Article

Stakeholders' Influence on Mergers and Acquisitions:
A Research Review and Complementary Research Design

Ja Seung Koo

ABSTRACT

Mergers and acquisitions (M&As) have been attracted academic attentions over the many decades. Much of this interest has been about success of acquisition, majorly focusing on economic return of M&A and mainly take notice on focal organization and static environment around seller and buyer. However, even before achieving economic wealth through an acquisition, a number of deals have not been completed and bear serious damages to focal firms due to variety of external causes reflecting complicated dynamics between them. Stakeholders as external interest groups inside and outside organization affect firm decision making and expand the boundaries of influence. This research address corporate stakeholders' influence upon the execution of M&A by examining previous literatures on this area. As a result of this research, I propose a research model for empirical study and draw a numbers of propositions for future research.

Key word: M&A, stakeholder theory, research review

Ⅰ. INTRODUCTION

Merger and Acquisition (M&A) has been frequently applied as one of the most popular growth strategy. But, M&A should be carefully addressed considering its intrinsic risks such as massive early stage investment and difficulty in realizing expected synergies. For that reason, achieving successful result of M&A becomes a critical matter not only for the successful implementation of strategic plan, but also for a firm' s survival. Thus, academic and practical attentions on the determinants of successful M&A have been continued.

A large number of academic researchers had been studied determinants of successful M&A, such as how to select or appraise appropriate target or industry, how to address integration process, and so on. In many cases, studies focused specifically on financial aspect of deal, organization or culture aspects, and strategic dimensions to have answers on each specific issue. However, few studies have been taking a look into stakeholders around deal progress yet. Importance of stakeholders had been academically examined in various ways and public attentions on stakeholders' influence on corporate business operations have been growing. Frooman (1999) indicated stakeholder' s influence on a firm' s strategic decision making process. Thus, stakeholders' influence or intrusion on strategically critical decision making process, such as M&A should be expected and well-planned to manage it appropriately. So, I would like to carry out a study of stakeholders' influence on M&A through examining existing researches to draw a complementary research model to perform empirical analysis.

Ⅱ. STAKEHOLDER THEORY AND M&A

Stakeholders surrounding corporate business activities exerts a strong influence on business operations and firm performance. Academic researches indicated that an organization cannot be sustained unless stakeholders should not be managed properly (Freeman, 1984 ; Carrol, 1991; Clarkson, 1995 ; Mason, Kirkbride, and Bryde, 2007). Stakeholders' interest, power, and their relational structure founded the base of agreement or contract with focal firm and it restricts firm' s decision making on business operations and choice of strategic options. This relationship can be influenced when firm makes a crucial strategic decision such as M&A, which leads variety of responses from each stakeholders. Since each stakeholder has different interest and different power and influence on the organization, focal firm needs to have precise understanding on stakeholder environment including their relational structure when making critical strategic decisions such as M&A. This is not only for the completion of decision making process, but also for the ultimate success of strategic decision.

Stakeholder researches have been conducted so far can be categorized by three streams based on research themes. First of all, there have been studies focused on stakeholders' strategic activities in relation with focal firm. With this perspective, some researches paid attention on focal firm' s stakeholder management strategy (Jawahar and MacLaughlin, 2001; Savage, Nix, Whitehead and Blair, 1991). And Frooman (1999) addressed the influence of stakeholders on corporate decision making. In addition, there have been researched regarding focal firm and stakeholders' decision making based on the identification of stakeholders' relational network and dyadic characteristics of focal organization and stakeholders (Pajunen, 2006, Savage et al., 1991). Secondly, stakeholder studies have been focused on the identification of stakeholders. To make clear understanding on various stakeholders, researchers have been tried to make lucid explanation on defining stakeholders. Preston (1989) posited stakeholders can be recognized and grouped based on their economic and legal right on terms with focal organization. And Frooman (1999) focused on stakeholders' resource and its influence on organization's sustainability and growth. Pajunen (2006) took notice on the position and power of stakeholders among economic and social network. This viewpoint provided deeper understanding on stakeholders and give solid foundation of stakeholder management strategy. The last stream of stakeholder research is about the motivation of stakeholders' action. Researches asserted stakeholders move not only according to the primary economic interest, but also they respond to the case that their current identity or position is threatened (Rowley and Moldonevau, 2003). In other words, interest asymmetry or conflict between stakeholders and their complicated relational dynamics would be recognized as a strong motivation of stakeholders' action.

Research themes described above provide 'static' accounts for the dynamics between stakeholders and focal organization so that academic literatures addressing organizational change or transition are rarely discovered. Researches are mostly about identifying stakeholders' characteristics and considering new entities into a category of stakeholders by accepting external environment change. Historical organizational transition or extensive changes in strategic direction had not been explored from any stakeholder studies yet. Thus, this research would like to examine stakeholder perspective upon a crucial event of organizational change such as M&A.

Ⅲ. ANNOUCEMENT OF M&A TO DEAL COMPLETION

M&A process can generally be categorized by three phases: pre-announcement stage, post-announcement to deal closing or withdrawal, and post-acquisition integration. Before making public announcement of acquisition, acquirer conducts pre-due diligence with publicly available target information, preliminary valuation and pricing based on estimating potential synergies, preparing and deliver 'letter of intent', preliminary negotiation on the transaction and secondary due-diligence under the mutual agreement of deal progress. Public announcement for an acquisition is made under the agreement of potential acquirer and target firm managements on the proposed conditions of transaction. In most cases, deal progress and its related information keeps confidential and decision making authorities are limited to several top management and key decision makers before announcement stage (Koo, 2012). After publicly noticing a forthcoming transaction, acquirer firm perform more detailed due diligence to realize expected synergies and find any unexpected issues or problematic issues to finalize acquisition process. Of course, if there were any surprising issues and problems or serious difficulties in achieving targeted synergies, proposed deal could be withdrawn. Third stage of deal process is a phase of integrating two entities to one firm after finalizing the proposed transaction. It could be an entire organization integration or partial operational integration or sharing key functions and so on, which aims to achieve eventual success of transaction. As commented in earlier chapter, variety of stakeholders around corporate business operation affects in many different ways including firm's strategic decision making process such as M&A. In case of progressing M&A, stakeholders' influence starts appearing from the second stage of acquisition process. Since deal related information that kept in secret so far release with public announcement, various stakeholders can get to know the deal and prepares for the proposed transaction.

To address stakeholders' influence on the M&A, I would like to focus on the second stage of deal process, which is 'after the announcement to deal completion or withdrawal' stage. After the public announcement of acquisition, stakeholders surrounding proposed deal start responding through reckoning their gain and loss in the post-acquisition stage. Stakeholders who foresee maintaining or enhancing their current power and position after the acquisition, they strongly support the deal and give positive influence on the deal progress. On the other hand, ones who predict losing their present power and position in the result of transaction, they resist against proposed deal progress (Wong and O' Sullivan, 2001). Before making public announcement, acquirer firm performs target firm valuation based on the result of due diligence and estimation of synergy effect. However, to make deal successful in the end by achieving targeted synergy, various stakeholders' cooperative effort and support is necessary. Thus, appropriate management of stakeholders' response and leading the deal to be completed as expected is a critical success factor for M&A in the beginning stage.

Table 1 describes major findings of prior researches addressed deal completion and withdrawal. Deal completion or withdrawal is a preliminary result of proceeding M&A. Numbers of literatures have been addressed post-announcement and deal completion or withdrawal issues and discovered various implications and findings on causal relationship between several factors and success or failure of transaction. However, most researches have been conducted so far on this theme, focused only on unilateral and static characteristics of acquirer and target firm, such as corporate governance structure, top management compensation, management turnover, size, and so on. Little researches containing

Table1. Prior researches on deal completion and withdrawal

Author	Year	Sample	Key Findings
Pound	1986	56 withdrawn deals in U.S. (1974～1985)	- After the abandonment, target firms' shareholders get negative economic impact
Parkinson and Dobbins	1993	77 abandoned deals in U.K. (1975～1984)	- After the withdrawal of deal, cumulative abnormal return (CAR) of targets increase within a given time period (up to 12months)
Duggal and Millar	1994	86 acquisitions in U.S. (1984～1987)	- Abandoned target firms show less management ownership than completed deals - Completed deals were smaller than withdrawn deals
Agrawal and Walkling	1994	182 M&As in U.S. (1980～1986)	- Found no significant difference in top management compensation between completed and withdrawn deals - Successfully completed deals show higher turnover in CEO and top management positions than abandoned deals
Raad and Ryan	1995	207 acquisitions in U.S. (1984～1991)	- Completed deals show lower debt ratios than abandoned deals - Completed deals are smaller than withdrawn deals
Dennis and Serrano	1996	98 withdrawn deals in U.S. (1983～1989)	- 34% of samples show turnover of top management after bid failure
Franks and Mayer	1996	58 target firms and non-targeted firms matched in U.K. (1985～1986)	- Acquired and abandoned target firms show higher management turnover than a matched non-targeted firms- Abandoned targets show higher turnover than acquired targets
O'Sullivan and Wong	1998	331 M&As in U.K. (1989～1995)	- Successful deals show greater managerial ownership than withdrawn deals

comprehensive perspective which can account for multiple determinants of successful transaction and reflects M&A’ s dynamic characteristics with empirical research settings, have been found yet.

Ⅳ. STAKEHOLDERS' INFLUENCE ON DEAL COMPLETION

Stakeholders are organization or individual who affect and are influenced by firm's achievement and performance (Freeman, 1984). Stakeholders can be grouped by primary and secondary stakeholders. Primary stakeholders are shareholder, employees, customers, suppliers and so on, who interact much closely with organization while secondary stakeholders include government, community, and particular interest groups (Clarkson, 1995; Waddock, 2006). I would like to focus on primary stakeholders of shareholder, employees, and lender as a supplier of financial resources and examine these stakeholders' response to the event of M&A based on the findings of related academic literatures.

Employee. Although employees are one of the most important stakeholders inside organization, they are often excluded from major decision making process such as M&A or not noticed for the progress adequately. Despite decision making authority is concentrated on a few top management level for more efficient decision making process, there should be sufficient consideration on employees who need to substantially cooperate in the realization of expected synergies and amicable integration. In particular, appropriate communications with field workers in large-scale manufacturing facilities or sales personnel on the major change of strategic direction should be necessary since maintaining close and cooperative relationship with them even in normal business operations is crucial for the successful operational performance. Overlooking the importance of maintaining cooperative relationship with employees, results in withdrawing of proposed M&A due to employees' strong resistance and often causes an overall failure of M&A by losing key workforces after the deal (Moran, 2014).

When executing an M&A, stakeholders try to consider their gains and losses in advance of complete settlement of deal to defend themselves against any potential loss due to the proposed transaction. Based on their calculation, stakeholders set their stance for the proposed M&A. Stakeholders including employees have inclination of defending their existing advantages and try not to lose any of them. Thus, for example, target firm employees pay attention on acquirer firm employees' compensation level to compare with their current level and they can expect their incomes to be raised after the acquisition (Moran, 2014). If employees can expect any possibility of having benefits from the proposed transaction, they will become a strong supporter of the deal and acquirer firm can be relatively easy to persuade them and pay less effort and cost for the success of deal closing. Avkiran (1999) discovered acquirer firm is expected to be more generous, reasonable and innovative than target firms, in terms of compensating merged firm employees and operating human-resource management policies. Another research indicated acquiring firm provides more compensations especially when acquiring overseas targets (Conyon, Girma, Thompson, and Wright, 2002). In addition, according to Parvinen and Tikannen (2007)' s research, incentive asymmetry when proceeding M&A results organization members' opportunistic behavior and it can be connected to an overall negative impact on the success of M&A. All in all, it is discovered from previous studies that employees are sensitive on gain and loss after a firm' s strategic transition such as M&A and generally expect to be better off after the proposed change. Thus, firms need to address employees' expectation especially when executing M&A to avoid any unexpected resistance and opposition of employees against deal progress, which can lead the deal to be unsuccessful.

Shareholder. In general, target firm shareholders can get benefited by bid premium immediately after the acquisition and it had been empirically tested by various studies (Jarrell and Poulsen, 1989; Bradley, Desai, and

Kim, 1988). Acquirer firm shareholders are expected to be benefited through realizing post acquisition performance (Jarrell and Poulsen, 1989; Laughran and Ritter, 1997). Shareholders generally achieve investment returns through dividend unless they sell their shares in the market. Thus, shareholders who keep their shares in post deal stage, consider carefully on the next stage of M&A transaction (Dorata, 2012). Investors basically focus on corporate business performance, mainly on financial aspect of outcome and try to influence on business operations to achieve better financial benefits in the end. Plus, how much to share among realized profits is one of the most important issue for shareholders as well. Sine dividend propensity is differed by business entity, being a shareholder in highly compensating firm is crucial matter for every investor. Thus, for shareholders' perspective, merging firm' s dividend propensity is a significantly important issue to consider in addition with normal firm performance.

Lender. Financial institutions such as banks have been expanded their business portfolio so that they succeeded in possessing multiple business operations and become financial conglomerates. Financial conglomerates are able to leverage banks' solid business relationship with borrowers to bring various additional business opportunities to other business entities in conglomerate, such as issuing bond, IPO, M&A advisory and so on. Once established, financial conglomerates focus on maximization and realization of synergies between each business portfolios. Recently, banks are not only trying to get profits from a loan business, but also take as many opportunities in financial services as they would be able to. So far, academic research has been paid attention majorly on borrower' s benefit when addressing lender-borrower relationship considering bank' s limited business operations and its relatively fractional benefit (Bharath, Dahiya, Saunders, and Srinivasan, 2007). Thus, recent researches on lender-borrower relationship address lending operations' diverse synergies within financial conglomerates (Bharath et al., 2007). Banks' information on borrower firm frequently includes important internal business secrets. This makes difficult for a borrowing firm to switch main lenders easily and lenders try to utilize this relational assets (Petersen and Rajan, 1994). Bank' s effort on managing client relationship and variety of marketing activities to maintain and expand client basis closely relates with achieving and maintaining relational assets as mentioned above. In this context, as a supplier of financial resources, a large-scale strategic change of focal firm such as M&A should be appropriately responded to be connected with new opportunities for lenders. Drucker and Puri (2005) also pointed out financial institutions' broadening roles of lender, advisor and so on and paid attention on the case of M&A, as an event of providing good business opportunities to financial institutions. Providing variety of services and having more chances to make business with current client must be one of the biggest motivation for current lenders and they can be substantial supporter of transaction from various aspects. However, M&A cannot always provide good opportunities for current lenders. To take advantage of the opportunities, lenders need to understand well on the situation and carefully examine the benefits or losses of proposed transaction. Solidity of relationship with borrower, client' s status in the proposed deal, and possibility to expand business to newly merged firm would be elements that lenders should assess carefully when deciding their stance on proposed deal execution.

Lenders and financial conglomerates may deeply participate in client' s deal execution to make the best use of their expanded business portfolios. Lenders' participation in the deal executing progress itself can enhance their relational assets with clients and provides chances to discuss further strategic concerns, which may give more business chances to lenders.

V. OTHER FACTORS INFLUENCING ON DEAL COMPLETION

Stakeholders are not a single element influencing on the success of M&A execution. A number of management researches have been discovered various determinants that effect a success of deal and they influence together with stakeholders. To approach stakeholders' impact more precisely in empirical setting, other factors' influence on the result should be considered in advance and need to be appropriately prepared in methodological dimension.

Competing bidders have often been considered as an important determinant of deal success. After a public announcement of M&A, organization can have more internal pressures to complete the announced deal successfully by wining competitors. Including M&A team and top management who are primarily responsible for the initiative of M&A execution, whole organization becomes recognized importance of progressing and completing M&A and can share responsibilities for the success of deal after public announcement stage. Existence of competing bidders reminds organization of a possibility to lose a chance of proposed deal, which can result in massive damages of organization and this affects deal completion probability (Puranam, Powell, and Singh, 2006; Schweiger, 2002). In addition, Capital markets around acquirer and target firms also give pressures to complete the deal. Withdrawal of publicly announced deal negatively influences on acquirer and target firm stock prices in the short term (Bradley, Desai, and Kim, 1983). So, managements try hard to complete the deal instead of withdrawing it once the deal is noticed to capital market formally (Holl and Pickering, 1988). Plus, public announcement of deal should be based on an agreement between acquirer and target firm, withdrawal of announced M&A would be accompanied by massive termination fee. Immediate monetary damage by breaking agreement should be a huge burden for organization so that they try to avoid it (Bates and Lemmon, 2003). Also, financial advisors such as investment banks who support and represent seller and buyer' s interest during the whole progress of M&A are frequently hired in large-scale M&As and they work under the success fee based contract. Thus, financial advisors have sufficient motivation to influence positively on deal completion probability (Hunter and Jagtiani, 2003).

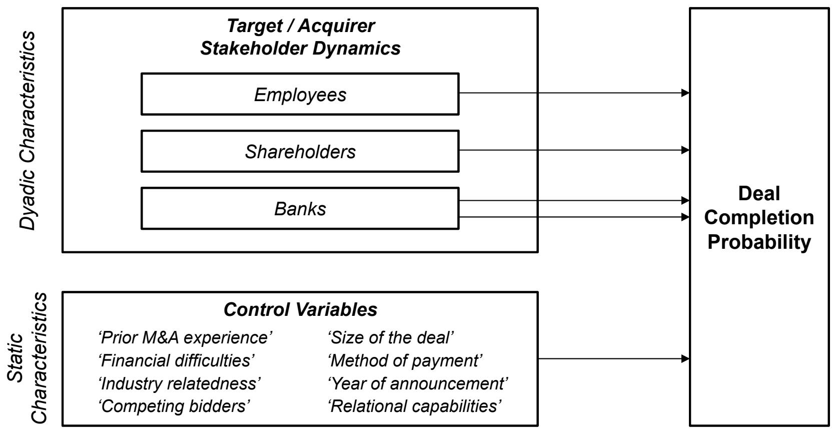
Stakeholders except who described above chapter, affect deal progress in many aspects. For example, labor union reacts to M&A as a more organized form of employees' respond after the public announcement. Since labor union represents not only a reinforced form of employees and preserve their interest as a whole, but also possesses a nationwide union network to be mobilized when opposing employer' s decision, it can be regarded an important factor influencing on the success of deal execution (Bebenroth and Hemmert, 2015). Plus, regulatory environment such as anti-trust policy restricts and does not allow mergers which can threaten consumers' right and interest. Thus, government' s regulatory environment on protecting consumers' right and interest can also effect the deal progress and it should be carefully examined in advance of deciding a progression of the deal. In addition to government and policy issues, non-profit organizations and external interest groups such as environmental pressure group try to intervene actively in the process of large-scale M&As to improve their presence and extend the boundaries of influence (Cordano, Frieze, and Ellis, 2004). More and more stakeholders around M&A take notice of corporate' s strategic decision such as M&A, which requires managers and top managements of an organization to take a good care of each stakeholder' s reactions appropriately and timely.

Ⅵ. PROPOSITIONS FOR FURTHER RESEARCH

Previous researches have been examined various influences of stakeholders and their growing impact on focal firm' s strategic decision making process. M&A, as a frequently applied strategic option which has significant influence on stakeholders, can be introduced to the research setting on stakeholders' study. Figure1 accounts for a research model addressing stakeholders' influence on M&A.

Prior stakeholder researches describe primary stakeholders with a closer and more direct relationship with focal organization. Employees, shareholders, lenders, and suppliers are examples of primary stakeholders while community, government, and external interest groups are regarded as secondary stakeholders (Clarkson, 1995; Waddock, 2006). Research model consider primary stakeholders as independent variables including employees, shareholders and lenders and examine the impact of target and acquirer firm stakeholders' characteristics difference on deal completion probability and acquisition premium, which represents for the success and

Figure1. Proposed research model with primary stakeholders



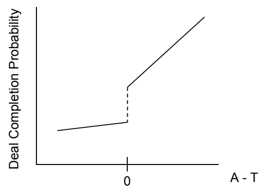
difficulties of proposed deal progress respectively. To enhance model's accountability, I include a number of control variables of which associations with deal completion probability and acquisition premium have been discovered in prior studies. Prior M&A experience, deal size, firm financial performance, methods of payment, industry relatedness, year of announcement, existence of competing bidders, relational capabilities are considered as control variables.

As for the relationship between acquirer and target stakeholders' characteristics difference and M&A progress, I draw propositions for each

Figure 2. Hypothetical relationship between stakeholders and deal completion probability

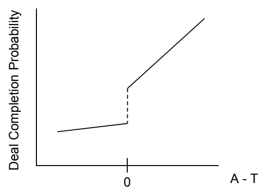
Proposition 1 - Employees
(Employees average compensation difference)

- The higher the average compensation of acquirer employees than target employees, the more likelihood of deal completion
  - Yet, when acquirer employees average compensation becomes lower than target's, likeliness of deal completion would be dramatically fall down due to target employees' tendency to avoid uncertainty and ambiguity in post-acquisition stage
  - Target employees can foresee potential increase in the compensation level when post-acquisition integration stage if acquirer shows higher compensation level (Waddock and Graves, 2006)



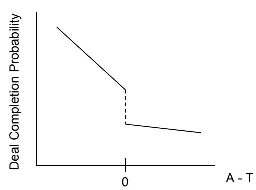
Proposition 2 - Shareholder
(Dividend propensity difference)

- Acquirer firm's higher payout ratio than target allows more likeliness of deal completion
  - However, deal completion ratio can be dropped down once acquirer's propensity becomes lower than target's. Target shareholders can have worries about post-acquisition period
  - During the post-merger integration stage, from the cost efficiency perspective, acquiring firms tend to avoid any unnecessary practices target firms possess (Chatterjee, 1992)



Proposition 3 - Bank
(Difference in main bank dependency)

- The more target's loan amount than acquirer's allows the higher deal completion probability
  - But, when acquirer firm shows more dependency on the bank, likeliness of deal completion would be dramatically fall down since target's main bank can be worried about losing their current power after the deal is closed
  - Financial integration intends not only integrated finance and accounting management system, but also pursue synergies through integrating bank, accounting firm, and all sort of service providers for realizing scale economy (Steynberg et al, 2011)



stakeholder as below.

Proposition 1. (Employees) Acquirer employees' higher average compensation will result in a positive response of target firm employees that raise completion probability or reduce acquisition premium

Proposition 2. (Shareholder) Acquirer's higher dividend propensity leads positive reaction from target firm shareholders that increase completion probability or decrease acquisition premium

Proposition 3. (Lender) Acquirer firm's higher propensity for having loans encourage positive respond from target firm's main bank that raise completion probability or depreciate acquisition premium

Ⅶ. CONCLUSION

Numbers of academic researches on M&A have been focused on internal elements when addressing success factors of M&A. However, considering recent changes of business environment require a firm to cope appropriately with diverse internal and external stakeholders to avoid any unnecessary troubles in executing important strategic initiatives such as M&A. In that context, this research contributed to change existing inward-looking viewpoint to outwards. Practitioners and academic researchers are encouraged to have insights on managing stakeholders' influences and their potential risks to break the deal and miss targeted synergies of M&A.

In addition, this study induced dynamic and dyadic perspective when considering stakeholders' influence. Since stakeholder researches carried out so far have not been approached changing environment or transition period of a firm, this study postulates a dynamic setting of M&A when approaching stakeholders' effect. Plus, reflecting the nature of M&A, pair of acquirer and target firm stakeholders' characteristics or differences are considered. To avoid a unilateral standpoint on the stakeholders around

M&A, this study introduced dyadic viewpoint to address stakeholders impact more efficiently.

Lastly, prior studies on M&A and stakeholder theory had been indicated stakeholders' reactions on M&A piece by piece. This research collected ideas and findings of previous studies and try to draw a complementary research model to provide exhaustive account for stakeholders' influence on M&A. Performing empirical analyses based on the proposed research model should be interesting and meaningful for both academic and practical purposes.

References

Agrawal A, Walkling R. 1994. Executive careers and compensation surrounding takeover bids. *Journal of Finance* **49**(3): 985-1014.

Avkiran N. 1999. The evidence on efficiency gains: The role of mergers and the benefits to the public. *Journal of Banking and Finance* **23**(7): 991-1013.

Bates T, Lemmon M. 2003. Breaking up is hard to do? An analysis of termination fee provisions and merger outcomes. *Journal of Financial Economics* **69**: 469-504.

Bebenroth R, Hemmert M. 2015. Country-level antecedents of target firms' post-acquisition business performance: A study of inbound Japanese and Korean M&As. *Asian Business & Management* **14**: 303-325.

Bharath S, Dahiya S, Saunders A, Srinivasan A. 2007. So what do I get? The bank' s view of lending relationships. *Journal of Financial Economics* **85**(2): 368-419.

Bradley M, Desai A, Kim E. 1983. The rationale behind interfirm tender offers: information or synergy? *Journal of Financial Economics* **11**: 183-206.

Bradley M, Desai A, Kim E. 1988. Synergistic gains from corporate acquisitions and their division between the stockholders of target and acquiring firms. *Journal of Financial Economics* **21**(1): 3-41.

Capron L. 1999. The long-term performance of horizontal acquisitions. *Strategic management journal* **20**: 987-1018.

Carroll A. 1991. The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons* **34**(4): 39-48.

Cartwright S, Cooper C. 1993. The Role of Culture Compatibility in Successful Organizational Marriage. *Academy of Management Executive* **7**(2): 57-70.

Cartwright S, Cooper C. 1996. *Managing mergers, acquisitions, and strategic alliances: Integrating people and cultures.* Oxford, UK: Oxford University Press.

Chatterjee S. 1986. Types of synergy and economic value: The impact of acquisition on merging and rival firms. *Strategic management journal* **7**(2): 119-139.

Clarkson M. 1995. A stakeholder framework for analyzing and evaluating corporate social performance. *Academy of Management Review* **20**(1): 92-117.

Conyon M, Girma S, Thompson S, Wright P. 2002. The productivity and wage effects of foreign acquisition in the United Kingdom. *The Journal of Industrial Economics* **50**(1): 85-102.

Cordano M, Frieze I, Ellis K. 2004. Entangled Affiliations and Attitudes: An Analysis of the Influences on Environmental Policy Stakeholders' Behavioral Intentions. *Journal of Business* Ethics **49**: 27-40.

Datta D. 1991. Organizational fit and acquisition performance: Effects of post-acquisition integration. *Strategic Management Journal* **12**(4): 281-297.

Datta D, Pinches G, Narayanan V. 1992. Factors influencing wealth creation from mergers and acquisitions: a meta-analysis. *Strategic management journal* **13**(1): 67-84.

Denis D, Serrano J. 1996. Active investors and management turnover following unsuccessful control contests. *Journal of Financial Economics* **40**(2): 239-266.

Dorata N. 2012. Determinants of the strengths and weakness of acquiring firms in mergers and acquisitions: A stakeholder perspective. *International Journal of Management* **29**(2): 578-590.

Drucker S, Puri M. 2005. On the benefits of concurrent lending and underwriting. *Journal of Finance* **60**(6): 2763-2799.

Duggal R, Millar J. 1994. Institutional investors, antitakeover defenses and success of hostile takeover bids. *Quarterly Review of Economics and Finance* **34**(4):387-402.

Franks J, Mayer C. 1996. Hostile takeovers and the correction of managerial failure. *Journal of Financial Economics* **40**(1): 163-181.

Freeman R. 1984. S*trategic Management, A Stakeholder Approach.* Marshfield, MA: Pitman Publishing.

Frooman J, Murrell A. 2005. Stakeholder influence strategies: The roles of structural and demographic determinants. *Business & Society* **44**: 3-31.

Frooman J. 1999. Stakeholder influences strategies. Academy of Management *Review* **24**(2): 191-205.

Holl P, Pickering J. 1988. The determinants and effects of actual, abandoned and contested mergers. *Managerial and Decision Economics* **9**: 1-20.

Hunter W, Jagtiani J. 2003. An analysis of advisor choice, fees, and efforts in mergers and acquisitions. *Review of Financial Economics* **12**: 65-82.

Jarrell G, Poulsen A. 1989. The returns to acquiring firms in tender offers: evidence from three decades. *Finance Management* **18**: 12-19.

Jawahar I, McLaughlin G. 2001. Toward a descriptive stakeholder theory: An organizational life cycle approach. *Academy of Management Review* **26**(3):397-414.
King D, Dalton D, Daily C, Covin J. 2004. Meta-analyses of post-acquisition performance: Indications of unidentified moderators. *Strategic management journal* **25**(2): 187-200.
Koo JS. 2012. Theoretical research on the determinants of successful M&A focusing on post-merger integration and organizational culture in cross-border transaction: A research *review. The Bulletin of Graduate School of Commerce, Waseda University* **75**: 33-56.
Lamberg J, Pajunen K, Parvinen P, Savage G. 2008. Stakeholder management and path dependence in organizational transitions. *Management Decision* **46**(6):846-683.
Larsson R, Lubatkin M. 2001. Achieving acculturation in mergers and acquisitions: An international case study. *Human Relations* **54**(12): 1573-1607.
Laughran T, Ritter J. 1997. The operating performance of firms conducting seasoned equity offerings. *The Journal of Finance* **52**(5): 1823-1850.
Mason C, Kirkbride J, Bryde D. 2007. From stakeholders to institutions, the changing face of social enterprise governance theory. *Management Decision* **45**(2): 284-301.
Moran A. 2014. Welfare benefits in a merger and acquisition context. *Employee Relations Law Journal* **40**: 76-85.
O’Sullivan N, Wong P. 1998. The impact of board composition and ownership on the nature and outcome of UK takeovers. *Corporate Governance: An International Review* **6**(2): 92-100.
Pajunen K. 2006. Stakeholder influences in organizational survival. *Journal of Management Studies* **43**(6): 1261-1288.
Parkinson C, Dobbins R. 1993. Returns to shareholders in successfully defended takeover bids: UK evidence 1975-1984. *Journal of Business Finance & Accounting* **20**(4): 501-520.
Parvinen P, Tikkanen H. 2007. Incentive asymmetries in the mergers and acquisitions process. *Journal of Management Studies* **44**(5): 759-787.
Petersen M, Rajan R. 1994. The benefits of lending relationships: evidence from small business data. *Journal of Finance* **49**(1): 3-37.
Pound J. 1986. Takeover defeats hurt shareholders: A reply to the Kidder Peabody study. *Midland Corporate Finance Journal* **4**: 33-38.
Preston L. 1989. Stakeholder management and corporate performance. *Journal of Behavioral Economics* **19**(4): 361-375.
Puranam P, Powell B, Singh H. 2006. Due diligence as a signal detection problem.

Strategic Organization **4**(4): 319-348.
Raad E, Ryan R. 1995. Capital structure and ownership distribution of tender offer targets: An empirical study. *Financial Management* **24**(1): 45-56.
Ray S. 2012. Cultural dimension analysis of AOL-TimeWarner Merger. *Journal of Applied Library and Information Science* **1**: 39-41.
Ravenscraft D, Scherer F. 1987. *Mergers, sell-offs, and economic efficiency.* Washington, DC: Brookings institution.
Rowley T, Moldonevau M. 2003. When will stakeholder groups act? An interest- and identity-based model of stakeholder group mobilization. *Academy of Management Review* **28**(2): 204-219.
Savage G, Nix T, Whitehead C, Blair J. 1991. Strategies for assessing and managing stakeholders. *Academy of Management Executive* **5**: 61-75.
Schweiger D. 2002. *M&A Integration.* New York: McGraw-Hill.
Steynberg RP, Veldsman TH. 2011. A comprehensive, holistic people integration process for mergers and acquisitions. *SA Journal of Human Resource Management* **9**(1): 242-257
Waddock S. 2006. *Leading Corporate Citizens: Vision, Values, Value Added.* New York: McGraw-Hill.
Waddock S, Graves S. 2006. The impact of mergers and acquisitions on corporate stakeholder practices. *Journal of Corporate Citizenship* **22**: 91-108.
Wong P, O' Sullivan N. 2001. The determinants and consequences of abandoned takeovers. *Journal of Economic Surveys* **15**(3): 145-186.