensive moves to protect market share in a declining or consolidating industry. The overarching reason for merging with or acquiring another organization may be that the union or acquisition may be able to help the firm attain its strategic goals more quickly and inexpensively than if the company acted on its own.

Marks and Mirvis (2001) argued that in this era of intense and turbulent change, involving rapid technological advances and ever increasing globalization, M&As enable organizations to gain flexibility, leverage competencies, share resources, and create opportunities that otherwise would be inconceivable. This helps organizations to achieve their strategic intent and fulfill stakeholder expectations.

The major problem with M&As appears to be the high failure rates. Soderberg and Vaara (2003) claimed that cross-border M&As frequently fail to deliver the synergistic or other benefits strived for, lead to human resource and cultural problems, result in power plays, and often produce problematic consequences for various internal and external stakeholders. This is particularly significant given the rapid rise in international M&As in recent years and their growing spread into sectors in which they used to be relatively rare, including the public services.

HR Managers' Involvement in M&As

Research evidence has demonstrated that most HR managers feel that they do not have enough knowledge of M&As process to be able to contribute to the discussion of M&As (Antila and Kakkonen, 2006). It seems to suggest that HR managers are distant from the due diligence processes of M&As as such their contributions to M&As process in terms of transfer of strategic capabilities, organizational learning and organizational change processes have not been fully utilized. This point is advanced by Tanure and Gonzalez-Duarte (2007), arguing that HR managers' contribution to the value-creation process has not been fully utilized. Value creation in M&As depends on the successful management of people-related issues.

The practical implications are that even though HR managers should seek to undertake a more active and strategic role in M&As by contributing effectively to the performance of the organization, their actions are shaped by the consistency between discourse and practice of chief executive officers regarding the importance of people within organizations (Tanure and Gonzalez-Duarte, 2007). Any disparity between this discourse and practice is likely to affect the role played by HR managers within organizations.

The effort to effectively communicate to various stakeholders should be among the top priorities of HR managers following an M&A (Clemente and Greenspan, 1998; Gall, 1991). The announcement of the M&As deal usually increases employee uncertainty and raises questions (Hubbard, 2001; Risberg, 1997). Challenges, which may negatively affect the subsequent integration process, can be made at the very early stages of the process. Such challenges include the briefing of employees on the M&A by outsiders (Clemente and Greenspan, 1997). Companies should not overlook that the first impression could be of vital significance (Appelbaum, Gandell, Yortis, Proper, and Jobin, 2000). Failure to quickly communicate with employees could result in the spreading of unfounded rumors, while anxiety increases and may lead to negative attitudes towards M&As. Research has shown that this might be a significant challenge, as each M&A is unique (Clemente and Greenspan, 1998). Success, to a large extent, depends on the effective communication from the first minute of the announcement of the deal (Cartwright and Cooper, 1996).

Ulrich (1998) argued that HR managers are not fully comfortable or compatible in the role of change agent and that their task is therefore not to carry out change but to facilitate change. HR managers have to be fully aware of the reasons why people resist change and the approaches that can be adopted to overcome resistance to change.

Factors Influencing the Roles of HR Managers in Organizations

Studies on the role played by HR managers in the M&As processes are scarce. According to Bjorkman and Söderberg (2003), top management's low expectations with regards to the strategic contributions of the HR function seem to have contributed to the limited HR managers' role in the post-merger change process. Furthermore, organizing the work of HR to satisfy the expectations of international organization, HR managers appear to focus on how to organize their work rather than their potential contributions. Top management's focus on financial rather than people management, and the use of external business consultants to play a key role in HR development may influence the non-strategic role of HR managers. In addition, the theoretical study of Aguilera and Dencker (2004) have highlighted that the role played by HR managers in cross-border M&As is conditional on the strategic rationale chosen by merging firms.

Research evidence has suggested that a variety of factor affect the role of HR managers in organizations (e.g. Kane and Palmer, 1995; Kelly and Gennard, 1996, 2001; Hall and Torrington, 1998; Truss, 2003). These factors include the orientation of top management to people management; the expectations line managers have of HR and the skills, abilities and competencies of HR managers themselves.

The importance of top management in defining the roles of HR has been shown in many studies (e.g. Beer et al., 1985; Purcell and Ahlstrand, 1994; Kelly and Gennard, 1996, 2001; Nankervis et al., 2002; Ulrich, 1997; Kane et al., 1999; Truss, 2003; Jacoby, Nason and Saguchi, 2005). These studies have

emphasized the role of both the top management team as a whole and the role of the CEO/MD as a single actor. A commonly shared opinion is that the attitude of top management towards people management defines the role of the HR managers in organizations.

Line managers have been argued to have effect on the role of HR managers. As Truss, Gratton, Hope-Hailey, Stiles and Zaleska (2002) have argued, the line managers' expectations for HR function affect the role assumed by the function. Their expectations are important because they perform the strategic role together with the HR function. Studies have shown that there are differences in the perceptions of line managers and HR managers in the meaning of the strategic role of HR. Wright, McMahan, Snell and Gerhart (2001) found that line managers rated all five defined roles of HR lower than HR executives, especially the roles with more strategic importance. Buyens and De Vos (2001) pointed out the differences in value perceptions concerning the value of HR between line managers, top managers and HR managers.

RESEARCH METHODOLOGY

The methodological choice reported in this paper provided elucidates the guidelines on how to gather the needed information to achieve the objectives of the paper. This increased the possibility to receive appropriate answers to the research questions and make valuable conclusions. The study adopted an interpretive approach anchored in qualitative methodological approach. The qualitative study is defined as an inquiry process of understanding a social or human problem, based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting (Creswell, 1994). For qualitative studies the research problems needs to be explored because little information exists on the context that may shape the understanding of the phenomenon being studied.

Because the focus of the study was on the role of HR managers in M&As process, participants were selected on the basis of following criterion: all participants had to be HR managers of firms that has been acquired or has acquired or merged with other firms. Participants were recruited from a database compiled by Association of Ghana Industries. Although business registers in Ghana are not complete (Buame, 1996), the Association of Ghana Industries' Register is updated every three months.

In-depth interviews were conducted with 29 HR managers of firms created as result of a merger or acquisition in Ghana. The study period ranged between January and June, 2010. The data collection lasted between 45 minutes to one hour for each respondent interviewed. Interviews in qualitative research are usually wide ranging, probing issues in detail. After some introductory questions, all participants were asked the same questions.

RESULTS AND DISCUSSION

Although conducting qualitative interviews may appear scattered, unsystematic, or even daunting to professionals unfamiliar with the techniques, what the researcher does with the textual data once they are collected may appear even more so. What is required for the analysis of texts and observational data is some means of discovering systematic patterns or relationships among categories (Agar, 1980).

The data were analyzed mainly according to guidelines for analytical induction (Marshall and Rossman, 1995). Marshall and Rossman (1995) identified five modes of inductive data analysis: organizing the data; generating categories, themes, and patterns; testing the emerging hypotheses against the data; searching for alternative explanations of the data; and recording the finding. In analyzing the data collected, the researcher began with a careful and an intensive reading of the transcripts from the responses collected through the interview sessions. This helped the researcher to gain familiarity with the text and also discover patterns or relationships that are repeated among respondents. After careful reading, the data was coded using tabs and marginal notes. After coding, the results or findings were organized and analyzed based on the research objectives.

HR Managers' Involvement in M&As Process

One of the objectives of this paper was to examine how involved HR managers were in the initial planning and preparation of the M&A and the specific advice they gave during the process. The findings showed that majority of the respondents were involved in the initial planning and preparation of the M&A process. Their roles at this stage involve providing an HR audit to the M&As team. As one respondent indicated:

“as the HR manager, I was made aware of management’s intention to go into merger one clear year before the due date. I was required to undertake a massive HR audit in order to ascertain the manpower base of my company and the implications of the merger. Following this, I developed an integration map for the merger. I got the HR audit of our partner company which helped me in this regard. I made management aware of the implications; the need to lay-off staff and the need to re-grade and redesign the staffing matrix among others”.

Another respondent also stated that:

“I was invited and informed about the decision to merge the two companies. I submitted an HR audit as requested. This gave us a comprehensive picture of the staff numbers of the two companies... my advice basically was informing management to take a proactive step in putting mechanisms in place that would enable us deal with the possibility of laying off staff and to prevent early resistance to the deal”.

Some of the HR managers indicated that they were not involved in the initial planning and preparation of the M&As process revealed that:

“normally, the bigger company coming to acquire the smaller company does all the due diligence using their own consultants or transaction advisors. The local HR manager has little to say. At a certain point, when the due diligence is completed and it comes to the implementation that is when the HR manager comes into sharp focus...it is when the acquirer wants to know the staff numbers that they consulted the HR manager on issues regarding redundancies, training and ways to deal with staff at this point”.

The findings showed that HR managers were consulted during the M&A process. Management was advised by the HR managers in most cases to retrain those workers who were likely to be retained after the M&As process. Again, all key stakeholders should get involved in early negotiations with the unions to determine severance pay for affected workers, and also employ the necessary educational interventions to deal with the inevitable culture challenges that are likely to be encountered.

The findings from the paper also showed that majority of the respondents were involved in the initial planning and the preparation of the M&A of their individual companies. HR managers provided management with HR audits and advised on the need for the firms to put in place mechanisms to deal with redundancies, resistance before they occur and train workers who would be retained in advance. Bjorkman and S oderberg (2003) emphasized this role and stated that the HR manager should take part in the process from its earliest phase (i.e. from the due diligence period).

According to Barros (2003), 63% of M&As fail due to problems related to management of people, because HR managers rarely take part in the beginning stage of the M&A process. This paper did not reveal any people related problems in M&As in Ghana. Perhaps this is explained by the level of involvement of the various HR managers from the very beginning of the M&As process.

Communications Role of the HR Manager in M&As Process

The paper sought to examine the role of HR managers in communicating M&As information to key stakeholders. All the 29 respondents revealed that they were actively involved in communicating to employees and stakeholders the necessary information about the M&A. One of the respondents indicated that:

“I held branch meetings with our staff to let them know the implications of this M&A, the opportunities and threats it posed and how they could maximize this opportunity.....I visited each branch twice prior to the exercise”.

Indeed, HR managers are recognized and assigned the responsibility to communicate issues likely to affect to employees in the organization. Most of the respondents indicated that sensitizing workers about the incoming change, letting employees know that the advantages of the M&A outweigh its disadvantages

help in defusing any form of fear among employees thereby gaining their supports. A respondent stressed that;

“the HR was the main department tasked to communicate the M&A decision to the staff especially, those who were to be sent home and what was to be done for them as well as the need for the merger... the communication was initially done through e-mails, staff durbars and the use of the company bulletin. The durbars were held every two weeks and after two months, the affected staff was written to”.

In HR managers' communication roles, a respondent indicated a strict adherence to the Labor Act, 2003 (Act 651) in Section 65 in subsections 1 (a) and (b) in their approach to communicating the M&A decision to the key stakeholders. The Act states that;

“when an employer contemplates the introduction of major changes in production, program, organization, structure or technology of an undertaking that are likely to entail terminations of employment of workers in the undertaking, the employer shall (a) provide in writing to the Chief Labor Officer and the trade unions concerned, not later than three months before the contemplated changes, all relevant information including the workers likely to be affected and the period within which any termination is to be carried out, and (b) consult the trade union concerned on measures to be taken to avert or minimize the termination as well as measures to mitigate the adverse effects of any terminations on the workers concerned such as finding alternative employment”.

In respect of the frequency of communication, the results showed that some of the HR managers organized regular meetings and durbars to communicate information to the stakeholders about the M&As. The findings showed that the meetings and durbars are organized to minimize to provide information to employees about the purpose of the merger or acquisition.

A respondent indicated that:

“you therefore have to hold workers durbar to inform them about the truth, to dispel rumors, misinformation or disinformation”.

On the contrary, another respondent held the view that communication during M&As should be controlled. According to this respondent, since information coming out of M&As are not always good news, employees may not be committed after the M&A announcement.

Challenges of Integration During M&As

Some of the challenges identified in the research included culture incompatibility, adopting entirely new work processes, the problem of 'power play' where the dominant company strategically puts its personnel in key positions for example, finance and operations.

A respondent indicated that:

“there is the problem of different organizational cultures that must be merged. This is not achieved easily. It is really difficult, in fact, currently we are still training our staff to adapt to a new culture that matches our new strategy. I guess this may take a while to achieve. The second problem is the difference in organizational structure. It is HR's role now since the merger inevitably demands a restructuring to suite the acquiring company's strategy”.

In a response to a question as to how they dealt with the challenges, a respondent revealed that *“we organized orientation and reorientation for both local and expatriate staff to appreciate the need for a shift in culture and also realign behaviors and attitudes to meet the new corporate strategy. As regards the acquiring company getting its people into key positions, it was management decision for which HR has nothing much to do”.*

Further, the findings also identified training, education and communication as the main approaches adopted by the various HR managers in resolving the challenges posed by the M&A.

This paper showed that HR managers were actively involved in communicating issues concerning M&As to the key stakeholders. HR managers used various media to communicate the M&A decision. These include meetings, durbars, company bulletins, newsletters, and using union leaders. These efforts indicate the importance of communication to the success of any M&A process. The importance of communication to all M&As was amplified by Clemente and Greenspan (1998) who observed that, failure to communicate with employees could result in the spreading of unfounded rumors and anxiety

increases that may lead to negative attitudes towards the M&A. This is supported by Cartwright and Cooper (1996) that the success of M&As to a large extent, depends on the effective communication from the first minute of the announcement of the deal. The findings of this study did not reveal any major resistance to the M&As in Ghana. This shows that the HR managers did play their communication roles effectively.

The findings of the paper revealed that M&As process comes with a lot of challenges of integration. These challenges include cultural incompatibility, changes in organization structure leading to job losses or changes in positions and job roles, a shift from superior-subordinate performance system to a more integrated multi-tiered performance management approach.

There was also a challenge of synchronizing compensation schemes of M&As that may be accepted by the stakeholders. These challenges from the study were dealt with through various interventions including education, training and re-training, orientation and the use of change champions. Pande and Krishnan (2007) for instance, identified cultural dissimilarity as a major challenge which when not handled well may lead to altered behavior, reduced productivity, stress, illness, accidents, conflicts and a total lack of commitment to make mergers work.

Nickels, McHugh and McHugh (1999) have reiterated this point, arguing that cultural incompatibility is being widely reported as a cause of poor merger performance. Even though this study identified culture as a challenge, its negative effects as suggested by the supporting literature was not reported in any of the companies this research studied. This indicates that the HR managers had used the right interventions and did so effectively.

Staffing the New Company after the M&A

The study sought to examine the role of the HR managers in staffing the new organization after the M&A deal is concluded. All the 29 respondents revealed that they organized training and orientation workshops and seminars to get their workers prepared for their jobs. The following were some of the responses given:

“we retrained them and also embarked on orientation and used job rotation to get them prepared to become multi-skilled, a prerequisite for the new tasks and jobs introduced,...we used coaching, on-the-job training, formal education where some of the staff were sent outside to acquire specific experiences that the organization itself could not give in-house”.

“Employees were sent on short courses organized by various educational institutions in Ghana and abroad. The HR department itself organized re-orientation breaks where the values, the mission and vision of the firm are explained to stakeholders.....re-integration workshops, personal upgrade seminars, matured students classes and small scale business skills workshops...customer service training, general management and development programs.....training in computer skills for those who now have to use the computer in their daily jobs”.

These were the efforts deployed by the various HR managers to get their individual workers to live up to and work through the changes and demands of their new companies and the success of the M&A strategy.

The paper also showed that the various HR managers used training and retraining workshops, orientation and coaching to prepare their workers to enable them do their individual tasks effectively. According to the findings, the training workshops were organized either on- the –job or outside the company especially organized by educational training institutions. This finding is consistent with Flippo’s (1980). Flippo (1980) emphasized the importance of training as a means to achieve change in organizations. This is supported by Antila (2006) who conceived that, employee training and development is not only an activity that is desirable but also an activity that an organization must commit resources to if it is to maintain a viable and knowledgeable work force.

Managing Compensation During M&As

The most contentious issue HR managers have to deal with in any M&As situation is the issue of compensation (Pande and Krishnan, 2007). In view of this, one objective of the paper was to examine how HR managers deal with issues concerning compensation. Majority of the respondents indicated that

they played active roles in designing severance packages for affected staff as well as a new compensation scheme for the new companies. For instance, the respondents mentioned that they considered factors such as the number of years an affected employee worked with the company, his or her current salary level, the company's financial strength and more importantly the number of workers affected before they took any compensation decisions. A respondent stressed that:

“the length of service, the affected worker's current pay, the company's financial strength, the number of people going, because at the end, it is going to translate into cost.”

In respect of designing a common compensation scheme for the new company especially when it involves bringing employees who were paid on different compensation structures, majority of the respondents indicated it was a major challenge to them. They mentioned synchronizing pay tunes of expatriate workers and local employees had been one of the major problems.

The paper showed that in designing severance packages for affected staff, majority of the respondents were involved. This indicates how important the issue of compensation is in organizations. However, in designing a common compensation scheme that ensures equity for the new companies after the M&As, about half of the respondents did not face any problem at all because all they had to do was to use industry benchmarks which posed no difficulty. The other half of the respondents believed that there were disparities which they had to resolve that required a lot of effort and careful consideration. According to Pande and Krishnan (2007), two Indian firms; Glaxo and Wellcome could not merge for seven years because of high pay differential between their workers. The reason for the relatively smooth synchronization of pay schemes in Ghana could be attributed to the absence of high pay differential between the merging companies.

FRAMEWORK OF FACTORS THAT INFLUENCE HR MANAGERS' ROLE IN M&As

The main purpose of the paper was to propose a framework of the factors that influence HR managers' role in M&As process. The framework is the study's contribution to the literature. The framework also serves as a guide to HR managers and other individuals interested in M&As as a field of study.

Support from Management

The findings suggest that support from top management has an impact on the role of HR managers in an organization. Management support determines the role of HR managers in the M&A process. As one of the respondents indicated:

“having a seat on the management team reflects the importance of HR in an organization, however, it seems that the place on the management team does not automatically mean a strategic role or comprehensive involvement in the acquisitions process. It gives access to information, but the way information is used is left to HR managers themselves”.

This appears to suggest that support from top management is a critical factor in determining the effectiveness of the role the HR manager. As observed by Antila and Kakkonen (2007), many M&As cases take place in business units (BUs) and sometimes are not discussed at corporate level. For this reason, there is the need for good relationships and trust among HR managers, line and top managers.

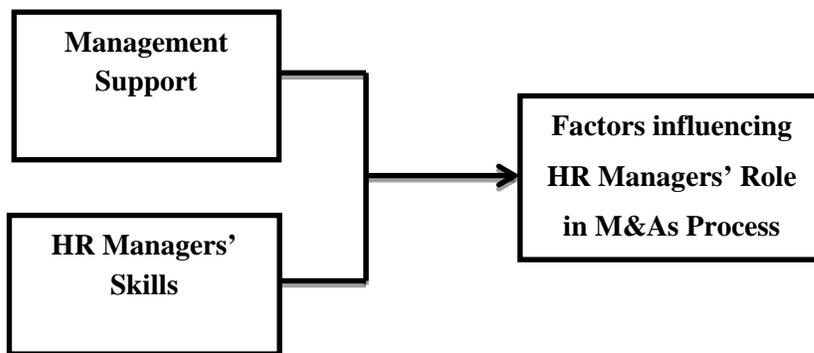
Skills of HR Managers in M&As

The most important factor that can affect the roles of HR managers is their ability to show the importance of HR-related issues in the M&As process. This argument was presented several times by both HR managers and other senior managers (Antila and Kakkonen, 2007). The technical, procedural and managerial skills of the HR Manager and their knowledge of the organization's business are two critical issues are very important in defining the factors the impact HR managers' activities in the M&A process.

One of the respondents indicated that, “my previous experience in M&As affects the roles I can play in the organization when it comes to decisions concerning subsequent M&As”.

In addition, HR managers need to be active and use self-initiative in their organizations. HR managers must actively figure out what is happening in the organization and offer their help to the managers responsible for M&As. Another respondent argued that “the HR manager’s capabilities and activities are tightly connected to his or her interpersonal skills as well”. This suggests that interpersonal skills and the ability to build relationships with other managers definitely affect the roles of the HR manager. Figure 1 below depicts a framework of factors that influence HR managers’ role in M&As process. The rationale behind the framework is that despite decades of academic research, scholars have paid little attention to the factors that impact on HR managers’ role during M&As process.

FIGURE 1
Framework of the Factors that Influence HR Manager’s Role in M&As Process



CONCLUSION

The various responses from the paper showed that the HR managers were actively involved in the M&As that have taken place in Ghana. Their involvement in the initial planning and preparation of the M&As, their advice in addition to the active roles they played in communicating the relevant information to stakeholders impacted positively on M&As process of the studied organizations. This appears to explain why there has not been any noticeable or violent resistance the M&As in Ghana.

The paper also showed that the HR managers were effective in using interventions to identify challenges such as cultural incompatibilities, redundancies, and staffing the new company. The lesson here is that with effective education, training and orientation coupled with effective communication and leadership, the challenges of M&As can be mitigated. This again explains why most organizations have not experienced any M&As failures in Ghana.

The findings showed that management support and skills of HR managers influence the role played by HR managers in the M&As process. Finally, the findings indicated that HR managers were involved in designing compensation systems that ensured equity for the companies created out of the M&As. Even though disparities and differentials were reported, the HR managers reported no difficulty in having their employees accepting the salaries negotiated for them. This finding runs contrary to what Pande and Krishnan (2007) reported in two Indian companies. They reported two cases of legal issues related compensation in M&A activity. According to Pande and Krishnan (2007), the two companies could not merge for seven years because of high pay differential between their workers. The relative ease with which HR managers in Ghana are able to design an acceptable compensation systems during M&As may be that there were no high pay differentials between employees of the acquired and the acquiring firms or between employees of the merging firms.

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